

世界 華文

媒體 MEDIA CHINESE

Interim Report 2023/24

世界華文媒體有限公司
Media Chinese International Limited

明報
MING PAO DAILY NEWS

星洲日報
SIN CHEW DAILY

南洋商報
NANYANG SIANG PAU

中國報
CHINA PRESS

光明日報
Guang Ming Daily

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2023

		(Unaudited)	
		Six months ended 30 September	
		2023	2022
	Note	US\$'000	US\$'000
Turnover	7	77,482	66,666
Cost of goods sold		(57,854)	(41,548)
Gross profit		19,628	25,118
Other income	8	2,884	4,578
Other losses, net	9	(363)	(403)
Selling and distribution expenses		(14,966)	(15,117)
Administrative expenses		(11,649)	(10,840)
Net (provision for)/reversal of loss allowance on financial assets		(47)	32
Other operating expenses		-	(947)
Operating (loss)/profit	10	(4,513)	2,421
Finance costs	11	(608)	(262)
Share of results of an associate and a joint venture		(11)	(4)
(Loss)/profit before income tax		(5,132)	2,155
Income tax expense	12	(207)	(1,352)
(Loss)/profit for the period		(5,339)	803
(Loss)/profit attributable to:			
Owners of the Company		(4,914)	1,044
Non-controlling interests		(425)	(241)
		(5,339)	803
(Loss)/earnings per share attributable to owners of the Company			
Basic (US cents)	13	(0.29)	0.06
Diluted (US cents)	13	(0.29)	0.06

The above condensed consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2023

	(Unaudited)	
	Six months ended 30 September	
	2023	2022
	US\$'000	US\$'000
(Loss)/profit for the period	(5,339)	803
Other comprehensive (loss)/income		
Item that may be reclassified subsequently to profit or loss:		
Currency translation differences	(7,890)	(13,216)
Item that will not be reclassified subsequently to profit or loss:		
Fair value change on financial assets at fair value through other comprehensive income	(476)	133
Other comprehensive loss for the period, net of tax	(8,366)	(13,083)
Total comprehensive loss for the period	(13,705)	(12,280)
Total comprehensive loss for the period attributable to:		
Owners of the Company	(13,147)	(12,071)
Non-controlling interests	(558)	(209)
	(13,705)	(12,280)

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

		(Unaudited) As at 30 September 2023 US\$'000	(Audited) As at 31 March 2023 US\$'000
	Note		
ASSETS			
Non-current assets			
Property, plant and equipment and right-of-use assets	15	47,116	51,588
Investment properties		22,785	23,936
Intangible assets		6,154	6,853
Deferred income tax assets		90	128
Investments accounted for using the equity method		34	44
Financial assets at fair value through other comprehensive income		797	1,269
		76,976	83,818
Current assets			
Inventories		10,308	11,145
Trade and other receivables	16	20,553	18,866
Financial assets at fair value through profit or loss		2,400	2,849
Income tax recoverable		497	324
Short-term bank deposits		31,003	32,049
Cash and cash equivalents		58,139	61,524
		122,900	126,757
Current liabilities			
Trade and other payables	17	21,616	17,969
Contract liabilities		13,948	11,513
Income tax liabilities		831	1,050
Bank and other borrowings	18	21,313	21,070
Lease liabilities		275	263
Current portion of other non-current liabilities	19	24	25
		58,007	51,890
Net current assets		64,893	74,867
Total assets less current liabilities		141,869	158,685

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

		(Unaudited)	(Audited)
		As at	As at
		30 September	31 March
		2023	2023
	<i>Note</i>	US\$'000	US\$'000
EQUITY			
Equity attributable to owners of the Company			
Share capital	20	21,715	21,715
Share premium	20	54,664	54,664
Other reserves		(132,148)	(123,915)
Retained earnings		193,405	200,850
		137,636	153,314
Non-controlling interests		(1,308)	(750)
Total equity		136,328	152,564
Non-current liabilities			
Lease liabilities		216	359
Deferred income tax liabilities		3,714	4,069
Other non-current liabilities	19	1,611	1,693
		5,541	6,121
		141,869	158,685

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2023

(Unaudited)

	Attributable to owners of the Company					Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Sub-total		
Note	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 April 2022	21,715	54,664	(117,583)	203,678	162,474	(279)	162,195
Profit/(loss) for the period	–	–	–	1,044	1,044	(241)	803
Other comprehensive (loss)/income							
Item that may be reclassified subsequently to profit or loss:							
Currency translation differences	–	–	(13,213)	–	(13,213)	(3)	(13,216)
Item that will not be reclassified subsequently to profit or loss:							
Fair value change on financial assets at fair value through other comprehensive income	–	–	98	–	98	35	133
Other comprehensive (loss)/income, net of tax	–	–	(13,115)	–	(13,115)	32	(13,083)
Total comprehensive (loss)/income for the period ended 30 September 2022	–	–	(13,115)	1,044	(12,071)	(209)	(12,280)
Total transactions with owners, recognised directly in equity							
2021/2022 interim dividend	14	–	–	(2,531)	(2,531)	–	(2,531)
2021/2022 interim dividend paid by an unlisted subsidiary		–	–	–	–	–*	–*
		–	–	(2,531)	(2,531)	–*	(2,531)
At 30 September 2022	21,715	54,664	(130,698)	202,191	147,872	(488)	147,384

* negligible

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2023

	(Unaudited)							
	Attributable to owners of the Company					Non-controlling interests	Total equity	
	Share capital	Share premium	Other reserves	Retained earnings	Sub-total			
Note	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
At 1 April 2023		21,715	54,664	(123,915)	200,850	153,314	(750)	152,564
Loss for the period		-	-	-	(4,914)	(4,914)	(425)	(5,339)
Other comprehensive loss								
Item that may be reclassified subsequently to profit or loss:								
Currency translation differences		-	-	(7,886)	-	(7,886)	(4)	(7,890)
Item that will not be reclassified subsequently to profit or loss:								
Fair value change on financial assets at fair value through other comprehensive income		-	-	(347)	-	(347)	(129)	(476)
Other comprehensive loss, net of tax		-	-	(8,233)	-	(8,233)	(133)	(8,366)
Total comprehensive loss for the period ended 30 September 2023		-	-	(8,233)	(4,914)	(13,147)	(558)	(13,705)
Total transactions with owners, recognised directly in equity								
2022/2023 interim dividend	14	-	-	-	(2,531)	(2,531)	-	(2,531)
2022/2023 interim dividend paid by an unlisted subsidiary		-	-	-	-	-	-*	-*
		-	-	-	(2,531)	(2,531)	-*	(2,531)
At 30 September 2023		21,715	54,664	(132,148)	193,405	137,636	(1,308)	136,328

* negligible

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2023

	Note	(Unaudited)	
		Six months ended 30 September 2023 US\$'000	2022 US\$'000
Cash flows from operating activities			
Cash generated from operations		2,647	6,945
Interest paid		(608)	(262)
Income tax paid		(843)	(710)
Net cash generated from operating activities		1,196	5,973
Cash flows from investing activities			
Dividends received		55	26
(Increase)/decrease in short-term bank deposits with original maturity over three months		(852)	5,193
Proceeds from sales of financial assets at fair value through profit or loss		-	37
Interest received		1,118	667
Proceeds from disposal of property, plant and equipment		31	2
Purchases of intangible assets		(37)	(14)
Purchases of property, plant and equipment	15	(373)	(178)
Proceed from disposal of a subsidiary		18	-
Payment for acquisition of financial assets at fair value through profit or loss		-	(1,818)
Investment in a joint venture		-	(32)
Net cash (used in)/generated from investing activities		(40)	3,883
Cash flows from financing activities			
Dividends paid	14	(2,531)	(2,531)
Dividends paid to non-controlling interests by an unlisted subsidiary		-*	-*
Proceeds from bank and other borrowings		340	887
Repayments of bank and other borrowings		(153)	(904)
Principal elements of lease liabilities		(131)	(172)
Net cash used in financing activities		(2,475)	(2,720)
Net (decrease)/increase in cash and cash equivalents		(1,319)	7,136
Cash and cash equivalents at beginning of period		61,524	64,952
Exchange adjustments on cash and cash equivalents		(2,066)	(6,328)
Cash and cash equivalents at end of period		58,139	65,760

* negligible

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION

Media Chinese International Limited (the “Company”) is a limited liability company incorporated in Bermuda. Its registered address is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda.

The Company is an investment holding company. The principal activities of its subsidiaries are publishing, printing and distribution of newspapers, magazines, books and digital contents primarily in the Chinese language, and the provision of travel and travel related services in Hong Kong and Taiwan, North America and Malaysia. The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the “HK Stock Exchange”) since 22 March 1991 and subsequently dual-listed on Bursa Malaysia Securities Berhad (“Bursa Securities”) on 30 April 2008.

The condensed consolidated interim financial information of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 September 2023 (this “interim financial information”) is presented in United States dollars (“US\$”) unless otherwise stated. This interim financial information has been approved for issue by the Board of Directors on 29 November 2023.

This interim financial information has not been audited or reviewed by the external auditor in accordance with International Standards on Auditing or International Standard on Review Engagements 2410 “Review of interim financial information performed by the independent auditor of the entity” issued by the International Auditing and Assurance Standards Board.

2 BASIS OF PREPARATION

This interim financial information has been prepared in accordance with the International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (“IASB”) and applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities (the “HK Listing Rules”) on the HK Stock Exchange.

This interim financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2023 which were prepared in accordance with International Financial Reporting Standards (“IFRSs”).

NOTES TO THE INTERIM FINANCIAL INFORMATION

3 ACCOUNTING POLICIES

(a) The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period except for the following:

(i) The Group has adopted the following amended standards for the first time for its annual reporting period commencing 1 April 2023:

Amendments to IAS 8	“Definition of accounting estimates”
Amendments to IAS 12	“Deferred tax related to assets and liabilities arising from a single transaction”
Amendments to IAS 12	“International Tax Reform — Pillar Two Model Rules”
Amendments to IAS 1, and IFRS Practice Statement 2	“Disclosure of accounting policies”
IFRS 17 and amendments to IFRS 17	“Insurance contracts and the related amendments”

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(ii) Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(b) The Group has not early adopted new and amended standards that have been issued but are not yet effective for the Group’s reporting period commencing 1 April 2023. None of the new standards and interpretations are expected to have a significant impact on the Group’s consolidated financial statements.

4 FUNCTIONAL CURRENCY AND TRANSLATION TO PRESENTATION CURRENCY

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates, i.e. the functional currency. The functional currency of the Company is Malaysian Ringgit (“RM”). However, each entity within the Group can present its financial statements in any currency, which can be the same or different from the entity’s functional currency. As the Group operates internationally, management considers that it is more appropriate to use US\$, a globally recognised currency, as the presentation currency for the Group’s consolidated financial statements. For the entity whose functional currency is not US\$, its results and financial position have been translated into US\$.

5 ESTIMATES

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 March 2023.

NOTES TO THE INTERIM FINANCIAL INFORMATION

6 FINANCIAL RISK MANAGEMENT

6.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including price risk, interest rate risk and foreign exchange risk), credit risk and liquidity risk.

This interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2023.

There have been no significant changes in the Group's risk management policy since 31 March 2023.

6.2 Liquidity risk

Compared to 31 March 2023, there was no material change in the contractual undiscounted cash outflows for financial liabilities.

6.3 Fair value estimation

For financial instruments that are measured at fair value, the Group classifies fair value measurements using a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Group's assets that are measured at fair value at 30 September 2023:

	(Unaudited)			Total US\$'000
	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	
Financial assets at fair value through profit or loss				
Listed equity securities	2,400	-	-	2400
Financial assets at fair value through other comprehensive income				
Listed equity securities	797	-	-	797
	3,197	-	-	3,197

NOTES TO THE INTERIM FINANCIAL INFORMATION

6 FINANCIAL RISK MANAGEMENT (Continued)

6.3 Fair value estimation (Continued)

The following table presents the Group's assets that are measured at fair value at 31 March 2023:

	(Audited)			Total US\$'000
	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	
Financial assets at fair value through profit or loss				
Listed equity securities	2,849	–	–	2,849
Financial assets at fair value through other comprehensive income				
Listed equity securities	1,269	–	–	1,269
	4,118	–	–	4,118

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of each reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques.

These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the entity-specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There was no transfer between level 1, 2 and 3 of the fair value hierarchy during the period.

NOTES TO THE INTERIM FINANCIAL INFORMATION

7 TURNOVER AND SEGMENT INFORMATION

The Group Executive Committee is the Group's chief operating decision-maker. Management has determined the operating segments based on the reports that are reviewed and used by the Group Executive Committee for strategic decision-making.

The Group is organised operationally on a worldwide basis in four major operating segments:

Publishing and printing: Malaysia

Publishing and printing: Hong Kong and Taiwan

Publishing and printing: North America

Travel and travel related services

Publishing and printing segments are engaged in the publication, printing and distribution of newspapers, magazines, books and digital contents primarily in the Chinese language. The segments derive revenue mainly from the provision of advertising services and sales of newspapers and magazines. Travel and travel related services segment derives revenue from the sales of travel packages and provision of tour services.

The Group Executive Committee assesses the performance of the operating segments based on a measure of segment profit/(loss) before income tax as presented in the internal financial report. Other information provided is measured in a manner consistent with that in the internal financial report.

NOTES TO THE INTERIM FINANCIAL INFORMATION

7 TURNOVER AND SEGMENT INFORMATION (Continued)

The Group's turnover and results for the six months ended 30 September 2023, analysed by operating segment, are as follows:

	(Unaudited)					
	Publishing and printing				Travel and travel related services	Total
	Malaysia	Hong Kong and Taiwan	North America	Sub-total		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Turnover						
Sales of newspapers, magazines, books and digital contents	13,701	5,626	1,177	20,504	–	20,504
Advertising income	18,906	13,214	2,383	34,503	–	34,503
Travel and travel related services income	–	–	–	–	22,475	22,475
	32,607	18,840	3,560	55,007	22,475	77,482
Segment (loss)/profit before income tax	(865)	(3,127)	(1,887)	(5,879)	1,082	(4,797)
Other net unallocated expenses						(335)
Loss before income tax						(5,132)
Income tax expense						(207)
Loss for the period						(5,339)
Other segmental information:						
Interest income	1,036	18	–	1,054	64	1,118
Finance costs	–	(598)	–	(598)	(10)	(608)
Depreciation of property, plant and equipment and right-of-use assets	(2,072)	(444)	(51)	(2,567)	(38)	(2,605)
Amortisation of intangible assets	(324)	(21)	–	(345)	(2)	(347)
Net (provision for)/reversal of loss allowance on financial assets	(60)	(15)	8	(67)	20	(47)
Share of results of an associate and a joint venture	–	(11)	–	(11)	–	(11)

NOTES TO THE INTERIM FINANCIAL INFORMATION

7 TURNOVER AND SEGMENT INFORMATION (Continued)

The Group's turnover and results for the six months ended 30 September 2022, analysed by operating segment, are as follows:

	(Unaudited)				Travel and travel related services US\$'000	Total US\$'000
	Publishing and printing			Sub-total US\$'000		
	Malaysia US\$'000	Hong Kong and Taiwan US\$'000	North America US\$'000			
Turnover						
Sales of newspapers, magazines, books and digital contents	15,743	6,654	926	23,323	–	23,323
Advertising income	20,911	14,876	2,554	38,341	–	38,341
Travel and travel related services income	–	–	–	–	5,002	5,002
	36,654	21,530	3,480	61,664	5,002	66,666
Segment profit/(loss) before income tax	2,816	2,178	(2,173)	2,821	(344)	2,477
Other net unallocated expenses						(322)
Profit before income tax						2,155
Income tax expense						(1,352)
Profit for the period						803
Other segmental information:						
Interest income	657	–	3	660	7	667
Finance costs	(7)	(247)	–	(254)	(8)	(262)
Depreciation of property, plant and equipment and right-of-use assets	(2,213)	(507)	(77)	(2,797)	(6)	(2,803)
Amortisation of intangible assets	(341)	(19)	–	(360)	(2)	(362)
Net reversal of/(provision for) loss allowance on financial assets	49	(12)	(5)	32	–	32
Share of results of an associate and a joint venture	–	(4)	–	(4)	–	(4)

NOTES TO THE INTERIM FINANCIAL INFORMATION

7 TURNOVER AND SEGMENT INFORMATION (Continued)

Disaggregation of revenue

Turnover is derived from publishing, printing and distribution of newspapers, magazines, books and digital contents primarily in the Chinese language, and provision of travel and travel related services.

Turnover recognised during the period is disaggregated as follows:

	(Unaudited)	
	Six months ended 30 September	
	2023	2022
	US\$'000	US\$'000
By major products or service lines		
Timing of revenue recognition		
At a point in time		
Sales of newspapers, magazines, books and digital contents, net of trade discounts and returns	20,504	23,323
Travel and travel related services income	393	258
Over time		
Advertising income, net of trade discounts	34,503	38,341
Travel and travel related services income	22,082	4,744
	77,482	66,666

NOTES TO THE INTERIM FINANCIAL INFORMATION

7 TURNOVER AND SEGMENT INFORMATION (Continued)

The segment assets and liabilities as at 30 September 2023 are as follows:

	(Unaudited)						Total US\$'000
	Publishing and printing				Travel and travel related services US\$'000	Elimination US\$'000	
	Malaysia US\$'000	Hong Kong and Taiwan US\$'000	North America US\$'000	Sub-total US\$'000			
Segment assets	145,711	35,727	4,024	185,462	15,655	(1,937)	199,180
Unallocated assets							696
Total assets							199,876
Total assets include:							
Investments accounted for using the equity method	-	34	-	34	-	-	34
Additions to:							
Property, plant and equipment and right-of-use assets	213	144	15	372	1	-	373
Intangible assets	11	26	-	37	-	-	37
Segment liabilities	(14,107)	(32,927)	(2,052)	(49,086)	(10,678)	1,937	(57,827)
Unallocated liabilities							(5,721)
Total liabilities							(63,548)

NOTES TO THE INTERIM FINANCIAL INFORMATION

7 TURNOVER AND SEGMENT INFORMATION (Continued)

The segment assets and liabilities as at 31 March 2023 are as follows:

	(Audited)						Total US\$'000
	Publishing and printing			Sub-total US\$'000	Travel and travel related services US\$'000	Elimination US\$'000	
	Malaysia US\$'000	Hong Kong and Taiwan US\$'000	North America US\$'000				
Segment assets	154,137	36,958	8,836	199,931	12,566	(2,498)	209,999
Unallocated assets							576
Total assets							210,575
Total assets include:							
Investments accounted for using the equity method	-	44	-	44	-	-	44
Additions to:							
Property, plant and equipment and right-of-use assets	386	229	16	631	143	-	774
Intangible assets	23	47	1	71	-	-	71
Segment liabilities	(10,609)	(31,578)	(5,824)	(48,011)	(6,225)	2,498	(51,738)
Unallocated liabilities							(6,273)
Total liabilities							(58,011)

The elimination between segments represents intercompany receivables and payables between segments.

Segment assets consist primarily of property, plant and equipment and right-of-use assets, investment properties, intangible assets, investments accounted for using the equity method, financial assets at fair value through other comprehensive income, inventories, trade and other receivables, financial assets at fair value through profit or loss, short-term bank deposits, and cash and cash equivalents of the operating segments. They mainly exclude deferred income tax assets and income tax recoverable.

Segment liabilities consist primarily of trade and other payables, contract liabilities, bank and other borrowings, lease liabilities and other non-current liabilities of the operating segments. They mainly exclude deferred income tax liabilities and income tax liabilities.

NOTES TO THE INTERIM FINANCIAL INFORMATION

7 TURNOVER AND SEGMENT INFORMATION (Continued)

The Group operates its publishing and printing businesses mainly in Malaysia, Hong Kong and Taiwan (“Main operating regions”).

As at 30 September 2023 and 31 March 2023, the Group’s total non-current assets, other than deferred income tax assets, analysed by operating regions, are as follows:

	(Unaudited)	(Audited)
	As at	As at
	30 September	31 March
	2023	2023
	US\$’000	US\$’000
Main operating regions		
Malaysia	59,988	65,994
Hong Kong and Taiwan	10,361	11,149
Other regions	6,537	6,547
	76,886	83,690

8 OTHER INCOME

	(Unaudited)	
	Six months ended 30 September	
	2023	2022
	US\$’000	US\$’000
Dividend income	55	26
Government grant and subsidies (<i>note</i>)	74	1,875
Interest income	1,118	667
Licence fee and royalty income	46	54
Other media-related income	304	582
Rental and management fee income	526	489
Scrap sales of old newspapers and magazines	751	879
Others	10	6
	2,884	4,578

Note: Government grant and subsidies included a grant amounted to US\$nil (2022: US\$81,000) from a government for supporting the Group’s operation of eligible publications and wage subsidies amounted to US\$nil (2022: US\$1,764,000) from governments in countries/jurisdiction in which the Group operates.

NOTES TO THE INTERIM FINANCIAL INFORMATION

9 OTHER LOSSES, NET

	(Unaudited)	
	Six months ended 30 September	
	2023	2022
	<i>US\$'000</i>	<i>US\$'000</i>
Fair value losses on financial assets at fair value through profit or loss, net	(287)	(290)
Loss on disposal of a subsidiary	(5)	–
Net exchange losses	(71)	(113)
	(363)	(403)

10 OPERATING (LOSS)/PROFIT

The operating (loss)/profit is stated after charging/(crediting) the following:

	(Unaudited)	
	Six months ended 30 September	
	2023	2022
	<i>US\$'000</i>	<i>US\$'000</i>
Amortisation of intangible assets	347	362
Depreciation of property, plant and equipment and right-of-use assets	2,605	2,803
Direct costs of travel and travel related services	19,520	4,153
Distribution expenses	2,181	2,201
Employee benefit expense (including directors' emoluments)	31,884	31,670
(Gains)/losses on disposal of property, plant and equipment, net	(24)	11
Marketing and advertising expenses	1,834	1,978
Provision for impairment and write-off of inventories	77	111
Raw materials and consumables used	10,094	9,569
Utilities expenses	1,132	1,017

NOTES TO THE INTERIM FINANCIAL INFORMATION

11 FINANCE COSTS

	(Unaudited)	
	Six months ended 30 September	
	2023	2022
	US\$'000	US\$'000
Interest expense on bank borrowings	595	252
Interest expense on lease liabilities	13	10
	608	262

12 INCOME TAX EXPENSE

Income tax for the Group's Hong Kong operations has been provided at the rate of 16.5% for the six months ended 30 September 2023 (the tax rate for the six months ended 30 September 2022 was 16.5%) on the estimated assessable profit derived from Hong Kong for the period. Income tax for the Group's Malaysian operations is calculated at the rate of 24% for the six months ended 30 September 2023 (the tax rate for the six months ended 30 September 2022 was 24%) on the estimated assessable profit derived from Malaysia for the period. Taxation on other countries' profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the Group operates.

Income tax expense in the condensed consolidated statement of profit or loss represents:

	(Unaudited)	
	Six months ended 30 September	
	2023	2022
	US\$'000	US\$'000
Hong Kong taxation		
Current period	9	471
Over provision in prior years	-	(18)
Malaysian taxation		
Current period	237	1,365
Other countries' taxation		
Current period	179	1
Under provision in prior years	14	24
Deferred income tax credit	(232)	(491)
	207	1,352

NOTES TO THE INTERIM FINANCIAL INFORMATION

13 (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

	(Unaudited)	
	Six months ended 30 September	
	2023	2022
(Loss)/profit attributable to owners of the Company (US\$'000)	(4,914)	1,044
Weighted average number of ordinary shares in issue	1,687,236,241	1,687,236,241
Basic (loss)/earnings per share (US cents)	(0.29)	0.06
Diluted (loss)/earnings per share (US cents)	(0.29)	0.06

The diluted (loss)/earnings per share is the same as the basic (loss)/earnings per share as there were no dilutive potential shares in issue during the six months ended 30 September 2023 and 2022.

14 DIVIDENDS

	(Unaudited)	
	Six months ended 30 September	
	2023	2022
	US\$'000	US\$'000
Dividends paid during the period:		
Interim, 2022/2023, US0.15 cents (2021/2022: US0.15 cents) per ordinary share	2,531	2,531

The Board of Directors does not recommend any distribution of dividend for the six months ended 30 September 2023 (2022/2023: nil).

15 PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 September 2023, the Group acquired property, plant and equipment at a cost of US\$373,000 (six months ended 30 September 2022: US\$178,000) and disposed of property, plant and equipment with a carrying amount of US\$7,000 (six months ended 30 September 2022: US\$13,000).

NOTES TO THE INTERIM FINANCIAL INFORMATION

16 TRADE AND OTHER RECEIVABLES

	(Unaudited)	(Audited)
	As at	As at
	30 September	31 March
	2023	2023
	US\$'000	US\$'000
Trade receivables (<i>note</i>)	15,969	14,936
Less: provision for loss allowance of trade receivables	(1,112)	(1,142)
Trade receivables, net	14,857	13,794
Deposits	910	972
Prepayments	3,610	3,100
Other receivables	1,214	1,040
Less: provision for loss allowance of other receivables	(38)	(40)
	20,553	18,866

As at 30 September 2023 and 31 March 2023, the fair values of trade and other receivables approximated the carrying amounts.

Note: The Group allows in general a credit period ranging from 7 to 120 days to its trade customers.

As at 30 September 2023 and 31 March 2023, the ageing analysis of the trade receivables based on invoice date is as follows:

	(Unaudited)	(Audited)
	As at	As at
	30 September	31 March
	2023	2023
	US\$'000	US\$'000
1 to 60 days	11,385	10,547
61 to 120 days	2,449	2,037
121 to 180 days	692	613
Over 180 days	1,443	1,739
	15,969	14,936

NOTES TO THE INTERIM FINANCIAL INFORMATION

17 TRADE AND OTHER PAYABLES

	(Unaudited) As at 30 September 2023 US\$'000	(Audited) As at 31 March 2023 US\$'000
Trade payables (<i>note</i>)	7,136	4,928
Accrued charges and other payables	14,480	13,041
	21,616	17,969

As at 30 September 2023 and 31 March 2023, the fair values of trade and other payables approximated the carrying amounts.

Note: As at 30 September 2023 and 31 March 2023, the ageing analysis of the trade payables based on invoice date is as follows:

	(Unaudited) As at 30 September 2023 US\$'000	(Audited) As at 31 March 2023 US\$'000
1 to 60 days	6,586	4,586
61 to 120 days	339	141
121 to 180 days	19	34
Over 180 days	192	167
	7,136	4,928

18 BANK AND OTHER BORROWINGS

	(Unaudited) As at 30 September 2023 US\$'000	(Audited) As at 31 March 2023 US\$'000
Current		
Bank borrowings — secured (<i>Note 22</i>)	21,313	21,070

NOTES TO THE INTERIM FINANCIAL INFORMATION

19 OTHER NON-CURRENT LIABILITIES

	(Unaudited)	(Audited)
	As at	As at
	30 September	31 March
	2023	2023
	US\$'000	US\$'000
Retirement benefit obligations	1,635	1,718
Current portion of other non-current liabilities	(24)	(25)
	1,611	1,693

20 SHARE CAPITAL AND PREMIUM

	Number of ordinary shares	Issued share capital US\$'000	Share premium US\$'000	Total US\$'000
At 1 April 2023 and 30 September 2023	1,687,236,241	21,715	54,664	76,379

The number of authorised ordinary shares is 2,500 million shares (31 March 2023: 2,500 million shares) with a par value of HK\$0.10 per share. All issued shares are fully paid.

NOTES TO THE INTERIM FINANCIAL INFORMATION

21 CAPITAL COMMITMENTS

Capital commitments outstanding as at 30 September 2023 and 31 March 2023 are as follows:

	(Unaudited)	(Audited)
	As at	As at
	30 September	31 March
	2023	2023
	US\$'000	US\$'000
Property, plant and equipment		
Authorised and contracted for	92	45
Intangible assets		
Authorised and contracted for	30	29

22 PLEDGE OF ASSETS

As at 30 September 2023, certain of the Group's banking facilities were secured by the following:

- (a) first legal charges on certain of the Group's property, plant and equipment and right-of-use assets with an aggregate carrying value of US\$4,065,000 at 30 September 2023 (At 31 March 2023: US\$4,176,000) and assignment of rental income derived therefrom; and
- (b) corporate guarantees issued by the Company.

23 CONTINGENT LIABILITIES

As at 30 September 2023, there were several libel suits which involved claims against some companies in the Group. The Group has been strongly contesting those claims. Even though the final outcome of the proceedings is still uncertain as of the date this unaudited interim financial information is authorised for issue, the directors of the Company are of the opinion that the respective ultimate liability, if any, will not have a material adverse impact upon the Group's financial position.

NOTES TO THE INTERIM FINANCIAL INFORMATION

24 RELATED PARTY TRANSACTIONS

(a) *Related party transactions*

	(Unaudited)	
	Six months ended 30 September	
	2023	2022
	US\$'000	US\$'000
Advertising income received from an associate	(31)	(98)
Advertising income received from related companies (<i>note 1</i>)	(25)	–
Advertising income received from related parties	(1)	–
Provision of administrative and content services to a joint venture	(10)	(10)
Purchases of air tickets from a related company (<i>note 1</i>)	13	–
Provision of legal services by a related company (<i>note 2</i>)	5	40
Purchase of mineral water from a related company (<i>note 1</i>)	1	1
Rental expenses paid to related companies (<i>note 1</i>)	14	46

Notes:

- (1) Certain shareholders and directors of the Company are shareholders and/or directors of these related companies.
- (2) A director of a subsidiary of the Company is an associate of the related company.
- (3) All the transactions above have been entered into in the normal course of business and have been charged at predetermined rates agreed mutually by the parties involved.

NOTES TO THE INTERIM FINANCIAL INFORMATION

24 RELATED PARTY TRANSACTIONS (Continued)

(b) Key management compensation

Key management comprised members of the Group's executive committees, some of whom are directors of the Company. The compensation paid or payable to the key management for employee services is shown below:

	(Unaudited)	
	Six months ended 30 September	
	2023	2022
	US\$'000	US\$'000
Directors' fees, basic salaries, bonuses, other allowances and benefits in kind (<i>note</i>)	974	904
Employer's contribution to pension schemes	60	51
	1,034	955

Note: Other benefits in kind included housing, use of company cars, air tickets for home trips, insurance coverage and club membership.

(c) Ultimate controlling party

The ultimate controlling party of the Group is Tan Sri Datuk Sir TIONG Hiew King, who is the controlling shareholder holding an aggregate equity of 64.85% in the Company as at 30 September 2023. Details of interests held by Tan Sri Datuk Sir TIONG Hiew King in the Company is set out in "Substantial shareholders' interests and short positions in the shares and underlying shares of the Company" on page 34.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL HIGHLIGHTS

	(Unaudited)		
	Six months ended 30 September		
	2023	2022	
	US\$'000	US\$'000	% Change
Turnover	77,482	66,666	16.2%
(Loss)/profit before income tax	(5,132)	2,155	-338.1%
(EBITDA Loss)/EBITDA	(2,679)	4,919	-154.5%
Basic (loss)/earnings per share (US cents)	(0.29)	0.06	-583.3%

OVERALL REVIEW OF OPERATIONS

The Group achieved a total turnover of US\$77,482,000 for the six months ended 30 September 2023, representing an increase of 16.2% over that for the same period last year. Despite the growth in turnover, the Group reported a loss before income tax of US\$5,132,000, as opposed to a profit before income tax of US\$2,155,000 recorded in the corresponding period of last year.

The improvement in turnover was mainly contributed by the travel segment which saw its turnover grow by 349.3% or US\$17,473,000 to reach US\$22,475,000 from US\$5,002,000 recorded a year ago. The growth in revenue led to this segment recording a profit before income tax of US\$1,082,000 for the current period, a turnaround from a loss before income tax of US\$344,000 in the same period last year.

Meanwhile the Group's publishing and printing segment's turnover fell by 10.8% to US\$55,007,000 from US\$61,664,000 recorded last year. This was mainly due to advertisers' adoption of a more cautious approach to advertising spending amid concerns about a potential global recession. This segment recorded a loss before income tax of US\$5,879,000 compared to a profit before income tax of US\$2,821,000 in the year-ago period.

The Group reported an EBITDA loss of US\$2,679,000 for the six months ended 30 September 2023, compared to an EBITDA of US\$4,919,000 a year ago.

Basic loss per share for the period ended 30 September 2023 was US0.29 cents, representing a decrease of 583.3% from the basic earnings per share of US0.06 cents in the same period last year.

As at 30 September 2023, the Group's cash and cash equivalents, along with short-term bank deposits, totalled US\$89,142,000, and the Group's net assets per share attributable to the owners of the Company stood at US8.16 cents.

MANAGEMENT DISCUSSION AND ANALYSIS

Publishing and Printing

Malaysia

The Malaysian economy grew by 4.2% in the first half of 2023, mainly fuelled by domestic demand. Despite this, demand for advertising solutions remained soft which led to a drop in the turnover of the Group's operations in Malaysia of 11.0% to US\$32,607,000 if compared to the corresponding period last year. This, coupled with increased operating costs, led to the segment recording a loss before income tax of US\$865,000 for the period under review, as opposed to a profit before income tax of US\$2,816,000 in the same period last year.

During the period under review, the Group's digital revenue was adversely affected by a decrease in website traffic, primarily due to the recent changes in Facebook's news feed algorithm which resulted in fewer readers being directed to the Group's websites. This decrease in traffic led to a decline in the Group's digital revenue for the period.

The year 2023 marked a significant milestone for both the media industry and the Chinese community in Malaysia as *Nanyang Siang Pau* celebrated its 100th anniversary. Since its establishment on 6 September 1923, *Nanyang Siang Pau* has played a crucial role in sharing stories that have influenced and motivated the Malaysian Chinese community. Presently, *Nanyang Siang Pau* has transformed into a publication with a strong focus on business news content and actively embraced digital advancements to engage with new readers and audiences.

The Group remained steadfast in its focus on operational efficiency and cost optimisation across all business units, especially the printing and editorial functions, with ongoing efforts in the second half of the year.

Hong Kong and Taiwan

The Hong Kong economy continued to recover and recorded a GDP growth of 4.1% year-on-year in the third quarter of 2023, following a 1.5% in the preceding quarter, mainly supported by private consumption and inbound tourism. Meanwhile, the property market in Hong Kong suffered a slowdown as interest rates climbed. As businesses continued to take a cautious approach on spending due to rising operating costs, the demand for advertising solutions remained slow.

During the first half of the financial year 2023/2024, the Group's operations in Hong Kong and Taiwan recorded a turnover of US\$18,840,000, reflecting a decrease of 12.5% when compared to the US\$21,530,000 in the same period last year. The decline in turnover, together with increased operating costs and the absence of government subsidies, led to this segment recording a loss before income tax of US\$3,127,000, in contrast to the US\$2,178,000 profit before income tax recorded a year ago.

To drive revenue, the Group is committed to expanding its presence in Mainland China and the Greater Bay Area ("GBA") by providing quality content and services that bridge the gap between Mainland China and Hong Kong. The Group had collaborated with government agencies to host influential symposiums in the GBA, facilitating connections between citizens from both regions, small and medium-sized enterprises, large organisations, and government departments to boost economic development for the benefit of both Hong Kong and Mainland China.

MANAGEMENT DISCUSSION AND ANALYSIS

North America

For the six months ended 30 September 2023, turnover for the Group's North America segment increased by 2.3% to US\$3,560,000 from US\$3,480,000 recorded in last year's corresponding period. This helped narrow the segment's loss before income tax by 13.2% to US\$1,887,000 from US\$2,173,000 recorded a year ago. The positive change in results was primarily attributed to the increase in the segment's circulation revenue and its continued cost-saving measures.

Travel and travel-related services

The bounce back of global tourism supported the continued operational improvement across all the Group's tour operations, although the business volume has yet to reach pre-pandemic levels. Turnover for the Group's travel segment surged to US\$22,475,000 during the review period, an increase of more than four-fold over the previous year's amount of US\$5,002,000. This encouraging growth resulted in the segment reporting a profit before income tax of US\$1,082,000, a turnaround from a loss before income tax of US\$344,000 recorded in last year.

The boost in turnover was primarily attributed to increased inbound tours from Southeast Asian customers for the North America tour operations and outbound tours to Europe and China for the Hong Kong operation. Additionally, summer study holidays programs for students further fuelled the revenue growth.

However, the Group remained vigilant of the ongoing geo-political tensions which may affect people's confidence in travelling and, in turn, the Group's travel business.

Digital business

The performance of the Group's digital business has taken a hit due to a decline in page views from various platforms, with tech and social platforms playing a pivotal role in driving page views for news publishers. Facebook, in particular, has significantly modified its feed, discontinuing the 'instant articles' platform and reducing the focus on news content while promoting its reels. These changes have had a widespread impact, evident in industry data indicating a decline in page views.

In response, the Group now emphasised on the development of direct connections with its audience to enhance engagement and increase the average revenue per user. Encouraging its existing customers to consume more of the Group's content represents a significant growth opportunity, especially since its brands have already reached a substantial portion of the Malaysian digital audience.

MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK

The Group expects the remaining quarters of the financial year to remain challenging and volatile due to political and economic uncertainties. Despite the resumption of economic activities of most countries, the recovery of global economy is dampened by the rising geo-political tension and natural calamities caused by climate change. Slowing global demand and rising costs have affected many businesses which in turn adversely impacted the demand for the products and services of the Group.

Nevertheless, barring any unforeseen circumstances, the Group expects its travel segment to continue to improve as airlines have resumed most of their flights and demand for travel remained strong. To improve the performance of its publishing and printing segment, the Group will remain vigilant in monitoring its costs whilst intensifying its efforts to promote more cross platform media solutions to its clients.

LIQUIDITY, FINANCIAL RESOURCES AND NET GEARING RATIO

As at 30 September 2023, the Group's cash and cash equivalents and short-term bank deposits amounted to US\$89,142,000 (31 March 2023: US\$93,573,000) and total bank and other borrowings were US\$21,313,000 (31 March 2023: US\$21,070,000). The net cash position was US\$67,829,000 (31 March 2023: US\$72,503,000). Owners' equity was US\$137,636,000 (31 March 2023: US\$153,314,000).

The net gearing ratio of the Group, calculated as net debt over owners' equity, was nil as at 30 September 2023 and 31 March 2023.

OTHER INFORMATION

INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS HELD BY THE DIRECTORS, CHIEF EXECUTIVES AND THEIR ASSOCIATES

As at 30 September 2023, the interests and short positions of the directors, chief executives and their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (as defined in Part XV of the Hong Kong Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the HK Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "HK Model Code") contained in Appendix 10 of the HK Listing Rules are as follows:

(a) *Interests and short positions in the shares, underlying shares and debentures of the Company*

Name of director	Number of shares held			Total interests in shares	Percentage of issued ordinary shares
	Personal interests	Family interests	Corporate interests		
Ms TIONG Choon	2,654,593	1,023,632 ⁽¹⁾	653,320 ⁽²⁾	4,331,545	0.26%
Mr TIONG Kiew Chiong	5,228,039	–	–	5,228,039	0.31%
Mr WONG Khang Yen	83	–	–	83	–*

All the interests stated above represent long positions in the shares of the Company.

* negligible

Notes:

- (1) Ms TIONG Choon is deemed to be interested in the shares by virtue of her spouse's interest in 1,023,632 shares.
- (2) The corporate interests of 653,320 shares are held by TC Blessed Holdings Sdn Bhd, in which Ms TIONG Choon holds 99% equity interest.

OTHER INFORMATION

INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS HELD BY THE DIRECTORS, CHIEF EXECUTIVES AND THEIR ASSOCIATES (Continued)

(b) *Interests and short positions in the shares, underlying shares and debentures of One Media Group Limited (“One Media”)*

Name of director	Number of shares held			Percentage of issued ordinary shares of One Media
	Personal interests	Corporate interests	Total interests in shares	
Ms TIONG Choon	26,000	–	26,000	0.01%

All the interests stated above represent long positions in the shares of One Media.

Save as disclosed above, as at 30 September 2023, none of the directors, chief executives and their associates had any interests and short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (as defined in Part XV of the SFO), which are required to be recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and the HK Stock Exchange pursuant to the HK Model Code.

At no time during the six months ended 30 September 2023 were rights to acquire benefits by means of the acquisition of shares, underlying shares or debentures of the Company granted to any directors or their respective spouses or children under 18 years of age, or were any such rights exercised by them; or was the Company or its holding company or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the directors of the Company to acquire such rights in any other body corporate.

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2023, the following persons (other than the directors and chief executives of the Company) had interests of 5% or more in the shares of the Company as recorded in the register required to be kept under Section 336 of Part XV of the SFO:

Name of shareholder	Number of ordinary shares held	Percentage of issued ordinary shares
Tan Sri Datuk Sir TIONG Hiew King (<i>note 1</i>)	1,094,187,814	64.85%
Dato' Sri Dr TIONG Ik King (<i>note 2</i>)	289,131,889	17.14%
Tiong Toh Siong Holdings Sdn Bhd ("TTSH")	378,998,616	22.46%
Conch Company Limited ("Conch") (<i>note 3</i>)	253,987,700	15.05%
Teck Sing Lik Enterprise Sdn Bhd ("TSL") (<i>note 4</i>)	196,487,646	11.65%
Tiong Toh Siong Enterprises Sdn Bhd ("TTSE") (<i>note 4</i>)	131,168,460	7.77%
Kinta Hijau Sdn Bhd ("Kinta Hijau")	129,424,143	7.67%

All the interests stated above represent long positions in the shares of the Company.

Notes:

- (1) Of these shares, 87,109,058 shares are held by Tan Sri Datuk Sir TIONG Hiew King personally, 234,566 shares are deemed to be interested in by virtue of his spouse's interest, and corporate interests of 1,006,844,190 which comprise:
- (i) 378,998,616 shares held by TTSH;
 - (ii) 253,987,700 shares held by Conch;
 - (iii) 75,617,495 shares held by Ezywood Options Sdn Bhd ("Ezywood");
 - (iv) 65,319,186 shares held by TSL;
 - (v) 52,875,120 shares held by Madigreen Sdn Bhd ("Madigreen");
 - (vi) 15,536,696 shares held by Rimbunan Hijau (Sarawak) Sdn Bhd ("RHS");
 - (vii) 6,532,188 shares held by Rimbunan Hijau Southeast Asia Sdn Bhd ("RHSA");
 - (viii) 26,808,729 shares held by Pertumbuhan Abadi Asia Sdn Bhd ("PAA");
 - (ix) 1,744,317 shares held TTSE;
 - (x) 129,424,143 shares held by Kinta Hijau.

Tan Sri Datuk Sir TIONG Hiew King directly holds 84% interest in TSL and 99.99% interest in PAA. In addition, Tan Sri Datuk Sir TIONG Hiew King, TSL and PAA directly and indirectly hold 52.38% interest in both RHS and RHSA, 75% interest in Madigreen and 70% interest in Ezywood. Tan Sri Datuk Sir TIONG Hiew King and TSL directly holds 26% interest in TTSH.

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY (Continued)

Notes: (Continued)

- (2) Of these shares, 35,144,189 shares are held by Dato' Sri Dr TIONG Ik King personally and corporate interests of 253,987,700 held by Conch.
- (3) Conch holds 253,987,700 shares of the Company. 40% of the interest in Conch is held by Seaview Global Company Limited, a company jointly owned by Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King. In addition, Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King directly hold 25% and 22% of the interest in Conch respectively.
- (4) Of these shares, 129,424,143 shares are held by Kinta Hijau (a company wholly owned by TTSE), TTSE is deemed to be interested in shares in which Kinta Hijau is interested. TTSE holds 1,744,317 shares. TSL is deemed to be interested in shares in which Kinta Hijau and TTSE are interested. Tan Sri Datuk Sir TIONG Hiew King directly holds 84% interest in TSL and TSL directly holds 30% interest in TTSE.

Save as disclosed above and those disclosed under "Interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations held by the directors, chief executives and their associates", the Company had not been notified of any other persons or corporations who had interests or short positions representing 5% or more of the issued share capital of the Company as at 30 September 2023.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the six months ended 30 September 2023, neither the Company nor any of its subsidiaries had purchased, sold or the Company had redeemed any of the Company's listed securities.

EMPLOYEES AND EMOLUMENT POLICY

As at 30 September 2023, the Group had 2,684 employees (31 March 2023: 2,795 employees), the majority of whom were employed in Malaysia and Hong Kong. The Group remunerates its employees based on industry practice and performance of individual employees. The emoluments of the directors and senior management are reviewed by the Remuneration Committee regularly, having regard to the Group's operating results, individual performance and comparable market statistics. No director or any of his/her associates is involved in dealing with his/her own remuneration.

CORPORATE GOVERNANCE

The Board of Directors (the "Board") is committed to practising the highest standards of corporate governance and operating within a governance framework that is formulated based on the Malaysian Code on Corporate Governance 2021 (the "Malaysian Code") and the Corporate Governance Code (the "Hong Kong Code") contained in Appendix 14 of the HK Listing Rules. The Company has adopted the principles and recommendations of the Malaysian Code and all the code provisions in the Hong Kong Code as its own code on corporate governance practices.

During the period under review, the Company has met the code provisions as set out in the Hong Kong Code.

OTHER INFORMATION

In respect of the Malaysian Code, the Company has complied with the principles and recommendations set out in the Malaysian Code wherever possible save for (i) at least half of the Board should comprise independent directors; (ii) the Board must have at least 30% women directors; and (iii) the disclosure on a named basis of top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000. The Board will continue to review and evaluate such recommendations under the Malaysian Code and is committed to achieving and sustaining high standards of corporate governance.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the requirements and code as set out in (i) Chapter 14 (Dealings in Listed Securities) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Chapter 14 of the Listing Requirements of Bursa Securities") and (ii) the HK Model Code contained in Appendix 10 of the HK Listing Rules. All directors of the Company have confirmed, following specific enquiry by the Company, their compliance with the required standards as set out in (i) Chapter 14 of the Listing Requirements of Bursa Securities and (ii) the HK Model Code during the period under review.

AUDIT COMMITTEE

The Audit Committee was established on 30 March 1999. It currently has three members, namely, Mr IP Koon Wing, Ernest (Chairman), Datuk CHONG Kee Yuon and Mr KHOO Kar Khoon, all of them are independent non-executive directors ("INEDs"). The Audit Committee meets regularly with the management and the external auditor to discuss the audit process and accounting issues, and reviews the effectiveness of the Group's risk management and internal control systems.

REMUNERATION COMMITTEE

The Remuneration Committee was established on 25 May 2005 with specific terms of reference that specify its authorities and duties. It currently has three members, namely, Datuk CHONG Kee Yuon (Chairman), Mr KHOO Kar Khoon and Mr IP Koon Wing, Ernest, all of them are INEDs. The Remuneration Committee is responsible for the review of the Company's policies for the remuneration of its directors and senior management and the making of any recommendations in relation to such policies to the Board.

NOMINATION COMMITTEE

The Nomination Committee was established on 25 May 2005 with specific terms of reference that specify its authorities and duties. It currently has three members, namely, Mr KHOO Kar Khoon (Chairman), Datuk CHONG Kee Yuon and Mr IP Koon Wing, Ernest, all of them are INEDs. The Nomination Committee's responsibilities include reviewing the structure, size and composition of the Board on a regular basis and making recommendations to the Board regarding any proposed changes.

OTHER INFORMATION

REVIEW OF INTERIM FINANCIAL INFORMATION

The Audit Committee has reviewed with management this interim financial information, including accounting principles and practices adopted by the Group and discussed risk management and internal control systems and financial reporting matters.

By Order of the Board

MEDIA CHINESE INTERNATIONAL LIMITED

TIONG Kiew Chiong

Director

29 November 2023

As at the date of this report, the Board comprises Mr TIONG Kiew Chiong, Mr WONG Khang Yen, Mr LIEW Sam Ngan and Ms TIONG Yijia, being executive directors; Ms TIONG Choon, being non-executive director; and Mr IP Koon Wing, Ernest, Datuk CHONG Kee Yuon and Mr KHOO Kar Khoon, being independent non-executive directors.

ADDITIONAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2023

	(Unaudited)	
	Six months ended 30 September	
	2023	2022
	<i>RM'000</i>	<i>RM'000</i>
	<i>(note)</i>	<i>(note)</i>
Turnover	363,546	312,797
Cost of goods sold	(271,451)	(194,943)
Gross profit	92,095	117,854
Other income	13,532	21,480
Other losses, net	(1,703)	(1,891)
Selling and distribution expenses	(70,220)	(70,929)
Administrative expenses	(54,658)	(50,862)
Net (provision for)/reversal of loss allowance on financial assets	(221)	150
Other operating expenses	-	(4,443)
Operating (loss)/profit	(21,175)	11,359
Finance costs	(2,852)	(1,229)
Share of results of an associate and a joint venture	(52)	(19)
(Loss)/profit before income tax	(24,079)	10,111
Income tax expense	(972)	(6,343)
(Loss)/profit for the period	(25,051)	3,768
(Loss)/profit attributable to:		
Owners of the Company	(23,057)	4,899
Non-controlling interests	(1,994)	(1,131)
	(25,051)	3,768
(Loss)/earnings per share attributable to owners of the Company		
Basic (sen)	(1.36)	0.28
Diluted (sen)	(1.36)	0.28

Note: The presentation currency of this unaudited interim financial information is US\$. Supplementary information in RM for the period ended 30 September 2023 with comparatives is shown for reference only and has been made at the same exchange rate of US\$1 to RM4.6920 ruling at 30 September 2023. This translation should not be construed as a representation that the US\$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

ADDITIONAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2023

	(Unaudited)	
	Six months ended 30 September	
	2023	2022
	<i>RM'000</i>	<i>RM'000</i>
	<i>(note)</i>	<i>(note)</i>
(Loss)/profit for the period	(25,051)	3,768
Other comprehensive (loss)/income		
Item that may be reclassified subsequently to profit or loss:		
Currency translation differences	(37,020)	(62,010)
Item that will not be reclassified subsequently to profit or loss:		
Fair value change on financial assets at fair value through other comprehensive income	(2,233)	624
Other comprehensive loss for the period, net of tax	(39,253)	(61,386)
Total comprehensive loss for the period	(64,304)	(57,618)
Total comprehensive loss for the period attributable to:		
Owners of the Company	(61,686)	(56,637)
Non-controlling interests	(2,618)	(981)
	(64,304)	(57,618)

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ADDITIONAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

	(Unaudited) As at 30 September 2023 RM'000 (note)	(Unaudited) As at 31 March 2023 RM'000 (note)
ASSETS		
Non-current assets		
Property, plant and equipment and right-of-use assets	221,067	242,051
Investment properties	106,907	112,308
Intangible assets	28,875	32,154
Deferred income tax assets	422	601
Investments accounted for using the equity method	160	206
Financial assets at fair value through other comprehensive income	3,740	5,954
	361,171	393,274
Current assets		
Inventories	48,365	52,292
Trade and other receivables	96,435	88,519
Financial assets at fair value through profit or loss	11,261	13,368
Income tax recoverable	2,332	1,520
Short-term bank deposits	145,466	150,374
Cash and cash equivalents	272,788	288,671
	576,647	594,744
Current liabilities		
Trade and other payables	101,422	84,311
Contract liabilities	65,444	54,019
Income tax liabilities	3,899	4,927
Bank and other borrowings	100,001	98,860
Lease liabilities	1,290	1,234
Current portion of other non-current liabilities	113	117
	272,169	243,468
Net current assets	304,478	351,276
Total assets less current liabilities	665,649	744,550

ADDITIONAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

	(Unaudited)	(Unaudited)
	As at	As at
	30 September	31 March
	2023	2023
	RM'000	RM'000
	(note)	(note)
EQUITY		
Equity attributable to owners of the Company		
Share capital	101,887	101,887
Share premium	256,483	256,483
Other reserves	(620,038)	(581,409)
Retained earnings	907,456	942,388
	645,788	719,349
Non-controlling interests	(6,137)	(3,519)
	639,651	715,830
Non-current liabilities		
Lease liabilities	1,013	1,684
Deferred income tax liabilities	17,426	19,092
Other non-current liabilities	7,559	7,944
	25,998	28,720
	665,649	744,550

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ADDITIONAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2023

	(Unaudited)						Non-controlling interests RM'000 (note)	Total equity RM'000 (note)
	Attributable to owners of the Company					Sub-total RM'000 (note)		
	Share capital RM'000 (note)	Share premium RM'000 (note)	Other reserves RM'000 (note)	Retained earnings RM'000 (note)				
At 1 April 2022	101,887	256,483	(551,699)	955,657	762,328	(1,309)	761,019	
Profit/(loss) for the period	–	–	–	4,899	4,899	(1,131)	3,768	
Other comprehensive (loss)/income								
Item that may be reclassified subsequently to profit or loss:								
Currency translation differences	–	–	(61,996)	–	(61,996)	(14)	(62,010)	
Item that will not be reclassified subsequently to profit or loss:								
Fair value change on financial assets at fair value through other comprehensive income	–	–	460	–	460	164	624	
Other comprehensive (loss)/income, net of tax	–	–	(61,536)	–	(61,536)	150	(61,386)	
Total comprehensive (loss)/income for the period ended 30 September 2022	–	–	(61,536)	4,899	(56,637)	(981)	(57,618)	
Total transactions with owners, recognised directly in equity								
2021/2022 interim dividend	–	–	–	(11,875)	(11,875)	–	(11,875)	
2021/2022 interim dividend paid by an unlisted subsidiary	–	–	–	–	–	–*	–*	
At 30 September 2022	101,887	256,483	(613,235)	948,681	693,816	(2,290)	691,526	

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ADDITIONAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2023

	(Unaudited) Attributable to owners of the Company					Non- controlling interests RM'000 (note)	Total equity RM'000 (note)
	Share capital RM'000 (note)	Share premium RM'000 (note)	Other reserves RM'000 (note)	Retained earnings RM'000 (note)	Sub-total RM'000 (note)		
At 1 April 2023	101,887	256,483	(581,409)	942,388	719,349	(3,519)	715,830
Loss for the period	-	-	-	(23,057)	(23,057)	(1,994)	(25,051)
Other comprehensive loss							
Item that may be reclassified subsequently to profit or loss:							
Currency translation differences	-	-	(37,001)	-	(37,001)	(19)	(37,020)
Item that will not be reclassified subsequently to profit or loss:							
Fair value change on financial assets at fair value through other comprehensive income	-	-	(1,628)	-	(1,628)	(605)	(2,233)
Other comprehensive loss, net of tax	-	-	(38,629)	-	(38,629)	(624)	(39,253)
Total comprehensive loss for the period ended 30 September 2023	-	-	(38,629)	(23,057)	(61,686)	(2,618)	(64,304)
Total transactions with owners, recognised directly in equity							
2022/2023 interim dividend	-	-	-	(11,875)	(11,875)	-	(11,875)
2022/2023 interim dividend paid by an unlisted subsidiary	-	-	-	-	-	-*	-*
At 30 September 2023	101,887	256,483	(620,038)	907,456	645,788	(6,137)	639,651

* negligible

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ADDITIONAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2023

	(Unaudited)	
	Six months ended 30 September	
	2023	2022
	RM'000	RM'000
	(note)	(note)
Cash flows from operating activities		
Cash generated from operations	12,420	32,585
Interest paid	(2,852)	(1,229)
Income tax paid	(3,955)	(3,331)
	5,613	28,025
Cash flows from investing activities		
Dividends received	258	122
(Increase)/decrease in short-term bank deposits with original maturity over three months	(3,998)	24,365
Proceeds from sales of financial assets at fair value through profit or loss	-	174
Interest received	5,246	3,130
Proceeds from disposal of property, plant and equipment	145	9
Purchases of intangible assets	(174)	(66)
Purchases of property, plant and equipment	(1,750)	(835)
Proceed from disposal of a subsidiary	86	-
Payment for acquisition of financial assets at fair value through profit or loss	-	(8,530)
Investment in a joint venture	-	(150)
	(187)	18,219
Cash flows from financing activities		
Dividends paid	(11,875)	(11,875)
Dividends paid to non-controlling interests by an unlisted subsidiary	-*	-*
Proceeds from bank and other borrowings	1,595	4,162
Repayments of bank and other borrowings	(718)	(4,242)
Principal elements of lease liabilities	(615)	(807)
	(11,613)	(12,762)
Net (decrease)/increase in cash and cash equivalents	(6,187)	33,482
Cash and cash equivalents at beginning of period	288,671	304,755
Exchange adjustments on cash and cash equivalents	(9,696)	(29,691)
Cash and cash equivalents at end of period	272,788	308,546

* negligible

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