MEDIA CHINESE INTERNATIONAL LIMITED

世 界 華 文 媒 體 有 限 公 司

(Incorporated in Bermuda with limited liability)

(Malaysia Company No. 200702000044)

(Hong Kong Stock Code: 685)

(Malaysia Stock Code: 5090)

ANNOUNCEMENT OF FINAL FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2024

The directors of Media Chinese International Limited (the "Company") hereby announce that the consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 March 2024, together with comparative figures for the year ended 31 March 2023 are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		Year ended 31 March	
		2024	2023
	Note	***US$'000***	*US$'000*
Turnover	*4*	**147,018**	132,655
Cost of goods sold			
— Cost of goods sold before provision for impairment of property, plant and equipment and intangible assets		**(109,130)**	(85,330)
— Provision for impairment of property, plant and equipment and intangible assets		**(8,064)**	–
		(117,194)	(85,330)
Gross profit		**29,824**	47,325
Other income	*5*	**5,885**	8,057
Other gains/(losses), net	*6*	**1,849**	(111)
Selling and distribution expenses		**(27,507)**	(29,311)
Administrative expenses		**(22,313)**	(22,241)
Net (provision for)/reversal of loss allowance on financial assets		**(21)**	84
Other operating expenses		**–**	(1,278)
Operating (loss)/profit	*7*	**(12,283)**	2,525
Finance costs	*8*	**(1,294)**	(806)
Share of results of an associate and a joint venture		**(20)**	(12)
(Loss)/profit before income tax		**(13,597)**	1,707
Income tax expense	*9*	**(34)**	(2,590)
Loss for the year		**(13,631)**	(883)
Loss attributable to:			
Owners of the Company		**(12,907)**	(245)
Non-controlling interests		**(724)**	(638)
		(13,631)	(883)
Loss per share attributable to owners of the Company			
Basic *(US cents)*	*10*	**(0.76)**	(0.01)
Diluted *(US cents)*	*10*	**(0.76)**	(0.01)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 March	
	2024	2023
	US$'000	*US$'000*
Loss for the year	**(13,631)**	(883)
Other comprehensive (loss)/income		
Item that may be reclassified subsequently to profit or loss:		
Currency translation differences	**(8,915)**	(6,797)
Items that will not be reclassified subsequently to profit or loss:		
Fair value change on financial assets at fair value through other comprehensive income	**(699)**	637
Remeasurements of post-employment benefit obligations	**(84)**	(57)
Other comprehensive loss for the year, net of tax	**(9,698)**	(6,217)
Total comprehensive loss for the year	**(23,329)**	(7,100)
Total comprehensive loss for the year attributable to:		
Owners of the Company	**(22,411)**	(6,629)
Non-controlling interests	**(918)**	(471)
	(23,329)	(7,100)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**As at 31 March 2024** ***US$'000***	As at 31 March 2023 *US$'000*
ASSETS			
Non-current assets			
Property, plant and equipment and right-of-use assets		**41,514**	51,588
Investment properties		**18,821**	23,936
Intangible assets		**620**	6,853
Deferred income tax assets		**422**	128
Investments accounted for using the equity method		**58**	44
Financial assets at fair value through other comprehensive income		**575**	1,269
		62,010	83,818
Current assets			
Inventories		**8,796**	11,145
Trade and other receivables	*13*	**21,348**	18,866
Financial assets at fair value through profit or loss		**2,682**	2,849
Income tax recoverable		**761**	324
Short-term bank deposits		**27,421**	32,049
Cash and cash equivalents		**68,103**	61,524
		129,111	126,757
Assets classified as held for sale	*12*	**5,390**	–
		134,501	126,757
Current liabilities			
Trade and other payables	*14*	**19,038**	17,969
Contract liabilities		**17,851**	11,513
Income tax liabilities		**412**	1,050
Bank and other borrowings	*15*	**27,073**	21,070
Lease liabilities		**271**	263
Current portion of other non-current liabilities		**23**	25
		64,668	51,890
Net current assets		**69,833**	74,867
Total assets less current liabilities		**131,843**	158,685

	As at 31 March 2024 US$'000	As at 31 March 2023 US$'000
EQUITY		
Equity attributable to owners of the Company		
Share capital	**21,715**	21,715
Share premium	**54,664**	54,664
Other reserves	**(133,381)**	(123,915)
Retained earnings	**185,335**	200,850
	128,333	153,314
Non-controlling interests	**(1,693)**	(750)
Total equity	**126,640**	152,564
Non-current liabilities		
Lease liabilities	**84**	359
Deferred income tax liabilities	**3,110**	4,069
Other non-current liabilities	**2,009**	1,693
	5,203	6,121
	131,843	158,685

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

For the year ended 31 March 2024

1 BASIS OF PREPARATION

The consolidated financial information of the Company and its subsidiaries (collectively the "Group") for the year ended 31 March 2024 (this "consolidated financial information") has been prepared in accordance with the IFRS Accounting Standards ("IFRSs") and under the historical cost convention, as modified by the revaluation of investment properties, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit or loss, which are carried at fair value. This consolidated financial information also included applicable disclosure requirements of the Hong Kong Companies Ordinance (Cap.622) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HK Listing Rules").

2 ACCOUNTING POLICIES

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

(i) IFRS 17, "Insurance contracts and the related amendments"

(ii) Amendments to IAS 1 and IFRS Practice Statement 2, "Disclosure of accounting policies"

(iii) Amendments to IAS 12, "Deferred tax related to assets and liabilities arising from a single transaction"

(iv) Amendments to IAS 12, "International Tax Reform — Pillar Two Model Rules"

(v) Amendments to IAS 8, "Definition of accounting estimates"

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.

(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.

3 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 United States Dollar ("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$.

4 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.

The Group's turnover and results for the year ended 31 March 2024, analysed by operating segment, are as follows:

	Publishing and printing					
	Malaysia *US$'000*	Hong Kong and Taiwan *US$'000*	North America *US$'000*	Sub-total *US$'000*	Travel and travel related services *US$'000*	Total *US$'000*
Turnover						
— Sales of newspapers, magazines, books and digital contents	**25,970**	**10,682**	**2,295**	**38,947**	**–**	**38,947**
— Advertising income	**38,028**	**25,608**	**4,816**	**68,452**	**–**	**68,452**
— Travel and travel related services income	**–**	**–**	**–**	**–**	**39,619**	**39,619**
	63,998	**36,290**	**7,111**	**107,399**	**39,619**	**147,018**
Segment (loss)/profit before income tax	**(5,412)**	**(5,453)**	**(3,294)**	**(14,159)**	**1,207**	**(12,952)**
Other net unallocated expenses						**(645)**
Loss before income tax						**(13,597)**
Income tax expense						**(34)**
Loss for the year						**(13,631)**
Other segmental information:						
Interest income	**2,076**	**40**	**–**	**2,116**	**119**	**2,235**
Finance costs	**–**	**(1,276)**	**–**	**(1,276)**	**(18)**	**(1,294)**
Depreciation of property, plant and equipment and right-of-use assets	**(3,962)**	**(869)**	**(101)**	**(4,932)**	**(76)**	**(5,008)**
Amortisation of intangible assets	**(631)**	**(37)**	**–**	**(668)**	**(4)**	**(672)**
Net (provision for)/reversal of loss allowance on financial assets	**(57)**	**(21)**	**9**	**(69)**	**48**	**(21)**
Share of results of an associate and a joint venture	**–**	**(20)**	**–**	**(20)**	**–**	**(20)**
Provision for impairment of property, plant and equipment	**(2,804)**	**–**	**–**	**(2,804)**	**–**	**(2,804)**
Provision for impairment of intangible assets	**(5,260)**	**–**	**–**	**(5,260)**	**–**	**(5,260)**

The Group's turnover and results for the year ended 31 March 2023, analysed by operating segment, are as follows:

	Publishing and printing					
	Malaysia	Hong Kong and Taiwan	North America	Sub-total	Travel and travel related services	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Turnover						
— Sales of newspapers, magazines, books and digital contents	30,594	12,514	2,102	45,210	–	45,210
— Advertising income	43,480	28,157	5,337	76,974	–	76,974
— Travel and travel related services income	–	–	–	–	10,471	10,471
	74,074	40,671	7,439	122,184	10,471	132,655
Segment profit/(loss) before income tax	6,119	275	(3,431)	2,963	(678)	2,285
Other net unallocated expenses						(578)
Profit before income tax						1,707
Income tax expense						(2,590)
Loss for the year						(883)
Other segmental information:						
Interest income	1,554	63	4	1,621	38	1,659
Finance costs	(15)	(777)	–	(792)	(14)	(806)
Depreciation of property, plant and equipment and right-of-use assets	(4,380)	(991)	(137)	(5,508)	(11)	(5,519)
Amortisation of intangible assets	(673)	(40)	–	(713)	(4)	(717)
Net reversal of/(provision for) loss allowance on financial assets	193	(103)	(6)	84	–	84
Share of results of an associate and a joint venture	–	(12)	–	(12)	–	(12)

Disaggregation of revenue

Turnover is derived from the publication, 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 year is disaggregated as follows:

	Year ended 31 March	
	2024	2023
	US$'000	*US$'000*
By major products or service lines		
Timing of revenue recognition		
At a point in time		
Advertising income, net of trade discounts	**311**	–
Sales of newspapers, magazines, books and digital contents, net of trade discounts and returns	**38,947**	45,210
Travel and travel related services income	**578**	414
Over time		
Advertising income, net of trade discounts	**68,141**	76,974
Travel and travel related services income	**39,041**	10,057
	147,018	132,655

The segment assets and liabilities as at 31 March 2024 are as follows:

	Publishing and printing						
	Malaysia	**Hong Kong and Taiwan**	**North America**	**Sub-total**	**Travel and travel related services**	**Elimination**	**Total**
	US$'000	***US$'000***	***US$'000***	***US$'000***	***US$'000***	***US$'000***	***US$'000***
Segment assets	**136,648**	**34,009**	**8,720**	**179,377**	**17,825**	**(1,993)**	**195,209**
Unallocated assets							**1,302**
Total assets							**196,511**
Total assets include:							
Investments accounted for using the equity method	**–**	**58**	**–**	**58**	**–**	**–**	**58**
Additions to:							
Property, plant and equipment and right-of-use assets	**409**	**164**	**25**	**598**	**6**	**–**	**604**
Intangible assets	**92**	**26**	**–**	**118**	**16**	**–**	**134**
Segment liabilities	**(12,099)**	**(36,892)**	**(5,370)**	**(54,361)**	**(12,801)**	**1,993**	**(65,169)**
Unallocated liabilities							**(4,702)**
Total liabilities							**(69,871)**

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

	Publishing and printing						
	Malaysia *US$'000*	Hong Kong and Taiwan *US$'000*	North America *US$'000*	Sub-total *US$'000*	Travel and travel related services *US$'000*	Elimination *US$'000*	Total *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.

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

As at 31 March 2024 and 2023, the Group's total non-current assets, other than deferred income tax assets, analysed by operating regions, are as follows:

	As at 31 March	
	2024	2023
	US$'000	*US$'000*
Main operating regions		
Malaysia	**45,262**	65,994
Hong Kong and Taiwan	**9,725**	11,149
Other regions	**6,601**	6,547
	61,588	83,690

5 OTHER INCOME

	Year ended 31 March	
	2024	2023
	US$'000	*US$'000*
Dividend income	**89**	63
Government grant and subsidies *(note)*	**77**	2,048
Interest income	**2,235**	1,659
Licence fee and royalty income	**162**	161
Other media-related income	**846**	1,427
Rental and management fee income	**1,081**	1,006
Scrap sales of old newspapers and magazines	**1,354**	1,682
Others	**41**	11
	5,885	8,057

Note: Government grant and subsidies included a grant amounted to US$nil (2023: US$111,000) from a government for supporting the Group's operation of eligible publications and wage subsidies amounted to US$nil (2023: US$1,891,000) from governments in countries/jurisdiction in which the Group operates.

6 OTHER GAINS/(LOSSES), NET

	Year ended 31 March	
	2024	2023
	US$'000	*US$'000*
Fair value gains on investment properties, net	**1,582**	194
Fair value gains/(losses) on financial assets at fair value through profit or loss, net	**20**	(178)
Gain on lease modification	**–**	1
Gain on disposal of property, plant and equipment, net	**426**	–
Loss on disposal of intangible assets, net	**(5)**	–
Net exchange losses	**(181)**	(128)
Gain on disposal of subsidiaries	**7**	–
	1,849	(111)

7 OPERATING (LOSS)/PROFIT

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

	Year ended 31 March	
	2024	2023
	US$'000	*US$'000*
Amortisation of intangible assets	**672**	717
Depreciation of property, plant and equipment and right-of-use assets	**5,008**	5,519
Direct costs of travel and travel related services	**34,308**	8,629
Distribution expenses	**4,186**	4,414
Employee benefit expense (including directors' emoluments)	**62,413**	64,185
Marketing and advertising expenses	**2,122**	2,776
Provision for impairment and write-off of inventories	**107**	195
Provision for impairment of property, plant and equipment	**2,804**	–
Provision for impairment of intangible assets	**5,260**	–
Raw materials and consumables used	**18,496**	19,057
Utilities expenses	**2,150**	2,072

8 FINANCE COSTS

	Year ended 31 March	
	2024	2023
	US$'000	*US$'000*
Interest expense on bank borrowings	**1,270**	788
Interest expense on lease liabilities	**24**	18
	1,294	806

9 INCOME TAX EXPENSE

Income tax for the Group's Hong Kong operations has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profit derived from Hong Kong for the year. Income tax for the Group's Malaysian operations was calculated at the rate of 24% (2023: 24%) on the estimated assessable profit derived from Malaysia for the year. Taxation on other jurisdictions' profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the jurisdictions in which the Group operates.

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

	Year ended 31 March	
	2024	2023
	US$'000	*US$'000*
Hong Kong taxation		
Current year	**17**	695
(Over)/under provision in prior years	**(150)**	13
Malaysian taxation		
Current year	**1,181**	2,561
Under/(over) provision in prior years	**1**	(32)
Other countries' taxation		
Current year	**111**	(37)
Under provision in prior years	**31**	9
Deferred income tax credit	**(1,157)**	(619)
	34	2,590

10 LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

	Year ended 31 March	
	2024	2023
Loss attributable to owners of the Company *(US$'000)*	**(12,907)**	(245)
Weighted average number of ordinary shares in issue	**1,687,236,241**	1,687,236,241
Basic loss per share *(US cents)*	**(0.76)**	(0.01)
Diluted loss per share *(US cents)*	**(0.76)**	(0.01)

The diluted loss per share was the same as the basic loss per share as there were no dilutive potential shares in issue during the years ended 31 March 2024 and 2023.

11 DIVIDENDS

	Year ended 31 March	
	2024	2023
	US$'000	*US$'000*
Dividends attributable to the year:		
Interim, declared after the end of the reporting period of US0.15 cents (2022/2023: US0.15 cents paid) per ordinary share	**2,531**	2,531
Dividends paid during the year:		
Interim, 2022/2023, US0.15 cents (2021/2022: US0.15 cents) per ordinary share *(note)*	**2,531**	2,531

The Board of Directors has declared an interim dividend of US0.15 cents (2022/2023: US0.15 cents) per ordinary share in respect of the year ended 31 March 2024. The dividend will be payable on 9 July 2024 to shareholders whose names appear on the register of members of the Company at the close of business on 20 June 2024 in cash in RM or in Hong Kong Dollar ("HK$") at the average exchange rates used during the year ended 31 March 2024 for the translation of the results of the subsidiaries whose functional currencies are not US$. This interim dividend, amounting to US0.15 cents (2022/2023: US0.15 cents) has not been recognised as a dividend payable in this consolidated financial information.

The average exchange rates used during the year ended 31 March 2024 of US$ to RM and US$ to HK$, and the amount of the interim dividend payable are as follows:

	Exchange rates	**Dividend per ordinary share**
US$ to RM	4.6492	0.697 sen
US$ to HK$	7.8243	HK1.174 cents

Note: The interim dividend of US0.15 cents per ordinary share, totaling US$2,531,000, in respect of the year ended 31 March 2023 was paid on 7 July 2023.

12 ASSETS CLASSIFIED AS HELD FOR SALE

At the end of the reporting period, the Group has entered into a sale and purchase agreement with an independent third party to dispose of certain investment properties held by a subsidiary in Malaysia at a consideration of US$5,390,000. The disposal was completed on 24 May 2024.

13 TRADE AND OTHER RECEIVABLES

	As at 31 March	
	2024	2023
	US$'000	*US$'000*
Trade receivables *(note)*	**15,415**	14,936
Less: provision for loss allowance of trade receivables	**(1,078)**	(1,142)
Trade receivables, net	**14,337**	13,794
Deposits	**1,009**	972
Prepayments	**5,003**	3,100
Other receivables	**1,037**	1,040
Less: provision for loss allowance of other receivables	**(38)**	(40)
	21,348	18,866

As at 31 March 2024 and 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 31 March 2024 and 2023, the ageing analysis of the trade receivables based on invoice date is as follows:

	As at 31 March	
	2024	2023
	US$'000	*US$'000*
1 to 60 days	**11,463**	10,547
61 to 120 days	**1,797**	2,037
121 to 180 days	**592**	613
Over 180 days	**1,563**	1,739
	15,415	14,936

14 TRADE AND OTHER PAYABLES

	As at 31 March	
	2024	2023
	US$'000	*US$'000*
Trade payables *(note)*	**6,116**	4,928
Accrued charges and other payables	**12,922**	13,041
	19,038	17,969

As at 31 March 2024 and 2023, the fair values of trade and other payables approximated the carrying amounts.

Note: As at 31 March 2024 and 2023, the ageing analysis of the trade payables based on invoice date is as follows:

	As at 31 March	
	2024	2023
	US$'000	*US$'000*
1 to 60 days	**5,606**	4,586
61 to 120 days	**139**	141
121 to 180 days	**217**	34
Over 180 days	**154**	167
	6,116	4,928

15 BANK AND OTHER BORROWINGS

	As at 31 March	
	2024	2023
	US$'000	*US$'000*
Current		
Bank borrowings (secured)	**27,073**	21,070

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL HIGHLIGHTS

	Year ended 31 March		
	2024	2023	
	US$'000	*US$'000*	*% Change*
Turnover	**147,018**	132,655	10.8%
(Loss)/profit before income tax	**(13,597)**	1,707	–896.5%
Adjusted (EBITDA Loss)/EBITDA	**(774)**	7,102	–110.9%
Basic loss per share *(US cents)*	**(0.76)**	(0.01)	–7,500.0%

OVERALL REVIEW OF OPERATIONS

The Group faced significant challenges during the past financial year due to challenging economic conditions in its core markets, marked by rising inflation and operating costs. However, despite these obstacles, the Group managed to achieve a 10.8% growth in turnover for the year ended 31 March 2024, reaching US$147,018,000 compared to US$132,655,000 in the previous year.

The primary factor driving the growth was the resurgence of global travel and the return of individuals to holiday trips, leading to a 278.4% increase in the Group's travel segment turnover from US$10,471,000 in the previous year to US$39,619,000. Meanwhile, the turnover of the Group's publishing and printing segment decreased by 12.1% to US$107,399,000 from US$122,184,000 recorded in the previous year.

Despite the increase in turnover, the Group reported a loss before income tax of US$13,597,000 for the year ended 31 March 2024, as compared to last year's profit before income tax of US$1,707,000. The loss mainly resulted from the provisions for impairment losses of certain plant and machinery and intangible assets totalling US$8,064,000 (2022/2023: nil). The Group's loss before income tax and the aforesaid provisions was US$5,533,000, 424.1% below last year's profit before income tax of US$1,707,000. The decline in result was primarily attributed to the decrease in revenue from the publishing and printing segment, partly compensated by cost savings, especially labour costs, paper costs and sales-related expenses.

For the financial year in review, both the Malaysian Ringgit ("RM") and the Canadian Dollar ("C$") weakened against the US$, resulted in negative currency impact of approximately US$3,183,000 on the Group's turnover and positive currency impact of approximately US$334,000 on the Group's loss before income tax.

Basic loss per share for the year ended 31 March 2024 was US0.76 cents, compared with a basic loss per share of US0.01 cents in the previous year. As of 31 March 2024, the Group's cash and cash equivalents and short-term bank deposits totalled US$95,524,000 and the Group's net assets per share attributable to owners of the Company was US7.61 cents.

Publishing and printing

Malaysia

The past year has been a testament to the resilience and adaptability of our Malaysian operations amidst challenging economic conditions.

Despite a modest GDP growth of 3.7% in 2023, businesses in Malaysia faced uphill battles, grappling with escalating operating costs and navigating through global economic uncertainties heightened by ongoing geopolitical tensions.

In this trying landscape, our Malaysian operations experienced a decline in turnover, registering a 13.6% reduction to US$63,998,000 compared to the previous year's US$74,074,000. This downturn was primarily attributed to a muted advertising market, where cautious spending behaviour among advertisers and marketers led to deferred or scaled-down marketing campaigns and promotions.

Moreover, our digital revenue faced challenges due to a decrease in website traffic, mainly attributed to changes in Facebook's news feed algorithm. This reduction in traffic resulted in a downturn in programmatic advertising, further impacting our digital revenue.

The segment reported a loss before income tax of US$5,412,000 for the current year. This was mainly due to the abovementioned provisions for impairment losses of certain plant and machinery and intangible assets totalling US$8,064,000. The segment's profit before income tax and the aforesaid provisions was US$2,652,000, 56.7% below last year's comparative of US$6,119,000. The decline in result was mainly due to the decrease in the segment's revenues, which was partly offset by cost savings.

Amidst these challenges, we remain steadfast in our commitment to delivering high-quality content and adapting to evolving audience preferences. As a prominent Chinese media group in Malaysia, our portfolio comprises four daily newspapers — *Sin Chew Daily, China Press, Nanyang Siang Pau* and *Guang Ming Daily*, and various magazine titles.

Sin Chew Daily maintains its position as the top-selling and most widely-read Chinese newspaper in Southeast Asia. Since its establishment in 1929, the paper has remained dedicated to being a voice for the people. With unwavering support from its vast readership, *Sin Chew Daily* embraces changes, and pioneers innovation, ensuring a robust competitive advantage. It remains deeply committed to addressing the livelihood concerns of the Chinese community in Malaysia, steadfastly advocating for their rights and interests. Through its relentless dedication to its mission, *Sin Chew Daily* reaffirms the invaluable role of the media and solidifies its status as a beacon within the local media landscape.

Notably, the 100th-anniversary celebration of *Nanyang Siang Pau* in 2023 marked a significant milestone for both the media industry and the Malaysian Chinese community, underscoring our enduring influence and commitment to community engagement.

To enhance our advertising offerings, we utilise our diverse portfolio of mainstream publications and digital platforms to offer tailored advertising solutions for maximum impact. In October 2023, we launched M Explore, drawing over 300 participants who had previously invested in other platforms but had not engaged with us due to unfamiliarity with our products and services. The response was overwhelming, as we successfully met the sales target set for the campaign.

Throughout the current year, we have successfully orchestrated a series of impactful events including the Nanyang Essence Award, Nanyang Centennial Outstanding Young Malaysian Award, Sin Chew East Malaysia Education Fair, Malaysia Health & Wellness Fair, Golden Eagle Award, Malaysia Health & Wellness Brand Award, and Sin Chew Business Excellence Awards. These initiatives have played a pivotal role in strengthening our products for cross-platform package advertising for clients.

As we chart our path forward, we acknowledge events as a cornerstone for the Group's enduring success, reaffirming our dedication to harnessing such platforms for sustainable growth.

Furthermore, recognising the shifting landscape of advertising expenditure, we are developing a self-serve ad platform in collaboration with a tech partner. This initiative aims to streamline advertising buying for small and medium advertisers, thereby enhancing accessibility and affordability.

Throughout the year, our focus remained on attracting new customers, enhancing brand visibility, and fostering consumer engagement. Initiatives such as the introduction of digital subscription and industry aggregation platforms have enabled us to gain deeper insights into audience preferences and behaviours, further enhancing our ability to tailor offerings to specific market segments.

Hong Kong and Taiwan

Over the past year, our operations in Hong Kong and Taiwan encountered significant challenges. The slower-than-expected economic recovery in China, coupled with unsatisfactory inbound tourist numbers and changing consumption patterns, contributed to the difficulties faced by the operations. Since the reopening of borders, there has been an increasing trend for people to spend their holidays outside of Hong Kong which has further impacted the city's retail sector and slowed down its economic revival.

In addition, businesses in Hong Kong grappled with declining global demand and escalating operating costs which prompted many companies to implement cost-cutting measures and scale back their promotional expenditures. Furthermore, the property market in Hong Kong experienced a slowdown amid rising interest rates. As businesses adopted a cautious approach to expenses, the demand for advertising solutions stagnated.

Against this backdrop, the turnover of our Hong Kong and Taiwan operations decreased by 10.8% year-on-year to US$36,290,000 from US$40,671,000. Driven by the decline in turnover and the lack of government subsidies, though partly cushioned by cost savings, the segment reported a loss before income tax of US$5,453,000 for the year under review, compared to last year's profit before income tax of US$275,000.

Throughout the year, we have successfully executed a diverse array of events, including the prestigious Awards for Excellence in Finance, the engaging Education Expo, the esteemed ESG Awards ceremony, and the bustling JUMP Recruitment Fairs. These endeavours have not only left a lasting impact on our audience but have also made substantial contributions to our revenue stream.

To drive revenue growth, we are committed to expanding our presence in Mainland China and the Greater Bay Area ("GBA"). By offering top-notch content and services that aim to bridge the gap between Hong Kong and Mainland China, we are in a better position to capitalise on emerging opportunities. Through partnerships with government agencies, we have organised influential symposiums in the GBA, fostering connections among citizens, small and medium-sized enterprises, large corporations, and government departments, all to promote economic development for both Hong Kong and Mainland China.

One Media Group

For the financial year ended 31 March 2024, One Media Group Limited ("OMG"), the Group's listed subsidiary, experienced a 3.8% decline in turnover to US$5,049,000 compared to US$5,251,000 in the previous financial year. Consequently, OMG's loss before income tax widened by 12.9% to US$2,682,000 from US$2,376,000 in the preceding year.

OMG was inevitably affected by the market's slow advertising spend during the year in review. However, it has managed to diversify its client portfolio from luxury brands to other sectors such as banks, restaurants and retail. The growing demand for cross-platform business solutions has led to the recognition of OMG's expertise in producing high quality video content, which played a pivotal role in expanding its customer portfolio.

For the year in review, OMG's ability to produce high quality content was recognised when its original video program "Director Class" won two gold awards, "Best Original Content" and "Best Media Campaign — Integrated Media," as well as two silver awards, "Best Use of Video Content" and "Best Media Campaign — Video" at The Spark Awards for Media Excellence 2023 organised by Marketing Magazine.

North America

Throughout the year under review, Canada faced the challenges posed by a post-pandemic surge in commodity prices, notably in oil, leading to historically high levels of inflation.

In response to this inflationary pressure, the Canadian government initiated a series of interest rate hikes, subsequently dampening consumer spending and housing market activities. Consequently, the Group's publishing and printing operations in Canada faced challenges stemming from rising costs and subdued consumer sentiment during the current financial year.

Despite operating in this challenging environment, the segment's turnover experienced only a slight 4.4% decline to US$7,111,000 in the current year compared to last year's amount of US$7,439,000. The segment's loss before income tax narrowed by 4.0% to US$3,294,000 from last year's US$3,431,000, primarily due to cost savings.

Travel and travel-related services

The recovery of global tourism provided a boost to all of the Group's tour operations, although business volumes have not yet returned to pre-pandemic levels.

For the financial year ended 31 March 2024, turnover for the Group's travel segment grew nearly 4 times to US$39,619,000 from US$10,471,000 in the previous year. This surge in turnover can be largely attributed to the positive reception of the segment's newly launched luxury trips to Mainland China as well as tours to the Rockies and its signature Europe tours. Furthermore, the resumption of students' summer holidays study tours further fuelled revenue growth. Driven by the growth in turnover, the travel segment reported a profit before income tax of US$1,207,000 for the year ended 31 March 2024, a significant improvement from last year's loss before income tax of US$678,000.

However, the Group remains vigilant of the ongoing geopolitical tensions that may impact people's confidence in travelling and, consequently, the Group's travel business.

Digital business

During the year, the performance of the Group's digital business has been impacted by a decline in page views across various platforms, with technology 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 its 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 has now emphasised the development of direct connections with its audience to enhance engagement and increase the average revenue per user. Encouraging existing customers to consume more of the Group's content represents a significant growth opportunity, especially since its brands have already reached a considerable portion of the Malaysian digital audience.

The Group has embarked on the project to launch MCIL ID by implementing a single sign-on for its two digital assets, namely sinchew.com.my and chinapress.com.my. The project aims to collect first-party data toward several goals: growing digital subscriptions through personalised experiences for users and facilitating real-time activation towards conversion; maintaining high engagement of visitors or users of these digital assets to increase the propensity to subscribe and reduce churn; and facilitating targeted ad campaigns by advertisers.

The rise of AI and machine learning will revolutionise all industries, including the media sector. We will continue to explore how AI technology benefits our user experience and value creation, and improve our digital capabilities, including data and analytical tools for quality content creation, audience behaviour studies, advanced analytics, cloud computing, and smart marketing strategy to accelerate the growth momentum of digital advertising income.

In addition to this, the Group will continue its efforts to expand its digital portfolio by investing more resources into quality content, advanced technologies, and digital talent development, aiming to expand and solidify the success aimed at bringing sustainable growth and long-term business development.

BUSINESS OUTLOOK

The global situation has become more complex amid the escalation of geopolitical tensions, fuelled by the ongoing Russian-Ukrainian conflict and the resurgence of the Israeli-Palestinian conflict, leading to a surge in oil prices and revived concerns about the cooling inflationary crisis. The situation was further compounded by increasing tensions between China and the US, alongside other geopolitical conflicts, which are expected to continue impacting global demand and economic recovery. However, the rebound of the China economy may offer some relief.

Malaysia currently experiences political stability which fosters a favourable environment for business investment and economic growth. Notably, there has been an influx of sizable companies entering the Malaysian market, reflecting confidence in the country's economic outlook. In addition, the government's removal of visa requirements for Chinese and Indian travellers since 1 December 2023 has contributed to a boost in Malaysia's tourism sector.

In Hong Kong, the recent removal of all cooling measures on property sales has resulted in an increase in property transaction volume, signalling a potential ripple effect on overall economic activity and consumer spending. Furthermore, the government's plan to hold more mega events in Hong Kong is expected to bring more revenue for its retail and catering sectors, in addition to boosting the city's tourism business. These positive market developments would impact the Group's business in Hong Kong positively.

Despite a slight moderation in global inflation, the Group's operating costs are anticipated to remain high due to elevated commodity and energy costs and a strong US dollar. The management will continue to closely monitor the economic and political developments, adopt a cautious and prudent approach to cost management and ensure operational efficiency and effectiveness in all business units.

PLEDGE OF ASSETS

As at 31 March 2024, 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$4,732,000 at 31 March 2024 (At 31 March 2023: US$4,176,000) and assignment of rental income derived therefrom; and

(b) corporate guarantees issued by the Company.

CONTINGENT LIABILITIES

As at 31 March 2024, 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 consolidated 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 on the Group's financial position.

CAPITAL COMMITMENTS

As at 31 March 2024, the Group's authorised capital expenditure for property, plant and equipment contracted but not provided for in this consolidated financial information amounted to US$58,000 (At 31 March 2023: US$45,000).

The Group's authorised capital expenditure for intangible assets contracted but not provided for in this consolidated financial information amounted to US$ nil (At 31 March 2023: US$29,000).

LIQUIDITY, FINANCIAL RESOURCES AND NET GEARING RATIO

As at 31 March 2024, the Group's cash and cash equivalents and short-term bank deposits amounted to US$ 95,524,000 (31 March 2023: US$93,573,000) and total bank and other borrowings were US$27,073,000 (31 March 2023: US$21,070,000). The net cash position was US$68,451,000 (31 March 2023: US$72,503,000). Owners' equity was US$128,833,000 (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 31 March 2024 and 2023.

EMPLOYEES AND EMOLUMENT POLICY

As at 31 March 2024, the Group had 2,640 employees (31 March 2023: 2,741 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.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the year ended 31 March 2024, neither the Company nor any of its subsidiaries had purchased, sold or the Company had redeemed any of the Company's listed securities.

CLOSURE OF THE REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The annual general meeting of the Company is scheduled to be held on 16 August 2024. The register of members in Hong Kong will be closed on 9 August 2024 to 16 August 2024, both days inclusive, during which no transfer of shares will be registered. In order to qualify for attending the forthcoming annual general meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar and transfer office, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on 8 August 2024. In respect of the shareholders in Malaysia, a depositor in Malaysia shall qualify for the entitlement to attend the annual general meeting only in respect of shares transferred into the depositor's securities account before 4:30 p.m. on 8 August 2024.

Shareholders who wish to request for transmission of their shares between the Malaysia Register and Hong Kong Register are advised to take note that request for transmission will be suspended from 9 August 2024 to 16 August 2024, both days inclusive.

CLOSURE OF THE REGISTER OF MEMBERS FOR INTERIM DIVIDEND

The register of members in Hong Kong will be closed on 20 June 2024 whereby no transfer of shares will be registered on that date. In order to qualify for the interim dividend of US0.15 cents per ordinary share, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar and transfer office, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on 19 June 2024. In respect of the shareholders in Malaysia, a depositor in Malaysia shall qualify for the entitlement to the dividend only in respect of: (i) shares transferred into the depositor's securities account before 4:30 p.m. on 20 June 2024 in respect of transfers; and (ii) shares bought on Bursa Securities on a cum entitlement basis according to the rules of Bursa Securities. The interim dividend will be payable to the shareholders on 9 July 2024.

Shareholders who wish to request for transmission of their shares between the Malaysia Register and Hong Kong Register are advised to take note that request for transmission will be suspended from 14 June 2024 to 20 June 2024, both days inclusive.

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 C1 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 year under review, the Company has met the code provisions as set out in the Hong Kong Code.

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 C3 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 year under review.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee has reviewed with management this consolidated 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

28 May 2024

As at the date of this announcement, 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.