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## **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**

### **FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2020**

Pursuant to Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), Media Chinese International Limited (the “Company”), a public company listed on the main market of Bursa Securities, announced the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “Group”) for the quarter ended 30 June 2020 to Bursa Securities on 28 August 2020.

This announcement is also made pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HK Listing Rules”) and the Inside Information Provisions (as defined under the HK Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

28 August 2020

*As at the date of this announcement, the Board comprises Ms. TIONG Choon, Mr. TIONG Kiew Chiong and Mr. LEONG Chew Meng, being executive directors; Dato’ Sri Dr. TIONG Ik King, being non-executive director; and Mr. YU Hon To, David, Datuk CHONG Kee Yuon and Mr. KHOO Kar Khoon, being independent non-executive directors.*

**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 200702000044)**  
**Financial report for the first quarter ended 30 June 2020**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

|  | <b>(Unaudited)</b><br><b>Three months ended</b><br><b>30 June</b> |                                | <b>(Unaudited)</b><br><b>Three months ended</b><br><b>30 June</b> |   |
|--|---|--------------------------------|---|---|
|  | <b>2020</b><br><b>US\$'000</b>                                    | <b>2019</b><br><b>US\$'000</b> | <b>2020</b><br><b>RM'000</b><br><i>(Note)</i>                     | <b>2019</b><br><b>RM'000</b><br><i>(Note)</i> |
| Turnover   | <b>24,220</b>   | 71,632                         | <b>103,722</b>  | 306,764                                       |
| Cost of goods sold   | <b>(18,637)</b>   | (51,460)                       | <b>(79,813)</b>   | (220,377)                                     |
| <b>Gross profit</b>  | <b>5,583</b>  | 20,172                         | <b>23,909</b>   | 86,387  |
| Other income   | <b>2,286</b>  | 2,291                          | <b>9,790</b>  | 9,811   |
| Other gains/(losses), net  | <b>87</b>   | (72)                           | <b>373</b>  | (308)   |
| Selling and distribution expenses                                      | <b>(6,553)</b>  | (10,996)                       | <b>(28,063)</b>   | (47,090)                                      |
| Administrative expenses  | <b>(5,961)</b>  | (6,701)                        | <b>(25,528)</b>   | (28,697)                                      |
| Other operating expenses   | <b>(1,231)</b>  | (1,281)                        | <b>(5,273)</b>  | (5,487)                                       |
| <b>Operating (loss)/profit</b>   | <b>(5,789)</b>  | 3,413                          | <b>(24,792)</b>   | 14,616  |
| Finance costs  | <b>(160)</b>  | (169)                          | <b>(685)</b>  | (724)   |
| <b>(Loss)/profit before income tax</b>                                 | <b>(5,949)</b>  | 3,244                          | <b>(25,477)</b>   | 13,892  |
| Income tax credit/(expense)  | <b>67</b>   | (1,109)                        | <b>287</b>  | (4,749)                                       |
| <b>(Loss)/profit for the quarter</b>                                   | <b>(5,882)</b>  | 2,135                          | <b>(25,190)</b>   | 9,143   |
| <b>(Loss)/profit attributable to:</b>                                  |   |                                |   |   |
| Owners of the Company  | <b>(5,682)</b>  | 2,264                          | <b>(24,333)</b>   | 9,695   |
| Non-controlling interests  | <b>(200)</b>  | (129)                          | <b>(857)</b>  | (552)   |
|  | <b>(5,882)</b>  | 2,135                          | <b>(25,190)</b>   | 9,143   |
| <b>(Loss)/earnings per share attributable to owners of the Company</b> |   |                                |   |   |
| Basic (US cents/sen) #   | <b>(0.34)</b>   | 0.13                           | <b>(1.46)</b>   | 0.56  |
| Diluted (US cents/sen) #   | <b>(0.34)</b>   | 0.13                           | <b>(1.46)</b>   | 0.56  |

# Refer to B11 for calculations of basic and diluted (loss)/earnings per share

**Note:** The presentation currency of this unaudited financial information is United States Dollar ("US\$"). Supplementary information in Malaysian Ringgit ("RM") for the quarter ended 30 June 2020 with comparatives is shown for reference only and has been made at the same exchange rate of US\$1 to RM4.2825 ruling at 30 June 2020. 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.

**MEDIA CHINESE INTERNATIONAL LIMITED**  
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**Financial report for the first quarter ended 30 June 2020**

**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME**

|  | (Unaudited)<br>Three months ended<br>30 June |                  | (Unaudited)<br>Three months ended<br>30 June |                                 |
|--|--|------------------|--|---------------------------------|
|  | 2020<br>US\$'000                             | 2019<br>US\$'000 | 2020<br>RM'000<br><i>(Note)</i>              | 2019<br>RM'000<br><i>(Note)</i> |
| <b>(Loss)/profit for the quarter</b>   | <b>(5,882)</b>                               | 2,135            | <b>(25,190)</b>                              | 9,143                           |
| <b>Other comprehensive income/(loss)</b>   |  |                  |  |                                 |
| <b>Item that may be reclassified subsequently to profit or loss:</b>                   |  |                  |  |                                 |
| Currency translation differences   | 1,052  | (1,716)          | 4,505  | (7,349)                         |
| <b>Item that will not be reclassified subsequently to profit or loss:</b>              |  |                  |  |                                 |
| Fair value change on financial assets at fair value through other comprehensive income | 143  | (156)            | 612  | (668)                           |
| <b>Other comprehensive income/(loss) for the quarter, net of tax</b>                   | <b>1,195</b>                                 | (1,872)          | <b>5,117</b>                                 | (8,017)                         |
| <b>Total comprehensive (loss)/income for the quarter</b>                               | <b>(4,687)</b>                               | 263              | <b>(20,073)</b>                              | 1,126                           |
| <b>Total comprehensive (loss)/income for the quarter attributable to:</b>              |  |                  |  |                                 |
| Owners of the Company  | (4,525)                                      | 427              | (19,379)                                     | 1,828                           |
| Non-controlling interests  | (162)  | (164)            | (694)  | (702)                           |
|  | <b>(4,687)</b>                               | 263              | <b>(20,073)</b>                              | 1,126                           |

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**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 200702000044)**  
**Financial report for the first quarter ended 30 June 2020**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

|   | (Unaudited)<br>As at<br>30 June<br>2020<br>US\$'000 | (Audited)<br>As at<br>31 March<br>2020<br>US\$'000 | (Unaudited)<br>As at<br>30 June<br>2020<br>RM'000<br><i>(Note)</i> | (Unaudited)<br>As at<br>31 March<br>2020<br>RM'000<br><i>(Note)</i> |
|---|---|--|--|---|
| <b>ASSETS</b>   |   |  |  |   |
| <b>Non-current assets</b>   |   |  |  |   |
| Property, plant and equipment   | 69,534  | 70,669   | 297,778  | 302,639   |
| Investment properties   | 21,992  | 21,864   | 94,181   | 93,633  |
| Intangible assets   | 8,997   | 9,146  | 38,530   | 39,168  |
| Deferred income tax assets  | 120   | 120  | 514  | 514   |
| Financial assets at fair value<br>through other comprehensive<br>income | 1,411   | 1,267  | 6,043  | 5,426   |
|   | <b>102,054</b>                                      | <b>103,066</b>                                     | <b>437,046</b>   | <b>441,380</b>  |
| <b>Current assets</b>   |   |  |  |   |
| Inventories   | 22,815  | 20,039   | 97,706   | 85,817  |
| Trade and other receivables   | 21,278  | 25,252   | 91,123   | 108,142   |
| Financial assets at fair value<br>through profit or loss                | 1,197   | 425  | 5,126  | 1,820   |
| Income tax recoverable  | 840   | 447  | 3,597  | 1,914   |
| Short-term bank deposits  | 19,024  | 13,430   | 81,470   | 57,514  |
| Cash and cash equivalents   | 55,661  | 60,452   | 238,368  | 258,886   |
|   | <b>120,815</b>                                      | <b>120,045</b>                                     | <b>517,390</b>   | <b>514,093</b>  |
| <b>Current liabilities</b>  |   |  |  |   |
| Trade and other payables  | 26,791  | 22,328   | 114,733  | 95,620  |
| Contract liabilities  | 7,046   | 8,889  | 30,174   | 38,067  |
| Dividend payable  | 1,687   | -  | 7,225  | -   |
| Income tax liabilities  | 122   | 564  | 522  | 2,415   |
| Bank and other borrowings   | 21,921  | 19,362   | 93,877   | 82,918  |
| Lease liabilities   | 844   | 839  | 3,614  | 3,593   |
| Current portion of other<br>non-current liabilities                     | 60  | 60   | 257  | 257   |
|   | <b>58,471</b>                                       | <b>52,042</b>                                      | <b>250,402</b>   | <b>222,870</b>  |
| <b>Net current assets</b>   | <b>62,344</b>                                       | <b>68,003</b>                                      | <b>266,988</b>   | <b>291,223</b>  |
| <b>Total assets less current liabilities</b>                            | <b>164,398</b>                                      | <b>171,069</b>                                     | <b>704,034</b>   | <b>732,603</b>  |

**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 200702000044)**  
**Financial report for the first quarter ended 30 June 2020**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)**

|   | (Unaudited)<br>As at<br>30 June<br>2020<br>US\$'000 | (Audited)<br>As at<br>31 March<br>2020<br>US\$'000 | (Unaudited)<br>As at<br>30 June<br>2020<br>RM'000<br><i>(Note)</i> | (Unaudited)<br>As at<br>31 March<br>2020<br>RM'000<br><i>(Note)</i> |
|---|---|--|--|---|
| <b>EQUITY</b>   |   |  |  |   |
| <b>Equity attributable to owners of the Company</b>                               |   |  |  |   |
| Share capital   | 21,715  | 21,715   | 92,994   | 92,994  |
| Share premium   | 54,664  | 54,664   | 234,099  | 234,099   |
| Other reserves  | (120,349)   | (121,506)  | (515,395)  | (520,349)   |
| Retained earnings   | 199,911   | 207,280  | 856,119  | 887,677   |
|   | <u>155,941</u>                                      | <u>162,153</u>                                     | <u>667,817</u>   | <u>694,421</u>  |
| <b>Non-controlling interests</b>  | <b>483</b>  | <b>645</b>   | <b>2,068</b>   | <b>2,762</b>  |
| <b>Total equity</b>   | <b><u>156,424</u></b>                               | <b><u>162,798</u></b>                              | <b><u>669,885</u></b>  | <b><u>697,183</u></b>   |
| <b>Non-current liabilities</b>  |   |  |  |   |
| Lease liabilities   | 1,145   | 1,354  | 4,903  | 5,799   |
| Deferred income tax liabilities   | 5,429   | 5,533  | 23,250   | 23,694  |
| Other non-current liabilities   | 1,400   | 1,384  | 5,996  | 5,927   |
|   | <u>7,974</u>  | <u>8,271</u>                                       | <u>34,149</u>  | <u>35,420</u>   |
|   | <u>164,398</u>                                      | <u>171,069</u>                                     | <u>704,034</u>   | <u>732,603</u>  |
| <b>Net assets per share attributable to owners of the Company (US cents /sen)</b> | <b><u>9.24</u></b>                                  | <b><u>9.61</u></b>                                 | <b><u>39.57</u></b>  | <b><u>41.15</u></b>   |

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**Financial report for the first quarter ended 30 June 2020**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

(Unaudited)

|  | Attributable to owners of the Company |               |                |                   |           | Non-controlling interests | Total equity |
|--|---------------------------------------|---------------|----------------|-------------------|-----------|---------------------------|--------------|
|  | Share capital                         | Share premium | Other reserves | Retained earnings | Sub-total |                           |              |
|  | US\$'000                              | US\$'000      | US\$'000       | US\$'000          | US\$'000  | US\$'000                  | US\$'000     |
| <b>At 1 April 2019</b>   | 21,715                                | 54,664        | (113,173)      | 204,553           | 167,759   | 2,062                     | 169,821      |
| <b>Profit/(loss) for the period</b>  | -                                     | -             | -              | 2,264             | 2,264     | (129)                     | 2,135        |
| <b>Other comprehensive (loss)/income</b>   |                                       |               |                |                   |           |                           |              |
| <b>Item that may be reclassified subsequently to profit or loss:</b>                   |                                       |               |                |                   |           |                           |              |
| Currency translation differences   | -                                     | -             | (1,723)        | -                 | (1,723)   | 7                         | (1,716)      |
| <b>Item that will not be reclassified subsequently to profit or loss:</b>              |                                       |               |                |                   |           |                           |              |
| Fair value change on financial assets at fair value through other comprehensive income | -                                     | -             | (114)          | -                 | (114)     | (42)                      | (156)        |
| <b>Other comprehensive loss, net of tax</b>  | -                                     | -             | (1,837)        | -                 | (1,837)   | (35)                      | (1,872)      |
| <b>Total comprehensive (loss)/ income for the period ended 30 June 2019</b>            | -                                     | -             | (1,837)        | 2,264             | 427       | (164)                     | 263          |
| <b>Total transactions with owners, recognised directly in equity</b>                   |                                       |               |                |                   |           |                           |              |
| 2018/2019 second interim dividend  | -                                     | -             | -              | (1,687)           | (1,687)   | -                         | (1,687)      |
|  | -                                     | -             | -              | (1,687)           | (1,687)   | -                         | (1,687)      |
| <b>At 30 June 2019</b>   | 21,715                                | 54,664        | (115,010)      | 205,130           | 166,499   | 1,898                     | 168,397      |

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)**

(Unaudited)

|  | Attributable to owners of the Company |               |                |                   |           | Non-controlling interests | Total equity |
|--|---------------------------------------|---------------|----------------|-------------------|-----------|---------------------------|--------------|
|  | Share capital                         | Share premium | Other reserves | Retained earnings | Sub-total |                           |              |
|  | US\$'000                              | US\$'000      | US\$'000       | US\$'000          | US\$'000  | US\$'000                  | US\$'000     |
| At 1 April 2020  | 21,715                                | 54,664        | (121,506)      | 207,280           | 162,153   | 645                       | 162,798      |
| Loss for the period  | -                                     | -             | -              | (5,682)           | (5,682)   | (200)                     | (5,882)      |
| Other comprehensive income/(loss)  |                                       |               |                |                   |           |                           |              |
| Item that may be reclassified subsequently to profit or loss:                          |                                       |               |                |                   |           |                           |              |
| Currency translation differences   | -                                     | -             | 1,053          | -                 | 1,053     | (1)                       | 1,052        |
| Item that will not be reclassified subsequently to profit or loss:                     |                                       |               |                |                   |           |                           |              |
| Fair value change on financial assets at fair value through other comprehensive income | -                                     | -             | 104            | -                 | 104       | 39                        | 143          |
| Other comprehensive income, net of tax   | -                                     | -             | 1,157          | -                 | 1,157     | 38                        | 1,195        |
| Total comprehensive income/(loss) for the period ended 30 June 2020                    | -                                     | -             | 1,157          | (5,682)           | (4,525)   | (162)                     | (4,687)      |
| Total transactions with owners, recognised directly in equity                          |                                       |               |                |                   |           |                           |              |
| 2019/2020 second interim dividend  | -                                     | -             | -              | (1,687)           | (1,687)   | -                         | (1,687)      |
|  | -                                     | -             | -              | (1,687)           | (1,687)   | -                         | (1,687)      |
| At 30 June 2020  | 21,715                                | 54,664        | (120,349)      | 199,911           | 155,941   | 483                       | 156,424      |

**MEDIA CHINESE INTERNATIONAL LIMITED**  
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**Financial report for the first quarter ended 30 June 2020**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)**

|  | (Unaudited)                           |                                      |                                       |  |                               |  | Total<br>equity<br>RM'000<br>(Note) |
|--|---------------------------------------|--------------------------------------|---------------------------------------|--|-------------------------------|--|-------------------------------------|
|  | Attributable to owners of the Company |                                      |                                       |  |                               | Non-<br>controlling<br>interests<br>RM'000<br>(Note) |                                     |
|  | Share<br>capital<br>RM'000<br>(Note)  | Share<br>premium<br>RM'000<br>(Note) | Other<br>reserves<br>RM'000<br>(Note) | Retained<br>earnings<br>RM'000<br>(Note) | Sub-total<br>RM'000<br>(Note) |  |                                     |
| <b>At 1 April 2019</b>   | 92,994                                | 234,099                              | (484,663)                             | 875,998                                  | 718,428                       | 8,831  | 727,259                             |
| <b>Profit/(loss) for the period</b>  | -                                     | -                                    | -                                     | 9,695                                    | 9,695                         | (552)  | 9,143                               |
| <b>Other comprehensive (loss)/income</b>   |                                       |                                      |                                       |  |                               |  |                                     |
| <b>Item that may be reclassified subsequently to profit or loss:</b>                   |                                       |                                      |                                       |  |                               |  |                                     |
| Currency translation differences   | -                                     | -                                    | (7,379)                               | -  | (7,379)                       | 30   | (7,349)                             |
| <b>Item that will not be reclassified subsequently to profit or loss:</b>              |                                       |                                      |                                       |  |                               |  |                                     |
| Fair value change on financial assets at fair value through other comprehensive income | -                                     | -                                    | (488)                                 | -  | (488)                         | (180)  | (668)                               |
| <b>Other comprehensive loss, net of tax</b>  | -                                     | -                                    | (7,867)                               | -  | (7,867)                       | (150)  | (8,017)                             |
| <b>Total comprehensive (loss)/income for the period ended 30 June 2019</b>             | -                                     | -                                    | (7,867)                               | 9,695                                    | 1,828                         | (702)  | 1,126                               |
| <b>Total transactions with owners, recognised directly in equity</b>                   |                                       |                                      |                                       |  |                               |  |                                     |
| 2018/2019 second interim dividend  | -                                     | -                                    | -                                     | (7,225)                                  | (7,225)                       | -  | (7,225)                             |
|  | -                                     | -                                    | -                                     | (7,225)                                  | (7,225)                       | -  | (7,225)                             |
| <b>At 30 June 2019</b>   | 92,994                                | 234,099                              | (492,530)                             | 878,468                                  | 713,031                       | 8,129  | 721,160                             |

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**Financial report for the first quarter ended 30 June 2020**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)**

|  | (Unaudited)                           |                                      |                                       |  |                               |  | Total<br>equity<br>RM'000<br>(Note) |
|--|---------------------------------------|--------------------------------------|---------------------------------------|--|-------------------------------|--|-------------------------------------|
|  | Attributable to owners of the Company |                                      |                                       |  |                               | Non-<br>controlling<br>interests<br>RM'000<br>(Note) |                                     |
|  | Share<br>capital<br>RM'000<br>(Note)  | Share<br>premium<br>RM'000<br>(Note) | Other<br>reserves<br>RM'000<br>(Note) | Retained<br>earnings<br>RM'000<br>(Note) | Sub-total<br>RM'000<br>(Note) |  |                                     |
| At 1 April 2020  | 92,994                                | 234,099                              | (520,349)                             | 887,677                                  | 694,421                       | 2,762  | 697,183                             |
| Loss for the period  | -                                     | -                                    | -                                     | (24,333)                                 | (24,333)                      | (857)  | (25,190)                            |
| <b>Other comprehensive income/(loss)</b>   |                                       |                                      |                                       |  |                               |  |                                     |
| <b>Item that may be reclassified subsequently to profit or loss:</b>                   |                                       |                                      |                                       |  |                               |  |                                     |
| Currency translation differences   | -                                     | -                                    | 4,509                                 | -  | 4,509                         | (4)  | 4,505                               |
| <b>Item that will not be reclassified subsequently to profit or loss:</b>              |                                       |                                      |                                       |  |                               |  |                                     |
| Fair value change on financial assets at fair value through other comprehensive income | -                                     | -                                    | 445                                   | -  | 445                           | 167  | 612                                 |
| <b>Other comprehensive income, net of tax</b>  | -                                     | -                                    | 4,954                                 | -  | 4,954                         | 163  | 5,117                               |
| <b>Total comprehensive income/(loss) for the period ended 30 June 2020</b>             | -                                     | -                                    | 4,954                                 | (24,333)                                 | (19,379)                      | (694)  | (20,073)                            |
| <b>Total transactions with owners, recognised directly in equity</b>                   |                                       |                                      |                                       |  |                               |  |                                     |
| 2019/2020 second interim dividend  | -                                     | -                                    | -                                     | (7,225)                                  | (7,225)                       | -  | (7,225)                             |
|  | -                                     | -                                    | -                                     | (7,225)                                  | (7,225)                       | -  | (7,225)                             |
| At 30 June 2020  | 92,994                                | 234,099                              | (515,395)                             | 856,119                                  | 667,817                       | 2,068  | 669,885                             |

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

|   | <b>(Unaudited)</b>        |                 | <b>(Unaudited)</b>        |                |
|---|---------------------------|-----------------|---------------------------|----------------|
|   | <b>Three months ended</b> |                 | <b>Three months ended</b> |                |
|   | <b>30 June</b>            |                 | <b>30 June</b>            |                |
|   | <b>2020</b>               | <b>2019</b>     | <b>2020</b>               | <b>2019</b>    |
|   | <b>US\$'000</b>           | <b>US\$'000</b> | <b>RM'000</b>             | <b>RM'000</b>  |
|   |                           |                 | <i>(Note)</i>             | <i>(Note)</i>  |
| <b>Cash flows from operating activities</b>                                   |                           |                 |                           |                |
| Cash (used in)/generated from operations                                      | (229)                     | 7,471           | (981)                     | 31,994         |
| Interest paid   | (160)                     | (160)           | (685)                     | (685)          |
| Income tax paid   | (892)                     | (1,035)         | (3,820)                   | (4,432)        |
| Net cash (used in)/generated from operating activities                        | <b>(1,281)</b>            | <b>6,276</b>    | <b>(5,486)</b>            | <b>26,877</b>  |
| <b>Cash flows from investing activities</b>                                   |                           |                 |                           |                |
| Dividends received  | 12                        | 11              | 51                        | 47             |
| Increase in short-term bank deposits with original maturity over three months | (5,594)                   | (348)           | (23,956)                  | (1,490)        |
| Interest received   | 306                       | 361             | 1,310                     | 1,546          |
| Proceeds from disposal of property, plant and equipment                       | 1                         | 6               | 4                         | 26             |
| Purchases of intangible assets  | (11)                      | (29)            | (47)                      | (124)          |
| Purchases of property, plant and equipment                                    | (146)                     | (218)           | (625)                     | (934)          |
| Purchases of financial assets at fair value through profit or loss            | (761)                     | -               | (3,259)                   | -              |
| Net cash used in investing activities   | <b>(6,193)</b>            | <b>(217)</b>    | <b>(26,522)</b>           | <b>(929)</b>   |
| <b>Cash flows from financing activities</b>                                   |                           |                 |                           |                |
| Proceeds from bank and other borrowings                                       | 3,917                     | 1,205           | 16,775                    | 5,160          |
| Repayments of bank and other borrowings                                       | (1,376)                   | (2,615)         | (5,893)                   | (11,199)       |
| Principal elements of lease liabilities                                       | (212)                     | (168)           | (908)                     | (719)          |
| Net cash generated from / (used in) financing activities                      | <b>2,329</b>              | <b>(1,578)</b>  | <b>9,974</b>              | <b>(6,758)</b> |
| <b>Net (decrease)/increase in cash and cash equivalents</b>                   | <b>(5,145)</b>            | <b>4,481</b>    | <b>(22,034)</b>           | <b>19,190</b>  |
| Cash and cash equivalents at beginning of period                              | 60,452                    | 69,204          | 258,886                   | 296,366        |
| Exchange adjustments on cash and cash equivalents                             | 354                       | (525)           | 1,516                     | (2,248)        |
| <b>Cash and cash equivalents at end of period</b>                             | <b>55,661</b>             | <b>73,160</b>   | <b>238,368</b>            | <b>313,308</b> |

*Note:* The presentation currency of this unaudited financial information is US\$. Supplementary information in RM for the period ended 30 June 2020 with comparatives is shown for reference only and has been made at the same exchange rate of US\$1 to RM4.2825 ruling at 30 June 2020. 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.

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**A. NOTES TO THE FINANCIAL INFORMATION**

**A1. Basis of preparation**

This condensed consolidated financial information of the Company and its subsidiaries (collectively the “Group”) for the quarter ended 30 June 2020 (“this financial information”) has been prepared in accordance with the International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board, Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HK Listing Rules”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Listing Requirements”).

This financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2020 which were prepared in accordance with International Financial Reporting Standards (“IFRSs”).

This financial information has not been audited.

**A2. Accounting policies**

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of new and amended standards as set out below.

**(i) New and amended standards and interpretations adopted by the Group**

The Group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 April 2020:

- Amendments to IAS 1 and IAS 8, “Definition of material”
- Amendments to IFRS 3, “Definition of a business”
- Amendments to IAS 39, IFRS 7 and IFRS 9, “Interest rate benchmark reform”
- Conceptual Framework for Financial Reporting 2018, “Revised conceptual framework for financial reporting”

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) New standards and interpretations not yet adopted**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2020 reporting periods and have not been early adopted by the Group.

|                                  |   | <b>Effective for annual periods beginning on or after</b> |
|----------------------------------|---|---|
| Amendments to IAS 1              | Classification of liabilities as current or non-current                               | 1 January 2023  |
| Amendments to IAS 16             | Property, plant and equipment: proceeds before intended use                           | 1 January 2022  |
| Amendments to IAS 37             | Onerous contracts – cost of fulfilling a contract                                     | 1 January 2022  |
| Amendments to IFRS 3             | Reference to the conceptual framework   | 1 January 2022  |
| Amendments to IFRS 10 and IAS 28 | Sale or contribution of assets between an investor and its associate or joint venture | Effective Date to be determined                           |
| Amendments to IFRS 16            | COVID-19-related rent concessions   | 1 June 2020   |
| IFRS 17                          | Insurance contracts   | 1 January 2023  |
| Annual improvements              | Annual improvements to IFRSs 2018-2020 cycle  | 1 January 2022  |

None of these new standards and interpretations are expected to have a material impact on the Group’s consolidated financial statements.

**A. NOTES TO THE FINANCIAL INFORMATION (Continued)**

**A3. 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\$.

The assets and liabilities of each entity within the Group are mostly denominated in its own functional currency and do not have material impact on the consolidated statement of profit or loss for the period.

During the period ended 30 June 2020, the Group is particularly exposed to movements in the US\$ to RM exchange rate as a major part of the Group's operations is located in Malaysia.

**A4. Auditor's report on preceding annual financial statements**

The auditor's report of the Group's annual financial statements for the year ended 31 March 2020 was not subject to any qualification.

**A5. Seasonal or cyclical factors**

The business operations of the Group may be affected by major festive seasons or major events that may increase or decrease the advertising revenue and the travel business revenue.

**A6. Unusual items**

There were no unusual items affecting the Group's assets, liabilities, equity, net income or cash flows during the quarter under review except that the Group's business activities were affected by the COVID-19 pandemic and the measures taken to contain the outbreak by the governments in countries where the Group has business operations as disclosed in Notes B1 and B2.

**A7. Changes in estimates**

There were no material changes in estimates of amounts reported in prior financial years that have a material effect on the results of the quarter under review.

**A8. Changes in debt and equity securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the quarter under review.

**A9. Dividends paid**

There was no dividend paid during the current quarter.

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**A. NOTES TO THE FINANCIAL INFORMATION (Continued)**

**A10. 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 and other Southeast Asian countries  
 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 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 quarter ended 30 June 2020, analysed by operating segment, are as follows:

|  | (Unaudited)  |                                  |                           |                       |                                    | Total<br>US\$'000 |
|--|--|----------------------------------|---------------------------|-----------------------|------------------------------------|-------------------|
|  | Three months ended 30 June 2020                          |                                  |                           |                       |                                    |                   |
|  | Publishing and printing                                  |                                  |                           |                       | Travel and travel related services |                   |
|  | Malaysia and other Southeast Asian countries<br>US\$'000 | Hong Kong and Taiwan<br>US\$'000 | North America<br>US\$'000 | Sub-total<br>US\$'000 | US\$'000                           |                   |
| <b>Turnover</b>                                | 14,276   | 8,605                            | 1,290                     | 24,171                | 49                                 | 24,220            |
| <b>Segment (loss)/profit before income tax</b> | (3,636)  | (1,921)                          | 124                       | (5,433)               | (374)                              | (5,807)           |
| Other net unallocated expenses                 |  |                                  |                           |                       |                                    | (142)             |
| Loss before income tax                         |  |                                  |                           |                       |                                    | (5,949)           |
| Income tax credit                              |  |                                  |                           |                       |                                    | 67                |
| <b>Loss for the quarter</b>                    |  |                                  |                           |                       |                                    | (5,882)           |
| <b>Other segmental information:</b>            |  |                                  |                           |                       |                                    |                   |
| Interest income                                | 300  | -                                | 1                         | 301                   | 5                                  | 306               |
| Finance costs                                  | (13)   | (130)                            | -                         | (143)                 | (17)                               | (160)             |
| Depreciation of property, plant and equipment  | (1,185)  | (299)                            | (39)                      | (1,523)               | (210)                              | (1,733)           |
| Amortisation of intangible assets              | (198)  | (26)                             | (2)                       | (226)                 | (1)                                | (227)             |

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**A. NOTES TO THE FINANCIAL INFORMATION (Continued)**

**A10. Turnover and segment information (Continued)**

The Group's turnover and results for the quarter ended 30 June 2019, analysed by operating segment, are as follows:

|  | (Unaudited)<br>Three months ended 30 June 2019                       |  |                              |                       |        | Travel<br>and<br>travel<br>related<br>services<br>US\$'000 | Total<br>US\$'000 |
|--|--|--|------------------------------|-----------------------|--------|--|-------------------|
|  | Publishing and printing  |  |                              |                       |        |  |                   |
|  | Malaysia<br>and other<br>Southeast<br>Asian<br>countries<br>US\$'000 | Hong Kong<br>and<br>Taiwan<br>US\$'000 | North<br>America<br>US\$'000 | Sub-total<br>US\$'000 |        |  |                   |
| <b>Turnover</b>                                    | 27,246   | 11,737                                 | 2,943                        | 41,926                | 29,706 |  | 71,632            |
| <b>Segment profit/(loss) before<br/>income tax</b> | 2,491  | (1,148)                                | (9)                          | 1,334                 | 2,098  |  | 3,432             |
| Other net unallocated expenses                     |  |  |                              |                       |        |  | (188)             |
| Profit before income tax                           |  |  |                              |                       |        |  | 3,244             |
| Income tax expense                                 |  |  |                              |                       |        |  | (1,109)           |
| <b>Profit for the quarter</b>                      |  |  |                              |                       |        |  | 2,135             |
| <b>Other segmental information:</b>                |  |  |                              |                       |        |  |                   |
| Interest income                                    | 335  | 7                                      | 6                            | 348                   | 13     |  | 361               |
| Finance costs                                      | (11)   | (149)                                  | -                            | (160)                 | (9)    |  | (169)             |
| Depreciation of property,<br>plant and equipment   | (1,304)  | (291)                                  | (48)                         | (1,643)               | (177)  |  | (1,820)           |
| Amortisation of intangible assets                  | (177)  | (29)                                   | (2)                          | (208)                 | (7)    |  | (215)             |

**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 quarter is disaggregated as follows:

|   | (Unaudited)<br>Three months ended<br>30 June |                  |
|---|--|------------------|
|   | 2020<br>US\$'000                             | 2019<br>US\$'000 |
| <b>By major products or service lines</b>   |  |                  |
| <b>Timing of revenue recognition</b>  |  |                  |
| <b>At a point in time</b>   |  |                  |
| Sales of newspapers, magazines, books and digital contents,<br>net of trade discounts and returns | 11,917                                       | 14,652           |
| Travel and travel related services income   | 5  | 302              |
| <b>Over time</b>  |  |                  |
| Advertising income, net of trade discounts  | 12,254                                       | 27,274           |
| Travel and travel related services income   | 44   | 29,404           |
|   | <u>24,220</u>                                | <u>71,632</u>    |

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**A. NOTES TO THE FINANCIAL INFORMATION (Continued)**

**A10. Turnover and segment information (Continued)**

The segment assets and liabilities as at 30 June 2020 are as follows:

|   | (Unaudited)  |  |                              |                       |  |              | Elimination<br>US\$'000 | Total<br>US\$'000 |
|---|--|--|------------------------------|-----------------------|--|--------------|-------------------------|-------------------|
|   | Publishing and printing  |  |                              |                       | Travel<br>and<br>travel<br>related<br>services<br>US\$'000 |              |                         |                   |
|   | Malaysia<br>and other<br>Southeast<br>Asian<br>countries<br>US\$'000 | Hong Kong<br>and<br>Taiwan<br>US\$'000 | North<br>America<br>US\$'000 | Sub-total<br>US\$'000 |  |              |                         |                   |
| <b>Segment assets</b>   | <b>157,174</b>   | <b>36,500</b>                          | <b>13,046</b>                | <b>206,720</b>        | <b>15,498</b>  | <b>(414)</b> | <b>221,804</b>          |                   |
| Unallocated assets  |  |  |                              |                       |  |              | <u>1,065</u>            |                   |
| <b>Total assets</b>   |  |  |                              |                       |  |              | <u><b>222,869</b></u>   |                   |
| <b>Total assets include:</b>  |  |  |                              |                       |  |              |                         |                   |
| Additions to non-current assets<br>(other than deferred income<br>tax assets) | 81   | 76                                     | -                            | 157                   | -  | -            | <u>157</u>              |                   |
| <b>Segment liabilities</b>  | <b>(14,611)</b>  | <b>(31,160)</b>                        | <b>(7,889)</b>               | <b>(53,660)</b>       | <b>(4,564)</b>   | <b>414</b>   | <b>(57,810)</b>         |                   |
| Unallocated liabilities   |  |  |                              |                       |  |              | <u>(8,635)</u>          |                   |
| <b>Total liabilities</b>  |  |  |                              |                       |  |              | <u><b>(66,445)</b></u>  |                   |

The segment assets and liabilities as at 31 March 2020 are as follows:

|   | (Audited)  |  |                              |                       |  |              | Elimination<br>US\$'000 | Total<br>US\$'000 |
|---|--|--|------------------------------|-----------------------|--|--------------|-------------------------|-------------------|
|   | Publishing and printing  |  |                              |                       | Travel<br>and<br>travel<br>related<br>services<br>US\$'000 |              |                         |                   |
|   | Malaysia<br>and other<br>Southeast<br>Asian<br>countries<br>US\$'000 | Hong Kong<br>and<br>Taiwan<br>US\$'000 | North<br>America<br>US\$'000 | Sub-total<br>US\$'000 |  |              |                         |                   |
| <b>Segment assets</b>   | <b>158,529</b>   | <b>35,575</b>                          | <b>10,688</b>                | <b>204,792</b>        | <b>17,854</b>  | <b>(642)</b> | <b>222,004</b>          |                   |
| Unallocated assets  |  |  |                              |                       |  |              | <u>1,107</u>            |                   |
| <b>Total assets</b>   |  |  |                              |                       |  |              | <u><b>223,111</b></u>   |                   |
| <b>Total assets include:</b>  |  |  |                              |                       |  |              |                         |                   |
| Additions to non-current assets<br>(other than deferred income<br>tax assets) | 1,213  | 484                                    | 41                           | 1,738                 | 1,466  | -            | <u>3,204</u>            |                   |
| <b>Segment liabilities</b>  | <b>(12,458)</b>  | <b>(28,872)</b>                        | <b>(6,063)</b>               | <b>(47,393)</b>       | <b>(6,126)</b>   | <b>642</b>   | <b>(52,877)</b>         |                   |
| Unallocated liabilities   |  |  |                              |                       |  |              | <u>(7,436)</u>          |                   |
| <b>Total liabilities</b>  |  |  |                              |                       |  |              | <u><b>(60,313)</b></u>  |                   |

**A. NOTES TO THE FINANCIAL INFORMATION (Continued)**

**A10. Turnover and segment information (Continued)**

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

Segment assets consist primarily of property, plant and equipment, investment properties, intangible assets, 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. They mainly exclude deferred income tax assets and income tax recoverable of the Group.

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

**A11. Valuation of property, plant and equipment**

There was no revaluation of the Group's property, plant and equipment during the quarter ended 30 June 2020.

**A12. Subsequent material events**

There were no subsequent material events of the Group.

**A13. Changes in the composition of the Group**

There were no material changes in the composition of the Group during the quarter under review.

**A14. Capital commitments**

Capital commitments outstanding as at 30 June 2020 are as follows:

|                                   | <b>(Unaudited)</b><br><b>US\$'000</b> |
|-----------------------------------|---------------------------------------|
| Property, plant and equipment :   |                                       |
| Authorised and contracted for     | 61                                    |
| Authorised but not contracted for | -                                     |
|                                   | <u>61</u>                             |
| Intangible assets:                |                                       |
| Authorised and contracted for     | 502                                   |
| Authorised but not contracted for | -                                     |
|                                   | <u>502</u>                            |



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**A. NOTES TO THE FINANCIAL INFORMATION (Continued)**

**A15. Related party transactions**

|  | (Unaudited)        |          |
|--|--------------------|----------|
|  | Three months ended |          |
|  | 30 June            |          |
|  | 2020               | 2019     |
|  | US\$'000           | US\$'000 |
| Advertising income received from related companies<br>(note 1)                       | –                  | (1)      |
| Provision of accounting and administrative services to<br>related companies (note 1) | –                  | (4)      |
| Provision of engineering professional services by a<br>related company (note 1)      | –                  | 12       |
| Provision of legal services by a related company (note 2)                            | 6                  | 18       |
| Purchase of air tickets from a related company (note 1)                              | –                  | 4        |
| Purchase of honey from a related company (note 1)                                    | 2                  | –        |
| Rental expenses paid to related companies (note 1)                                   | 23                 | 23       |

*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.

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**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'  
MAIN MARKET LISTING REQUIREMENTS**

**B1. Analysis of performance**

|                                 | <b>(Unaudited)</b>                    |                  |          |
|---------------------------------|---------------------------------------|------------------|----------|
|                                 | <b>Three months ended<br/>30 June</b> |                  |          |
|                                 | 2020<br>US\$'000                      | 2019<br>US\$'000 | % Change |
| Turnover                        | 24,220                                | 71,632           | -66.2%   |
| (Loss)/profit before income tax | (5,949)                               | 3,244            | -283.4%  |
| (EBITDA Loss) / EBITDA          | (4,135)                               | 5,087            | -181.3%  |

The Group's turnover for the quarter under review fell 66.2% to US\$24,220,000 from US\$71,632,000 in the same quarter last year. This significant drop was primarily due to the negative impact of COVID-19 on the Group's publishing and printing segment and the travel segment which saw their revenue fall by 42.3% and 99.8% respectively. The revenue decline resulted in the Group reporting a loss before income tax of US\$5,949,000 for the current quarter as compared to a profit before income tax of US\$3,244,000 a year earlier.

EBITDA loss for the quarter was US\$4,135,000, compared to an EBITDA of US\$5,087,000 in the corresponding quarter last year.

During the current quarter, both the Malaysian Ringgit ("RM") and the Canadian dollar ("C\$") weakened against the US dollar, resulting in a negative currency impact of about US\$630,000 on the Group's turnover and a positive currency impact of about US\$159,000 on the Group's loss before income tax.

**Publishing and Printing**

The turnover for the publishing and printing segment dropped to US\$24,171,000 from US\$41,926,000 in the corresponding quarter last year. The 42.3% decline was mainly due to the COVID-19 pandemic's adverse impact on the world economies and businesses, which led to a decline in the Group's advertising revenue from all its markets. This segment reported a loss before income tax of US\$5,433,000, compared to a profit before income tax of US\$1,334,000 in the previous year.

In the wake of the COVID-19 pandemic, most countries in Southeast Asia have imposed lockdown and other restrictions to curb the spreading of the coronavirus. In Malaysia, a Movement Control Order ("MCO") was imposed from mid-March to early June 2020 during which period workplaces had to close down except for essential services. The MCO had crippled the retail sector and negatively affected the advertising spending in Malaysia. The control on movements had also affected the delivery of newspapers and magazines and therefore impacted the segment's circulation revenue.

The slowdown in the economy of this region resulted in the Group's Malaysia and other Southeast Asian segment reporting a 47.6% decline in turnover to US\$14,276,000 from US\$27,246,000 a year earlier. The decline led to a loss before income tax of US\$3,636,000 for the quarter, as opposed to a profit before income tax of US\$2,491,000 a year ago.

Hong Kong's economy shrank by 9% year-on-year during the current quarter, as the pandemic continued to have a major adverse impact on the local economic activities. In tandem with this contraction, the turnover of the Group's Hong Kong and Taiwan segment declined by 26.7% year-on-year to US\$8,605,000 and the segment's loss before income tax widened to US\$1,921,000 from US\$1,148,000 a year ago.

During the quarter, the Group's North America segment saw its turnover decline by 56.2% year-on-year to US\$1,290,000 from US\$2,943,000 as the region's economic environment remained challenging amid the pandemic. Despite the decline in revenue, the segment managed to achieve a profit before income tax of US\$124,000 as opposed to a loss before income tax of US\$9,000 in the same quarter last year, mainly attributed to cost savings and the Canadian government's relief measures which helped lower the segment's operating costs.

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'  
 MAIN MARKET LISTING REQUIREMENTS (Continued)**

**B1. Analysis of performance (Continued)**

**Travel and travel related services**

The COVID-19 pandemic and subsequent lockdown measures have brought the tourism industry to a standstill, causing significant revenue loss for the Group's travel segment. The turnover for the Group's travel segment plunged by nearly 100% to US\$49,000 from US\$29,706,000 in the prior year quarter. The segment reported a loss before income tax of US\$374,000 for the quarter, as against a profit before income tax of US\$2,098,000 a year ago, with the impact of the sharp decline in revenue cushioned by aggressive cost cutting measures and government relief subsidies.

**B2. Variation of results against immediate preceding quarter**

|                        | <b>(Unaudited)<br/>Three months ended<br/>30 June 2020<br/>US\$'000</b> | <b>(Unaudited)<br/>Three months ended<br/>31 March 2020<br/>US\$'000</b> | <b>% Change</b> |
|------------------------|---|--|-----------------|
| Turnover               | <b>24,220</b>   | 38,457   | -37.0%          |
| Loss before income tax | <b>(5,949)</b>  | (1,537)  | -287.1%         |

The Group recorded a turnover of US\$24,220,000 for the current quarter, 37.0% below that of the immediate preceding quarter, as the pandemic continued to take its toll on the global economy. The turnover for the Group's publishing and printing segment fell by 28.4% to US\$24,171,000 from US\$33,765,000, while the turnover for its travel segment dropped 99.0% to US\$49,000 from US\$4,692,000 in the immediate preceding quarter.

As a result of the decline in turnover, the Group's loss before income tax widened to US\$5,949,000 from US\$1,537,000 in the preceding quarter.

**B3. Current year prospects**

The year 2020 to date has been a disastrous and very challenging one for most businesses across the globe. With COVID-19 still lingering on and many countries suffering second or third waves of infection with no vaccine in sight, businesses and consumer demands remain weak globally. Hence, the Group expects tough business environment ahead especially for its travel segment as the borders of most countries remain closed.

The Group will continue its efforts to minimise the adverse impact arising from the pandemic on its earnings with aggressive cost containment measures and look for ways to adapt its operations and marketing efforts to the changing business environment. As standard operating procedures and social distancing have become a part of life, the Group will continue to launch more webinars and virtual events, as well as 'hybrid events' which leverage on both its print and digital platforms to drive revenue. Furthermore, to meet the growing demand for digital learning resources as most schools have moved to online classes during the pandemic, the Group's publishing arm has stepped up its efforts and services in order to expand its share in this growing market.

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'  
 MAIN MARKET LISTING REQUIREMENTS (Continued)**

**B4. Profit forecast and profit guarantee**

The Group has not provided any profit forecast or profit guarantee in any public document.

**B5. Profit before income tax**

Profit before income tax has been arrived at after (charging) /crediting:

|  | (Unaudited)<br>Three months ended<br>30 June |                  |
|--|--|------------------|
|  | 2020<br>US\$'000                             | 2019<br>US\$'000 |
| Exchange gains/(losses) - net  | 84   | (58)             |
| (Provision)/ reversal of provision for loss allowance and write-off of trade and other receivables | (132)  | 134              |
| Provision for impairment and write-off of inventories  | (40)   | (40)             |
| Loss on disposal of property, plant and equipment  | (2)  | (10)             |

Save as disclosed above and in A10, the other items as required under Part A(16) of Appendix 9B of the Bursa Securities' Listing Requirements are not applicable.

**B6. Income tax expense/(credit)**

Income tax expense/(credit) in the condensed consolidated statement of profit or loss represents:

|                                   | (Unaudited)<br>Three months ended<br>30 June |                  |
|-----------------------------------|--|------------------|
|                                   | 2020<br>US\$'000                             | 2019<br>US\$'000 |
| Current period income tax expense | 64   | 1,165            |
| Over provision in prior years     | -  | (2)              |
| Deferred income tax credit        | (131)  | (54)             |
|                                   | <u>(67)</u>                                  | <u>1,109</u>     |

The effective tax rate of the Group for the current quarter under review was higher than the Malaysian statutory tax rate of 24% mainly due to the loss incurred by the Group during the quarter.

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'  
 MAIN MARKET LISTING REQUIREMENTS (Continued)**

**B7. Status of corporate proposal**

There were no corporate proposals announced but not completed at the latest practicable date, which is not earlier than seven days from the date of issue of this financial information.

**B8. Group borrowings**

The Group's borrowings as at 30 June 2020 are as follows:

|                 | Secured<br>US\$'000 | (Unaudited)<br>Unsecured<br>US\$'000 | Total<br>US\$'000 |
|-----------------|---------------------|--------------------------------------|-------------------|
| <b>Current</b>  |                     |                                      |                   |
| Bank borrowings | <u>20,127</u>       | <u>1,794</u>                         | <u>21,921</u>     |

The Group's borrowings were denominated in the following currencies:

|                       | (Unaudited)<br>US\$'000 |
|-----------------------|-------------------------|
| Malaysian Ringgit     | 1,600                   |
| Hong Kong dollars     | 19,884                  |
| United States dollars | 437                     |
|                       | <u>21,921</u>           |

The net gearing ratio of the Group, calculated as net debt over owners' equity, was nil as at 30 June 2020 and 31 March 2020.

**B9. Material litigation**

As at 30 June 2020, 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 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.

**B10. Dividend payable**

The tax-exempt second interim dividend of US0.10 cents per ordinary share totaling US\$1,687,000 in respect of the year ended 31 March 2020 was paid on 30 July 2020.

The Board of Directors does not recommend any distribution of dividend for the quarter under review.

**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 200702000044)**  
**Financial report for the first quarter ended 30 June 2020**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'**  
**MAIN MARKET LISTING REQUIREMENTS (Continued)**

**B11. (Loss)/earnings per share attributable to owners of the Company**

|   | (Unaudited)          |                      |
|---|----------------------|----------------------|
|   | Three months ended   |                      |
|   | 30 June              |                      |
|   | 2020                 | 2019                 |
| (Loss)/profit attributable to owners of the Company(US\$'000) | <u>(5,682)</u>       | <u>2,264</u>         |
| Weighted average number of ordinary shares in issue           | <u>1,687,236,241</u> | <u>1,687,236,241</u> |
| Basic (loss)/earnings per share (US cents)                    | <u>(0.34)</u>        | <u>0.13</u>          |
| Diluted(loss)/earnings per share (US cents)                   | <u>(0.34)</u>        | <u>0.13</u>          |

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 quarters ended 30 June 2020 and 2019.

**B12. Contingencies**

As at 30 June 2020, the Group had short-term bank deposits of US\$516,000 (At 31 March 2020: US\$516,000) pledged to a bank for a bank guarantee issued.

On behalf of the Board  
Media Chinese International Limited

Tin Suk Han  
Tong Siew Kheng  
Joint Company Secretaries  
28 August 2020