



## **PRESS RELEASE**

SINGAPORE, May 22, 2015 /PRNewswire/ -- Australian listed MNC Media Investment Ltd (ASX: MIH) ("MNCMI" or "the Group"), a provider of media and entertainment content and services in key strategic markets in Asia, has returned to the black. It reported a net profit of US\$0.2 million as its revenue leapt to US\$25.1 million in 1QFY2015. This is more than double its revenue of US\$10.9 million for the corresponding quarter last year (1QFY2014), and a jump of 28% compared to 4QFY2014.

The Group's turnaround was powered largely by its focus on two high-growth sectors – mobile games and social e-commerce in China.

Mr. Hary Tanoesoedibjo, Chairman and Group Chief Executive Officer, said, "Our strong revenue growth reflects the success of our key digital businesses in China. Letang has successfully met the interests of mobile gamers; while Fumubang has grown fast to better meet the needs of parents in terms of lifestyle and edutainment content."

"Our mobile games business was given a shot in the arm with the launch of our second version of Boonie Bears (BB2) in February 2015 – which drew good response. Boonie Bears (BB), one of our flagship games, has garnered more than 230 million downloads to date since it was launched in January 2014, while our other popular game - Armoured Warriors has attracted close to 70 million downloads since its inception in October last year."

"Our social e-commerce business in China has also done well as our flagship, proprietary parenting, edutainment and family-oriented portal - Fumubang saw a more than a seven-fold revenue jump from US\$0.3 million in first quarter of FY2014 to US\$2.1 million in first quarter of 2015. The base of active users, which have hit a million, also rose more than six fold last year. The Fumubang website is now ranked Top 50 in Shanghai by Wenhui Xinmin United Press."

"The record numbers delivered by both the Group's mobile games business as well as Fumubang in China have proven that the digital space is the next growth frontier for us."

"To achieve growth in games, we will work to acquire new IPs (Intellectual Properties) and develop other games genre such as MMORPG and social games. Fumubang, will continue to increase its offerings to parents to cater to their growing needs. Concurrently, we will continue to evaluate viable investment opportunities in other internet-plus assets to further fuel growth in China," Mr Tanosoedibjo added.

### **Financial Performance**

Group revenue continued to accelerate to US\$25.1 million – leaping 28% from the US\$19.6 million achieved in 4QFY2014. In fact, revenue more than doubled when compared to the US\$10.9 million registered in 1QFY2014.

Gross profit for the first quarter of the year was \$6.3 million or 34% higher than the previous quarter on the back of higher margins from its new games including the second version of Boonie Bears (BB2) – which was launched in 1QFY2015.

With the surge in sales, the Group rebounded with a net profit of US\$0.2 million, turning around from its net loss of US\$6.9 million in 4QFY2014.

The bulk of its revenue in 1QFY2015 was from its mobile games business which contributed to 83% of the Group's total revenue. This was followed by contributions from its social e-commerce business which accounted for 9% of revenue.

### **Working Capital Position**

The Group's financial position remains healthy. Cash and cash equivalents and short-term investments decreased slightly from US\$111.1 million to US\$110.3 million as of December 31, 2014 and March 31, 2015.

### **Earnings per share & Net Asset Value per share**

Group earnings per share turned around to US\$0.00044 in 1QFY2015 from a loss per share of US\$0.017 in 4QFY2014.

Net Asset Value (NAV) per share rose to US\$0.33 from US\$0.32 in the same period.

### **Segmental Performance**

#### **Mobile Games**

Its mobile games revenue in the first quarter accounted for 83% of gross revenues, or \$20.8 million, a jump of 69% over the fourth quarter of 2014.

The surge in mobile game revenue in the first quarter of 2015 was fuelled mainly by increased sales in China arising from the Group's key titles – Boonie Bears and Armoured Heroes.

#### **Social Ecommerce**

The Group's social e-commerce revenue in China accounted for \$2.0 million or 8% of total revenue for 1QFY2015 compared to S\$1.8 million for 4QFY2014.

### **Going Forward**

The group will continue to pursue growth in the mobile games and social e-commerce arena.

China's mobile game market is leading the pack in Asia. According to reports by SuperData, the country has 650 million monthly active users and this is set to surpass 800 million by next year (Source: Gamesbeat Apr 23, 2015).

"The Group's efforts in digital media has delivered positive results and we believe we have hit the sweet spot in focusing on two key territories – China and Southeast Asia. According to Fortune.com, mobile game sales in China are expected to grow 37% each year for the next five years."

"In view of these robust trends, we have plans to introduce several new titles and game formats, such as adventure action games and MMORPG, in the coming months."

"We are equally upbeat with the growth potential of Fumubang as it has more than doubled its number of active users from 400,000 in 1HFY2014 to more than 1 million currently. We are likely to surpass the 2 million mark by end of 2015. In view of the change in China's one-child policy, the number of babies in China is expected to grow substantially. The increasing number of babies as well as stronger emphasis on children's education, health and social development in

China nowadays, will spur tremendous growth opportunities for Fumubang." said Mr. Tanoesoedibjo.

MNCMI currently has operations in mainland China, Malaysia, Singapore, Indonesia and Hong Kong. Its full array of services includes providing entertainment content to internet and mobile users, mobile game services, media content distribution and related services, operating online news and entertainment and parenting portals, and trading in quoted securities.

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#### **About MNC Media Investment Ltd**

Established in 1999, MNC Media Investment Ltd is a provider of rich and engaging services and content to a wide range of traditional and new media consumers and enterprises in mainland China, Indonesia, Malaysia, Hong Kong and Singapore.

Its full array of services includes providing entertainment content to internet and mobile users, mobile game services, media content distribution and related services, operating online news and entertainment and parenting portals, and trading in quoted securities.

MNC Media Investment Ltd's shares are listed on the Australian Stock Exchange and quoted on the OTC Markets Group's OTC Pink. It is a subsidiary of PT Global Mediacom Tbk – which owns one of the largest and most integrated media groups in Southeast Asia.

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