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## Star Media Group's Cityneon posts record full year net profit



KUALA LUMPUR: Star Media Group Bhd's Cityneon Holdings Ltd posted a strong set of results for the financial year ended Dec 31, 2016 with net profit after tax surging nearly 700% to S\$6.6mil.

In a filing with the Singapore Exchange on Thursday, the Main Board-listed Cityneon said the earnings of S\$6.6mil was a surge of 693% from the S\$800,000 in FY15.

Cityneon, which is a leading service provider of events, exhibitions and theme parks, attributed the growth was largely due to the profit contribution of the newly acquired IPR segment, Victory Hall Exhibitions Pte Ltd (VHE) in September 2015.

“VHE contributed about 18% of the total revenue in FY2016 and a significant total net profit after tax in FY2016.

“The group's EBITDA (earnings before interest, tax, depreciation and amortisation) of S\$12.4mil in FY2016 is a historical high for the group, representing a 359% increase on-year,” it said.

Cityneon said about 73% of FY2016 revenue was contributed outside of Singapore, which is ahead of the 53% average international revenue's contribution for the SMEs reported in a survey by International Enterprise Singapore.

The group's gross profit surged by 43% to S\$33.3mil in FY16 despite that revenue rose only 0.3% to S\$96.8mil.

“This is primarily due to the higher gross profit margins of 75.5% contributed by the IPR segment,” it said.

Cityneon's gross profit margins improved by 40% to 34.3% in FY2016.