



MEDIA PRIMA BERHAD (532975-A)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2018**

21 November 2018

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		30.9.2018 RM'000	30.9.2017 RM'000	30.9.2018 RM'000	30.9.2017 RM'000
Revenue		271,800	288,514	894,838	889,483
Operating expenses	A9	(302,739)	(396,220)	(963,828)	(1,174,373)
Other operating income	A10	5,306	10,209	65,001	23,239
Loss from operations		(25,633)	(97,497)	(3,989)	(261,651)
Finance costs		(5,795)	(3,702)	(17,757)	(10,218)
Share of results of an associate		-	(596)	-	(4,889)
Loss before tax		(31,428)	(101,795)	(21,746)	(276,758)
Taxation	B1	582	(3,382)	(398)	(8,166)
Net loss and total comprehensive loss for the financial period		(30,846)	(105,177)	(22,144)	(284,924)
Loss and total comprehensive loss attributable to:					
- Owners of the Company		(30,706)	(101,085)	(20,580)	(272,459)
- Non-controlling interests		(140)	(4,092)	(1,564)	(12,465)
		(30,846)	(105,177)	(22,144)	(284,924)
Loss per share (sen)					
- Basic and diluted	B11	(2.77)	(9.11)	(1.86)	(24.56)

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2017.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTE	AS AT 30.9.2018 RM'000	AS AT 31.12.2017 RM'000
Assets			
Property, plant and equipment		335,538	498,580
Investment properties		30,684	31,681
Financial assets at fair value through other comprehensive income		2,472	2,472
Intangible assets		425,087	446,058
Deferred tax assets		12,367	12,762
Non-current assets		806,148	991,553
Inventories		45,561	46,220
Trade and other receivables		230,713	297,629
Current tax assets		34,020	29,726
Deposits, cash and bank balances		257,824	205,963
Current assets		568,118	579,538
Non-current assets held for sale		143,112	11,171
Total assets		1,517,378	1,582,262
Liabilities and equity			
Liabilities			
Borrowings	B5	275,980	292,953
Trade and other payables		1,342	1,526
Deferred tax liabilities		43,548	43,665
Non-current liabilities		320,870	338,144
Trade and other payables		442,982	448,836
Borrowings	B5	1,912	21,204
Current tax liabilities		1,178	1,898
Current liabilities		446,072	471,938
Total liabilities		766,942	810,082
Equity and Reserves			
Share capital		1,524,735	1,524,735
Reserves		(778,665)	(758,085)
Equity attributable to owners of the Company		746,070	766,650
Non-controlling interests		4,366	5,530
Total equity		750,436	772,180
Total liabilities and equity		1,517,378	1,582,262
Net assets per share attributable to equity holders of the Company (sen)*		67.26	69.12

* Net assets per share is calculated by dividing the net assets (excluding the portion allocated to non-controlling interest) of the Group by the number of ordinary shares in issue at the statement of financial position date.

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2017.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company				Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Other reserves RM'000	Accumulated losses RM'000	Total RM'000		
2018						
At 1 January 2018	1,524,735	1,755	(759,840)	766,650	5,530	772,180
Net loss and total comprehensive loss for the period	-	-	(20,580)	(20,580)	(1,564)	(22,144)
Transaction with owners:						
Equity contribution from non-controlling interest	-	-	-	-	400	400
At 30 September 2018	1,524,735	1,755	(780,420)	746,070	4,366	750,436
2017						
At 1 January 2017	1,524,735	1,755	(64,861)	1,461,629	24,584	1,486,213
Net loss and total comprehensive loss for the period	-	-	(272,459)	(272,459)	(12,465)	(284,924)
Transaction with owners:						
Final dividends paid for the financial year ended 31 December 2016	-	-	(44,368)	(44,368)	-	(44,368)
At 30 September 2017	1,524,735	1,755	(381,688)	1,144,802	12,119	1,156,921

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2017.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	NOTE	FOR THE PERIOD ENDED 30.9.2018 RM'000	FOR THE PERIOD ENDED 30.9.2017 RM'000
Cash flows from operating activities			
Loss for the period		(22,144)	(284,924)
Adjustments for:			
- Non-cash items		136,920	361,851
- Interest expense		17,757	10,218
- Interest income		(4,871)	(7,098)
Operating cash flows before working capital changes		127,662	80,047
Changes in working capital		(74,413)	(87,837)
Cash flows from operations		53,249	(7,790)
Income tax paid (net of refund)		(5,131)	(4,722)
Net cash flows generated from/(used in) operating activities		48,118	(12,512)
Cash flows from investing activities			
Acquisition of a subsidiary (net of cash acquired)		-	(98,352)
Settlement of remaining consideration for the acquisition of subsidiaries in prior year		(5,000)	(1,000)
Property, plant and equipment:			
- Additions		(32,059)	(63,386)
- Proceeds from disposals		1,803	1,903
Non-current assets held for sale:			
- Proceeds from disposals		42,384	5,179
Proceeds from sale of share of an associate		45,366	-
Interest received		4,871	7,098
Net cash flows generated from/(used in) investing activities		57,365	(148,558)
Cash flows from financing activities			
Interest paid		(15,032)	(6,881)
Decrease in restricted bank balances		3,585	-
Drawdown of borrowings		26,824	100,000
Repayment of borrowings		(65,815)	-
Equity contribution from non-controlling interest		400	-
Dividends paid to shareholders of the Company		-	(44,368)
Dividends paid to non-controlling interest		-	(378)
Net cash flows (used in)/generated from financing activities		(50,038)	48,373
Net movement in cash and cash equivalents		55,445	(112,697)
Cash and cash equivalents at beginning of the period		197,215	370,973
Cash and cash equivalents at end of the period	A14	252,660	258,276

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2017.

NOTES TO THE INTERIM FINANCIAL REPORT

A1. BASIS OF PREPARATION

The unaudited interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The unaudited interim financial statements should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 31 December 2017, which were prepared in compliance with Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2017.

The adoption of the following applicable amendments and improvements to MFRS that came into effect on 1 January 2018 did not have any significant impact on the Group upon the initial application.

Description	
Amendments to MFRSs	Annual improvements to MFRS 2014 – 2016 cycle
Amendments to MFRS 2	Measurement of Share-based Payment
Amendments to MFRS 140	Transfer of Investment Property
MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration

The Group will be adopting the following MFRSs when they become effective in the respective financial periods.

Description		Effective for annual periods beginning on or after
Amendments to MFRSs	Annual improvements to MFRS 2015 – 2017 cycle	1 January 2019
Amendments to MFRS 119	Employee Benefits	1 January 2019
MFRS 16	Leases	1 January 2019
IC Interpretation 23	Uncertainty over Income Tax Treatments	1 January 2019

The adoption of the above MFRSs are not expected to have a material impact in the financial statements of the Group except for MFRS 16. The effects of the above standards are currently being assessed by the Directors.

NOTES TO THE INTERIM FINANCIAL REPORT

A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2017 was not qualified.

A3. SEASONAL OR CYCLICAL FACTORS

The operations of our major business segments are generally affected by the major festive seasons.

A4. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There was no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group in the third quarter ended 30 September 2018.

A5. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior financial years that have a material effect in the third quarter ended 30 September 2018.

NOTES TO THE INTERIM FINANCIAL REPORT

A6. SEGMENTAL REPORTING

The Group determines and presents its operating segments based on information reported internally to the Group Managing Director and the Board of Directors. The Group predominantly operates in Malaysia and consequently, there is no disclosure on geographical segment being made. The segment information for the current financial period is as follows:

Period ended 30 September 2018	Television Networks	Radio Networks	Out-of- Home	Publishing	Digital Media	Content Creation	Home Shopping	Corporate	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	320,555	39,993	123,409	216,958	32,664	9,370	151,889	-	-	894,838
Inter-segment revenue	6,864	1,296	1,894	2,097	31,396	65,170	-	69,691	(178,408)	-
	327,419	41,289	125,303	219,055	64,060	74,540	151,889	69,691	(178,408)	894,838
Royalties	379	(206)	-	-	-	-	-	-	-	173
	327,798	41,083	125,303	219,055	64,060	74,540	151,889	69,691	(178,408)	895,011
Reportable segment (loss)/profit after tax before non-controlling interest	(62,002)	10,640	10,629	17,575	7,956	11,894	(2,756)	(18,847)	2,767	(22,144)

Period ended 30 September 2017	Television Networks	Radio Networks	Out-of- Home	Publishing	Digital Media	Content Creation	Home Shopping	Corporate	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	350,415	46,572	120,885	259,993	5,016	13,658	92,944	-	-	889,483
Inter-segment revenue	3,787	143	1,350	3,657	30,491	70,449	-	96,236	(206,113)	-
	354,202	46,715	122,235	263,650	35,507	84,107	92,944	96,236	(206,113)	889,483
Royalties	(331)	(234)	-	-	-	-	-	-	-	(565)
	353,871	46,481	122,235	263,650	35,507	84,107	92,944	96,236	(206,113)	888,918
Reportable segment (loss)/profit after tax before non-controlling interest	(55,169)	14,341	6,445	(209,100)	1,507	3,386	(12,041)	697	(34,990)	(284,924)

NOTES TO THE INTERIM FINANCIAL REPORT

A7. REVENUE

Individual quarter For the period ended 30 September 2018	Traditional RM'000	Digital RM'000	Home Shopping RM'000	Group RM'000
Advertising	172,456	18,234	-	190,690
Circulation	17,596	-	-	17,596
Commerce	4,869	1,285	55,868	62,022
Content	783	-	-	783
Property and others	709	-	-	709
	196,413	19,519	55,868	271,800

Cumulative quarters For the period ended 30 September 2018	Traditional RM'000	Digital RM'000	Home Shopping RM'000	Group RM'000
Advertising	588,815	60,496	-	649,311
Circulation	58,946	-	-	58,946
Commerce	23,996	3,842	151,889	179,727
Content	4,801	-	-	4,801
Property and others	2,053	-	-	2,053
	678,611	64,338	151,889	894,838

Individual quarter For the period ended 30 September 2017*	Traditional RM'000	Digital RM'000	Home Shopping RM'000	Group RM'000
Advertising	216,306	10,702	-	227,008
Circulation	21,686	-	-	21,686
Commerce	1,746	2,407	33,216	37,369
Content	1,679	-	-	1,679
Property and others	772	-	-	772
	242,189	13,109	33,216	288,514

Cumulative quarters For the period ended 30 September 2017*	Traditional RM'000	Digital RM'000	Home Shopping RM'000	Group RM'000
Advertising	675,194	23,225	-	698,419
Circulation	77,125	-	-	77,125
Commerce	7,463	4,742	92,944	105,149
Content	6,517	-	-	6,517
Property and others	2,273	-	-	2,273
	768,572	27,967	92,944	889,483

* The Group has adopted MFRS 15 using the modified retrospective approach. This means any cumulative impact arising from the adoption will be recognised in retained earnings as at 1 January 2018 and comparatives are not restated. Based on the assessment performed by the Directors, there is no cumulative impact from the adoption of MFRS 15 as at 1 January 2018.

NOTES TO THE INTERIM FINANCIAL REPORT

A8. DIVIDENDS PAID

	30.9.2018	30.9.2017
	RM'000	RM'000
<u>In respect of the financial year ended 31 December 2016</u>		
Final, single tier dividend of 4.0 sen per ordinary share paid on 30 June 2017	-	44,368
	-	44,368

A9. OPERATING EXPENSES

Included within operating expenses for the period under review are the following expenses:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.9.2018	30.9.2017	30.9.2018	30.9.2017
	RM'000	RM'000	RM'000	RM'000
Depreciation and amortisation	18,901	26,915	56,488	79,202
Impairment (writeback)/charge of receivables (net)	(200)	1,119	16,366	5,829
Restructuring expenses:				
- Termination benefits	-	52,253	-	52,253
Foreign exchange loss	-	341	-	1,110
Impairment of financial assets at fair value through profit or loss	-	-	-	90
Impairment of investment in an Associate	-	-	-	142,430
Impairment of investment properties	-	853	-	853

A10. OTHER OPERATING INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.9.2018	30.9.2017	30.9.2018	30.9.2017
	RM'000	RM'000	RM'000	RM'000
Interest income	1,670	1,799	4,871	7,098
Other income	1,794	5,831	8,491	11,072
Gain on disposal of property, plant and equipment	1,599	1,296	1,599	1,809
Gain on disposal of non-current assets held for sale	13	487	4,652	1,263
Proceeds from sale of share in an associate	24	-	45,366	-
Reversal of receivables Impairment	-	796	-	1,289
Foreign exchange gain	206	-	22	708
	5,306	10,209	65,001	23,239

A11. VALUATIONS OF PROPERTY, PLANT & EQUIPMENT

The Group's property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

NOTES TO THE INTERIM FINANCIAL REPORT

A12. CONTINGENT LIABILITIES

The Group is a defendant in 17 (As at 31.12.2017: 24) legal suits with contingent liabilities amounting to approximately RM4.6 million (As at 31.12.2017: RM5.7 million). Of the 17 legal suits, 15 suits are for alleged defamation and 2 are for alleged breach of contract.

As at date of this report, the following is the material unsuccessful legal suit brought against the Group since the date of the last annual statement of financial position:

- On 14 May 2018, the High Court awarded RM1.1 million by the way of damages against Sistem Televisyen Malaysia Berhad (“TV3”), a subsidiary company, for a defamation suit of which the Plaintiff was defamed on a news bulletin broadcasted by TV3. The Group is in the midst of seeking legal advice on whether it should appeal on the quantum of damages awarded by the High Court. Nevertheless, sufficient provision has been made in the financial period ended 30 September 2018.

Apart from the above, there are no new material litigation against the Group. The Directors are not aware of any other proceedings pending against the Group and/or its subsidiaries or of any facts likely to give rise to any proceedings which might materially affect the position or business of the Group and/or its subsidiaries.

A13. CAPITAL COMMITMENTS

Capital commitments not provided for in the financial statements as at 30 September 2018 are as follows:

	RM'000
Approved but not contracted:	
- Property, plant and equipment	68,758
- Intangible assets	95,649
Approved and contracted for:	
- Property, plant and equipment	8,107
- Intangible assets	900
	173,414

A14. CASH AND CASH EQUIVALENTS

Details of cash and cash equivalents are as follows:

	As at 30.9.2018 RM'000	As at 30.9.2017 RM'000
Cash and bank balances	174,690	229,569
Deposits with licensed banks	83,134	32,632
Deposits, cash and bank balances	257,824	262,201
<i>Less: Restricted deposits</i>		
Deposits with licensed banks	(5,164)	(3,925)
Cash and cash equivalents	252,660	258,276

NOTES TO THE INTERIM FINANCIAL REPORT

A15. CHANGES IN COMPOSITION OF THE GROUP

On 2 May 2018, The New Straits Times Press (Malaysia) Berhad (“NSTP”), a subsidiary of the Company, together with the other shareholders of Malaysian Newsprint Industries Sdn Bhd (“MNI”), a former associate of NSTP, had entered into a Share Sale Agreement (“SSA”) to sell their entire interest in MNI to Asia Honour (Hong Kong) Limited, with the consent of the liquidator (“Disposal”).

NSTP have agreed to dispose of its:

- a) entire interest in ordinary shares of MNI for a cash consideration of RM14.2 million; and
- b) entire interest in redeemable preference shares of MNI for a cash consideration of RM31.2 million.

The Disposal has enabled MPB Group to recoup part of its investment in MNI which had been fully impaired in financial year 2017. On 17 May 2018, the Disposal was completed in accordance with the terms of the SSA. Pursuant to the Disposal, MPB Group have received the disposal consideration amounting to RM45.4 million.

Accordingly, the cost of investment in MNI was fully written-off in the current financial year ending 31 December 2018.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B1. TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.9.2018 RM'000	30.9.2017 RM'000	30.9.2018 RM'000	30.9.2017 RM'000
In respect of the current period:				
- Current income tax	47	(1,306)	1,197	3,905
- Deferred taxation	(86)	4,688	(256)	4,261
- Over accruals of taxation in prior year	(543)	-	(543)	-
	(582)	3,382	398	8,166

The Group incurred tax expense for the financial period despite being in a loss before tax position primarily due to income tax incurred by a profitable subsidiary that cannot be fully set-off against losses incurred by other subsidiaries. Tax credit for the current quarter was from over accruals of taxation in prior year.

B2. FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

As at 30 September 2018, the Group does not have any financial liabilities measured at fair value through profit or loss.

B3. STATUS OF CORPORATE PROPOSAL

(a) Acquisition of Vocket Media Sdn Bhd

On 12 June 2018, Rev Asia Holdings Sdn Bhd ("RAHSB"), an indirect wholly-owned subsidiary has entered into a conditional share sale purchase agreement with Mr Jaffa Sany bin Md Ariffin to acquire 520,000 ordinary shares in Vocket Media Sdn Bhd ("Vocket"), for a cash consideration of RM2.60 million. Upon the completion of the proposed acquisition, Vocket will become a 52% owned indirect subsidiary of MPB.

As at reporting date, the proposed acquisition has not been completed and the parties are seeking to extend the completion date in order for the outstanding completion obligations to be fulfilled.

(b) Proposed sale and tenancy of properties with PNB Development Sdn Berhad

NSTP had on 30 August 2018 entered into 3 separate conditional sale and purchase agreements ("SPAs") with PNB Development Sdn Berhad ("PNB Development"), respectively for the proposed sale of certain properties for a total cash consideration of RM280.0 million.

It is also a condition under the SPAs of the certain properties, for NSTP and PNB Development to enter into 2 separate tenancy agreements, for the proposed tenancy in relation to Balai Berita Bangsar and Balai Berita Shah Alam by NSTP from PNB Development immediately after the completion of the respective SPAs.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B3. STATUS OF CORPORATE PROPOSAL (CONTINUED)

- (b) Proposed sale and tenancy of properties with PNB Development Sdn Berhad (continued)
Extraordinary General Meeting for MPB and NSTP to be convened on 26 November 2018 to effect the completion of SPAs by December 2018.

B4. MATERIAL LITIGATION

Apart from the material litigation disclosed under Note A12, there was no other material litigation in the period under review since the last announcement.

B5. BORROWINGS

	As at 30.9.2018 RM'000	As at 31.12.2017 RM'000
<u>Non-Current Borrowings</u>		
Secured:		
- Term loan (Note a)	275,980	292,953
<u>Current Borrowings</u>		
Secured:		
- Term loan (Note a)	-	301
Unsecured:		
- Banker's acceptance (Note b)	1,912	20,903
	1,912	21,204
Total borrowings	277,892	314,157

The Group's borrowings are denominated in Ringgit Malaysia.

a) Term loan

On 13 December 2017, the Company obtained a RM300.0 million secured loan which bears a fixed interest rate of 2.75% per annum above effective cost of funds. The loan will mature on 27 December 2019 and repayable in entirety on its maturity date. The loan is secured by a charge over certain property, plant and equipment of a subsidiary of the Company. The Group have partially repaid RM20.0 million during the current financial period.

b) Banker's acceptance

The Group had drawn down RM26.8 million banker's acceptance facility with a term of 3 months. The facility effective interest rate is 4.14% per annum and is repayable in entirety on its maturity date. Out of the drawn down amount, the Group have repaid RM24.9 million during the current financial period.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B6. REVIEW OF PERFORMANCE FOR THE CURRENT QUARTER VS. PRECEDING QUARTER

	Quarter ended 30.9.2018 RM'000	Quarter ended 30.6.2018 RM'000
Revenue	271,800	342,372
(Loss)/Profit Before Tax (LBT/PBT)	(31,428)	32,227
(Loss)/Profit After Tax (LAT/PAT)	(30,846)	31,701

Group revenue for 3QFY18 decreased by RM70.6 million or 21% against the immediate preceding quarter (2QFY18) mainly due to declining trend of core advertising and circulation revenue.

The performance of the respective business platforms for 3QFY18 against 2QFY18 is as follows:

- a) Television Networks – Revenue decreased by 29% against preceding quarter primarily due to lower advertising revenue.
- b) Publishing – Decline in traditional circulation and advertising revenue resulted in decreased revenue by 23%.
- c) Out-of-Home – Revenue for 3QFY18 decreased by 19% against the immediate preceding quarter.
- d) Radio Networks – 21% drop in revenue recorded in 3QFY18 against the immediate preceding quarter.
- e) Digital Media – Recorded reduction of 24% in revenue against the immediate preceding quarter.
- f) Content Creation – 3QFY18 revenue decreased by 8% against the immediate preceding quarter.
- g) Home Shopping – Continued its encouraging growth with 3QFY18 revenue higher by 7% from 2QFY18 supported by growth in number of products offering and better presence with launching of new channel on UnifiTV.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B7. REVIEW OF PERFORMANCE FOR THE CURRENT PERIOD TO DATE VS. PREVIOUS PERIOD TO DATE

	Period ended 30.9.2018 RM'000	Period ended 30.9.2017 RM'000
Revenue	894,838	889,483
Loss Before Tax (LBT)	(21,746)	(276,758)
Loss After Tax (LAT)	(22,144)	(284,924)

Revenue for the financial period 30 September 2018 grew by 1% against the previous financial period due to better contribution from digital advertising, content and commerce revenue. The Group recorded lower LAT of RM22.1 million in 3QFY18 against LAT of RM284.9 million in the corresponding period (attributed to the one-off impairment of investment in an associate and payment of early retirement scheme in August 2017).

The performance of respective platforms for the financial period 30 September 2018 as compared to the comparative financial period is as follows:

- a) Television Networks – Lower adex take up in the Free-to-Air (“FTA”) Television segment had led to the decrease in revenue of 8%.
- b) Publishing – Lower revenue by 17% against corresponding period. This was mainly attributed to lower advertising and newspaper sales by 21% and 27% respectively, which was partially offset by the higher 3QFY18 digital revenue.
- c) Out-of-Home – Growth of 3% against the corresponding period contributed by higher yield from digital sites.
- d) Radio Networks – Revenue decreased by 12% against the corresponding period mainly attributed to lower advertising take up by advertisers.
- e) Digital Media – Significant increase in revenue was contributed mainly from digital advertising revenue of Rev Asia that was acquired in August 2017.
- f) Content Creation – The decline in 3QFY18 revenue by 11% was mainly due to lower sales of TV program production and sales of program broadcast rights. However, the lower revenue was mitigated by lower content production cost.
- g) Home Shopping – Strong growth by 63% in the home shopping segment due to greater exposure achieved from 24 hours transmission on MyTV and UnifiTV, as well as more production of live shows in the first 9 months of FY2018 as compared to the corresponding period, resulting to higher sales.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B8. PROSPECTS FOR 2018

The Group will continue its transformation journey and increase efforts to accelerate revenue generating initiatives by maximising available assets and leveraging on extensive reach via its strong brands on digital and non-digital platforms. The sale and leaseback of the certain properties under NSTP is one of the initiatives the Group has undertaken to embrace the structural change in the industry.

This structural change in the media sector is forecasted to continue affecting traditional media companies in tandem with global trends. To remain resilient and relevant, the Group is committed to its transformation journey in defending traditional revenue sources while increasing efforts in growing new revenue streams. The foundation for these efforts are placed on several key areas which include market leadership in broadcast, digital publishing and growing commerce revenue through integrated media. This transformation journey will nevertheless continue to be reviewed diligently by the Group to assess their progress and effectiveness. Concurrently, continuous cost management will still be priorities whilst exercising prudent financial and risk management.

B9. PROFIT FORECAST/PROFIT GUARANTEE

The Group has not issued any profit forecast/profit guarantee during the current financial period.

B10. DIVIDEND

No dividends have been declared by the Board of Directors for the third quarter and financial period ended 30 September 2018 (2017: Nil for the third quarter and for the financial period).

ADDITIONAL LISTING REQUIREMENT INFORMATION

B11. LOSS PER SHARE

The Group's loss per share are calculated as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.9.2018	30.9.2017	30.9.2018	30.9.2017
Loss attributable to owners of the Company (RM'000)	(30,706)	(101,085)	(20,580)	(272,459)
Weighted average number of ordinary shares in issue ('000)	1,109,199	1,109,199	1,109,199	1,109,199
Basic and diluted loss per share (sen)	(2.77)	(9.11)	(1.86)	(24.56)

The Group and Company do not have in issue any financial instruments or other contract that may entitle its holders to ordinary shares and potentially dilute its loss per share.

BY ORDER OF THE BOARD

TAN SAY CHOON (MAICSA 7057849)

FARNIDA BINTI NGAH (MIA 22495)

COMPANY SECRETARIES

Kuala Lumpur

21 November 2018

The full financial analysis of Media Prima Berhad Group can also be viewed at Media Prima Berhad's website:

<http://www.mediaprima.com.my>