



**MEDIA PRIMA BERHAD**  
Registration No. 200001030368 (532975-A)  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER  
ENDED 31 MARCH 2021**

**27 May 2021**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		31.3.2021 RM'000	31.3.2020 RM'000	31.3.2021 RM'000	31.3.2020 RM'000
Revenue	A7	<b>254,533</b>	238,436	<b>254,533</b>	238,436
Operating expenses		<b>(219,539)</b>	(239,305)	<b>(219,539)</b>	(239,305)
Other operating income		<b>1,456</b>	2,235	<b>1,456</b>	2,235
Earnings before interest, taxation, depreciation, amortisation and impairment ("EBITDA")		<b>36,450</b>	1,366	<b>36,450</b>	1,366
Depreciation on right-of-use assets		<b>(11,957)</b>	(14,546)	<b>(11,957)</b>	(14,546)
Other depreciation		<b>(12,017)</b>	(13,908)	<b>(12,017)</b>	(13,908)
Amortisation of intangible assets (excluding programme and film rights)		<b>(373)</b>	(164)	<b>(373)</b>	(164)
Finance income		<b>1,454</b>	2,206	<b>1,454</b>	2,206
Finance costs on lease liabilities		<b>(2,448)</b>	(3,118)	<b>(2,448)</b>	(3,118)
Finance costs on financial liabilities		<b>(1,440)</b>	(474)	<b>(1,440)</b>	(474)
Share of results of associates		<b>(51)</b>	(19)	<b>(51)</b>	(19)
Profit/(loss) before tax	A8	<b>9,618</b>	(28,657)	<b>9,618</b>	(28,657)
Taxation	B1	<b>(5,459)</b>	(1,315)	<b>(5,459)</b>	(1,315)
Net profit/(loss) and total comprehensive income/(loss) for the financial period		<b>4,159</b>	(29,972)	<b>4,159</b>	(29,972)
<b>Profit/(loss) and total comprehensive income/(loss) attributable to:</b>					
- Owners of the Company		<b>5,246</b>	(29,540)	<b>5,246</b>	(29,540)
- Non-controlling interests		<b>(1,087)</b>	(432)	<b>(1,087)</b>	(432)
		<b>4,159</b>	(29,972)	<b>4,159</b>	(29,972)
Earnings/(loss) per share (sen)					
- Basic and diluted	B10	<b>0.47</b>	(2.66)	<b>0.47</b>	(2.66)

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 2020.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	NOTE	AS AT 31.3.2021 RM'000	AS AT 31.12.2020 RM'000
<b>Assets</b>			
Property, plant and equipment		200,249	210,396
Right-of-use assets		145,060	157,017
Investment properties		28,204	28,136
Associates		2,627	2,678
Financial assets at fair value through other comprehensive income		688	688
Intangible assets		387,954	387,139
Deferred tax assets		11,584	11,584
<b>Non-current assets</b>		<b>776,366</b>	<b>797,638</b>
Inventories		19,982	24,097
Trade and other receivables		195,439	232,992
Current tax recoverable		7,686	8,354
Deposits, cash and bank balances	A12	322,296	303,783
<b>Current assets</b>		<b>545,403</b>	<b>569,226</b>
<b>Non-current assets held for sale</b>		<b>-</b>	<b>225</b>
<b>Total assets</b>		<b>1,321,769</b>	<b>1,367,089</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Lease liabilities		135,115	144,790
Borrowings	B4	71,969	79,583
Deferred tax liabilities		37,484	37,501
<b>Non-current liabilities</b>		<b>244,568</b>	<b>261,874</b>
Trade and other payables		421,583	444,589
Lease liabilities		37,232	40,291
Borrowings	B4	37,944	45,902
Current tax payable		3,216	1,366
<b>Current liabilities</b>		<b>499,975</b>	<b>532,148</b>
<b>Total liabilities</b>		<b>744,543</b>	<b>794,022</b>
<b>Equity and Reserves</b>			
Share capital		1,524,735	1,524,735
Reserves		(942,575)	(947,821)
Equity attributable to owners of the Company		582,160	576,914
Non-controlling interests		(4,934)	(3,847)
<b>Total equity</b>		<b>577,226</b>	<b>573,067</b>
<b>Total liabilities and equity</b>		<b>1,321,769</b>	<b>1,367,089</b>
<b>Net assets per share attributable to equity holders of the Company (sen)*</b>		<b>52.48</b>	<b>52.01</b>

\* Net assets per share is calculated by dividing the net assets (excluding the portion allocated to non-controlling interests) 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 2020.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to owners of the Company			Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Other reserves RM'000	Accumulated losses RM'000			
<b>2021</b>						
At 1 January 2021	1,524,735	4	(947,825)	576,914	(3,847)	573,067
Net profit and total comprehensive income for the financial period	-	-	5,246	5,246	(1,087)	4,159
<b>At 31 March 2021</b>	<b>1,524,735</b>	<b>4</b>	<b>(942,579)</b>	<b>582,160</b>	<b>(4,934)</b>	<b>577,226</b>
<b>2020</b>						
At 1 January 2020	1,524,735	4	(926,040)	598,699	(2,546)	596,153
Net loss and total comprehensive loss for the financial period	-	-	(29,540)	(29,540)	(432)	(29,972)
<b>At 31 March 2020</b>	<b>1,524,735</b>	<b>4</b>	<b>(955,580)</b>	<b>569,159</b>	<b>(2,978)</b>	<b>566,181</b>

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 2020.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

NOTE	FOR THE PERIOD ENDED 31.3.2021 RM'000	FOR THE PERIOD ENDED 31.3.2020 RM'000
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial period	4,159	(29,972)
Adjustments for:		
- Non-cash items	55,533	61,929
- Finance costs on lease liabilities	2,448	3,118
- Finance costs on financial liabilities	1,440	474
- Finance income	(1,454)	(2,206)
<b>Operating cash flows before changes in working capital</b>	<b>62,126</b>	<b>33,343</b>
Changes in working capital	(11,650)	(52,569)
<b>Cash flows from operations</b>	<b>50,476</b>	<b>(19,226)</b>
Income tax (paid)/refunded	(3,791)	4,544
<b>Net cash flows generated from/(used in) operating activities</b>	<b>46,685</b>	<b>(14,682)</b>
<b>Cash flows from investing activities</b>		
Property, plant and equipment:		
- Additions	(1,081)	(1,403)
- Proceeds from disposals	209	13
Finance income received	1,443	2,206
<b>Net cash flows generated from investing activities</b>	<b>571</b>	<b>816</b>
<b>Cash flows from financing activities</b>		
Finance cost paid on lease liabilities	(2,448)	(3,118)
Finance cost paid on financial liabilities	(1,163)	(79)
Drawdown of borrowings	878	169,671
Repayment of borrowings	(16,961)	(4,688)
Increase in restricted bank balances	-	(52,151)
Payment of principal element of lease liabilities	(9,049)	(11,778)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(28,743)</b>	<b>97,857</b>
<b>Net movement in cash and cash equivalents</b>	<b>18,513</b>	<b>83,991</b>
<b>Cash and cash equivalents at beginning of the financial period</b>	<b>291,303</b>	<b>256,944</b>
<b>Cash and cash equivalents at end of the financial period</b>	A12 <b>309,816</b>	<b>340,935</b>

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 2020.

**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 2020, 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 2020.

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 MFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 3	Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116	Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS 9	Fees in the 10% test for the derecognition of financial liabilities	1 January 2022
Amendments to MFRS 101	Classification of liabilities as current or non-current	1 January 2023
Amendments to MFRS 101	Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023

The adoption of the above MFRSs are not expected to have a material impact in the financial statements of the Group.

**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 2020 was not qualified.

**A3. SEASONAL OR CYCLICAL FACTORS**

The operations of the Group's major business segments are generally affected by the major festive seasons.

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

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group in the financial period ended 31 March 2021.

**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 first quarter ended 31 March 2021.

**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. During the financial period, the operating segments of the Group have been redefined by the Board of Directors.

	Omnia RM'000	Broad- casting RM'000	Out-of- Home RM'000	Publish- ing RM'000	Digital Media RM'000	Content Creation RM'000	Home Shopping RM'000	Corporate RM'000	Elimination RM'000	Total RM'000
<b>Period ended 31 March 2021</b>										
Revenue from external customers	129,733	553	23,685	15,193	504	8,307	76,558	-	-	254,533
Inter-segment revenue	-	91,969	-	16,583	18,759	889	-	2,043	(130,243)	-
	<b>129,733</b>	<b>92,522</b>	<b>23,685</b>	<b>31,776</b>	<b>19,263</b>	<b>9,196</b>	<b>76,558</b>	<b>2,043</b>	<b>(130,243)</b>	<b>254,533</b>
<b>Reportable segment (loss)/profit after tax before non-controlling interest</b>	<b>(1,200)</b>	<b>10,683</b>	<b>(2,246)</b>	<b>(354)</b>	<b>615</b>	<b>6,535</b>	<b>2,472</b>	<b>(9,899)</b>	<b>(2,447)</b>	<b>4,159</b>
<b>Period ended 31 March 2020</b>										
Revenue from external customers	-	76,275	36,018	43,471	14,145	4,095	64,432	-	-	238,436
Inter-segment revenue	-	3,808	208	2,000	3,241	17,481	-	20,075	(46,813)	-
	<b>-</b>	<b>80,083</b>	<b>36,226</b>	<b>45,471</b>	<b>17,386</b>	<b>21,576</b>	<b>64,432</b>	<b>20,075</b>	<b>(46,813)</b>	<b>238,436</b>
<b>Reportable segment (loss)/profit after tax before non-controlling interest</b>	<b>-</b>	<b>(18,714)</b>	<b>1,853</b>	<b>(11,811)</b>	<b>(72)</b>	<b>1,529</b>	<b>124</b>	<b>(2,925)</b>	<b>44</b>	<b>(29,972)</b>



**NOTES TO THE INTERIM FINANCIAL REPORT**

**A7. REVENUE**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTERS</b>	
	<b>31.3.2021</b>	31.3.2020	<b>31.3.2021</b>	31.3.2020
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Revenue from contracts with customers:				
Advertising revenue	<b>152,342</b>	148,700	<b>152,342</b>	148,700
Newspaper sales	<b>10,119</b>	16,869	<b>10,119</b>	16,869
Newspaper printing and distribution	<b>5,056</b>	2,996	<b>5,056</b>	2,996
Content production	<b>116</b>	1,136	<b>116</b>	1,136
Content sales	<b>8,592</b>	2,189	<b>8,592</b>	2,189
Sales of home shopping goods	<b>76,558</b>	64,432	<b>76,558</b>	64,432
License income	<b>131</b>	649	<b>131</b>	649
Seminar services, events, books, magazines and other ancillary revenue	<b>261</b>	641	<b>261</b>	641
	<b>253,175</b>	237,612	<b>253,175</b>	237,612
Revenue from other sources:				
Rental income from investment properties and outdoor cellular antenna space	<b>1,358</b>	824	<b>1,358</b>	824
	<b>254,533</b>	238,436	<b>254,533</b>	238,436

**A8. PROFIT/(LOSS) BEFORE TAX**

Profit/(loss) before tax is stated after (charging)/crediting:

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTERS</b>	
	<b>31.3.2021</b>	31.3.2020	<b>31.3.2021</b>	31.3.2020
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Net impairment loss				
on financial instruments	<b>(286)</b>	(512)	<b>(286)</b>	(512)
Net foreign exchange loss	<b>(49)</b>	(115)	<b>(49)</b>	(115)
Inventories written-down	<b>(1)</b>	-	<b>(1)</b>	-
Gain on disposal of property, plant and equipment	<b>307</b>	-	<b>307</b>	-

**A9. 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**

**A10. CONTINGENT LIABILITIES**

The Group is a defendant in 17 legal suits (as at 31.12.2020: 19 suits) with contingent liabilities amounting to approximately RM5.1 million (as at 31.12.2020: RM5.6 million). The legal suits mainly consist of claims on defamation.

Apart from the foregoing, the Directors are not aware of any other proceedings pending against the Group or of any facts likely to give rise to any proceedings which might materially affect the financial position or business operations of the Group.

**A11. CAPITAL COMMITMENTS**

Capital commitments not provided for in the financial statements as at 31 March 2021 are as follows:

	<b>RM'000</b>
Approved but not contracted for:	
- Property, plant and equipment	28,613
- Intangible assets	103,507
Approved and contracted for:	
- Property, plant and equipment	1,381
- Intangible assets	11,839

**A12. CASH AND CASH EQUIVALENTS**

Details of cash and cash equivalents are as follows:

	<b>As at 31.3.2021 RM'000</b>	<b>As at 31.3.2020 RM'000</b>
Cash and bank balances	<b>261,698</b>	287,915
Deposits with licensed banks	<b>60,598</b>	105,371
<b>Deposits, cash and bank balances</b>	<b>322,296</b>	393,286
<i>Less: Restricted deposits</i>		
Deposits with licensed banks	<b>(12,480)</b>	(52,351)
<b>Cash and cash equivalents</b>	<b>309,816</b>	340,935

NOTES TO THE INTERIM FINANCIAL REPORT

A13. SIGNIFICANT RELATED PARTY TRANSACTIONS

Significant related party transactions for the period ended 31 March 2021 are as follows:

	<b>For the period ended 31.3.2021 RM'000</b>	For the period ended 31.3.2020 RM'000
Associate companies:		
- Purchase of services	<b>(430)</b>	(634)
Companies related by virtue of a common major shareholder with a significant influence over the Company:		
- Revenue from contracts	<b>5,160</b>	3,395
- Purchase of goods and services	<b>(7,156)</b>	(6,342)

**ADDITIONAL LISTING REQUIREMENT INFORMATION**

**B1. TAXATION**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.3.2021 RM'000	31.3.2020 RM'000	31.3.2021 RM'000	31.3.2020 RM'000
In respect of the current period:				
- Current income tax	5,476	1,332	5,476	1,332
- Deferred taxation	(17)	(17)	(17)	(17)
	<b>5,459</b>	1,315	<b>5,459</b>	1,315

The difference in the Group's effective tax rate for the financial period and the statutory corporate tax rate of 24% is partly due to several loss-making companies within the Group which reduces the Group's profit before tax.

**B2. FAIR VALUE CHANGES OF FINANCIAL LIABILITIES**

As at 31 March 2021, the Group does not have any financial liabilities measured at fair value through profit or loss.

**B3. MATERIAL LITIGATION**

The status of material litigation is disclosed in Note A10 of this interim financial report.

**B4. BORROWINGS**

	As at 31.3.2021 RM'000	As at 31.3.2020 RM'000
<b><u>Non-current</u></b>		
Secured:		
- Term loan	71,969	147,216
<b><u>Current</u></b>		
Secured:		
- Term loan	32,500	6,688
Unsecured:		
- Banker's acceptance	5,444	16,162
	<b>37,944</b>	22,850
<b>Total borrowings</b>	<b>109,913</b>	170,066

The Group's borrowings are denominated in Ringgit Malaysia.

**ADDITIONAL LISTING REQUIREMENT INFORMATION**

**B5. REVIEW OF PERFORMANCE FOR THE CURRENT QUARTER/PERIOD AGAINST THE COMPARATIVE QUARTER/PERIOD**

	<b>Period ended 31.3.2021 RM'000</b>	Period ended 31.3.2020 RM'000
Revenue	<b>254,533</b>	238,436
Profit/(loss) after tax	<b>4,159</b>	(29,972)

Overall revenue grew by 7% from RM238.4 million in 1QFY20 to RM254.5 million in 1QFY21 contributed by higher advertising and non-advertising revenue which grew by 2% and 14% against the corresponding period despite the re-imposition of the Movement Control Order.

The Group posted a 1QFY21 profit after tax of RM4.2 million compared to a loss after tax of RM30.0 million in 1QFY20, driven by the above higher revenue and lower operating expenses during 1QFY21 compared to 1QFY20.

The performance of respective platforms for the current period ended 31 March 2021 as compared to the comparative period ended 31 March 2020 are as follows:

- (a) Broadcasting - Revenue increased by 16% in 1QFY21 compared to 1QFY20 led by stronger television advertising revenue in the current period.
- (b) Content Creation - Revenue decreased by 57% against the comparative period as television production services were transferred to the Broadcasting segment in 3QFY20 resulted in lower intersegment revenue. Nevertheless, the external revenue recorded under this segment has more than doubled in 1QFY21.
- (c) Home Shopping - Current period revenue increased by 19% against the comparative period, driven by the shift in consumer shopping habits towards the platform.
- (d) Digital Media – Recorded an 11% increase in revenue for 1QFY21 against the corresponding period driven by higher active users for the Group's digital properties.
- (e) Publishing – Revenue for 1QFY21 was sluggish against the comparative period given the lower advertising revenue, especially from the classified segment.
- (f) Out-of-Home - Revenue for the current period was lower by 35% against the comparative period due to dip in demand for display advertising since the Movement Control Order.
- (g) Omnia - Comparison of performance for 1QFY21 against 1QFY20 is not applicable as the segment commenced operations in 2QFY20.

**ADDITIONAL LISTING REQUIREMENT INFORMATION**

**B6. COMPARISON OF PERFORMANCE FOR THE CURRENT QUARTER AGAINST THE IMMEDIATE PRECEDING QUARTER**

	<b>Quarter ended 31.3.2021 RM'000</b>	Quarter ended 31.12.2020 RM'000
Revenue	<b>254,533</b>	298,086
Profit/(loss) before tax	<b>9,618</b>	21,132

Revenue for 1QFY21 decreased by 15% against the immediate preceding quarter (4QFY20), attributed to the lower adex spending early in the year, which was further affected by the re-imposition of the Movement Control Order beginning January 2021. As a result, the Group recorded a lower profit before tax of RM9.6 million in 1QFY21 compared to a profit before tax of RM21.1 million in 4QFY20.

**B7. PROSPECTS FOR 2021**

The Group will continue to face a challenging year in 2021 due to the economic uncertainty amid the COVID-19 pandemic, and the structural changes in the content and media industry.

Despite the continued challenges affecting especially our publishing business (particularly on advertising and circulation), this segment is narrowing its losses in Q1 this year compared to Q1 2020. We are hopeful for recovery in this segment for the remaining quarters of 2021 as the economy recovers from the effects of the COVID-19 pandemic.

Our strategic collaboration with the Ministry of Education to broadcast quality education content to students nationwide demonstrates the Group's ability to leverage the strength of its platforms. This also opens up more opportunities to collaborate with external parties especially given the Group's extensive reach across traditional and digital media and our quality content production capabilities.

The cost optimisation initiatives undertaken in 2020 allows us to operate at a much more optimal level, and better position the Group to navigate the uncertainty of a post-COVID-19 environment.

The Group nevertheless remains focused on targeted initiatives with clear revenue visibilities while continuing to solidify the defence of its traditional businesses. The Group continues to be strongly committed in further improving operational efficiencies through unlocking synergies across its media platforms.

**B8. PROFIT FORECAST/PROFIT GUARANTEE**

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

**B9. DIVIDEND**

No dividends have been declared by the Board of Directors for the first quarter ended 31 March 2021.

**ADDITIONAL LISTING REQUIREMENT INFORMATION**

**B10. EARNINGS/(LOSS) PER SHARE**

The Group's earnings/(loss) per share are calculated as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.3.2021	31.3.2020	31.3.2021	31.3.2020
Profit/(loss) attributable to owners of the Company (RM'000)	<b>5,246</b>	(29,540)	<b>5,246</b>	(29,540)
Weighted average number of ordinary shares in issue ('000)	<b>1,109,199</b>	1,109,199	<b>1,109,199</b>	1,109,199
<b>Basic and diluted earnings/(loss) per share (sen)</b>	<b>0.47</b>	(2.66)	<b>0.47</b>	(2.66)

The Group does not have in issue any financial instruments or other contracts that may entitle its holders to ordinary shares and potentially dilute its earnings/(loss) per share.

**BY ORDER OF THE BOARD**

**TAN SAY CHOON**

**(MAICSA 7057849 / SSM PRACTISING CERTIFICATE NO. 202008003070)**

**GROUP COMPANY SECRETARY**

**Kuala Lumpur**

**27 May 2021**

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

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