



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

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER
ENDED 31 MARCH 2024**

29 May 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		31.3.2024 RM'000 3 months	31.3.2023 RM'000 3 months	31.3.2024 RM'000 9 months	31.3.2023 RM'000 9 months
Revenue	A8	213,219	N/A	650,915	N/A
Operating expenses		(192,933)	N/A	(570,915)	N/A
Other operating income		942	N/A	15,164	N/A
Earnings before interest, taxation, depreciation and amortisation ("EBITDA")		21,228	N/A	95,164	N/A
Depreciation on right-of-use assets		(9,284)	N/A	(28,408)	N/A
Other depreciation		(8,586)	N/A	(25,525)	N/A
Amortisation of intangible assets (excluding programme and film rights)		(296)	N/A	(837)	N/A
Finance income		3,141	N/A	8,765	N/A
Finance cost on lease liabilities		(1,255)	N/A	(4,144)	N/A
Finance cost on financial liabilities		(2,495)	N/A	(7,229)	N/A
Share of results of associates		(7)	N/A	22	N/A
Profit before tax	A9	2,446	N/A	37,808	N/A
Taxation	B1	(587)	N/A	(9,934)	N/A
Net profit and total comprehensive income for the financial period		1,859	N/A	27,874	N/A
Profit and total comprehensive income attributable to:					
- Owners of the Company		2,465	N/A	27,234	N/A
- Non-controlling interests		(606)	N/A	640	N/A
		1,859	N/A	27,874	N/A
Earnings per share (sen)					
- Basic and diluted	B11	0.22	N/A	2.46	N/A

No comparative financial information is presented for the unaudited condensed consolidated statement of comprehensive income for the period ended 31 March 2024. Due to the change of financial year end from 31 December to 30 June, the unaudited condensed consolidated statement of comprehensive income for the current quarter ended 31 March 2024, being the third quarter of the current financial year ending 30 June 2024, is not comparable with any comparative period previously presented.

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the Group's audited financial statements for the financial period ended 30 June 2023.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTE	AS AT 31.3.2024 RM'000	AS AT 30.6.2023 RM'000
Assets			
Property, plant and equipment		291,184	301,862
Right-of-use assets		91,231	121,990
Investment properties		27,408	15,450
Associates		1,296	1,274
Financial assets at fair value through other comprehensive income		688	688
Intangible assets		405,286	392,757
Other receivables		19,419	19,031
Deferred tax assets		12,790	12,790
Non-current assets		849,302	865,842
Inventories		9,649	8,269
Trade and other receivables		182,249	167,020
Current tax recoverable		24,031	19,189
Deposits, cash and bank balances	A13	374,577	343,328
Current assets		590,506	537,806
Total assets		1,439,808	1,403,648
Liabilities and equity			
Liabilities			
Lease liabilities		62,440	92,256
Borrowings	B5	193,284	121,840
Deferred tax liabilities		36,691	36,732
Non-current liabilities		292,415	250,828
Trade and other payables		403,444	387,888
Lease liabilities		43,972	48,988
Borrowings	B5	11,562	37,136
Current tax payable		2,147	3,594
Current liabilities		461,125	477,606
Total liabilities		753,540	728,434
Equity and reserves			
Share capital		1,524,735	1,524,735
Reserves		(833,957)	(844,553)
Equity attributable to owners of the Company		690,778	680,182
Non-controlling interests		(4,510)	(4,968)
Total equity		686,268	675,214
Total liabilities and equity		1,439,808	1,403,648
Net assets per share attributable to equity holders of the Company (sen)*		62.28	61.32

* 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 financial statements for the financial period ended 30 June 2023.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<u>Attributable to owners of the Company</u>			Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Other reserves RM'000	Accumulated losses RM'000			
At 1 July 2023	1,524,735	4	(844,557)	680,182	(4,968)	675,214
Net profit and total comprehensive income for the financial period	-	-	27,234	27,234	640	27,874
<u>Transactions with owners:</u>						
Dividends paid in respect of the financial period ended 30 June 2023	-	-	(16,638)	(16,638)	-	(16,638)
Dividends paid to non-controlling interests	-	-	-	-	(182)	(182)
At 31 March 2024	1,524,735	4	(833,961)	690,778	(4,510)	686,268

No comparative financial information is presented for the unaudited condensed consolidated statement of changes in equity for the period ended 31 March 2024. Due to the change of financial year end from 31 December to 30 June, the unaudited condensed consolidated statement of changes in equity for the current quarter ended 31 March 2024, being the third quarter of the current financial year ending 30 June 2024, is not comparable with any comparative period previously presented.

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the Group's audited financial statements for the financial period ended 30 June 2023.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	NOTE	FOR THE PERIOD ENDED 31.3.2024 RM'000 9 months	FOR THE PERIOD ENDED 31.3.2023 RM'000 9 months
Cash flows from operating activities			
Profit for the financial period		27,874	N/A
Adjustments for:			
- Non-cash items		124,676	N/A
- Finance cost on lease liabilities		4,144	N/A
- Finance cost on financial liabilities		7,229	N/A
- Finance income		(8,765)	N/A
Operating cash flows before changes in working capital		155,158	N/A
Changes in working capital		(10,049)	N/A
Cash flows from operations		145,109	N/A
Income tax paid		(15,358)	N/A
Net cash flows generated from operating activities		129,751	N/A
Cash flows from investing activities			
Property, plant and equipment:			
- Additions		(14,432)	N/A
- Proceeds from disposal		95	N/A
Intangible assets:			
- Additions		(82,464)	N/A
Investment properties:			
- Proceeds from disposal		5,952	N/A
Finance income received		8,765	N/A
Net cash flows used in investing activities		(82,084)	N/A
Cash flows from financing activities			
Finance cost paid on lease liabilities		(4,144)	N/A
Finance cost paid on financial liabilities		(7,610)	N/A
Drawdown of borrowings		88,292	N/A
Repayment of borrowings		(42,611)	N/A
Payment of principal element of lease liabilities		(33,525)	N/A
Decrease in restricted bank balances		2,280	N/A
Dividends paid to shareholders of the Company		(16,638)	N/A
Dividends paid to non-controlling interests		(182)	N/A
Net cash flows used in financing activities		(14,138)	N/A
Net movement in cash and cash equivalents		33,529	N/A
Cash and cash equivalents at beginning of the financial period		327,863	N/A
Cash and cash equivalents at end of the financial period	A13	361,392	N/A

No comparative financial information is presented for the unaudited condensed consolidated statement of cash flows for the period ended 31 March 2024. Due to the change of financial year end from 31 December to 30 June, the unaudited condensed consolidated statement of cash flows for the current quarter ended 31 March 2024, being the third quarter of the current financial year ending 30 June 2024, is not comparable with any comparative period previously presented.

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the Group's audited financial statements for the financial period ended 30 June 2023.

NOTES TO THE INTERIM FINANCIAL REPORT

A1. BASIS OF PREPARATION

The unaudited interim financial report has 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 report should be read in conjunction with the audited financial statements of the Group for the financial period ended 30 June 2023, 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 report 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 period ended 30 June 2023.

As announced by the Company on 25 August 2022, the Company and Group changed its financial year end from 31 December to 30 June. Due to the change, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows as well as certain notes to the interim financial report for the current quarter ended 31 March 2024, being the third quarter of the current financial year ending 30 June 2024, are not comparable with that of the third quarter of the previous financial period ended 30 June 2023. As such, comparative figures are not presented where applicable in this interim financial report.

The Group have applied the following amendments for the first time for the financial period beginning on 1 July 2023:

Effective for annual periods beginning on or after 1 January 2023:

Description	
Amendments to MFRS 101 and MFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The initial application of the above amendments did not have any material impact to the consolidated financial report of the Group.

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

Description	Effective for annual periods beginning on or after
Amendments to MFRS 101	1 January 2024
Classification of liabilities as current or non-current, and Non-current Liabilities with Covenants	

NOTES TO THE INTERIM FINANCIAL REPORT

A1. BASIS OF PREPARATION (CONTINUED)

The Group will be adopting the following amendments to MFRSs when they become effective in the respective financial periods: (continued)

Description		Effective for annual periods beginning on or after
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025

The above amendments to published standards are not expected to have a significant effect on the Group.

A2. AUDITORS' REPORT ON PRECEDING AUDITED FINANCIAL STATEMENTS

The auditors' report on the audited financial statements for the financial period ended 30 June 2023 was not qualified.

A3. SEASONAL OR CYCLICAL FACTORS

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

A4. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior financial periods that had a material effect in the period ended 31 March 2024.

A5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no unusual items affecting the assets, liabilities, net income or cash flows of the Group in the quarter and cumulative period ended 31 March 2024.

A6. DIVIDENDS PAID

The amount of dividends paid to the shareholders of the Company during the financial period ended 31 March 2024:

	For the period ended 31.3.2024 RM'000 9 months
<u>In respect of the financial period ended 30 June 2023:</u>	
First and final single-tier dividend of 1.5 sen, paid on 3 October 2023	16,638

NOTES TO THE INTERIM FINANCIAL REPORT

A7. SEGMENTAL REPORTING

The Group determines and presents its operating segments based on information reported internally to the Board of Directors and Senior Management (collectively the chief operating decision-maker (“CODM”). The Group predominantly operates in Malaysia and consequently, there is no disclosure on geographical segments. The segmental information for the current financial period is as follows:

	Omnia RM'000	Broad- casting RM'000	Out-of- Home RM'000	Publish- ing RM'000	Digital Media RM'000	Home Shopping# RM'000	Corporate and Others RM'000	Elimination RM'000	Total RM'000
Period ended 31 March 2024									
Revenue from external customers	534,629	15,342	3,020	31,603	139	64,250	1,932	-	650,915
Inter-segment revenue	-	279,305	91,180	60,099	79,966	-	53,725	(564,275)	-
	534,629	294,647	94,200	91,702	80,105	64,250	55,657	(564,275)	650,915
Reportable segment profit/(loss) after tax before non-controlling interest	1,416	22,756	1,969	24,275	6,992	(10,483)	25,162	(44,213)	27,874

The reportable loss after tax for the Home Shopping segment includes intersegment charges incurred for television broadcasting fees. Excluding the intersegment charges, the Home Shopping segment reported a loss after tax of RM6.4 million for the financial period ended 31 March 2024.

NOTES TO THE INTERIM FINANCIAL REPORT

A8. REVENUE

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.3.2024	31.3.2023	31.3.2024	31.3.2023
	RM'000	RM'000	RM'000	RM'000
	3 months	3 months	9 months	9 months
Revenue from contracts with customers:				
- Advertising revenue	173,467	N/A	535,734	N/A
- Newspaper sales	6,394	N/A	19,231	N/A
- Newspaper printing and distribution	3,806	N/A	11,937	N/A
- Content sales	4,227	N/A	13,193	N/A
- Sale of home shopping goods	22,662	N/A	62,915	N/A
- Other ancillary revenue	1,776	N/A	4,854	N/A
	212,332	N/A	647,864	N/A
Revenue from other sources:				
- Rental income from investment properties and outdoor cellular antenna space	887	N/A	3,051	N/A
	213,219	N/A	650,915	N/A

A9. PROFIT BEFORE TAX

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.3.2024	31.3.2023	31.3.2024	31.3.2023
	RM'000	RM'000	RM'000	RM'000
	3 months	3 months	9 months	9 months
Net (impairment)/reversal of impairment of financial instruments	(950)	N/A	6,947	N/A
Net foreign exchange gain	1,486	N/A	2,028	N/A
Insurance claims received	4	N/A	2,235	N/A
Gain on disposal of property, plant and equipment	6	N/A	73	N/A
Gain on disposal of investment properties	-	N/A	3,735	N/A
Provision for impairment of investment properties	-	N/A	(250)	N/A
Partial extinguishment of lease liabilities from rent concessions	-	N/A	4,000	N/A
Reversal of provision/(provision) for litigation claims	1	N/A	(4,499)	N/A

A10. 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

A11. CONTINGENT LIABILITIES

The Group is defending 11 legal suits (as at 30.6.2023: 13 suits) with contingent liabilities amounting to RM1.8 million (as at 30.6.2023: RM2.5 million). The legal suits consist mainly of alleged defamation claims.

Apart from the information disclosed in this interim financial report, the directors are not aware of any legal proceedings pending against the Group or of any facts that are likely to give rise to any legal proceedings, which might materially affect the financial position or business operations of the Group.

A12. CAPITAL COMMITMENTS

	As at 31.3.2024 RM'000	As at 30.6.2023 RM'000
Approved but not contracted for:		
- Property, plant and equipment	74,394	100,731
- Intangible assets	24,112	127,106
Approved and contracted for:		
- Property, plant and equipment	17,135	1,988
- Intangible assets	5,045	15,020

A13. CASH AND CASH EQUIVALENTS

Reconciliation between deposits, cash and bank balances and cash and cash equivalents:

	As at 31.3.2024 RM'000
Cash and bank balances	114,431
Deposits with licensed banks	260,146
Deposits, cash and bank balances	374,577
Less: Restricted bank balances	(13,185)
Cash and cash equivalents	361,392

A14. SIGNIFICANT RELATED PARTY TRANSACTIONS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.3.2024	31.3.2023	31.3.2024	31.3.2023
	RM'000	RM'000	RM'000	RM'000
	3 months	3 months	9 months	9 months
Associate companies:				
- Purchase of services	(24)	N/A	(85)	N/A
Parties related by virtue of common major shareholders with significant influence over the Company:				
- Revenue from contracts with customers	6,138	N/A	16,835	N/A
- Finance income	1,208	N/A	2,705	N/A
- Purchase of goods and services	(5,186)	N/A	(17,057)	N/A
- Finance cost on borrowings	(2,507)	N/A	(7,363)	N/A

ADDITIONAL LISTING REQUIREMENT INFORMATION

B1. TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.3.2024	31.3.2023	31.3.2024	31.3.2023
	RM'000	RM'000	RM'000	RM'000
	3 months	3 months	9 months	9 months
- Current income tax	591	N/A	9,965	N/A
- Deferred tax credit	(14)	N/A	(41)	N/A
- Under provision of income tax in prior period	10	N/A	10	N/A
	587	N/A	9,934	N/A

The difference in the Group's effective tax rate for the cumulative period against the statutory corporate tax rate of 24% is partly due to several loss-making companies within the Group which reduced the Group's profit before tax and led to an effective tax rate higher than 24%.

B2. FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

As at 31 March 2024, 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 A11 of this interim financial report.

B4. STATUS OF CORPORATE PROPOSALS

As at the date of this interim financial report, the Group does not have any announced corporate proposals pending completion.

B5. BORROWINGS

	As at	As at
	31.3.2024	30.6.2023
	RM'000	RM'000
<u>Non-current</u>		
Secured:		
- Term loan	-	2,811
- Islamic term loans	193,284	119,029
	193,284	121,840
<u>Current</u>		
Secured:		
- Term loan	-	32,500
- Islamic term loans	7,383	-
Unsecured:		
- Banker's acceptance	4,179	4,636
	11,562	37,136
Total borrowings	204,846	158,976

The Group's borrowings are denominated in Ringgit Malaysia.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B6. REVIEW OF PERFORMANCE FOR THE CURRENT QUARTER AGAINST THE IMMEDIATE PRECEDING QUARTER

	Quarter ended 31.3.2024 RM'000	Quarter ended 31.12.2023 RM'000
Revenue	213,219	223,773
Profit before tax	2,446	17,832
Profit after tax	1,859	12,095

As announced by the Company on 25 August 2022, the financial year end of the Group was changed from 31 December to 30 June. Whilst there is no comparative financial information presented for the quarter ended 31 March 2024, the analysis below is a comparison against the immediate preceding quarter ended 31 December 2023.

Revenue for the current quarter ended 31 March 2024 reduced by 5% to RM213.2 million against the immediate preceding quarter ended 31 December 2023. The reduction in revenue was mainly due to cut in spending by several major advertisers impacted by the challenging business landscape amid the geopolitical situation in certain parts of the world.

The lower revenue during the current quarter impacted the Group's profit before tax which reduced by 86% against the immediate preceding quarter.

The performance of the Group's segments for the current quarter ended 31 March 2024 as compared to the immediate preceding quarter ended 31 December 2023 are as follows:

- (a) Digital - Revenue grew by 7% attributed to improved digital inventory yield and increased digital advertising campaigns.
- (b) Home Shopping - Increase in revenue by 12% against the immediate preceding quarter driven by major festive season consumer spending in the current quarter.
- (c) Omnia - Segment revenue decreased by 8% partly due to the factor mentioned above.
- (d) Out-of-Home - Underutilisation of sites in the current quarter led to a 17% reduction in revenue against the immediate preceding quarter.
- (e) Broadcasting - Lower advertising revenue compared to the immediate preceding quarter contributed to an 8% contraction in segment revenue.
- (f) Publishing - Revenue reduced by 6% against the immediate preceding quarter mainly attributed to decrease in advertising revenue.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B7. REVIEW OF CUMULATIVE NINE MONTHS PERFORMANCE AND SEGMENTAL ANALYSIS

	Period ended 31.3.2024 (9 months) RM'000
Revenue	650,915
Profit after tax	27,874

The performance review for the nine months period ended 31 March 2024 is not comparable with any preceding period due to the change in financial year end of the Group from 31 December to 30 June.

The Group recorded a revenue of RM650.9 million for the period ended 31 March 2024 as advertising and commerce revenue were impacted by soft consumer sentiment and inflationary pressures.

Despite the challenging market conditions, the Group's efforts in improving operational and cost efficiencies together with higher other operating income earned during the period led to a profit after tax of RM27.9 million for the period ended 31 March 2024.

The performance of the Group's segments for the current period ended 31 March 2024 are as follows:

- (a) Omnia - The segment posted a commendable revenue of RM534.6 million for the nine-month period, notwithstanding the overall challenging advertising landscape.
- (b) Broadcasting - Audio platform showed encouraging growth for the nine months partially offsetting Television Networks' content distribution revenue reduction to register total revenue of RM294.6 million for the period.
- (c) Out-of-Home - Segment revenue of RM94.2 million partly driven by the growth in digital display revenue.
- (d) Publishing - Overall resilient performance in newspaper advertising, circulation, printing and distribution revenue led to segment revenue of RM91.7 million for the period.
- (e) Digital Media - Recorded a segment revenue of RM80.1 million during the period.
- (f) Home Shopping - Posted a segment revenue of RM64.3 million amid the challenging market conditions in the competitive consumer shopping space.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B8. PROSPECTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2024

The outlook for the remaining quarter of the financial year remains challenging as macroeconomic and geopolitical uncertainties continue to affect the advertising market.

While we continue to deliver innovative solutions to advertisers and engaging content for audiences across our media platforms, we will continue to be vigilant in monitoring our operational cost to minimise any impact on the Group's revenue performance.

We remain focused in executing our 3-year business plan guided by three growth pillars - content quality boost, inventory premiumisation, and exploration of new revenue streams. The strategic roadmap underscores our commitment to continuously deliver value to shareholders, solidifying business operations for sustainability, and capitalising on our strength as an integrated media group.

B9. PROFIT FORECAST/PROFIT GUARANTEE

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

B10. DIVIDENDS DECLARED

No dividend has been declared by the Board of Directors in respect of the financial period ended 31 March 2024.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B11. EARNINGS PER SHARE

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.3.2024	31.3.2023	31.3.2024	31.3.2023
	RM'000	RM'000	RM'000	RM'000
	3 months	3 months	9 months	9 months
Profit attributable to owners of the Company (RM'000)	2,465	N/A	27,234	N/A
Weighted average number of ordinary shares in issue ('000)	1,109,199	N/A	1,109,199	N/A
Basic and diluted earnings per share (sen)	0.22	N/A	2.46	N/A

The Group has not issued any financial instrument or contract that may entitle its holders to ordinary shares and potentially dilute its earnings per share.

BY ORDER OF THE BOARD

TAN SAY CHOON

(MAICSA 7057849 / SSM PRACTISING CERTIFICATE NO. 202008003070)

GROUP COMPANY SECRETARY

Kuala Lumpur

29 May 2024

Additional financial analysis of Media Prima Berhad is available on Media Prima Berhad's website:

<https://www.mediaprima.com.my/investors.html>