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

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2018

30 August 2018

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	NOTE	**30.6.2018 RM'000**	30.6.2017 RM'000	**30.6.2018 RM'000**	30.6.2017 RM'000
Revenue		**342,372**	328,769	**623,038**	600,969
Operating expenses	A9	**(358,666)**	(465,411)	**(661,089)**	(778,153)
Other operating income	A10	**54,620**	6,643	**59,695**	13,030
Profit/(loss) from operations		**38,326**	(129,999)	**21,644**	(164,154)
Finance costs		**(6,099)**	(3,196)	**(11,962)**	(6,516)
Share of results of an associate		**-**	(2,408)	**-**	(4,293)
Profit/(loss) before tax		**32,227**	(135,603)	**9,682**	(174,963)
Taxation	B1	**(526)**	(2,783)	**(980)**	(4,784)
Net profit/(loss) and total comprehensive income/(loss) for the financial period		**31,701**	(138,386)	**8,702**	(179,747)
Profit/(loss) and total comprehensive income/(loss) attributable to:					
- Owners of the Company		**31,952**	(132,909)	**10,126**	(171,374)
- Non-controlling interests		**(251)**	(5,477)	**(1,424)**	(8,373)
		31,701	(138,386)	**8,702**	(179,747)
Profit/(loss) per share (sen)					
- Basic and diluted	B11	**2.88**	(11.98)	**0.91**	(15.45)

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 30.6.2018 RM'000	AS AT 31.12.2017 RM'000
Assets			
Property, plant and equipment		**488,319**	498,580
Investment properties		**31,017**	31,681
Financial assets at fair value through other comprehensive income		**2,472**	2,472
Intangible assets		**434,784**	446,058
Deferred tax assets		**12,367**	12,762
Non-current assets		**968,959**	991,553
Inventories		**52,290**	46,220
Trade and other receivables		**273,520**	297,629
Current tax assets		**32,211**	29,726
Deposits, cash and bank balances		**233,163**	205,963
Current assets		**591,184**	579,538
Non-current assets held for sale		**1,439**	11,171
Total assets		**1,561,582**	1,582,262
Liabilities and equity			
Non-Current Liabilities			
Borrowings	B5	**295,107**	292,953
Trade and other payables		**1,404**	1,526
Deferred tax liabilities		**43,633**	43,665
Non-current liabilities		**340,144**	338,144
Trade and other payables		**430,749**	448,836
Borrowings	B5	**6,789**	21,204
Current tax liabilities		**2,618**	1,898
Current liabilities		**440,156**	471,938
Total liabilities		**780,300**	810,082
Equity and Reserves			
Share capital		**1,524,735**	1,524,735
Reserves		**(747,959)**	(758,085)
Equity attributable to owners of the Company		**776,776**	766,650
Non-controlling interests		**4,506**	5,530
Total equity		**781,282**	772,180
Total liabilities and equity		**1,561,582**	1,582,262
Net assets per share attributable to equity holders of the Company (sen)*		**70.03**	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						
	Share capital RM'000	**Share premium RM'000**	**Other reserves RM'000**	**Accumulated losses RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
2018							
At 1 January 2018	**1,524,735**	**-**	**1,755**	**(759,840)**	**766,650**	**5,530**	**772,180**
Net profit and total comprehensive income for the period	**-**	**-**	**-**	**10,126**	**10,126**	**(1,424)**	**8,702**
Transaction with owners:							
Equity contribution from non-controlling interest	**-**	**-**	**-**	**-**	**-**	**400**	**400**
At 30 June 2018	**1,524,735**	**-**	**1,755**	**(749,714)**	**776,776**	**4,506**	**781,282**
2017							
At 1 January 2017	1,109,199	415,536	1,755	(64,861)	1,461,629	24,584	1,486,213
Net loss and total comprehensive loss for the period	-	-	-	(171,374)	(171,374)	(8,373)	(179,747)
Transaction with owners:							
Final dividends paid for the financial year ended 31 December 2016	-	-	-	(44,368)	(44,368)	-	(44,368)
At 30 June 2017	1,109,199	415,536	1,755	(280,603)	1,245,887	16,211	1,262,098

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 30.6.2018 RM'000	FOR THE PERIOD ENDED 30.6.2017 RM'000
Cash flows from operating activities			
Profit/(loss) for the period		**8,702**	(179,747)
Adjustments for:			
- Non-cash items		**60,756**	285,226
- Interest expense		**11,962**	6,516
- Interest income		**(3,201)**	(5,299)
Operating cash flows before working capital changes		**78,219**	106,696
Changes in working capital		**(57,046)**	(102,440)
Cash flows from operations		**21,173**	4,256
Income tax paid (net of refund)		**(2,379)**	(3,010)
Net cash flows generated from operating activities		**18,794**	1,246
Cash flows from investing activities			
Settlement of remaining consideration for the acquisition of subsidiaries in prior year		**(5,000)**	-
Property, plant and equipment:			
- Additions		**(26,839)**	(47,854)
- Proceeds from disposals		**1,154**	607
Non-current assets held for sale:			
- Proceeds from disposals		**14,371**	3,964
Proceeds from sale of share of an associate		**45,342**	**-**
Interest received		**3,201**	5,299
Net cash flows generated from/(used in) investing activities		**32,229**	(37,984)
Cash flows from financing activities			
Interest paid		**(10,109)**	(6,552)
Increase in restricted bank balances		**(335)**	-
Drawdown of borrowings		**6,789**	-
Repayment of borrowings		**(20,903)**	-
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 financing activities		**(24,158)**	(51,298)
Net movement in cash and cash equivalents		**26,865**	(88,036)
Cash and cash equivalents at beginning of the period		**197,215**	370,973
Cash and cash equivalents at end of the period	A14	**224,080**	282,937

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 Standards 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 Standards 2015 – 2017 cycle	1 January 2019
Amendments to MFRS 9	Financial Instruments	1 January 2019
Amendments to MFRS 119	Employee Benefits	1 January 2019
Amendments to MFRS 128	Investment in Associates and Joint Ventures	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 statement of the Group except for MFRS 16. The effects of the above standards are currently being assessed by the Directors.

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 second quarter ended 30 June 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 second quarter ended 30 June 2018.

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 June 2018	**Television Networks**	**Radio Networks**	**Out-of-Home**	**NSTP**	**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	**225,323**	**28,312**	**85,483**	**157,674**	**23,792**	**6,433**	**96,021**	**-**	**-**	**623,038**
Inter-segment revenue	**5,124**	**1,296**	**1,360**	**1,808**	**21,103**	**44,265**	**-**	**48,127**	**(123,083)**	**-**
	230,447	**29,608**	**86,843**	**159,482**	**44,895**	**50,698**	**96,021**	**48,127**	**(123,083)**	**623,038**
Royalties	**(1,131)**	**(148)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,279)**
	229,316	**29,460**	**86,843**	**159,482**	**44,895**	**50,698**	**96,021**	**48,127**	**(123,083)**	**621,759**
Reportable segment (loss)/profit after tax before non-controlling interest	**(31,132)**	**8,802**	**10,292**	**27,184**	**6,625**	**6,487**	**(2,550)**	**(13,639)**	**(3,367)**	**8,702**

Period ended 30 June 2017	Television Networks	Radio Networks	Out-of-Home	NSTP	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	241,139	30,397	81,638	177,656	83	10,328	59,728	-	-	600,969
Inter-segment revenue	2,971	133	638	5,956	20,600	44,685	-	75,824	(150,807)	-
	244,110	30,530	82,276	183,612	20,683	55,013	59,728	75,824	(150,807)	600,969
Royalties	219	(153)	-	-	-	-	-	-	-	66
	244,329	30,377	82,276	183,612	20,683	55,013	59,728	75,824	(150,807)	601,035
Reportable segment (loss)/profit after tax before non-controlling interest	(20,743)	9,927	14,007	(159,385)	170	2,781	(8,766)	14,428	(32,166)	(179,747)

A7. REVENUE

Individual quarter For the period ended 30 June 2018	**Traditional RM'000**	**Digital RM'000**	**Home Shopping RM'000**	**Group RM'000**
Advertising	**239,401**	**24,551**	**-**	**263,952**
Circulation	**19,919**	**-**	**-**	**19,919**
Commerce	**3,116**	**1,202**	**51,975**	**56,293**
Content	**1,599**	**-**	**-**	**1,599**
Property and others	**609**	**-**	**-**	**609**
	264,644	**25,753**	**51,975**	**342,372**

Cumulative quarters For the period ended 30 June 2018	**Traditional RM'000**	**Digital RM'000**	**Home Shopping RM'000**	**Group RM'000**
Advertising	**431,059**	**42,262**	**-**	**473,321**
Circulation	**41,350**	**-**	**-**	**41,350**
Commerce	**4,427**	**2,557**	**96,021**	**103,005**
Content	**4,018**	**-**	**-**	**4,018**
Property and others	**1,344**	**-**	**-**	**1,344**
	482,198	**44,819**	**96,021**	**623,038**

Individual quarter For the period ended 30 June 2017*	Traditional RM'000	Digital RM'000	Home Shopping RM'000	Group RM'000
Advertising	253,803	7,780	-	261,583
Circulation	28,669	-	-	28,669
Commerce	2,247	836	31,996	35,079
Content	2,710	-	-	2,710
Property and others	728	-	-	728
	288,157	8,616	31,996	328,769

Cumulative quarters For the period ended 30 June 2017*	Traditional RM'000	Digital RM'000	Home Shopping RM'000	Group RM'000
Advertising	458,888	12,523	-	471,411
Circulation	55,439	-	-	55,439
Commerce	5,717	2,335	59,728	67,780
Content	4,838	-	-	4,838
Property and others	1,501	-	-	1,501
	526,383	14,858	59,728	600,969

* 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.

A8. DIVIDENDS PAID

	30.6.2018 RM'000	30.6.2017 RM'000
In respect of the financial year ended 31 December 2016		
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**	
	30.6.2018 RM'000	30.6.2017 RM'000	**30.6.2018 RM'000**	30.6.2017 RM'000
Depreciation and amortisation	**18,688**	26,183	**37,587**	52,287
Impairment of receivables (net)	**15,415**	656	**16,566**	1,021
Foreign exchange loss	**-**	107	**184**	454
Impairment of financial assets at fair value through profit or loss	**-**	-	**-**	90
Impairment of investment in an Associate	**-**	142,430	**-**	142,430

A10. OTHER OPERATING INCOME

	INDIVIDUAL QUARTER		**CUMULATIVE QUARTERS**	
	30.6.2018 RM'000	30.6.2017 RM'000	**30.6.2018 RM'000**	30.6.2017 RM'000
Interest income	**1,317**	2,611	**3,201**	5,299
Other income	**3,152**	3,429	**6,343**	6,442
Gain on disposal of property, plant and equipment	**170**	496	**170**	513
Gain on disposal of non-current assets held for sale	**4,639**	107	**4,639**	776
Proceeds from sale of share in an associate	**45,342**	**-**	**45,342**	**-**
	54,620	6,643	**59,695**	13,030

A11. VALUATIONS OF PROPERTY, PLANT & EQUIPMENT

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

A12. CONTINGENT LIABILITIES

The Group is a defendant in 16 (As at 31.12.2017: 24) legal suits with contingent liabilities amounting to approximately RM4.4 million (As at 31.12.2017: RM5.7 million). Of the 16 legal suits, 14 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 June 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 June 2018 are as follows:

	RM'000
Approved but not contracted:	
- Property, plant and equipment	**73,045**
- Intangible assets	**157,375**
Approved and contracted for:	
- Property, plant and equipment	**13,455**
- Intangible assets	**99**
	243,974

A14. CASH AND CASH EQUIVALENTS

Details of cash and cash equivalents are as follows:

	As at 30.6.2018 RM'000	As at 30.6.2017 RM'000
Cash and bank balances	**97,404**	138,172
Deposits with licensed banks	**135,759**	148,690
Deposits, cash and bank balances	**233,163**	286,862
Less: Restricted deposits		
Deposits with licensed banks	**(9,083)**	(3,925)
Cash and cash equivalents	**224,080**	282,937

A15. CHANGES IN COMPOSITION OF THE GROUP

(a) Disposal of entire interest held in an associated company

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.

(b) Subsidiary struck-off during the financial year

The Company received a final notice pursuant to Section 550 of the Companies Act, 2016 from Suruhanjaya Syarikat Malaysia for the Subsidiary; Booty Studio Productions Sdn Bhd ("Booty Studio") on 12 June 2018. The notice confirmed that the Subsidiary has been struck-off from the Register of Companies and the notice shall be published in the gazette. As such, the Subsidiary has ceased to be the subsidiary of the Company.

A16. SIGNIFICANT EVENT AFTER REPORTING PERIOD

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.

The detailed announcement of the transactions will be disclosed in a separate announcement.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B1. TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.6.2018	30.6.2017	**30.6.2018**	30.6.2017
	RM'000	RM'000	**RM'000**	RM'000
In respect of the current period:				
- Current income tax	**611**	2,997	**1,150**	5,211
- Deferred taxation	**(85)**	(214)	**(170)**	(427)
	526	2,783	**980**	4,784

The Group incurred tax expense for the current quarter and financial period despite being in a loss before tax position primarily due to income tax incurred by profitable subsidiaries that cannot be fully set-off against losses incurred by other subsidiaries.

B2. FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

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

B3. STATUS OF CORPORATE PROPOSAL

On 12 June 2018, Rev Asia Holdings Sdn Bhd ("RAHSB"), an indirect wholly-owned subsidiary had entered into a conditional Share Sale Purchase Agreement ("SSPA") with Mr. Jaffa Sany Bin Mohd Ariffin (the "Vendor") to acquire 520,000 ordinary shares in Vocket Media Sdn Bhd ("Vocket") ("Sale of Shares"), representing 52% equity interest in Vocket, for a cash consideration of RM2,600,000 ("Proposed Acquisition").

Subject to completion of the SSPA, RAHSB, Vocket, and Vocket's existing shareholders, i.e. individuals who own the remaining 48% equity interest in Vocket, had on the even date entered into a Shareholders Agreement ("SHA") to regulate their respective equity participation, rights and obligations as shareholders in Vocket and the conduct of the business and affairs of Vocket.

The Proposed Acquisition is in line with the transformation plan of MPB and its subsidiaries ("MPB Group") to expand its digital business given that Vocket owns a fast-growing social-millennial Malay digital news site in Malaysia.

The Proposed Acquisition is expected to provide MPB with the opportunity to solidify its presence in the digital publishing business, which in turn is expected to facilitate the continued growth of MPB Group moving forward. The Proposed Acquisition provides synergistic benefits to MPB and is expected to expand MPB's reach, solidifying MPB's position as the leading local digital publisher in Malaysia.

Upon the completion of the Proposed Acquisition, Vocket will become a 52% owned indirect subsidiary of MPB.

ADDITIONAL LISTING REQUIREMENT INFORMATION

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 30.6.2018 RM'000	As at 31.12.2017 RM'000
Non-Current Borrowings		
Secured:		
- Term loan (Note a)	**295,107**	292,953
Current Borrowings		
Secured:		
- Term loan (Note a)	-	301
Unsecured:		
- Banker's acceptance (Note b)	**6,789**	20,903
	6,789	21,204
Total borrowings	**301,896**	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.

b) Banker's acceptance

The Group had drawn down RM6.8 million banker's acceptance facility with a term of 3 months. The facility effective interest rate is 4.19% per annum and is repayable in entirety on its maturity date.

ADDITIONAL LISTING REQUIREMENT INFORMATION

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

	Quarter ended 30.6.2018 RM'000	Quarter ended 31.3.2018 RM'000
Revenue	**342,372**	280,666
Profit/(Loss) Before Tax (PBT/LBT)	**32,227**	(22,545)
Profit/(Loss) After Tax (PAT/LAT)	**31,701**	(22,999)

Group revenue for 2QFY18 increased by RM61.7 million or 22% against the immediate preceding quarter (1QFY18) as core advertising revenue as well as commerce revenue started to gain momentum in 2QFY18, in line with the festive season.

The performance of the respective business platforms for 2QFY18 against 1QFY18 is as follows:

a) Television Networks – Revenue increased by 47% against preceding quarter primarily due to higher advertising revenue, in line with the festive season.

b) NSTP – Revenue decreased by 5% mainly due to decline in traditional circulation and advertising revenue. However, increase in digital advertising and education services revenue was able to partially offset the decline in traditional revenue.

c) Out-of-Home – Revenue for 2QFY18 increased by 22% against the immediate preceding quarter due to utilisation of newly completed inventories in 2QFY18.

d) Radio Networks – Revenue recorded in 2QFY18 was on par against the immediate preceding quarter.

e) Digital Media – Recorded growth of 28% in revenue against the immediate preceding quarter.

f) Content Creation – 2QFY18 revenue increased by 5% against the immediate preceding quarter primarily attributed to stronger content production revenue.

g) Home Shopping – Continued its encouraging growth with 2QFY18 revenue higher by 18% from 1QFY18 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 30.6.2018 RM'000	Period ended 30.6.2017 RM'000
Revenue	**623,038**	600,969
Profit/(Loss) Before Tax (PBT/LAT)	**9,682**	(174,963)
Profit/(Loss) After Tax (PAT/LAT)	**8,702**	(179,747)

Revenue for the financial period 30 June 2018 grew by 4% against the previous financial period due to higher revenue for digital advertising, content and commerce revenue. The Group recorded a PAT of RM8.7 million in 1HFY18 against LAT of RM179.7 million in the corresponding period.

The performance of respective platforms for the financial period 30 June 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 6%.

b) NSTP – Lower revenue by 13% against corresponding period. This was mainly attributed to lower advertising and newspaper sales by 15% and 30% respectively, which was partially offset by the higher 1HFY18 digital revenue.

c) Out-of-Home – Growth by 6% against the corresponding period contributed by higher yield from digital sites.

d) Radio Networks – Revenue decreased by 3% against the corresponding period.

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 1HFY18 revenue by 8% was mitigated by lower content production cost.

g) Home Shopping – Strong growth by 61% in the home shopping segment due to greater exposure achieved from 24 hours transmission on MyTV, as well as higher numbers of live shows in 1HFY18 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 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. Concurrently, continuous cost management by maximising existing value chain and increasing productivity and efficiency 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 second quarter and financial period ended 30 June 2018 (2017: Nil for the second quarter and for the financial period).

ADDITIONAL LISTING REQUIREMENT INFORMATION

B11. EARNINGS/(LOSS) PER SHARE

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.6.2018	30.6.2017	**30.6.2018**	30.6.2017
Profit/(loss) attributable to owners of the Company (RM'000)	**31,952**	(132,909)	**10,126**	(171,374)
Weighted average number of ordinary shares in issue ('000)	**1,109,199**	1,109,199	**1,109,199**	1,109,199
Basic and diluted earnings/(loss) per share (sen)	**2.88**	(11.98)	**0.91**	(15.45)

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
30 August 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*