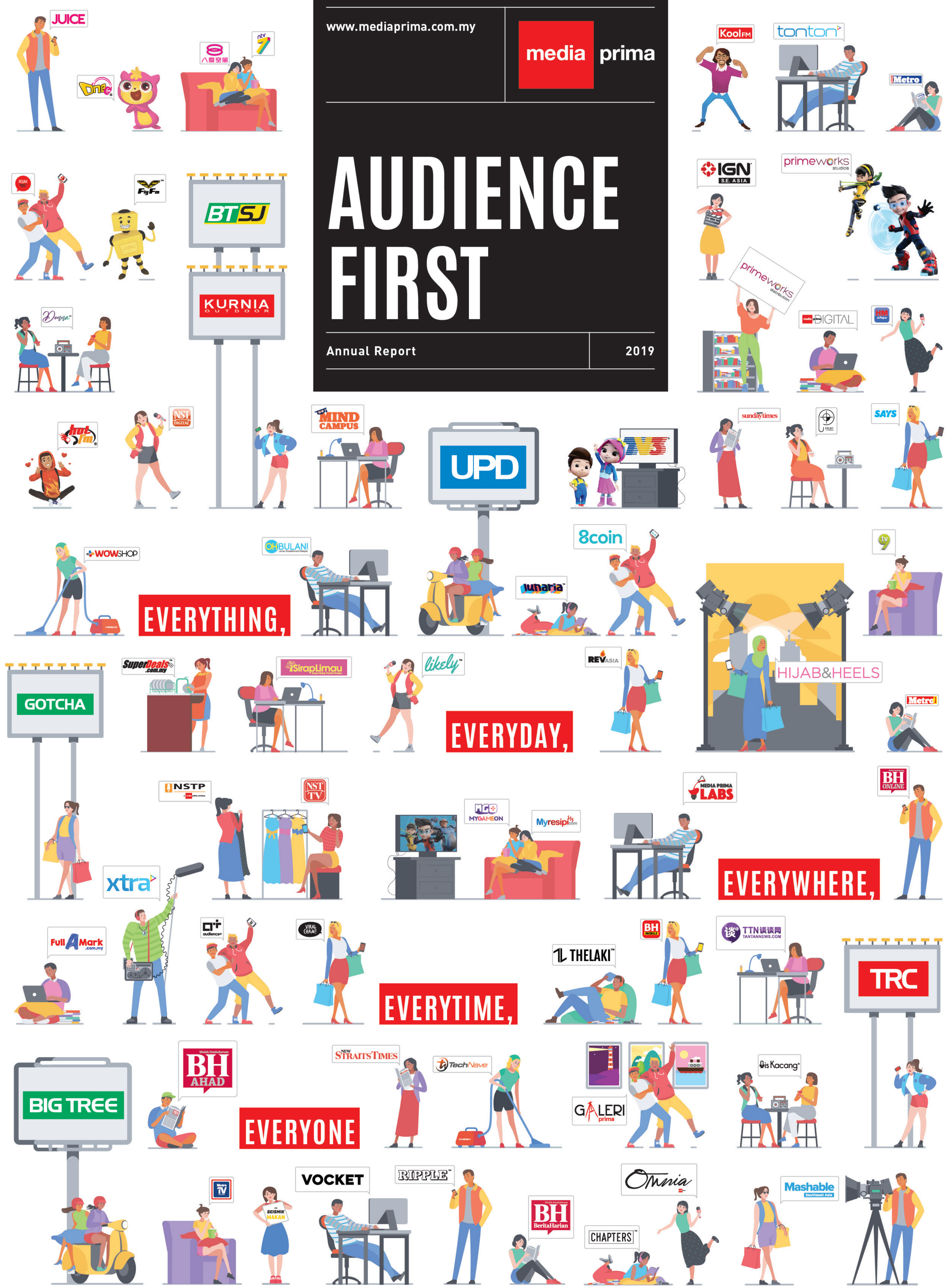
www.mediaprima.com.my

media prima

AUDIENCE FIRST

Annual Report 2019



STAYING TRUE TO WHO WE ARE 01

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COMMITTED TO CREATING VALUE 03

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ADHERING TO THE HIGHEST STANDARDS OF CORPORATE GOVERNANCE 05

VISION

TO BE THE LEADING DIGITAL-FIRST CONTENT AND COMMERCE COMPANY

MISSION

TO ENRICH LIVES BY INFORMING, ENTERTAINING, AND ENGAGING ACROSS ALL MEDIA

ABOUT THIS REPORT

MEDIA PRIMA BERHAD HAS A LONG HISTORY OF CREATING CONTENT AND BELOVED BRAND NAMES THAT MALAYSIANS IDENTIFY AND GREW UP WITH — WE ARE THE HOME OF MALAYSIA'S OLDEST NEWSPAPER, THE MOST WATCHED TELEVISION STATION, THE NATION'S LARGEST OUT-OF-HOME ADVERTISING NETWORK, MULTIPLE RADIO STATIONS, AND POPULAR BRANDS ACROSS PRINT, TELEVISION AND DIGITAL PLATFORMS.

We also own one of the most popular home shopping networks in the country. There's something for every Malaysian from Media Prima.

As the nation's largest and leading integrated media group, it is our duty to ensure transparency in every step of our business, especially the communication of our operations, strategies, and the measures we have undertaken to create value for all our stakeholders.

At the end of each financial year, we produce the Media Prima Annual Report and Sustainability Report which elaborates on our overall business strategy, our targets, and how we achieved them. Our Group Chairman's Statement provides an overview of our performance for the year. Meanwhile, the former Group Managing Director's Statement - Management Discussion and Analysis discusses in detail the progress of our strategic growth plans

Scope and Boundary

Media Prima's reporting scope covers the operations of Media Prima and its subsidiaries (the "Group").

Reporting Framework

Our reports adhere to the Malaysian Financial Reporting Standards, International Financial Reporting Standards, and requirements of the Companies Act 2016. We have also ensured alignment with the Malaysian Code on Corporate Governance Guide 2017.

OUR REPORTING SUITES

The Media Prima Annual Report 2019 provides a comprehensive review of our financial position and performance.

1. **Annual Report**

   This report provides a review of our strategy, as well as financial and non-financial highlights. It has been prepared with accordance to Main Market Listing Requirements by Bursa Malaysia, Malaysian Code on Corporate Governance 2017, Companies Act 2016, Malaysian Financial Reporting Standards and International Financial Reporting Standards. The entire Report is audited by PricewaterhouseCoopers Malaysia.

2. **Sustainability Report**

   In this report, we present Media Prima's commitment to sustainable work and transparent reporting through an overview of our approach and performance in key sustainability areas. This report is guided by globally recognised sustainability frameworks including GRI Sustainability Standards (GRI Standards), Bursa Malaysia's Sustainability Reporting Guide, FTSE4Good Bursa Malaysia Index and International Organization for Standardization 2600:2010 Guidance on Social Responsibility. The accuracy of the reports content is verified by Bureau Veritas Malaysia.

The full Annual Report and Sustainability Report can be found online at www.mediaprima.com.my. We welcome you to get in touch with us on any aspect of our report. Please contact us at communications@mediaprima.com.my.

CORPORATE STRUCTURE

Company | Brand

MEDIA PRIMA OMNIA

100%
Media Prima Omnia Sdn Bhd
(Formerly known as Able Communications Sdn Bhd)

MEDIA PRIMA TELEVISION NETWORKS

100%	100%	100%	100%	51%
Sistem Televisyen Malaysia Berhad	Ch-9 Media Sdn Bhd	Metropolitan TV Sdn Bhd	Natseven TV Sdn Bhd	MP CJ ENM Sdn Bhd

THE NEW STRAITS TIMES PRESS

98%	100%
The New Straits Times Press (Malaysia) Berhad	Print Towers Sdn Bhd (Formerly known as Berita Harian Sdn Berhad)

RIPPLE

100%	100%	99%	100%
Max - Airplay Sdn Bhd	Synchrosound Studio Sdn Bhd	One FM Radio Sdn Bhd	Kool FM Radio Sdn Bhd

BIG TREE

100%	100%	100%	100%	100%	60%
Big Tree Outdoor Sdn Bhd	Kurnia Outdoor Sdn Bhd	Gotcha Sdn Bhd	The Right Channel Sdn Bhd	UPD Sdn Bhd	Big Tree Seni Jaya Sdn Bhd

PRIMEWORKS STUDIOS

100%	100%	100%	100%
Primeworks Studios Sdn Bhd	Primeworks Distribution Sdn Bhd	Alternate Records Sdn Bhd	The Talent Unit Sdn Bhd

MEDIA PRIMA DIGITAL

100%	100%
Media Prima Digital Sdn Bhd	Rev Asia Holdings Sdn Bhd

STAYING TRUE TO WHO WE ARE

CORPORATE PROFILE

MEDIA PRIMA TELEVISION NETWORKS

Media Prima owns and operates four free-to-air television stations. They include TV3, Malaysia's premier station by audience share, TV9, the nation's top station among the young, mass Malaysia audience, ntv7, the popular station for Malaysian urbanites, and 8TV, the leading channel for the Chinese audience.

In 2016, the Group ventured into commerce with CJ Wow Shop, Malaysia's top home shopping network available across four free-to-air channels, online and on mobile devices.

BIG TREE

Big Tree is the market leader of Malaysia's out-of-home ("OOH") advertising industry along with Kurnia, UPD, TRC, Gotcha, and BTSJ. Big Tree offers integrated OOH advertising solutions across multiple concessions in cities, expressways, transit network, retail hubs, and airports. This includes static and digital media formats, together with online and on-ground experiential strategies. The business of Big Tree incorporates creativity and innovation in beautifying cityscapes and public amenities to enhance livability, upgrade the eminence of localities and engage with target audiences for advertisers.

PRIMEWORKS STUDIOS

Primeworks Studios is an established Southeast Asian production company involved in the creative content business in every aspect of the media chain in TV and film production, content distribution and sales, film distribution and marketing, animation, talent management as well as licensing and merchandising. It is an award-winning content company producing over 3,000 hours of compelling content annually for a range of platforms including television, cinema and digital. The production house is the creative force behind a wide range of content genres including entertainment, animation, lifestyle, documentary, sports, and drama.

MEDIA PRIMA OMNIA

Media Prima Omnia ("Omnia") is an integrated solution provider that offers creative services and integrated marketing solutions across all Media Prima platforms, specializing in brand campaigns, events and creative content.

The Omnia Solution provides clients with the opportunity to market their brands across Media Prima's broad range of media assets, which include Media Prima Television Networks, RIPPLE, The New Straits Times Press, Big Tree, Media Prima Digital and Primeworks Studios.

With just one brief, the Omnia Solution enables clients to enjoy efficiencies in pricing – ensuring better Return-on-Investment.

CORPORATE PROFILE

SIA'S

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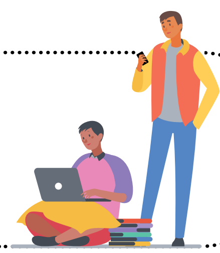


RATED

DIA

OUP

WITH BUSINESSES ON MULTIPLE PLATFORMS...

EVERYTHING, EVERYDAY, EVERYWHERE, EVERYTIME, EVERYONE.

RIPPLE

RIPPLE is an audience-focused digital media, broadcast and commerce company that aims to engage with audiences through content, talents, experiences and platforms. It includes four radio broadcast brands — Fly FM, Hot FM, One FM and Kool FM, a podcast platform — Ais Kacang, an e-commerce brand — SuperDeals, and seven digital brands — Dhia, Donna, Lunaria, Thelaki, Likely, Chapters and Wakeke.

MEDIA PRIMA DIGITAL

Media Prima Digital spearheads innovation, digital advertising and technology within the Group via an integrated and agile approach to offer a holistic and end-to-end digital solution encompassing integrated digital advertising, performance marketing, mobile app development, data analytics, social media listening and many more from a 360° perspective.

With the acquisition of REV Asia Holdings in 2017, Media Prima Digital aims to strengthen its online presence as the digital content mogul in this region. Media Prima's rich intellectual properties and diversified media platforms allow brands to access a mass audience in a unique and comprehensive manner digitally.

The Group is also home to tonton.com.my, Malaysia's popular video streaming service available online and on mobile devices to catch the best Malaysian dramas, news, exclusive live events and more. This presence is also amplified by its complementary entertainment portal xtra.com.my.

THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD

Media Prima owns more than 98% equity interest in The New Straits Times Press ("NSTP"), which owns three of Malaysia's most recognised print and online news brands — New Straits Times, BH ("Berita Harian") and Harian Metro, as well as their respective weekend editions. In 2020, Print Towers Sdn Bhd, formed out of NSTP's Production and Distribution unit, began to operate as a profitable standalone commercial entity.

NSTP has expanded its offerings into verticals which includes education portal, FullAMark, an exam-based interactive e-learning portal designed to facilitate the learning process outside the classroom. Its lifestyle vertical and online brand, Hijab & Heels, curates content for women which includes beauty and fashion, health and fitness, parenting, food and travel.

2019 CORPORATE HIGHLIGHTS

2019

JANUARY

2 January

Media Prima Digital acquired TanTanNews, a popular Chinese social news portal.

9 January

Big Tree launched Big+, a suite of offerings bridging out-of-home media with cutting–edge online capabilities.

29 January

Launch of Kejohanan E-Sukan Kampus Semester One, a nationwide esports competition.

FEBRUARY

18 February

KDYMM Seri Paduka Baginda Yang di-Pertuan Agong XVI Al-Sultan Abdullah Ri'ayatuddin Al-Mustafa Billah Shah graced "The Monarch" art exhibition at Galeri Prima.

MARCH

6 March

Ejen Ali awarded Malaysia Winner in the Best 3D Animated Programme or Series category of the Asian Academy Creative Awards.

13 March

Launch of E! News Malaysia, the go-to show for the latest celebrity news and gossip, on TV3's official YouTube channel.

APRIL

1 April

CJ Wow Shop celebrated its 3rd Anniversary with a 3-week long campaign dubbed as "the largest home shopping carnival in Malaysia".

5 April

Media Prima partnered with Grabyo to enhance its social video strategy and bolster its dominance in Malaysia's digital content market.

10 April

Media Prima awarded 'Digital Publisher of the Year' at MDA d Awards 2019.

24 April

Media Prima partnered with iflix, Southeast Asia's largest digital entertainment service, to boost premium local content offering.

27-28 April

Karnival Jom Heboh Shah Alam.

MAY

6 May

J Retribusi, sequel to the box office hit film, *J Revolusi*, begins production.

JUNE

1 June

TV3 35th Anniversary.

JULY

1 July

Datuk (Dr) Syed Hussian Bin Syed Junid appointed as Group Chairman.

18 July

Premier of *Kingdom*, a Japanese action-adventure film based on the manga series of the same name.

26-27 July

Karnival Jom Heboh Johor.

2019 CORPORATE HIGHLIGHTS

AUGUST

7 August

Media Prima Digital launched IGN Southeast Asia for entertainment and gaming fans in Malaysia, Singapore, Indonesia, and the Philippines.

8 August

HRH Sultan of Perak launched Yusof Ghani's final *Segerak* art series at Galeri Prima.

29 August

Premiere of Sangkar, an action drama film about the rivalry and redemption between two local MMA fighters, as they go from enemies to friends while fighting for glory and family.

SEPTEMBER

2-8 September

Karnival Jom Heboh Sabah.

12 September

Premiere of *Dendam Pontianak*, a Malay horror film starring Fazura and Remy Ishak.

22 September

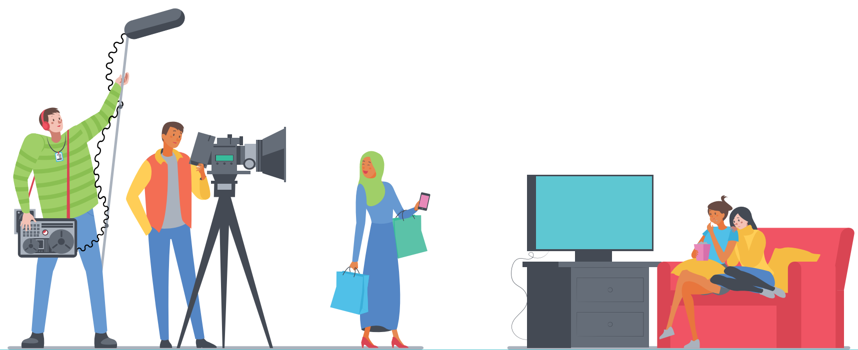
Anugerah Bintang Popular Berita Harian 2019.

25 September

Media Prima awarded 'Most Outstanding Company - Consumer Discretionary Sector' at Asiamoney Awards 2019.

28-29 September

Karnival Jom Heboh Pulau Pinang.



OCTOBER

October

Big Tree celebrated its 25th Anniversary with an exclusive sales package designed to offer maximal reach of target audiences across multiple touchpoints.

11-12 October

Drama Festival Kuala Lumpur ("DFKL") hosted its first Sarawak event.

17 October

RIPPLE celebrated its first year anniversary since its transformation into an audience-focused digital media, broadcast and commerce company.

30 October

Media Prima awarded for Best IR Website at MIRA Investor Relations Awards 2019.

NOVEMBER

1 November

Over 4.8 million viewers watched the live broadcast of Anugerah Skrin 2019 on television.

2-3 November

Karnival Jom Heboh Melaka.

11 November

Media Prima and SV News inked an MoU to enhance media services in Sarawak.

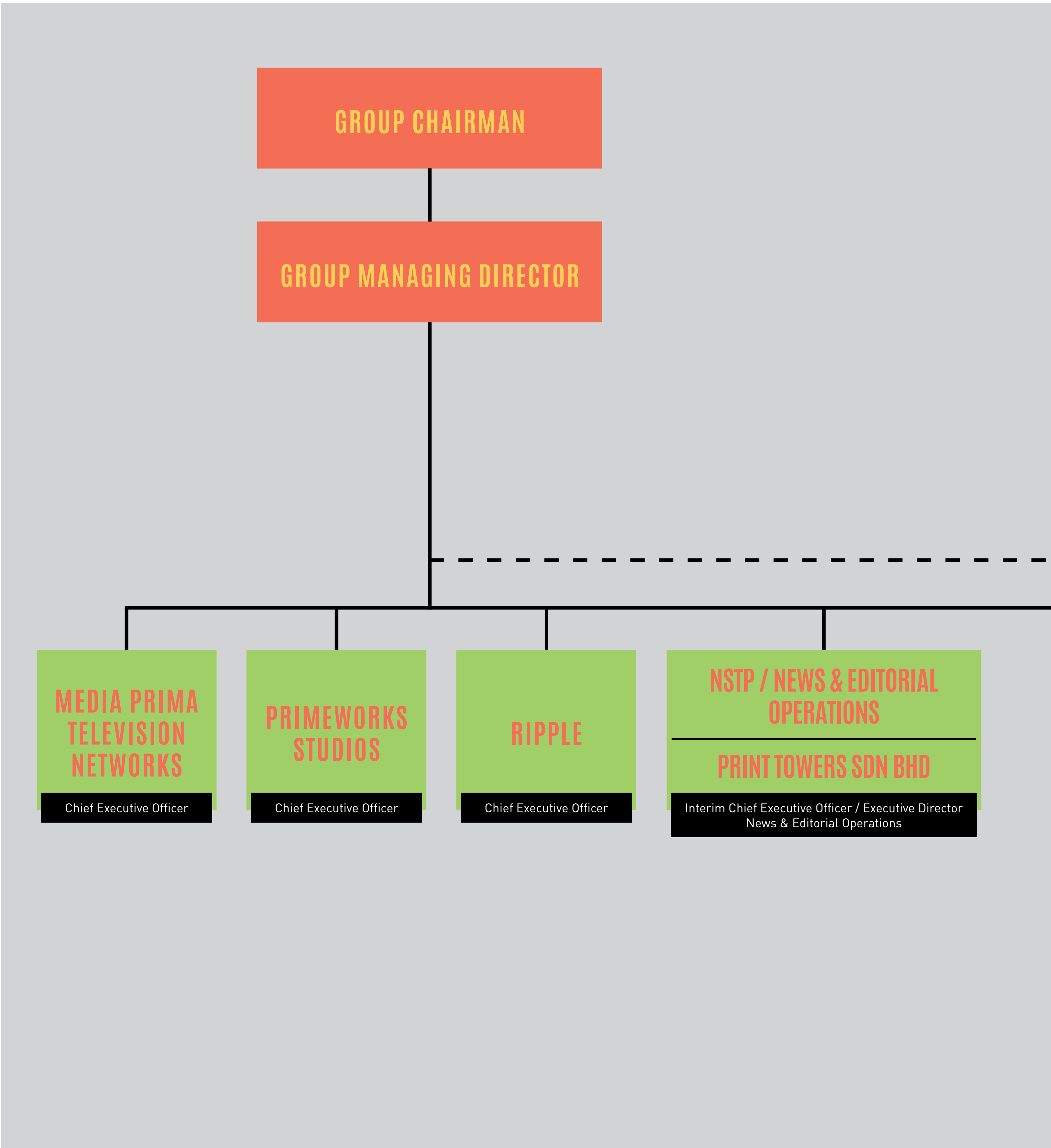
21 November

Premier of *Wira*, an action film about an ex-military man who returned home to help his family out of a situation with a local thug.

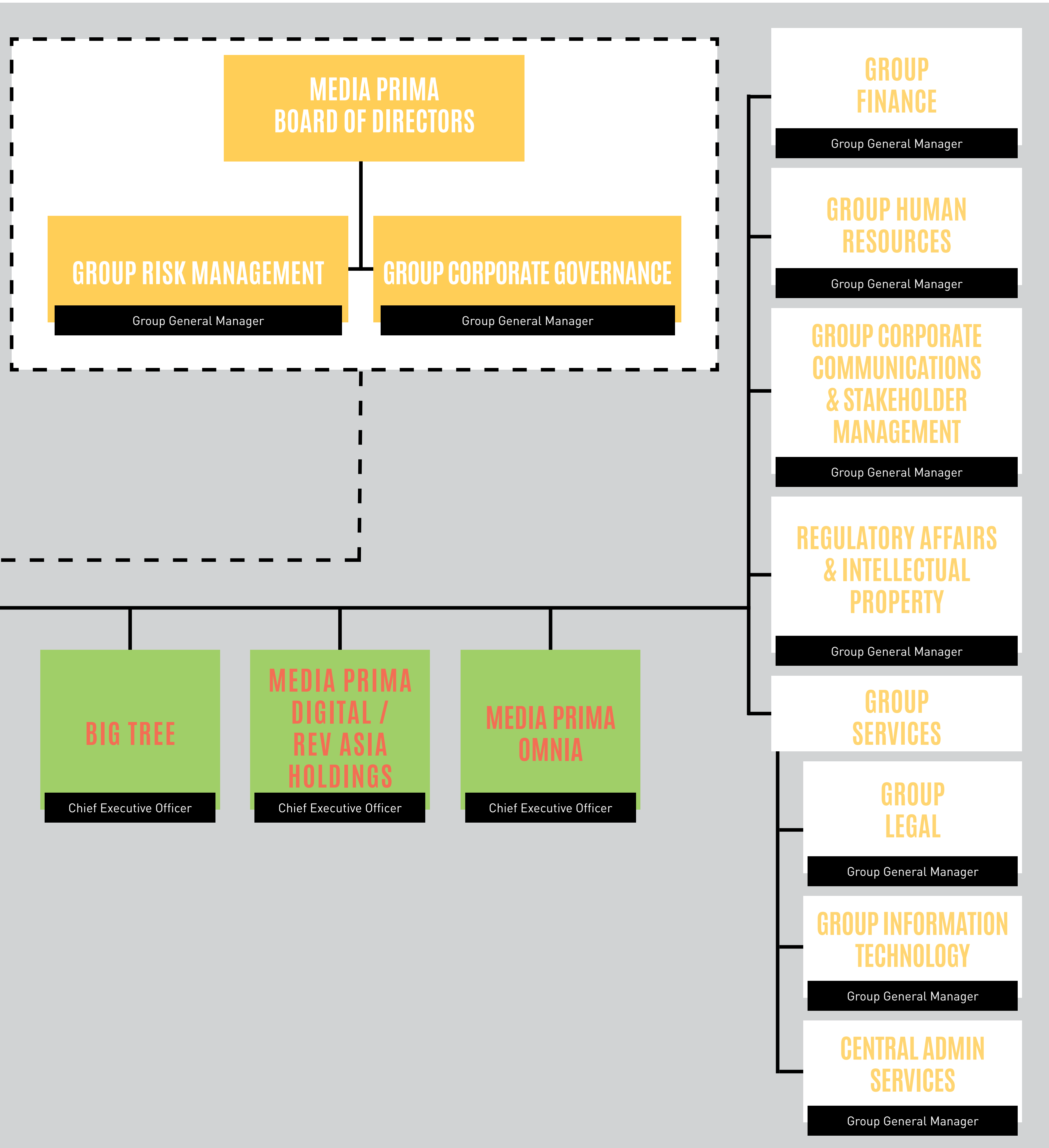
28 November

Premier of *Ejen Ali* the Movie, which collected over RM30.8 million in sales throughout its screening in local cinemas.

ORGANISATION STRUCTURE



ORGANISATION STRUCTURE



GROUP CHAIRMAN

DEAR SHAREHOLDERS,

ON BEHALF OF THE BOARD OF DIRECTORS (THE "BOARD"), IT GIVES ME PLEASURE TO PRESENT MEDIA PRIMA BERHAD'S ("MEDIA PRIMA" OR THE "GROUP") ANNUAL REPORT 2019 AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019 ("FY19").

During my time as Group Chairman of Media Prima, I have worked closely with my fellow board members and the management team to navigate the Group through another challenging year for the media industry. Global and domestic uncertainties continued to impact business conditions in 2019 amid a trade war and escalating geopolitical tensions. As a consequence, the global economy grew at a slower estimate of 3.2% in 2019. Likewise, Malaysia's gross domestic product ("GDP") grew 4.7% in 2019, undoubtedly affected by the slowdown in global and domestic demands.

As predicted, sentiments ruled the day as uncertainties over the economy resulted in weaker consumer and business sentiments resulting in lower advertising expenditure ("adex") in 2019. According to the Malaysian Institute of Economic Research ("MIER"), Malaysia's Consumer Sentiment Index ("CSI") fell to 84 points in the third quarter of 2019 ("3Q19"), its lowest reading since the fourth quarter of 2017. MIER also reported that the Business Conditions Index for 3Q19 slips to the lowest level since 2008.

The last decade has witnessed a significant shift in the media industry as more disruptive trends and technologies such as process automation, digital advertising ("digital adex"), big data and artificial intelligence become more prevalent. The untapered popularity of social media applications, free video streaming services, alternative media sources and the unrelenting speed of change in technology have affected the way people consume content. Mobile devices have significantly become the platform of choice for both urban and non-urban segments of the population.

This phenomenon has also led to the dramatic change in advertisers spending where in recent years digital adex has rapidly supplanted traditional advertising mediums. eMarketer's Global Digital Ad Spending 2019 Report predicted that digital adex would account for half of the global ad spending and is on a trajectory to completely surpass traditional advertising mediums. Moreover, major global tech companies have displayed a dominant performance in the global digital adex space, with combined net revenue of nearly US$170 billion.

In Malaysia, data from the Malaysian Advertising Association's ("MAA") 2018 Annual Report found that digital share of adex grew to 28%, overtaking the now second-place television at 25%. The inevitable growth of digital adex in the country is in part due to the fact that more Malaysians are adopting

FOCUSING ON STRATEGIC PROGRESS

GROUP CHAIRMAN'S STATEMENT

> **"COMPANIES LIKE MEDIA PRIMA MUST CONTINUE TO BUILD UPON ITS STRONG DIGITAL PRESENCE, CAPITALISE ON ITS TREMENDOUS AUDIENCE REACH AND FIND NEW WAYS TO MONETISE ITS ADVANTAGES."**

an increasingly digital lifestyle. The Google-Temasek e-Conomy SEA 2019 Report found that Malaysia has a rapidly growing internet penetration rate which currently stands at 81% (26 million users). Moreover, the country's internet economy was worth US$11 billion with e-Commerce having tripled since 2015 reaching over US$3 billion in 2019. Malaysia's internet economy, alongside regional peers Thailand and Singapore, is expected to grow 20% to 30% annually.

As challenging as 2019 was, the period also offered media companies that have invested heavily in digital and commerce, like Media Prima, the proverbial silver lining as the Government announced initiatives to serve the needs of the new generation of cyber-connected Malaysians. Budget 2020 saw important announcements such as a RM21.6 billion allocation for National Fiberisation and Connectivity Plan ("NFCP") which aims to improve internet speeds, reduce broadband pricing and widen coverage of networks. The Government also recognised the growing potential of eSports — a segment which Media Prima has a strong presence — and will provide an increased allocation of RM20 million for 2020.

As a means of diversifying and widening the tax base, the government has passed a foreign digital service provider tax of 6% which came into effect 1 January 2020. While the motive may be to capture a slice of the growing digital revenue pie, the tax may in turn provide an even playing field between local and typically much larger foreign digital service providers.

We recognise that digital disruptions will continue to play a big part in our industry. Nonetheless, we can take solace in Accenture's 2018 Disruptability Index, the Media and Communications industries are already experiencing significant disruptions, though are less susceptible to face future potential disruptions than other industries such as Banking and Energy. Companies like Media Prima must continue to

A briefing by Media Prima Berhad's senior management team led by Group Chairman, Datuk (Dr.) Syed Hussian on the role of media during the MCO and fight against Covid-19 with YAB Tan Sri Dato' Haji Muhyiddin Yassin, Prime Minister of Malaysia, at his office.

GROUP CHAIRMAN'S STATEMENT

His Royal Highness Sultan of Perak, Sultan Nazrin Muizzuddin Shah and HRH Raja Permaisuri Perak Tuanku Zara Salim, receive a momento of appreciation from Datuk (Dr.) Syed Hussian and Yusof Ghani at Segerak VIII - Utopia Exhibition, organised by Galeri Prima.

build upon its strong digital presence, capitalise on its tremendous audience reach and find new ways to monetise its advantages.

Navigating through Disruptions

Having kept our finger on the pulse, Media Prima acknowledged the paradigm shift years ago with the launch of several business initiatives under its Odyssey Transformation Plan in 2017, to reinvent the Group to become the leading digital-first content and commerce company. Odyssey's aim was to generate new revenue contributions from commerce and non-advertising sources, grow income from digital initiatives and expand the Group's revenue sources beyond Malaysia.

We are pleased to report that our Odyssey Transformation Plan has made positive headways, contributing a bigger slice to the Group's total revenue year-on-year since it began. Nonetheless, the headwinds faced by our traditional media platform continue to weigh down on the Group's financial performance.

Media Prima's revenue for the year declined by 7% against the previous corresponding financial period, attributed to lower advertising and newspaper sales as the shift to digital media among consumers continued. The Group recorded a Loss After Tax ("LAT") of RM185.5 million against Profit After Tax ("PAT") of RM59.0 million in the corresponding period of 2018. This is mainly due to several one-off impairments and scaling down of the workforce in line with the Group's direction and focus to become leaner. If they were excluded, the Group would post a lower LAT of RM69.4 million in FY19, against a LAT of RM106.0 million in FY18.

We have continuously implemented stringent measures to improve cost structures and increase efficiencies in our operations. We made difficult decisions, like the scaling down of the Group's workforce and revamping of our organisation structure with the aim of 'doing more with less'. This was made possible with the increased utilisation of newer technologies, reliance on data analytics and convergence of overlapping functions.

As Odyssey has reached its third year, the Board and Management will review our plans for Media Prima. Nonetheless, the core emphasis will remain on growing our commerce and non-advertising revenue, monetisation of digital initiatives and expansion into new markets. We will also endeavour to maintain our dominant positions in traditional media platforms. This will be helped through the implementation of new sales and operational strategies. In-depth details will be outlined in the former Group Managing Director's Management Discussion and Analysis statement of this annual report.

Delivering Purpose

Over the years, Media Prima has played an essential role in providing society with the latest news that impacts their lives. It is a responsibility that we take very seriously at Media Prima. In an era where 'fake news' dominates, we remain the essential source for people to get accurate information. According to the Digital News Report 2019, a survey by the Reuters Institute and the University of Oxford, found that two of our brands, TV3 and NTV7, are ranked among the top five most trusted local news sources in Malaysia.

TV3's *Buletin Utama* is the number one prime-time news programme in the country with an audience that reaches over 2 million people daily. Our Mandarin News on 8TV also holds the number one spot garnering an average viewership of 615,000 among the Malaysian Chinese broadcast audience. We also have digital assets that are more in tune for the youth. These include the likes of Oh Bulan!, SAYS.com and TanTanNews.

Digital

13.9 million

Average Digital Population

Source: Comscore

13.4 million

Average Mobile Population

Source: Comscore

150 million

Monthly average online video views

Source: YouTube

GROUP CHAIRMAN'S STATEMENT

Our media platforms have remained important channels for key Government figures in and relevant stakeholders to promulgate views and policies on a variety of issues. Our popular issues and political commentary programme on TV3's *Soal Rakyat* featured 14 Cabinet Ministers and Deputy Ministers while 8TV's *Global Watch* hosted five thought leaders throughout 2019.

In entertainment, we remain the number one choice for consumers and content producers. We have invested and will continue to invest sensibly in content that is compelling and relevant to our audience. Since the inception of TV3 30 years ago, the Malaysian content industry has benefited tremendously from our policy of identifying, encouraging and nurturing new talents and production houses.

YABhg. Tun Dr. Mahathir Mohamad and his wife, Tun Dr. Siti Hasmah at a special screening of Ejen Ali the Movie.

Over the years we have helped redefine the creative content industry. We have been the launchpad for some of the most popular television dramas, documentaries, news programming, movies, award shows and the latest being, animated series. We are proud that two of the biggest movie titles in 2019, *Ejen Ali: The Movie* (by Primeworks Studios and Wau Animation) and *Boboiboy* (Animonsta Studios), found their homes on our television networks before eventually being blockbuster hits on the big screen.

Ejen Ali: The Movie earned over RM30.8 million at the box office, the highest ever achieved by a local animation production company. The movie was also well supported through the marketing and promotions done via Media Prima's traditional and digital media platforms, capitalising on our tremendous audience reach.

We also played an important role in bringing Malaysian content beyond our borders to the global stage. In 2019, our content distribution arm, Primeworks Distribution sold over 465 titles produced by the Malaysian content industry abroad. These include selling video content to Netflix, Amazon Prime, Disney and major airlines like Emirates, Etihad, Japan Airlines and British Airways, just to name a few. We are indeed humbled by the trust given to us by the creative geniuses that work tirelessly in perfecting their craft and producing content that engages people across multiple boundaries. Media Prima remains committed to being an active and inclusive player within the industry.

Home Shopping

2019 Revenue

RM232.2 million

A 9% increase from the previous year

More than **13%**

Increase in quantity of items sold.

13% increase to **1.7 million** customers

Partnering Communities

Through our position as the foremost media group in Malaysia, Media Prima has been able to positively engage with various stakeholders. The wide reach of our platforms has allowed us to support our social programmes aimed to bring welfare to our communities.

Since 1991, through the contributions of several private and public donors, we have been able to lend a helping hand to thousands of Malaysians in need of medical assistance, disaster relief, and financial support for victims of poverty. In 2019, over RM1.2 million was disbursed to deserving individuals and communities. Their generosity has allowed patients to undergo life-saving heart surgery and other critical medical procedures, as well as provide financial assistance to those facing economic hardships. It has also provided relief to families affected by natural disasters, and transformed a small island community in Kelantan with solar-powered energy.

In education, Berita Harian's ("BH") *Akhbar Dalam Darjah* workshops continue to help enhance student learning experience by utilising BH's educational pull-outs such as *Didik*, *Minda* and *Skor*. We have also continued the New Straits Times' Newspaper in Education programme which organises ground activities, print engagement and online presence, to improve English proficiency among students and teachers.

GROUP CHAIRMAN'S STATEMENT

Corporate Governance

In 2019, Media Prima was added as a constituent of the FTSE4Good Bursa Malaysia ("F4GBM") index which measures the performance of public listed companies demonstrating strong efforts in environmental conservation, the impact of social responsibility initiatives on the community and the practice of good governance through responsible and ethical decision making. The Group was also awarded the Most Outstanding Company in Malaysia for Consumer Discretionary Sector at the Asiamoney Awards 2019 and Best investor Relation Website at the 9th Investor Relations Award by Malaysian Investor Relations Association. These recognitions are strong endorsements of the Group's commitment to conduct its businesses responsibly and transparently with the best interest of stakeholders firmly a priority.

Strong and effective corporate governance is key to maintaining solidarity within any organisation. Checks and balances have been established to ensure that no person nor group at Media Prima attempts to diminish the company's values through trangressionary acts. For example, the Risk Management Committee possesses a sophisticated and comprehensive risk management framework. Our Audit Committee closely scrutinises Media Prima's business practices so that we are able to instill an ethical business culture in our staff. To maintain their accountability, both committees report directly to the Board of Directors.

2020 and Beyond

Media Prima has made conscious efforts to get closer to our audience, readers and clients, having in mind that over the years we have managed to build the only fully integrated media house in Malaysia that harnesses the power of digital and traditional media. With the ability to offer a full range of media services to an audience of more than 24 million, Media Prima provides advertisers premium value. We have and will continue to take advantage of today's technology to make our media platforms more engaging and easily accessible. We are aggressively enhancing our digital efforts across all our platforms in line with how consumers consume content today. Despite the headwinds of recent years, we believe the Group will remain resilient and continue to grow its digital and commerce initiatives while preserving its traditional core businesses.

Tribute and thanks

I would express my appreciation to all our board members for their unwavering support and the wisdom they bring to our team.

Dato' Seri Dr. Wan Azizah Ismail, former Deputy Prime Minister of Malaysia and management of Media Prima with the recipients at the launching ceremony of Tabung Metro Prihatin at Balai Berita Bangsar.

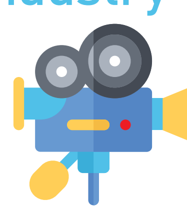
EJEN ALI

RM30.8 million

In box office sales

#1 Highest Grossing Local Film in 2019

Third highest grossing film in Malaysian film industry



On behalf of the Board of Directors ("Board") and Management of Media Prima, I would like to welcome Dato' Iskandar Mizal Mahmood and Encik Mohamad bin Abdullah to the Board. The Board also wishes to thank Datuk Mohamad Nasir Ahmad who stepped down as Group Chairman on 30 June 2019, having served on the Board for over 3 years.

Thank you to all of the Senior Management Team of Media Prima. I wish to acknowledge the hard work and dedication of all employees for the never-ending value they bring our team. I believe we will be able to continue to intensify our efforts to realise our vision of becoming Malaysia's leading digital-first content and commerce company.

I am grateful to all Government ministries, agencies, and regulatory bodies that Media Prima have closely cooperated with throughout the year. Thank you to all our shareholders, clients, and business partners for your continued support.

DATUK (DR) SYED HUSSIAN BIN SYED JUNID

GROUP CHAIRMAN

FORMER GROUP MANAGING DIRECTOR'S STATEMENT

Management Discussion and Analysis

DATUK KAMAL BIN KHALID

DEAR SHAREHOLDERS,

AS MALAYSIA'S LARGEST INTEGRATED MEDIA GROUP WITH THE HIGHEST AUDIENCE REACH, WE ACKNOWLEDGE OUR ROLE, IMPACT AND INFLUENCE ON SOCIETY.

We have a proud legacy of being an essential part of the nation's social fabric — almost every home watches, sees, listens to or reads content from Media Prima. Our multiple platforms and assets enable us to reach a wide demographic and we continue to deliver the best content to audiences — from popular news programmes to the best entertainment shows — wherever and however they want it.

As we look back at the decade, disruptions brought by the increased utilisation of mobile devices, broadband penetration and new technologies have fragmented the media industry. As a result, many companies have struggled to find their footholds amid a fast-evolving landscape. Giant and emerging technology players have given birth to a new digitally-inclined and democratised media ecosystem, giving audiences access to unlimited content anywhere on the globe. To survive, companies have to become leaner and work harder to retain audience attention and monetise reach. We must be agile, and adopt a "fail fast" and "quick to remedy" approach.

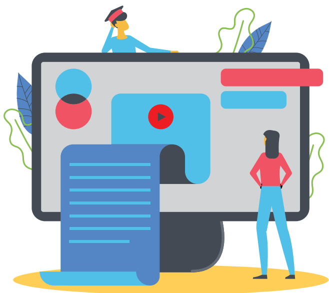
Adaptation is part of our DNA. The history of our company shows how we evolved with trends and technological innovations to be closer to our audience. It is true that today's media landscape is challenging, but it has also provided an opportunity for Media Prima to review and disrupt its own business model to remain sustainable. It has enabled us to focus on the things we do well, such as providing quality content to a mass audience across traditional and digital platforms. This was the foundation of the Odyssey transformation plan, our three-year strategy to become the leading digital-first content and commerce company.

Key Learnings from Odyssey

Since 2016, our Odyssey initiatives — which focussed on new revenue generation across digital, commerce, and beyond Malaysia — not only cushioned the negative impacts on our traditional businesses but allowed us to expand our reach and realise new monetisation opportunities. We are pleased to report that our Odyssey has made positive headways. In 2019, Odyssey revenue reached RM318.0 million, contributing to 29% of the Group's total revenue compared to RM176.4 million and 15% of total revenue in 2017.

FORMER GROUP MANAGING DIRECTOR'S STATEMENT

KEY LEARNINGS FROM ODYSSEY



Creatively, 2019 was an exceptional year for our films such as mixed martial arts blockbuster Sangkar, which became our highest grossing action film.

DIGITAL-FIRST

Under Odyssey, the Group adopted new technologies and ran our traditional media platforms with a 'digital-first' approach. This allowed us to close audience gaps due to increasing consumer preference for digital content. We worked tirelessly to build a stronger digital presence and geared ourselves towards realising greater monetisation opportunities. Fundamental to our efforts are the strategic acquisitions of digital assets and alliances with global media partners. The acquisition of popular online brands and expansion of our digital publishing portfolio under The New Straits Times Press, Media Prima Digital, and RIPPLE, have propelled Media Prima's digital reach. Today, we are home to a variety of popular brands and content catering to different audience segments and platforms. These initiatives have allowed the Group to retain its position as the number one local media organisation in the digital space for three consecutive years, with a 40% year-on-year audience growth.

The success of our digital initiatives gave us the impetus to venture into *esports* seeing that video gaming has evolved into a mainstream competitive event. While previously regarded as a recreational pastime, *esports* have taken the world by storm, primarily among youths where competitions attract thousands of spectators at events and millions more through live streaming. We are encouraged to report that our *esports* venture recorded RM2.5 million in revenue and a gross profit of RM500,000. The combination of our strong digital reach and strength in traditional media were the needed tools to enter the fast-growing *esports* business as a dominant player.

Overall, our digital initiatives in 2019 contributed to 8% of the Group's total revenue. The Group recorded a digital advertising revenue of RM82.9 million.

COMMERCE

The Group's exploration of commerce opportunities has yielded over RM232.3 million in revenue for 2019. This is a testament to our ability to take full advantage of our audience reach. Commerce is led by our home shopping segment, CJ Wow Shop, with our mass television reach being one of the key drivers for its success. Its customer base reached 1.7 million in FY19, and has registered revenue growth year-on-year since inception. Its success on television has also been replicated online. The increasing popularity of e-commerce in Malaysia has benefited CJ Wow Shop's digital platforms. For 2019, 42% of total sales were generated online.

INTELLECTUAL PROPERTY AND BEYOND MALAYSIA

Our Odyssey has inspired us to think big and beyond Malaysian borders. We have invested in IPs that resonate with audiences and are able to travel internationally.

Creatively, 2019 was an exceptional year for our content production arm, Primeworks Studios, which led a series of successful releases. Mixed martial arts blockbuster *Sangkar* became our highest grossing action film while *Ejen Ali: The Movie* became the highest grossing local animated film of all time and the third highest grossing film in Malaysian history. *Ejen Ali* lived up to its reputation as Media Prima's most iconic animation, with the film theatrically released in four countries and the animated series available in more than 40 countries.

Over the last three years, our investments in *Ejen Ali* brought new monetisation opportunities such as an extensive loyalty marketing and retail campaign with Mydin (Mydin Mohamed Holdings Berhad), one of Malaysia's largest chain of hypermarkets and convenience stores. The partnership extended the reach of the *Ejen Ali* brand through the launch of new back-to-school lines of uniforms and socks, and new licensing categories such as ready-to-eat meals and collectible character paper figurines.

Following this success, Media Prima remains committed to investing in quality animated content for kids and has expanded our IP stable with two new titles. *Alif & Sofia* features the adventures of two siblings, curious Alif and spunky Sofia, and is aimed towards preschoolers. Another IP with potential is *Fridgies*, a non-dialogue series featuring a band of magnets collected from all over the world living on a kitchen fridge. The IP promises a winning formula of wacky characters, eccentric behaviours and endless curiosity when it's set for release in 2021.

Overall, our achievements in digital, commerce, and securing valuable IPs, have cushioned the decline in traditional revenue. We believe we have delivered solid growth potential across the Group to propel our business goals into the new decade as detailed in our Management Discussion and Analysis.

FORMER GROUP MANAGING DIRECTOR'S STATEMENT

Media Prima Television Networks: **More than just TV**

We have evolved significantly over the years from our humble beginnings as a purely terrestrial free-to-air broadcaster to the nation's favourite local content provider. The completion of the nationwide analogue switch-off in October 2019 marked a new era for the country and Media Prima Television Networks ("MPTN"). With the rollout of MYTV, over seven million Malaysian households can now enjoy a variety of channels with higher image and audio quality, and potentially receive multiple interactive services such as shopping and video-on-demand. This bodes well for the future as MPTN's content is available everywhere including on subscription-based satellite and IP TV platforms.

"HARNESSING TECHNOLOGY TO HELP OUR BUSINESSES DELIVER MORE CHOICE AND CONVENIENCE TO CONSUMERS HAS BEEN OUR STRATEGIC PRIORITY."

Our awards shows have become important flagship events in the local entertainment industry. The live television broadcast of Anugerah Juara Lagu 33 reached 6.3 million viewers and captured 55.7% of television audiences nationwide.

Harnessing technology to help our businesses deliver more choice and convenience to consumers has been our strategic priority. Eight years ago, we pioneered Malaysia's first over-the-top streaming service called *tonton*. In 2018, we went platform agnostic that gave Malaysians access to their favourite shows on multiple platforms anytime and anywhere. We are now available across multiple popular online streaming platforms which has enabled us to reach more viewers and enhance monetisation through revenue sharing and digital advertising. Our channels and programmes are better received, garnering a monthly average of 150 million online views. TV3MALAYSIA Official is one of the most watched

- TV AUDIENCE SHARE -

24.6%

31.4%*

1.5%

2%

1.7 million

customers

Source: Nielsen Malaysian Television Audience Measurement 4+ Jan-Dec 2019

* Chinese 4+ Jan-Dec 2019

FORMER GROUP MANAGING DIRECTOR'S STATEMENT

Media Prima Television Networks: **More than just TV**

CJ Wow Shop registered a 42% increase in customers, including a significant hike from the Chinese segment in 2019.

channels on YouTube Malaysia with a 81% increase in views from last year. Our most-watched YouTube videos in 2019 include *Anugerah Juara Lagu 33* (35 million views[1]), *Pujaan Hati Kanda* (30 million views[2]) and *Leftenan Zana* (14.5 million views[3]).

TV3's popularity extends beyond the digital realm, capturing 24.6% of Malaysia's broadcast audience. We maintained our traditional broadcast position in Malaysia with a 34.5% total audience share and 2.3 million Prime Time average viewership. Television continues to play an important news outlet for Malaysians. According to Reuters Institute's Digital News Report 2019, TV3 is a top source for news across television, radio and print brands in Malaysia. In 2019, TV3's *Buletin Utama* remained Malaysia's most watched broadcast new programme with an average viewership of 2.2 million. Meanwhile, 8TV's Mandarin News, the most watched news programme among Chinese audiences, garners an average viewership of 615,000.

Our awards shows have become important flagship events in the local entertainment industry. The live television broadcast of *Anugerah Juara Lagu 33* reached 6.3 million viewers and captured 55.7% of television audiences nationwide. The 32nd edition of *Anugerah Bintang Popular BH* reached 6 million television viewers and 1.5 million online viewers while *Anugerah Skrin 2019* was watched by 4.8 million viewers and a total of 700,000 on live-stream. *Drama Festival Kuala Lumpur 2019* reached 5.2 million television viewers and 150,000 viewers online.

In 2016, we introduced a new commerce service to cater for the home shopping demand. Our large broadcast reach is one of the pillars driving our home shopping business which reported a 9% revenue increase to RM232.3 million in FY19. CJ Wow Shop registered a 42% increase in customers, including a significant hike from the Chinese segment in 2019. Our growing popularity led us to launch two new channels for CJ Wow Shop on MyFreeView targeting Malay and Chinese customers. CJ Wow Shop is expanding its online reach — its web and mobile platforms contribute to 42% of its FY19 sales.

Moving forward, it is expected that linear viewership will continue to plateau for television networks due to the continued proliferation of viewing options. However, multi-platform viewing is increasing and it is important to make our content available on every possible platform. We are working on synergising our broadcast and digital capabilities to offer the best experience to our audiences while delivering effective solutions to advertisers. Investments in content remain our utmost priority to satisfy fast-changing preferences and needs.

1 *YouTube Malaysia for all Anugerah Juara Lagu-related videos*
2 *YouTube Malaysia*
3 *YouTube Malaysia*

"OUR LARGE BROADCAST REACH IS ONE OF THE PILLARS DRIVING OUR HOME SHOPPING BUSINESS WHICH REPORTED A 9% REVENUE INCREASE TO RM232.3 MILLION IN FY19."

YB Puan Hajah Zuraida live at Wanita Hari Ini (WHI) in Sri Pentas.

FORMER GROUP MANAGING DIRECTOR'S STATEMENT

The New Straits Times Press: **Compelling Content Creator**

NSTP organised several live forums and talk shows to strengthen its position as thought leaders on issues of national concern.

The New Straits Times Press (Malaysia) Berhad ("NSTP") aims to provide the best content and products that are relevant, trusted, compelling and attractive to readers and business partners. 2019 was yet another interesting year as NSTP continued its aggressive push within the digital realm while strengthening its overall position within the print industry.

In line with the Group's Odyssey Transformation Plan, NSTP focussed on three main strategies to ensure synergy between protecting its traditional business and growing new revenue streams. They include becoming a leading news and content provider, adding more value to its product and becoming an active corporate citizen. To further enhance the newspaper's DNA i.e. 4Es: Exclusive, Examine, Educate and Entertain, we repositioned our daily publications to adapt to today's digital era.

Foremost are the changes made to New Straits Times' ("NST") cover page and content to incorporate a more premium magazine look-and-feel, combining word play and impactful photos to entice and attract new readers. For Berita Harian ("BH"), a new tagline, *Wadah Pembaharuan - Berimbang, Adil dan Tepat*, was incorporated in all of its products and platforms. Harian Metro ("HM") also introduced a new tagline for 2019 — *Rasai Berita Sebenar* — an invitation to 'feel' the new personalised content designed to invoke the readers' emotions based on their individual lifestyle preference.

"THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD AIMS TO PROVIDE THE BEST CONTENT AND PRODUCTS THAT ARE RELEVANT, TRUSTED, COMPELLING AND ATTRACTIVE TO READERS AND BUSINESS PARTNERS."

We organised several live forums and talk shows to strengthen our position as thought leaders on issues of national concern. They were attended by distinguished panellists and industry representatives who discussed various subjects including graduate employability, national budget, state of the country's economy, and graft. Three live sessions were held for *NST Insight* and four for *Bicara BH* throughout the year. To expand NSTP's presence beyond traditional content and services, the sessions were also streamed online and garnered a sizable number of engagements and followers.

FORMER GROUP MANAGING DIRECTOR'S STATEMENT

The New Straits Times Press: **Compelling Content Creator**

Another annual campaign organised by NSTP is the MyRumah Property Showcase ("MyRumah"), a one-stop platform for property consultation and home purchase. Supported by the Ministry of Housing and Local Government, a total of five MyRumah series were held in 2019, participated by some 34 developers and 15 non-developers. This campaign allowed NSTP to tap into revenue potential from the property industry while providing a platform for direct engagement with its audience.

NSTP 2019 Reach

NST
1.8 million
average unique monthly visitors

BH
4.5 million
average unique monthly visitors

Harian Metro
4.9 million
average unique monthly visitors

Source: Comscore

Anugerah Bintang Popular BH 32 recorded over 6 million viewers and obtained a 47.5% audience share during its live telecast on TV3.

NSTP's annual awards show, *Anugerah Bintang Popular BH*, held its 32nd edition at the Putrajaya International Convention Centre. The event recorded over 6 million viewers and obtained a 47.5% audience share during its live telecast on TV3. The show not only bolstered BH's brand relevance amid new expectations within the local entertainment and broadcasting industry, it also provided an additional revenue stream for ad sales sponsorship, newspaper and e-paper sales.

In November, NSTP announced a content licensing arrangement with SV News Sdn Bhd in Sarawak, to publish its education supplements BH Didik, BH Minda, BH Skor and NST School Times within the local newspapers. This arrangement will see these sections published in Suara Sarawak and New Sarawak Tribune newspapers, which will then distribute the pull-outs as part of their content in Sarawak, either via retail sales, school subscription and school sponsorship.

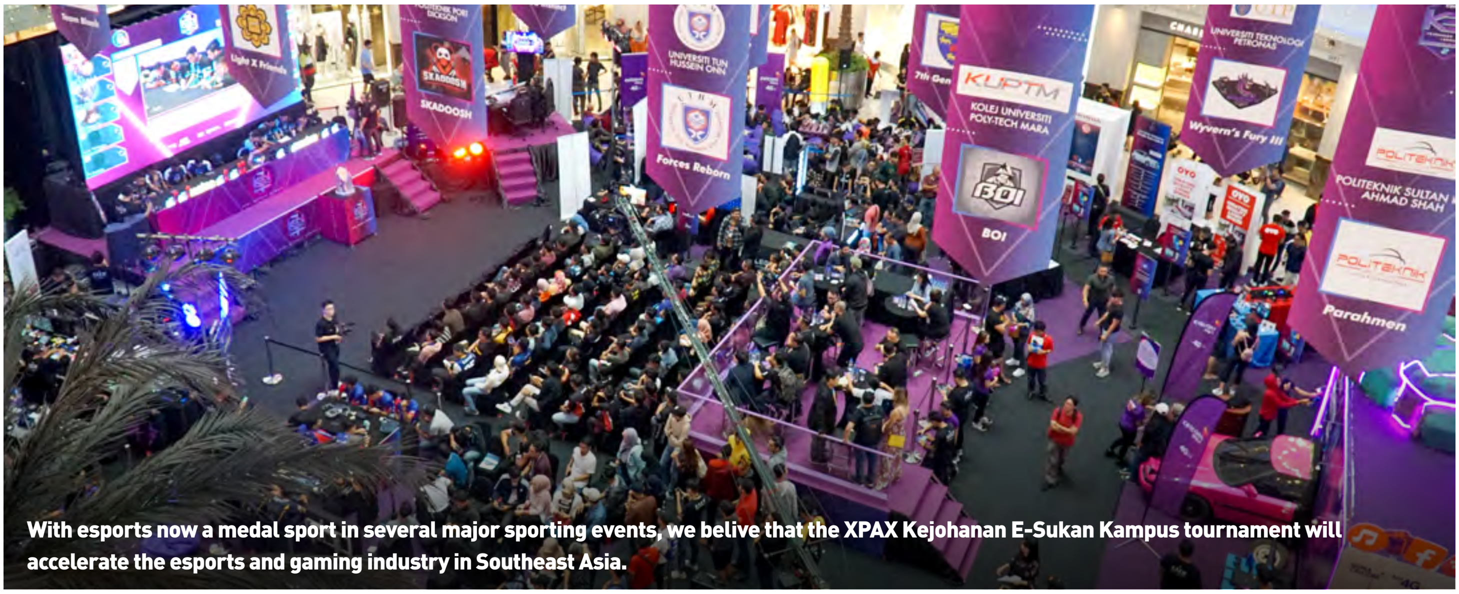
"NSTP CONTINUED ITS AGGRESSIVE PUSH WITHIN THE DIGITAL REALM WHILE STRENGTHENING ITS OVERALL POSITION WITHIN THE PRINT INDUSTRY."

Moving forward, we expect the print industry to remain very challenging, with the market for print newspapers shrinking at a rapid rate. The latest casualty of which was the nation's oldest Bahasa Malaysia newspaper Utusan Melayu, which ceased operations of its two titles Utusan Malaysia and Kosmo on 7 October 2019. Several publishers have also opted for the 'online' only model in response to the lack of demand for physical products.

NSTP will continue to serve the readers of its print titles while building its digital offerings. It will move forward with a leaner, more efficient organisation without sacrificing its commitment to the strong, deep-rooted values of journalism.

FORMER GROUP MANAGING DIRECTOR'S STATEMENT

Media Prima Digital: **Driving Our Digital Future**



With esports now a medal sport in several major sporting events, we belive that the XPAX Kejohanan E-Sukan Kampus tournament will accelerate the esports and gaming industry in Southeast Asia.

Media Prima Digital ("MPD") spearheads innovation, digital advertising and technology within the Group with an integrated and agile approach to offer end-to-end digital solutions.

Our online publishing arm, REV Asia, registered a 10% year-on-year revenue growth and recorded its highest number of 8.7 million unique visitors in June 2019. The lifestyle brand, SAYS.com, received almost 14 million page views in the same month. The Islamic mobile app Waktu Solat remained strong with an average of over 2 million active users per month, positioning Media Prima Digital as a top player in the Islamic Apps category. This has enabled us to dive further into the Muslim consumer market with more digital products and services.

This year, we focused on championing the esports scene. Our gaming portal, MyGameOn, partnered with Celcom Axiata Berhad to organise Malaysia's biggest campus tournament which featured almost three thousand plays in its first edition and almost four thousand in its second. The two editions of XPAX Kejohanan

10%

y-o-y revenue growth for REV Asia

14 million

page views for SAYS.com in June 2019

Source: Comscore

2 million

active users per month for Waktu Solat

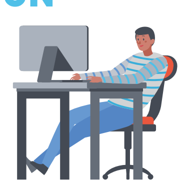
Source: Google Analytics

E-Sukan Kampus ("KEK") 2019 reached over 5 million livestream views across multiple online platforms.

With esports now a medal sport in several major sporting events, we believe that this tournament will accelerate the esports and gaming industry in Southeast Asia. To further support this ecosystem, we secured a valuable exclusive reseller partnership with Ziff Davis to operate IGN Southeast Asia, the world's oldest and biggest site for all things related to gaming and entertainment. The brand reaches an average of 1.7 million unique monthly visitors and covers audiences from Malaysia, Singapore, Indonesia and The Philippines. With this partnership, Media Prima conquers all gaming content within the region.

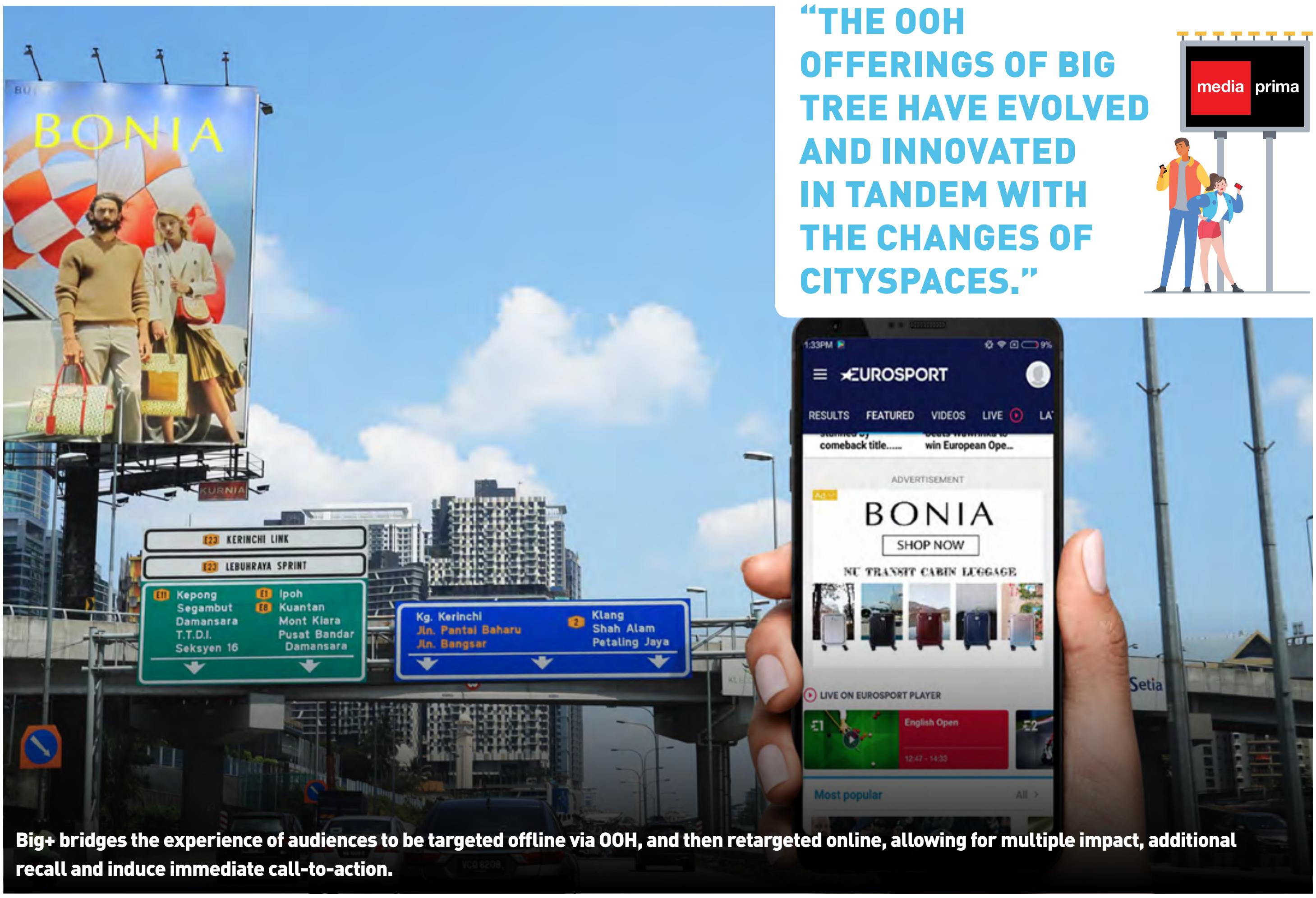
KEK will return in 2020 and we hope to encourage more people to participate by making it bigger, bolder and better. We will grow our presence in the local gaming scene by developing more engaging mobile games and through delivering relevant content to our audience while also expanding our regional presence in this industry.

"THE TWO EDITIONS OF XPAX KEJOHANAN E-SUKAN KAMPUS 2019 REACHED OVER 5 MILLION LIVESTREAM VIEWS ACROSS MULTIPLE ONLINE PLATFORMS."



FORMER GROUP MANAGING DIRECTOR'S STATEMENT

Big Tree: **Delivering outstanding OOH experiences**



Big+ bridges the experience of audiences to be targeted offline via OOH, and then retargeted online, allowing for multiple impact, additional recall and induce immediate call-to-action.

"THE OOH OFFERINGS OF BIG TREE HAVE EVOLVED AND INNOVATED IN TANDEM WITH THE CHANGES OF CITYSCAPES."

2019 was another challenging year with a softer market and escalating fixed costs for the out-of-home ("OOH") industry. Despite the uncertainty, Big Tree remained Malaysia's premier OOH company with a 44% market share. With expertise in expressway, transit, digital, airport, retail and street furniture, Big Tree supports advertisers' campaign objectives through its holistic brand presence at multiple touch-points of audiences' daily journeys.

44%

Big Tree's OOH market share

Big Tree's online to offline solution known as Big+ was launched in January 2019. To add greater value to the integrated OOH media offerings, Big+ bridges the experience of audiences to be targeted offline via OOH, and then retargeted online, allowing for multiple impact, additional recall and induce immediate call-to-action. Not only Big+ has been well received with both clients and media agencies, it is a statement of market leadership that places Big Tree ahead of its competitors.

Supporting the need of industry-leading brands to augment presence in the KL city centre, and in the light of growing interest in digital OOH, Big Tree has established Cubig @ Jalan Sultan Ismail at the junction of Jalan Sultan Ismail and Jalan Raja Abdullah. Replicating the design of the highly sought after Cubig @ Bangsar, this media engages the affluent urban audience of KL.

Cubig @ Jalan Sultan Ismail engages the affluent urban audience of KL.

The OOH offerings of Big Tree have evolved and innovated in tandem with the changes of cityscapes. This is to ensure that our media will perpetually be outstanding over the surroundings and always effectively deliver brand ideation across multiple demographics. The strategy to deliver this objective is Big Tree's product differentiation initiatives which include inventory expansion with enhanced architecture and asset premiumisation.

FORMER GROUP MANAGING DIRECTOR'S STATEMENT

Primeworks Studios: **Asia's Premier Content Powerhouse**

Ejen Ali's film debut in November 2019 opened to widespread commercial and critical acclaim.

It was a memorable year for Malaysian cinema with many local movie releases reaching box office success, showing their strength in winning over audiences. It was also an exceptional year for our film production and distribution arm under Primeworks Studios. We secured two international film releases for the Malaysian audience — *Kingdom*, based on a highly popular manga series from Japan, featuring an epic quest by a servant who aspires to be the greatest war general of all time, and *Dendam Pontianak* from Singapore, a reinterpretation of the classic horror film featuring the eponymous queen of the night set in 1950s Malaya.

This was followed by the mixed martial arts blockbuster *Sangkar*, which showcased both strong dramatic and comedic performances from Malaysia's two biggest actors and clinched the spot as our highest-grossing action film to date with RM12.8 million in ticket sales. Primeworks Studios concluded 2019 on a high note with the release of *Ejen Ali: The Movie*, which now ranks as the highest-grossing Malaysian film in 2019. Co-produced with Wau Animation Studios, it also became the highest-grossing local animated film of all time and third highest-grossing Malaysian film to date.

"WE ARE COMMITTED TO BEING AN ACTIVE AND INCLUSIVE PLAYER WITHIN THE INDUSTRY THROUGH EXPANDING OUR REGIONAL AND DIGITAL FOOTPRINT."

Ejen Ali's film debut in November 2019 opened to widespread commercial and critical acclaim. The movie earned more than RM30.8 million at the box office despite being released during the same time as a number of major Hollywood blockbusters. *Ejen Ali's* success is mainly attributed to the high production values and an outstanding story that resonated well with audiences. The movie was also well supported through marketing and promotions via Media Prima's traditional and digital media platforms, capitalising on our tremendous audience reach.

We will continue to produce mass market movies through similar partnerships with industry peers. In 2020, we will release two films from two popular franchises — the fourth installment of the *Rock* film series and *J Retribusi*, the sequel of the 2017 hit action film *J Revolusi*.

Beyond the silver screens, AirAsia's newly launched e-commerce platform OURSHOP is now carrying *Ejen Ali* merchandise on its website, bringing the brand on the world stage. This marks our second collaboration with AirAsia after #MisiAspirasiAirAsia where *Ejen Ali Season 1* was included in the airline's in-flight entertainment as well as a special kids' meal. Merchandises are also distributed by Mydin, one of Malaysia's leading retailers.

As part of our digital-first strategy, we launched a new animated series, *Alif & Sofia*, on YouTube in May 2019 which garnered over 100,000 subscribers by year end and 17 million in views. This pre-school animated series follows two siblings — curious Alif and spunky Sofia — through stories, songs and imaginative plays inspired by Islamic life lessons. We will continue to grow the *Alif & Sofia* and *Ejen Ali* brand with new seasons and merchandising.

Internationally, Primeworks Studios plays an important role in bringing Malaysian content to the global stage. In 2019, Primeworks Distribution sold over 460 titles produced by the Malaysian content industry to Amazon Prime, Disney and major airlines like Emirates, Etihad, Japan Airlines and British Airways. We are humbled by the trust given to us by the creative geniuses that work tirelessly in perfecting their craft and producing content that engages people across boundaries. We are committed to being an active and inclusive player within the industry through expanding our regional and digital footprint.

FORMER GROUP MANAGING DIRECTOR'S STATEMENT

RIPPLE: **Redefining The Rules Of Audience Engagement**

Great content drives audience engagement. It provides greater audience insights which in turn, inspires the creation of new content to facilitate targeted advertising and deeper consumer engagement. This is the foundation of RIPPLE (formerly known as Media Prima Radio Networks), an audience-focused company that aims to engage with communities creatively through synergising digital media, broadcast radio and commerce. We took this a step further by engaging audiences with data-driven content, conversations, and experiences.

One of RIPPLE's key strategies is to build an ecosystem which offers a 360° campaign landscape for advertisers and retailers. Our broadcast brands communicate with the mass audiences while our digital brands customise, personalise and focus our engagements on selected groups. Our content travels across platforms and drives communities to SuperDeals, our e-commerce platform where brands can create customised pitches for their products. RIPPLE's seven digital brands also contribute to building communities who consume and relate to the personalised content, making them a part of the brands as well. We also introduced a consumer to consumer ("C2C") feature for our audiences to facilitate commerce between private individuals. This platform is now live on our six digital brands to allow commerce transactions within niche communities.

This year, we introduced an exciting way for advertisers to reach their target audiences and grow their business at an event called RIPPLE Engage. We offered exclusive expo-only marketing packages that utilised audience solution products across digital (content marketing), radio and audio programmatic, and YouTube advertising. The event gave business owners, managers and marketeers, the chance to see first-hand audience solution products, reach, demographic, and target market for their businesses.

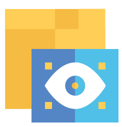
RIPPLE leverages the strength of its brands and massive reach to create new revenue opportunities and target new consumer groups. 2019 shows that we are constantly experimenting with new initiatives in order to provide a more holistic solution for advertisers to reach out to the specific audiences they want to connect with across different platforms. Though these initiatives require minimal investments and mainly rely on existing internal resources, we will review the effectiveness and adapt accordingly. Moving forward, RIPPLE will continue to unlock the value of its existing assets through digital innovation and commerce-oriented strategies.

Over

5.1 million

weekly broadcast listeners

Source: GFK Radio Audience Measurement, Wave 2 2019



Over

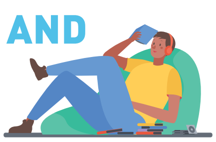
56 million

total page views for 2019

Source: Google Analytics

RIPPLE Engage offered exclusive marketing packages that that utilised audience solution products across digital, radio and audio programmatic, and YouTube advertising.

> **"ONE OF RIPPLE'S KEY STRATEGIES IS TO BUILD AN ECOSYSTEM WHICH OFFERS A 360° CAMPAIGN LANDSCAPE FOR ADVERTISERS AND RETAILERS."**



FORMER GROUP MANAGING DIRECTOR'S STATEMENT

FORGING AHEAD

The Media Clinic program was attended by 72 participants from 13 ministries to deepen the scope of understanding between both parties.

"AS WE LOOK FORWARD TO THIS NEW DECADE FOR MEDIA PRIMA, WE ARE MINDFUL THAT THERE CAN BE NO SENSE OF COMPLACENCY. WE MUST ALWAYS ADAPT AND RESPOND TO NEW TRENDS WHILE BALANCING EFFICIENCY AND EFFECTIVENESS."

In 2019, the Group's operating losses narrowed by 35% on the back of stronger performance from our Odyssey initiatives. Barring exceptional items, the Group's loss after tax ("LAT") had narrowed to RM69.4 million in FY19 versus a LAT of RM106.0 million a year ago. These exceptional items include an internal restructuring exercise in 4QFY19, and a one-off gain from a sale and leaseback arrangement in 2018.

While our Odyssey transformation plan generated new revenue, it did not grow fast enough to compensate for the decline in traditional revenue. Economic uncertainty and greater competition from global players in the digital landscape will force us to reinvent and reorganise. To this end, we have started a restructuring and rationalisation programme which will allow us to be learner and more agile to navigate the challenges of the coming decade.

Moving into 2020, we formed two new companies to generate new revenue and optimise available capacity within the Group — Media Prima Omnia Sdn Bhd ("Omnia") and Print Towers Sdn Bhd. Omnia will capitalise and synergise our advantage as the nation's only fully-integrated media group. It will spearhead the Group's advertising sales function in an effort to offer the most competitive packages and win-win solutions to prospective clients. Print Towers was formed out of NSTP's Production and Distribution unit, and will operate as a profitable standalone commercial entity. This will allow the Group to control the costs of printing newspapers while securing business from external clients.

As we look forward to this new decade for Media Prima, we are mindful that there can be no sense of complacency. We must always adapt and respond to new trends while balancing efficiency and effectiveness.

On behalf of all of us at Media Prima, thank you again for your trust and confidence.

DATUK KAMAL BIN KHALID

FORMER GROUP MANAGING DIRECTOR

GROUP FINANCIAL REVIEW

5-YEAR FINANCIAL HIGHLIGHTS

	YEAR ENDED 31-Dec-19 RM'000	YEAR ENDED 31-Dec-18 RM'000	YEAR ENDED 31-Dec-17 RM'000 (Restated)*	YEAR ENDED 31-Dec-16 RM'000	YEAR ENDED 31-Dec-15 RM'000
OPERATING RESULT					
Revenue	1,106,039	1,185,737	1,198,828	1,289,008	1,427,693
(Loss)/Profit Before Tax	(173,001)	60,640	(605,528)	(65,909)	200,068
Net (Loss)/Profit After Tax	(185,488)	58,991	(669,665)	(69,783)	138,708
Net (Loss)/Profit Attributable to Owners of the Company	(177,850)	58,623	(650,611)	(59,198)	138,717
Net (Loss)/Profit Attributable to Non-Controlling Interests	(7,638)	368	(19,054)	(10,585)	(9)
KEY DATA OF FINANCIAL POSITION					
Total Assets	1,435,178	1,317,602	1,582,262	2,151,777	2,330,054
Total Borrowings	4,688	4,169	314,157	300,108	300,108
Share Capital	1,524,735	1,524,735	1,524,735	1,109,199	1,109,199
Shareholders' Equity *	598,699	808,622	766,650	1,461,629	1,620,655
(Loss)/Earnings Per Share (sen) (Basic) **	(16.03)	5.29	(58.66)	(5.34)	12.51
FINANCIAL RATIOS					
Return on Shareholders' Equity (%)	-30%	7%	-85%	-4%	9%
Return on Total Assets (%)	-13%	4%	-42%	-3%	6%
Net Assets Backing Per Share (RM)	0.54	0.73	0.69	1.34	1.46
Gearing Ratio (Debt to Equity)	0.01	0.01	0.41	0.20	0.18
Interest Cover Ratio	(9.5)	3.8	(40.6)	(3.9)	21.3
Dividend Per Share (sen) ***	-	-	-	8.0	10.0
Number of Employees	3,689	3,897	4,039	4,149	4,236

* Shareholders' Equity: Share Capital + Other Reserves + (Accumulated Losses)/Retained Earnings

** (Loss)/Earnings Per Share (Basic): Net loss attributable to the owners of the Company of RM177.85 million (2018: Net profit attributable to the owners of the Company of RM58.62 million) and the weighted average number of ordinary shares in issue of 1,109,199,000 (2018: 1,109,199,000)

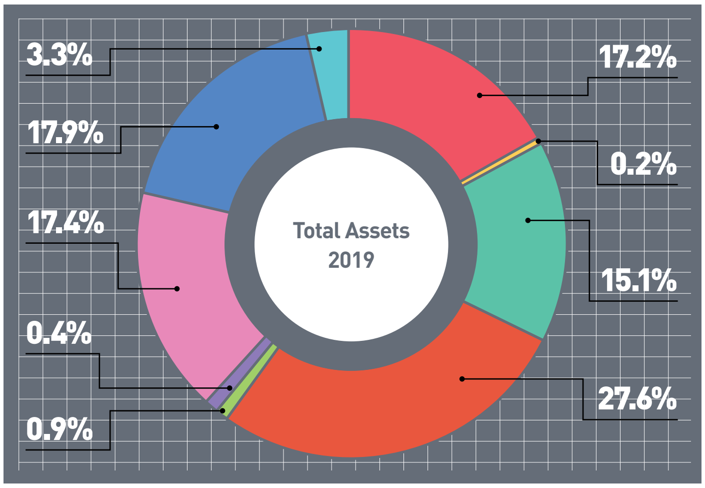
*** Dividend per share is the total dividend declared for the financial year

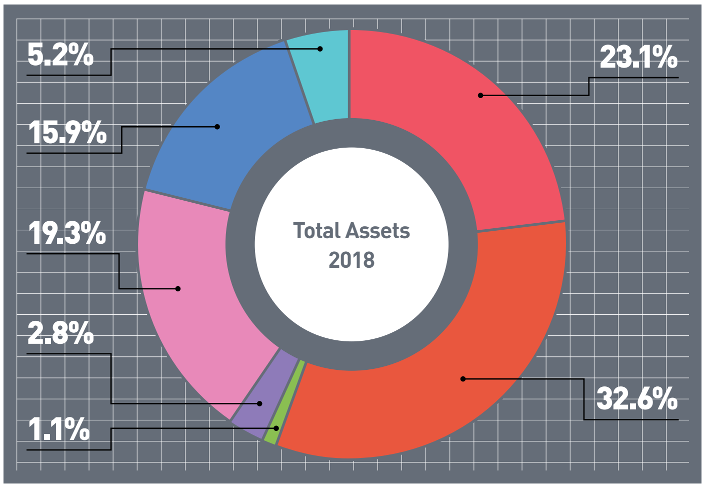
GROUP FINANCIAL REVIEW

SIMPLIFIED GROUP STATEMENT OF FINANCIAL POSITION

Total Assets

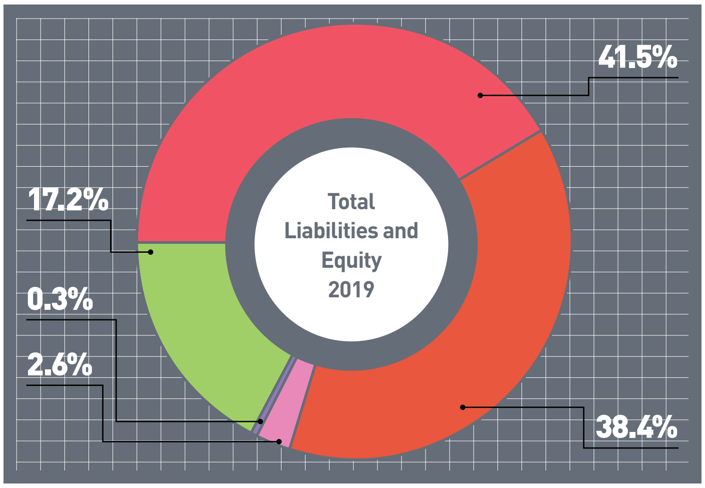
Year	PPE	Associates	Right-of-use asset	Intangible assets	Deferred tax assets	Inventories	Trade and other receivables	Cash and bank balances	Other assets
2019	246.823	2,829	217,110	395,889	12,475	6,433	250,103	257,144	46,372
2018	304,966	-	-	430,056	14,682	36,900	254,954	210,114	65,930

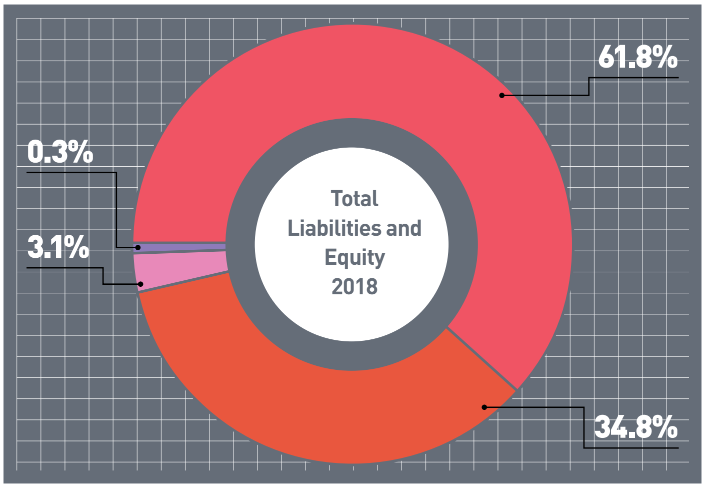




Total Liabilities and Equity

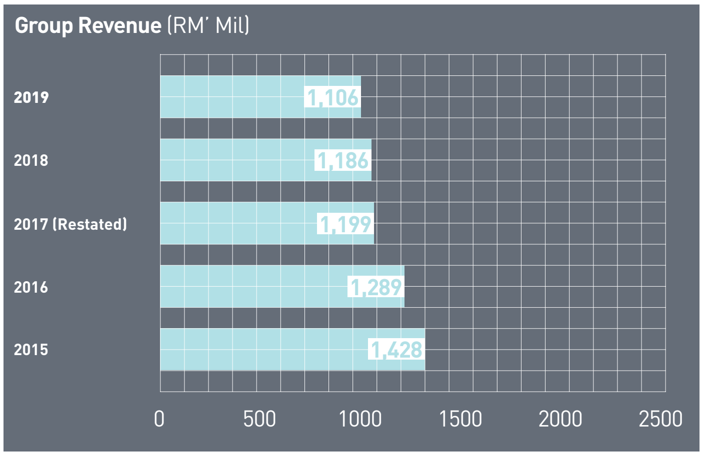
Year	Total Equity	Trade and other payables	Lease liabilities	Borrowings	Deferred tax liabilities
2019	596,153	549,473	247,481	4,688	37,383
2018	814,387	457,587	-	4,169	40,985

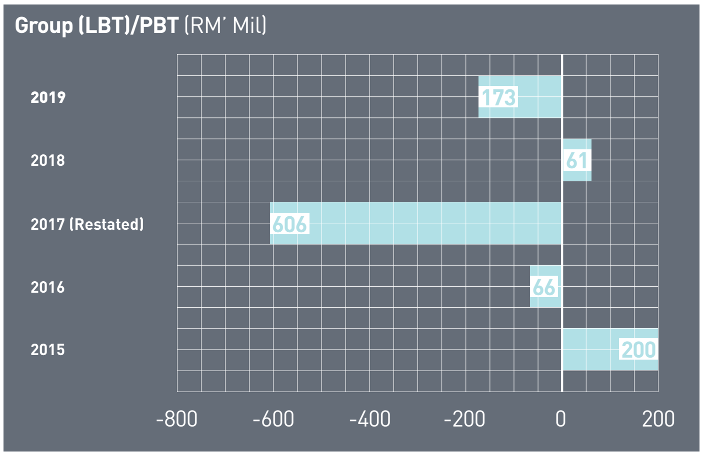


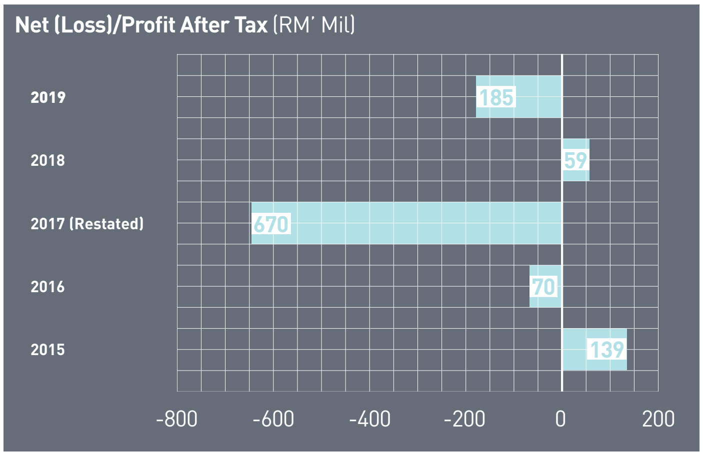


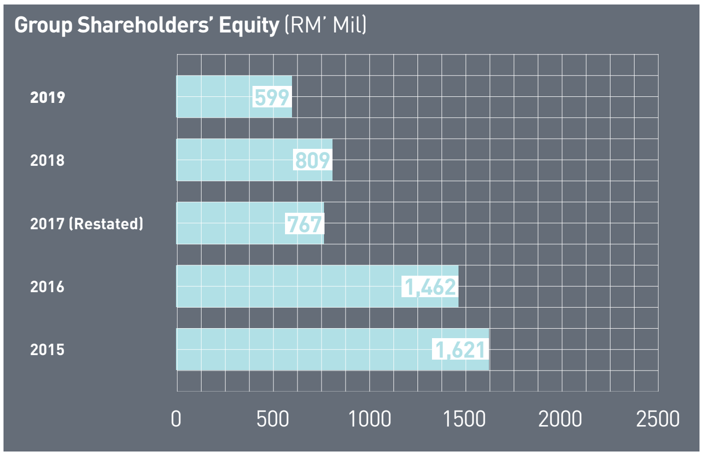
GROUP FINANCIAL REVIEW

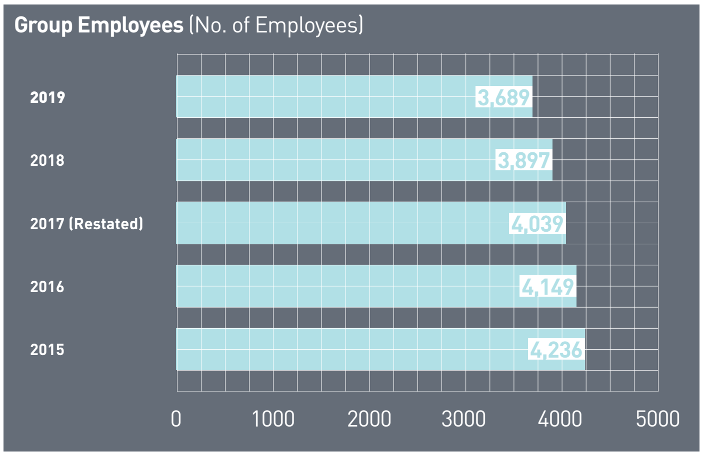
5-YEAR PERFORMANCE SUMMARY









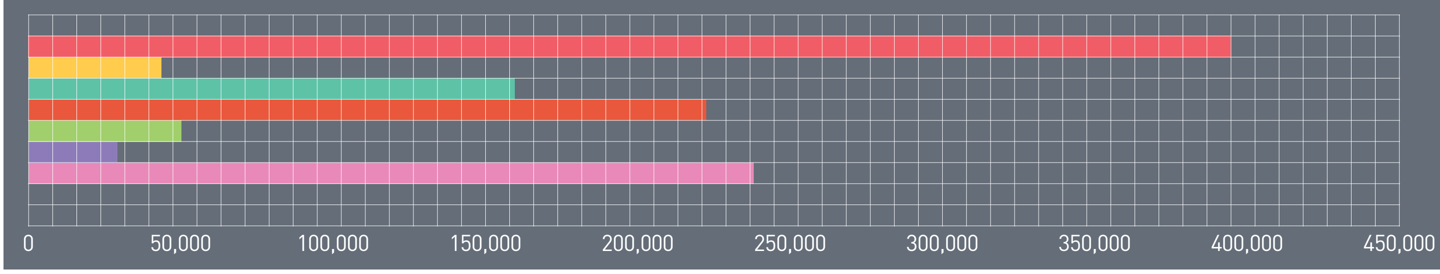


GROUP FINANCIAL REVIEW

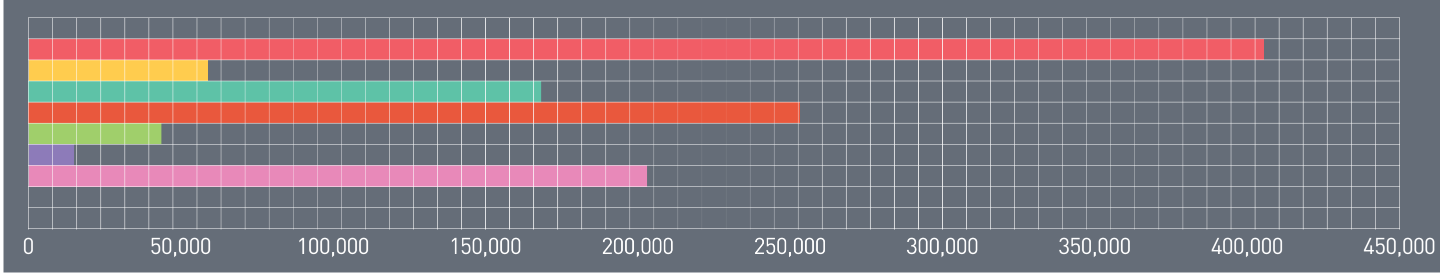
SEGMENTAL ANALYSIS

Year	TVN	RIPPLE	Outdoor	Print	Digital	Content	Home Shopping	Others
2019	393,960	37,776	153,298	216,575	48,075	24,063	232,292	-
2018	426,255	53,268	167,111	266,390	45,324	14,251	213,138	-

External revenue' (2019)

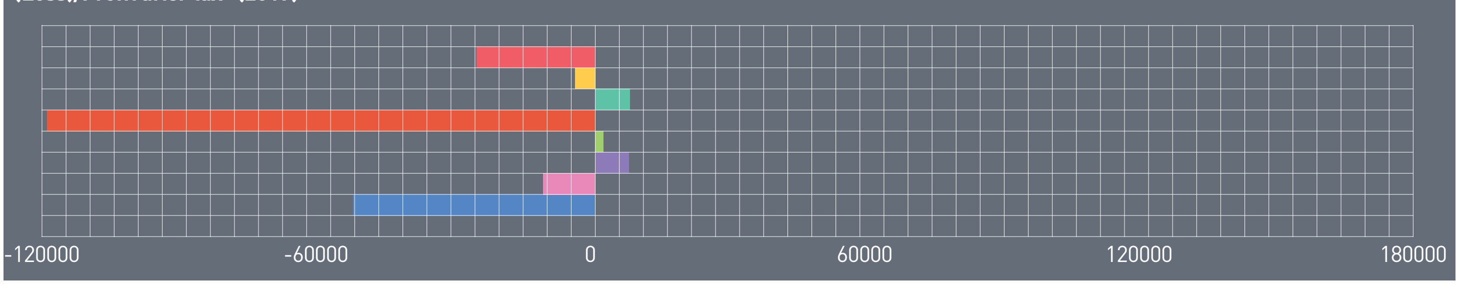


External revenue' (2018)

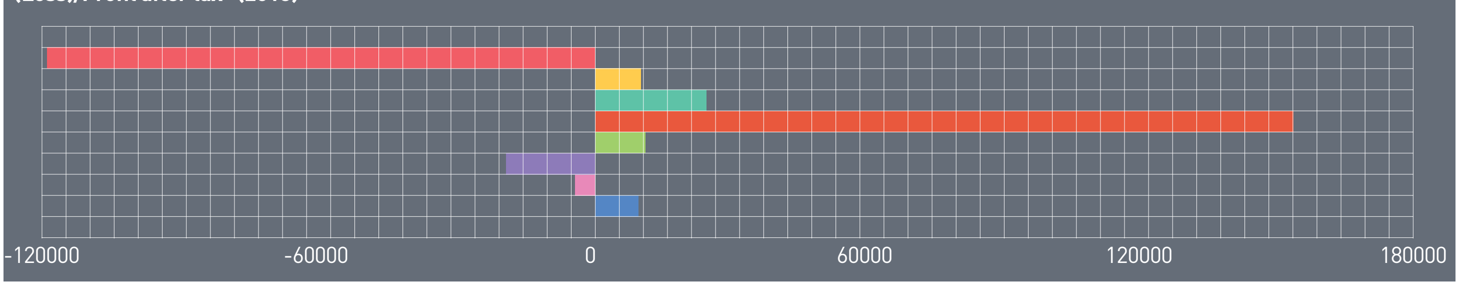


Year	TVN	RIPPLE	Outdoor	Print	Digital	Content	Home Shopping	Corporate and Elimination
2019	(24,078)	(3,974)	7,124	(112,995)	1,686	6,888	(10,644)	(49,495)
2018	(112,773)	9,363	22,693	142,762	10,248	(18,056)	(4,056)	8,810

(Loss)/Profit after tax* (2019)



(Loss)/Profit after tax* (2018)



* *Contribution to the Group*

GROUP FINANCIAL REVIEW

STATEMENT OF VALUE ADDED & DISTRIBUTION OF VALUE ADDED

RM'000	FYE 2019	FYE 2018
REVENUE	**1,106,039**	**1,185,737**
Royalties	(2,048)	(374)
Operating Expenses	(1,283,761)	(1,310,085)
VALUE ADDED BY THE GROUP	**(179,770)**	**(124,722)**
Other Operating Income (Ex Finance Income)	15,371	198,919
Finance Income	7,697	6,188
Finance Costs	(16,428)	(19,745)
Share of Results of an Associate	129	-
VALUE ADDED FOR DISTRIBUTION	**(173,001)**	**60,640**
Distribution of Profits		
1. Employee Cost	426,469	400,998
2. Taxation	12,487	1,649
3. Retain For Reinvestment And Future Growth		
- Depreciation, Amortisation (Ex Prog & Film Rights) & Impairment	123,774	74,286
- Accumulated Losses	(735,731)	(416,293)
	(173,001)	**60,640**

REVENUE

Revenue declined by 7% in 2019 to RM1,106.0 million against 2018 revenue of RM1,185.7 million, mainly attributed by continuous decline in traditional advertising and newspaper sales revenue as market demand shifts to digital media. This was reflected by the 11% decline in total advertising revenue to RM762.4 million (2018: RM857.0 million) and 12% decline in newspaper sales revenue to RM63.7 million (2018: RM72.6 million). Total commerce revenue recorded an overall growth of 9% to RM270.6 million, supported by the continued momentum from our home shopping network, as well as box office collection from blockbuster release of films during the financial year.

Television Networks ("MPTN")

Shifts in market demand to digital media continue to impact MPTN, resulting in decline of revenue by 8% to RM400.7 million in 2019 from RM437.4 million in 2018.

Print Media ("NSTP")

NSTP's revenue reduced by 19% to RM217.6 million (2018: RM270.3 million). Newspaper advertising and circulation revenue mainly contributed to the overall reduction, recording a decline of 16% respectively, in line with the lower newspaper market demand.

Outdoor Media ("Big Tree")

As a result of lower occupancy on static panels and cautious spending by advertisers during the financial year, revenue of RM154.9 million (2018: RM169.6 million) posted by Big Tree was 9% lower as compared to the previous financial year.

Home Shopping ("CJ WOW SHOP")

Our home shopping network continued its momentum, posting a 9% growth in revenue to RM232.3 million (2018: RM213.1 million) as it enjoyed a greater exposure achieved through more hours dedicated for home shopping slots on MPTN's channels as compared to prior financial year.

Radio Networks ("RIPPLE")

Continued decline in the adex market impacted Ripple's revenue, posting 31% lower revenue to RM37.9 million (2018: 54.6 million).

Digital Media ("Media Prima Digital")

Lower digital management service fees charged during the financial year contributed to the overall decline in revenue by 15% to RM74.4 million (2018: RM87.4 million). Excluding the digital management service fees revenue, Digital Media recorded an overall growth in revenue of 7%, particularly for its media venture business revenue comprising licensed and exclusive reseller products.

Content Creation ("Primeworks Studios")

Release of blockbuster films during the financial year contributed to the increase of external revenue by 69% to RM24.1 million (2018: RM14.3 million).

Corporate

Corporate reportable segment mainly comprises the corporate office and our group shared service functions. Revenues were mostly intercompany in nature and were eliminated for consolidation.

GROUP FINANCIAL REVIEW

Amortisation of intangible assets

Amortisation of intangible assets decreased from RM173.0 million in 2018 to RM132.1 million in 2019. Amortisation of programme and film rights, which significantly accounts for the total amortisation of intangible assets, decreased to RM130.2 million (2018: RM169.0 million) mainly due to lower programme rights acquired by MPTN. Computer software and software development costs amortisation for 2019 amounted to RM1.6 million (2018: RM3.0 million). The decrease was mostly attributed to lower amortisation of development costs for our mobile applications under Digital Media platform aside from amortisation of software supporting our other digital products and services.

Newsprint and newspaper productions costs

Newsprint and newspaper production costs decreased by 14% to RM51.6 million (2018: RM60.0 million) due to lower newsprint and printing material consumption in line with lower circulation volumes of newspapers.

Outdoor display and production costs

Outdoor display and production costs in 2019 saw a 38% reduction against 2018 primarily due to the adoption of the new accounting standard MFRS 16 "Leases" ("MFRS 16") during the financial year, whereby site rental costs previously classified under outdoor display and production costs were reclassified to finance cost on lease liabilities and depreciation on right-of-use ("ROU") assets.

Employee benefits costs

Total employee benefits costs increased by 6% to RM426.5 million compared to RM401.0 million in 2018. The increase during the financial year was mainly due to the Group's manpower rationalisation exercise costs of RM78.1 million which was also part of our exceptional items for 2019.

Depreciation

Total depreciation increased significantly by 75% to RM123.3 million (2018: RM70.3 million) as a result of adoption of MFRS 16 during the financial year. On adoption of MFRS 16, the Group and Company recognised ROU assets. The ROU assets were depreciated in accordance with the principles in MFRS 116 "Property, Plant and Equipment" in the statement of comprehensive income. The depreciation of ROU assets amounted to RM62.6 million during the financial year.

Depreciation of property, plant and equipment and investment properties decreased marginally by RM9.6 million to RM60.7 million in 2019 compared to RM70.3 million in 2018 in line with lower capital expenditure during the financial year.

Impairment of non-current assets

Total impairment charges in relation to non-current assets amounted to RM39.9 million (2018: nil). Impairment of our property, plant and equipment ("PPE") of RM23.0 million was in relation to our printing plant and machinery. Additionally, in relation to the Analogue Switch Off which was a nationwide transition to digital television, broadcasting equipment related to analogue transmission under MPTN were also impaired during the financial year. Another significant impairment charge in 2019 was on our intangible assets in relation to our Radio Networks' goodwill of RM16.7 million which was done based on management's assessment of Radio Networks value-in-use.

The summary of our impairment of non-current assets is set out in Note 7 to the consolidated financial statements.

Taxation

Tax expense for 2019 of RM12.5 million was a significant increase against RM1.6 million in 2018. The increase was mainly attributed to the current financial year taxation charge of RM8.6 million due to restriction on utilisation of group relief by the Inland Revenue Board of Malaysia. Additionally, there was a net deferred tax charge of RM3.6 million during the financial year, as opposed to net deferred tax reversal of RM1.2 million in 2018. As a result of the current year financial year taxation charge and net deferred tax charge, the Group effective tax rate of 7% stood lower than the statutory corporate tax rate of 24%.

Profitability

The Group's loss after tax amounts to RM185.5 million for the financial year 2019 as compared to a profit of RM59.0 million in the financial year 2018. If the exceptional items were excluded, we posted a normalised loss after tax of RM69.4 million (2018: 100.7 million).

Exceptional items

In addition to statutory performance measures in accordance with MFRS, we measure our performance based on normalised profit or loss because we believe normalised performance measures provide management and investors with useful additional information about the financial performance of the Group. Normalised performance measures are not defined by MFRS and may not be directly comparable with similar adjusted performance measures used by other entities.

The Group derived its normalised loss for the financial year by excluding exceptional items from the loss for the financial year in the consolidated statement of comprehensive income. Exceptional items are those items we consider to be one-off or material in nature that be brought to attention in understanding the financial performance of the Group.

The reconciliation of normalised loss for the financial year is as follows:

	2019 RM million
Loss for the financial year	185.5
Exceptional items:	
- Impairment of PPE	(24.2)
- Impairment of investment property	(0.2)
- Impairment of intangible asset in relation to goodwill	(16.7)
- Termination benefits	(75.0)
Normalised loss for the financial year	69.4

Total assets

Total assets as at 31 December 2019 stood at RM1,435.2 million, a 9% increase from RM1,317.6 million as at 31 December 2018.

Increase in total assets mainly contributed by the recognition of ROU assets as a result of adoption of a new accounting standard during the financial year.

GROUP FINANCIAL REVIEW

Property, plant and equipment ("PPE")

Total PPE as at 31 December 2019 stood at RM246.8 million (2018: RM305.0 million). The 19% reduction in PPE balance was partly due to the impairment charges of RM23.0 million mainly attributed to PPE in Print Media, Television Networks and Radio Networks operating segments. During the financial year, the Group posted additions to PPE of RM18.6 million against RM26.7 million in financial year 2018.

ROU assets

Total ROU assets as at 31 December 2019 stood at RM217.1 million. During the financial year, there was a modification on the recognition of ROU costs for buildings mainly due to the renegotiation of contractual terms and rates for the occupancy of Sri Pentas amounting to RM17.6 million. The Group posted additions to ROU assets of RM2.1 million during the financial year and ROU assets depreciation of RM62.6 million.

Intangible assets

Intangible assets stood at RM395.9 million as at 31 December 2019 against RM430.1 million as at 31 December 2018 Intangible assets consisting of programme rights and film production costs which we consider as operating in nature accounted for 8% of the total carrying amount of intangible assets. Combined programme rights and film production cost balance decreased to RM32.5 million in 2019 (2018: RM55.0 million) as a result of lower additions during the financial year.

Goodwill and other intangible assets arising from business combinations accounted for 91% of our total intangible assets. The recoverable amounts of goodwill and other intangible assets with indefinite useful lives are reviewed annually and allocated across our Radio Networks, Print Media, Outdoor Media and Digital Media cash generating units (see Note 18 to the consolidated financial statements). As a result of the impairment assessment performed, an impairment charge of RM16.7 million was recognised in 2019 on Radio Networks' goodwill.

Deposits, cash and bank balances

Deposits, cash and bank balances stood at RM257.1 million as at 31 December 2019 compared to RM210.1 million as at 31 December 2018. The increase in cash and bank balances were partly due to increased net cash flows generated from operating activities of RM136.4 million (2018: RM21.6 million).

Net cash flows used in investing activities during the financial year mainly consisted of acquisition of a subsidiary, acquisition of interest in associates and addition to PPE and intangible assets (other than programme and film rights). It is a marked difference when compared to 2018, whereby proceeds from disposals of PPE and disposal of investment in an associate amounting to RM286.7 million and RM45.6 million respectively mainly contributed to the net cash inflows generated from investing activities.

Net cash outflows from financing activities was significantly lower from RM327.5 million for 2018 to RM76.7 million in 2019 mainly due to the repayment of borrowings and higher interest paid in 2018.

Trade and other receivables

Trade and other receivables balances fell by 2% to RM250.1 million as at 31 December 2019 (2018: RM255.0 million). Net trade receivables excluding advance billings reduced to RM156.3 million (2018: RM188.4 million) due to lower revenue generated during the year.

Total net other receivables increased from RM66.6 million as at 31 December 2018 to RM93.8 million as at 31 December 2019 as a result of higher contract asset balance during the financial year.

Total liabilities

Our total liabilities increased by 67% to RM839.0 million as at 31 December 2019 (2018: RM503.2 million) mainly because of the accruals for manpower rationalisation exercise amounting to RM99.4 million and the recognition of lease liabilities through the adoption of MFRS 16 amounting to RM247.5 million.

The increase in trade and other payables was primarily due to the accrued termination benefits of RM99.4 million (2018: NIL). Total lease liabilities as at 31 December 2019 stood at RM247.5 million out of which RM61.2 million is expected to be settled within the next 12 months. The remaining RM186.3 million is non-current and therefore is not due within the next 12 months after 31 December 2019.

Borrowings

Borrowings as at 31 December 2019 comprise of short term banker's acceptance of RM4.7 million (2018: RM4.2 million).

Total equity

Total equity decreased by 27% from RM814.4 million as at 31 December 2018 to RM596.2 million as at 31 December 2019 on the back of the RM187.3 million total comprehensive loss for the current financial year.

Loss per share and return on equity ("ROE")

Basic earnings per share of 5.29 sen for 2018 reduced to loss per share of 16.03 sen for 2019 in line with our loss for the financial year 2019.

The loss also resulted in our ROE for 2019 to stand at -30% as compared to 7% for 2018.

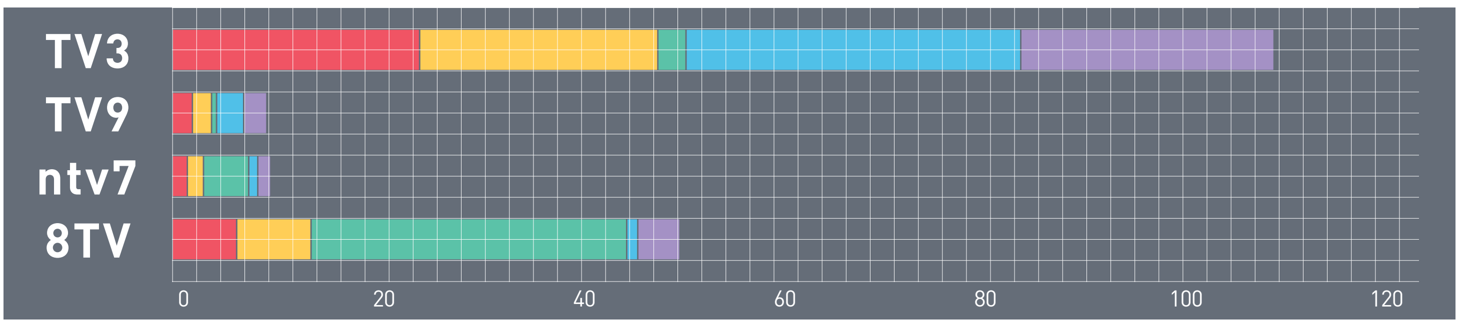
Dividends

Reflecting the Group's and the Company's accumulated loss position of RM926.0 million and RM823.0 million respectively, the Board of Directors do not recommend payment of any dividend for the financial year ended 31 December 2019.

VIEWERSHIP, LISTENERSHIP & READERSHIP DATA

VIEWERSHIP PERFORMANCE

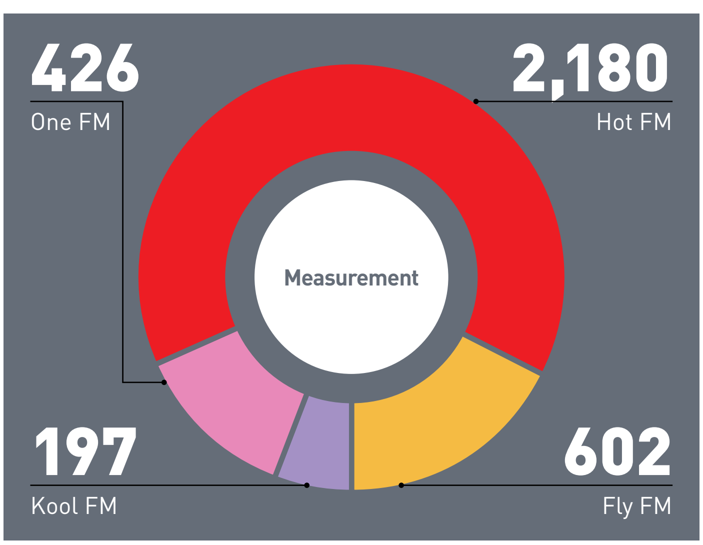
Target	Total Individuals 4+	Urban 4+	Chinese 4+	Malay 4+	Age 4-14 years
Channel/Variable	Share	Share	Share	Share	Share
TV3	24.6	23.7	2.8	33.3	25.2
TV9	2	1.9	0.5	2.7	2.3
ntv7	1.5	1.6	4.5	0.9	1.3
8TV	6.4	7.4	31.4	1.1	4.2
Total	34.5	34.7	39.2	38	33



Source: Nielsen Audience Measurement

BROADCAST LISTENERSHIP ('000)

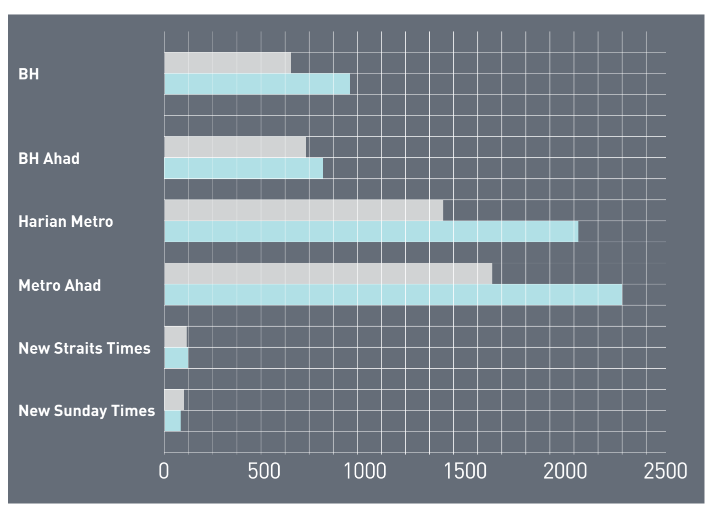
		Measurement
Fly FM	Under 30	602
Hot FM	Under 30	2,180
One FM	Under 30	426
Kool FM	Age 25 - 44	197



Source: GFK Radio Audience Measurement Wave 2

NSTP READERSHIP TREND

	Jul'18-Jun'19 ('000)	Jul'17-Jun'18 ('000)
BH	633	924
BH Ahad	708	793
Harian Metro	1,390	2,062
Metro Ahad	1,565	2,277
New Straits Times	113	120
New Sunday Times	101	82

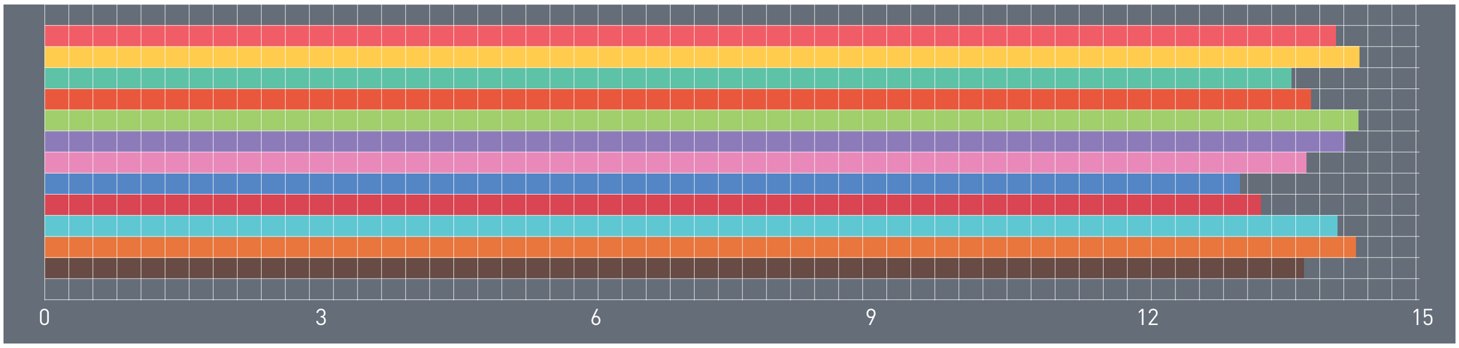


Source: Nielsen Consumer & Media View

DIGITAL AND COMMERCE DATA

MEDIA PRIMA GROUP TOTAL DIGITAL POPULATION

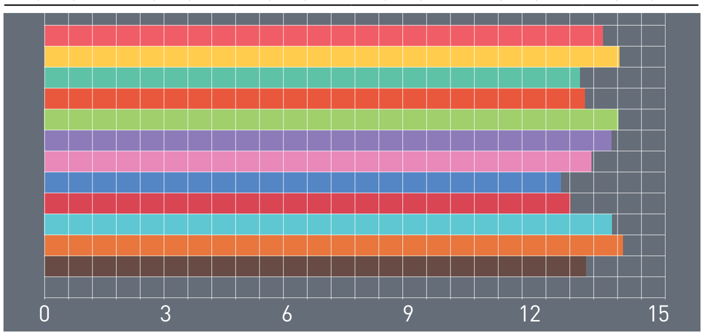
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2019	14,090,000	14,343,000	13,603,000	13,817,000	14,336,000	14,195,000	13,766,000	13,044,000	13,273,000	14,106,000	14,305,000	13,737,000



Source: Comscore

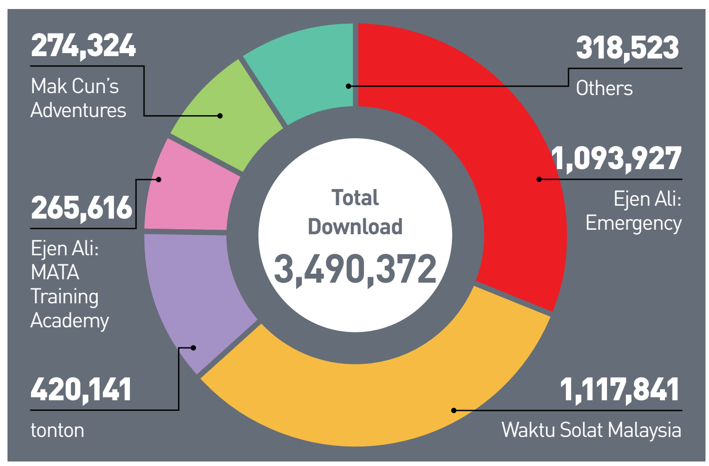
MEDIA PRIMA GROUP TOTAL MOBILE POPULATION 2019

Jan	Feb	Mar	Apr	May	Jun
13,571,000	13,973,000	13,011,000	13,134,000	13,955,000	13,783,000
Jul	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**
13,289,000	12,546,000	12,788,000	13,797,000	14,057,000	13,154,000



Source: Comscore Mobile Metrix

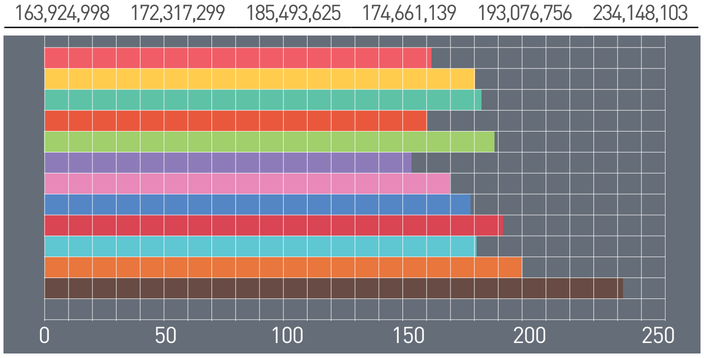
MOBILE APPS PERFORMANCE 2019



Source: Google Analytics

YOUTUBE VIDEO VIEWS 2019

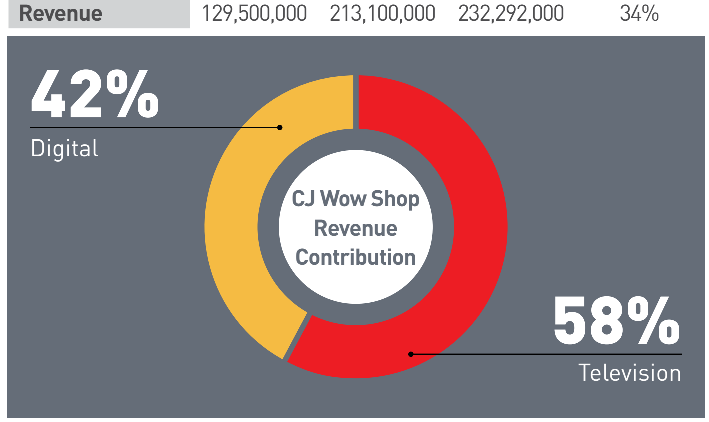
Jan	Feb	Mar	Apr	May	Jun
155,666,759	174,075,504	176,674,539	154,693,547	182,002,703	148,323,863
Jul	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**
163,924,998	172,317,299	185,493,625	174,661,139	193,076,756	234,148,103



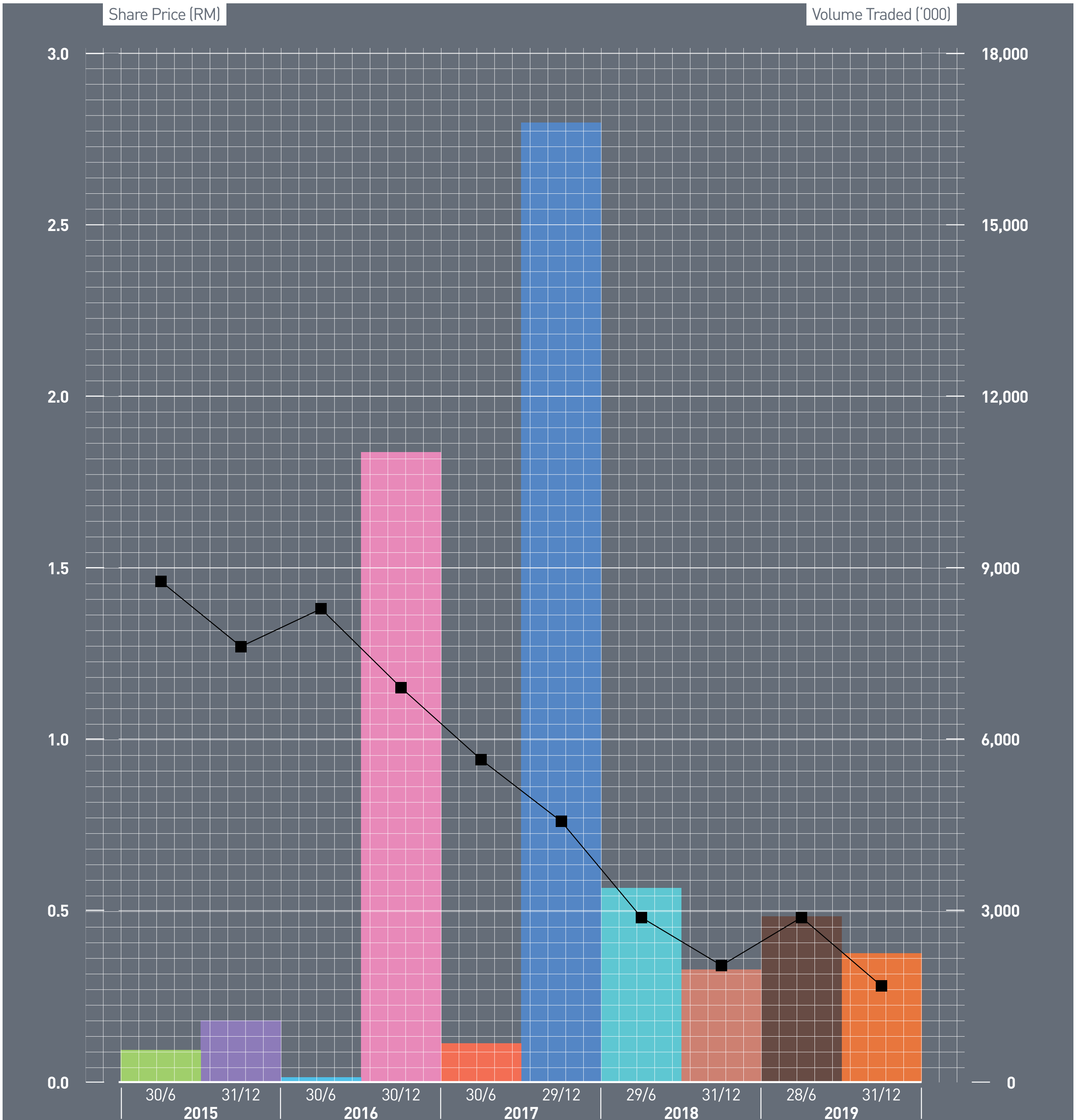
Source: YouTube

CJ WOW SHOP CUSTOMER AND REVENUE GROWTH

Target	2017	2018	2019	3-yr CAGR
Customers	640,000	1,200,000	1,700,000	63%
Revenue	129,500,000	213,100,000	232,292,000	34%



SHARE PRICE CHART



Date	30/6/2015	31/12/2015	30/6/2016	30/12/2016	30/6/2017	29/12/2017	29/6/2018	31/12/2018	28/06/2019	31/12/2019
Share Price (RM)	1.46	1.27	1.38	1.15	0.94	0.76	0.48	0.34	0.48	0.28
Volume Traded	561,300	1,076,900	42,600	11,012,500	674,800	16,775,500	3,392,000	1,964,000	2,893,000	2,246,400

Source: KLSE

Focusing on strategic progress

COMMITTED TO CREATING VALUE

SUSTAINABILITY STATEMENT

Victims affected by floodwater in Hilir, Perak, received relief items from Tabung Bencana NSTP-Media Prima.

SUSTAINABILITY STATEMENT

As we strengthen our position as the leading digital-first content and commerce company, sustainability is becoming more important than ever. The convergence of digital and sustainability is unexplored territory, which presents both challenges and opportunities. Digital transformation has an environmental, social and economic footprint. Our transformation movement aims to incorporate values, transformation and digital into a shared economy model to mobilise people globally, connect resources and generate the social impact necessary to regenerate a sustainable planet.

SUSTAINABILITY STATEMENT

STAKEHOLDER ANALYSIS

Stakeholder analysis helps us identify the key stakeholders of all businesses, assess their needs and ascertain ways they may potentially affect business sustainability. We understand that the participation of stakeholders is very important to Media Prima's success.

Stakeholder Group	Method of Engagement	Areas of Interest	Addressing their Interests
CUSTOMERS			
• Television Broadcasting: Viewers • Print Media: Readers • Out-of-Home Media: Advertisers • New Media: Viewers • Content Creation: Brand Management Group, Acquisition and Content Management • Radio: Listeners	• Customer satisfaction surveys • Customer complaints tools • Social media • Websites	• Viewing preference • Content development • Technical support • Social discourse • Privacy and freedom of expression • Children's rights	Our customers and the competition are instrumental to our prospects. We share a common goal across our organisation to give customers a value-added experience in society.
SHAREHOLDERS AND INVESTORS			
• Shareholders and Investors	• Results announcement meetings • Annual general meetings • Regular updates and communication • Investor roadshows	• Long-term profitability • Sustainability matters • Company's performance against targets • Compliance with all relevant requirements	We are committed to delivering economic value to our capital providers by delivering strong financial performance and engaging with them.
INTEREST GROUPS			
• Non-governmental Organisations • Industry Analysts	• Regular and ad-hoc meetings • Official launches • Events • Open dialogue • Interviews, press releases and websites	• Company's performance • Rights of vulnerable groups • Future direction • Influence digital media has on society	We include the views of interest groups when considering the impact of our operations on society.
INDUSTRY PEERS			
• Industry Peers	• Conferences and meetings • Industry workshops • Networking events	• Our performance • Compliance • Development within the media industry	We have an excellent record of engaging with industry players. By sharing ideas and inspiring positive change, we continue to make the greatest possible difference. We collaborate with key partners and engage with thousands of people every day.

SUSTAINABILITY STATEMENT

Stakeholder Group	Method of Engagement	Areas of Interest	Addressing their Interests
VALUE CHAIN PARTNERS			
• Third-party suppliers and vendors • Event sponsors	• Contract bidding and procurement management • Training and talent management • Programme roadshows • Programme licensing negotiations	• Fair procurement • Efficient supply chain management	Relationships with suppliers are governed by our supplier code of conduct. These guidelines, which conform to international ethical standards, stipulate the conduct expected from suppliers in areas such as economic sustainability, environmental sustainability and social responsibility.
COMMUNITY AND THE PUBLIC			
• Community and the Public	• Financial and non-financial contributions • Philanthropic activities • Volunteerism programmes • Events and roadshows	• Social and economic development contributions • Socio-environmental impacts	We strive to be a strategic partner and positive force in our local communities.
EMPLOYEES			
• Employees	• Employee satisfaction survey • Employees engagement programme • Internal communications such as newsletters, the intranet and updates • Events and functions • Employee grievance system	• Equal opportunities • Diversity • Career progression • Benefits and rewards	Our employees are key to our innovation-driven culture. People are our success and we are committed to being a good employer.
REGULATORY AUTHORITIES			
• Ministry of Communications and Multimedia Malaysia • Perbadanan Kemajuan Filem Nasional Malaysia ("FINAS") • Malaysian Communications and Multimedia Commission ("MCMC") • The Malaysian Communications and Multimedia Content Forum of Malaysia ("CMCF") • Consumer Forum of Malaysia (CFM) • Ministry of Finance ("MoF") • Ministry of Home Affairs • Dewan Bahasa dan Pustaka ("DBP") • Department of Environmental ("DOE")	• Regular communication • Reports and compliance • Periodical meetings • Regular environmental reporting to the DOE	• Compliance • Reducing environmental footprint • Compliance with environmental regulations	We have established sustainability governance to manage risk, ensure compliance and operate with integrity at all times.

SUSTAINABILITY STATEMENT

MATERIALITY

Materiality analysis helps us identify and assess a wide range of sustainability topic and prioritise them to show what is most important to Media Prima and its stakeholders.

METHODOLOGY

We conducted the Media Prima Stakeholders' Survey in the last quarter of 2019. An independent third-party was appointed to ensure impartiality and the anonymity of the respondents.

We asked stakeholders to rate the importance they placed on 17 economic, environmental and social issues.

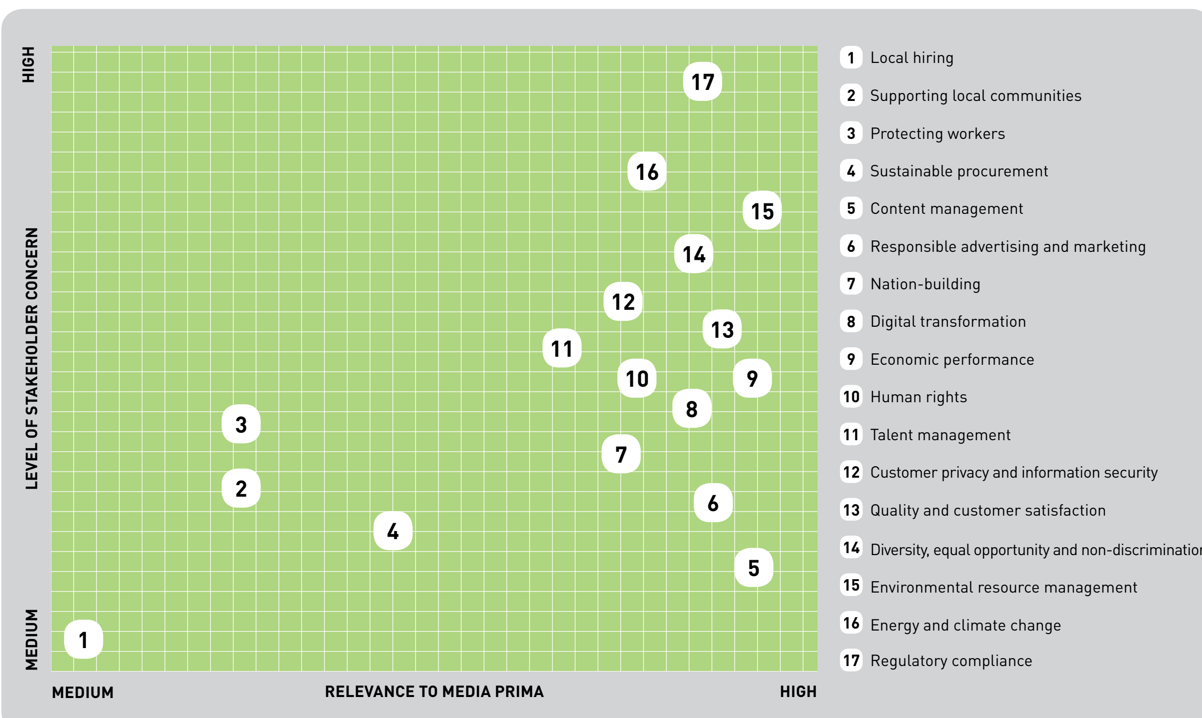
We also asked 10 of our Board of Directors and Senior Management Team to complete a similar survey whose responses were used to represent Media Prima.

STAKEHOLDERS CONTACTED DURING THE MATERIALITY SURVEY

RESULTS

The stakeholder scores ranged from 4.06 to 4.50 and Media Prima from 3.90 to 4.80. All issues were material to a larger or lesser degree.

We used the results of the analysis to develop a materiality matrix, with the level of importance to company plotted along the X-axis and importance to stakeholders on the Y-axis. This matrix is presented in the following diagram.



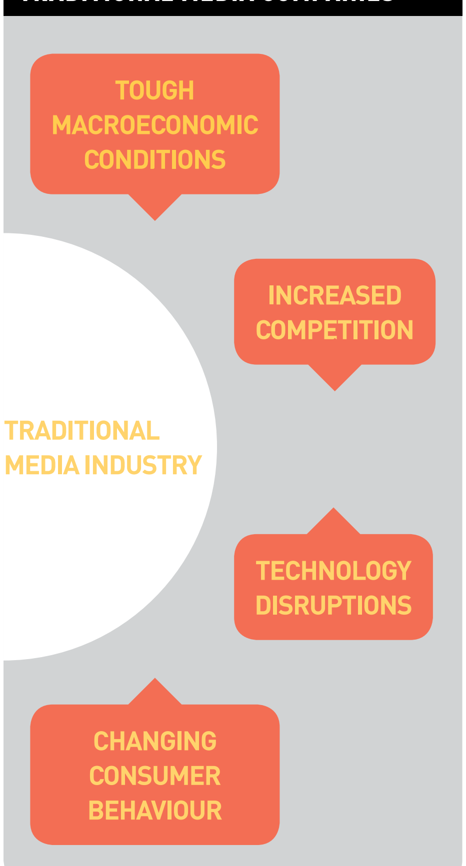
ECONOMIC

This economic section concerns our impact on the economic conditions of stakeholders on local, national, and global levels.

BEING A CATALYST FOR GROWTH

The traditional media industry is currently facing challenging times. Media companies are adapting to these trends and thinking to the future in a highly competitive business that is driven by advertising revenue.

DISRUPTERS AFFECTING TRADITIONAL MEDIA COMPANIES



We are **committed to delivering shareholder value by capitalising on increased consumer demand for e-commerce and digital content.** Adapting to an increasingly challenging and competitive operating environment, we are executing our business transformation plan which delivers new revenue streams while improving operational efficiency through structural changes within the organisation. **This plan should improve our cost structures and create value in the short and medium terms.**

New business initiatives and key structural changes to the organisation comprise organisational restructuring, manpower rightsizing and print manufacturing facilities reduction while strategically investing in digital businesses. These initiatives have significantly expanded our audience base as they complement the existing mass market already reached through our television, print and radio businesses.

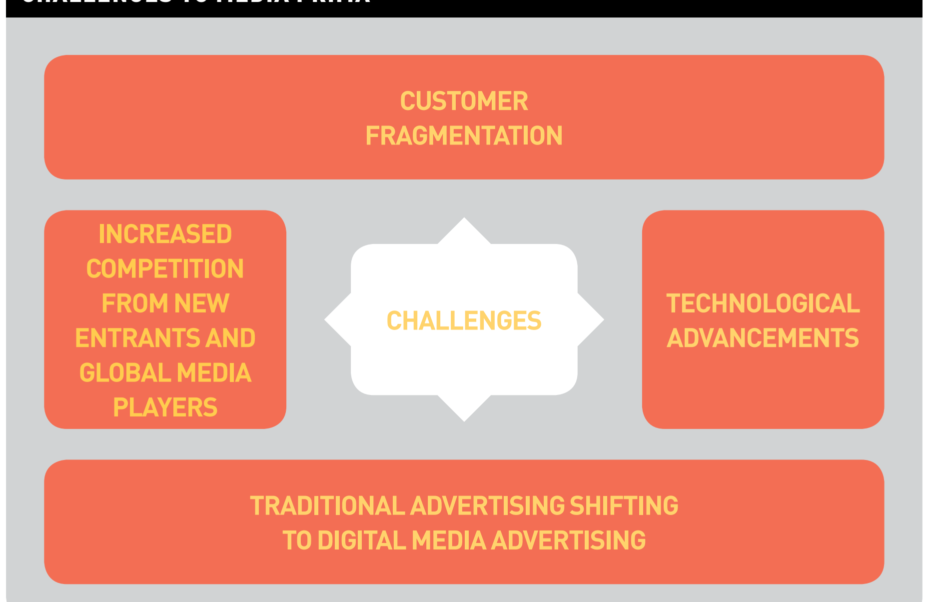
STAYING RELEVANT TO OUR AUDIENCE

Staying relevant to audiences is difficult when trends and preferences are transforming so rapidly. As the world changes, so do audiences — with a greater number of distractions, choices, opportunities and access to entertainment.

Survival of Those Most Adaptable

We continue to forge ahead with technological-based changes amid challenges in the media sector. Technology accelerated the need for a change in business strategy to remain relevant. Our primary focus remains on offering services that are relevant to the community with only the delivery being subject to change.

CHALLENGES TO MEDIA PRIMA



SUSTAINABILITY STATEMENT

Capitalising on our strengths, we ensure that audiences consume content and products on their chosen platform. This content is produced in the most efficient manner possible.

The industry is entering an exciting and dynamic phase and we do not consider current trends as a struggle between digital and traditional media; rather a need to embrace and manage technology.

TRANSFORMATION STRATEGY OBJECTIVES

Putting audiences at the heart of the organisation

Placing data at the core of operations

Being economically sustainable

Our audience is at the heart of the organisation as we forge a closer relationship with our stakeholders.

ENVIRONMENT

The pressures on the earth's limited natural resources and the challenge of climate change require prompt and concerted action from us all.

We take wide-ranging measures to protect biodiversity, reduce our consumption of water, energy and other resources, avoid waste and combat climate change. Environmental considerations are particularly important for NSTP as our printing plants consume large amounts of materials and energy.

MATERIALS MANAGEMENT

Paper

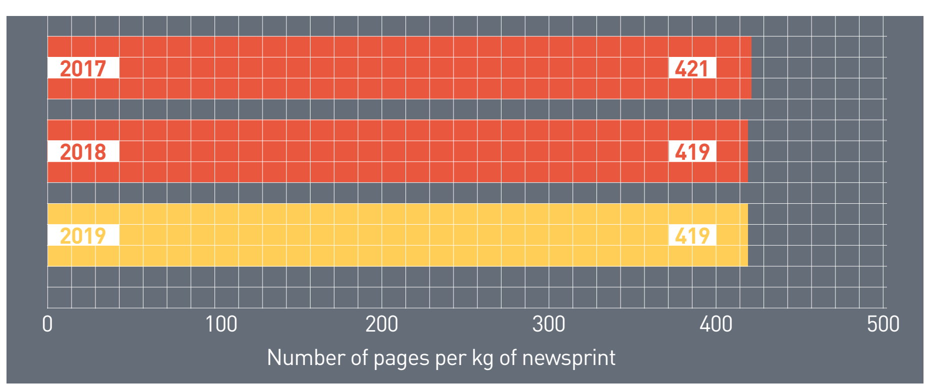
Our sustainable materials management covers a systematic approach to using and reusing materials more productively over their entire life cycles. In fact, trees are considered a renewable resource in the printing industry.

NSTP Paper Consumption (MT) by Plant

Year	Balai Berita Shah Alam	Balai Berita Prai	All Plants
2017	21,998	7,186	29,184
2018	12,505	5,251	17,756
2019	10,838	4,882	15,720

Our paper use efficiency is expressed as the number of pages per kg of newsprint. This indicator has remained stable over the past years.

NSTP Paper Consumption (MT) by Plant



SUSTAINABILITY STATEMENT

Environmentally-Friendly Plates

Printing plants use chemicals as part of the prepress process. Our chemistry improves print clarity and maintains the cleanest possible backgrounds at pH7 when using both conventional and UltraChrome inks. Sharper colours are reproduced and optimum ink and water balance are maintained, with no corrosion to the press.

Chemical Usage, Prepress (litres)

Year	Balai Berita Shah Alam	Balai Berita Prai	Total
2017	10,200	5.080	**15,280**
2018	7,160	3,320	**10,480**
2019	6,660	-	**6,660**

Our chemical-free plate requires no chemical processing or special handling and is nonphotosensitive. Independence from darkroom conditions and the elimination of variables in exposure, chemical stability and manual intervention lead to fast, accurate and repeatable results.

Ink

Our printing process follows the ISO 12647-3 graphic technology standard. This ISO standard is important is it specifies several process parameters and their values to be applied when producing colour separations and printing forms for newspaper single or four-colour printing. The parameters and values covering the process stages are 'colour separation', 'making of the printing formed', 'OK print or proof' and 'production printing'. ISO 12647-3 is the worldwide standard the defines the print quality in coldest offset newspaper production. NSTP achieved and qualified as a member of ISO 12647-3.

Our printing process follows this standard which is reviewed every five years to include the latest technological developments in newspaper production and customers' expectations. Balai Berita Shah Alam used 205 MT of ink in 2019. The number of gross pages produced per kg of ink was 23,031.

ENERGY MANAGEMENT

We understand the importance of improving our energy efficiency. Identifying and implementing energy-reducing measures also lower our operating costs.

The energy committee at our Balai Berita Shah Alam printing plant is mainly responsible in ensuring compliance with Suruhanjaya Tenaga requirements on Efficient Management of Electrical Energy Regulations 2008 and examining electricity efficiently in the building.

The total energy consumption of our printing plants reduced by 4.30% in 2019.

During the year, Big Tree continued its initiatives in replacing previous static OOH panels' lighting with low consumption LEDs. This initiative has reduced electricity consumption for each lighting unit by nearly 78% from 400 kWh to 91 kWh.

Electricity Consumption (kWh)

Site	2017	2018	2019
Balai Berita Bangsar	7,947,438	7,542,460	7,060,092
Balai Berita Shah Alam	6,310,046	6,225,417	6,117,752
Balai Berita Prai	4,286,363	3,964,327	3,792,461
Balai Berita Senai	925,095		
Balai Berita Ajil	483,376		
Total	**19,952,318**	**17,732,204**	**16,970,305**

Big Tree's Static OOH Panels' Electricity Consumption (kWh)

2017	12,336,559.59
2018	6,459,454.71
2019	**5,614,182.10**

Minimum screen brightness is maintained while ensuring the effective viewing of advertising visuals to optimise electricity consumption for Big Tree's digital OOH assets. Brightness is reduced significantly at night to avoid glare for road users.

Media Prima's Electricity Consumption (kWh) from 2017 to 2019

Site	2017	2018	2019
Sri Pentas	7,894,944	7,360,452	5,640,167
Glenmarie Shah Alam	2,417,770	2,663,706	2,441,975
Sri Pentas 2	205,500	200,300	129,373
TV3's Transmitters	7,329,262	7,316,070	4,761.32
ntv7's Transmitters	3,002,393	2,861,285	2,486.68
8TV's Transmitters	1,122,470	1,077,824	777,993
TV9's Transmitters	1,132,954	1,119,754	851,207
Hot FM Radio's Transmitters	361,806	360,814	362,336
Subtotal	23,467,099	22,960,205	10,210,299
Chilled Water	12,125,747	11,563,540	8,124,951
Total	**35,592,846**	**34,523,745**	**18,335,250**

PARTNERING WITH COMMUNITIES

We seek ways to create positive and lasting change in the communities in which we operate. As the leading fully-integrated media company in Malaysia, we help create a sustainable society by promoting activities that address local challenges.

Being closely involved and supporting society has become more crucial. In 2016, we ventured into more digital and consumer-based businesses with the launch of our transformation programme — Odyssey.

Our commitments extend to local communities as we aim to be a good neighbour through active engagement and responsible business practices. We seek opinions from these communities and welcome opportunities to contribute our time and resources so we can play a role in their growth and success.

CONTRIBUTING TO THOSE IN NEED BY DOING WHAT WE DO BEST

Media Prima utilises its digital and traditional media platforms to reach out to a wider audience in generating awareness while appealing for public contributions for alleviating the hardship experienced by communities.

MEDIA PRIMA'S TARGETED CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

- HUMANITARIAN
- COMMUNITY
- ENVIRONMENT
- EDUCATION

MEDIA PRIMA – NSTP HUMANITARIAN FUND

The Media Prima – NSTP Humanitarian Fund, formerly known as the Malay Mail Charity Fund, has a long and proud history. Working with generous contributors and technical partners, we have assisted those in poverty, victims of disasters, wars and political conflicts and those in dire need of medical assistance.

Since 1991, Media Prima and its generous donors have been committed to providing financial aid to those in need to pay for medical treatment for heart problems, kidney complications, hydrocephalus, cerebral palsy, biliary atresia, epidermolysis bullosa, cancer and the fitting of prosthetic limbs. We work with hospitals and our reporters to identify deserving cases and pay for their treatment directly.

As a member of the largest integrated media group in Malaysia, the Media Prima – NSTP Humanitarian Fund has access to a wide variety of media platforms to raise awareness and create positive engagement with communities to assist those in need. Our primary role is to highlight and generate awareness of various humanitarian plights through our integrated media platforms, namely digital, newspaper, television, radio and out-of-home. All administrative costs for running the fund are borne by us.

CHANNELS UTILISED TO OBLIGE THE PUBLIC TO DONATE

- FOUR FREE-TO-AIR TELEVISION CHANNELS
- THREE MAJOR NEWS PUBLICATIONS
- FOUR RADIO STATIONS
- OUT-OF-HOME ADVERTISING AND DIGITAL MEDIA
- MEDIA PRIMA'S CONTENT PRODUCTION COMPANY

Thanks to our generous donors in 2019:

- 18 patients were able to undergo life-saving heart surgery, cancer treatment, fitting of prosthetic limbs and other critical medical procedures; and
- 42 individuals received financial assistance to ease the hardship faced due to their medical conditions.

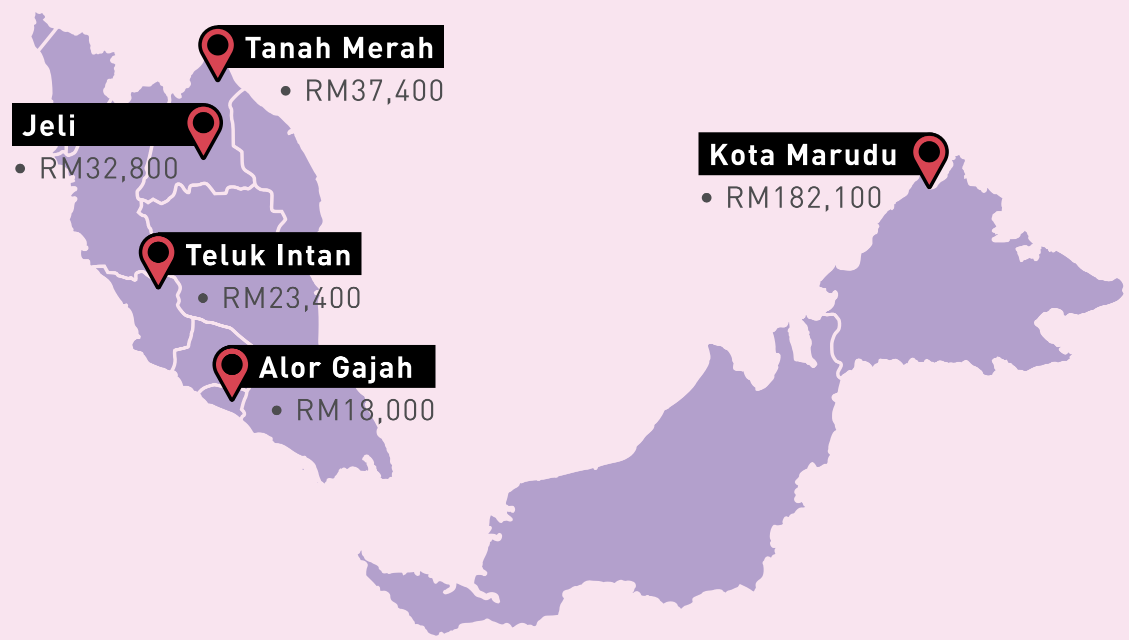
SUSTAINABILITY STATEMENT

TABUNG BENCANA NSTP-MEDIA PRIMA

Tabung Bencana NSTP – Media Prima was established on 1 October 2009 to support earthquake victims in Padang, Sumatra. Since then, it has been at the forefront of relief efforts for victims of natural disasters and other humanitarian crises in Malaysia and abroad. Leveraging on the strength of our integrated media platforms, we effectively raise awareness and allow the public and other corporate citizens to donate funds to these victims. We devote a significant amount of airtime and space on television, radio, print, out-of-home media and online for this cause. The fund is administered by the Board of Trustees of Media Prima-NSTP Humanitarian Fund.

In 2019, Tabung Bencana NSTP-Media Prima gave RM182,100 in cash to 3,401 victims of the floods in Kota Marudu, Sabah. The flooding affected 27 villages in the district towards the end of January 2019. We opened 12 temporary relief centres to house those who had lost their homes. We also gave cash vouchers on 24 February 2019 at Dewan Terbuka Pekan Tandek, Kota Marudu.

During the year, Tabung Bencana NSTP-Media Prima also provided financial contributions and aid to victims of natural disasters in the following areas.



TABUNG TV3 BERSAMAMU

Since its inception in 2001, the popular television programme, Bersamamu, has assisted hundreds of families and individuals in poverty. The TV3 Bersamamu Fund has been within the ambit of the Humanitarian Fund since 2016 as it continues to provide help to those in need. The programme is aired every Sunday at 6.30 pm. It encourages public participation and contribution to the Bersamamu recipient. The coverage of this programme has expanded with the help of active social media engagement including the TV3 Bersamamu official Facebook page. In 2019, 45 recipients received financial assistance through this channel.

TABUNG KEMANUSIAAN PALESTIN MEDIA PRIMA

The Palestinian cause is very dear to Malaysians. The Tabung Kemanusiaan Palestin Media Prima was established in 2012 and re-activated on 24 July 2014 following the escalation of the conflict in Gaza. We provide an avenue for contributors to assist the Palestinians through reputable NGOs such as Mercy Malaysia and Perdana Global Peace Foundation.

TABUNG KEMANUSIAAN ROHINGYA MEDIA PRIMA

In 2016, Media Prima launched Tabung Kemanusiaan Rohingya Media Prima in response to the escalating political conflict in the Rakhine state of Myanmar. Caring individuals and organisations were able to help ease the plight of the Rohingya community.

We provide an avenue for contributors to support the Rohingya community by funding various humanitarian programmes that benefit them through reputable NGOs such as Mercy Malaysia.

OUR PEOPLE

People are at the centre of all business operations. Each of us can make a big difference for a better-shared future.

Keeping our employees engaged, fairly remunerated and equipped with the latest skills and knowledge helps them excel in their roles. However, their continual growth, development and sense of fulfilment are also essential for our long-term prosperity.

The contributions, energy and vision of our employees are vital for building a digital future and our competitive advantage in the media industry. We continue to improve our working environment and be surrounded by engaged employees who lead us through a high-performance, sustainable culture.

Our Human Resources initiatives aim to improve the quality of life of employees and build a healthier media future. An inclusive environment fuels innovation by leveraging the diverse skills, cultures, ways of thinking, knowledge and experience of our people. These are essential building blocks to becoming the leading digital-first content and commerce company.

GOAL

To be a company of choice that employees are proud to work for

We nurture and empower employees through interesting and challenging work, career development opportunities and by providing a safe and healthy environment. All efforts are made to ensure Media Prima is not only a successful business but also a great place to work.

Our People Agenda

Employees' development, motivation, health and wellbeing are key components of Media Prima. We address these factors by setting a vision for investing in people across four key areas.

- TALENT
- LEADERSHIP
- REWARD
- CULTURE

Paying attention to these four areas ensures employees are supported throughout their careers and equipped with the tools to develop within the organisation. Our agenda also recognises the importance of engaging with people across all levels as committed employees are known to deliver a superior business performance.

SUSTAINABILITY AS THE UNDERLYING SUCCESS FOR THE FUTURE OF MEDIA

The media industry is witnessing a major transformation. Developing the correct transformation strategy is critical as we want to not only stay relevant but also lead. Generally, the industry is shifting from ad-revenue to consumer-revenue and the elevation of the user experience.

This is just the beginning as personalisation and curation are rapidly transforming the media industry. It is no longer simply optimising one experience and has been extended to optimising millions of personalised experiences.

GUIDING OUR TRANSFORMATION STRATEGY

KNOWING	Our audiences including what motivates and interests them
STAYING	Nimble and flexible
CRAFTING	Content and shareable media experiences that are compelling and intuitive

Our digital transformation is driven by increased audience expectations and an obsession with delivering the ideal audience experience. We will continue to build on the positive growth achieved by digital and commerce initiatives while taking measures to further improve costs and operational efficiencies. As a Group, we also commit to delivering more effective solutions across our various media platforms to meet the evolving demands of the media industry.

Stakeholder relationships become increasingly important in the future as we face up to our social responsibilities. Sustainability underpins the Company's planning, and is evident in our well-defined strategy. Right from the beginning, Media Prima's success was built on close relationships with its audiences. Balancing this success with societal needs as a whole has always been part of the Group's ethos.

* *Full disclosure of Media Prima's sustainability journey and achievements can be found in the Media Prima Sustainability Report 2019.*

INVESTOR RELATIONS

"MEDIA PRIMA IS COMMITTED TO MAINTAINING HIGH STANDARDS IN THE DISSEMINATION OF RELEVANT AND MATERIAL INFORMATION ON THE GROUP IN ORDER TO MAINTAIN EFFECTIVE, COMPREHENSIVE AND TIMELY DISCLOSURE OF INFORMATION."

Engaging the Investment Community

We acknowledge the importance of effective, transparent and regular communication with our investment community, to provide a clear picture of the Group's performance and position. Media Prima is committed to high standards in the dissemination of relevant and material information on the Group in order to maintain effective, comprehensive and timely disclosure of information.

Throughout 2019, we proactively engaged with analysts, fund managers and investors, to keep them updated on our performance, strategies, as well as industry changes and outlook, while practising interactive and two-way communication. These engagements are paramount for a well-functioning governance framework.

We maintain various communication channels to ensure that our analysts, investors and stakeholders have a sound understanding of the Group's performance and position while we navigate a fluid business environment.

Our key financial results and operating metrics are released publicly to Bursa Securities on a quarterly basis. Our quarterly reports consist of detailed information relating to financial statements, business performance analyses of the Group and its operating businesses, and the outlook for the following financial period.

We host analyst and investor briefings to present our first half and full-year results, chaired by our Group Managing Director, supported by our Group Chief Financial Officer, and attended by Senior Management. Through these briefings, we aim to provide transparent and effective dialogue with our analysts and investors through a comprehensive presentation, followed by a question and answer session.

INVESTOR RELATIONS

Our investment community has instant access to the information presented at briefings as these information are promptly updated on our Investor Relations website upon the release of our financial results. Analysts and shareholders also have direct access to our Investor Relations team for queries on the Group's financial performance and position. In addition, we maintain regular communication with our analysts and institutional shareholders via conference calls, and one-on-one and group meetings.

Our corporate website *www.mediaprima.com.my* remains an important communication platform for Media Prima. Our dedicated Investor Relations website *www.mediaprima.com.my/investor-center/* has been successfully revamped to ensure its effectiveness. It is updated regularly to ensure that the latest corporate, financial and stock information is channelled to the investment community while providing them a convenient portal experience.

Awards and Recognition

We are firmly committed to maintaining open and accessible channels of communication with the investment community at large. We have continued to be forthright and transparent in providing the necessary information and background of the challenges we faced and the future in store.

We conducted an annual survey to measure the quality and effectiveness of our engagements with the investment community, assessing their level of satisfaction with our Investor Relations team and the initiatives rolled out throughout the year. We are heartened to note that our Investor Relations initiatives in 2019 were well received and the feedback is used to continuously improve our engagement with our investors and stakeholders.

At the Asiamoney Awards 2019 on 25 September 2019, Media Prima was awarded the **Most Outstanding Company in Malaysia** for the Consumer Discretionary Sector.

At the 9th Investor Relations Awards 2019 by Malaysian Investor Relations Association on 30 October 2019, we won **Best Investor Relations Website** for the Small Capitalisation category, in addition to receiving a total of nine (9) award nominations under the Small Capitalisation category.

These accolades have never been our end objective. Nevertheless, it is indeed rewarding to see our commitment and unwavering efforts acknowledged by the industry while providing us with the opportunity to seek feedback and views from the investing public at large.

Rest assured, Media Prima will remain on the forefront in terms of adopting best practices, ethics and governance for the benefit of our stakeholders, with the ultimate objective of enhancing shareholder value.

Enquiries and Feedback

Our Investor Relations team welcomes queries and feedback from the general investment community and can be contacted directly at *investor@mediaprima.com.my.*

"AT THE ASIAMONEY AWARDS 2019 ON 25 SEPTEMBER 2019, MEDIA PRIMA WAS AWARDED THE MOST OUTSTANDING COMPANY IN MALAYSIA FOR THE CONSUMER DISCRETIONARY SECTOR."

DRIVEN BY TRUE LEADERSHIP

DIRECTORS' PROFILE

GROUP CHAIRMAN

DATUK (DR) SYED HUSSIAN BIN SYED JUNID

AGE 59

GENDER M

NATIONALITY

- First appointment as Group Chairman-designate on 13 June 2019
- Appointment as Group Chairman on 1 July 2019
- Chairman of the Nomination and Remuneration Committee

Datuk (Dr) Syed Hussian brings with him over 30-years of professional experience in the insurance and technology sectors, as well as an in-depth understanding of emerging technologies and expertise in corporate transformation.

He began his career with The American Malaysian Insurance Sdn Bhd in 1982. In 1986, he was promoted as the Penang Branch Manager. In 1989, he was promoted as the company's Senior Regional Manager covering Penang, Perlis, Kedah, and Perak.

Datuk (Dr) Syed Hussian had served as an Independent Non-Executive Director of companies in the Media Prima Group. He was a Director of Merit Idea Sdn Bhd, and had served as a Director at Primeworks Studios Sdn Bhd, Media Prima Digital Sdn Bhd, Metropolitan TV Sdn Bhd ("8TV"), and Ch-9 Media Sdn Bhd ("TV9"). Datuk (Dr) Syed Hussian was formerly a Director of Tanjung Offshore Berhad, AWC Berhad, Efficient E-Solutions Berhad, and Amanah Raya Reit Berhad.

He is currently the Group Chairman of Western Digital Sdn Bhd. He is a Director of all the subsidiaries of Western Digital Malaysian Operations including Western Digital Media (Penang), SanDisk Batu Kawan (Penang), Western Digital Substrate Johor and Kuching. He is also serving on the Board of Universiti Malaysia Sarawak ("UNIMAS").

Datuk Syed Hussian holds a Diploma in Insurance from the Association for Overseas Technical Scholarship (AOTS), in Tokyo, Japan, in 1988 and a Certificate in Insurance from Institut Teknologi MARA in 1982. He attended a Government Entrepreneurial Program at ASIA BUNKA Kaikan Tokyo in 1985. He also attended a Management Program course at Re GMBH in Cologne, Germany, in 1991.

He received a Honorary Doctorate Degree in Engineering Technology from Universiti Teknologi Teknikal Malaysia Melaka in 2019.

DIRECTORS' PROFILE

FORMER GROUP MANAGING DIRECTOR

(Datuk Kamal bin Khalid has ended his tenure as Group Managing Director effective 31 March 2020)

DATUK KAMAL BIN KHALID

- First appointment as Group Managing Director on 2 August 2017

AGE	49
GENDER	M
NATIONALITY	

Datuk Kamal received his secondary education in MRSM Muar, Johor, and graduated with a Bachelor of Laws (with Honours) Degree from the University of Nottingham, England, in 1994. He was selected to become Malaysia's Eisenhower Fellow for 2005.

He has previously held various positions in Media Prima including Chief Executive Officer, Television Networks, Chief Operating Officer of Group Shared Services, Chief Operating Officer of Business Development and International and Head of Content Distribution.

Prior to joining the company on 4 May 2009, he served as Head of the Communications Unit in the Prime Minister's Office from October 2003 to April 2009.

He has worked in the financial services sector, gaining experience in banking and private equity financing. He spent three and a half years at the Policy and Development Division at the Kuala Lumpur Stock Exchange (now Bursa Malaysia), where he eventually rose to the position of Manager, International Affairs. He was an Independent, Non-Executive Director of Utusan Melayu (M) Berhad from 2004 to 2009.

Datuk Kamal was previously a member of the Board of Media Prima's subsidiaries including The New Straits Times Press (Malaysia) Berhad, Sistem Televisyen Malaysia Berhad, Synchrosound Studio Sdn Bhd, Big Tree Outdoor Sdn Bhd, Primeworks Studios Sdn Bhd, Media Prima Digital Sdn Bhd, Media Prima Omnia Sdn Bhd (formerly known as Able Communications Sdn Bhd) and Print Towers Sdn Bhd (formerly known as Berita Harian Sdn Berhad).

In addition, he is also a member of UniKL Industry Advisory Board and sits in the Marketing Committee of Football Association of Malaysia, since 2017. He has also been a Director on the Board of Malaysia External Trade Development Corporation since 2018.

DIRECTORS' PROFILE

GROUP MANAGING DIRECTOR

(Dato' Iskandar Mizal bin Mahmood was appointed as Group Managing Director effective 1 April 2020)

DATO' ISKANDAR MIZAL BIN MAHMOOD

- First appointment as Group Executive Director on 1 October 2019

AGE	53
GENDER	M
NATIONALITY	

Dato' Iskandar has over 30 years of experience with several companies ranging from multinationals to government linked companies, spanning from investment banking to the technology sector. He brings this experience to assist the Group in its transformation and turnaround initiatives.

He currently serves on the boards of Theta Edge Berhad and Globetronics Technology Berhad. From April 2017 to January 2019, he served as the Group Chief Executive Officer ("CEO") and a board member of Granatum Ventures Sdn Bhd, the holding company of Khazanah Nasional Berhad's creative and media sector, with a portfolio of operations including Iskandar Malaysia Studios, content creation and content financing/investment. He played a key role in turning around the company and bringing international content production companies into Iskandar Malaysia Studios in 2018. He was one of the key figures in the production of Paskal The Movie, one of Malaysia's highest grossing box office movies, where he was an Executive Producer.

Dato' Iskandar was also a Member of the Lembaga Tabung Haji Investment Panel from 2016 to 2018. He served as the Managing Partner and Director of Ethos Consulting Sdn Bhd, a consulting firm that specialises in strategy, value creation and investment advisory. He was formerly the Group CEO of Pos Malaysia Berhad, and Group Director of DRB-HICOM Berhad.

He served as the Managing Director and CEO of Manipal Education Malaysia Sdn Bhd, founding CEO and a Board member of the Malaysian Biotechnology Corporation Sdn Bhd, and CEO and a Board member of Malaysian Technology Development Corporation Sdn Bhd. Dato' Iskandar has held several senior management positions and portfolios within Malaysia Airport Holdings, as well as served leading financial institutions including Bumiputra Merchant Bankers Berhad and Commerce International Merchant Bankers Berhad. He began his career with Arthur Andersen & Co in 1989.

Dato' Iskandar Mizal sits on the Board of Media Prima's subsidiaries including Sistem Televisyen Malaysia Berhad, Synchrosound Studio Sdn Bhd, Big Tree Outdoor Sdn Bhd, Primeworks Studios Sdn Bhd, Media Prima Digital Sdn Bhd, Media Prima Omnia Sdn Bhd (formerly known as Able Communications Sdn Bhd), Print Towers Sdn Bhd (formerly known as Berita Harian Sdn Berhad) and The New Straits Times Press (Malaysia) Berhad.

Dato' Iskandar graduated from Boston University, United States of America, with a Bachelor of Science in Business Administration, majoring in Accountancy.

DIRECTORS' PROFILE

INDEPENDENT NON-EXECUTIVE DIRECTOR

LYDIA ANNE ABRAHAM

AGE 62

GENDER F

NATIONALITY

- First appointment as Independent Non-Executive Director on 19 November 2013
- Chairman of Risk Management Committee
- Member of Audit Committee

Anne holds a B.A. in Mathematics from Essex University, United Kingdom, and a Higher National Diploma in Computer Studies from Plymouth Polytechnic, United Kingdom.

Within Media Prima Group, she sits on the Board of the New Straits Times Press (Malaysia) Berhad. She was previously the Chairman of Media Prima Digital Sdn Bhd.

She currently sits on the Board of Metrod Holdings Berhad and is a committee member of Pertubuhan Pelindung dan Penyelamat Kanak-kanak Selangor dan Kuala Lumpur (Protect and Save the Children Association of Selangor and Kuala Lumpur also known as P.S. The Children). She has been appointed as a Trustee on the Board of Tun Fatimah Hashim Women's Leadership Centre UKM.

Anne has over 20 years of experience in the Information Technology industry, starting out as a technical trainer in 1990, moving her way up to become the Managing Director for the Cisco Malaysian operations in 2008, a position she held for three years. Prior to that role, she was the Country Manager for the SAP Malaysian Operations for over two years. Holding leadership positions in two of the largest global technology corporations allowed her to be involved in strategic and significant technology discussions, recommendations and implementations across both government and corporate sectors in Malaysia. Her career track includes positions in Baan Asia Pacific, Oracle Malaysia and MCSB Systems Malaysia.

In the course of her corporate career, she has always been a strong advocate for women's advancement into leadership positions. In August 2011, she decided to leave the corporate world to establish a consulting and training organisation committed to changing perceptions and mindsets on the significance of balanced gender leadership. Hence the establishment of LeadWomen Sdn Bhd in November 2011. As founder and Chair of LeadWomen, Anne plays a pivotal role in guiding the company's vision and mission towards developing and advancing women into leadership and board positions across the corporate sectors.

DIRECTORS' PROFILE

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

RAJA DATUK ZAHARATON BINTI RAJA ZAINAL ABIDIN

AGE	71
GENDER	F
NATIONALITY	

- First appointment as Independent Non-Executive Director on 13 August 2015
- Redesignation as Senior Independent Non-Executive Director on 12 June 2018
- Chairman of Option Committee
- Member of Nomination and Remuneration Committee
- Member of Risk Management Committee

Raja Datuk Zaharaton holds a Bachelor Degree in Economics from University of Malaya and a Masters in Economics in 1979 from the University of Leuven, Belgium. She served as a civil servant for 34 years. Her last post in the Government was as Director General of the Economic Planning Unit specialising in policy analysis and financial evaluation.

Upon retirement, the Government of Malaysia appointed her as Chairman of Technology Park Malaysia Corporation Sdn Bhd from January 2006 to December 2008. Subsequently, the Government appointed her as Chairman of Ninebio Sdn Bhd from January 2009 for a two year period. Between 24 June 2014 to April 2017, she served as Chairman of Global Maritime Ventures Berhad, a subsidiary of Bank Pembangunan Malaysia Berhad.

Within Media Prima, Raja Datuk Zaharaton was previously the Chairman of Big Tree Outdoor Sdn Bhd and a member of the Board of Primeworks Studios Sdn Bhd.

She is a Director of her family-owned company, Kumpulan RZA Sdn Bhd. She is also an Independent Non-Executive Director of Taliworks Corporation Berhad, Yinson Holdings Berhad and ARECA Capital.

DIRECTORS' PROFILE

INDEPENDENT
NON-EXECUTIVE DIRECTOR

(Tan Sri Dato' Seri Utama Haji Ismail bin Haji Omar resigned effective 1 June 2020)

TAN SRI DATO' SERI UTAMA HAJI ISMAIL BIN HAJI OMAR

- First appointment as Independent Non-Executive Director on 22 July 2016

AGE	67
GENDER	M
NATIONALITY	

Tan Sri Dato' Seri Utama Haji Ismail holds a Bachelor of Law (Hons) LL.B, International Islamic University of Malaysia.

Within the Media Prima Group, he was the Chairman of The New Straits Times Press (Malaysia) Berhad and he was previously a member of the Board of Media Prima Digital Sdn Bhd.

Tan Sri Dato' Seri Utama Haji Ismail started his career as an Investigation Officer in the Criminal Investigation Department of the Royal Malaysian Police Force.

For the first twenty five years of his career, he was assigned to various police departments in several states in the country. Apart from criminal investigation, he also served as an Investigator in the Traffic Department, as Police Prosecutor in the magistrate courts, as an Administrator and Area Inspector and as an Investigator in the Disciplinary branch of the Federal Police Headquarters in Bukit Aman.

In 1992, he was promoted to the rank of Deputy Superintendent of Police. He continued to serve at the Federal Police Headquarters in the Criminal Department, Commercial Department and Narcotics Department. In 2005, with the rank of Deputy Commissioner of Police, he was tasked to head the Selangor Police Contingent as the Chief Police Officer of the State. Having successfully served in Selangor, he was further promoted as Director of Management, with the rank of Commissioner at the Federal Police Headquarters in Bukit Aman and subsequently promoted as the Deputy Inspector of Police in 2007.

In September 2010, the Yang di-Pertuan Agong affirmed him as the Inspector General of Police and he successfully completed his term of service in May 2013. After his brilliant career, he was appointed by His Majesty to be the Malaysian Ambassador for France from 2013 to 2015.

DIRECTORS' PROFILE

INDEPENDENT NON-EXECUTIVE DIRECTOR

(Datuk Loo Took Gee resigned effective 1 June 2020)

DATUK LOO TOOK GEE

AGE 63

GENDER F

NATIONALITY

- First appointment as Independent Non-Executive Director on 6 August 2016

Datuk Loo holds a Master Degree in Policy Science from Saitama University, Japan, a Diploma in Public Administration from the National Institute of Public Administration, Kuala Lumpur and Bachelor of Arts (Honours) Degree from the University of Malaya, Kuala Lumpur.

Within the Media Prima Group, she was the Chairman of Primeworks Studios Sdn Bhd, and a member of the Boards of Synchrosound Studio Sdn Bhd and Big Tree Outdoor Sdn Bhd.

She currently sits on the Boards of YTL Power International Berhad and Hartalega Holdings Berhad.

Datuk Loo served the Federal Government of Malaysia for 37 years as an officer of the Administrative and Diplomatic Service. She was appointed as the Secretary-General of the Ministry of Energy, Green Technology and Water, Malaysia, from 1 August 2010 until her retirement on 4 August 2016.

Subsequently, she was appointed as an Advisor to the Minister of Energy, Green Technology and Water, for one year from 1 September 2016 until 30 September 2017. One of her principal tasks as the Advisor was her secondment to Astana, Kazakhstan, to take charge of the Malaysia Pavilion at the Future Energy Expo in June 2017.

Her previous positions include – Deputy Secretary General (2) – Ministry of Energy, Water and Communications, Malaysia, from 9 April 2007 to July 2010; Undersecretary (International and Sustainable Energy), Energy Division, Ministry of Energy, Water and Communications, Malaysia from 1 January 2006 to 8 April 2007; Undersecretary (Policy And Industry Development), Energy Division, Ministry of Energy, Water and Communications, Malaysia, from August 2002 to 31 December 2005; Principal Assistant Secretary (Energy), Ministry of Energy, Communications and Multimedia, Malaysia, from October 1999 to August 2002; Principal Assistant Secretary, Ministry of Works, Malaysia, from November 1990 to October 1999; Principal Assistant Director, Public Services Department, Malaysia, from February 1983 to September 1988; and Assistant Director, Public Services Department, Malaysia, from November 1979 to February 1983.

DIRECTORS' PROFILE

INDEPENDENT NON-EXECUTIVE DIRECTOR

MOHD RASHID BIN MOHD YUSOF

AGE	64
GENDER	M
NATIONALITY	

- First appointment as Independent Non-Executive Director on 12 June 2018
- Chairman of Audit Committee
- Member of Nomination and Remuneration Committee

Mohd Rashid is a Fellow Member of the Association of Chartered Certified Accountants ("ACCA") and the Malaysian Institute of Accountants.

Within the Media Prima Group, Mohd Rashid was the Chairman of Synchrosound Studio Sdn Bhd and a member of the board of Sistem Televisyen Malaysia Berhad.

Mohd Rashid currently sits on the Boards of Scicom (MSC) Berhad, Velesto Energy Berhad and Standard Chartered Bank Malaysia Berhad.

His previous positions in Petronas were Vice President of Supply Chain and Risk Management, Managing Director of Engen Limited in South Africa and as the Head of Group Internal Audit, Group Treasury and Group Accounting.

DIRECTORS' PROFILE

INDEPENDENT NON-EXECUTIVE DIRECTOR

HISHAM BIN ZAINAL MOKHTAR

AGE 58

GENDER M

NATIONALITY

- First appointment as Independent Non-Executive Director on 27 February 2019
- Member of Nomination and Remuneration Committee
- Member of Risk Management Committee
- Member of Option Committee

Hisham obtained his Bachelor of Science and Master of Science in Mathematics from Illinois State University, in 1984 and 1986 respectively. He obtained his Master of Business Administration from Massachusetts Institute of Technology ("MIT"), under the Sloan Fellows Program at the MIT Sloan School of Management in 2010. He is also a chartered financial analyst ("CFA") charterholder.

Within the Media Prima Group, Hisham was the Chairman of Sistem Televisyen Malaysia Berhad.

He is an action-learning Business Coach at Asia School of Business since August 2018. He is presently on the boards of Telekom Malaysia Berhad, Principal Asset Management Berhad, and Principal Islamic Asset Management Sdn Bhd.

He began his career in the insurance industry at Universal Life and General Insurance in 1987. He joined William M Mercer Sdn Bhd in 1988 before becoming an investment analyst with Crosby Research (M) Sdn Bhd in 1991. He joined Barings Research (Malaysia) Sdn Bhd in 1994 and UBS Research (Malaysia) Sdn Bhd in 1996. He became a financial consultant at Sithe Pacific LLC in 1998, a regional independent power producer, and later ventured out to set up a boutique investment advisory firm, KE Malaysia Capital Partners Sdn Bhd.

He served Tricubes Berhad as an Executive Director and Vice President of Corporate and Financial Planning from April 2001 to April 2005. He then joined Khazanah Nasional Berhad in May 2005 and later served as a Director in the Investments Division from April 2009 to June 2014. He was Chief Operating Officer of Astro Overseas Limited from July 2014 until June 2018 and after that a Director in the Group Managing Director's Office at Malaysian Industrial Development Finance Berhad from July 2018 until March 2019.

DIRECTORS' PROFILE

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

MOHAMAD BIN ABDULLAH

- First appointment as Non-Independent Non-Executive Director on 1 October 2019
- Member of Audit Committee

AGE 58

GENDER M

NATIONALITY

Mohamad is currently the Managing Director of Percetakan Nasional Malaysia Berhad. He also serves as the Chairman for MPH Group (M) Sdn Bhd and also the Non-Executive Chairman of TMR Media Sdn Bhd, sit on the Board of Padiberas Nasional Berhad, and holds directorships in several private companies within the Al-Bukhary Group of Companies.

He has over 30 years of experience in corporate senior management positions and investment banking. This includes cultural and business transformation, joint ventures, mergers and acquisitions, capital raising and structuring in the public transport, hotel, facility management, real estate, healthcare, logistics, and media and printing industries. Mohamad served as the Managing Director of Pharmaniaga Berhad, Chief Operating Officer of UEM Land Sdn Bhd, Group Chief Financial Officer of Faber Group Berhad, General Manager of Corporate Affairs at Park May Berhad, Group Corporate Finance and Audit Manager of Kejora Holdings Sdn Bhd. He commenced his accounting career as an audit assistant with Azman, Wong, Salleh & Co in 1984 and later joined Arab-Malaysian Merchant Bank Berhad.

Within the Media Prima Group, Mohamad is the Director of Print Towers Sdn Bhd (formerly known as Berita Harian Sdn Berhad).

Mohamad graduated from the University of Bath, United Kingdom, with a Masters in Business Administration.

Notes:

Other than as disclosed:-
1) *None of the Directors have any conflict of interest with the Company.*
2) *None of the Directors have any convictions for offences within the past five years.*
3) *None of the Directors have any public sanctions and/or penalties imposed on them by the relevant regulatory bodies during FYE 2019.*
4) *None of the Directors have any family relationship with any Directors and/or Major Shareholders of the Company.*

SENIOR MANAGEMENT TEAM

Age:	**49**
Nationality:	Malaysian
Gender:	Male

DATE OF APPOINTMENT

- First appointment as Group Managing Director on 2 August 2017
- Member of Option Committee

DATUK KAMAL BIN KHALID

Former Group Managing Director

(Datuk Kamal Khalid has ended his tenure as Group Managing Director effective 31 March 2020)

Datuk Kamal received his secondary education in MRSM Muar, Johor, and graduated with a Bachelor of Laws (with Honours) Degree from the University of Nottingham, England, in 1994. He was selected to become Malaysia's Eisenhower Fellow for 2005.

He has previously held various positions in Media Prima including Chief Executive Officer, Television Networks, Chief Operating Officer of Group Shared Services, Chief Operating Officer of Business Development and International and Head of Content Distribution.

Prior to joining the company on 4 May 2009, he served as Head of the Communications Unit in the Prime Minister's Office from October 2003 to April 2009.

He has worked in the financial services sector, gaining experience in banking and private equity financing. He spent three and a half years at the Policy and Development Division at the Kuala Lumpur Stock Exchange (now Bursa Malaysia), where he eventually rose to the position of Manager, International Affairs. He was an Independent, Non-Executive Director of Utusan Melayu (M) Berhad from 2004 to 2009.

Datuk Kamal sat on the Board of Media Prima's subsidiaries including The New Straits Times Press (Malaysia) Berhad, Sistem Televisyen Malaysia Berhad, Synchrosound Studio Sdn Bhd, Big Tree Outdoor Sdn Bhd, Primeworks Studios Sdn Bhd and Media Prima Digital Sdn Bhd.

In addition, he is also a member of UniKL Industry Advisory Board and sits in the Marketing Committee of Football Association of Malaysia, since 2017. He has also been a Director on the Board of Malaysia External Trade Development Corporation since 2018.

Other than as disclosed, he does not have any family relationship with any Directors and/or major shareholders of Media Prima. He has no personal interest in any business arrangements involving Media Prima. He has had no convictions for any offences within the past five years.

Age:	**53**
Nationality:	Malaysian
Gender:	Male

DATE OF APPOINTMENT

- First appointment as Group Executive Director on 1 October 2019

DATO' ISKANDAR MIZAL BIN MAHMOOD

Group Executive Director

(Dato' Iskandar Mizal was appointed as Group Managing Director effective 1 April 2020)

Dato' Iskandar has over 30 years of experience with several companies ranging from multinationals to government-linked companies, spanning from investment banking to the technology sector. He brings this experience to assist the Group in its transformation and turnaround initiatives.

He currently serves on the boards of Theta Edge Berhad and Globetronics Technology Berhad. From April 2017 to January 2019, he served as the Group Chief Executive Officer ("CEO") and a board member of Granatum Ventures Sdn Bhd, the holding company of Khazanah Nasional Berhad's creative and media sector, with a portfolio of operations including Iskandar Malaysia Studios, content creation and content financing/investment. He played a key role in turning around the company and bringing international content production companies into Iskandar Malaysia Studios in 2018. He was one of the key figures in the production of Paskal The Movie, one of Malaysia's highest grossing box office movies, where he was an Executive Producer.

Dato' Iskandar was also a Member of the Lembaga Tabung Haji Investment Panel from 2016 to 2018. He served as the Managing Partner and Director of Ethos Consulting Sdn Bhd, a consulting firm that specialises in strategy, value creation and investment advisory. He was formerly the Group CEO of Pos Malaysia Berhad, and Group Director of DRB-HICOM Berhad.

He served as the Managing Director and CEO of Manipal Education Malaysia Sdn Bhd, founding CEO and a Board member of Malaysian Biotechnology Corporation Sdn Bhd, and CEO and a Board member of Malaysian Technology Development Corporation Sdn Bhd. Dato' Iskandar has held several senior management positions and portfolios within Malaysia Airport Holdings, as well as served leading financial institutions including Bumiputra Merchant Bankers Berhad and Commerce International Merchant Bankers Berhad. He began his career with Arthur Andersen & Co in 1989.

Dato' Iskandar graduated from Boston University, United States of America, with a Bachelor of Science in Business Administration, majoring in Accountancy.

Other than as disclosed, he does not have any family relationship with any Directors and/or major shareholders of Media Prima. He has no personal interest in any business arrangements involving Media Prima. He has had no convictions for any offences within the past five years.

SENIOR MANAGEMENT TEAM

Age:	**43**
Nationality:	Malaysian
Gender:	Female

DATE OF APPOINTMENT

- First appointment as Group Chief Financial Officer on 2 August 2017
- Appointment as Joint Company Secretary on 8 September 2015

FARNIDA BINTI NGAH

Group Chief Financial Officer

(Farnida Ngah resigned as Group Chief Financial Officer effective 24 April 2020)

Farnida oversees the shared services function of Media Prima that encompasses Group Finance, Corporate Finance, Investor Relations, Corporate Strategy, Group Information Technology, Group Management Services, Group Legal and Secretarial.

Farnida has been with Media Prima since 2009. She has over 20 years of experience in the field of accounting, finance, business assurance and various corporate transactions namely mergers and acquisitions, initial public offerings, corporate bond issuance, corporate restructuring and transformation.

Before Media Prima, she worked with PricewaterhouseCoopers for six years and KPMG for four years. She holds a Bachelor of Commerce, majoring in Accounting and Finance from the Flinders University of South Australia, and attended the Advanced Management Programme from Harvard Business School.

She is a Fellow CPA Australia ("FCPA"), a Fellow Chartered Accountants Australia and New Zealand ("FCAANZ"), a Fellow Chartered Institute of Management Accountants ("FCMA,CGMA") and a Member of the Malaysian Institute of Accountants ("MIA").

Other than as disclosed, she does not have any family relationship with any Directors and/or major shareholders of Media Prima. She has no personal interest in any business arrangements involving Media Prima. She has no convictions for any offences within the past five years.

Age:	**50**
Nationality:	Malaysian
Gender:	Male

DATE OF APPOINTMENT

- Joined Media Prima Berhad as Group Director of Commercial in November 2019
- Appointed as Executive Director/ CEO of Media Prima Omnia in January 2020

MICHAEL CHAN

Executive Director/Chief Executive Officer, Media Prima Omnia

Michael was most recently the CEO of MYTV Broadcasting, where he led the team to successfully migrate the Malaysian national broadcasting systems from analogue to digital, considered to be the region's biggest digitalisation effort to date.

He was previously the CEO of Bloomberg TV Malaysia, where he created country's first business focused TV station working alongside the international Bloomberg team.

Michael started his career as a Copywriter at Ogilvy & Mather, where he won numerous awards before switching to the client side as a marketer.

His first job as a Client was at Mutiara Telecom, where he led the efforts to rebrand the company to Digi, embedding his love for yellow in the brand's DNA.

Michael then moved on to broadcasting at Astro where he headed interactive TV services, before joining the Feel Good team at ntv7 as VP for Brand Marketing. He continued in the industry at Bernama TV as its CMO, before heading back to telecommunications with Maxis, where he launched several high profile sports marketing events, working closely with FIFA for the World Cup, and FAPL for the English Premier League.

Michael attended the Executive Development Program at Harvard Business School in 2002, and has been an Endeavor Mentor since 2013.

SENIOR MANAGEMENT TEAM

Age:	44
Nationality:	Malaysian
Gender:	Male

DATE OF APPOINTMENT

- Appointment as the CEO of Media Prima Television Networks ("MPTN") on 2 October 2017

JOHAN BIN MOHAMED ISHAK

Chief Executive Officer,
Media Prima Television Networks

(Johan Ishak resigned as Chief Executive Officer of Media Prima Television Networks effective 24 April 2020)

Johan is responsible for the overall operations of MPTN and to strengthen its core businesses while pursuing new business opportunities in-line with Media Prima's long-term growth strategies. He oversees Media Prima's TV3, ntv7, 8TV, TV9, tonton, xtra and the home-shopping business CJ WOW Shop.

Johan is a graduate of Monash University, Australia, with a Bachelor's degree in Business Accounting. He is also a Fellow of Chartered Accountants Australia New Zealand ("CAANZ") and a member of the Malaysian Institute of Accountants ("MIA").

Before MPTN, Johan was the CEO of MyCreative Ventures Sdn Bhd since 2012, a government investment arm for the Malaysian creative industry. During his tenure at MyCreative Ventures, Johan also became a founding member of the pioneering team for arts platform R!UH as well as the creative industry think-tank, Cultural Economy Development Agency ("Cendana").

Johan was formerly the General Manager at the Group Finance Department in Media Prima between 2009 to 2012 where he oversaw Financial Reporting, Financial Strategy, Budgeting, Taxation, Mergers and Acquisitions, Restructuring and Project Feasibility. He also served as an auditor with PricewaterhouseCoopers, Deloitte Touche Tohmatsu International and Head of Financial Accounting at Petronas Group of Companies.

He currently chairs Creative Content Association Malaysia ("CCAM") and myFreeview alliance of Digital TV broadcasters. Previously, he sat on the Board of the Malaysian National Art Gallery, Global Entrepreneurship Movement ("GEM") as well as Malaysian Venture Capital and Private Equity Association ("MVCA"). Occasionally, Johan lectures Consultancy courses at Universiti Teknologi MARA ("UiTM").

Other than as disclosed, he does not have any family relationship with any Directors and/or major shareholders of Media Prima. He has no personal interest in any business arrangements involving Media Prima. He has no convictions for any offences within the past five years.

Age:	59
Nationality:	Malaysian
Gender:	Male

DATE OF APPOINTMENT

- Appointed as Managing Editor of News and Current Affairs ("NCA"), Media Prima Television Networks 1 October 2018.

DATO' MANJA BIN ISMAIL

Managing Editor,
News and Current Affairs, Media Prima Television Networks

(Dato' Manja Ismail was redesignated as Head of Current Affairs and Factual Content, Primeworks Studios, effective 2 March 2020)

Dato' Manja started his career in journalism with Berita Harian in January 1985. He has held various positions within Media Prima including Bureau Chief of Berita Harian in Sarawak in January 1987, and Group Editor of Berita Harian and Director of Malay Production of The New Straits Times Press (Malaysia) Berhad in 2006.

In 2009, he served as Group Editor, News for ntv7, 8TV, TV9 and Radio News. He was appointed as Group Editor of NCA and Radio Networks in 2011 and promoted as Deputy Group Managing Director of NCA in 2013.

Dato' Manja graduated with a degree in Mass Communication from Universiti Teknologi Mara. He is a Wolfson Press Fellow from the University of Cambridge and was part of the US State Department International Visitors Programme in 2002, and British Foreign Office - Engaging with UK Islamic Leaders program in 2007.

Other than as disclosed, he does not have any family relationship with any Directors and/or major shareholders of Media Prima. He has no personal interest in any business arrangements involving Media Prima. He has had no convictions for any offences within the past five years.

SENIOR MANAGEMENT TEAM

Age:	59
Nationality:	Malaysian
Gender:	Male

DATE OF APPOINTMENT

- Appointment as Executive Director of News and Editorial Operations on 2 October 2018

MUSTAPHA KAMIL BIN MOHD JANOR

Executive Director, News and Editorial Operations/Interim Chief Executive Officer, The New Straits Times Press (Malaysia) Berhad

Mustapha sits on the Boards of Sistem Televisyen Malaysia Berhad and The New Straits Times Press (M) Berhad ("NSTP"). He is currently the Interim Chief Executive Officer of NSTP.

As Executive Director, Mustapha Kamil is responsible for the overall operations of Media Prima news and editorial functions. He provides the strategic direction and oversight of Media Prima Television Networks and NSTP news operations, and will focus on optimising the Group's news resources in-line with Media Prima's business transformation efforts.

He began his career as a Cadet Reporter in NSTP in 1989 and held various positions in the Company. In 1994, he attended the Advanced Journalism course, The Thomson Foundation in Cardiff, Wales. In 1994, he was a Reporter at the New Straits Times' ("NST") Business Times and later served as NSTP's Foreign Correspondent in New York, U.S. in 1999. He returned to serve as Business Times' Managing Editor in 2001. Mustapha Kamil was promoted as NST's Group Editor in 2013 until his resignation in May 2016.

Other than as disclosed, he does not have any family relationship with any Directors and/or major shareholders of Media Prima. He has no personal interest in any business arrangements involving Media Prima. He has had no convictions for any offences within the past five years.

Age:	51
Nationality:	Malaysian
Gender:	Male

DATE OF APPOINTMENT

- Appointed as Chief Operating Officer of The New Straits Times Press (Malaysia) Berhad ("NSTP") on 1 April 2019

DATO' YUSHAIMI MAULUD BIN YAHAYA

Chief Operating Officer, The New Straits Times Press (Malaysia) Berhad

Dato' Yushaimi has more than 29 years of experience in journalism, starting his career as a cub reporter with the Malay Mail after graduating from the NSTP Pre-Entry Training scheme in 1990.

In 2002, he was one of the two Malaysian journalists chosen for the Nihon Shinbun Kyokai/Japanese Press Foundation fellowship programme. Upon his return, he was tasked with setting-up four new bureaus for the Malay Mail (which was then part of the NSTP group), in Penang, Johor, Melaka, and Perak, in 2003.

As a writer, he was the recipient of the Malaysian Press Institute Best English News Report and Best Investigative Report awards in 2003 and 2014 respectively.

In 2004, he was promoted to Assistant News Editor. A year later, he was transferred to the New Straits Times ("NST") as a News Editor.

In 2006, he was promoted to Chief News Editor for the Malay Mail and Sunday Mail before becoming Deputy Editor in 2007. He assumed a string of roles including Acting Chief Operating Officer, Executive Editor (Production), Editor and subsequently Editor-in-Chief in 2010. He was also the Group Editorial Advisor for the Redberry Group, which had bought the Malay Mail title, and was engaged as a consultant for a news portal revamp.

Dato' Yushaimi re-joined the NST in November 2012 as an Executive Editor (News), in charge of general news, politics, crime, probes, streets, sports, Sunday Times and online desks; as well as the bureaus.

In March 2015, he was made Deputy Group Editor. He was appointed NST Group Editor on 1 March 2017. Later on January 1, 2018, he was appointed to the position of NSTP's Editor-in-Chief.

Dato' Yushaimi was also the Treasurer of the NSTP National Union of Journalists ("NUJ") Malaysia from 2001 to 2004, and the National Assistant Treasurer of the NUJ in 2004. He was also the Deputy President of the National Press Club from 2011 to 2013 and is currently an alternate member of Bernama's board of governors.

Other than as disclosed, he does not have any family relationship with any Directors and/or major shareholders of Media Prima. He has no personal interest in any business arrangements involving Media Prima. He has had no convictions for any offences within the past five years.

SENIOR MANAGEMENT TEAM

Age:	**35**
Nationality:	Malaysian
Gender:	Male

DATE OF APPOINTMENT

- CEO of Media Prima Digital ("MPD") since 15 April 2016.

RAFIQ BIN RAZALI

Chief Executive Officer, Media Prima Digital Sdn Bhd

Rafiq holds a Bachelor of Science (First Class Honours) in Actuarial Science from Pennsylvania State University, U.S., has comprehensive experience in business development and strategic planning. His track record includes establishing start-up companies related to digital and information technology.

His career in information technology began with Maxis Berhad where he held various positions that included responsibilities in the International Data Wholesale division and the Corporate Strategy division.

In 2011, Rafiq was part of the team which formed Groupon Malaysia. Groupon is an e-commerce company based in the United States, connecting customers with local merchants in more than 28 countries including Malaysia. He was promoted as Groupon's Country General Manager for Malaysia in 2013, following an impressive run of performance by the outfit.

In 2015, Rafiq and a group of investors established KFit, now known as Fave, a Malaysian start-up company that provides a fitness subscription service and a hyperlocal marketplace for the best food and services experiences in the city. KFit/Fave today boasts operations in six countries in the Asia Pacific and has raised funding from multiple Venture Capital funds including Sequoia Capital, one of the world's leading venture capital firms.

His appointment as MPD CEO is in line with the Media Prima's commitment to further consolidate its position as the largest integrated media group in Malaysia, providing the Group with numerous opportunities to introduce innovative solutions to fulfill the ever-changing needs of its customers.

He does not hold any directorship of any public or public-listed companies.

Other than as disclosed, he does not have any family relationship with any Directors and/or major shareholders of Media Prima. He has no personal interest in any business arrangements involving Media Prima. He has had no convictions for any offences within the past five years.

Age:	**49**
Nationality:	Malaysian
Gender:	Male

DATE OF APPOINTMENT

- Joined Big Tree in 2003 as Manager, Corporate Affairs and Business Development
- Appointed as the Chief Executive Officer of Big Tree on 16 November 2017

MOHAMAD SHUKOR BIN ARIFFIN

Chief Executive Officer, Big Tree Outdoor Sdn Bhd

Shukor has demonstrated strong leadership and contributed significantly towards the company's rapid growth to become Malaysia's leading Out-of-Home ("OOH") Advertising Solutions provider. He was later promoted to the position of General Manager, Business Development and Corporate Planning in September 2009 and then became General Manager of Operations in October 2011. In June 2017, he was made the Chief Operating Officer of Big Tree.

An advocate for the utilisation of the latest technologies, Shukor revolutionised the Malaysian OOH industry and Big Tree's offerings by bridging the experience of OOH media with online capabilities, extending reach, impact and recall. He has also been responsible for managing and developing activities concerned with the production of cutting-edge media formats that allow advertisers to not only reach consumers effectively but also cascade brand messages in the best possible way. Big Tree has significantly transformed the conventional advertising panels into those that utilise digital screens, halo panels, ambient media, retail displays and many other formats.

At Big Tree, Shukor led several key projects for the company which includes the implementation of OOH advertising solutions for the Malaysian Mass Rapid Transit ("MRT") and Light Rapid Transit ("LRT") lines. The transit lines are utilised by over 500,000 commuters daily and are essential for advertisers reaching the lucrative and young demographics.

Shukor graduated from the University of Bradford, United Kingdom, with a Bachelor of Science (Honours) in Economics. His other appointments prior to Big Tree include PLUS Malaysia Berhad and Azlan & Associates Consulting. He also sits on the Board of Big Tree.

Other than as disclosed, he does not have any family relationship with any Directors and/or major shareholders of Media Prima. He has no personal interest in any business arrangements involving Media Prima. He has had no convictions for any offences within the past five years.

SENIOR MANAGEMENT TEAM

Age:	**50**
Nationality:	Malaysian
Gender:	Male

DATE OF APPOINTMENT

- Chief Executive Officer of Primeworks Studios

DATUK AHMAD IZHAM BIN OMAR

Chief Executive Officer, Primeworks Studios

With a mission to always produce something new, exciting and different, Izham has ignited many different industries.

After a sterling performance heading Media Prima Television Networks ("MPTN"), Izham was promoted as Chief Executive Officer of Primeworks Studios Sdn Bhd ("PWS"), Malaysia's leading content company specialising in movies, television programmes, animation and more. Izham was also the head of Media Prima Radio Networks.

Izham also produced and co-wrote the script for the award-winning epic movie Pulang, which became a Netflix Original. He also produced Ejen Ali The Movie, the no. 1 local animation movie of all time, and one of the highest box-office movies in Malaysian cinema.

A multi-award-winning music producer, arranger, songwriter and musician, Izham's musical career started with the legendary Positive Tone record label in 1994, producing progressive music that captured the imagination of many Malaysians. His other feats include launching a world-class video portal called tonton, being awarded the Most Promising Entrepreneur Award by Enterprise Asia, being accepted as a delegate in the prestigious Asia Society 21 Young Leaders Summit, and recognised with a Lifetime Achievement Award by the Voice of Independent Music Awards ("VIMA") for his contributions to music.

Izham is an alumnus of Berklee College of Music (1991) in Boston, U.S. He then pursued his MBA at Suffolk University (1994) in Boston. He attended a course in Effective Media Strategies at Harvard University (2008) in Cambridge, U.S.

Izham is the Chairman of the Communications and Multimedia Content Forum of Malaysia ("CMCF").

Other than as disclosed, he does not have any family relationship with any Directors and/or major shareholders of Media Prima. He has no personal interest in any business arrangements involving Media Prima. He has had no convictions for any offences within the past five years.

Age:	**45**
Nationality:	Malaysian
Gender:	Male

DATE OF APPOINTMENT

- Joined Media Prima on 1 August 2005
- CEO of RIPPLE, formerly known as Media Prima Radio Networks ("MPRN"), since 2011

SEELAN PAUL

Chief Executive Officer, RIPPLE

Seelan is responsible for the overall operations of RIPPLE. As one of the pioneer members, Seelan has demonstrated strong leadership and steered the company towards substantial growth over the past 13 years. RIPPLE is the home of four established radio broadcast brands — Fly FM, Hot FM, One FM and Kool FM, seven digital brands — Dhia, Donna, Lunaria, The Laki, Likely, Chapters and Wakeke, a podcast platform — Ais Kacang, and an e-commerce brand — SuperDeals.

Seelan was first exposed to the media industry as a radio announcer prior to his role as Network Manager at MPRN. In 2009, he helmed as Chief Operating Officer and subsequently, promoted to Chief Executive Officer in 2011. The MBA graduate of Cardiff Metropolitan University has played an integral role in setting up Hot FM, One FM and Kool FM.

He is a big believer in delivering great content across multiple platforms. Seelan spearheaded the launch of RIPPLE in October 2018, which is an audience-focused digital media, broadcast and commerce company that engages audiences through content, talents, experiences, and platforms. He revamped MPRN into RIPPLE with the addition of seven digital brands and an e-commerce platform under its stable.

In recognition of his contribution towards the local radio industry, Seelan was appointed President of Commercial Radio Malaysia in October 2015. He was also a Committee Member of the National Football Development Programme Malaysia.

Other than as disclosed, he does not have any family relationship with any Directors and/or major shareholders of Media Prima. He has no personal interest in any business arrangements involving Media Prima. He has had no convictions for any offences within the past five years.

ADHERING TO THE HIGHEST STANDARDS OF CORPORATE GOVERNANCE

CORPORATE GOVERNANCE OVERVIEW STATEMENT

THE BOARD OF MEDIA PRIMA BERHAD IS PLEASED TO PRESENT MEDIA PRIMA BERHAD'S CORPORATE GOVERNANCE OVERVIEW STATEMENT ("OVERVIEW STATEMENT") FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019.

The Board of Directors of Media Prima Berhad is committed towards achieving excellence in corporate governance and acknowledges that the prime responsibility for good corporate governance lies with the Board. The Board is fully committed to ensuring that the highest standards of corporate governance are practised throughout the Group as a fundamental part of discharging its responsibilities to create, protect and enhance shareholders' value.

The Board believes that good corporate governance is fundamental in achieving the Group's objectives. In order to ensure that the best interests of shareholders and other stakeholders are effectively served, the Board continues to play an active role in improving governance practices and monitor the development in corporate governance within the Group.

The overview statement demonstrates the Board's commitment towards high standards of corporate governance practices, values and ethical business conducts in consistent and complies with the following best practices and guidelines:

(1) Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia);and

(2) Malaysian Code of Corporate Governance 2017 (MCCG) published by the Securities Commission.

The commitment and efforts of the Board and Management in sustaining high standards of corporate governance and investor relations have been substantiated by the following accolades received in 2019:

Awards	Organiser
MDA d Awards 2019 – Digital Publisher of the Year	Malaysian Digital Association
Asiamoney Asia's Outstanding Companies Poll 2019 – Most Outstanding Company in Malaysia (Consumer Discretionary Sector)	Asiamoney
MIRA The Investor Relations Awards 2019 – Best IR Website (Small Cap)	Malaysian Investor Relations Association (MIRA)

CORPORATE GOVERNANCE OVERVIEW STATEMENT

MCCG'S PRINCIPLE A - BOARD LEADERSHIP & EFFECTIVENESS

BOARD RESPONSIBILITIES

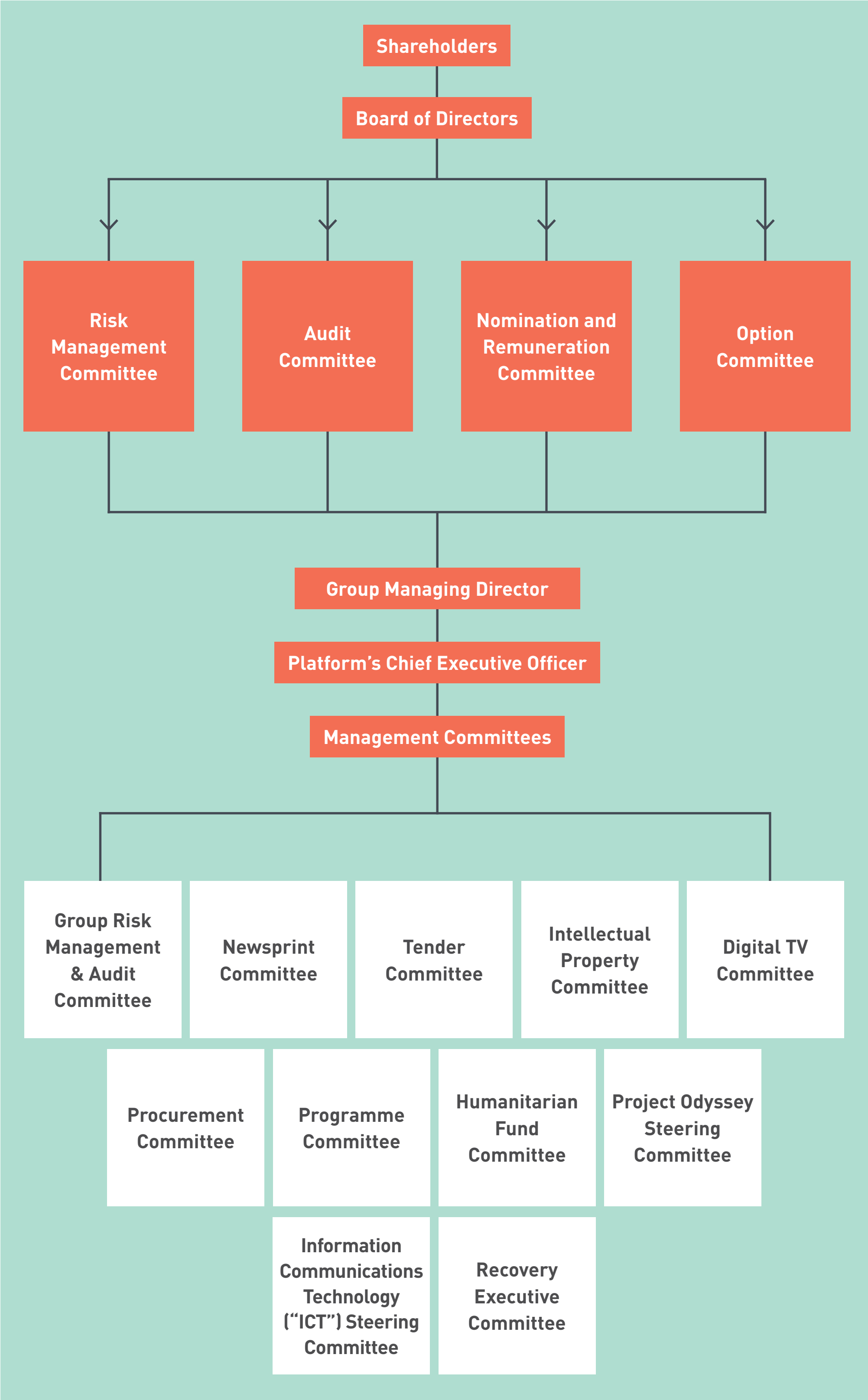
The Group is led and controlled by an effective Board. All Board members carry an independent judgement to bear on issues of strategy, performance, resources and standards of conduct. The Board recognises the Board's philosophy, principles, ethics, mission and vision and reflects this understanding on key issues throughout the year.

The Board plays an active role in the development of the Group's strategy. It has in place an annual strategy planning process, whereby the Management prepared and presented its Business Plan and Budget for the Board's review and approval. The Board reviews and challenges Management's views and assumptions. In furtherance of this, the Board then reviews and approves the annual budget for the ensuing year and sets the Key Performance Indicators in the Balanced Scorecard.

The Board promotes good corporate governance through sustainability practices which will translate into better corporate performance throughout the Group. A summary of these practices which demonstrate the Group's commitment to the evolving global environmental, social, governance and sustainability agenda is included in the Group's Sustainability Report 2019. Detailed coverage of our corporate responsibility initiatives are explained separately in our Sustainability Report 2019.

The Board is kept informed of key strategic initiatives, significant operational issues and the Group's performance based on the approved Key Performance Indicators in the Balanced Scorecard. The Chief Executive Officers of the business platforms and selected Senior Management were in attendance at Board meetings to support the Group Managing Director in presenting the updates on the progress of key initiatives, business targets and achievements to date and to provide clarification on the challenges and issues raised by the Board.

In order to ensure the effective discharge of its functions and responsibilities, the Board delegates specific powers to the relevant Board Committees and the Group Managing Director. The Group Managing Director shall steer and govern the Company with the support of the Management via the various Management Committees, as depicted below:-



Adhering to the highest standards of corporate governance

CORPORATE GOVERNANCE OVERVIEW STATEMENT

MCCG'S PRINCIPLE A - BOARD LEADERSHIP & EFFECTIVENESS

The Group Chairman leads the Board by setting the tone at the top, and manages the Board's effectiveness by focusing on strategy, governance and compliance. The Board monitors the functions of the Board committees in accordance with their respective Terms of Reference to ensure its own effectiveness.

The position of Group Chairman and Group Managing Director are held by two (2) different individuals. There is a clear distinction of roles and responsibilities between the Group Chairman of the Board and the Group Managing Director in order to ensure that there is an equilibrium of power and authority and that no individual has unfettered powers of decision.

The Board together with the Group Managing Director have developed position descriptions for the Board and the Group Managing Director, involving definition of the limits to management's responsibilities. The Board has also approved the corporate objectives for which the Group Managing Director is responsible to meet.

The Board is further assisted by the Group Company Secretaries who are responsible for providing a central source of guidance and advice to the Board, on its roles and responsibilities and good corporate governance.

The Board and its Committees have full and unrestricted access to all information necessary in the furtherance of their duties, which is not only quantitative but also other information deemed suitable such as customers satisfaction, product and service quality, market share, updates and reactions. The Board is provided with the agenda for every Board meeting together with comprehensive management reports in advance, for the Board's reference. The Chairman of the Board takes primary responsibility for organising information necessary for the Board to deal with the agenda and for providing this information to directors on a timely basis.

All directors have the right and duty to make further enquiries where they consider necessary. In most instances, members of Senior Management are invited to be in attendance of the Board meetings to provide insight and to furnish clarification on issues that may be raised by the Board.

The Board meets at least four (4) times a year, once in every quarter and has a formal schedule of matters specifically reserved for Board decisions such as the approval of corporate plans and budgets, acquisitions and disposals of assets that are material to the Group, major investments, changes to Management and control structure of the Group including key policies, procedures and authority limits. Additional meetings are held as and when required.

The Board is satisfied with the level of commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of Media Prima Berhad. The Directors' commitment is affirmed by the high percentage of their attendance at the Board meetings and respective Board Committee meetings of Media Prima Berhad held during the financial year ended 31 December 2019.

Number of meetings convened by the Board and each Board Committee

Meeting	Number Of Meetings In 2019
Board	6
Audit Committee	4
Risk Management Committee	4
Nomination and Remuneration Committee	3

BOARD MEETINGS

During the financial year ended 31 December 2019, the Board of Directors had met 6 times on the following occasions:-

No	Board Meeting	Date
1	**63rd Meeting**	27 February 2019
2	**Special Meeting**	10 May 2019
3	**64th Meeting**	30 May 2019
4	**65th Meeting**	22 August 2019
5	**Special Meeting**	1 November 2019
6	**66th Meeting**	21 November 2019

Details of Directors' attendance at the Board of Directors Meeting for the financial year ended 31 December 2019 are as follows:-

Director	Attended / Held	Attendance
Datuk (Dr) Syed Hussian bin Syed Junid *Independent Non-Executive Group Chairman* • *Appointed as Independent and Non Executive Director on 13 June 2019* • *Redesignated as Group Chairman on 1 July 2019*	3/3	100%
Datuk Mohd Nasir bin Ahmad *Independent Non-Executive Director* *(Resigned on 30 June 2019)*	3/3	100%
Datuk Kamal bin Khalid *Former Executive Director* *(Tenure ended on 31 March 2020)*	6/6	100%
Dato' Iskandar Mizal bin Mahmood *Executive Director* • *Appointed on 1 October 2019* • *Redesignated as Group Managing Director on 1 April 2020*	2/2	100%
Raja Datuk Zaharaton binti Raja Zainal Abidin *Senior Independent Non-Executive Director*	5/6	83%
Lydia Anne Abraham *Independent Non-Executive Director*	6/6	100%
Tan Sri Dato' Seri Utama Haji Ismail bin Haji Omar *Independent Non-Executive Director* *(Resigned on 1 June 2020)*	6/6	100%
Datuk Loo Took Gee *Independent Non-Executive Director* *(Resigned on 1 June 2020)*	6/6	100%
Mohd Rashid bin Mohd Yusof *Independent Non-Executive Director*	6/6	100%
Hisham bin Zainal Mokhtar *Independent Non-Executive Director* *(Appointed on 27 February 2019)*	5/5	100%
Mohamad bin Abdullah *Non-Independent Non-Executive Director* *(Appointed on 1 October 2019)*	2/2	100%

CORPORATE GOVERNANCE OVERVIEW STATEMENT

MCCG'S PRINCIPLE A - BOARD LEADERSHIP & EFFECTIVENESS

Key transactions deliberated and approved by the Board for the financial year ended 31 December 2019 include:-

Area	Key Transactions
Strategic Stewardship	• Proposed Budget and Business Plan of the Group for the financial year ending 31 December 2019; • Quarterly Project Odyssey Status Update and Group Managing Director's Reports; • Quarterly Risk Profiles of Media Prima Group; • Policies and Procedures; • MPB's Security Posture Assessment; • Ratification of the term sheet entered into between STMB & MyTV Broadcasting Sdn Bhd for the provisions of Digital Terrestrial Television Services; and • Manpower rationalising exercise.
Investor Relations	• Quarterly Equity Structure Report; • Quarterly Shareholdings' Reports; • Proceedings and Possible Questions and Answers for the 18th Annual General Meeting; • Press release on the Group's Performance for the financial year ended 2018; and • Press release on the Group's Quarterly Performance for the financial year ended 2019.
Financial Reporting	For the release of financial results and announcements made to Bursa Malaysia Securities Berhad:- • Group consolidated financial results for the financial year ended 2018; and • Group's quarterly consolidated financial results (i.e. Q4 2018 and Q1, Q2 & Q3 of 2019).
Boardroom Affairs	• Nomination and appointment of new Director / Chairman Designate; • Resignation of Group Chairman; • Composition of the Board Members in Subsidiaries; • Nomination of Directors / Member of Board Committees of Media Prima Berhad; • Deliberation of Findings on Board Effectiveness Evaluation Exercise; • Appointment of Directors to the Media Prima Berhad; • Annual Review on the list / composition of Directors for the Media Prima Group of Companies; and • Disclosure of Directors' interest.
Regulatory Compliance	• Annual Report 2018's Statements:- - Audit Committee Report; - Statement on Risk Management and Internal Control; - Risk Management Committee Report; - Corporate Governance Overview statements; - Group Chairman's Statement; and - Group managing Director's Statement. • Circulars / Letters from Authorities.
Litigation Status	Quarterly summary and status of litigations suits.
Employee Welfare	• Appointment and remuneration structure for the newly appointed Senior Management; • Employees' Key Performance Indicators achievements for financial year ended 2018; • Ex-gratia & token for Executives and above; • Salary increment for 2019; • FYE 2019 KPI scorecard framework; • Senior Management's Balance Scorecard Rating for financial year ended 2018; and • Balance Score Card for Senior Management in 2019.

BOARD COMMITTEES

The Board committees which comprise of Audit Committee, Risk Management Committee, Nomination and Remuneration Committee and Option Committee assist the Board to fulfil its governance role effectively. The details on Nomination and Remuneration Committee is elaborated further under Principle A of the overview statement on page 72 whilst details on Risk Management Committee and Audit Committee are further explained under Principle B of the overview statement on page 74.

Option Committee

The Option Committee was established on 27 August 2004 and is chaired by Raja Datuk Zaharaton binti Raja Zainal Abidin. The Option Committee comprises of the following members:

No	Director	Remarks
1	**Raja Datuk Zaharaton binti Raja Zainal Abidin** (Chairman)	Appointed on 23 March 2017
2	**Datuk Kamal bin Khalid**	Appointed on 2 August 2017 (Tenure ended on 31 March 2020)
3	**Hisham Zainal Mokhtar**	Appointed on 27 February 2019

The Committee held no meeting in 2019.

Adhering to the highest standards of corporate governance

CORPORATE GOVERNANCE OVERVIEW STATEMENT

MCCG'S PRINCIPLE A - BOARD LEADERSHIP & EFFECTIVENESS

BOARD DIRECTORSHIPS

All directors of the Group do not hold more than five (5) directorships in public listed companies as at 31 December 2019. Directorship of Board members on listed Companies including Media Prima Berhad is as follows:-

Board Member's Directorship in Listed Companies (including Media Prima Berhad)

Directorship	No Of Directors	Name Of Director	%
4 Directorships	1	Mohd Rashid bin Mohd Yusof	10%
3 Directorships	4	• Dato' Iskandar Mizal bin Mahmood • Raja Datuk Zaharaton binti Raja Zainal Abidin • Hisham bin Zainal Mokhtar • Datuk Loo Took Gee	40%
2 Directorships	1	• Lydia Anne Abraham	10%
1 Directorship	4	• Datuk (Dr) Syed Hussian bin Syed Junid • Datuk Kamal bin Khalid • Tan Sri Dato' Seri Utama Haji Ismail bin Haji Omar • Mohamad bin Abdullah	40%

The directors have sufficient time to carry out their responsibilities and the Group Chairman will be notified before a director accepts any new directorship.

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

Raja Datuk Zaharaton binti Raja Zainal Abidin who joined the Board on 13 August 2015 continues to be the Senior Independent Non-Executive Director in the current year, to whom concerns pertaining to the Group may be conveyed by shareholders and the public.

Shareholders and any other interested parties may contact Raja Datuk Zaharaton binti Raja Zainal Abidin to address any concerns in writing as per the following details:-

Email:
zaharaton@mediaprima.com.my

Office Address:
Media Prima Berhad,
Group Secretarial,
Level 3, Balai Berita Bangsar, Anjung Riong,
No. 31, Jalan Riong, Bangsar,
59100 Kuala Lumpur.

BOARD TRAINING

The Board acknowledges the importance of continuous development of its Directors and encourages them to partake in courses or programmes that serve to enhance their skills and update their knowledge.

All Directors had attended relevant training programmes in 2019 to enhance their skills and knowledge, and to keep abreast with the relevant changes in laws, regulations and business environment in order to discharge their duties effectively. Conferences, trainings and/ or seminars attended by the Board of Directors in 2019 are shown below:-

Conferences/ Seminars/Training	Date	Organiser	Attendees
LEADERSHIP & STRATEGY			
Leadership Talk	8 February 2019	Percetakan Nasional Malaysia Berhad	Mohamad bin Abdullah
PNB Leadership Forum	25 June 2019	Permodalan Nasional Berhad	Mohd Rashid bin Mohd Yusof
Demystifying the Diversity Conundrum: The Road to Business Excellence	5 July 2019 / 14 August 2019	• Robert Ford / Bursa Malaysia • Institute of Corporate Directors Malaysia ("ICDM")	• Lydia Anne Abraham • Datuk Loo Took Gee
Bursa Malaysia Thought Leadership Series - Sustainability Inspired Innovations - "Enablers Of the 21st Century"	23 September 2019	Bursa Malaysia	Hisham bin Zainal Mokhtar
EQ for Innovative Leadership	25 & 26 September 2019	Institute of Training and Development (ITD) World	Datuk (Dr) Syed Hussian bin Syed Junid
Board of Directors' Workshop - Embracing Disruption and Current Challenges in the CG Landscape	26 September 2019	Media Prima Berhad	• Datuk (Dr) Syed Hussian bin Syed Junid • Datuk Kamal bin Khalid • Raja Datuk Zaharaton binti Raja Zainal Abidin • Lydia Anne Abraham • Tan Sri Dato' Seri Utama Haji Ismail bin Haji Omar • Mohd Rashid bin Mohd Yusof
PNB Summit	30 September 2019	Permodalan Nasional Berhad	Mohd Rashid bin Mohd Yusof
Khazanah Megatrends Forum 2019: From the Past to the Future - Building Our Collective Brain	7 & 8 October 2019	Khazanah Nasional Berhad	• Datuk Kamal bin Khalid • Hisham bin Zainal Mokhtar

CORPORATE GOVERNANCE OVERVIEW STATEMENT

MCCG'S PRINCIPLE A - BOARD LEADERSHIP & EFFECTIVENESS

CONFERENCES/ SEMINARS/TRAINING	DATE	ORGANISER	ATTENDEES
International Directors Summit 2019 - The Trust Compass: Resetting the Course	14 & 15 October 2019	Institute of Corporate Directors Malaysia (ICDM)	Hisham bin Zainal Mokhtar
Leadership Talk (Personal Leadership Journey & Learning)	3 December 2019	Leaderonomics	Mohamad bin Abdullah
GOVERNANCE			
Speaker at Edelman Trust Barometer 2019 Topic: Global Findings - Rise of the Real Trust	27 March 2019	Edelman Malaysia	Datuk Kamal bin Khalid
Risk Management in Technology Policy	8 April 2019	Financial Institutions Directors Education (FIDE)	Mohd Rashid bin Mohd Yusof
Audit Committee Conference 2019: Meeting the New Expectations	15 April 2019	Malaysian Institute of Accountants / The Institute of Internal Auditors Malaysia	• Lydia Anne Abraham • Datuk Loo Took Gee • Mohd Rashid bin Mohd Yusof
Training on Directors' Duties and Responsibilities	28 May 2019	Taliworks Corporation Berhad	Raja Datuk Zaharaton binti Raja Zainal Abidin
Corporate Governance Advocacy Program: Cyber Security in the Boardroom - Accelerating from Acceptance to Action	27 June 2019	Bursa Malaysia Berhad	Datuk Kamal bin Khalid
MIA Conference 2019	22 & 23 September 2019	Malaysian Institute of Accountants	Mohd Rashid bin Mohd Yusof
Malaysia's Diversity Experience	2 October 2019	Bursa Malaysia	Raja Datuk Zaharaton binti Raja Zainal Abidin
Bursa Malaysia Advocacy Programmes - CG: Session on Corporate Governance & Anti Corruption	31 October 2019	Bursa Malaysia	Dato' Iskandar Mizal bin Mahmood
The Securities Commission Malaysia's Audit Oversight Board Conversation with Audit Committees	8 November 2019	Securities Commission	Hisham bin Zainal Mokhtar
Raising Defences Section 17A, MACC Act	14 November 2019	Icliff Leadership and Governance Centre	Mohd Rashid bin Mohd Yusof
Directors' Training - Lessons learnt from project failures	17 December 2019	Yinson Holdings Berhad	Raja Datuk Zaharaton binti Raja Zainal Abidin
Malaysia Anti-Corruption Commision - Introduction to Section 17A: offence by commercial organisation	19 December 2019	Areca Capital Sdn Bhd	Raja Datuk Zaharaton binti Raja Zainal Abidin
TECHNOLOGY			
APAC Broadcast & Video Roundtable 2019 - Singapore	13 & 14 March 2019	Google	Datuk Kamal bin Khalid
High Security Printing EMEA 2019 - Malta	26 & 27 March 2019	Reconnaissance International Company	Mohamad bin Abdullah
APAC Netflix Partner Summit 2019 - Bali, Indonesia	22 - 23 April 2019	Netflix	Hisham bin Zainal Mokhtar
APOS 2019 - Asia's Premier Event For The Media, Telecoms & Entertainment Industry - Bali, Indonesia	23 - 25 April 2019	Media Partners Asia	Hisham bin Zainal Mokhtar
Panellist in APOS 2019 Topic: All-in Distribution Deals for Online Video - Bali, Indonesia	24 April 2019	Media Partners Asia	Datuk Kamal bin Khalid
Mobile World Congress 2019: Intelligent Connectivity - Shanghai, China	26 - 28 June 2019	Mobile World Congress	Hisham bin Zainal Mokhtar
Panellist in AmBank BizConference 2019 Topic: Growing Your Business Through Digital Marketing & Branding	9 July 2019	Media Specialists Association	Datuk Kamal bin Khalid
Demystify Digital Talk	27 August 2019	Media Prima Berhad	Datuk Kamal bin Khalid
Speaker in AVIA Malaysia in view 2019 Topic: Media Prima: Paths To Value Creation for TV & Digital Video	3 September 2019	Asia Video Industry Association (AVIA)	Datuk Kamal bin Khalid
Panellist in AVIA Asia Video Summit 2019 Topic: The Reinvention of Free to Air in Asia - Singapore	5 November 2019	Asia Video Industry Association	Datuk Kamal bin Khalid
High Security Printing Asia 2019 - Yokohama, Japan	25 - 27 November 2019	Reconnaissance International Company	Mohamad bin Abdullah

CORPORATE GOVERNANCE OVERVIEW STATEMENT

MCCG'S PRINCIPLE A - BOARD LEADERSHIP & EFFECTIVENESS

Code of Ethics

The Company's Codes of Ethics for Directors and employees govern the standards of conduct and behaviour expected from Directors and employees respectively. They are to be applied to all aspects of business and professional practices and act in good faith in the best interests of Media Prima Group and its stakeholders.

The Code of Ethics for Directors is available on www.mediaprima.com.my whilst the Code of Ethics for employees is available on the Company's Intranet System (PeopleConnect). It requires all to observe high ethical standards of honesty and integrity whilst prohibiting activities or misconduct such as accepting bribes, dishonest behaviour and sexual harassment, among others.

In order to strengthen corporate governance practices across the Group, a whistleblowing policy was established to provide employees with accessible avenue to report suspected fraud, corruption, dishonest practices or other similar matters. The aim of this policy is to promote and encourage the reporting of such matters in good faith, with the confidence that employees making such reports will be protected from reprisal.

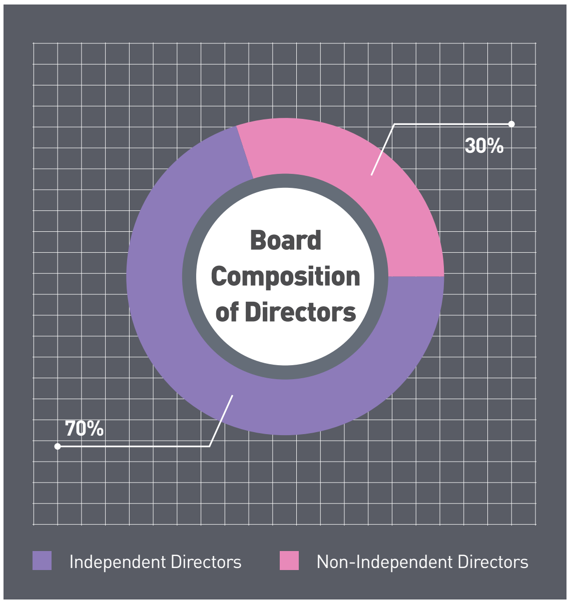
The whistleblowing policy and the anti-fraud policy can be accessed by all staff via the Group's intranet. The key components of the whistleblowing policy include protection to the whistleblower from any retaliation in the form of dismissal, harassment or discrimination at work, or any action in court, in respect of disclosure made by the whistleblower to the regulators. Any employee who believes or suspects that a fraud exists or has been committed may report this to the Group General Manager, Group Corporate Governance Department.

BOARD COMPOSITION

In accordance with the Company's Constitution, newly-appointed directors shall hold office until the next Annual General Meeting and shall then be eligible for re-election. The Articles also provide that all Directors shall retire from office once at least in every three years. Retiring directors may offer themselves for re-election.

The Board comprises of seven Independent Directors, one Non-Independent Director and two Executive Directors who serve as Group Managing Director and Group Executive Director respectively. The strong presence of seven Independent Non-Executive Directors assures effective check and balance on the functioning of the Board.

By virtue of their roles and responsibilities, the seven Independent Non-Executive Directors represent the Group's minority shareholders' interests. They are independent of the Management and free from any undue influence from interested parties which could materially interfere with the exercise of their independent judgement.



In discharging their responsibilities during each Board and Committee meeting, through their vast experience and knowledge, the directors had maintained their independence and objectivity in every major decision to safeguard the Company's and stakeholders' best interest.

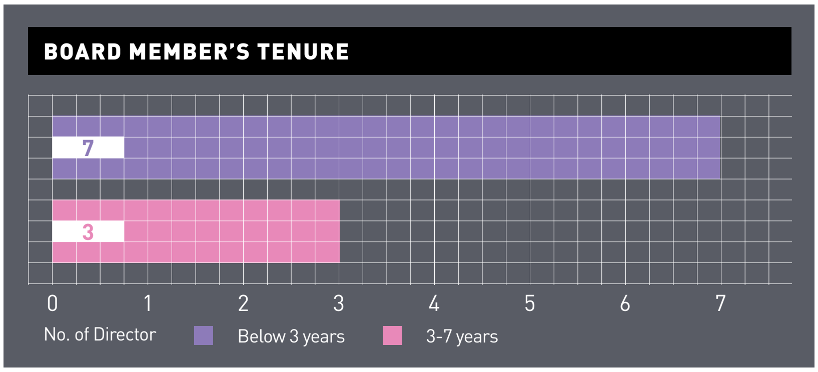
The Nomination and Remuneration Committee and the Board have upon their Board Effectiveness Evaluation exercise, concluded that all of the Independent Non-Executive Directors continue to demonstrate conduct and behaviour that are essential indicators of independence, and that each of them continue to fulfil definition of independence as set out in the terms of reference and the listing requirements.

The Board recognises that an individual independence cannot be determined arbitrarily on the basis of a set period of time alone. The Board also firmly believes that the ability of a Director to serve effectively is dependent on his calibre, qualification, experience and personal qualities, particularly his integrity and objectivity. It is also believed that there are significant advantages to be gained from long-serving Directors who possess insight and knowledge of the Company's business and affairs.

Hence, an Independent Director who has served the Company for nine years, subject to the Nomination and Remuneration Committee' recommendation and Shareholders' approval, may continue to serve the Group in the capacity of Independent Director.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

MCCG'S PRINCIPLE A - BOARD LEADERSHIP & EFFECTIVENESS

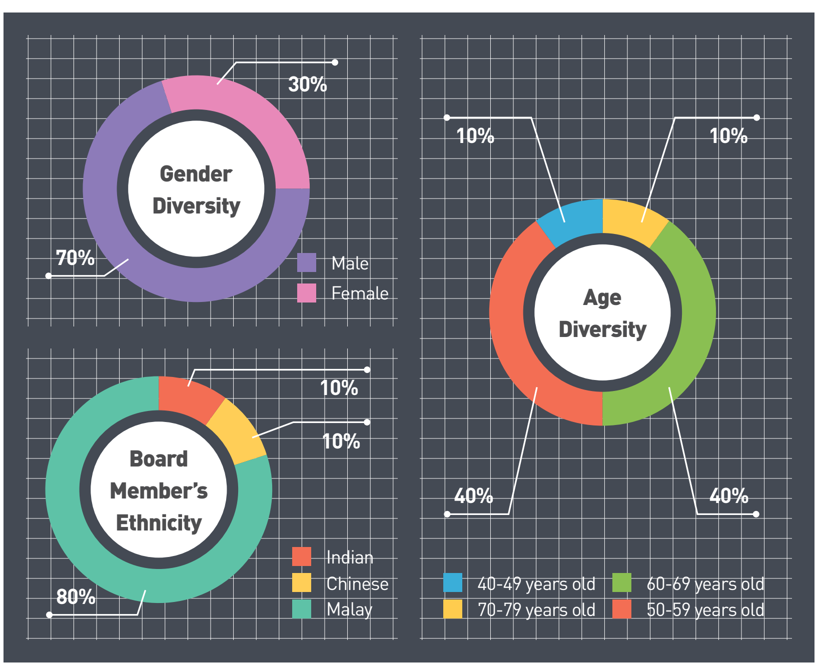


The Group Chairman and all Independent Non-Executive Directors have served the Board for less than nine (9) years where their tenures are set out in the Board of Directors' Profiles as set out on page 48 to 57 of this Annual Report.

The Nomination and Remuneration Committee is responsible for recommending to the Board those Directors who are eligible to stand for election/reappointment. This recommendation is based on formal reviews of the performance of the Directors, taking into account the Board Effectiveness Evaluation results, contribution to the Board through their skills, experience, strengths and qualities, level of independence and ability to act in the best interests of the Group in decision-making.

In its effort to promote boardroom diversity, the Nomination and Remuneration Committee has taken various steps to ensure that candidates are sought from various sources as part of its recruitment exercise. The experience and background of the respective Board members are described in their profiles as set out on page 48 to 57 of this Annual Report.

The Board is supportive of gender and ethnic diversity and the following diagrams depict a summary of Board diversity in Media Prima Berhad in terms of age group, gender diversification and ethnicity as at 31 December 2019:-



REMUNERATION

The Group has established a formal and transparent procedures for developing policy on executive remuneration and for fixing the remuneration package of individual director. The objective of the Group's policy on directors' remuneration is to attract and retain directors of the calibre needed to manage the Group successfully.

The Nomination and Remuneration Committee, carries out the annual review of the overall remuneration policy for Executive Director where recommendations are submitted to the Board for approval. The remuneration for Executive Director is structured to link rewards to corporate and individual performance. It is nevertheless, the ultimate responsibility of the Board to approve the remuneration of this director.

The determination of the remuneration packages of Non-Executive Directors (whether in addition to or in lieu of their fees as directors), is a matter for the Board as a whole, subject to approval of shareholders at the Annual General Meeting. Each individual director would abstain from the Board's decision on his or her own remuneration to avoid any conflict of interest.

a. **Remuneration Package for Executive Director**

The remuneration package of the Executive Director is as follows:-

i. **Basic Salary**

The Nomination and Remuneration Committee recommends the basic salary (inclusive of statutory employer contributions to the Employee Provident Fund) for the Executive Director, taking into account the performance of the individual, the inflation price index and information from independent sources on the rates of salary for similar positions in selected group of comparable companies.

ii. **Performance Bonus**

The Group operates a performance based bonus scheme for all employees, including the Executive Director. The criteria for the scheme is dependent on the achievement of KPI set for the Group's business activities as measured against targets, together with an assessment of each individual's performance during the period. Bonus payable to the Executive Director is reviewed by the Nomination and Remuneration Committee and approved by the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

MCCG'S PRINCIPLE A - BOARD LEADERSHIP & EFFECTIVENESS

iii. **Fixed Allowance**

The Executive Director is entitled for fixed allowances.

iv. **Benefits-in-Kind**

The Executive Directors is entitled to other customary benefits such as Group Hospitalisation and a driver.

b. **Remuneration Package for Non-Executive Directors**

Non-Executive Directors are paid annual fees and attendance allowance for each Board meeting attended. They are also entitled for Group Hospitalisation.

Directors of Media Prima Berhad are also covered under a Directors and Officers Liability Insurance Policy against any liability incurred by them in discharging their duties while holding office as directors of the Group. The directors contribute partially for the payment of the insurance premium.

BOARD PAPERS

Board papers are circulated on a timely basis, at least five (5) days in advance of the meeting to enable the members to have sufficient time to review the papers prepared. Board papers are comprehensive and encompass all aspects of the matters being considered, enabling the Board to look at both the quantitative and qualitative factors so that informed decisions are made. The Board papers supplied to the directors include quarterly performance reports of the Group, corporate proposals, Group's risk profiles, information on operational and financial issues, updates on Group's corporate social responsibility, business forecasts and outlook and Circular Resolutions passed.

BOARD CHARTER

A Board Charter had been established with the objectives to ensure that all Board members are aware of their duties and responsibilities, the various legislations and regulations affecting their conduct and that the principles and practices of good corporate governance are applied in all dealings by Board members individually and/or on behalf of the Group. The Board Charter outlines processes and procedures for the Board and its committees in discharging their stewardship effectively and efficiently.

Media Prima's Board Charter sets out the board's strategic intent, authority and terms of reference and serves as a primary source of reference and induction literature. In addition, the Board Charter outlines the requirements, roles and responsibilities of the Board, Board Committees and individual Directors, in line with Media Prima's efforts to promote the highest standards of corporate governance. To ensure that it remains relevant, the Board Charter is reviewed every three years or as change arises to ensure the Company remains at the forefront of best practices in governance. The Board Charter is available at Media Prima Website at www.mediaprima.com.my.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was established on 14 May 2015 and is chaired by Datuk (Dr) Syed Hussian bin Syed Junid. The Committee had held three (3) meetings in 2019 namely on 25 February 2019, 3 June 2019, and 26 September 2019 and members' attendance is as follows:-

No.	Directors	Attended / Held	Attendance
1	**Datuk (Dr) Syed Hussian bin Syed Junid** (Appointed on 22 November 2019) (Redesignated as Chairman on 3 April 2020)	n/a	n/a
2	**Raja Datuk Zaharaton binti Raja Zainal Abidin** (Redesignated as Member on 3 April 2020)	3/3	100%
3	**Tan Sri Dato' Seri Utama Haji Ismail bin Haji Omar** (Resigned as Member on 3 April 2020)	3/3	100%
4	**Mohd Rashid bin Mohd Yusof**	3/3	100%
5	**Hisham bin Zainal Mokhtar** (Appointed on 27 February 2019)	2/2	100%

The Nomination and Remuneration Committee recognises the importance of an appropriate balance and diversity of knowledge, skills, backgrounds, experience, professional qualifications and gender in building an effective Board. It has established policies, criteria and a clear methodology in accordance with its Terms of Reference which can be found in the Board Charter.

Key transactions deliberated and approved by the Board during NRC meetings in 2019 include:

i. Annual review of the list/composition of Directors for the MPB Group of Companies;
ii. Nomination/appointment of Directors and Group Chairman;
iii. Proposed renewal of contract and remuneration structure for Senior Management;
iv. Key Performance Indicator (KPI) achievements for the year of 2018;
v. Proposed ex-gratia and token for executive & above and salary increment for 2019;
vi. KPI Scorecard framework 2019 for Senior Management; and
vii. Board Effectiveness Evaluation exercise.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

MCCG'S PRINCIPLE A - BOARD LEADERSHIP & EFFECTIVENESS

The details on the remuneration of directors for the financial year ended 31 December 2019, distinguishing between Executive and Non-Executive Directors are as follows:

Directors	Fees (MPB & Subsidiaries) (RM)	Fees (Board Committees) (RM)	Salary (RM)	Statutory (EPF) (RM)	Other Remunerations / Emoluments (RM)	Benefits-In-Kind (RM)	Total (RM)
Datuk (Dr) Syed Hussian bin Syed Junid	43,891	219	-	-	194,500	3,778	242,388
Datuk Mohd Nasir bin Ahmad	48,123	312	-	-	210,000	-	258,435
Raja Datuk Zaharaton binti Raja Zainal Abidin	110,000	5,000	-	-	58,000	-	173,000
Lydia Anne Abraham	125,000	7,000	-	-	61,750	-	193,750
Tan Sri Dato' Seri Utama Haji Ismail bin Haji Omar	140,000	8,000	-	-	84,250	-	232,250
Datuk Loo Took Gee	123,000	4,000	-	-	56,000	-	183,000
Mohd Rashid bin Mohd Yusof	120,315	7,000	-	-	53,000	-	180,315
Hisham bin Zainal Mokhtar	109,699	3,375	-	-	63,000	-	176,074
Mohamad bin Abdullah	15,123	-	-	-	2,000	-	17,123
Total For Non-Executive Directors	**835,151**	**34,906**	**-**	**-**	**782,500**	**3,778**	**1,656,335**
Datuk Kamal bin Khalid	-	-	932,160	200,736	111,432	7,200	1,251,528
Dato' Iskandar Mizal bin Mahmood	-	-	180,000	37,800	15,000	1,800	234,600
Total For Executive Directors	**-**	**-**	**1,112,160**	**238,536**	**126,432**	**9,000**	**1,486,128**
Total	**835,151**	**34,906**	**1,112,160**	**238,536**	**908,932**	**12,778**	**3,142,463**

The remuneration paid to the Top 5 senior management of the Company during the year is as follows:-

Remuneration Range (not including Group Managing Director and Group Executive Director)	Number of Senior Management
RM750,001 to RM800,000	1
RM700,001 to RM750,000	1
RM650,001 to RM700,000	1
RM500,001 to RM550,000	1
RM100,001 to RM150,000	1

Note: Successive bands of RM50,000 are not shown entirely as they are not represented.

The remuneration including salary, benefits in-kind and other emoluments of the Top 5 Senior Management of the Company disclosed above is on an aggregate basis and in bands of RM50,000 instead of on a named basis.The Board has decided that the disclosure of the senior management's individual remuneration would not be in the best interest of the company to support the company's efforts to retain key senior management and due to sensitivity & security concerns.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

MCCG'S PRINCIPLE B - EFFECTIVE AUDIT & RISK MANAGEMENT

AUDIT COMMITTEE

The Audit Committee was established on 19 August 2003 and is currently chaired by Encik Mohd Rashid bin Mohd Yusof who is a Chartered Accountant with the Malaysian Institute of Accountants ("MIA") and a Fellow of the Association of Chartered Certified Accountants ("ACCA") United Kingdom. The Board believes that the current composition has the required experience and knowledge for the roles of Audit Committee.

The Audit Committee consists of three (3) Non-Executive Directors with majority of them being independent directors and no alternate director is appointed as member of the Audit Committee.

The Group's External Auditors Policy prescribes that the Audit Committee is responsible to assess, review and monitor the performance, suitability and independence of the External Auditors and make recommendation on the appointment and removal of the External Auditors to the Board of Directors.

The Group's External Auditors Policy requires that any former key audit partner shall observe a cooling period of at least two (2) years before being appointed as a member of the Audit Committee.

A detailed report on the Audit Committee comprises of its composition, terms of reference and summary of 2019 activities can be found on page 84 to 88 of this Annual Report.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board acknowledges its responsibility for the Group`s system of internal controls and risk management and for reviewing the effectiveness of these systems to ensure compliance with the applicable laws and regulations, as well as internal procedures and guidelines.

The Board is assisted by the Risk Management Committee in the oversight and its management of all identified risks. The Risk Management Committee is currently chaired by Puan Lydia Anne Abraham.

The Risk Management Committee meets quarterly to ensure that the accountability for managing identified significant risks is clearly assigned and that any identified risks affecting the Group are being addressed, managed and mitigated on an ongoing basis. The Risk Management Committee also reviews the risk management framework to ensure that it remains relevant for use and monitors the effectiveness of risk mitigation plans for the management and controls of the key risks.

The Enterprise-wide Risk Management ("ERM") framework practiced by the Group is largely benchmarked against the ISO 31000:2009 Risk Management – Principles and Guidelines. The Board, from time to time, reviews the framework to facilitate a continuous and iterative process which leads to the enhancement of risk awareness across the organisation. The Enterprise-wide Risk Management framework enables the subsidiaries, operating units and support functions to exercise a consistent approach for risk identification and institutes a common platform to deliberate and manage risks.

Further details of the activities undertaken by the Risk Management Committee during the year are set out in the Risk Management Committee Report in page 89 to 92 of this Annual Report.

The Group's Internal Control

The Board is ultimately responsible for the adequacy and integrity of the Group's internal control system. The effectiveness of system of internal controls of the Group is reviewed by the Audit Committee during its quarterly meetings. This review covers the financial, operational and compliance controls as well as the process for the identification, evaluation and management of the significant risks faced by the Group.

A detailed report on the nature and scope of risk management and internal control in reviewing the adequacy and effectiveness of risk management and internal control of the Group during the financial year 2019 is outlined on page 77 to 83 of this Annual Report.

The internal audit function within the Group is carried out by the Group Corporate Governance Department. The department is led by the Group General Manager, Group Corporate Governance who reports directly to the Audit Committee. The Group Corporate Governance Department checks for compliance with statutory/regulatory requirements, internal policies and procedures and review the work processes/ procedures for efficiency and effectiveness. Complementing the function of the Group Risk Management, the Group Corporate Governance Department also assesses the risk management and internal control effectiveness of the Group's operation during their course of reviews.

All internal audit activities during the financial year were conducted by the Group Corporate Governance Department. The details of the Group Corporate Governance Department's activities are presented in page 86 to 88 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

MCCG'S PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

COMMUNICATION WITH STAKEHOLDERS

The Group maintains regular and proactive communication with its stakeholders and investors, with the provision of clear, comprehensive and timely information through a number of readily accessible channels such as Corporate Website and Investors Briefing.

Media Prima Berhad believes in building investors' confidence through good corporate governance practices. The latest information on the corporate and business aspects such as stock information, financial results, announcements and quarterly results can be accessed via our corporate website at www.mediaprima.com.my. Media Prima Berhad uses various social media channels as an communication channel and to engage with stakeholders.

The Group's Investor Relations policy provides guidelines on the activities that enable the Board and Management to communicate effectively with the investment and financial community and other stakeholders including institutional investors, fund managers, analysts, bankers as well as research and stock-broking houses and the general public in relation to dissemination of timely, relevant and accurate information pertaining to the Group.

The Group welcomes inquiries and feedback from shareholders and other stakeholders. All queries and concerns regarding the Group may be conveyed to the following personnel:-

Name	Designation	Related Matters	Email / Contact No.
Rosli bin Sabarudin	Acting Group Chief Financial Officer	Financial	rosli.sabarudin@mediaprima.com.my /03-27248712
Sere Mohammad bin Mohd Kasim	Group General Manager, Group Corporate Governance	Governance & Internal Audit	sere@mediaprima.com.my /03-2724 8975
Mohd Hisham bin Md. Shazli	Group General Manager, Group Risk Management	Risk Management	hishams@mediaprima.com.my /03-2724 8988
Zuraidah Mohd Yatim	General Manager, Group Regulatory Affairs/ Intellectual Property	Regulatory Affairs/ Intellectual Property	zuraidah@mediaprima.com.my /03-2724 8927
Tan Say Choon	Group General Manager, Group Secretarial	Corporate Secretarial and Board Matters	jessica@mediaprima.com.my /03-2724 8911
Sharifah Nur Adibah binti Syed Tahir	General Manager, Corporate Finance & Investor Relations	Corporate Finance & Investor Relations	nuradibah@mediaprima.com.my /03-2724 8702
Azlan bin Abdul Aziz	Group General Manager, Group Corporate Communications	Corporate Responsibility and Other Queries	azlan.aziz@mediaprima.com.my /03-2724 8949

The Group is considering to adapt integrated reporting to improve the quality of information available to investors and promotes greater transparency and accountability in the near future.

CONDUCT OF GENERAL MEETINGS

In addition to the Quarterly Financial Reports and annual report, the Annual General Meeting ("AGM") remains the principal opportunity for communication with shareholders and investors. At each AGM, the Board presents the progress and performance of the Group. The Group Chairman and/or the Group Managing Director presents a comprehensive review of the financial performance of the Group and value created for shareholders. This review is supported by visual and graphical presentations of key points and financial figures.

Shareholders are encouraged to participate in the proceedings and ask questions on the operations of the Group and on any resolutions being proposed. The Group Chairman will provide sufficient time for shareholders' questions on matters pertaining to the Group's performance and seek to explain concerns raised by the shareholders.

Each item of ordinary and special business included in the notice of the meeting will be accompanied by a full explanation of the effects of a proposed resolution. Separate resolutions are proposed for separate issues at the meeting and the Group Chairman declares the outcome of each resolution after proposal and secondment are done by the shareholders.

The Group had given 31 days notice to the shareholders for the 18th Annual General Meeting held on 10 May 2019.

All directors attended the 18th AGM, each Director representing each Board Committee provided meaningful responses to the questions raised by the shareholders during the session. Minutes of meeting on the AGM was uploaded timely for public viewing and is available on www.mediaprima.com.my

The Group will consider leveraging on technologies especially to facilitate offsite voting (including voting in absentia) and remote shareholders' participation at the AGM. These initiatives will enable shareholders to participate, engage the Board and Senior Management effectively and make informed voting decisions at AGMs.

The overview statement is to be read together with the corporate governance report which is made available on the group's official website at www.mediaprima.com.my

The Corporate Governance Overview Statement was approved by the Board of Directors during the meeting dated 26 February 2020.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

There were no proceeds raised from corporate proposals during the financial year.

2. NON-AUDIT FEES

The amount of Non-Audit Fees paid/payable to external auditors and their affiliated companies by the Company for the financial year ended 31 December 2019 is set out in Note 8 to the financial statements for the financial year ended 31 December 2019.

3. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

There was no material contract entered into by the Group involving the interest of directors and major shareholders, either still subsisting at the end of the financial year ended 31 December 2019 or entered into since the end of the previous financial year.

4. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE ("RRPTs")

Saved as disclosed below, none of the RRPT entered into by the Group during the financial year ended 31 December 2019 exceeded the threshold prescribed under Chapter 10.09 of the Main Market Listing Requirements which required announcement to be made to Bursa Malaysia Securities Berhad ("Bursa Malaysia") and/or shareholders' approval.

The Company had on 12 March 2020 released an announcement to Bursa Malaysia on the RRPT entered between the Company's wholly-owned subsidiary, Sistem Televisyen Malaysia Berhad and its subsidiaries ("STMB Group") with a related party, MYTV Broadcasting Sdn Bhd ("MYTV") for the digital terrestrial television ("DTT") services which includes television transmission and broadcasting services through MYTV distribution network since 1 November 2019. The aggregated transaction value up till 12 March 2020 of RM6.97 million has exceeded 1% of the Net Assets of MPB Group for the financial year ended 31 December 2019. The details of the RRPT is disclosed in Note 31 of the Notes to the Financial Statements.

As the MPB Group may be entering into other recurrent transactions with related parties ("Other RRPTs"), the aggregate of the RRPT and the Other RRPTs is expected to exceed 5% of the Net Assets of MPB Group (based on audited financial statement for the financial year ended 31 December 2019). As such, a mandate from the shareholders for the RRPT and Other RRPTs ("Proposed New Shareholders' Mandate") will be sought from the Company's shareholders at the forthcoming 19th AGM of the Company to be convened.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

THE BOARD OF MEDIA PRIMA BERHAD IS PLEASED TO PRESENT THE STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL. THE STATEMENT HIGHLIGHTING THE KEY FEATURES OF THE RISK MANAGEMENT AND INTERNAL CONTROL OF THE GROUP FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019.

A. RESPONSIBILITY

The Board acknowledges its responsibility to adopt sound risk management practices to safeguard Media Prima Berhad's business interest from risk events that may impede achievement of business strategies and action plan, enable value creation and process improvement.

The Enterprise-wide Risk Management ("ERM") framework practiced by the Group is largely benchmarked against the ISO 31000 Risk Management – Principles and Guidelines. The Board, from time to time, reviews the framework to facilitate a continuous and iterative process which leads to the enhancement of risk awareness across the organisation. The Enterprise-wide Risk Management framework enables the subsidiaries, operating units and support functions to exercise a consistent approach for risk identification and institutes a common platform to deliberate and manage risks.

Sound internal control system is a vital process developed to ensure effective and efficient operation, provide reliable and relevant reporting, and comply with applicable laws and regulations.

The Group has in place a continuous, proactive and systematic control structure and process for identifying, evaluating and managing significant risks pertinent to the achievement of the Group's overall corporate objectives. The control structure and process which has been established throughout the Group is updated and reviewed from time to time to suit the changes in the business environment.

The Group implements the three (3) lines of defence concept:-

First line	Risk taking units (Business Units and Departments)	Manage the day-to-day management of risks inherent in its business activities.
Second line	Risk control unit (Group Risk Management Department)	Responsible for setting the risk management framework, developing tools and methodologies.
Third line	Independent assurance unit (Group Corporate Governance Department)	Provides independent assurance of the effectiveness of the risk management process and effectiveness of the first and second line of defence.

B. CONTROL ENVIRONMENT AND ACTIVITIES

1. Key Control Structure of the Group

Media Prima Berhad has inculcated that managing risk is everyone's business. The whole Group comes together to manage risks in a successful and cost-efficient manner within the following key controls:-

i. Board of Directors

The Board acknowledges its overall responsibility in the establishment and oversight of the Group's risk management and internal control within the Group and is constantly keeping abreast with developments in the areas of risk and governance.

The Board meets at least quarterly, and more frequently when required, to review and evaluate the Group`s operations and performance and to address key policy matters. The Group Managing Director leads the presentation of Board papers and provides comprehensive explanation over pertinent issues.

The prerequisite to decisions made in the meeting is the thorough deliberation and discussion by the Board, together with recommendations and feedback from management. In addition to quarterly financial results, corporate proposals, Group's Risk Profile and progress reports on business operations are also tabled at the Board's quarterly meetings.

Other Board Committees are also established to assist the Board in performing its oversight function namely the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee and the Option Committee. Specific responsibilities have been delegated to these Board Committees, all of which have formalised terms of reference accessible via the Board Charter which is available on the Company's official website at www.mediaprima.com.my. These Committees have the authority to examine all matters within their scope and report to the Board with their recommendations.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

At the helm of the organisation, the Board is ultimately responsible for the overall management of risks and internal control. The Board through the Risk Management Committee and Audit Committee maintains overall responsibility for risk and control oversight respectively, within the Group.

While the Board, Risk Management Committee and Audit Committee provide oversight, the responsibility for managing risks and internal control appropriately lies with Senior Management through the following activities:-

- Providing leadership and direction to business units;
- Providing oversight responsibilities of reviewing financial information and assessing the effectiveness of the Group's internal control environment;
- Dissecting risk and internal control issues highlighted at the Group Risk Management & Audit Committee Meetings;
- Understanding the inherent risks in each business platform;
- Implementing Risk Management Framework by understanding the risk measurement, monitoring and mitigation strategy adopted, as well as the impact of on-going action plans to meet objectives; and
- Assessing the performance and state of internal controls of operating companies within the Group.

ii. Risk Management Committee

The Board delegates the responsibility of reviewing the risk management systems and to ensure the effectiveness of the Group`s Risk Management Framework to the Risk Management Committee. The Risk Management Committee updates the Board on the significant changes that affect the risk profile of the Group. The Risk Management Committee's responsibilities as stipulated in the Board Charter include:-

- Reviewing and ensuring adequacy of risk management framework;
- Reviewing risk exposures; and
- Ensuring that infrastructure, resources and systems are in place for risk management activities.

Further details of the activities undertaken by the Risk Management Committee during the year are set out in the Risk Management Committee Report on pages 89 to 92 of this Annual Report.

iii. Audit Committee

The Board is also supported by the Audit Committee with the main responsibility of providing independent assessment on the adequacy and reliability of the risk management processes and internal control, as well as compliance with policies and regulatory requirements.

The Audit Committee consists of three (3) Non-Executive Directors with majority of them being independent directors who are highly experienced and whose knowledge, background and judgement are invaluable to the Group. The Audit Committee have unimpeded access to both the Internal and External Auditors and has the right to convene meetings with the auditors without the presence of the Executive Directors and Management.

The Audit Committee reviews the work of the Internal and External Auditors, their findings and recommendations to ensure that it meets the necessary level of assurance with respect to the adequacy of the internal controls.

The Audit Committee meets at least on a quarterly basis and minutes of the Audit Committee meeting are then tabled to the Board. Details of the activities undertaken by the Audit Committee during the year are set out in the Audit Committee Report on pages 84 to 88 of this Annual Report.

iv. Operating Units

At the forefront, operating units are responsible for the identification and management of risks within its operations. The operating units are also responsible to comply with approved frameworks, policies, guidelines and procedures on all daily activities:-

Management Committees

Management Committees are established to ensure that the Group`s interests are adequately protected in arriving at important business/operational decisions. The Committees include the Programme Committee, Newsprint Committee, Group Risk Management & Audit Committee, Procurement Committee, Tender Committee, Information Communications Technology Steering Committee, Intellectual Property Committee, Humanitarian Fund Committee, Project Odyssey Steering Committee, Digital TV Committee and Recovery Executive Committee which all have clearly defined terms of reference.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Senior Management Meeting

Senior Management meetings are held on a monthly basis to formulate strategies on an on-going basis and to address issues arising from changes in both external business environment and internal operating conditions. The meeting is chaired by the Group Managing Director.

2. The Group's Control Environment

The Board is committed to maintaining a strong control structure and environment for the proper conduct of the Group's business operations. The Group's control environment comprises of the following components which have been in place throughout the financial year:-

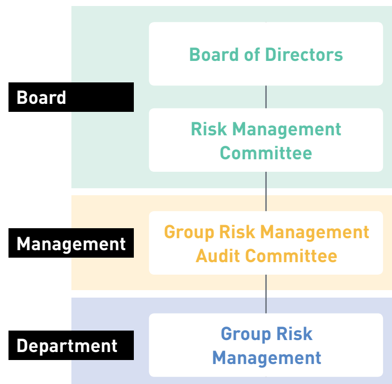
Risk Management Function

The approach of Media Prima Berhad's risk management is driven based on a principle where risks are mitigated by calibrating risks to acceptable levels whilst achieving the organisation's business plans and goals.

At Media Prima Berhad, risk management is integrated within MPB's strategy planning process and its ongoing improvement in identifying, analysing, quantifying, mitigating and monitoring of all significant risk areas remain a vital focus of the Board in building a successful and sustainable business.

The Company has a structured risk management reporting line to ensure significant risks are escalated to the appropriate levels. The Risk Management Committee ("RMC") role is to provide oversight and extensive discussion on risk management matters at the Board level. The RMC reviews and assesses the adequacy of these risk management policies and ensures infrastructure, resources and systems are emplaced for risk management.

The Board and RMC is supported by the Group Risk Management Department ("GRM") in discharging their risk management responsibilities. Together with the various business units, GRM facilitates the risk review exercise across the Group to identify, manage and report the significant risks faced by the company to the RMC and ultimately to the Board. GRM is also responsible for ensuring that the risk management framework is effectively implemented and that risk registers are maintained by the respective business platforms.



GROUP RISK MANAGEMENT REPORTING STRUCTURE

Risk Management Framework

Media Prima Berhad's risk management framework encapsulates an on-going process of identifying, assessing, controlling, monitoring and reporting material risks affecting the achievement of Media Prima Berhad's business objectives. Tailored based on ISO 31000 Risk Management – Principles and Guidelines, the framework sets out the risk management governance and infrastructure, risk management processes and control responsibilities.

The following principles guide the business platforms and departments in managing risks:-

- Risks can be managed, but cannot be totally eliminated;
- Risks are aligned with, and driven by, business values, targets and objectives;
- Risks ownership lies with the Chief Executive Officers of the business platforms and Heads of Department of the Business Units;
- Risks on material matters are highlighted to the Risk Management Committee with constant engagement on development of risks controls and mitigation processes; and
- Risks management processes are integrated with other processes including budgeting, planning and business development.

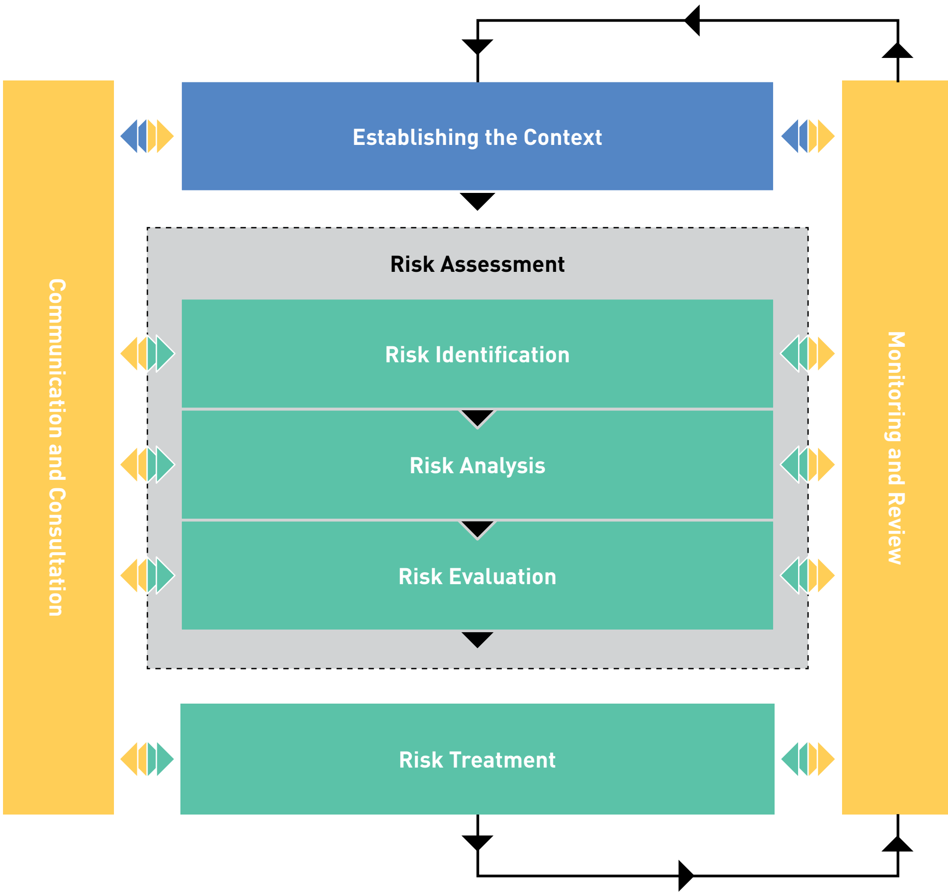
Risk Management Process

A structured risk management process has been formulated to ensure that significant risks are identified and treated accordingly. Group Risk Management Department ("GRM") is a department that is responsible in coordinating risk review exercises and preparing quarterly reports on the company's risk management activities which include financial, operational, compliance, information technology, publishing & broadcasting management, internal controls and risk management systems.

The risk review exercise encompasses the following activities:-

- Identifying key risks affecting business objectives and strategic plans.
- Defining a common understanding of risk classification tolerance through quantification, whenever possible, and development of criteria matrix that reflect the impact and likelihood of the risk materialising.
- Evaluating adequacy of existing controls and developing additional plans, if required, to treat these risks.
- Monitoring effectiveness of measures taken to mitigate risks.
- Seizing prospects through evaluation of 'opportunity risks' so that management proactively realise opportunities.
- Identifying changes to risks or emerging risks and promptly bringing these to the attention of the Board where appropriate.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL



The outcomes from the risk review exercise and other risk management activities will be documented and presented to the RMC and ultimately to the Board. Details of the risks and mitigation actions reported and deliberated in the quarterly RMC Meeting are set out in the Risk Management Committee Report on pages 89 to 92 of this Annual Report.

Whilst the Group Risk Management Department's principal function is coordinating risk review and other risk management activities, all business units are responsible to carry out a risk review on a regular basis, especially in the context of exceptional events, to ensure that risk registers are up-to-date and risk controls are enhanced and kept current.

Internal Audit Function

- The Group Corporate Governance Department is an in-house Internal Audit function that was established to provide independent assurance of the adequacy of risk management, internal control and governance systems within the Group and the establishment is in accordance with paragraph 15.27 of Bursa Malaysia Main Market Listing Requirement. The Group Corporate Governance Department's activities are guided by an Internal Audit Charter which is approved by the Audit Committee. The Audit Charter defines the department's roles, responsibilities, accountability and scope of work.

- The Group Corporate Governance Department undertakes regular reviews of the Group's operations and its system of internal controls. The Group Corporate Governance Department reviews the Group's activities based on an audit plan approved by the Audit Committee. The audit plan is developed based on the risk profiles of the respective business entities of the Group identified in accordance with the Group's Risk Management Framework and feedbacks from the Senior Management and the Board.

- Internal audit findings are discussed at Management level and actions are agreed in response to the Group Corporate Governance Department's recommendations. The progress of implementation of the agreed actions is being monitored by the Group Corporate Governance Department through follow up reviews in which implementation status are presented to the Audit Committee on a quarterly basis.

- The Group Corporate Governance Department has a clear line of reporting to the Audit Committee and the Audit Committee determines the remit of the Internal Audit function as conforming to Practice 10.1 of the MCCG 2017. Thus, the Group Corporate Governance Department is independent of the activities being audited and is performed with impartiality, proficiency and due professional care.

- The Group Corporate Governance Department adopts the standards and principles outlined in the International Professional Practices Framework of the Institute of Internal Auditors.

- Details of the activities undertaken by the Group Corporate Governance during the year are set out in the Audit Committee Report on pages 84 to 88 of this Annual Report.

Annual Business Plan and Budget

Annual business plans and budgets are prepared by the Company's business units, and are reviewed and approved by the Board. The performance of each business unit is assessed against the approved budget, with explanation on significant variances provided to the Board on a periodic basis allowing timely responses and corrective actions to be taken to mitigate risks.

Documented Policies and Procedures

- The process of development and revision of policies and procedures in MPB is governed by the MPB Policy Management Framework to ensure documents are thoroughly reviewed by the relevant stakeholders, in compliance with the Malaysian laws and regulations and

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

appropriately approved by the authorised authority. The monitoring mechanism is also embedded in the framework to ensure the documents are still relevant and reflect the current business environment.

- During the year under review, several documents were reviewed and new documents were established to fit the requirements of the current business operations whilst ensuring compliance with the applicable laws and regulations. The newly established policies and procedures aim to address the following concerns:

  a. Cyber security;
  b. Health, safety and environment;
  c. Assets management; and
  d. Industrial relations.

Group Human Resources Policy

- The Group has in place, a comprehensive Human Resources Policy approved by the Board that sets the tone of control consciousness and employee conduct. There is also in place, supporting procedures for the reporting and resolution of actions contravening these policies.

- There are proper guidelines within the Company regarding employment and dismissal, formal training programmes as well as other relevant procedures in place to ensure that staff are competent and adequately guided in carrying out their responsibilities.

- The policy aims to provide guidelines for the acceptable practice of the Group's Human Resource and to state the Group's stance on matters pertaining to Human Resources matters.

- The newly established policies during the year aim to create a smoke-free environment and sets out disciplinary procedures to fit the requirements of the current business operations whilst ensuring compliance with the applicable laws and regulations.

Key Performance Indicators (KPI)

- The Group has in place a Performance Management System, which is linked to and guided by the Key Performance Indicators (KPIs) and accountability.

- Key Performance Indicators helps in outlining and evaluating progress towards accomplishing organisational goals. KPIs are quantifiable, established and agreed to beforehand. It reflects the critical success factors of an organisation and also to enhance a department's performance.

- The Performance Management Framework focuses on aligning the Group direction by measuring the revenue growth, operational profit, and quality of revenue to ensure growth towards desired direction.

Limits of Authority

- The Limits of Authority (LOA) stipulates the approving authority of key personnel pertaining to the strategic and operational matters such as policy approval, budget, capital and operating expenditure, human resources matters, execution of contracts and etc.

- The Group has in place a LOA Delegation Framework to ensure an appropriate delegation of authority is formally carried out from the Board of Directors to the Management. The framework allows the delegation of authority on operational matters from the Group Managing Director (GMD) to the senior leadership according to the set of rules approved by the Board of Directors.

Code of Ethics

- The Code of Ethics is communicated to all employees and compliance with this Code is mandatory. The Code serves as a guiding principles to assist employees to practice high ethical business standards, and it provides guidance on the way business and duties are governed in an efficient, effective and fair manner.

- The No Festive Gift Policy is enforced to complement the existing Employee Code of Ethics. This policy aims to assist employee in conducting business in an environment which is free from conflict of interest, biasness and favouritism.

Anti - Fraud Prevention Manual and Whistleblowing Policy

The Group has established a Fraud Prevention Manual consisting of the Anti-fraud Policy and Whistleblowing Policy. The manual builds into the Group's culture, abhorrence for fraud, and that any conduct of this nature will not be tolerated. It also promotes a transparent and open environment for fraud reporting within the Group whilst protecting the identity of the person who lodges the report.

Supplier Code of Conduct

- The Board expects all Media Prima Berhad's suppliers to observe high ethical business standards of honesty and integrity and to apply these values to all aspects of their business and professional practices.

- A Supplier Code of Conduct is established in which the Group's minimum expectations on the supplier vis-à-vis legal compliance and ethical business practices are stipulated.

- Suppliers who want to conduct and/or continue conducting business with MPB and its group of companies is required to register with Media Prima Berhad via the Supplier e-Registry ("SUPeR").

- The Code applies to all suppliers, vendors, contractors and any other persons doing business with the Group.

Group Information Technology Initiatives

The Board acknowledges the importance of leveraging on Information Technology ("IT") to promote the effectiveness and efficiency of business operations.

The Group Information Technology Department is continuously reviewing the Group IT Security Policy and Procedures and regularly conducts IT security assessments in order to enhance the cybersecurity defense mechanisms of the group. Staff awareness is also emphasized to educate the staff on their responsibilities to protect the Group's information asset.

Media Prima Bhd Digital Media Centre had obtained the certification of ISO/IEC 27001:2013 Information Security Management System ("ISMS") on 11 January 2019 with the objective to manage, protect information security and to ensure business continuity.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Business Continuity Management

Media Prima Berhad's Business Continuity Management (BCM) Framework aims to ensure availability of the Group's core products and services by developing recovery procedures to respond and recover from significant unexpected events which in return, minimising the impact of business disruption and financial losses. A pre-emptive planning in facing unforeseen events, which threaten to disrupt the organisation's value creating activities, is taken seriously by the Group to ensure an appropriate level of business resilience Group-wide. The Board and Management are responsible to ensure Group-wide implementation of sound BCM practices as part of prudent risk management.

The Group's BCM framework includes establishing and reviewing formal Business Continuity Plans (BCP), setting up core services infrastructure redundancies and alternate sites, creating BCP awareness to key personnel and ensuring testing is carried out periodically. During the year under review, the following initiatives and activities have been successfully rolled out:-

Initiative/ Activities	Purpose
BCP Documents Update	Business Continuity Plan (BCP) documents were reviewed to ensure the key people and recovery procedures reflect the current MPB's business environment.
Crisis Communications	Enhanced BCP Crisis Communications Procedure to include guidelines for distribution of official information relating to incidents to internal and external parties.
Awareness Programmes	Awareness sessions are conducted annually to update and ensure the key employees are aware of the Company recovery strategies. In 2019, the awareness sessions were extended to the non-BCP Committee members to create awareness amongst employees.
Simulation/ Testing	BCP simulation was successfully conducted for key business operations throughout the Group in 2019.The scope of the simulation covers Media Prima Berhad's core services, support services, technical testing and crisis communications.

Business Continuity Management team for the Group was established to ensure that business is able to continue its operations in the event a place of business is affected by either disaster, disruption or crisis whilst safeguarding the interest of its key stakeholders, Group's reputation, brands and value-creating activities.

Related Party Transaction

The Board acknowledges the importance to have proper policies and procedures governing Related Party Transaction ("RPT") as part of its corporate obligations. The Group has a duty to disclose in its financial statements, the nature of the related party relationships, the identities of the related parties, as well as the types of transactions and the elements of the transactions necessary for a comprehensive and transparent understanding of the financial statements.

The policy has been established to provide guidelines on proper mechanism in identifying, monitoring, and reporting of RPT based on statutory requirement and to promote better understanding of RPT and prescribe the relevant departments' responsibilities in identifying and maintaining proper records of RPT.

C. OTHER KEY ELEMENTS OF INTERNAL CONTROL

The other key elements of the Group's internal control system include:-

- Monthly reporting of actual results and review against budget, with major variances being followed up and management actions taken, where necessary. The financial results are reviewed by the Board with Management on a quarterly basis, to enable both parties to gauge the Group's achievement of its annual targets and review any key financial and operational issues. The Board reviews regular reports from the Management on the key operating statistics, as well as legal and regulatory matters.

- Regular and comprehensive information provided to Management, covering financial performance and key performance indicators such as advertising market share, television viewership, programme ratings and utilisation of resources.

- Adequate insurance and physical safeguards on major assets are in place to ensure the Group's assets are sufficiently covered against any mishap that could result in material loss for the Group. An annual policy renewal exercise is undertaken by the Management to review the coverage of Group's assets against the prevailing market price for the similar assets.

- Access to company's Intranet System (PeopleConnect) for updated and revised Policies and Procedures of the company, Code of Ethics, Limits of Authority and other informations related to the company.

- Monitoring of performance including discussion of any significant issues at Senior Management meetings.

- Content Regulatory Workshops conducted by Regulatory Affairs Department throughout the year as part of the initiatives to impart information and to provide explanation on the rules and regulations governing the broadcast industry based on the Communication and Multimedia Act 1998, Communication and Multimedia Content Forum Content Code and the respective license conditions of each TV Networks, Radio Networks and Print Media. Awareness sessions on Intellectual Property (IP) were also conducted to educate on the importance of protecting the Group's intellectual property.

- Regular visits to operating units by Senior Management.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The officers responsible for monitoring of governance, risk management and regulatory compliance for the Group are as follows:-

NAME AND DESIGNATION	MATTERS
Sere Mohammad bin Mohd Kasim *Group General Manager, Group Corporate Governance*	Governance and Internal Audit
Mohd Hisham bin Md. Shazli *Group General Manager, Group Risk Management*	Risk Management
Zuraidah binti Mohd Yatim *Group General Manager, Regulatory Affairs/ Intellectual Property*	Regulatory Affairs/ Intellectual Property
Sharifah Nur Adibah binti Syed Tahir *General Manager, Corporate Finance & Investor Relations*	Investor Relations

D. ADEQUACY OF RISK MANAGEMENT & INTERNAL CONTROL

The Board confirms that it has reviewed the effectiveness of the risk management and internal control framework and considers Media Prima Berhad's system of internal control as adequate in safeguarding the shareholders' interests and assets of the Group. The Board also confirms that there is an effective ongoing process for the identification, evaluation and management of significant risks in the Group and is committed to ongoing review of the entire control, compliance and risk management controls.

The Board believes that the development of the system of internal controls is an on-going process and has taken steps throughout the year to improve its internal control system and will continue to do so.

The Group Managing Director and the Group Chief Financial Officer had assured the Board that the Group's risk management and internal control system is operating adequately and effectively in all material aspects, based on the risk management and internal control system of the Group.

Where weaknesses and shortcomings were noted, management has taken appropriate actions to address them. All business platforms and the Group Corporate Governance Department regularly review the processes to ensure the effectiveness of the existing controls. The Group Risk Management Department monitors the control environment and business processes in order to ensure that the risk treatments continue to be aligned with the Group's strategic objectives.

The Board is satisfied that the system of risk management and internal control was generally satisfactory. Based on the assessment of the Group's internal control system for the year under review and up to the date of approval of this statement, no significant control failures or weaknesses that would result in material loss, contingency or uncertainty requiring disclosure in the Group's annual report were noted.

This statement, prepared for inclusion in the Annual Report of the Company for the year ended 31 December 2019 had been reviewed by the Audit Committee and Risk Management Committee prior to their recommendation to the Board for approval.

This statement is made on the recommendation of the Audit Committee and Risk Management Committee to the Board of Directors during the meeting dated 26 February 2020.

E. REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with Audit and Assurance Practice Guide ("AAPG") 3 2018 issued by the Malaysian Institute of Accountants. AAPG 3 2018 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

The External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of risk management and internal controls system of the Group.

AUDIT COMMITTEE REPORT

THE BOARD OF MEDIA PRIMA BERHAD IS PLEASED TO PRESENT THE AUDIT COMMITTEE REPORT DESCRIBING THE AUDIT COMMITTEE'S DUTIES AND FUNCTIONS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019.

A. COMPOSITION

The Audit Committee was established on 19 August 2003. The Audit Committee consists of 3 Non-Executive Directors with majority of them being independent directors and no alternate director is appointed as member of the Audit Committee.



Mohd Rashid bin Mohd Yusof	Lydia Anne Abraham	Mohamad bin Abdullah
Independent Non-Executive Director	Independent Non-Executive Director	Non-Independent Non-Executive Director
Appointed as Chairman on 12 June 2018	Appointed as Member on 14 May 2015	Appointed as Member on 3 April 2020
• Chairman of Audit Committee. • Member of Nomination and Remuneration Committee.	• Member of Audit Committee. • Chairman of Risk Management Committee.	• Member of Audit Committee.

The Audit Committee Chairman, Encik Mohd Rashid bin Mohd Yusof, is a Fellow of the Association of Chartered Certified Accountants (ACCA) United Kingdom and a member of the Malaysian Institute of Accountants (MIA). The current Committee members' profiles, qualification and experience can be found in pages 51 to 57 of this Annual Report.

B. MEETINGS

The Audit Committee had held a total of four meetings during financial year 2019 and details of the Committee members' attendance are as follows:-

Audit Committee Meeting	62nd ACM 25 February 2019	63rd ACM 27 May 2019	64th ACM 19 August 2019	65th ACM 18 November 2019
Audit Committee Member				Attendance (%)
Mohd Rashid bin Mohd Yusof (Chairman)				100
Lydia Anne Abraham				100
Tan Sri Dato' Seri Utama Haji Ismail bin Haji Omar (Resigned as Member on 3 April 2020)				100
Datuk Loo Took Gee (Resigned as Member on 3 April 2020)				100
Mohamad bin Abdullah (Appointed as Member on 3 April 2020)				n/a

The Audit Committee met on quarterly basis with full quorum on each meeting. The Group Managing Director, the Group Chief Financial Officer and the Group General Manager, Group Corporate Governance were also invited for each meeting to provide clarification on the audit issues raised. The Audit Committee also invited members of the Senior Management or relevant employees within the Group to assist in resolving and clarifying matters raised in the audit reports.

AUDIT COMMITTEE REPORT

The Company Secretaries are the secretaries of the Audit Committee. The Company Secretaries are responsible for the coordination of administrative details including calling for meetings, voting and keeping of minutes. Minutes of each meeting is signed by the Chairman and extract of matters requiring actions were distributed to all attendees and members of the Committee.

The Audit Committee Chairman briefs the Board on matters discussed at every Audit Committee meeting. The Chairman is also responsible to update the Board on the Committee's activities and make appropriate recommendations when necessary. This is to ensure that the Board is aware of matters that may significantly impact the financial condition or affairs of the Group.

The Committee has the right to convene meetings with both the Internal and External Auditors without the presence of the Management. The Audit Committee had held two meetings with the External Auditors on 25 February 2019 and 19 August 2019 without the presence of the Management and the Executive Director.

The Chairman of the Audit Committee had also held separate meetings with the Group General Manager, Group Corporate Governance prior to every scheduled Audit Committee meeting.

C. TERMS OF REFERENCE

The Audit Committee is guided by it's Terms of Reference in discharging its functions which is in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the recommendations stipulated in the Malaysian Code on Corporate Governance 2017 and relevant best practices.

The Terms of Reference defines the scope, authority, duties and responsibilities of the Audit Committee, and is incorporated into the Board Charter which is accessible on the Company's official website at www.mediaprima.com.my. The Board Charter is reviewed to enhance its processes and procedures and ensure alignment with any new requirements and regulations. During the year, there was no revision made to the Terms of Reference of the Audit Committee.

D. SUMMARY OF ACTIVITIES IN 2019

The Audit Committee's key focus areas which were included in the Audit Committee meetings throughout the year are summarised below:-

RISKS AND CONTROLS

1. The Audit Committee evaluated the overall effectiveness of the system of internal controls through the review of the results of work performed by the Internal and External Auditors and discussions with Senior Management on a quarterly basis.

2. The Audit Committee had reviewed the Statement on Risk Management and Internal Control and the Audit Committee Report for the financial year 2018 on 25 February 2019 for the inclusion in Media Prima Berhad's Annual Report for 2018.

FINANCIAL RESULTS

1. The Audit Committee had reviewed the Group's quarterly results before recommending to the Board for approval and release of the Group's results to Bursa Malaysia.

   The quarterly unaudited financial statements for the first, second and third quarters of 2019 were reviewed at the Audit Committee meetings on 27 May 2019, 19 August 2019 and 18 November 2019, respectively. The quarterly unaudited financial results announcements were made public through Bursa Malaysia on 30 May 2019, 22 August 2019 and 21 November 2019 respectively.

2. The Audit Committee had reviewed the annual financial statements for the financial year ended 2018 at its meeting on 25 February 2019. The relevant announcement was made public on Bursa Malaysia on 27 February 2019.

   The Audit Committee had reviewed the annual financial statements of Media Prima Berhad and its subsidiaries with the Group Managing Director, Group Chief Financial Officer and the External Auditors before recommending to the Board for their approval. In the review of the annual financial statements, the Committee had discussed with the Management and the External Auditors the accounting policies and standards that were applied and their judgement of the items that may affect the financial statements.

EXTERNAL AUDIT

1. The Audit Committee had reviewed the results and issues arising from their audit of the year-end financial statements and their resolution of such issues highlighted in the External Auditor's report deliberated on 25 February 2019 with regards to the relevant disclosures in the annual audited financial statements for 2018.

2. The Audit Committee had assessed Messrs PricewaterhouseCoopers ("PwC") independence before recommending for its re-appointment and remuneration. The External Auditors had on 24 February 2020 provided written assurance to the Audit Committee that, in accordance with the terms of all relevant professional and regulatory requirements, they had been independent throughout the audit engagement for 2019.

3. Messrs PwC was reappointed as the External Auditors for the financial year ended 2019 by the shareholders at the Media Prima Berhad 18th Annual General Meeting held on 10 May 2019.

4. The Audit Committee had reviewed with the External Auditors their audit plan, strategy and scope of the statutory audits of the Group accounts for the financial year ended 31 December 2019 on 19 August 2019. The audit plan outlines their

AUDIT COMMITTEE REPORT

scope of work and proposed fees for the statutory audit, assurance-related review and review of the Statement on Risk Management and Internal Control.

5. The Audit Committee had recommended to the Board the proposed audit fees which was duly approved by the Board on 22 August 2019.

6. In relation to the Financial Statements for the Year Ended 31 December 2019, the Audit Committee at its meeting held on 24 February 2020 had been briefed by the External Auditors on the Key Audit Matters included in the External Auditor's Report. Based on the discussion between the Audit Committee and the External Auditors, the Audit Committee is satisfied with the actions taken by the Management in addressing areas which involved significant degree of judgement and estimates that the External Auditors regard as most significant in the audit of the financial statements of the Group and the Company. Based on audit procedures performed by the External Auditors on these Key Audit Matters, no significant exceptions were noted.

INTERNAL AUDIT

1. The Audit Committee had reviewed the proposed Annual Audit Plan for the financial year ending 31 December 2020 during the 65th Audit Committee Meeting held on 18 November 2019.

2. The Audit Plan for 2020 proposes 8 reviews focusing on product performance, fixed asset management, workforce management, event and services management, cloud governance and security, credit management, treasury management and procurement.

3. The Audit Committee had reviewed and deliberated on audit reports, follow-up reports, audit recommendations and Management's responses at Audit Committee's quarterly meetings.

4. The internal audit reports, audit recommendations and Management's action plan regarding these recommendations were deliberated and closely monitored by the Audit Committee. Where appropriate, the Audit Committee instructed the Management to rectify and improve the internal control systems based on Group Corporate Governance Department's recommendations and suggestions for improvements.

5. The Audit Committee had reviewed the adequacy of resources and the competencies of staff within the Group Corporate Governance Department to ensure it has the required expertise and professionalism to discharge its duties.

6. The Chairman of the Audit Committee had appraised the performance of the Group General Manager, Group Corporate Governance Department performance for 2019.

TRAINING

During the year, the Audit Committee members had attended various conferences, seminars and training programmes to enhance their knowledge in order to discharge their duties effectively as well as to improve their technical competencies in their respective fields of expertise.

The trainings attended by the Committee members are reported in the Corporate Governance Overview Statement on page 68 to 69 of this Annual Report.

E. GROUP CORPORATE GOVERNANCE DEPARTMENT

The Group has an established in-house Internal Audit function carried out by the Group Corporate Governance Department. All internal audit activities during the financial year were conducted by the Group Corporate Governance Department. There was no area of the internal audit function that had been outsourced during the year.

The Group Corporate Governance Department is headed by the Group General Manager, Encik Sere Mohammad bin Mohd Kasim who reports to the Audit Committee. He is a Chartered Member of The Institute of Internal Auditors Malaysia (IIAM) and a Certified Internal Auditor (CIA) of The Institute of Internal Auditors Inc, USA. He holds a Bachelor of Business Administration (Hons.) Finance and is also a Certified Integrity Officer (CeIO) accorded by the Malaysian Anti-Corruption Commission.

The activities of the Group Corporate Governance Department are guided by the Internal Audit Charter that defines the roles, responsibilities, accountability and scope of work of the Group Corporate Governance Department. All internal audit activities in 2019 were performed in-house by a group of 12 internal auditors from various background and competencies.

The total costs incurred by the Group Corporate Governance Department in discharging its functions and responsibilities in 2019 amounted to RM 1,608,122 (2018: RM 1,514,804) comprising mainly of staff costs, travelling, training and professional membership subscriptions.

The Group Corporate Governance Department is contactable via gcg@mediaprima.com.my.

Independence and Objectivity

The Group Corporate Governance Department's activities remain free from interference by any element in the organisation, including matters of audit selection, scope, procedures, frequency, timing or report content, in order to maintain the necessary independent and objective attitude. The Group Corporate Governance Department has no direct operational responsibility or authority over any of the activities reviewed.

AUDIT COMMITTEE REPORT

The Group Corporate Governance Department, through a systematic and structured approach is responsible for the following:-

- Providing independent assurance to the Board and Management that adequate and effective internal control system is in place to safeguard the Group's assets;
- Recommending improvements and enhancements to the existing system of internal controls and work procedures/processes; and
- Reference point to ensure effective implementation of policies and procedures and as a catalyst to promote best corporate governance practices.

The Group Corporate Governance Department is a corporate member of The Institute of Internal Auditors Malaysia ("IIAM"). As a member, Group Corporate Governance Department is entitled to access to books, publications, research papers, survey reports and other reference materials to enhance knowledge, attend courses for the continuous professional development and a wide range of educational products.

As a corporate subscriber of the Minority Shareholder Watchdog Group ("MSWG"), the Group Corporate Governance Department receives MSWG's weekly E-newsletter "The Observer", access to the MSWG Monitoring Services, ASEAN Corporate Governance Scorecard, publications and access to online Malaysian-ASEAN Corporate Governance materials.

Scope and Coverage

The scope of coverage encompasses all units and operations of the Group, including the subsidiaries. The selection of units to be reviewed is premised on a risk based approach which provides flexibility needed to address emerging current risks as well as potential future risks. This enhances the ability of the Group Corporate Governance Department to focus its resources and skills in ensuring alignment with business strategy and goals, thus maintaining relevance and driving continuous improvements within the Group.

The scope of internal audit engagements had been developed by taking into consideration the Group Risk Profile and Business Plan for 2019. The key audit areas performed in 2019 were as follows:-

No	Review	Audit Committee Meeting / Date
1	Governance	63rd / 27 May 2019
2	Digital Products - All Platforms	63rd / 27 May 2019
3	Business Sustainability & Viability	64th / 19 August 2019
4	Stakeholder Management - All Platforms	64th / 19 August 2019
5	News and Editorial Operations - MPTN & NSTP	65th / 18 November 2019
6	Ripple	65th / 18 November 2019
7	Organisational Culture	66th / 24 February 2020
8	Big Data & Data Analytics	66th / 24 February 2020
9	Follow-up Audits	63rd to 66th / 27 May 2019, 19 August 2019, 18 November 2019 and 24 February 2020

The corresponding reports of the audit performed were presented to the Audit Committee and forwarded to the Management for attention and corrective actions.

The Management is responsible for ensuring that corrective actions on reported weaknesses are implemented within the required timeframe. Group Corporate Governance Department continuously monitors the implementation of audit recommendations through periodic follow-up reviews.

Group Corporate Governance Department also works closely with the External Auditors to resolve any control issues and assists in ensuring that appropriate management actions are taken.

During the year, the following activities were also carried out by the Group Corporate Governance Department:-

- Independent verification of results and/or votes at competition-based programmes organised by the Group such as Bintang Bersama Bintang 2019, Anugerah Juara Lagu 2019, Drama Festival Kuala Lumpur(DFKL) 2019, Lagu Cinta Kita, MPB Raya, Anugerah Pelajar Cemerlang 2018 BH NST, Anugerah Bintang Popular Berita Harian 32, Anugerah Skrin 2019, Jom Menang Kereta, Mentor Milenia 2019 and Muzik-Muzik;
- Process improvements to ground events organised by the Group such as nationwide Karnival Jom Heboh series in 2019;
- Participated in tender opening process for procurement and disposal of fixed assets so as to ensure that due process had been observed and complied with according to the approved Policies and Procedures;
- Communication sessions with Management on internal audit activities and planning of audits to ensure that areas of Management concern are covered; and
- Prepared the Corporate Governance Overview Statement, the Statement on Risk Management and Internal Control and the Audit Committee Report for Media Prima Berhad's Annual Report 2019.

AUDIT COMMITTEE REPORT

Practices and Framework

In order to ensure standardisation and consistency in providing assurance on the adequacy and effectiveness of the overall system of internal controls, all auditing activities of the Group Corporate Governance Department are conducted in line with the Group's objectives and policies and in accordance with applicable laws and regulations and relevant policies and guidelines as prescribed by the International Professional Practices Framework (IPPF) promulgated by the Institute of Internal Auditors.

Quality Assurance Review

In complying with the requirement of the International Standards for the Professional Practice of Internal Auditing ("Standards"), Media Prima Berhad had in 2017 engaged The Institute of Internal Auditors Malaysia ("IIAM") to conduct an external quality assurance review on the Group Corporate Governance's internal audit processes. The IIAM had provided broad recommendations to enhance the ability of the Group Corporate Governance Department to render effective internal audit services to its stakeholders.

Professional Qualifications and Continuous Competency Development

The Group Corporate Governance Department is committed to equip MPB's internal auditors with sufficient knowledge, skills and competencies to discharge their duties and responsibilities. In order to improve staff retention and to enhance professional competency within the department, the Audit Committee and management had agreed to reimburse the registration and examination fees of the Certified Internal Auditor (CIA) programme coordinated by The Institute of Internal Auditors, upon successful completion of the examination.

The Group Corporate Governance Department personnel had also attended various trainings and/or conferences during the year in order to enhance their skills and knowledge and to continuously provide value added services to the Group. Each training programme attended will be followed by an internal knowledge sharing session. Trainings attended in 2019 include:-

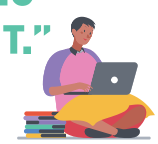
Internal	
Conferences/Seminars/Courses Title	**Date**
Legal Briefing On Standard Agreement Templates	25 January 2019
Google Classroom	February, April & May 2019
G Suite Training	22 February & 13 September 2019
Virtual Training	7 & 14 March 2019
Driving Client Centricity Workshop	11 & 12 March 2019
Digital Bytes: Introduction To Artificial Intelligence (A.I) & Big Data	28 March 2019
Agile Shift - Transforming Towards Agility During Digitisation	24 & 25 April 2019
Security Posture Assessment - Workshop	28 & 29 May 2019
Workshop On Streamline Current State And Preparation For Future State	24 & 25 June 2019
Cyber Security Awareness Talk - Phishing	28 August 2019
Board Of Directors' Workshop 2019	26 September 2019
Legal Awareness 2019 - (Copyright In The Digital Age)	23 October 2019

External		
Conferences/Seminars/Courses Title	**Date**	**Trainer/Organiser**
Governance Symposium 2019	7 March 2019	Malaysian Institute of Accountants (MIA)
IPPF: Implementation Guide 2320 - Analysis And Evaluation	26 April 2019	IIA Malaysia
Tools And Techniques 1: New Internal Auditor	6 & 9 May 2019	IIA Malaysia
Internal Audit Analytics for the Leaders	28 August 2019	IIA Malaysia and Deloitte
Financial Auditing For Internal Auditors	3 & 4 September 2019	IIA Malaysia
Risk Management Conference 2019	5 September 2019	MIA and IIA Malaysia
IIA Malaysia National Conference 2019	7 & 8 October 2019	IIA Malaysia
Sec. 17A, Corporate Liability, MACC Act 2009	7 December 2019	Malaysian Anti-Corruption Commission (MACC)

This Audit Committee Report is made on the recommendation of the Audit Committee which was approved by the Board of Directors on 26 February 2020.

RISK MANAGEMENT COMMITTEE REPORT

"MEDIA PRIMA BERHAD ("MPB") RECOGNISES THAT HAVING A ROBUST AND EFFECTIVE RISK MANAGEMENT SYSTEM IS CRITICAL TO ACHIEVE CONTINUED PROFITABILITY AND SUSTAINABLE GROWTH IN SHAREHOLDER VALUE IN TODAY'S GLOBALISED AND INTER-LINKED FINANCIAL AND ECONOMIC ENVIRONMENT."



Risk Management Committee ("RMC") is cognisant of its responsibility in minimising uncertainties that could impair MPB from achieving its strategic objectives in this challenging period.

MPB Risk Management Framework, which was developed based on ISO 31000, has been the fundamental orientation in formulating mitigation plans to ensure risks are soundly managed. RMC continues to be involved in determining risk appetite, identifying, assessing and monitoring strategic risks, emerging risks and potential disruptions to the MPB's value creating services including advising on mitigation strategy and measures.

A. RESPONSIBILITY AND DUTIES

- The duties of the RMC shall include:
  - Assessment and monitoring of all risks associated with the operations of the Group;
  - Development and implementation of internal compliance and control systems, and procedures to manage risk;
  - Assessment and monitoring of the effectiveness of controls instituted;
  - Review and make recommendations on behalf of the Board in relation to risk management;
  - To consider and make recommendations on behalf of the Board in connection with the compliance by the Group with its risk management strategy;
  - To report to the Board on any material changes to the risk profile of the Group;
  - To monitor and refer to the Board any instances involving material breaches or potential breaches of the Group's risk management strategy; and
  - To report to the Board, when necessary, in connection with the Group's annual reporting responsibilities to Bursa Malaysia in relation to matters pertaining to the Group's risk management strategy.

RISK MANAGEMENT COMMITTEE REPORT

- RMC shall have the authority to seek any information it requires from any officer or employee of the company or its subsidiary companies and such officers or employees shall be required to respond to such enquiries.
- RMC may, as and when deemed necessary, invite other Board members and management personnel to attend the meetings where risk management issues are discussed.
- RMC has the authority to direct special investigations on behalf of the Board, into significant risk management activities, as and when necessary.
- RMC is authorised to take such independent professional advice as it considers necessary.
- RMC shall make recommendations to the Board but shall have no executive powers with regards to its findings and recommendations.

B. COMMITTEE MEMBERS

Member
Lydia Anne Abraham (Chairman)
Raja Datuk Zaharaton Binti Raja Zainal Abidin
Hisham Bin Zainal Mokhtar (Appointed on 27 February 2019)
Tan Sri Dato' Seri Utama Hj Ismail Bin Hj Omar (Resigned from Committee on 3 April 2020)
Datuk Mohd Nasir Bin Ahmad (Resigned from Committee on 27 February 2019)

- RMC must be composed of no fewer than three (3) members.
- Majority of the members must be independent directors.
- The Chairperson shall be an independent, non-executive director.
- No alternate director is appointed as a member of the RMC.
- In the event of any vacancy in the RMC resulting in the non-compliance of the above requirements, the company must fill the vacancy within three (3) months.
- The Company Secretary shall act as Secretary to the RMC.

C. MEETINGS

- To form a quorum in respect of a meeting of the Committee shall be a minimum of three (3) members.
- Meeting of the Committee shall be held at least four (4) times per year.
- The Chairperson will call a meeting of the RMC if so directed by the Board. The Chairperson will call a meeting of the RMC if so requested by any Committee Member or the Group Managing Director ("GMD").
- The Secretary is responsible for the coordination of administrative details including calling the meetings, voting and keeping of minutes.

D. ATTENDANCE AT MEETINGS

During the financial year ended 31 December 2019, the RMC had met four (4) times and attendances of members are illustrated below:-

Member	Attendance
Lydia Anne Abraham (Chairman)	4/4
Raja Datuk Zaharaton Binti Raja Zainal Abidin	4/4
Hisham Bin Zainal Mokhtar (Appointed on 27 February 2019)	3/3
Tan Sri Dato' Seri Utama Hj Ismail Bin Hj Omar (Resigned from Committee on 3 April 2020)	4/4
Datuk Mohd Nasir Bin Ahmad (Resigned from Committee on 27 February 2019)	1/1

E. RISK MANAGEMENT COMMITTEE REPORT

- Risk Management Framework - The framework adopted by the Group incorporated the endwise risk management processes on a coordinated and integrated basis. To keep the framework relevant in order to support the ever evolving business, the Group will review the framework on needed basis.
- The framework is designed to realise the Group's objectives, set forth in four (4) categories:

Strategic	High level goals aligned with and supporting the Group mission.
Operations	Effective and efficient use of the Group resources.
Reporting	Reliability of reporting.
Compliance	Compliance with applicable laws and regulations.

RISK MANAGEMENT COMMITTEE REPORT

- Review of Strategic Risks
    - At strategic level, the risks and mitigations deliberated by the Committee is centred around the following risk areas:

Key Risk Pillars

Business Sustainability	Market Expectation	Transformation & Innovation	Integration Challenges	Digital Infrastructure

STRATEGIC RISKS 2019

MPTN	NSTP	PWS	RIPPLE	BIG TREE	MEDIA PRIMA DIGITAL
COMPETITION & TRANSFORMATION *Defend Revenue*	**COMPETITION & TRANSFORMATION** *Defend Revenue*	**AFFILIATED DEPENDENCY** *Sales on programmes produced for TVN*	**PEOPLE & SERVICE PROVIDER** *Challenges on loss of key talent*	**ASSETS** *Competitive environment securing good concessions and obtaining marketable sites*	**COMPETITIVE EDGE** *Ability to sustain competitive edge; competing with market*
AUDIENCE & FOLLOWERS *Ability to reach target audience [number of audience, as well as transmission]*	**REACH & RETENTION** *Content not reaching targeted readers; ability to retain loyal readers*	**PRODUCT & DELIVERABLE** *Producing good products, expertise marketing products*	**AUDIENCE'S EXPERIENCE & ENGAGEMENT** *Meet user requirement*	**STAKEHOLDER** *External context challenges*	**INTEGRATION** *Content/IP closely guarded [underwhelming internal support]; counterparty obligation; agility*
CONTENT & FEEDS *Not providing competitive programme/right content*	**DIGITAL LITERACY** *Ability to transform print centric culture to right digital values*	**INNOVATION & DEVELOPMENT** *R&D adequacy, market intelligence and competitor analysis*	**TECHNOLOGY & CAPABILITY** *Infrasturcture readiness & people capability*	**INNOVATION & COMPETITION** *Competitiveness & Capability*	**CONTENT & USER CENTRIC** *Right Content & reach*
EXPERTISE & INNOVATION *Finding right business model, creating sustainable current model*	**INNOVATION & TECHNOLOGY** *Finding right business model, creating sustainable current model*	**OPERATIONS DESIGN** *Establishing the right business model, creating sustainable current model*	**REVENUE** *Meet client expectation*		**BUSINESS DESIGN** *Operations & business venture challenges.*
		EFFECTIVE PROCESS *Processes efficiency, operations agility*	**BUSINESS TRANSFORMATION & COMPETITION** *Ability to transform & compete with emerging market*		**PROCESS INNOVATION** *Efficient practices*

	Business Continuity Plan	Critical Business Operations	IT Systems
MITIGATION STRATEGY – BUSINESS CONTINUITY MANAGEMENT	**IT security is designed to protect integrity and availability of the computer and broadcast systems. MPB has in place a comprehensive Business Continuity Planning ("BCP") programme to minimise the impact on its business operation in the event of disaster besides ensuring the continued availability of its products and services. The plan outlines strategies and procedures to ensure MPB's business operation is resumed seamlessly and in a timely manner.**	The BCP, which covers all business units in the Group, is reviewed and successfully tested periodically, to ensure it stays relevant. • **Core Business Operations** The identification of core business operations is important in determining the priority of the recovery process. In MPB, core business operations refer to the frontline operations which in the event of disaster or disruption will give great impacts to the Group. Recovery site and infrastructure are established to ensure earliest possible restoration of core business operations. • **Support Services Operations** Understanding the key operations and analysing systems needed to continuously support the core business operations are essential and is part of risk mitigation. Support services functions are identified to facilitate recovery processes and ensure the continuation of the key operations in the worst case scenario.	In safeguarding the Group's core systems and applications whilst ensuring its high availability, a sound IT security ecosystem is architected to impede malicious and unknown attacks. • MPB IT security ecosystem is built with layers of protections to reduce the risk of penetration from unknown or unauthorised entity to the key systems and applications. • Systems and applications are clustered according to the criticality. • IT Security Incident Management Procedure is established with the objective to adopt a consistent and effective approach to the management of information security incidents. • Apart from the protection of infrastructure and equipment, periodic IT security updates are communicated to employees to create awareness and precautions.

RISK MANAGEMENT COMMITTEE REPORT

	Transforming Core	Multichannel & Digital	Expand Regionally
MITIGATION STRATEGY – INNOVATION & TRANSFORMATION	While digital technology can make a host of things possible, the fundamental "wants and needs" of the consumers remain. Digital satisfies our four broad areas of customers' desire:- • Creating, communicating and connecting. • Challenging the norm. • Expecting bargains and giveaways. • Expecting lives to be easier. MPB is expanding its products and services beyond traditional business. The three pronged strategies are: transform the core, identify the big adjacencies market, and focus on innovation of products, services and processes.	The Group is guided by a solid blueprint, implementing its transformation by:- • Strengthen broadcast leadership and build sustainable multichannel programmes by creating contents that travel across multiple platforms; digital and non-linear; • Build position as leading promulgator; and • Capitalising on its reach to create and grow commerce assets.	Creating global sales through local contents; partnering with competitors, collaborate with regional and internal communities; expand regionally.

	Embrace Change	Credible Infotainment
MITIGATION STRATEGY – MOVES WITH REALITY; MAINTAIN FUNDAMENTAL CREDENCE	The Group has always strived to offer the best products and services to its consumers by:- • Keeping abreast with the latest technology; • Analysing consumer behaviour that potentially affects the Company's strategies; • Customising contents to meet consumer demand; and • Expanding and strategising on capturing consumer revenue.	The main function of media is to provide news, information and entertainment. While new communicating technologies bring enormous challenges on one hand, it also creates unprecedented opportunities on the other. As a responsible broadcast citizen MPB is committed in communicating for development. Through quality entertainment and news programmes The Group will continue to embrace its role to foster socio-economic growth, facilitate social integration, promote economic development and enrich cultural diversity.

- **Review of Business Continuity Management**
  - On a regular basis, the RMC will deliberate the risks relating to business disruption and discuss on the mitigation strategy to ensure the core business operations are able to operate in the event of disaster. The mitigation strategy is translated into Business Continuity Plan ("BCP") and is tested annually to assess the readiness and effectiveness. The results of the testing will be presented to the RMC.
  - As part of the Group ongoing simulation programme, the BCP is continuously being enhanced and tested. In this year's BCP simulation, the Group has increased the simulation intensity by incorporating assessment on the IT incident response and communications to the external parties in the BCP simulation scope.

- **Review of Risks and Risk Controls**
  - On quarterly basis, top risks of the Group were reported and reviewed at the management's Group Risks Management & Audit Committee. Key and material risks were then escalated to RMC for deliberation of the controls and policy in place to mitigate or treat these risks.

OUR NUMBERS

DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2019.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services to its subsidiaries.

The principal activities of the Group consist of commercial television and radio broadcasting, publishing and sale of newspapers, home shopping network, provision of internet and digital-based media, provision of outdoor advertising space and related production services, media content production and distribution, property management services, and other media industry related services.

There have been no significant changes in the nature of these activities during the financial year.

The principal activities and details of the subsidiaries and associates are set out in Note 16 and Note 17 to the financial statements respectively.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Net loss for the financial year	185,488	230,867
Attributable to:		
Owners of the Company	177,850	230,867
Non-controlling interests	7,638	-
Net loss for the financial year	185,488	230,867

DIVIDENDS

No dividend has been paid or declared since the end of the Company's previous financial year.

The Directors do not recommend the payment of any dividend for the financial year ended 31 December 2019.

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

DIRECTORS' REPORT

DIRECTORS

The Directors in office during the financial year and during the period from the end of the financial year to the date of the report are:

Datuk (Dr) Syed Hussian bin Syed Junid	(Appointed on 13 June 2019)
Dato' Iskandar Mizal bin Mahmood	(Appointed on 1 October 2019)
Mohamad bin Abdullah	(Appointed on 1 October 2019)
Datuk Kamal bin Khalid	
Lydia Anne Abraham	
Raja Datuk Zaharaton binti Raja Zainal Abidin	
Tan Sri Dato' Seri Utama Haji Ismail bin Haji Omar	
Datuk Loo Took Gee	
Mohd Rashid bin Mohd Yusof	
Hisham bin Zainal Mokhtar	
Datuk Mohd Nasir bin Ahmad	(Resigned on 30 June 2019)

Pursuant to Section 253 of the Companies Act 2016, the names of Directors of subsidiaries are set out in the respective subsidiaries financial statements and the said information is deemed incorporated herein by such reference and made part thereof.

The Company maintains a corporate liability insurance for the Directors and officers of the Group and Company throughout the financial year, which provides appropriate insurance cover for the Directors and officers of the Group and Company. The insurance premium paid by the Company for the financial year ended 31 December 2019 amounted to RM46,000.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than Directors' remuneration and benefits-in-kind disclosed in Note 10 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year was the Company and any of its subsidiaries a party to any arrangements whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

According to the Register of Directors' shareholdings required to be kept under Section 59 of the Companies Act 2016, none of the Directors who held office at the end of the financial year held any interest in shares or debentures in the Company or its subsidiaries during the financial year except as follows:

	Number of ordinary shares			
	At 1.1.2019	**Additions**	**Disposals**	**At 31.12.2019**
Shares in the Company				
Datuk (Dr) Syed Hussian bin Syed Junid				
- direct interest	**15,295**	**-**	**-**	**15,295**
Datuk Kamal bin Khalid				
- direct interest	**80,000**	**-**	**-**	**80,000**

Datuk (Dr) Syed Hussian bin Syed Junid as a Director who held office at the financial year end had acquired additional 500,000 ordinary shares during the period from the end of the financial year to the date of the report.

DIRECTORS' REPORT

DIRECTORS' REMUNERATION

Details of Directors' remuneration are set out in Note 10 to the financial statements.

OTHER STATUTORY INFORMATION

(a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

  (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

  (ii) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount the current assets which they might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances:

  (i) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

  (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

  (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(c) At the date of this report, there does not exist:

  (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

  (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year except as disclosed in Note 33 to the financial statements.

(d) No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Group or of the Company to meet their obligations when they fall due.

(e) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

(f) In the opinion of the Directors:

  (i) the results of the Group's and of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature except as disclosed in the financial statements; and

  (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

DIRECTORS' REPORT

AUDITORS' REMUNERATION

Details of auditors' remuneration are set out in Note 8 to the financial statements.

AUDITORS

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to continue in office.

This report was approved by the Board of Directors on 12 March 2020. Signed on behalf of the Board of Directors:

DATUK (DR) SYED HUSSIAN BIN SYED JUNID
GROUP CHAIRMAN

DATUK KAMAL BIN KHALID
GROUP MANAGING DIRECTOR

Petaling Jaya
12 March 2020

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2019

		Group		Company	
	Note	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Revenue	4	**1,106,039**	1,185,737	**105,641**	106,885
Other operating income		**15,371**	198,919	**27**	75
Amortisation of intangible assets		**(132,056)**	(173,010)	**-**	-
Content production and other media costs		**(37,757)**	(29,122)	**-**	-
Newsprint and newspaper production costs		**(51,607)**	(60,033)	**-**	-
Outdoor display and production costs		**(66,410)**	(107,885)	**-**	-
Cost of retail goods sold		**(157,431)**	(143,434)	**-**	-
Transmission, technology and distribution costs		**(73,304)**	(84,058)	**-**	-
Employee benefits costs	6	**(426,469)**	(400,998)	**(68,942)**	(58,704)
Occupancy costs		**(41,871)**	(55,853)	**(19,122)**	(23,982)
Depreciation		**(123,296)**	(70,275)	**(710)**	(60)
Impairment of non-current assets	7	**(39,863)**	-	**(207,166)**	(280,756)
Net loss on impairment of financial instruments		**(449)**	(9,440)	**(6,920)**	(19,344)
Other operating costs		**(135,296)**	(176,351)	**(23,019)**	(34,222)
(Loss)/profit from operations	8	**(164,399)**	74,197	**(220,211)**	(310,108)
Finance income	9	**7,697**	6,188	**1,789**	10,250
Finance cost	9	**(16,428)**	(19,745)	**(11,840)**	(19,134)
Share of result of associates		**129**	-	**-**	-
(Loss)/profit before taxation		**(173,001)**	60,640	**(230,262)**	(318,992)
Taxation	11	**(12,487)**	(1,649)	**(605)**	(515)
Net (loss)/profit for the financial year		**(185,488)**	58,991	**(230,867)**	(319,507)
Other comprehensive expense:					
Revaluation of financial assets at fair value through other comprehensive income	20	**(1,784)**	-	**-**	-
Other comprehensive expense for the financial year		**(1,784)**	-	**-**	-
Total comprehensive (loss)/income for the financial year		**(187,272)**	58,991	**(230,867)**	(319,507)

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2019

	Note	Group 2019 RM'000	Group 2018 RM'000
(Loss)/profit attributable to:			
- Owners of the Company		**(177,850)**	58,623
- Non-controlling interest		**(7,638)**	368
		(185,488)	58,991
Total comprehensive (loss)/income attributable to:			
- Owners of the Company		**(179,601)**	58,623
- Non-controlling interest		**(7,671)**	368
		(187,272)	58,991
(Loss)/earnings per share:			
- Basic (sen)	12	**(16.03)**	5.29
- Diluted (sen)	12	**(16.03)**	5.29

The notes on pages 107 to 205 form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2019

		Group		Company	
		2019	2018	2019	2018
	Note	RM'000	RM'000	RM'000	RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	13	**246,823**	304,966	**522**	386
Right-of-use assets	14	**217,110**	-	**1,897**	-
Investment properties	15	**28,864**	30,352	**-**	-
Subsidiaries	16	**-**	-	**940,286**	1,147,452
Associates	17	**2,829**	-	**-**	-
Intangible assets	18	**395,889**	430,056	**-**	-
Deferred tax assets	19	**12,475**	14,682	**-**	-
Financial assets at fair value through other comprehensive income	20	**688**	2,472	**-**	-
		904,678	782,528	**942,705**	1,147,838
CURRENT ASSETS					
Inventories	21	**6,433**	36,900	**-**	-
Trade and other receivables	22	**250,103**	254,954	**10,316**	9,413
Amounts due from subsidiaries	23	**-**	-	**95,585**	64,288
Current tax recoverable		**16,595**	31,752	**68**	17
Deposits, cash and bank balances	24	**257,144**	210,114	**47,799**	39,798
		530,275	533,720	**153,768**	113,516
Non-current assets held for sale	25	**225**	1,354	**-**	-
TOTAL ASSETS		**1,435,178**	1,317,602	**1,096,473**	1,261,354
NON-CURRENT LIABILITIES					
Lease liabilities	14	**186,330**	-	**1,327**	-
Amounts due to subsidiaries	23	**-**	-	**203,994**	253,994
Deferred tax liabilities	19	**37,383**	40,985	**-**	-
Trade and other payables	27	**-**	237	**-**	-
		223,713	41,222	**205,321**	253,994

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2019

	Note	Group 2019 RM'000	Group 2018 RM'000	Company 2019 RM'000	Company 2018 RM'000
CURRENT LIABILITIES					
Trade and other payables	27	**548,356**	456,141	**27,103**	19,160
Lease liabilities	14	**61,151**	-	**632**	-
Amounts due to subsidiaries	23	**-**	-	**161,689**	55,580
Borrowings	26	**4,688**	4,169	**-**	-
Current tax payable		**1,117**	1,683	**-**	-
		615,312	461,993	**189,424**	74,740
TOTAL LIABILITIES		**839,025**	503,215	**394,745**	328,734
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY					
Share capital	28	**1,524,735**	1,524,735	**1,524,735**	1,524,735
Other reserves	29	**4**	1,755	**-**	-
Accumulated losses		**(926,040)**	(717,868)	**(823,007)**	(592,115)
		598,699	808,622	**701,728**	932,620
NON-CONTROLLING INTERESTS		**(2,546)**	5,765	**-**	-
TOTAL EQUITY		**596,153**	814,387	**701,728**	932,620
TOTAL LIABILITIES AND EQUITY		**1,435,178**	1,317,602	**1,096,473**	1,261,354
		Sen	**Sen**		
NET ASSETS PER SHARE*		**53.98**	72.90		

* Net assets per share is calculated by dividing the net assets (excluding 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 notes on pages 107 to 205 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2019

		Attributable to owners of the Company					
	Note	Share capital RM'000	Other reserves RM'000	Accumulated losses RM'000	Total RM'000	Non - controlling interests RM'000	Total equity RM'000
GROUP							
2019							
At 31 December 2018, as previously reported		**1,524,735**	**1,755**	**(717,868)**	**808,622**	**5,765**	**814,387**
Effects of MFRS 16 adoption	37	**-**	**-**	**(30,322)**	**(30,322)**	**(2,513)**	**(32,835)**
As at 1 January 2019, as restated		**1,524,735**	**1,755**	**(748,190)**	**778,300**	**3,252**	**781,552**
Net loss for the financial year		**-**	**-**	**(177,850)**	**(177,850)**	**(7,638)**	**(185,488)**
Other comprehensive expense:							
- Revaluation of financial assets at fair value through other comprehensive income	29	**-**	**(1,751)**	**-**	**(1,751)**	**(33)**	**(1,784)**
Total comprehensive loss for the financial year		**-**	**(1,751)**	**(177,850)**	**(179,601)**	**(7,671)**	**(187,272)**
Transaction with owners:							
Acquisition of a subsidiary	16 (b)	**-**	**-**	**-**	**-**	**1,873**	**1,873**
At 31 December 2019		**1,524,735**	**4**	**(926,040)**	**598,699**	**(2,546)**	**596,153**
2018							
As at 1 January 2018		1,524,735	1,755	(776,491)	749,999	4,997	754,996
Net profit and total comprehensive income for the financial year		-	-	58,623	58,623	368	58,991
Transaction with owners:							
Equity contribution from non-controlling interest	16(b)	-	-	-	-	400	400
At 31 December 2018		1,524,735	1,755	(717,868)	808,622	5,765	814,387

The notes on pages 107 to 205 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2019

	Note	Share capital RM'000	Accumulated losses RM'000	Total equity RM'000
COMPANY				
2019				
At 31 December 2018, as previously reported		**1,524,735**	**(592,115)**	**932,620**
Effects of MFRS 16 adoption	37	**-**	**(25)**	**(25)**
At 1 January 2019, as restated		**1,524,735**	**(592,140)**	**932,595**
Net loss and total comprehensive loss for the financial year		**-**	**(230,867)**	**(230,867)**
At 31 December 2019		**1,524,735**	**(823,007)**	**701,728**
2018				
At 1 January 2018		1,524,735	(272,608)	1,252,127
Net loss and total comprehensive loss for the financial year		-	(319,507)	(319,507)
At 31 December 2018		1,524,735	(592,115)	932,620

The notes on pages 107 to 205 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

For the financial year ended 31 December 2019

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Net (loss)/profit for the financial year	**(185,488)**	58,991	**(230,867)**	(319,507)
Adjustments for:				
Intangible assets				
- Amortisation	**132,056**	173,010	**-**	-
- Impairment	**16,665**	-	**-**	-
- Write offs	**38**	1,249	**-**	-
Prepaid transmission station rentals				
- Amortisation	**-**	152	**-**	-
Property, plant and equipment				
- Depreciation	**59,376**	68,946	**118**	60
- Gain on disposals	**(443)**	(138,330)	**-**	-
- Impairment	**23,039**	-	**-**	-
- Write offs	**270**	3,063	**-**	-
- Contra arrangement	**-**	(1,538)	**-**	-
Right-of-use assets				
- Depreciation	**62,591**	-	**592**	-
Investment properties				
- Depreciation	**1,329**	1,329	**-**	-
- Impairment	**159**	-	**-**	-
Non-current assets held for sale				
- Gain on disposals	**(2,221)**	(4,268)	**-**	-
Interest expenses	**16,428**	19,745	**11,840**	19,134
Writeback of provision for inventory obsolescence	**(97)**	-	**-**	-
Inventories written down	**-**	174	**-**	-
Subsidiaries:				
- Impairment of investment	**-**	-	**207,166**	280,756
Associates:				
- Gain on disposals	**-**	(45,643)	**-**	-
- Share of results	**(129)**	-	**-**	-
Expense arising from extinguishment of loan	**-**	7,047	**-**	7,047
Contra arrangement revenue	**(319)**	(695)	**-**	-
Unrealised foreign exchange gain (net)	**(72)**	-^	**-**	-
Dividend income	**-**	-	**(15,002)**	(5,000)
Interest income	**(7,697)**	(6,188)	**(1,789)**	(10,250)
Taxation	**12,487**	1,649	**605**	515
Termination benefits	**78,071**	18,970	**15,238**	476
Net loss on impairment of financial instruments				
- Trade and other receivables	**449**	9,440	**-**	9
- Amounts due from subsidiaries	**-**	-	**6,920**	19,334
	206,492	167,103	**(5,179)**	(7,426)

^ Less than RM1,000.

STATEMENTS OF CASH FLOWS

For the financial year ended 31 December 2019

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)				
Changes in working capital:				
Inventories	**13,833**	9,146	**-**	-
Receivables	**5,108**	13,167	**(903)**	(6,161)
Payables	**12,907**	(6,273)	**(7,292)**	(49,780)
Intangible assets - acquisition of programme and film rights	**(107,643)**	(156,508)	**-**	-
Amounts due from subsidiaries	**-**	-	**6,159**	268,698
Cash flows generated from/(used in) operations	**130,697**	26,635	**(7,215)**	205,331
Net income tax refund/(paid)	**5,698**	(5,063)	**(657)**	26
Net cash flows generated from/(used in) operating activities	**136,395**	21,572	**(7,872)**	205,357
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of a subsidiary (net of cash acquired)	**(1,642)**	-	**-**	-
Acquisition of interest in associates	**(2,460)**	-	**-**	-
Settlement of deferred purchase consideration of an acquisition in a business	**-**	(7,020)	**-**	-
Property, plant and equipment				
- Additions	**(18,629)**	(25,141)	**(254)**	(168)
- Proceeds from disposals	**974**	286,698	**-**	-
Non-current assets held for sale				
- Proceeds from disposals	**3,350**	14,000	**-**	-
Intangible assets (excluding programmes and film rights)				
- Additions	**(1,999)**	(1,749)	**-**	-
Proceeds from disposal of investment in an associate	**-**	45,643	**-**	-
Repayment of intercompany loan by a subsidiary	**-**	-	**-**	43,000
Interest received	**7,697**	6,188	**1,789**	10,250
Dividends received	**-**	-	**15,002**	5,000
Net cash flow (used in)/generated from investing activities	**(12,709)**	318,619	**16,537**	58,082

STATEMENTS OF CASH FLOWS

For the financial year ended 31 December 2019

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings:				
- Banker's acceptance	**(24,590)**	(47,727)	**-**	-
- Term loan	**-**	(300,000)	**-**	(300,000)
Drawdown of borrowings:				
- Banker's acceptance	**25,109**	30,993	**-**	-
- Loan from a subsidiary	**-**	-	**-**	50,000
Repayment of lease financing	**(60,816)**	-	**(555)**	-
Equity contribution from non-controlling interest	**-**	400	**-**	-
Net decrease/(increase) in restricted bank balances	**-**	8,548	**-**	4,823
Interest paid	**(16,359)**	(19,706)	**(109)**	(19,315)
Net cash flow used in financing activities	**(76,656)**	(327,492)	**(664)**	(264,492)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR	**47,030**	12,699	**8,001**	(1,053)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	**209,914**	197,215	**39,798**	40,851
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR (NOTE 24)	**256,944**	209,914	**47,799**	39,798

Analysis of debt reconciliation is disclosed in Note 26 to the financial statements.

The notes on pages 107 to 205 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

1 CORPORATE INFORMATION

The principal activities of the Company are investment holding and the provision of management services to its subsidiaries.

The principal activities of the Group consist of commercial television and radio broadcasting, publishing and sale of newspapers, home shopping network, provision of internet and digital-based media, provision of outdoor advertising space and related production services, media content production and distribution, property management services, and other media industry related services.

There have been no significant changes in the nature of these activities during the financial year.

The principal activities of the subsidiaries and associates are set out in Note 16 and Note 17 to the financial statements respectively.

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of the Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The address of the registered office and principal place of business of the Company is as follows:

Balai Berita Anjung Riong
No. 31 Jalan Riong, Bangsar
59100 Kuala Lumpur.

The financial statements have been approved for issuance in accordance with a resolution of the Board of Directors on 12 March 2020.

2 SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements.

(a) Basis of preparation

The financial statements of the Group and Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared under the historical cost convention, except as disclosed in this summary of significant accounting policies.

The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgment in the process of applying the Group's and Company's accounting policies. Although these estimates and judgment are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

As at 31 December 2019, the Group and Company's current liabilities exceeded their current assets by RM84.8 million and RM35.7 million respectively. The preparation of the financial statements of the Group and Company as going concerns is dependent on the ability of the Group and Company to generate adequate positive cash flows and future profits from its ongoing reorganisation of its operations and cost management initiatives.

In assessing the appropriateness of the going concern basis to prepare the financial statements of the Group and the Company, the Directors prepared a cash flow forecast for the next 12 months from the date of approval of the financial statements. Based on the cash flow forecast (which is elaborated further in Note 35(c) – Liquidity Risk), the Directors are of the view that the going concern assumption is appropriate for the preparation of the financial statements.

(i) New standard, interpretation, improvements and amendments to published standards that are effective and applicable to the Group and Company.

The Group and Company have applied the following new standard, interpretation, improvements and amendments for the first time for the financial year beginning on 1 January 2019:

- MFRS 16 'Leases'
- Amendments to MFRS 128 'Long-term Interests in Associates and Joint Ventures'
- IC Interpretation 23 'Uncertainty over Income Tax Treatments'
- Annual Improvements to MFRSs 2015 – 2017 Cycle

The Group and Company have applied MFRS 16 with the date of initial application of 1 January 2019 by applying the simplified retrospective transition method.

Under the simplified retrospective transition method, the 2018 comparative information was not restated and the cumulative effects of initial application of MFRS 16 where the Group and Company are lessees were recognised as an adjustment to the opening balance of retained earnings as at 1 January 2019. The comparative information continued to be reported under the previous accounting policies governed under MFRS 117 'Leases' and IFRIC Interpretation 4 'Determining whether an Arrangement Contains a Lease'.

As a lessor, the Group is not required to make any adjustment on transition, except for the reassessment of existing operating subleases at the date of initial application.

In addition, the Group and Company have elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Group relied on its assessment made applying MFRS 117 and IFRIC Interpretation 4.

The practical expedient and detailed impact of change in accounting policies are set out in Note 37. Other than that, the adoption of other amendments listed above did not have any impact on the current period or any prior period and is not likely to affect future periods.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(ii) Amendments to published standards that have been issued but not yet effective and applicable to the Group and Company.

A number of amendments to standards are effective for financial year beginning after 1 January 2020. None of these are expected to have a significant effect on the Group and Company.

- Amendments to Reference to the Conceptual Framework in MFRS Standards are to update the references and quotations in these Standards so as to clarify the version of the Conceptual Framework these Standards refer to.

  The Revised Conceptual Framework for Financial Reporting comprises of a comprehensive set of concepts for financial reporting. It is built on the previous version issued in 2011. The changes to the chapters on the objective of financial reporting and qualitative characteristics of useful information are limited, but with improved wording to give more prominence to the importance of providing information needed to assess management's stewardship of the entity's economic resources.

  Other improvements include a new chapter on measurement, guidance on reporting financial performance, improved definitions and guidance – in particular the definition of a liability – and clarifications in important areas, such as the role of prudence and measurement uncertainty in financial reporting.

  The amendments to the following Standards are as follows:
  - Amendment to MFRS 3
  - Amendments to MFRS 101 'Presentation of Financial Statements' ('MFRS 101')
  - Amendments to MFRS 108 'Accounting Policies, Changes in Accounting Estimates and Errors ('MFRS 108')
  - Amendments to MFRS 134 'Interim Financial Reporting' ('MFRS 134')
  - Amendment to MFRS 137 'Provisions, Contingent Liabilities and Contingent Assets' ('MFRS 137')
  - Amendment to MFRS 138 'Intangible Assets' ('MFRS 138')
  - Amendment to IC Interpretation 19 'Extinguishing Financial Liabilities with Equity Instruments' ('IC 19')
  - Amendment to IC 22
  - Amendments to IC Interpretation 132 'Intangible Assets – Web Site Costs' ('IC 132')

  The amendments are effective for annual periods beginning or after 1 January 2020. Earlier application is permitted if at the same time an entity also applies all other amendments made by Amendments to References to the Conceptual Framework in MFRS Standards.

- Amendments to MFRS 3 'Definition of a Business' (effective 1 January 2020) revise the definition of a business. To be considered a business, an acquisition would have to include an input and a substantive process that together significantly contribute to the ability to create outputs.

  The amendments provide guidance to determine whether an input and a substantive process are present, including situation where an acquisition does not have outputs. To be a business without outputs, there will now need to be an organised workforce. It is also no longer necessary to assess whether market participants are capable of replacing missing elements or integrating the acquired activities and assets.

  In addition, the revised definition of the term 'outputs' is narrower, focusses on goods or services provided to customers, generating investment returns and other income but excludes returns in the form of cost savings.

  The amendments introduce an optional simplified assessment known as 'concentration test' that, if met, eliminates the need for further assessment. Under this concentration test, if substantially all of the fair value of gross assets acquired is concentrated in a single identifiable asset (or a group of similar assets), the assets acquired would not represent a business.

  The amendments shall be applied prospectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(ii) Amendments to published standards that have been issued but not yet effective and applicable to the Group and Company.(continued)

- Amendments to MFRS 101 and MFRS 108 on Definition of Material (effective 1 January 2020) refines the definition by including 'obscuring information' to address the issue of including immaterial information should not reduce the understand ability of a Company's financial statements. The prior definition focuses only on information that cannot be omitted (material information) and does not also consider the effect of including immaterial information.

  The amendments also align the definition of material across MFRS Standards and other publications.

  These amendments shall be applied prospectively. Earlier application is permitted and should be disclosed.

(b) Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The existence and effect of potential voting rights are considered only when such rights are substantive when assessing control.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in the statement of comprehensive income.

The amount due from subsidiaries of which the Company does not expect repayment in the foreseeable future are considered as part of the Company's investment in subsidiaries.

(ii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

The Group applies the acquisition method to account for business combinations. The consideration transferred for acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

In a business combination achieved in stages, the carrying value of the acquirer's previously held equity interest in the acquiree is remeasured at its acquisition date fair value and the resulting gain or loss is recognised in the statement of comprehensive income.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of consolidation (continued)

(ii) Basis of consolidation (continued)

The excess of the consideration transferred, the amount of any Non-Controlling Interest ('NCI') in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the gain is recognised in the statement of comprehensive income. Refer to Note 2(e)(ii) for accounting policy on goodwill.

NCI is the equity in a subsidiary not attributable, directly or indirectly, to a parent. On an acquisition-by-acquisition basis, the Group measures any NCI in the acquiree either at fair value or at the NCI's proportionate share of the acquiree's identifiable net assets. At the end of reporting period, NCI consists of amount calculated on the date of combinations and its share of changes in the subsidiary's equity since the date of combination.

All earnings and losses of the subsidiary are attributed to the parent and the NCI, even if the attribution of losses to the NCI results in a debit balance in the shareholders' equity.

(iii) Changes in ownership interest

When the Group ceases to consolidate because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the statement of comprehensive income. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income ("OCI") in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in OCI are reclassified to profit or loss. Gains or losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the subsidiaries sold.

(iv) Transactions with non-controlling interest

The Group applies a policy of treating transactions with non-controlling interests as transactions with equity owners to the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share of the carrying value of net assets of the subsidiary acquired is deducted from equity. For disposals to non-controlling interests, differences between any proceeds received and the relevant share of non-controlling interests are also recognised in equity.

(v) Associates

Associates are those corporations, partnerships or other entities in which the Group has significant influence, but which it does not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Significant influence is the power to participate in the financial and operating policy decisions of the associates but not the power to exercise control over those policies.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of consolidation (continued)

[v] Associates (continued)

Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment losses.

The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in reserves is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. If the Group's share of losses of an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses. The interest in an associate is the carrying amount of the investment in the associate under the equity method together with any long-term interests that, in substance, form part of the Group's net investment in the associate. After the Group's interest is reduced to zero, additional losses are provided for, and a liability is recognised, only to the extent that the investor has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the statements of comprehensive income.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates and unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

Where necessary, in applying the equity method, adjustments are made to the financial statements of associates to ensure consistency of accounting policies with those of the Group.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

Dilution gains and losses in associates are recognised in the profit or loss.

For incremental interest in an associate, the date of acquisition is the purchase date at each stage and goodwill is calculated at each purchase date based on the fair value of assets and liabilities identified. There is no "step up to fair value" of net assets previously acquired and the share of profits and equity movements for the previously acquired stake is recorded directly through equity.

In the Company's separate financial statements, investments in associates are stated at cost less accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 2(f) on impairment of non-financial assets.

On disposal of an investment, the difference between the net disposal proceeds and its carrying amount is charged/credited to the profit or loss.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged to the profit or loss during the financial year in which they are incurred.

Freehold land is not depreciated as it has an infinite life. Depreciation on assets under construction commences when the assets are ready for their intended use.

Depreciation on the other property, plant and equipment is calculated so as to write off the cost or valuation of the assets to their residual values on a straight line basis over the expected useful lives of the assets, summarised as follows:

Buildings	20 – 50 years
Plant and machinery	4 – 25 years
Broadcasting and transmission equipment	10 years
Production equipment	5 – 10 years
Office equipment, furniture and fittings	3 – 10 years
Office renovations	3 – 10 years
Motor vehicles	5 years
Leasehold improvements	3 – 10 years
Structures	5 – 10 years

Leasehold land is amortised over the remaining period of the respective leases ranging from 50 and 99 years. From 1 January 2019, leased assets (including leasehold land) are presented as a separate line item in statement of financial position. See accounting policy Note 2(k) on right-of-use assets for these assets.

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each financial position date.

At each financial position date, the Group and Company assess whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 2(f) on impairment of non-financial assets.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Investment properties

Investment properties comprise principally land and buildings held for long term rental yields or for capital appreciation or both, and are not occupied by the Group and Company.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses. Investment property is depreciated on the straight line basis to allocate the cost to their residual values over their estimated useful lives.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Freehold land is not depreciated as it has an infinite life.

Depreciation on the other investment properties is calculated so as to write off the cost of the assets to their residual values on a straight line basis over the expected useful lives of 20 to 99 years.

On disposal of an investment property, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal, it shall be derecognised. The difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss in the financial year of the retirement or disposal.

(e) Intangible assets

(i) Programmes and film rights

Programmes and film rights are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

The programmes and film rights are recognised after they are contracted for, after receipt of materials and after approvals are obtained from the censorship authority. Cost comprises contracted cost and direct expenditure. Amortisation is calculated so as to write off the relevant portion of the cost of programmes and film rights which fairly represents its relevant attached rights, to match against the pattern of consumption of these programmes and film rights.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note 2(f) on impairment of non-financial assets.

(ii) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the business combination in which the goodwill arose identified according to the operating segment. See accounting policy Note 2(f) on impairment of non-financial assets.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Intangible assets (continued)

(iii) Acquired outdoor concession rights and outdoor advertising rights

Acquired outdoor concession rights and outdoor advertising rights that have a finite useful life are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of concession rights and outdoor advertising rights over their respective concession lives of 2 to 17 years. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note 2(f) on impairment of non-financial assets.

Acquired outdoor concession rights and outdoor advertising rights that have an indefinite useful life are assessed for any indication of impairment on an annual basis or where an indication of impairment exist. A write-down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 2(f) on impairment of non-financial assets.

(iv) Acquired publishing rights, brands and digital publishing

Acquired publishing rights, brands and digital publishing that have an indefinite useful life are assessed for any indication of impairment on an annual basis or where an indication of impairment exist. A write-down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 2(f) on impairment of non-financial assets.

(v) Computer software and software development costs

Costs that are directly associated with identifiable and unique software products controlled by the Group and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Computer software recognised are amortised from the point at which asset is ready for use over their estimated useful lives, which does not exceed 3 years.

Research and development costs are charged to the profit or loss in the financial year in which they are incurred. Development costs previously recognised as an expense are not recognised as an asset in the subsequent financial year. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

(i) it is technically feasible to complete the intangible asset so that it will be available for use or sale;
(ii) management intends to complete the intangible asset and use or sell it;
(iii) there is an ability to use or sell the intangible asset;
(iv) it can be demonstrated how the intangible asset will generate probable future economic benefits;
(v) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
(vi) the expenditure attributable to the intangible asset during its development can be reliably measured.

Capitalised development costs recognised as intangible assets are amortised from the point at which the asset is ready for use on a straight-line basis over its useful life, not exceeding 3 years.

(f) Impairment of non-financial assets

Assets that have an indefinite useful life, for example, goodwill or intangible assets, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Impairment of non-financial assets (continued)

The impairment loss is charged to profit or loss unless it reverses a previous revaluation in which case it is charged to the revaluation surplus. Impairment losses on goodwill are not reversed. In respect of other assets, any subsequent increase in recoverable amount is recognised in profit or loss unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation surplus reserve.

(g) Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

(h) Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group and Company. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, where they are recognised at fair value plus transaction costs. Other receivables are recognised initially at fair value plus transaction costs.

The Group and Company hold the trade and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See accounting policy Note 2(w)(iv) on impairment of financial assets.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs.

Cost comprises direct labour, materials, sub-contract costs and related expenditure. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimate of the selling price in the ordinary course of business, less costs of completion and applicable variable selling expenses.

(j) Cash and cash equivalents

For the purpose of the cash flow statements, cash and cash equivalents comprise cash on hand, bank balances, demand deposits, short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Leases

The Group and Company leasing activities mainly comprise of office spaces, site rentals, advertising structures, studios, warehouses and other leased operating and office equipment. MFRS 16 replaces the guidance in MFRS 117 "Leases" ("MFRS 117") and resulted in changes in accounting policies and valuation of rental and lease contracts which were previously classified as operating leases, to the recognition of right-of-use ('ROU') assets and corresponding lease liabilities.

Accounting policies applied from 1 January 2019

(i) The Group and Company as a lessee

From 1 January 2019, leases are recognised as ROU asset and a corresponding liability at the date on which the leased asset is available for use by the Group and Company (i.e. the commencement date).

Lease term

In determining the lease term, the Group and Company consider all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The Group and Company reassess the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and Company and affects whether the Group and Company are reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities.

ROU assets

ROU assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Any initial direct costs; and
- Decommissioning or restoration costs.

ROU assets that are not investment properties are subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group and Company are reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities.

The Group and Company apply the cost model to ROU assets that meet the definition of investment property of MFRS 140 consistent with those investment property owned by the Group and Company. Refer to accounting policy Note 2(d) on investment property.

The Group and Company present ROU assets that meet the definition of investment property in the statement of financial position as investment property. ROU assets that are not investment properties are presented as a separate line item in the statement of financial position.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Leases (continued)

Accounting policies applied from 1 January 2019 (continued)

(i) The Group and Company as a lessee (continued)

Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentive receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Group and Company under residual value guarantees;
- The exercise price of a purchase and extension options if the group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group and Company exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group and Company, the lessee's incremental borrowing is used. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Some leases contain variable payment terms that are linked to revenue share generated from sales of advertisement. Variable lease payments that depend on revenue share are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

The Group and Company present the lease liabilities as a separate line item in the statement of financial position. Interest expense on the lease liability is presented within the finance cost in profit or loss in the statement of comprehensive income.

Reassessment of lease liabilities

The Group and Company may be exposed to potential future increases in variable lease payments that depend on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is remeasured and adjusted against the ROU assets.

Short term leases and leases of low value assets

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT and office equipment. Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised as an expense in profit or loss.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Leases (continued)

Accounting policies applied from 1 January 2019 (continued)

(ii) The Group as a lessor

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

(a) Finance leases

The Group classifies a lease as a finance lease if the lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group derecognises the underlying asset and recognises a receivable at an amount equal to the net investment in a finance lease. Net investment in a finance lease is measured at an amount equal to the sum of the present value of lease payments from lessee and the unguaranteed residual value of the underlying asset. Initial direct costs are also included in the initial measurement of the net investment. The net investments is subject to MFRS 9 impairment. In addition, the Group reviews regularly the estimated unguaranteed residual value.

(b) Operating leases

The Group and Company classify a lease as an operating lease if the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group and Company recognise lease payments received under operating lease as lease income on a straight-line basis over the lease term.

(iii) Sublease classification

Until the financial year ended 31 December 2018, when the Group and Company were an intermediate lessor, the subleases were classified as finance or operating leases by reference to the underlying assets.

From 1 January 2019, when the Group and Company are an intermediate lessor, they assess the lease classification of a sublease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. If a head lease is short-term lease to which the Group and Company apply the exemption described above, then they classify the sublease as an operating lease.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Leases (continued)

Accounting policies applied until 31 December 2018

(i) Accounting by lessee

(a) Finance lease

Leases of property, plant and equipment where the Group and Company assume substantially all the benefits and risks of ownership are classified as finance leases.

Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant periodic rate of interest on the balance outstanding. The corresponding rental obligations, net of finance charges, are included in payables. The interest element of the finance lease is charged to the statement of comprehensive income over the lease period, so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Initial direct costs incurred by the Group and Company in negotiating and arranging finance leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease expense.

Property, plant and equipment acquired under finance leases are depreciated over the estimated useful lives of the assets. Where there is no reasonable certainty that the ownership will be transferred to the Group and Company, the asset is depreciated over the shorter of the lease term and its estimated useful life.

(b) Operating lease

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

(ii) Accounting by lessor

When assets are leased out under an operating lease, the asset is included in the statements of financial position based on the nature of the asset. Lease income is recognised over the term of the lease on a straight-line basis.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the net profit for the financial year except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statements of financial position date in the countries where the Company and its subsidiaries operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction occurring, it affects neither accounting nor taxable profit nor loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statements of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred tax liability where the timing of the reversal of the temporary difference is controlled by the Group and Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax assets (including tax benefit from reinvestment allowances) are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

(m) Employee benefits

(i) Short-term employee benefits

The Group and Company recognise a liability and an expense for bonuses based on a formula that takes into consideration the net profit/(loss) for the financial year after certain adjustments. The Group and Company recognise a provision where there is a contractual obligation or where there is a past practice that has created a constructive obligation.

Wages, salaries, sick leave, paid annual leave, bonuses and non-monetary employee benefits are accrued in the financial year in which the associated services are rendered by employees of the Group and Company and are expected to be settled wholly within 12 months.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Employee benefits (continued)

(ii) Post-employment benefits - defined contribution retirement plan

A defined contribution plan is a pension plan under which the Group and Company pay fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to the employee service in the current and prior periods.

The Group's and Company's contributions to defined contribution plans, including the national defined contribution plan, the Employees' Provident Fund ("EPF"), are charged to the profit or loss in the financial year to which they relate. Once the contributions have been paid, the Group and Company have no further payment obligations. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iii) Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group and Company recognise termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without the possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits which are due more than 12 months after the financial position date are discounted to present value.

(n) Trade and other payables

These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(o) Provisions

Provisions are recognised when the Group and Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

Where the Group and Company expect a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost expense.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Contingent liabilities and contingent assets

The Group and Company do not recognise a contingent liability but disclose its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence and non-occurrence of one or more uncertain future events beyond the control of the Group and Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably. However, contingent liabilities do not include financial guarantee contracts.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group and Company. The Group and Company do not recognise contingent assets but disclose their existence where inflows of economic benefits are probable, but not virtually certain.

(q) Share capital

Ordinary shares are classified as equity.

Incremental external costs directly attributable to the issuance of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders. However, in the case of interim dividends, it is recognised as liability upon approval by the Board of Directors of the Company.

(r) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred with any difference between the initial fair value and proceeds (net of transaction costs) being charged to profit or loss at initial recognition. In subsequent periods, borrowings are stated at amortised cost using the effective interest method with the difference between the initial fair value and the redemption value is recognised in the profit or loss over the period of the borrowings.

Interest, dividends, losses and gains relating to a financial instrument, or a component part, classified as a liability is reported within finance cost in the profit or loss.

Borrowings are classified as current liabilities unless the Group and Company have an unconditional right to defer settlement of the liability for at least 12 months after the financial position date.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facilities will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities.

Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group and Company expect to be entitled in exchange for transferring promised goods or services to a customer, net of estimated returns, discounts, commissions, rebates and taxes. Discounts and rebates are measured using the most likely amount method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. Depending on the substances of the respective contact with the customer, revenue is recognised when the performance obligation is satisfied, which may be at point in time or over time.

The Group and Company do not expect any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group and Company do not adjust any of the transaction prices for the time value of money.

No element of financing is deemed present as the sales are made with a credit term of 0 to 120 days, which is consistent with market practice.

(i) Advertising revenue

Advertising revenue mostly consists of advertising in television, radio, newspapers, digital platforms and outdoor advertising.

Advertising revenue is recognised at a point in time when the advertisements are broadcasted on television or radio, published in newspapers or displayed on digital platforms.

Display rental revenue, content management and lighting from outdoor advertising are recognised over time in accordance with the period of the contract. Contracts with a combination of display rental, content management and lighting are recognised as separate distinct performance obligations and transaction price are allocated on a relative stand-alone selling price basis. Display rental stand-alone selling price is measured at the fixed transaction price agreed in the contracts.

In addition, contra arrangements, whereby particular advertising service in exchange for other goods or services, generate a contract asset or liability to the extent that the service rendered by the Group does not pertain to the same line of business as the service received from the counterpart. Such revenues are measured at the estimated fair market value of the goods or services received. Services received in exchange are expensed to statement of comprehensive income over the service period.

(ii) Sale of goods

Revenue from the sale of goods includes the sale of newspapers, books, magazines and retail goods from home shopping network.

Revenue from the sale of goods is recognised at a point in time when the control of the product is transferred to the customer.

It is the Group's policy to sell their products to the end customer with a right of return within 10 days. A contract liability (refund liability) and a right to the returned goods (included in inventories) are recognised for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level (expected value method). Because the number of products returned has been low for years, management assessed that it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. As such, no contract liability or right to returned goods are recognised. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Revenue recognition (continued)

(iii) Content and programme sales

Content revenue mostly consists of programme rights sales to customers, revenue generated from the production and license income.

Revenue from the sale of programme rights and license income typically have a wide variety of performance obligations, from production licence contracts to multi-year format licence agreements and distribution activities. MFRS 15 requires an assessment of whether licences are determined to be a right to access the content (revenue recognised over time) versus a right to use the content (revenue recognised at a point in time). The Group determined that for most of the licences granted, the involvement of the Group is limited to the transfer of the licence, where the performance obligation is satisfied at a point in time.

Revenue from theatrical film releases is recognised at a point in time in the period the feature films are screened in cinemas.

Subscription revenue from the provision of content on over-the-top and other digital platforms are recognised over time in accordance with the period the access is provided.

(iv) Rendering of services

Revenue from the rendering of services includes management services, talent services, online social media and digital content services, seminar services and advertising production services.

Revenue from management services, talent services, online social media and digital content services are recognised over time as and when the services are rendered.

Revenue from seminar services and advertising production services are recognised at a point in time upon the delivery of services or ready to be displayed.

(v) Interest income

MFRS 9 requires interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(vi) Other revenue

Dividend income is recognised when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits. Dividend income are received from financial assets measured at fair value through profit or loss ("FVTPL") and at FVOCI.

Rental income from rental of investment properties, cellular antenna space on outdoor structures and broadcasting equipment is recognised on a straight-line basis over the period of the lease or usage.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Contract balances

(i) Contract assets

A contract asset is recognised when the Group's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to MFRS 9 (see Note 35). Typically, the amount will be billed within 30 days and payment is expected within 30 days.

(ii) Contract liabilities

Contract liabilities were previously named as deferred income.

Contract liabilities of the Group and Company represent advance receipts from customers on sales and services that have yet to be rendered or completed, outdoor display rental charges in advance, monetary value of awarded points under customer loyalty programmes and advance receipts from customers received on behalf of its subsidiaries, of which the allocation of the advertising services has yet to be determined as at financial position date.

All other contract liabilities are expected to be recognised as revenue over the next 12 months.

(u) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the net profit for the financial year, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit or loss within "finance income or cost". All other foreign exchange gains and losses are presented in profit or loss within other operating expenses.

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available-for-sale, are included in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Foreign currencies (continued)

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each financial position date presented are translated at the closing rate at the date;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

(v) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Senior Management and the Board of Directors that makes strategic decisions.

(w) Financial assets

(i) Classification

The Group and Company classified their financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ('OCI') or through profit or loss ('FVTPL'), and
- those to be measured at amortised cost ('AC')

(ii) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Group and the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company has transferred substantially all the risks and rewards of ownership.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Financial assets (continued)

(iii) Measurement

(a) Initial recognition

The Group and Company measure a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest ('SPPI').

(b) Subsequent measurement

- Debt instruments

  Subsequent measurement of debt instruments depends on the Group's and Company's business model for managing the asset and the cash flow characteristics of the asset. The Group and Company reclassify debt investments when and only when its business model for managing those assets changes. The debt instruments in the Group and Company are categorised as follows:

  - AC: Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at AC. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in respective line item in the statements of comprehensive income together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statements of comprehensive income.

  - FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other operating income using the effective interest rate method. Foreign exchange gains and losses are presented net within respective line item in the statements of comprehensive income and impairment expenses are presented as separate line item in the statements of comprehensive income.

  - FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. The Group and Company may also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases. Fair value changes is recognised in profit or loss and presented net within respective line item in the statements of comprehensive income in the period which it arises.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Financial assets (continued)

(iii) Measurement (continued)

(b) Subsequent measurement (continued)

- Equity instruments

The Group and Company subsequently measure all equity investments at fair value. Where the Group's and Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment. Dividends from such investments continue to be recognised in profit or loss as revenue when the Group's and Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in statements of comprehensive income. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

Impairment for debt instruments

The Group and Company assess on a forward looking basis the expected credit loss ('ECL') associated with its debt instruments carried at AC and at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The following financial instruments are subject to the ECL model:
- Trade receivables
- Contract assets
- Non-trade receivables
  - intercompany balances
  - other receivables and deposits

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

ECL represent a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Group and Company expect to receive, over the remaining life of the financial instrument.

The measurement of ECL reflects:
- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Financial assets (continued)

(iv) Impairment (continued)

Impairment for debt instruments (continued)

(a) Simplified approach for trade receivables and contract assets

The Group and Company apply the MFRS 9 simplified approach to measure ECL which uses a lifetime ECL for all trade receivables and contract assets.

(b) General 3-stage approach for non-trade receivables

At each reporting date, the Group and Company measure ECL through loss allowance at an amount equal to 12 month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition. For all other financial instruments, a loss allowance at an amount equal to lifetime ECL is required.

Significant increase in credit risk

The Group and Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

The following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtors ability to meet its obligations
- actual or expected significant changes in the operating results of the debtor
- significant increases in credit risk on other financial instruments of the same debtor
- significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtor in the group and changes in the operating results of the debtor.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Financial assets (continued)

(iv) Impairment (continued)

Definition of default and credit-impaired financial assets

The Group and Company define a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

- Quantitative criteria: The Group and Company define a financial instrument as default, when the counterparty fails to make contractual payment when they fall due.

- Qualitative criteria: The debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Group and Company consider the following instances:
  - the debtor is in breach of financial covenants
  - concessions have been made by the lender relating to the debtors financial difficulty
  - it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
  - the debtor is insolvent

Financial instruments that are credit-impaired are assessed on individual basis.

Groupings of instruments for ECL measured on collective basis

(a) Collective assessment

To measure ECL, trade receivables and contract assets arising have been grouped based on shared credit risk characteristics of customer's behaviour and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group and Company have therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

(b) Individual assessment

Trade receivables, contract assets and non-trade receivables, that are in default or credit-impaired are assessed individually.

Intercompany balances are assessed on individual basis for ECL measurement, as credit risk information is obtained and monitored based on each related intercompany.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Financial assets (continued)

(v) Write-off

Trade receivables and contract assets

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and Company, and a failure to make contractual payment. Nevertheless, trade receivables and contract assets that are written-off could still be subject to enforcement activities.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Non-trade receivables

The Group and Company write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group and Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

(x) Financial liabilities

Financial liabilities are recognised initially at fair value plus or minus, any directly attributable transaction costs incurred at the acquisition or issuance of financial instrument.

Subsequent to initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method.

For financial liabilities other than derivatives, gains and losses are recognised in the profit or loss when the liabilities are derecognised as well as through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in the statements of comprehensive income. Net gains or losses on derivatives include exchange differences.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statements of comprehensive income.

(y) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group and Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have a material impact to the Group's and Company's results and financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

(i) Assessment of impairment of non-financial assets

The Group and Company assess impairment of the non-financial assets (excluding goodwill), in particular impairment assessments on the Company's investment in subsidiaries, whenever the events or changes in circumstances indicate that the carrying amount may not be recoverable (i.e. the carrying amount is more than the recoverable amount). The Group also tests annually whether goodwill or intangible assets with indefinite life has suffered any impairment, in accordance with the accounting policy (Note 2(f)).

Recoverable amount of an asset is measured at the higher of the fair value less cost to sell ("FVLCS") for that asset and its value-in-use ("VIU"). The VIU is the net present value of the projected future cash flows derived from the cash generating units discounted at an appropriate discount rate. Projected future cash flows are estimates made based on historical, sector and industry trends, general market and economic conditions, changes in technology and other available information. For recoverable amount that is based on FVLCS which include fair value of assets or properties, the Group engaged independent valuers to assess the fair value of the assets.

Projected future cash flows are based on Group's and Company's judgements in terms of assessing future uncertain parameters such as estimated revenue growth, operating costs, contribution margins, discount rates and other available information. These judgements are based on the historical track record and expectations of future events that are believed to be reasonable under the current circumstances.

The key assumptions used, results and conclusion of the impairment assessments are set out in Notes 13, 16 and 18 of the financial statements.

(ii) Deferred tax assets

Deferred tax assets arose from unused tax losses, unabsorbed capital allowances and deductible temporary differences. Deferred tax assets were recognised to the extent that it is probable that future taxable profit will be available against which deferred tax asset can be utilised.

In evaluating whether it is probable that future taxable profits will be available in future periods, all available evidence was considered, including approved budgets and business plans, completed and planned restructuring exercises, continuous effective cost management initiatives and analysis of historical operating results. These forecasts are consistent with those prepared and used internally for business planning and impairment testing purposes.

(iii) Measurement of ECL allowance for financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group and Company use judgements in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of key assumptions and inputs used are disclosed in Note 35.

(iv) Lease extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(iv) Lease extension and termination options (continued)

The following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group and Company are typically reasonably certain to continue (or not to terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group and Company are typically reasonably certain to extend (or not terminate).
- Otherwise, the Group and Company consider other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

4 REVENUE

	Group		Company	
	2019 RM'000	**2018 RM'000**	**2019 RM'000**	**2018 RM'000**
Revenue from contracts with customers:				
Advertising revenue	**762,392**	856,951	**-**	-
Newspaper sales	**63,669**	72,601	**-**	-
Content production	**5,880**	6,028	**-**	-
Content sales	**12,503**	7,306	**-**	-
Sale of retail goods	**232,501**	213,138	**-**	-
Seminar services, events, books and magazines	**11,885**	20,095	**-**	-
Other ancillary revenue	**12,182**	5,472	**-**	-
License income	**1,512**	917	**-**	-
Management fees	**-**	-	**90,639**	101,885
	1,102,524	1,182,508	**90,639**	101,885
Revenue from other sources:				
Rental income from investment properties and outdoor cellular antenna space	**3,515**	3,229	**-**	-
Dividends from subsidiaries	**-**	-	**15,002**	5,000
	1,106,039	1,185,737	**105,641**	106,885
Timing of revenue recognition:				
At a point in time	**977,990**	1,040,221	**90,639**	101,885
Over time	**124,534**	142,287	**-**	-
Revenue from contracts with customers	**1,102,524**	1,182,508	**90,639**	101,885
Revenue from other sources	**3,515**	3,229	**15,002**	5,000
	1,106,039	1,185,737	**105,641**	106,885

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

4 REVENUE (CONTINUED)

An analysis by traditional and non-traditional revenue streams for the Group is as follows:

2019	Traditional RM'000	Digital RM'000	Home shopping RM'000	Total RM'000
Revenue from contracts with customers:				
Advertising	**679,473**	**82,919**	**-**	**762,392**
Circulation	**63,669**	**-**	**-**	**63,669**
Commerce	**33,291**	**5,000**	**232,292**	**270,583**
Content	**5,880**	**-**	**-**	**5,880**
	782,313	**87,919**	**232,292**	**1,102,524**
Revenue from other sources:				
Property and others	**3,515**	**-**	**-**	**3,515**
	785,828	**87,919**	**232,292**	**1,106,039**

2018	Traditional RM'000	Digital RM'000	Home shopping RM'000	Total RM'000
Revenue from contracts with customers:				
Advertising	774,485	82,466	-	856,951
Circulation	72,601	-	-	72,601
Commerce	28,349	5,441	213,138	246,928
Content	6,028	-	-	6,028
	881,463	87,907	213,138	1,182,508
Revenue from other sources:				
Property and others	3,229	-	-	3,229
	884,692	87,907	213,138	1,185,737

Digital revenue stream as analysed above includes digital revenue from the other operating segment.

Revenue recognised from exchanges of goods and services ("contra arrangements") amounted to RM0.3 million (2018: RM2.2 million).

Unsatisfied long-term performance obligations

For contracts that exceed one year, the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the financial year is approximately RM1.9 million (2018: RM6.9 million), of which the Group expects to recognise RM1.4 million as revenue in 2020 and the remaining amount of RM0.5 million is expected to be recognised as revenue from 2020 onwards.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

5 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Senior Management and the Board of Directors (chief operating decision-maker) that are used to make strategic decisions.

The chief operating decision-maker considers the business primarily from a product perspective as the activities of the Group are predominantly domestic based.

The reportable operating segments derive their revenue primarily from the following activities:

Television Networks	Commercial television broadcasting and video-on-demand services
Radio Networks	Commercial radio broadcasting
Outdoor Media	Outdoor advertising space and related outdoor advertisement production services
Print Media	Publishing and sale of newspapers
Digital Media	Digital media content and services
Content Creation	Media content production, procurement and distribution, music production and studio recording, and talent management of artistes
Home Shopping	Home shopping network

The chief operating decision-maker assesses the performance of the operating segments, before its respective tax charged or tax credits, based on a measure of Earnings Before Interest, Taxation, Depreciation and Amortisation ("EBITDA"). Since the chief operating decision-maker reviews EBITDA, the share of associates' results are not included in the measure of EBITDA.

The chief operating decision-maker assesses the assets and liabilities of the operations on a Group basis whereby the Television Networks, Radio Networks, Outdoor Media, Print Media, Digital Media, Content Creation and Home Shopping makes up individual segments. Within each segment, a significant portion of the assets and operations are based on shared resources basis i.e. centralised Group treasury, management services, finance, engineering, information technology, human resource and other support services.

5 SEGMENT INFORMATION (CONTINUED)

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

2019	Television Networks RM'000	Radio Networks RM'000	Outdoor Media RM'000	Print Media RM'000	Content Creation RM'000	Digital Media RM'000	Home Shopping RM'000	#Corporate RM'000	Consolidation adjustment/ elimination RM'000	Total RM'000
Revenue from external customers	393,960	37,776	153,298	216,575	24,063	48,075	232,292	-	-	1,106,039
Inter-segment revenue	6,704	80	1,642	1,023	66,299	26,333	-	105,641	(207,722)	-
	400,664	37,856	154,940	217,598	90,362	74,408	232,292	105,641	(207,722)	1,106,039
Royalties	(2,007)	(41)	-	-	-	-	-	-	-	(2,048)
	398,657	37,815	154,940	217,598	90,362	74,408	232,292	105,641	(207,722)	1,103,991
EBITDA/(LBITDA)	43,067	1,551	72,833	(27,639)	15,251	7,517	(9,372)	1,519	(21,579)	83,148
Depreciation and amortisation	(34,695)	(1,784)	(55,582)	(27,346)	(90)	(2,140)	(1,361)	(711)	(65)	(123,774)
Impairment loss and termination benefits	(28,507)	(1,951)	-	(52,767)	(3,960)	(159)	-	(219,234)	190,502	(116,076)
Finance cost	(3,556)	(282)	(7,924)	(5,326)	-	-	-	(11,840)	12,500	(16,428)
Share of result of an associate	-	-	-	-	-	129	-	-	-	129
Taxation	(387)	(1,508)	(2,203)	83	(4,313)	(3,661)	89	(605)	18	(12,487)
Reportable segment (loss)/profit after tax before allocation to non-controlling interest	(24,078)	(3,974)	7,124	(112,995)	6,888	1,686	(10,644)	(230,871)	181,376	(185,488)

These items are predominantly (more than 90%) relating to the Company for which, the financial information is disclosed separately on the face of the financial statements as well as the Notes to the financial statements.

5 SEGMENT INFORMATION (CONTINUED)

The segment information provided to the chief operating decision-maker for the reportable segments is as follows: (continued)

2018	Television Networks RM'000	Radio Networks RM'000	Outdoor Media RM'000	Print Media RM'000	Content Creation RM'000	Digital Media RM'000	Home Shopping RM'000	#Corporate RM'000	Consolidation adjustment/ elimination RM'000	Total RM'000
Revenue from external customers	426,255	53,268	167,111	266,390	14,251	45,324	213,138	-	-	1,185,737
Inter-segment revenue	11,139	1,296	2,470	3,899	84,927	42,028	-	106,885	(252,644)	-
	437,394	54,564	169,581	270,289	99,178	87,352	213,138	106,885	(252,644)	1,185,737
Royalties	(53)	(321)	-	-	-	-	-	-	-	(374)
	437,341	54,243	169,581	270,289	99,178	87,352	213,138	106,885	(252,644)	1,185,363
(LBITDA)/EBITDA	(50,684)	13,549	37,540	158,089	(17,248)	14,398	(2,246)	(18,562)	38,805	173,641
Depreciation and amortisation	(34,857)	(2,009)	(15,248)	(16,890)	(86)	(2,560)	(1,721)	(58)	(857)	(74,286)
Impairment loss and termination benefits	(20,412)	-	-	-	1,917	-	-	(281,231)	280,756	(18,970)
Finance cost	(6,317)	(461)	(269)	(2,314)	-	(71)	-	(19,134)	8,821	(19,745)
Taxation	(503)	(1,716)	670	3,877	(2,639)	(1,519)	(89)	(20)	290	(1,649)
Reportable segment (loss)/profit after tax before allocation to non-controlling interest	(112,773)	9,363	22,693	142,762	(18,056)	10,248	(4,056)	(319,005)	327,815	58,991

\# These items are predominantly (more than 90%) relating to the Company for which, the financial information is disclosed separately on the face of the financial statements as well as the Notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

6 EMPLOYEE BENEFITS COSTS

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Wages, salaries and bonuses	**271,678**	306,634	**43,020**	47,100
Defined contribution retirement plan	**41,257**	42,329	**5,997**	6,188
Termination benefits	**78,071**	18,970	**15,238**	476
Other employee benefits	**35,463**	33,065	**4,687**	4,940
	426,469	400,998	**68,942**	58,704

7 IMPAIRMENT OF NON-CURRENT ASSETS

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Property, plant and equipment (Note 13)	**23,039**	-	**-**	-
Investment properties (Note 15)	**159**	-	**-**	-
Investments in subsidiaries (Note 16)	**-**	-	**207,166**	280,756
Intangible assets (Note 18)	**16,665**	-	**-**	-
	39,863	-	**207,166**	280,756

8 (LOSS)/PROFIT FROM OPERATIONS

(Loss)/profit from operations is stated after charging:

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Royalties	**2,048**	374	**-**	-
Auditors' remuneration:				
- Statutory audit	**1,583**	1,507	**98**	98
- Other services^	**50**	808	**50**	800
- Tax services	**420**	448	**21**	151
Amortisation:				
- Prepaid transmission station rentals	**-**	152	**-**	-
Depreciation:				
- Property, plant and equipment	**59,376**	68,946	**118**	60
- Right-of-use assets	**62,591**	-	**592**	-
- Investment properties	**1,329**	1,329	**-**	-
Inventories (write back)/written down	**(97)**	174	**-**	-
Impairment loss allowance:				
- Trade and other receivables (net)	**449**	9,440	**-**	9
- Amounts due from subsidiaries	**-**	-	**6,920**	19,334

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

8 (LOSS)/PROFIT FROM OPERATIONS (CONTINUED)

(Loss)/profit from operations is stated after charging: (continued)

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Write-offs:				
- Property, plant and equipment	**270**	3,063	**-**	-
- Intangible asset	**38**	1,249	**-**	-
Expenses relating to short term leases:				
- Outdoor display sites	**4,992**	-	**-**	-
- Premises	**828**	-	**-**	-
Expenses relating to leases of low-value assets other than short term:				
- Outdoor display sites	**411**	-	**-**	-
- Office equipment	**2,470**	-	**2,002**	-
Expense relating to variable lease payments not included in lease liabilities:				
- Outdoor display sites	**18,413**	-	**-**	-
Expenses relating to leases with substitution rights:				
- Warehouse service agreement	**10,026**	-	**-**	-
- Transmitters	**15,214**	-	**-**	-
- Premises	**1,935**	-	**11,086**	-
Rental expense:				
- Transmitters	**-**	15,077	**-**	-
- Outdoor display sites	**-**	67,865	**-**	-
- Premises	**-**	25,864	**-**	15,894
- Office equipment	**-**	3,095	**-**	2,418
Call centre agency cost	**4,295**	3,858	**-**	-
Road reserve fees payable to the Malaysian Highway Authority	**9,587**	10,127	**-**	-
Distribution costs	**45,529**	44,327	**-**	-
Repair and maintenance	**38,229**	43,379	**8,574**	10,679
Research and development	**8,257**	8,962	**-**	7
Professional and consultancy	**12,196**	23,553	**1,436**	2,503
Advertising and promotion	**10,712**	20,375	**1,129**	848
Foreign exchange losses (net):				
- Realised	**1,094**	72	**-**	-

8 (LOSS)/PROFIT FROM OPERATIONS (CONTINUED)

and after crediting:

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Gain on disposal:				
- Property, plant and equipment	**443**	138,330	**-**	-
- Non-current assets held for sale	**2,221**	4,268	**-**	-
Gain on disposal of shares in an associate	**-**	45,643	**-**	-
Net income from sale of newsprint and unsold newspapers	**3,235**	2,517	**-**	-
Rental income:				
- Equipment and facilities	**5,035**	4,634	**-**	-
- Premises	**601**	588	**-**	-
Foreign exchange gains (net):				
- Realised	**-**	-	**12**	25
- Unrealised	**72**	-*	**-**	-

* Less than RM1,000

^ All other services were procured competitively in accordance with the Group's Procurement Policies and Procedures. Other services can be offered by the external auditors of the Group if there are clear efficiencies and value added benefits to the Group.

9 FINANCE INCOME/(COST)

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Finance income				
- from deposits	**7,697**	6,188	**1,507**	2,036
- from intercompany loan	**-**	-	**282**	8,214
	7,697	6,188	**1,789**	10,250
Finance cost				
- on borrowings	**(152)**	(19,405)	**-**	(19,014)
- on payables	**(69)**	(340)	**-**	-
- on lease liabilities	**(16,207)**	-	**(109)**	-
- on intercompany loan	**-**	-	**(11,731)**	(120)
	(16,428)	(19,745)	**(11,840)**	(19,134)

10 DIRECTORS' REMUNERATION

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Non-executive Directors:				
- Fees	**835**	762	**444**	409
- Allowances	**783**	948	**481**	665
- Other remuneration	**35**	34	**35**	34
Executive Directors:				
- Basic salaries and bonus	**1,141**	989	**1,141**	989
- Allowances	**98**	81	**98**	81
- Defined contribution retirement plan	**239**	204	**239**	204
	3,131	3,018	**2,438**	2,382
Estimated monetary value of benefits-in-kind	**13**	13	**13**	13

11 TAXATION

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Current tax:				
- Current financial year	8,567	2,195	**-**	-
- Under accruals in prior financial year	302	629	**605**	515
	8,869	2,824	**605**	515
Deferred tax:				
- Origination and reversal of temporary differences (Note 19)	3,618	(1,175)	**-**	-
Tax expense	12,487	1,649	**605**	515

11 TAXATION (CONTINUED)

The explanation of the relationship between taxation and (loss)/profit before taxation is as follows:

	Group		Company	
	2019 RM'000	**2018 RM'000**	**2019 RM'000**	**2018 RM'000**
(Loss)/profit before taxation	**(173,001)**	60,640	**(230,262)**	(318,992)
Tax calculated at the Malaysian corporate income tax rate of 24% (2018: 24%)	**(41,520)**	14,554	**(55,263)**	(76,558)
Tax effects of:				
- Expenses not deductible for tax purpose	**14,243**	5,128	**54,783**	77,207
- Income not subject to tax	**(1,744)**	(45,777)	**(3,600)**	(1,495)
- Deferred tax assets not recognised in respect of current year's temporary differences, allowances and unused tax losses	**47,423**	24,055	**4,080**	846
- Recognition of previously unrecognised deferred tax assets	**(1,256)**	-	**-**	-
- Share of results of an associate	**-**	-	**-**	-
- Expenses eligible for double deduction	**-**	(291)	**-**	-
- Tax-exempt income under pioneer status	**(1,203)**	(1,233)	**-**	-
- (Over)/under accruals of taxation in prior financial years	**(3,456)**	5,213	**605**	515
Taxation	**12,487**	1,649	**605**	515

There is no tax charge/credit relating to components of other comprehensive income.

12 EARNINGS PER SHARE

		Group	
		2019	2018
Net (loss)/profit attributable to owners of the Company	(RM'000)	**(177,850)**	58,623
Weighted average number of ordinary shares in issue	('000)	**1,109,199**	1,109,199
Basic (loss)/earnings per share	(sen)	**(16.03)**	5.29
Diluted (loss)/earnings per share	(sen)	**(16.03)**	5.29

The basic (loss)/earnings per share is calculated by dividing the net (loss)/profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year.

13 PROPERTY, PLANT AND EQUIPMENT

	Leasehold land RM'000	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Broadcasting and transmission equipment RM'000	Production equipment RM'000	Office equipment, furniture and fittings RM'000	Office renovations RM'000	Motor vehicles RM'000	Leasehold improvements RM'000	Structures RM'000	Assets under construction RM'000	Total RM'000
Group													
2019													
Cost													
At 1.1.2019	16,175	13,108	220,160	689,371	796,604	591	472,335	33,273	17,842	48,687	198,559	3,667	2,510,372
Effect of adoption of MFRS 16	(16,175)	-	-	-	-	-	-	-	-	-	-	-	(16,175)
At 1.1.2019, as restated	-	13,108	220,160	689,371	796,604	591	472,335	33,273	17,842	48,687	198,559	3,667	2,494,197
Additions	-	-	-	1,587	1,880	-	2,103	64	-	113	48	12,834	18,629
Disposals	-	-	-	(2,492)	(3,842)	-	(843)	-	(4,161)	-	(85)	-	(11,423)
Write-offs	-	-	-	-	-	-	(32)	-	-	-	(390)	-	(422)
Transfer from inventories	-	-	-	16,731	-	-	-	-	-	-	-	-	16,731
Adjustments	-	-	(33,593)	-	-	-	(9,841)	-	(777)	-	-	-	(44,211)
Reclassifications	-	-	-	131,307	46	-	(126,701)	-	-	-	7,915	(12,567)	-
At 31.12.2019	-	13,108	186,567	836,504	794,688	591	337,021	33,337	12,904	48,800	206,047	3,934	2,473,501

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Leasehold land RM'000	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Broadcasting and transmission equipment RM'000	Production equipment RM'000	Office equipment, furniture and fittings RM'000	Office renovations RM'000	Motor vehicles RM'000	Leasehold improvements RM'000	Structures RM'000	Assets under construction RM'000	Total RM'000
Group													
Accumulated depreciation													
At 1.1.2019	5,888	-	119,595	498,687	637,487	543	388,321	31,275	13,495	45,721	129,913	-	1,870,925
Effect of MFRS 16 adoption	(5,888)	-	-	-	-	-	-	-	-	-	-	-	(5,888)
At 1.1.2019, as restated	-	-	119,595	498,687	637,487	543	388,321	31,275	13,495	45,721	129,913	-	1,865,037
Charge for the financial year	-	-	1,512	3,356	21,064	-	18,123	745	1,580	2,013	10,983	-	59,376
Disposals	-	-	-	(2,191)	(3,771)	-	(728)	-	(4,138)	-	(64)	-	(10,892)
Write-offs	-	-	-	-	-	-	-	-	-	-	(152)	-	(152)
Adjustments	-	-	(33,593)	-	-	-	(9,841)	-	(777)	-	-	-	(44,211)
Reclassifications	-	-	-	123,710	-	-	(123,710)	-	-	-	-	-	-
At 31.12.2019	-	-	87,514	623,562	654,780	543	272,165	32,020	10,160	47,734	140,680	-	1,869,158

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Leasehold land RM'000	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Broadcasting and transmission equipment RM'000	Production equipment RM'000	Office equipment, furniture and fittings RM'000	Office renovations RM'000	Motor vehicles RM'000	Leasehold improvements RM'000	Structures RM'000	Assets under construction RM'000	Total RM'000
Group													
Accumulated impairment losses													
At 1.1.2019	-	3,265	70,226	182,613	58,213	-	18,308	-	1,474	-	382	-	334,481
Charged during the financial year	-	-	5	15,525	7,300	-	134	3	72	-	-	-	23,039
Reclassifications	-	-	-	4,169	-	-	(3,672)	-	(497)	-	-	-	-
At 31.12.2019	-	3,265	70,231	202,307	65,513	-	14,770	3	1,049	-	382	-	357,520
Net book value													
At 31.12.2019	-	9,843	28,822	10,635	74,395	48	50,086	1,314	1,695	1,066	64,985	3,934	246,823

NOTES TO THE FINANCIAL STATEMENTS
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13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Leasehold land RM'000	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Broadcasting and transmission equipment RM'000	Production equipment RM'000	Office equipment, furniture and fittings RM'000	Office renovations RM'000	Motor vehicles RM'000	Leasehold improvements RM'000	Structures RM'000	Assets under construction RM'000	Total RM'000
Group													
2018													
Cost													
At 1.1.2018	16,075	95,278	310,780	695,186	792,338	592	455,787	32,984	16,529	46,378	175,593	34,916	2,672,436
Additions	-	-	-	770	2,338	-	3,883	289	1,538	2,309	-	15,552	26,679
Disposals	-	(82,170)	(90,620)	(10,075)	(96)	-	(1,916)	-	(225)	-	(674)	-	(185,776)
Write-offs	-	-	-	-	-	(1)	(2)	-	-	-	(1,255)	(1,809)	(3,067)
Transfer from non-current assets held for sale (Note 25)	100	-	-	-	-	-	-	-	-	-	-	-	100
Reclassification	-	-	-	3,490	2,024	-	14,583	-	-	-	24,895	(44,992)	-
At 31.12.2018	16,175	13,108	220,160	689,371	796,604	591	472,335	33,273	17,842	48,687	198,559	3,667	2,510,372

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Leasehold land RM'000	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Broadcasting and transmission equipment RM'000	Production equipment RM'000	Office equipment, furniture and fittings RM'000	Office renovations RM'000	Motor vehicles RM'000	Leasehold improvements RM'000	Structures RM'000	Assets under construction RM'000	Total RM'000
Group													
Accumulated depreciation													
At 1.1.2018	5,460	-	147,087	501,042	613,919	544	367,495	30,446	12,472	40,818	120,092	-	1,839,375
Charge for the financial year	413	-	5,765	801	23,647	-	20,846	829	1,248	4,903	10,494	-	68,946
Disposals	-	-	(33,257)	(3,156)	(79)	-	(18)	-	(225)	-	(673)	-	(37,408)
Write-offs	-	-	-	-	-	(1)	(2)	-	-	-	-*	-	(3)
Transfer from non-current assets held for sale (Note 25)	15	-	-	-	-	-	-	-	-	-	-	-	15
At 31.12.2018	5,888	-	119,595	498,687	637,487	543	388,321	31,275	13,495	45,721	129,913	-	1,870,925

* Less than RM1,000

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Leasehold land RM'000	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Broadcasting and transmission equipment RM'000	Production equipment RM'000	Office equipment, furniture and fittings RM'000	Office renovations RM'000	Motor vehicles RM'000	Leasehold improvements RM'000	Structures RM'000	Assets under construction RM'000	Total RM'000
Group													
Accumulated impairment losses													
At 1.1.2018/ At 31.12.2018	-	3,265	70,226	182,613	58,213	-	18,308	-	1,474	-	382	-	334,481
Net book value													
At 31.12.2018	10,287	9,843	30,339	8,071	100,904	48	65,706	1,998	2,873	2,966	68,264	3,667	304,966

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Company	
	2019	2018
	RM'000	RM'000
Office equipment, furniture and fittings		
Cost		
At 1 January	**4,147**	3,979
Additions	**254**	168
At 31 December	**4,401**	4,147
Accumulated depreciation		
At 1 January	**3,761**	3,701
Charge for the financial year	**118**	60
At 31 December	**3,879**	3,761
Net book value		
At 31 December	**522**	386

Impairment of property, plant and equipment

i) Television and Radio Networks

During the financial year, the Group undertook a broadcasting modernisation programme to support its Television and Radio Networks operating segments. Due to these factors, an impairment assessment on broadcasting equipment was performed and the Group recognised a charge of RM7.5 million on property, plant and equipment affected by greater than anticipated technological obsolescence.

ii) Print Group

The Group had performed a rationalisation exercise involving its plant and equipment within Print Media to address the continued challenging operating environment in the industry. An impairment assessment was performed resulting in a charge of RM15.5 million on certain spares as their recoverable amount exceeds carrying amount.

The recoverable amount of these assets are determined based on fair value less cost to sell. The charges had been recorded in "impairment of non-current assets" in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

14 LEASES

ROU

	Leasehold land and buildings RM'000	Buildings RM'000	Site rentals RM'000	Broadcasting transmission equipment RM'000	Total RM'000
Group					
Cost					
Initial application as at 1 January 2019	10,287	206,564	245,656	5,160	467,667
Additions	-	2,064	-	-	2,064
Modification	-	(17,631)	-	-	(17,631)
Adjustment	15	-	-	-	15
As at 31 December 2019	10,302	190,997	245,656	5,160	452,115
Accumulated depreciation					
Initial application as at 1 January 2019	-	69,571	100,478	2,365	172,414
Charge for the financial year	427	21,910	39,222	1,032	62,591
As at 31 December 2019	427	91,481	139,700	3,397	235,005
Net book value					
At 1 January 2019	10,287	136,993	145,178	2,795	295,253
At 31 December 2019	9,875	99,516	105,956	1,763	217,110

	Buildings RM'000	Total RM'000
Company		
Cost		
Initial application as at 1 January 2019	728	728
Additions	2,064	2,064
As at 31 December 2019	2,792	2,792
Accumulated depreciation		
Initial application as at 1 January 2019	303	303
Charge for the financial year	592	592
As at 31 December 2019	895	895
Net book value		
At 1 January 2019	425	425
At 31 December 2019	1,897	1,897

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

14 LEASES (CONTINUED)

Lease liabilities

	Group		Company	
	31.12.2019 RM'000	1.1.2019 RM'000	31.12.2019 RM'000	1.1.2019 RM'000
Current	(61,151)	(59,371)	(632)	(164)
Non-current	(186,330)	(264,494)	(1,327)	(286)
	(247,481)	(323,865)	(1,959)	(450)

The detailed impact on adoption of MFRS 16 on 1 January 2019 is disclosed in Note 37.

Extension options and termination options

Extension and termination options are included in various leases across the Group. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Extension and termination options are included, when possible, to provide the Group with greater flexibility to align its business strategy.

In cases in which the Group is not reasonably certain to exercise an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

Reconciliation of financial liabilities arising from financing activities

The table below details changes in the Group's and the Company's liabilities arising from financing activities including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statement of cash flows as cash flows from financing activities.

	At 1 January 2019 RM'000	Cash flows RM'000	Non-cash movement		At 31 December 2019 RM'000
			Accretion of interest RM'000	Others RM'000	
Group					
Lease liability	323,865	(77,023)	16,207	(15,568)	247,481
Company					
Lease liability	450	(664)	109	2,064	1,959

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

15 INVESTMENT PROPERTIES

	Leasehold land RM'000	Freehold land RM'000	Buildings RM'000	Cinema RM'000	Total RM'000
Group					
Cost					
At 1 January/31 December 2019	**6,487**	**6,300**	**30,079**	**2,382**	**45,248**
Accumulated depreciation					
At 1 January 2019	**459**	**-**	**10,292**	**850**	**11,601**
Charge for the financial year	**1**	**-**	**1,278**	**50**	**1,329**
At 31 December 2019	**460**	**-**	**11,570**	**900**	**12,930**
Accumulated impairment losses					
At 1 January 2019	**3,092**	**-**	**-**	**203**	**3,295**
Charge for the financial year	**-**	**-**	**-**	**159**	**159**
At 31 December 2019	**3,092**	**-**	**-**	**362**	**3,454**
Net book value					
At 31 December 2019	**2,935**	**6,300**	**18,509**	**1,120**	**28,864**
At 1 January/31 December 2018	6,487	6,300	30,079	2,382	45,248
Accumulated depreciation					
At 1 January 2018	458	-	9,014	800	10,272
Charge for the financial year	1	-	1,278	50	1,329
At 31 December 2018	459	-	10,292	850	11,601
Accumulated impairment losses					
At 1 January/31 December 2018	3,092	-	-	203	3,295
Net book value					
At 31 December 2018	2,936	6,300	19,787	1,329	30,352

The following amounts have been recognised in profit or loss in respect of investment properties:

	Group	
	2019 RM'000	2018 RM'000
Rental income for operating leases	**663**	250
Direct operating expenses incurred from investment properties that generate rental income	**(294)**	(193)
Direct operating expenses incurred from investment properties that did not generate rental income	**(33)**	(35)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

15 INVESTMENT PROPERTIES (CONTINUED)

(a) Impairment of investment properties during the financial year

The Group recognised an impairment charge in respect of investment properties during the financial year amounted to RM0.2 million. The impairment was attributed to greater than anticipated wear and tear. The impairment charge had been recorded in "impairment of non-current assets" in profit or loss.

(b) Fair value of investment properties

The fair value of the properties based on valuations by an independent professional valuer in the financial year using the cost and comparison method as follows:

	2019		2018	
	Carrying amount RM'000	**Fair value RM'000**	Carrying amount RM'000	Fair value RM'000
Group				
Investment properties	**28,864**	**68,398**	30,352	83,261

The fair value of the properties of the Group has been determined based on inputs other than quoted prices included within active markets that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) which is within level 2 of the fair value hierarchy.

(c) Leasing arrangements

The investment properties are leased to tenants under operating leases with rentals payables monthly. The Group classifies these leases as operating lease, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The following table sets out the maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group	
	2019 RM'000	**2018 RM'000**
Within 3 months	**214**	211
Between 3 and 1 year	**622**	611
More than 1 year	**751**	172

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

16 SUBSIDIARIES

	Company	
	2019 RM'000	2018 RM'000
Unquoted shares, at cost	**1,774,563**	1,774,563
Less: Accumulated impairment losses	**(834,277)**	(627,111)
	940,286	1,147,452

The details of the subsidiaries are as follows:

Name of company	Country of incorporation	Principal activities	Interest in equity 2019 %	Interest in equity 2018 %
Sistem Televisyen Malaysia Berhad ("STMB")	Malaysia	Commercial television broadcasting and video-on-demand services	**100**	100
Synchrosound Studio Sdn Bhd ("Hot FM")	Malaysia	Commercial radio broadcasting	**100**	100
Big Tree Outdoor Sdn Bhd ("BTO")	Malaysia	Outdoor advertising, investment holding and management services	**100**	100
Primeworks Studios Sdn Bhd ("PWS")	Malaysia	Production of television content and motion picture films, acquiring ready made films from local producers and production houses	**100**	100
Big Events Sdn Bhd	Malaysia	Events management	**100**	100
The Talent Unit Sdn Bhd	Malaysia	Talent management of artistes	**100**	100
Alternate Records Sdn Bhd	Malaysia	Album production and recording studio	**100**	100
Esprit Assets Sdn Bhd	Malaysia	Property investments and provision of property management services	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

16 SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows: (continued)

Name of company	Country of incorporation	Principal activities	Interest in equity 2019 %	Interest in equity 2018 %
Animated & Production Techniques Sdn Bhd	Malaysia	Dormant	**100**	100
Primeworks Distribution Sdn Bhd ("PWD")	Malaysia	Content and programme sales and distribution	**100**	100
Media Prima Omnia Sdn Bhd (formerly known as Able Communications Sdn Bhd)	Malaysia	Dormant	**100**	100
Star Crest Media Sdn Bhd	Malaysia	Dormant	**100**	100
Lazim Juta Sdn Bhd	Malaysia	Investment holding	**100**	100
The New Straits Times Press (Malaysia) Berhad ("NSTP")	Malaysia	Publishing and sale of newspapers and investment holding	**98.17**	98.17
Media Prima Digital Sdn Bhd ("MPD")	Malaysia	Digital media services	**100**	100
Held by STMB				
Ch-9 Media Sdn Bhd ("TV9")	Malaysia	Commercial television broadcasting	**100**	100
Natseven TV Sdn Bhd ("ntv7")	Malaysia	Commercial television broadcasting	**100**	100
MP CJ ENM Sdn Bhd ("MPCJ")	Malaysia	Home shopping network	**51**	51
Merit Idea Sdn Bhd	Malaysia	Investment holding	**100**	100
Held by Merit Idea Sdn Bhd				
Metropolitan TV Sdn Bhd ("8TV")	Malaysia	Commercial television broadcasting	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

16 SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows: (continued)

Name of company	Country of incorporation	Principal activities	Interest in equity 2019 %	Interest in equity 2018 %
Held by Hot FM				
Perintis Layar Sdn Bhd	Malaysia	Investment holding	**100**	100
One FM Radio Sdn Bhd ("OneFM")	Malaysia	Commercial radio broadcasting	**99.6**	99.6
Kool FM Radio Sdn Bhd ("KoolFM")	Malaysia	Commercial radio broadcasting	**100**	100
Held by Perintis Layar Sdn Bhd				
Max-Airplay Sdn Bhd ("FlyFM")	Malaysia	Commercial radio broadcasting	**100**	100
Held by NSTP				
Print Towers Sdn Bhd (formerly known as Berita Harian Sdn Berhad)	Malaysia	Dormant	**100**	100
Business Times (Malaysia) Sdn Bhd	Malaysia	Dormant	**100**	100
Marican Sdn Bhd	Malaysia	Dormant	**92.5**	92.5
New Straits Times Sdn Bhd	Malaysia	Dormant	**100**	100
NSTP e-Media Sdn Bhd	Malaysia	Dormant	**100**	100
Shin Min Publishing (Malaysia) Sdn Bhd	Malaysia	Dormant	**89.6**	89.6
The New Straits Times Properties Sdn Bhd	Malaysia	Property management services	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

16 SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows: (continued)

Name of company	Country of incorporation	Principal activities	Interest in equity 2019 %	Interest in equity 2018 %
Held by Jupiter Outdoor Network Sdn Bhd				
Calcom Sdn Bhd	Malaysia	Dormant	**100**	100
Lokasi Sejagat Sdn Bhd	Malaysia	Dormant	**100**	100
Skyten Marketing Sdn Bhd	Malaysia	Dormant	**100**	100
Held by BTO				
UPD Sdn Bhd ("UPD")	Malaysia	Outdoor advertising	**100**	100
The Right Channel Sdn Bhd ("TRC")	Malaysia	Outdoor advertising	**100**	100
Kurnia Outdoor Sdn Bhd ("Kurnia")	Malaysia	Outdoor advertising	**100**	100
Jupiter Outdoor Network Sdn Bhd	Malaysia	Dormant	**100**	100
Big Tree Productions Sdn Bhd	Malaysia	Production of outdoor advertising display	**100**	100
Uniteers Outdoor Advertising Sdn Bhd	Malaysia	Advertising contracting and agents, sale of advertising space	**100**	100
Gotcha Sdn Bhd	Malaysia	Outdoor advertising	**100**	100
Eureka Outdoor Sdn Bhd	Malaysia	Dormant	**100**	100
Anchor Heights Sdn Bhd	Malaysia	Dormant	**100**	100
Big Tree Seni Jaya Sdn Bhd ("BTSJ")	Malaysia	Outdoor advertising	**60**	60
Held by Alternate Records Sdn Bhd				
Booty Studio Productions Sdn Bhd	Malaysia	Dormant	**60**	60

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

16 SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows: (continued)

Name of company	Country of incorporation	Principal activities	Interest in equity 2019 %	2018 %
Held by The Right Channel Sdn Bhd ("TRC")				
MMC-AD Sdn Bhd	Malaysia	Dormant	**100**	100
Media Master Industries (M) Sdn Bhd	Malaysia	Dormant	**100**	100
Held by Kurnia Outdoor Sdn Bhd				
Kurnia Outdoor Productions Sdn Bhd	Malaysia	Production of advertising display	**100**	100
Held by Lazim Juta Sdn Bhd				
Strategic Media Asset Mgmt Co Ltd	Labuan	Dormant	**100**	100
Held by MPD				
Rev Asia Holdings Sdn Bhd	Malaysia	Investment holding	**100**	100
Held by Rev Asia Holdings Sdn Bhd				
Rev Social Malaysia Sdn Bhd	Malaysia	Digital publishing and social media content sharing platform	**100**	100
Rev Digital Sdn Bhd	Malaysia	Digital publishing	**100**	100
Rev Lifestyle Sdn Bhd	Malaysia	Digital publishing	**100**	100
The Vocket Sdn Bhd	Malaysia	Digital publishing	**52**	-
Held by Rev Social Malaysia Sdn Bhd				
Rev Social International Sdn Bhd	Malaysia	Digital publishing	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

16 SUBSIDIARIES (CONTINUED)

(a) Acquisition of subsidiary during the financial year

On 5 September 2019, Rev Asia Holdings Sdn Bhd ("RAHSB"), an indirect wholly-owned subsidiary of the Company, completed the acquisition of 52% equity interest in The Vocket Sdn Bhd ("TVSB"), a company incorporated in Malaysia, for a total cash consideration of RM2.6 million (including retention sum of RM0.8 million payable within 12 months from the date of completion of acquisition). TVSB is principally engaged in digital publishing.

A goodwill of RM0.6 million was recognised which comprises the value of expected potential synergistic benefits to upsell the Group's digital products and services by having a wider digital audience base. None of the goodwill is expected to be deductible for income tax purposes. In addition, intangible assets which relate to digital publishing rights amounting to RM4.4 million was recognised as a result of the acquisition.

The acquisition did not have significant impact to the Group during the financial year.

(b) Subsidiaries of the Company that have material non-controlling interests ("NCI") to the Group

Set out below are the summarised financial information of subsidiaries of the Company with non-controlling interests, which, in the opinion of the Directors, are material to the Group.

Proportion of equity interest held by non-controlling interests:

	2019 **%**	**2018** **%**
NCI percentage of ownership interest in equity:		
MPCJ	49.0	49.0
NSTP group	1.83	1.83
BTSJ	40.0	40.0

	2019 **RM'000**	2018 RM'000
Carrying amount of non-controlling interests:		
MPCJ	**(2,082)**	3,134
NSTP group	**4,175**	6,276
BTSJ	**(6,872)**	(3,922)
Other subsidiaries with immaterial non-controlling interests	**2,233**	277
	(2,546)	5,765

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

16 SUBSIDIARIES (CONTINUED)

(b) Subsidiaries of the Company that have material non-controlling interests ("NCI") to the Group (continued)

Movements of carrying amount of non-controlling interests are as follows:

	2019 RM'000	2018 RM'000
At 1 January	**5,765**	4,997
Effects of MFRS 16 adoption	**(2,513)**	-
Capital contribution attributable to non-controlling interests	**-**	400
Acquisition of a subsidiary	**1,873**	-
Revaluation of financial assets at FVOCI	**(33)**	-
(Loss)/profit attributable to non-controlling interests:		
- MPCJ	**(5,216)**	(1,987)
- NSTP group	**(2,068)**	2,685
- BTSJ	**(437)**	(338)
- Other subsidiaries with immaterial non-controlling interests	**83**	8
	(7,638)	368
	(8,311)	768
At 31 December	**(2,546)**	5,765

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

16 SUBSIDIARIES (CONTINUED)

(b) Subsidiaries of the Company that have material non-controlling interests ("NCI") to the Group (continued)

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before intercompany elimination.

	MPCJ RM'000	NSTP group RM'000	BTSJ RM'000
Summarised statements of comprehensive income			
2019			
Revenue	**232,292**	**217,598**	**17,452**
Net loss and total comprehensive loss for the financial year	**(10,644)**	**(112,995)**	**(1,094)**
2018			
Revenue	213,138	270,289	15,454
Net (loss)/profit and total comprehensive (loss)/income for the financial year	(4,056)	142,762	(666)
Summarised statements of financial position			
2019			
Non-current assets	**4,890**	**373,592**	**77,265**
Current assets	**42,495**	**65,432**	**13,637**
Non-current liabilities	**-**	**(164,089)**	**(61,900)**
Current liabilities	**(51,633)**	**(64,113)**	**(46,183)**
Net (liabilities)/assets	**(4,248)**	**210,822**	**(17,181)**
2018			
Non-current assets	**4,577**	**268,192**	**16,932**
Current assets	**47,715**	**154,626**	**11,612**
Non-current liabilities	**-**	**(733)**	**-**
Current liabilities	**(45,896)**	**(96,475)**	**(38,350)**
Net assets/(liabilities)	**6,396**	**325,610**	**(9,806)**

16 SUBSIDIARIES (CONTINUED)

(b) Subsidiaries of the Company that have material non-controlling interests ("NCI") to the Group (continued)

	MPCJ RM'000	NSTP group RM'000	BTSJ RM'000
Summarised cash flows information			
2019			
Net cash flow (used in)/generated from operating activities	**(3,552)**	**27,225**	**16,561**
Net cash flow (used in)/generated from investing activities	**(2,837)**	**1,545**	**(1,929)**
Net cash flow used in financing activities	**-**	**(36,933)**	**(10,300)**
Net (decrease)/increase in cash and cash equivalents	**(6,389)**	**(8,163)**	**4,332**
2018			
Net cash flow generated from/(used in) operating activities	12,735	(126,804)	6,536
Net cash flow (used in)/generated from investing activities	(1,522)	343,975	(3,858)
Net cash flow (used in)/generated from financing activities	-	(220,980)	1,000
Net increase/(decrease) in cash and cash equivalents	11,213	(3,809)	3,678

(c) Impairment assessment on investment in NSTP

As a result of the continued challenging operating environment of the Print Media operating segment and continuing losses during the financial year, the Company recognised an impairment loss of RM83.9 million (2018: RM83.9 million) on its investment in NSTP. The impairment charge had been recorded in "impairment of non-current assets" in the Company's profit or loss.

The recoverable amount of investment in NSTP is determined using a discounted cash flow model using cash flow projections based on approved management budget for 2019 and covers:

- A subsequent four (4) year (2018: 4) period that reflects the Digital business with terminal value; and
- A subsequent four (4) year (2018: 5) period that reflects the Print business remaining useful life of its Regional Printing Plants ("RPPs") plus terminal value

The cash flow projections are based on management's plans, reflecting management's expectation of revenue growth, operating costs and contribution margins for the cash-generating units based on the current assessment of market share and expectations of market growth. The growth in overhead costs are determined based on past performance and expected inflationary factors and is consistent with previous years. Contribution margins and EBITDA margins are projected based on the trends observed within the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

16 SUBSIDIARIES (CONTINUED)

(c) Impairment assessment on investment in NSTP (continued)

The key assumptions used for the VIU calculations are as follows:

	2019 **%**	2018 %
Average revenue (decline)/growth	**(11.3) - 8.0**	(20.0) - 15.0
Pre-tax discount rate	**9.0**	11.0 - 14.7
Terminal growth	**-**	0.0 - 1.0

The estimated fair values of land and buildings based on independent external valuations are deemed as present fair values of the assets and have been included as part of the recoverable amounts of the Print business in the terminal periods amounting to RM149.9 million (2018: RM150.1 million).

Based on the sensitivity analysis performed, a 50 basis points increase in the discount rate, with all other variables being held constant, would result in a further impairment loss of approximately RM0.2 million (2018: RM1.7 million).

(d) Impairment assessment on investment in STMB

As a result of the continued challenging operating environment of the Television Networks operating segment and continuing losses during the financial year were identified as indicators for an impairment test to be performed for the investment in STMB.

The recoverable amount of investment in STMB is determined based on the VIU method applying a discounted cash flow model using cash flow projections covering a five year (5) period.

Cash flows are derived based on the approved budgeted cash flows for 2019 and projections for a period of subsequent four (4) years, based on management's plans, reflecting management's expectation of revenue growth, operating costs and contribution margins for STMB based on the current assessment of market share and expectations of market growth. The growth in overhead costs are determined based on past performance and expected inflationary factors and is consistent with previous years. Contribution margins and EBITDA margins are projected based on the trends observed within the Group.

The key assumptions used for the VIU calculations are as follows:

	2019 **%**	**2018** **%**
Average revenue decline	**(5.6)**	(6.8)
Pre-tax discount rate	**15.0**	18.6

As a result of the impairment assessment, the Company recognised an impairment charge of RM81.3 million (2018: RM196.9 million) on its investment in STMB. The impairment charge had been recorded in "impairment of non-current assets" in the Company's profit or loss.

Based on the sensitivity analysis performed, a 50 basis points increase in discount rate, with all other variables being held constant, would result in a further impairment loss of approximately RM0.7 million (2018: RM1.6 million).

16 SUBSIDIARIES (CONTINUED)

(e) Impairment assessment on investment in PWD

Due to the Group's potential plan to restructure the business of one of its subsidiaries, Primeworks Distribution Sdn. Bhd. ("PWD"), this is an indicator for an impairment test to be performed for the Company's investment in PWD.

The recoverable amount of investment in PWD is determined based on VIU method applying a discounted cash flow model using cash flow projections covering a five year (5) period.

Cash flows are derived based on the approved budgeted cash flows for 2019 and projections for a period of subsequent four (4) years, based on management's plans, reflecting management's expectation of revenue growth, operating costs and contribution margins for PWD based on the current assessment of market share, expectations of market growth and planned restructuring. The growth in overhead costs are determined based on past performance and expected inflationary factors and is consistent with previous years. Contribution margins and EBITDA margins are projected based on the trends observed within the Group.

The key assumptions used for the VIU calculations are as follows:

	PWD %
2019	
Average revenue growth	**0.0**
Pre-tax discount rate	**22.6**

As a result of the impairment assessment, the Company recognised an impairment charge of RM42.0 million (2018: nil) on its investment in PWD. The impairment charge had been recorded in "impairment of non-current assets" in the Company's profit or loss.

Based on the sensitivity analysis performed, a 50 basis points increase in the discount rate, with all other variables being held constant, would result in a further impairment loss of approximately RM0.2 million.

17 ASSOCIATES

	Group	
	2019 RM'000	**2018 RM'000**
Unquoted investment	**2,700**	-
Share of post-acquisition results and reserves	**129**	-
	2,829	-

The amount recognised in the statement of comprehensive income is as follows:

	Group	
	2019 RM'000	**2018 RM'000**
Share of results of an associate	**129**	-

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For the financial year ended 31 December 2019

17 ASSOCIATES (CONTINUED)

The Group's equity interests in the associates and their respective principal activities are as follows:

Name of company	Country of incorporation	Principal activities	Group effective Interest in equity 2019 %	2018 %
Held by NSTP				
Asia Magazines Limited	Hong Kong	Dormant	**26.41^**	26.41^
Held by RAHSB				
Monster Scape Sdn. Bhd.	Malaysia	Digital publishing	**25**	-
Maxoom Sdn. Bhd.	Malaysia	Digital publishing	**20**	-

^ Effective interest via 98.17% interest in NSTP.

There are no contingent liabilities relating to the Group's interest in the associates.

Acquisition of associates during the financial year

(a) On 31 January 2019, the Company through its indirect wholly owned subsidiary, RAHSB, completed the subscription of 33,334 equity shares representing 25.0% equity interest in Monster Scape Sdn. Bhd. ("MSSB"), for a subscription consideration of RM1.5 million.

(b) On 5 November 2019, the Company through its indirect wholly owned subsidiary, RAHSB, completed the subscription of 10,600 equity shares representing 20.0% equity interest in Maxoom Sdn. Bhd. ("Maxoom"), for a subscription consideration of RM1.2 million (including retention sum of RM0.2 million payable within 12 months from the date of completion of the subscription).

The subscription above did not have significant impact to the Group during the financial year.

In the previous financial year, NSTP together with other shareholders of MNI entered into a Share Sale Agreement ("SSA") to sell their entire interest to Asia Honour (Hong Kong) Limited with the consent of the liquidator. Pursuant to the terms of the SSA, NSTP has agreed to dispose of its:-

i. entire interest in ordinary shares of MNI; and
ii. entire interest in redeemable preference shares ("RPS") of MNI for an amount equivalent to NSTP's portion of the balance consideration after deducting inter alia all secured debts, admitted debts, liquidation costs and other agreed costs.

The disposal was completed on 17 May 2018 and a gain on disposal of RM45.6 million was recognised as other operating income in the current financial year.

18 INTANGIBLE ASSETS

	Arising from business combinations					Acquired separately			
	Goodwill (Indefinite life) RM'000	Brands and digital publishing (Indefinite life) RM'000	Publishing rights (Indefinite life) RM'000	Outdoor concession rights (Indefinite life) RM'000	Outdoor concession rights (Definite life) RM'000	Prog-ramme rights (Definite life) RM'000	Film product-ion (Definite life) RM'000	Computer software and software develop-ment (Definite life) RM'000	Total RM'000
Group									
At 1 January 2019	199,235	71,921	60,493	39,446	1,820	45,978	9,045	2,118	430,056
Acquisition of a subsidiary (Note 16)	570	4,380	-	-	-	-	-	-	4,950
Additions	-	-	-	-	-	94,548	13,095	1,999	109,642
	199,805	76,301	60,493	39,446	1,820	140,526	22,140	4,117	544,648
Amortisation during the financial year	-	-	-	-	(264)	(115,310)	(14,842)	(1,640)	(132,056)
Impairment during the financial year	(16,665)	-	-	-	-	-	-	-	(16,665)
Write-off	-	-	-	-	-	-	-	(38)	(38)
At 31 December 2019	183,140	76,301	60,493	39,446	1,556	25,216	7,298	2,439	395,889

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For the financial year ended 31 December 2019

18 INTANGIBLE ASSETS (CONTINUED)

	Arising from business combinations					Acquired separately				
	Goodwill (Indefinite life) RM'000	Brands and digital publishing (Indefinite life) RM'000	Publishing rights (Indefinite life) RM'000	Outdoor concession rights (Indefinite life) RM'000	Outdoor concession rights (Definite life) RM'000	Prog-ramme rights (Definite life) RM'000	Film product-ion (Definite life) RM'000	Computer software and software develop-ment (Definite life) RM'000	Software under develop-ment (Definite life) RM'000	Total RM'000
Group										
At 1 January 2018	199,235	71,921	60,493	39,446	2,878	57,540	9,999	3,310	1,236	446,058
Additions	-	-	-	-	-	141,166	15,342	1,749	-	158,257
Reclassification	-	-	-	-	-	-	-	932	(932)	-
	199,235	71,921	60,493	39,446	2,878	198,706	25,341	5,991	304	604,315
Amortisation during the financial year	-	-	-	-	(1,058)	(152,728)	(16,271)	(2,953)	-	(173,010)
Write-off	-	-	-	-	-	-	(25)	(920)	(304)	(1,249)
At 31 December 2018	199,235	71,921	60,493	39,446	1,820	45,978	9,045	2,118	-	430,056

18 INTANGIBLE ASSETS (CONTINUED)

(a) Impairment assessments for intangible assets with indefinite useful lives

Intangible assets with indefinite useful lives are tested for impairment on an annual basis. Included in intangible assets are goodwill, acquired publishing rights, brands and digital publishing and outdoor advertising concession rights. These assets are deemed to have indefinite useful lives as they are renewable with minimum cost to the Group and there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows for the Group.

The carrying amounts of intangible assets allocated to the Group's cash generating unit ('CGU') are as follow:

Group

	Goodwill RM'000	Publishing rights, brands and digital publishing RM'000	Outdoor advertising concession rights RM'000	Total RM'000
At 1 January 2019	**199,235**	**132,414**	**39,446**	**371,095**
Acquisition of a subsidiary (Note 16)	**570**	**4,380**	**-**	**4,950**
Impairment charge	**(16,665)**	**-**	**-**	**(16,665)**
At 31 December 2019	**183,140**	**136,794**	**39,446**	**359,380**
Represented by:				
2019				
Radio Networks	**18,082**	**-**	**-**	**18,082**
Print Media	**-**	**60,493**	**-**	**60,493**
Outdoor Media	**113,084**	**-**	**39,446**	**152,530**
Digital Media	**51,974**	**76,301**	**-**	**128,275**
	183,140	**136,794**	**39,446**	**359,380**
2018				
Radio Networks	34,747	-	-	34,747
Print Media	-	60,493	-	60,493
Outdoor Media	113,084	-	39,446	152,530
Digital Media	51,404	71,921	-	123,325
	199,235	132,414	39,446	371,095

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18 INTANGIBLE ASSETS (CONTINUED)

(a) Impairment assessments for intangible assets with indefinite useful lives (continued)

The recoverable amounts of the CGUs are determined based on VIU and FVLCS calculations.

(i) Impairment assessments for goodwill, brands and digital publishing and outdoor advertising concession rights

The recoverable amount of the CGU is determined based on VIU method applying a discounted cash flow model using cash flow projections based on approved management budget for 2019 and covering a subsequent four (4) year period for Radio Networks, Outdoor Media and Digital Media with terminal values.

The cash flow projections are based on management's plans, reflecting management's expectation of revenue growth, operating costs and contribution margins for the cash-generating units based on current assessment of market share and expectations of market growth. The growth in overhead costs are determined based on past performance and expected inflationary factors and is consistent with previous years. Contribution margins and EBITDA margins are projected based on the trends observed within the Group.

The key assumptions used for the VIU calculations are as follows:

	Radio Networks %	Outdoor Media %	Digital Media %
2019			
Average revenue (decline)/growth	**(16.2)**	**2.0**	**6.3**
Pre-tax discount rate	**19.8**	**14.7**	**16.6**
Terminal growth rate	**0.0**	**3.0**	**3.0**
2018			
Average revenue (decline)/growth	(6.4)	3.5	10.0
Pre-tax discount rate	16.6	15.4	18.4
Terminal growth rate	2.0	3.0	3.0

Based on above assessments, the goodwill and intangible assets with indefinite useful lives for Outdoor Media and Digital Media CGU are not impaired as the recoverable amounts exceed the carrying amounts included in the financial statements except for, Radio Networks recognised an impairment loss of RM16.7 million during the financial year.

Based on the sensitivity analysis performed, a 50 basis points increase in the discount rate, with all other variables being held constant, would result in a further impairment loss of approximately RM0.1 million.

18 INTANGIBLE ASSETS (CONTINUED)

(a) Impairment assessments for intangible assets with indefinite useful lives (continued)

(ii) Impairment assessments for publishing rights

The FVLCS has been determined using the Relief from Royalty ("RFR") valuation method at the rate of 16% for digital business and 10.5% for print business respectively, being the average royalty rates benchmarked against license properties in the similar industry.

The FVLCS calculations apply a discounted future cash flow model using cash flow projection for NSTP Group.

The cash flow projections was based on approved management budget for 2019 and covers:

- A subsequent four (4) year (2018: 4) period that reflects the Digital business with terminal value; and
- A subsequent four (4) year (2018: 5) period that reflects the Print business remaining useful life of its RPPs with terminal value.

The cash flow projections are based on management's plans, reflecting management's expectation of revenue growth of the cash-generating units based on the current assessment of market share and expectations of market growth.

The key assumptions used for the FVLCS calculations are as follows:

	2019 %	2018 %
Average revenue growth/(decline)	**(11.3) – 8.0**	(20.0) – 15.0
Pre-tax discount rate	**15.5 – 19.7**	20.7 – 24.6
Terminal growth rate	**0.0 – 1.0**	0.0 – 1.0

As a result of the impairment assessment, the CGU is not impaired as the recoverable amounts exceed the carrying amounts included in the financial statements.

Based on the sensitivity analysis performed, a 50 basis points increase in the discount rate with all other variables being held constant, would result in a further impairment loss of approximately RM0.2 million (2018: RM0.4 million).

(b) Impairment assessments for intangible assets with definite useful lives

In the previous financial year, the Group recognised an impairment charge of RM3.3 million in respect of film production and software development as the carrying amounts exceed the recoverable amounts. The impairment charge had been recorded in "impairment of non-current assets" in profit or loss.

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19 DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statement of financial position:

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Deferred tax assets				
- To be realised after more than 12 months	**4,263**	9,682	**-**	-
- To be realised within 12 months	**8,212**	5,000	**-**	-
	12,475	14,682	**-**	-
Deferred tax liabilities				
- To be settled after more than 12 months	**(37,383)**	(35,661)	**-**	-
- To be settled within 12 months	**-**	(5,324)	**-**	-
	(37,383)	(40,985)	**-**	-
	(24,908)	(26,303)	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

19 DEFERRED TAXATION (CONTINUED)

The movement during the financial year relating to deferred tax is as follows:

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
At 1 January	**(26,303)**	(27,478)	**-**	-
Effects of MFRS 16 adoption	**6,064**	-	**-**	-
Acquisition of a subsidiary	**(1,051)**	-	**-**	-
(Charged)/credited to profit or loss (Note 11):				
- Property, plant and equipment	**(10,780)**	(4,833)	**(5)**	(2)
- Intangible assets	**80**	1,540	**-**	-
- Allowances and provisions	**3,964**	2,695	**460**	2
- Unused tax losses	**(2,555)**	1,171	**-**	-
- Unabsorbed capital allowances	**1,887**	2,380	**-**	-
- Advance billings and contract liabilities	**3,201**	(1,778)	**-**	-
- Right-of-use assets	**(58,146)**	-	**(455)**	-
- Lease liabilities	**58,731**	-	**-**	-
	(3,618)	1,175	**-**	-
At 31 December	**(24,908)**	(26,303)	**-**	-
Deferred tax assets (before offsetting)				
- Property, plant and equipment	**-**	5,641	**-**	-
- Allowances and provisions	**22,737**	18,773	**496**	36
- Unused tax losses	**2,649**	5,204	**-**	-
- Advance billings and contract liabilities	**7,496**	4,295	**-**	-
- Lease liabilities	**58,731**	-	**-**	-
- Unabsorbed capital allowances	**6,159**	4,272	**-**	-
	97,772	38,185	**496**	36
Offsetting	**(85,297)**	(23,503)	**(496)**	(36)
Deferred tax assets (after offsetting)	**12,475**	14,682	**-**	-
Deferred tax liabilities (before offsetting)				
- Intangible assets	**(36,398)**	(35,427)	**-**	-
- Property, plant and equipment	**(34,200)**	(29,061)	**(41)**	(36)
- Right-of-use assets	**(52,082)**	-	**(455)**	-
	(122,680)	(64,488)	**(496)**	(36)
Offsetting	**85,297**	23,503	**496**	36
Deferred tax liabilities (after offsetting)	**(37,383)**	(40,985)	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

19 DEFERRED TAXATION (CONTINUED)

The amount of capital allowances, deductible temporary differences and unused tax losses (which have 7 years of expiry period) for which no deferred tax asset is recognised in the statement of financial position is as follows:

	Group		Company	
	2019 RM'000	**2018 RM'000**	**2019 RM'000**	**2018 RM'000**
Unused tax losses	**562,238**	431,965	**42,001**	24,437
Unabsorbed capital allowances	**77,152**	65,393	**253**	253
Deductible temporary differences	**80,919**	25,490	**5,515**	6,076
Unabsorbed reinvestment allowances	**238,434**	238,299	**-**	-
	958,743	761,147	**47,769**	30,766
Deferred tax assets not recognised at 24%	**230,098**	182,675	**11,465**	7,384

No deferred tax assets are recognised from the above due to uncertainty of their recoverability. The unutilised business losses arising from a year of assessment ("YA") are allowed to only be carried forward for utilisation up to 7 consecutive YAs from that YA. In addition, any accumulated unabsorbed business losses brought forward from YA 2018 can only be utilised until YA 2025. While the unabsorbed capital allowances do not expire under the current tax legislation. The availability of unutilised tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to no substantial changes in shareholdings of those subsidiaries under the Income Tax Act, 1967 and guidelines issued by the tax authority.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

20 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

	Group	
	2019 RM'000	2018 RM'000
Group		
At 1 January	**2,472**	2,472
Revaluation of financial asset at FVOCI	**(1,784)**	-
At 31 December	**688**	2,472

The Group have irrevocably elected the non-trading equity securities above at initial recognition to present its fair value changes in OCI. The Group considers this classification to be more relevant as these instruments are not held for trading purposes.

	Fair value as at 31 December	
	2019 RM'000	2018 RM'000
Club membership:		
Tropicana Golf & Country Resort	**440**	1,908
Saujana Resort (M) Berhad	**248**	564

21 INVENTORIES

	Group	
	2019 RM'000	2018 RM'000
Raw materials	**5,028**	33,839
Goods held for resale	**1,405**	3,061
	6,433	36,900

Cost of inventories recognised as expenses during the financial year amounted to RM53.1 million (2018: RM60.2 million).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

22 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Trade receivables	**246,787**	282,235	**-**	-
Less: Loss allowance	**(86,981)**	(88,271)	**-**	-
	159,806	193,964	**-**	-
Less: Advanced billings	**(3,524)**	(5,571)	**-**	-
	156,282	188,393	**-**	-
Contract assets	**18,263**	6,841	**-**	-
Amounts due from related parties	**2,760**	-	**-**	-
Deposits	**25,652**	24,776	**819**	626
Prepayments	**20,182**	8,013	**3,296**	2,179
Other receivables	**39,918**	40,618	**6,210**	6,617
Less: Loss allowance for other receivables	**(12,954)**	(13,687)	**(9)**	(9)
	93,821	66,561	**10,316**	9,413
	250,103	254,954	**10,316**	9,413

The credit terms of the trade receivables and amounts due from related parties range from 60 days to 120 days (2018: 60 days to 120 days).

Movement of contract assets during the year were as follows:

	Group	
	2019 RM'000	2018 RM'000
At 1 January	**6,841**	9,478
Increases as a result of services performed and goods delivered but yet to be billed	**26,708**	11,709
Transfer to receivables	**(15,286)**	(14,346)
At 31 December	**18,263**	6,841

The Group's trade receivables and contract assets exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, at the end of the financial year, expressed in RM, was:

	Group	
	2019 RM'000	2018 RM'000
US Dollar	**-**	3,296
Others	**-**	619

23 AMOUNTS DUE FROM/(TO) SUBSIDIARIES

	Company	
	2019 RM'000	2018 RM'000
Current		
Amounts due from subsidiaries (Note a)	131,625	93,408
Less: Loss allowance	(43,040)	(36,120)
	88,585	57,288
Intercompany loan receivable (Note b)	7,000	7,000
	95,585	64,288
Amounts due to subsidiaries (Note c)	(149,958)	(55,454)
Intercompany loan payables (Note d)	(11,731)	(126)
	(161,689)	(55,580)
Non-current		
Intercompany loan payables (Note d)	(203,994)	(253,994)

(a) The amounts due from subsidiaries classified as current are denominated in Ringgit Malaysia, unsecured, interest free and are repayable based on contractual term. The credit terms of amounts due from subsidiaries range from 60 days to 120 days (2018: 60 days to 120 days).

(b) Intercompany loans to subsidiaries classified as current are denominated in Ringgit Malaysia, unsecured, repayable on demand and subject to interest at prevailing market rate applicable on the day of the disbursement.

(c) The amounts due to subsidiaries are denominated in Ringgit Malaysia, unsecured, repayable based on contractual term and bear no interest.The credit terms of amounts due to subsidiaries range from 60 days to 120 days (2018: 60 days to 120 days).

(d) Intercompany loan payables

On 28 December 2018, the Company obtained a RM254.0 million unsecured loan for working capital purposes from the subsidiaries. The loan will mature between 28 December 2020 to 31 December 2023 and is repayable in entirety on its maturity date. The effective interest rate of the term loan is 5.62% per annum.

On 31 March 2019, the Company has repaid RM50.1 million to a subsidiary by way of setting-off intercompany balance due from the subsidiary.

The movement on loss allowance for amount due from subsidiaries is detailed in Note 35(b).

NOTES TO THE FINANCIAL STATEMENTS

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24 DEPOSITS, CASH AND BANK BALANCES

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Cash and bank balances	**29,616**	19,977	**443**	734
Deposits with licensed banks	**227,528**	190,137	**47,356**	39,064
Deposits, cash and bank balances	**257,144**	210,114	**47,799**	39,798
Less: Restricted deposits	**(200)**	(200)	**-**	-
Cash and cash equivalents	**256,944**	209,914	**47,799**	39,798

The deposits, cash and bank balances are denominated in Ringgit Malaysia.

The interest rates for the deposits ranged from 3.00% to 3.70% (2018: 2.90% to 3.76%) per annum for the Group and Company.

Bank balances are deposits held at call with banks and earn no interest.

Bank balances at the end of the financial year include deposit with a licensed bank, amounting to RM0.2 million (2018: RM0.2 million), which have been placed with the licensed bank for bank guarantee facilities extended to a subsidiary company. These deposits are not available for use by the Group and Company.

25 NON-CURRENT ASSETS HELD FOR SALE

The details of non-current assets held for sale are as follows:

	Group	
	2019 RM'000	2018 RM'000
Investment properties	**225**	225
Property, plant and equipment	**-**	1,129
	225	1,354

The movements of non-current assets held for sale as follows:

	Group	
	2019 RM'000	2018 RM'000
At 1 January	**1,354**	11,171
Transfer to property, plant and equipment (Note 13)	**-**	(85)
Disposals	**(1,129)**	(9,732)
At 31 December	**225**	1,354

Non-current assets with carrying value of RM1.1 million (2018: RM9.7 million) was disposed at a total consideration of RM3.3 million (2018: RM14.0 million), giving rise to a gain on disposal of RM2.2 million (2018: RM4.3 million).

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26 BORROWINGS

	Group 2019 RM'000	Group 2018 RM'000
Current:		
Unsecured		
- Banker's acceptance	**4,688**	4,169

The Group had banker's acceptance facility with a term of 3 months. The facility's effective interest rate is 4.07% per annum and is repayable in entirety on its maturity date.

Reconciliation of financial liabilities arising from financing activities

The table below details changes in the Group's and the Company's liabilities arising from financing activities including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statement of cash flows as cash flows from financing activities.

			Non-cash movement		
	At 1 January 2019 RM'000	Cash flows RM'000	Accretion of interest RM'000	Others RM'000	At 31 December 2019 RM'000
Group					
Borrowings	**4,169**	**367**	**152**	**-**	**4,688**
Company					
Intercompany loan payable	**254,120**	**-**	**11,731**	**(61,857)**	**203,994**

			Non-cash movement		
	At 1 January 2018 RM'000	Cash flows RM'000	Accretion of interest RM'000	Others* RM'000	At 31 December 2018 RM'000
Group					
Borrowings	314,157	(336,440)	19,405	7,047	4,169
Company					
Borrowings	293,254	(319,315)	19,014	7,047	-
Intercompany loan payable	-	50,000	120	204,000	254,120
	293,254	(269,315)	19,134	211,047	254,120

* Relates to expenses arising from extinguishment of loan and the non-cash transaction disclosed in Note 30.

27 TRADE AND OTHER PAYABLES

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Non-current:				
Other payables (Note a)	-	237	-	-
Current:				
Trade payables	33,056	45,326	-	-
Programme rights payables	29,341	22,611	-	-
Amounts due to related parties	2,033	-	-	-
Accrued expenses (Note b)	315,384	213,132	17,880	9,602
Other payables (Note a)	76,380	67,967	6,731	4,333
Provision for termination benefits (Note c)	23,872	68,248	1,716	2,253
Contract liabilities (Note d)	68,290	38,857	776	2,972
	548,356	456,141	27,103	19,160
	548,356	456,378	27,103	19,160

The Group's trade and other payables exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk at the end of the reporting period, expressed in RM, was:

	Group	
	2019 RM'000	2018 RM'000
US Dollar	9,557	3,694
Others	3	13

Credit terms of trade payables normally range from no credit to 90 days (2018: 90 days).

(a) Contingent and deferred consideration from business combinations

Included in other payables of the Group is deferred and contingent consideration for the acquisition of Rev Asia Holdings Sdn Bhd and digital publishing businesses. These deferred and contingent considerations are dependent on achievement of certain amounts of website traffic guarantee and profit before tax related to the respective websites as agreed in the sale and purchase agreements.

During the financial year, the Group has made a settlement of RM0.2 million (2018: RM7.0 million) of the deferred and contingent consideration.

27 TRADE AND OTHER PAYABLES (CONTINUED)

(b) Accrued expenses

Included in accrued expenses of the Group are:

(i) Road reserve occupancy fees payable to the MHA for rental of outdoor structural space within Malaysian Highway Authority's ("MHA") jurisdiction. At the end of the financial year, the fees payable amounted to RM42.9 million (2018: RM36.7 million).

(ii) Accruals made for termination benefits in relation to employees that were identified and confirmed amounted to RM99.4 million (2018: nil). Accruals for termination benefits were expected to be settled within twelve months.

(c) Provision for termination benefits

The provision for termination benefits relates to provision in respect of manpower rationalisation arising from exercise undertaken by management to rescale operations across the Group and Company. The provision is expected to be utilised within twelve months.

Movement of provision for termination benefits during the year were as follows:

	Group		Company	
	2019 RM'000	**2018 RM'000**	**2019 RM'000**	**2018 RM'000**
At 1 January	**68,248**	58,453	**2,253**	1,777
Charge for the financial year (net of reversal)	**78,071**	18,970	**15,238**	476
Utilisation	**(23,044)**	(9,175)	**(5,424)**	-
Reclassification to accrued expenses	**(99,403)**	-	**(10,351)**	-
At 31 December	**23,872**	68,248	**1,716**	2,253

(d) Contract liabilities

Contract liabilities are in relation to advance receipt from customer were previously presented as deferred income. The services is expected to be rendered to the customer within twelve months.

Movement of contract liabilities during the year were as follows:

	Group		Company	
	2019 RM'000	**2018 RM'000**	**2019 RM'000**	**2018 RM'000**
At 1 January	**38,857**	84,621	**2,972**	50,436
Reversal of contract liability	**(2,534)**	(1,665)	**-**	-
Contract liability net with revenue recognised during the financial year	**70,824**	40,104	**776**	-
Revenue recognised that was included in the contract liability balance at the beginning of the year	**(38,857)**	(84,203)	**(2,972)**	(47,464)
At 31 December	**68,290**	38,857	**776**	2,972

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

28 SHARE CAPITAL

	Group and Company			
	2019		2018	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
Ordinary shares				
Issued and fully paid				
At 1 January/31 December	**1,109,199**	**1,524,735**	1,109,199	1,524,735

29 OTHER RESERVES

The other reserves comprises the cumulative net change in the fair value of financial assets designated at FVOCI until the assets are derecognised or impaired.

	Financial assets at FVOCI reserve RM'000	Total RM'000
At 1 January 2019	**1,755**	**1,755**
Revaluation of financial assets at FVOCI	**(1,751)**	**(1,751)**
At 31 December 2019	**4**	**4**

30 SIGNIFICANT NON-CASH TRANSACTIONS

The significant non-cash transactions during the financial year were as follows:

	Group	
	2019 RM'000	2018 RM'000
Property, plant and equipment obtained through contra arrangements with customers	**-**	1,538
Goods and services received through contra arrangements with customers	**319**	695
Settlement of loan through direct payment by purchaser from proceeds of property, plant and equipment sale	**-**	243,600

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

30 SIGNIFICANT NON-CASH TRANSACTIONS (CONTINUED)

The significant non-cash transactions during the financial year were as follows: (continued)

	Company	
	2019 RM'000	2018 RM'000
Settlement of loan on behalf by a subsidiary	-	243,600

31 SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. Key management personnel of the Company are the Executive Directors, Non-Executive Directors and the senior management of the Company. Summary of the key management compensation is set out below:

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Key management:				
- Fees	**835**	762	**444**	409
- Basic salaries, bonus and other remunerations	**11,787**	9,388	**3,340**	2,789
- Allowances	**1,929**	2,023	**794**	931
- Defined contribution retirement plan	**2,003**	1,807	**627**	577
	16,554	13,980	**5,205**	4,706
Estimated monetary value of benefits-in-kind	**91**	88	**32**	35

Included in the key management compensation is Directors' remuneration as disclosed in Note 10 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2019

31 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

(b) Transactions between related parties

Name of company	Relationship
The New Straits Times Press (Malaysia) Berhad ("NSTP")	A subsidiary of the Company
Sistem Televisyen Malaysia Berhad ("STMB")	A subsidiary of the Company
Metropolitan TV Sdn Bhd ("8TV")	A subsidiary of the Company
Natseven TV Sdn Bhd ("NTV7")	A subsidiary of the Company
Ch-9 Media Sdn Bhd ("TV9")	A subsidiary of the Company
Big Tree Outdoor Sdn Bhd ("BTO")	A subsidiary of the Company
Synchrosound Studio Sdn Bhd ("HotFM")	A subsidiary of the Company
Max-Airplay Sdn Bhd ("FlyFM")	A subsidiary of the Company
One FM Radio Sdn Bhd ("OneFM")	A subsidiary of the Company
Kool FM Radio Sdn Bhd ("KoolFM")	A subsidiary of the Company
Media Prima Digital Sdn Bhd ("MPD")	A subsidiary of the Company
Primeworks Studios Sdn Bhd ("PWS")	A subsidiary of the Company
Primeworks Distribution Sdn Bhd ("PWD")	A subsidiary of the Company
MP CJ ENM Sdn Bhd ("MPCJ")	A subsidiary of the Company
Rev Asia Holdings Sdn Bhd ("RAHSB")	A subsidiary of the Company
MYTV Broadcasting Sdn Bhd ("MYTV")	Related by virtue of a common major shareholder^ of both MYTV and the Company
Percetakan Nasional Malaysia Berhad ("PNMB")	Related by virtue of a common major shareholder^ and common director of both PNMB and the Company
Telekom Malaysia Berhad ("TM")	Related by virtue of a common director of both TM and the Company

^ The relationship to the major shareholder was considered as significant beginning 2 July 2019. This was the date the major shareholder first acquired a significant block of shares of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

31 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

(b) Transactions between related parties (continued)

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions:

Sales and purchases of goods and services

	Group	
	2019 RM'000	2018 RM'000
(i) Media related solution charged to:		
- MYTV	3,164	-
- TM	13,637	-
(ii) Provision of digital terrestrial television services charged by:		
- MYTV	3,433	-
(iii) Provision of printing and distribution services charged to:		
- PNMB	1,030	-
(iv) Provision of transmitter, internet and telephone services charged by:		
- TM	26,395	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

31 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

(b) Transactions between related parties (continued)

	Company	
	2019 RM'000	2018 RM'000
(i) Management fees charged to:		
- NSTP	**24,585**	24,919
- STMB	**38,672**	37,355
- 8TV	**2,948**	3,206
- PWS	**8,776**	13,260
- MPD	**5,027**	5,039
- BTO	**2,706**	3,260
- HotFM	**2,434**	2,637
- FlyFM	**1,935**	1,855
- OneFM	**1,694**	1,480
(ii) Rental of premises:		
- NSTP	**(3,551)**	(5,013)
- STMB	**(7,503)**	-
(iii) Dividend income from:		
- BTO	**15,002**	-
- HotFM	**-**	5,000
(iv) Intercompany loans:		
- Repayment of intercompany loans by NSTP	**-**	43,000
- Interest income from intercompany loans	**282**	8,214
- Finance cost from intercompany loans	**(11,731)**	(120)
- Loan obtained from subsidiaries	**-**	254,120
- Settlement of intercompany loan	**50,000**	-

31 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

(c) Significant related party balances (continued)

	Company	
	2019 RM'000	2018 RM'000
(i) Amounts due from/(to) subsidiaries:		
- ntv7	8,689	7,917
- STMB	(121,672)	(22,457)
- MPD	14,488	16,883
- BTO	(3,607)	(5,338)
- PWS	39,240	30,009
- HotFM	1,511	(1,282)
- NSTP	30,597	5,483
- PWD	(1,908)	(2,712)
- TV9	(85)	(1,532)
- 8TV	(5,586)	(3,638)
- OneFM	(21,511)	(3,199)
- RAHSB Group	(5,091)	(1,607)
(ii) Intercompany loans receivable/(payable):		
- STMB	-	(50,000)
- NSTP	(203,994)	(204,120)
- HotFM	7,000	7,000
(iii) Advances due to subsidiaries:		
- BTO	(8,000)	(8,000)
- OneFM	(4,000)	(4,000)
- HotFM	(3,800)	(3,800)
- 8TV	(3,000)	(3,000)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

32 COMMITMENTS

(a) Capital commitments

	Group	
	2019	**2018**
	RM'000	**RM'000**
Capital commitments, approved but not contracted for		
- Property, plant and equipment	**58,777**	70,917
- Intangible assets	**141,668**	141,586
	200,445	212,503
Capital commitments, approved and contracted for		
- Property, plant and equipment	**497**	17,643
- Intangible assets	**276**	-
	201,218	230,146

(b) Operating lease commitments – as lessee

The future minimum lease payments under non-cancellable operating leases are as follows:

	Group	Company
	2018	2018
	RM'000	RM'000
- Not later than one year	83,009	985
- Later than one year and not later than five years	199,276	338
- Later than five years	36,112	-
	318,397	1,323

The Group and Company leased premises for the use of offices, advertising structures, studios and warehousing under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

In the previous financial year, the Group and Company recognised operating lease payments of RM63.7 million and RM1.2 million as expenses respectively.

From 1 January 2019, the Group and Company have recognised ROU for these leases except for short term and low-value leases, see Note 14 and 37 for further information.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

33 CONTINGENT LIABILITIES

The Group is a defendant in 18 (2018: 17) legal suits with contingent liabilities amounting to approximately RM 5.4 million (2018: RM4.6 million) as at 31 December 2019. Of the 18 (2018: 17) legal suits, 16 (2018: 15) of the suits are for alleged defamation and 2 (2018: 2) are for alleged breach of contract.

The approximate contingent liabilities include unliquidated damages. The estimated figure for unliquidated damages for defamation claims (being the highest number of claims) is based on the current trend of damages awarded by the courts (approximately RM0.1 million to RM0.3 million per claim). On a prudent basis, an estimate of RM0.3 million for each defamation suit is regarded as potential exposure.

Based on the above and after taking appropriate legal advice, no provision has been made in the financial statements of the Group as at the date of this report. The Directors are of the opinion that the outcome of the legal suits against the Group will not have a material impact on the financial position of the Group.

34 FINANCIAL INSTRUMENTS BY CATEGORY

The table below provides an analysis of financial instruments categorised as follows:

(a) Amortised cost ("AC")
(b) Fair value through other comprehensive income ("FVOCI")

2019 **Financial assets**	**AC** **RM'000**	**FVOCI** **RM'000**	**Total** **RM'000**
Group			
Trade and other receivables excluding prepayments, statutory refundables and contract assets	207,919	-	207,919
Deposit, cash and bank balances	257,144	-	257,144
Financial assets at fair value through other comprehensive income	-	688	688
Total	465,063	688	465,751
Company			
Trade and other receivables excluding prepayments, statutory refundables and contract assets	3,887	-	3,887
Deposit, cash and bank balances	47,799	-	47,799
Amounts due from subsidiaries	95,585	-	95,585
Total	147,271	-	147,271

Financial liabilities at amortised cost	**Group** **RM'000**	**Company** **RM'000**
Trade and other payables excluding statutory liabilities and contract liabilities	448,002	26,328
Borrowings	4,688	-
Amounts due to subsidiaries	-	365,683
Lease liabilities	247,481	1,959
Total	700,171	393,970

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

34 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

2018 **Financial assets**	**AC** **RM'000**	**FVOCI** **RM'000**	**Total** **RM'000**
<u>Group</u>			
Trade and other receivables excluding prepayments, statutory refundables and contract assets	235,141	-	235,141
Deposit, cash and bank balances	210,114	-	210,114
Financial assets at fair value through other comprehensive income	-	2,472	2,472
Total	445,255	2,472	447,727
<u>Company</u>			
Trade and other receivables excluding prepayments, statutory refundables and contract assets	4,101	-	4,101
Deposit, cash and bank balances	39,798	-	39,798
Amounts due from subsidiaries	64,288	-	64,288
Total	108,187	-	108,187

Financial liabilities at amortised cost	**Group** **RM'000**	**Company** **RM'000**
Trade and other payables excluding statutory liabilities and contract liabilities	392,598	15,977
Borrowings	4,169	-
Amounts due to subsidiaries	-	309,574
Total	396,767	325,551

34 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

The following financial assets and financial liabilities are subject to offsetting:

Company	Gross amounts of recognised financial assets RM'000	Gross amounts of recognised financial liabilities set-off in the statement of financial position RM'000	Net amount RM'000
Financial assets			
2019			
Amounts due from subsidiaries	**118,005**	**(22,420)**	**95,585**
2018			
Amounts due from subsidiaries	442,943	(378,655)	64,288
Financial liabilities			
2019			
Amounts due to subsidiaries	**671,447**	**(305,764)**	**365,683**
2018			
Amounts due to subsidiaries	653,100	(343,526)	309,574

35 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including:

(a) Market risks

(i) foreign currency exchange risk – risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates

(ii) fair value interest rate risk – risk that the value of a financial instrument will fluctuate due to changes in market interest rates

(iii) cash flow interest rate risk – risk that future cash flows associated with a financial instrument will fluctuate. In the case of a floating rate debt instrument, such fluctuations result in a change in the effective interest rate of the financial instrument, usually without a corresponding change in its fair value

(iv) price risk – risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instrument traded in the market

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

The Group's activities expose it to a variety of financial risks, including: (continued)

(b) Credit risk – risk that one party to a financial instrument will fail to discharge a contractual obligation and cause the other party to incur a financial loss

(c) Liquidity risk (funding risk) – risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments

The Group's overall financial risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to the Group's financial risk management policies. The Board regularly reviews these risks and approves the treasury policies, which covers the management of these risks.

(a) Market risks

(i) Foreign currency exchange risk

The Group operates nationally but some of its cost is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar. The main costs with such exposure are programme rights, newsprint, licenses and software.

The Group monitors the foreign currency market closely to ensure optimal levels of inventories are purchased when prices are favourable to mitigate purchase requirement when prices are unfavourable.

The currency exposure of financial assets and financial liabilities of the Group that are not denominated in the functional currency of the respective companies are set out below. If the Ringgit Malaysia ("RM") had weakened or strengthened by 10% against the foreign currencies for which the financial instruments are denominated in, with all other variables remain unchanged, profit for the year would have been higher or lower by the following amounts:

	Foreign currency denominated in financial instruments		Impact of changes in exchange rate to profit and loss (net of tax)	
	Receivables (Note 22) RM'000	Payables (Note 27) RM'000	RM weaken by 10% RM'000	RM strengthen by 10% RM'000
2019				
US Dollar	**-**	**(9,557)**	**(726)**	**726**
2018				
US Dollar	3,296	(3,694)	(30)	30

Foreign currency risk for the Group which have a functional currency other than US Dollar are not material and hence, sensitivity analysis is not presented. No sensitivity analysis is performed for Company level as it has no balance denominated in foreign currency.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risks (continued)

(ii) Cash flow and fair value interest rate risk

The Group and Company's interest rate risk arises from debt instruments. The Group policy is to maintain appropriate level of borrowings in fixed rate instruments to ensure that some level of predictability in cash flows are preserved while ensuring that the Group maintain its cost of debt and gearing ratio at healthy levels within the limits of any covenants.

(iii) Price risk

The Group is exposed to equity securities price risk because of investments held by the Group classified on the consolidated statement of financial position as FVOCI. No financial instruments or derivatives have been employed to hedge this risk as the risk is deemed to be insignificant. The Group is not exposed to commodity price risk.

(b) Credit risk

Credit risk arises from deposits with banks and financial institutions, contract assets, financial assets carried at AC and FVOCI.

Trade receivables and contract assets

Credit risk for trade receivables and contract assets is managed by each entity who is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. The exposure to credit risk is monitored on an ongoing basis.

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statement of financial position. The Group holds bank guarantees and deposits placed by customers as collateral to reduce its credit risk.

The Group has no significant concentration of credit risk as it trades with a large number of customers who are nationally and internationally dispersed. Due to these factors, the Group believes that no additional credit risk beyond amounts allowed for collection losses is inherent in the Group's trade receivables.

The Group applies MFRS 9 simplified approach to measure ECL which uses a lifetime expected loss allowance for all trade receivables and contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 1 year before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified Malaysian Consumer Price Index ("MACPI") and inflation as the most relevant factor, and accordingly, adjust the historical loss rates based on expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Trade receivables and contract assets (continued)

On that basis, the loss allowance was determined as follows for both trade receivables and contract assets:

Group	Gross RM'000	Individual impairment RM'000	Average expected loss rate %	Collective impairment RM'000	Net RM'000
2019					
Not past due	79,426	-	2%	1,288	78,138
Past due 1 to 3 months	76,250	-	5%	3,522	72,728
Past due 4 to 6 months	9,274	-	20%	1,899	7,375
Past due 7 to 12 months	7,687	54	80%	6,068	1,565
Past due more than 12 months	74,150	22,702	100%	51,448	-
	246,787	22,756		64,225	159,806
Trade receivables	246,787	22,756		64,225	159,806
Contract assets	18,263	-		-	18,263
	265,050	22,756		64,225	178,069

Contract assets are expected to be recoverable within 30 days.

Group	Gross RM'000	Individual impairment RM'000	Average expected loss rate %	Collective impairment RM'000	Net RM'000
2018					
Not past due	130,375	139	2%	2,231	128,005
Past due 1 to 3 months	58,262	1,260	8%	3,148	53,854
Past due 4 to 6 months	12,672	420	35%	3,992	8,260
Past due 7 to 12 months	36,507	487	90%	32,483	3,537
Past due more than 12 months	44,419	1,138	99%	42,973	308
	282,235	3,444		84,827	193,964
Trade receivables	282,235	3,444		84,827	193,964
Contract assets	6,841	-		-	6,841
	289,076	3,444		84,827	200,805

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Trade receivables and contract assets (continued)

The closing allowances for trade receivables and contract assets reconcile to the opening loss allowances as follows:

Group	2019 RM'000	2018 RM'000
As at the beginning of the financial year	**88,271**	88,028
Increase in loss allowance	**9,330**	7,362
Loss allowance reversed	**(9,206)**	(1,433)
Receivables written-off	**(1,414)**	(5,686)
As at the end of the financial year	**86,981**	88,271

Other receivables and deposits

The Group and Company use the three stages approach for deposits and other receivables which reflect their credit risk and how the loss allowances are determined for each of those stages. The Group and Company determine the probability of default for these deposits and other receivables considering historical data and macroeconomic information (such as market interest rates). Refer to Note 2(w)(iv) for accounting policy on impairment on financial assets.

The following table contains an analysis of the credit risk exposure of other receivables for which an ECL allowance is recognised. The gross carrying other receivables disclosed below also represents the Group's and Company's maximum exposure to credit risk on these assets:

	ECL rate	Basis for recognition of ECL provision	Estimated gross carrying amount at default RM'000	Loss allowance RM'000	Carrying amount (net of ECL provision) RM'000
Group					
2019					
Performing	**0%**	**12 month ECL**	**52,616**	**-**	**52,616**
Non-performing	**100%**	**Lifetime ECL**	**12,954**	**(12,954)**	**-**
Total			**65,570**	**(12,954)**	**52,616**
2018					
Performing	0%	12 month ECL	51,707	-	51,707
Non-performing	100%	Lifetime ECL	13,687	(13,687)	-
Total			65,394	(13,687)	51,707

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Other receivables and deposits (continued)

	ECL rate	Basis for recognition of ECL provision	Estimated gross carrying amount at default RM'000	Loss allowance RM'000	Carrying amount (net of ECL provision) RM'000
Company					
2019					
Performing	**0%**	**12 month ECL**	**7,020**	**-**	**7,020**
Non-performing	**100%**	**Lifetime ECL**	**9**	**(9)**	**-**
Total			**7,029**	**(9)**	**7,020**
2018					
Performing	0%	12 month ECL	7,234	-	7,234
Non-performing	100%	Lifetime ECL	9	(9)	-
Total			7,243	(9)	7,234

The closing loss allowance for other receivables reconciles to the opening loss allowance as follows:

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
As at the beginning of the financial year	**13,687**	169,299	**9**	-
Increase in loss allowance	**529**	3,807	**-**	9
Loss allowance reversed	**(204)**	(296)	**-**	-
Receivables written-off	**(1,058)**	(159,123)	**-**	-
As at the end of the financial year	**12,954**	13,687	**9**	9

As at the end of the reporting period, the Group and Company did not recognise any allowance for impairment losses for deposits as the impact is immaterial.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Amounts due from related parties

The Group provides advertising and printing services to its related parties. The Group monitors the results of the related parties on an individual basis regularly. As at the end of the financial year, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These balances are not secured by any collateral or supported by any other credit enhancements.

The Group uses the three stages approach for amounts due from related parties which reflect their credit risk and how the loss allowances are determined for each of those stages. The Group determines the probability of default for these amounts due from related parties individually using internal information available. Refer to Note 2(w)(iv) for accounting policy on impairment on financial assets.

The following table contains an analysis of the credit risk exposure of amounts due to related parties for which no ECL allowance is recognised. The gross carrying amount of loan to related parties disclosed below also represents the Group's maximum exposure to credit risk on these assets:

Group	ECL rate	Basis for recognition of ECL provision	Estimated gross carrying amount at default RM'000	Loss allowance RM'000	Carrying amount (net of ECL provision) RM'000
2019					
Performing	**0%**	**12 month ECL**	**2,760**	**-**	**2,760**

Amounts due from subsidiaries

The Company provides loans and advances to subsidiaries. The Company monitors the results of the subsidiaries on an individual basis regularly. As at the end of the financial year, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

The Company use the three stages approach for amounts due from subsidiaries which reflect their credit risk and how the loss allowances are determined for each of those stages. The Company determines the probability of default for these amounts due from subsidiaries individually using internal information available. Refer to Note 2(w)(iv) for accounting policy on impairment on financial assets.

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Amounts due from subsidiaries (continued)

The following table contains an analysis of the credit risk exposure of loan to subsidiaries for which an ECL allowance is recognised. The gross carrying amount of loan to subsidiaries disclosed below also represents the Company's maximum exposure to credit risk on these assets:

Company	ECL rate	Basis for recognition of ECL provision	Estimated gross carrying amount at default RM'000	Loss allowance RM'000	Carrying amount (net of ECL provision) RM'000
2019					
Performing	**0%**	**12 month ECL**	**32,804**	**-**	**32,804**
Under performing	**41%**	**Lifetime ECL**	**105,523**	**(42,742)**	**62,781**
Non-performing	**100%**	**Lifetime ECL**	**298**	**(298)**	**-**
Total			**138,625**	**(43,040)**	**95,585**
2018					
Performing	0%	12 month ECL	13,737	-	13,737
Under performing	45%	Lifetime ECL	79,614	(36,063)	43,551
Non-performing	100%	Lifetime ECL	57	(57)	-
Total			93,408	(36,120)	57,288

The closing loss allowance for amounts due from subsidiaries reconciles to the opening loss allowance as follows:

Company	Under-performing RM'000	Non-performing RM'000	Total RM'000
2019			
At the beginning of the financial year	**36,063**	**57**	**36,120**
Increase in loss allowance	**6,679**	**241**	**6,920**
At the end of the financial year	**42,742**	**298**	**43,040**
2018			
At the beginning of the financial year	16,728	57	16,785
Increase in loss allowance	19,335	-	19,335
At the end of the financial year	36,063	57	36,120

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Cash and cash equivalents

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position.

For banks and financial institutions, only independently rated parties with a minimum rating of "A" are accepted. The Group seeks to invest cash assets safely and profitably. The Group and Company consider the risk of material loss in the event of non-performance by a financial counterparty to be unlikely as these financial institutions have low credit risks. In addition, the Group and Company have no significant concentration of credit risk except that the majority of its deposits are placed with major financial institution in Malaysia.

(c) Liquidity risk

The objectives of the Group and Company liquidity risk management policies is to ensure the Group and Company have enough cash to meet operational and financing needs as and when they fall due, availability of funding by keeping committed credit lines and meet external covenants compliance. The Group and Company monitor rolling forecasts of the Group's and Company's liquidity requirement.

As of 31 December 2019, the Group and Company's current liabilities exceeded their current assets by RM84.8 million and RM 35.7 million respectively. The Group and Company have also incurred losses during the year of RM185.5 million and RM230.9 million respectively.

The Directors have prepared a cash flow forecast for the next twelve months for the Group and Company based on past performance, estimated growth rates and one-off exercises to be made within the next 12 months. Based on the forecast, the Directors are of the view that the Group and Company are able to generate sufficient internal cash flows from operations for the next 12 months from the reporting date to meet their cash flows requirements, to realise their assets and discharge their liabilities in the normal course of business.

Regardless, to strengthen the Group's cash position in the wake of a continuous challenging outlook, the Group has obtained a debt facility on 26 February 2020 amounting to RM180.0 million to support its cash flows requirements in the event the Group needs additional funding.

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

The table below analyses the Group's and Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the statements of financial position date to the contractual maturity date. As the amounts included in the table are contractual undiscounted cash flows, these amount will not reconcile to the amounts disclosed on the statement of financial position for borrowings, debt instruments and trade and other payables.

	Less than 1 year RM'000	Between 1 – 5 years RM'000	More than 5 years RM'000	Total RM'000	Carrying amount RM'000
Group					
2019					
Trade and other payables	**448,050**	**-**	**-**	**448,050**	**448,050**
Borrowings	**4,688**	**-**	**-**	**4,688**	**4,688**
Lease liabilities	**72,190**	**181,593**	**28,613**	**282,396**	**247,481**
	524,928	**181,593**	**28,613**	**735,134**	**700,219**
2018					
Trade and other payables	391,046	1,311	269	392,626	392,598
Borrowings	4,169	-	-	4,169	4,169
	395,215	1,311	269	396,795	396,767
Company					
2019					
Trade and other payables	**26,328**	**-**	**-**	**26,328**	**26,328**
Amounts due to subsidiaries	**161,689**	**204,000**	**-**	**365,689**	**365,683**
Lease liabilities	**723**	**1,406**	**-**	**2,129**	**1,959**
	188,740	**205,406**	**-**	**394,146**	**393,970**
2018					
Trade and other payables	15,977	-	-	15,977	15,977
Amounts due to subsidiaries	55,580	-	335,912	391,492	309,574
	71,557	-	335,912	407,469	325,551

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

Capital risk management

The Group's and the Company's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

For the purposes of sustaining or changing the capital structure, the Group may adjust the amount of dividends paid to shareholders of the Company.

The Group and the Company monitor capital on the basis of the gearing ratio. This ratio is calculated as debt divided by total equity. Debt is calculated as total borrowings and lease liabilities (including "current and non-current" as shown in the consolidated statement of financial position). Total equity is calculated as "equity" as shown in the consolidated statement of financial position.

The Group's and the Company's strategy was to maintain the gearing ratio within the limits allowed by covenants.

The Group and Company have complied with the capital requirements imposed by their borrowings as at financial year end.

The gearing ratios as at 31 December 2019 and 31 December 2018 were as follows:

	2019 RM'000	2018 RM'000
Total debt	**4,688**	4,169
Total equity	**596,153**	814,387
Gearing ratio	**0.79%**	0.51%

36 FAIR VALUE

(a) Fair value

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings approximate fair values due to the relatively short term nature of these financial instruments.

The fair values of long term financial liabilities categorised as level 2 in the fair value hierarchy, together with the carrying amounts shown in the statement of financial position, are as follows:

	2019		2018	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Group				
Lease liabilities	**186,330**	**186,330**	-	-
Company				
Lease liabilities	**1,327**	**1,327**	-	-
Amount due to a subsidiary	**203,994**	**203,798**	253,994	255,803

36 FAIR VALUE (CONTINUED)

(b) Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Assets measured at fair value

Group

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2019				
Financial assets				
Financial assets at FVOCI	**-**	**688**	**-**	**688**
2018				
Financial assets				
Financial assets at FVOCI	-	2,472	-	2,472

37 CHANGES IN ACCOUNTING POLICIES

(a) MFRS 16 Leases

The Group and Company have adopted MFRS 16 Leases retrospectively from 1 January 2019, but has not restated comparatives for the 2018 financial year, as permitted under the transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 January 2019. The new accounting policies are disclosed in Note 2.

As a lessor, the Group and Company are not required to make any adjustment on transition, except for the reassessment of existing operating subleases at the date of initial application.

On adoption of MFRS 16, the Group and Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of MFRS 117. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The associated right-of-use ("ROU") assets were measured on a retrospective basis as if the new requirements has always been applied.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

37 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(a) MFRS 16 Leases (continued)

In applying MFRS 16 for the first time, other than those mentioned in other notes in the financial statements, the Group and Company have applied the following practical expedients permitted by the Standard to leases previously classified as operating leases under MFRS 117:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics;
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 January 2019;
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases;
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group as a lessor

Under MFRS 16, the Group (acting as a sub-lessor) is required to assess the lease classification of a sublease with reference to the ROU asset, not the underlying asset. On transition, the Group reassessed the lease classification of a sublease contract previously classified as an operating lease under MFRS 117. The Group concluded that the sublease is a finance lease under MFRS 16 and the sublease contract was accounted for as a new finance lease entered into at the date of initial application. Accordingly, the Group derecognises the ROU asset related to the head lease, and recognises a receivable at an amount equal to the net investment in the sublease. The net impacts are presented as an adjustment to the opening balances of retained earnings at the date of initial application.

(i) Adjustment as at 1 January 2019

As at 1 January 2019, the change in accounting policies has affected the following items:

	Previously reported as at 31.12.2018 RM'000	**Effect of adoption of MFRS 16 RM'000**	**Restated as at 1.1.2019 RM'000**
Group			
Reconciliation of consolidated statement of financial position:			
Non-current assets			
Property, plant and equipment	304,966	(10,287)	294,679
Right-of-use-assets	-	295,253	295,253
Non-current liabilities			
Lease liabilities	-	(264,494)	(264,494)
Deferred tax liabilities	(40,985)	6,064	(34,921)
Current liablities			
Lease liabilities	-	(59,371)	(59,371)
Equity attributable to owners of the Company			
Accumulated losses	(717,868)	(30,322)	(748,190)
Non-controlling interest	5,765	(2,513)	3,252
Total Equity	814,387	(32,835)	781,552

37 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(a) MFRS 16 Leases (continued)

(i) Adjustment as at 1 January 2019 (continued)

	Previously reported as at 31.12.2018 RM'000	Effect of adoption of MFRS 16 RM'000	Restated as at 1.1.2019 RM'000
Company			
Reconciliation of consolidated statement of financial position:			
Non-current assets			
Right-of-use-assets	-	425	425
Non-current liabilities			
Lease liabilities	-	(286)	(286)
Current liablities			
Lease liabilities	-	(164)	(164)
Equity attributable to owners of the Company			
Accumulated losses	(592,115)	(25)	(592,140)

(ii) Measurement of lease liabilities on 1 January 2019

The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 6.58% per annum.

Reconciliation from operating lease commitments:

	Group RM'000	Company RM'000
Operating lease commitments as at 31 December 2018, as previously reported	318,397	1,324
Less: Discounting impact at initial application	(37,951)	-
Add/(less):		
- contracts reassessed as lease contracts	79,760	449
- short term leases not recognised as a liability	(5,915)	-
- low-value leases not recognised as a liability	(1,835)	(1,324)
- adjustments as a result of a different treatment of extension or termination	(28,591)	-
Lease liability recognised as at 1 January 2019	323,865	449
Of which are:		
Current lease liabilities	59,371	164
Non-current lease liabilities	264,494	286
	323,865	450

STATEMENT BY DIRECTORS

Pursuant to section 251(2) of the Companies Act 2016

We, Datuk (Dr) Syed Hussian bin Syed Junid and Datuk Kamal bin Khalid, two of the Directors of Media Prima Berhad, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 98 to 205 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2019 and financial performance of the Group and of the Company for the financial year ended 31 December 2019 in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016.

Signed on behalf of the Board of Directors in accordance with their resolution dated 12 March 2020.

DATUK (DR) SYED HUSSIAN BIN SYED JUNID
GROUP CHAIRMAN

DATUK KAMAL BIN KHALID
GROUP MANAGING DIRECTOR

Petaling Jaya

STATUTORY DECLARATION

Pursuant to section 251(1) of the Companies Act 2016

I, Farnida binti Ngah, the Officer primarily responsible for the financial management of Media Prima Berhad, do solemnly and sincerely declare that the financial statements set out on pages 98 to 205 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

FARNIDA BINTI NGAH
GROUP CHIEF FINANCIAL OFFICER

Subscribed and solemnly declared by the abovenamed at Petaling Jaya, Malaysia on 12 March 2020, before me.

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MEDIA PRIMA BERHAD

(Incorporated In Malaysia)
Registration No. : 200001030368 (532975-A)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Media Prima Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2019, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2019 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 98 to 205.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MEDIA PRIMA BERHAD (CONTINUED)

(Incorporated In Malaysia)
Registration No. : 200001030368 (532975-A)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
Assessment of funding requirements and ability to meet the short-term obligations As at 31 December 2019, the Group and Company are in a net current liabilities position of RM84.8 million and RM35.7 million, respectively. The Group and Company have also incurred losses during the year of RM185.5 million and RM230.9 million respectively. We focused on the Group's and Company's funding and ability to meet their short-term obligations due to the significant amount of the lease liabilities, payables and amount due to subsidiaries. The Group's and Company's ability to continue as a going concern is disclosed in Note 35(c) to the financial statements.	We assessed management's assessment of funding requirements and ability to meet the short-term obligations and our procedures included the following: • Assessed management's cash flow forecasts to the financial budget which includes operating, investing and financing cash flows; • Discussed and checked the assumptions used by management in the cash flows projections, in particular, the estimated growth rates by comparing with business plans, historical results and market data; and • Assessed the reliability of management's forecast through the review of past trends of actual financial performances against previous forecasted results. Based on the procedures performed above, we did not note material exceptions to management's assessment on the Group's and Company's ability to meet their short-term obligations.
Impairment assessment on goodwill and intangible assets with indefinite life The Group has goodwill of RM183.1 million and intangible assets with indefinite life of RM176.2 million as at 31 December 2019. An impairment charge of RM16.7 million has been recorded by management in relation to Radio Networks goodwill in the current financial year because the recoverable amount of the Cash Generating Unit ("CGU") are lower than the carrying value. No further impairment charge has been recorded by management for the other CGUs. The recoverable amounts of the CGUs were based on discounted future cash flows projections which require judgement on the part of management in valuing the relevant CGUs and significant estimates involved in deriving the recoverable amounts, in particular, the average revenue growth rate and terminal growth rate and hence, an area of focus for us. Refer to Note 2(e), Note 2(f) and Note 3(i) in the summary of significant accounting policies and Note 18 to the financial statements.	We assessed management's impairment assessments and our procedures included the following: • Discussed and assessed the assumptions used by management in the discounted future cash flows projections, in particular, the average revenue growth rates and the terminal growth rates by comparing with business plans, historical results and market data; • Assessed the reliability of management's forecast through the review of past trends of actual financial performances against previous forecasted results; • Performed sensitivity analysis on discount rates to evaluate the impact on the impairment assessment; and • Assessed the adequacy and reasonableness of the disclosures in the financial statements. Based on our procedures, we noted no significant exceptions.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MEDIA PRIMA BERHAD (CONTINUED)

(Incorporated In Malaysia)
Registration No. : 200001030368 (532975-A)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
Impairment assessment on investment in subsidiaries Management performed impairment assessments of certain investments in subsidiaries, which had impairment indicators. As a result, impairment of RM207.2 million had been made in respect of Media Prima Berhad's investment in its subsidiaries, as stated in Note 16 to the financial statement. This is an area of focus as the recoverable amounts of the CGUs were based on discounted future cash flows projections which require significant judgement on the part of management estimation of the future financial performance and key assumptions used, in particular, average revenue growth rate, growth rate for costs and contribution margin as well as cost savings from rationalisation exercise and the valuation of the land and buildings as terminal value. Refer to Note 2(b)(i) and Note 2(f) in the summary of significant accounting policies and Note 16 to the financial statements.	We assessed management's impairment assessments and our procedures included the following: • Discussed and assessed the assumptions used by management in the discounted future cash flows projections, in particular, the average revenue growth rate, growth rate for costs and contribution margin as well as cost savings from rationalisation exercise by comparing with business plans, historical results and market data; • Assessed the reliability of management's forecast through the review of past trends of actual financial performances against previous forecasted results; • Performed sensitivity analysis on discount rate to evaluate the impact on the impairment assessment; and • Assessed the adequacy and reasonableness of the disclosures in the financial statements. Based on our procedures, we noted no significant exceptions.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MEDIA PRIMA BERHAD (CONTINUED)

(Incorporated In Malaysia)
Registration No. : 200001030368 (532975-A)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises Chairman's Statement, Group Managing Director's Statement, Statement of Risk Management and Internal Control, Group Financial Review, Sustainability Report, Corporate Governance Overview Statement, Audit Committee Report, Director's Report, and other sections of the 2019 Annual Report, but does not include the financial statements of the Group and of the Company and our auditor's report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MEDIA PRIMA BERHAD (CONTINUED)

(Incorporated In Malaysia)
Registration No. : 200001030368 (532975-A)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MEDIA PRIMA BERHAD (CONTINUED)

(Incorporated In Malaysia)
Registration No. : 200001030368 (532975-A)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

NURUL A'IN BINTI ABDUL LATIF
02910/02/2021 J
Chartered Accountant

Kuala Lumpur
12 March 2020

ANALYSIS OF SHAREHOLDINGS

As At 30 April 2020

Total Number of Issued Shares	: 1,109,199,286
Class of Share	: Ordinary Shares
No. of Shareholders	: 23,878
Voting Rights	: One (1) vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

As At 30 April 2020

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Shares
1 - 99	5,005	20.96	187,838	0.02
100 - 1,000	8,623	36.11	4,149,285	0.37
1,001 - 10,000	7,347	30.77	27,714,999	2.50
10,001 - 100,000	2,436	10.20	82,977,546	7.48
100,001 to less than 5% of issued shares	465	1.95	498,011,077	44.90
5% and above of issued shares	2	0.01	496,158,541	44.73
Total	**23,878**	**100.00**	**1,109,199,286**	**100.00**

DIRECTORS' DIRECT AND DEEMED INTEREST IN THE COMPANY

As At 30 April 2020

No.	Name of Directors	No. of Shares	% of Issued Shares
1	Datuk (Dr) Syed Hussian bin Syed Junid	515,295	0.05
2	Dato' Iskandar Mizal bin Mahmood	-	-
3	Lydia Anne Abraham	-	-
4	Raja Datuk Zaharaton binti Raja Zainal Abidin	-	-
5	Tan Sri Dato' Seri Utama Haji Ismail bin Haji Omar	-	-
6	Datuk Loo Took Gee	-	-
7	Mohd Rashid bin Mohd Yusof	-	-
8	Hisham bin Zainal Mokhtar	-	-
9	Mohamad bin Abdullah	-	-
		515,295	**0.05**

ANALYSIS OF SHAREHOLDINGS

As At 30 April 2020

SUBSTANTIAL SHAREHOLDERS

As At 30 April 2020

No.	Name of Shareholders	No. of Shares	% of Issued Shares
1	Aurora Mulia Sdn. Bhd.	353,815,941	31.90
2	HSBC Nominees (Asing) Sdn Bhd Morgan Stanley @ Co. International PLC (Firm A/C)	142,342,600	12.83
		496,158,541	**44.73**

TOP 30 SECURITIES ACCOUNT HOLDERS

As At 30 April 2020

No.	Name of Shareholders	No. of Shares	% of Issued Shares
1	Aurora Mulia Sdn. Bhd.	353,815,941	31.90
2	HSBC Nominees (Asing) Sdn Bhd Morgan Stanley @ Co. International PLC (Firm A/C)	142,342,600	12.83
3	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For JAG Capital Holdings Sdn Bhd	55,000,000	4.96
4	Amanahraya Trustees Berhad Amanah Saham Malaysia	34,371,700	3.10
5	Amanahraya Trustees Berhad Amanah Saham Bumiputera	32,716,100	2.95
6	Casa Biz Sdn Bhd	31,997,400	2.88
7	Citigroup Nominees (Asing) Sdn Bhd GSCO LLC For Blackwell Partners LLC (Series A)	25,740,900	2.32
8	Citigroup Nominees (Asing) Sdn Bhd Macquarie Bank Limited (London Branch)	25,462,800	2.30
9	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for Public Regular Savings Fund (N14011940100)	24,997,920	2.25
10	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	23,389,254	2.11
11	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT Fund NJ6R For Sagacia Fund LP	12,574,392	1.13
12	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT Fund NJ4P For Dinard Fund LP	11,485,000	1.04
13	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Acoount for Mohd Fairus Bin Shafei (7004539)	7,700,000	0.69
14	Chin Chin Seong	6,500,000	0.59
15	Maybank Securities Nominees (Asing) Sdn Bhd Maybank Kim Eng Securities Pte Ltd for Chumpon Chantharakulpongsa @ Chan Teik Chuan	6,300,000	0.57

ANALYSIS OF SHAREHOLDINGS

As At 30 April 2020

No.	Name of Shareholders	No. of Shares	% of Issued Shares
16	Muhamad Aloysius Heng	6,163,800	0.56
17	RHB Nominees (Tempatan) Sdn Bhd Telekom Malaysia Berhad	5,222,214	0.47
18	Lee See Jin	4,241,900	0.38
19	Nur Aliyah Binti Abdullah	4,092,100	0.37
20	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Chong Choon (MP0059)	4,000,000	0.36
21	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT Fund NJ3F For Discerene Fund LP	3,734,034	0.34
22	Chew Saw Bee	3,600,000	0.32
23	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chan Shiann Gwo (E-TSA)	3,501,000	0.31
24	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt AN For UOB Kay Hian Pte Ltd (A/c Clients)	2,945,257	0.27
25	Maybank Nominees (Tempatan) Sdn Bhd Lim Kah Eng	2,534,100	0.23
26	Ong Beng Kee	1,900,000	0.17
27	Wong Yoon Chee	1,900,000	0.17
28	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT Fund NJ6N For Diakrisis Fund LP	1,739,274	0.16
29	Public Invest Nominees (Asing) Sdn Bhd Pledged Securities Account for Muhamad Aloysius Heng (M)	1,700,000	0.15
30	Malaysian Resources Corporation Berhad	1,655,564	0.15
		843,323,250	**76.03**

LIST OF PROPERTIES

No	Properties	Type	Tenure	Date of last valuation	Area Built-up area Sq ft	Area Land area Sq ft	Description	Age of building (years)	Net book value as at 31 Dec 2019
1	Lot PLO T2 & T3, Kawasan Perindustrian Senai, 81400 Senai, Johor	Leasehold	60 years Expiry: 2040	2019	187,866	174,240	Former Regional Printing Plant	39	17,393
	Lot PL02, Kawasan Perindustrian Bebas, 81400 Senai, Johor	Leasehold	60 years Expiry: 2043			183,709		21	
2	Lot 322 & 323, Prai Industrial Estate, 13600 Seberang Prai, Pulau Pinang	Leasehold	60 years Expiry: 2039	2019	110,076	157,128	Former Regional Printing Plant	40	13,403
	Mukim 1, Kawasan Perusahaan Prai, 13600 Seberang Prai, Pulau Pinang	Leasehold	60 years Expiry: 2035			87,044		18	
3	Lot 33, Lebuh Sultan Mohamad 1, Jalan Lebuh 1, Kawasan Perindustrian Bandar Sultan Sulaiman, Pelabuhan Klang Utara, 42000 Klang, Selangor	Leasehold	99 years Expiry: 2105	2019	138,000	251,000	Warehouse	27	11,822
4	Lot 7 & 9, Jalan Jurubina U1/18, Seksyen U1, Hicom Glenmarie Industrial Park, 40150 Shah Alam, Selangor	Freehold	-	2019	81,970	80,062	Broadcasting Studio	23	10,359
5	33, Jalan Sultan Ahmad Shah, 10050 George Town, Pulau Pinang	Freehold	-	2019	12,951	13,771	Office Block	26	6,210
6	Lot 1024, KM13, Mukim Sri Rusa, Batu 8 3/4, Jalan Pantai Teluk Kemang, Port Dickson, Negeri Sembilan	Freehold	-	2019	35,122	64,304	Condominium	27	3,945
7	Kawasan Perindustrian Ajil, 21800 Hulu Terengganu, Terengganu	Leasehold	60 years Expiry: 2061	2019	90,235	630,213	Former Regional Printing Plant	18	2,965
8	Flat 108, 4 Whitehall Court, London SW1A 2EP	Leasehold	99 years Expiry: 2086	2019	865	-	Residential Apartment	42	2,752
9	Lot 78, 79 & 80 Kompleks Alor Setar, Kedah	Leasehold	99 years Expiry: 2083	2019	10,676	4,574	Office Block	36	1,117
10	No. 1107-U, Jalan Pejabat, Kuala Terengganu, Terengganu	Freehold	-	2019	4,749	1,636	Office Block	38	1,092

CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk (Dr) Syed Hussian bin Syed Junid
Group Chairman

Dato' Iskandar Mizal bin Mahmood
Group Managing Director

Lydia Anne Abraham
Independent Non-Executive Director

Raja Datuk Zaharaton binti Raja Zainal Abidin
Senior Independent Non-Executive Director

Mohd Rashid bin Mohd Yusof
Independent Non-Executive Director

Hisham bin Zainal Mokhtar
Independent Non-Executive Director

Mohamad bin Abdullah
Non-Independent Non-Executive Director

GROUP COMPANY SECRETARY

Jessica Tan Say Choon *(MAICSA 7057849)*
SSM Practicing Certificate No. 202008003070

LIST OF SOLICITORS

Messrs Wong & Partners
Level 21, The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel : +603 – 2298 7888
Fax : +603 – 2282 2669

Messrs Rahmat Lim & Partners
Suite 33.01 Level 33
The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel : +603 – 2299 3888
Fax : +603 – 2287 1278

Messrs Bustaman & Co
Lot C9-3, Jalan Selaman
Dataran Palma, Jalan Ampang
68000 Ampang
Tel : +603 – 2711 8118
Fax : +603 – 2163 3464

Messrs Suflan TH Liew & Partners
Unit 2.01, Level 2
Plaza Damansara, Block A
Bukit Damansara
50490 Kuala Lumpur
Tel : +603 – 2089 5000
Fax : +603 – 2089 5001

Messrs Naqiz & Partners
Suite 9B.01 & 9B.02
Wisma E&C, Lorong Dungun Kiri
Damansara Heights
50490 Kuala Lumpur
Tel : +603 – 2095 1188
Fax : +603 – 2095 1186

Messrs Raja Riza & Associates
Suite 11-3A, Level 11
Wisma UOA II
No 21, Jalan Pinang
50450 Kuala Lumpur
Tel : +603 – 2711 8118
Fax : +603 – 2163 3464

REGISTERED OFFICE

Media Prima Berhad
Balai Berita, Anjung Riong,
No. 31, Jalan Riong, Bangsar,
59100 Kuala Lumpur.
Tel : 1300 300 672
Fax : +603 – 2282 0806

AUDIT COMMITTEE MEMBERS

Mohd Rashid Mohd Yusof
Chairman of the Committee / Independent Non-Executive Director

Lydia Anne Abraham
Member of the Committee / Independent Non-Executive Director

Mohamad Abdullah
Member of the Committee / Non-Independent Non-Executive Director

AUDITORS

PricewaterhouseCoopers PLT
Level 10, 1 Sentral, Jalan Rakyat,
Kuala Lumpur Sentral, P.O. Box 10192,
50706 Kuala Lumpur.
Tel : +603 – 2173 1188
Fax : +603 – 2173 1288

REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony,
No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya,
Selangor Darul Ehsan
Tel : +603 – 7890 4700
Fax : +603 – 7890 4670

BANKERS

Malayan Banking Berhad
No. 2 , Lorong Rahim Kajai 14,
Taman Tun Dr Ismail,
60000 Kuala Lumpur.
Tel : +603 – 7729 3051, 7729 3159, 7729 3671
Fax : +603 – 7729 2770

NOTICE OF 19TH ANNUAL GENERAL MEETING

MEDIA PRIMA BERHAD
Registration No. : 200001030368 (532975 A)

NOTICE IS HEREBY GIVEN that the Nineteenth (19th) Annual General Meeting ("AGM") of **MEDIA PRIMA BERHAD** ("the Company") will be held at the Broadcast Venue at Theatrette, Ground Floor, Balai Berita, Anjung Riong, No. 31, Jalan Riong, Bangsar, 59100 Kuala Lumpur, Malaysia on Wednesday, 8 July 2020 at 10.00 a.m. for the transaction of the following business:-

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2019 and the Reports of the Directors and Auditors thereon. — Please refer to Explanatory Note 1

2. To re-elect Raja Datuk Zaharaton binti Raja Zainal Abidin who retires in accordance with Article 20.3 of the Company's Constitution and being eligible, has offered herself for re-election. — Resolution 1

3. To re-elect the following Directors who retire in accordance with Article 20.8 of the Company's Constitution and being eligible, have offered themselves for re-election:-

   i. Datuk (Dr) Syed Hussian bin Syed Junid — Resolution 2
   ii. Dato' Iskandar Mizal bin Mahmood — Resolution 3
   iii. Mohamad bin Abdullah — Resolution 4

4. To approve the payment of Directors' fees of RM443,713.00 for the financial year ended 31 December 2019. — Resolution 5

5. To approve the payment of Directors' benefits of up to RM1,400,000.00 for the period from 9 July 2020 until the next AGM of the Company. — Resolution 6

6. To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company and to authorise the Board of Directors to determine their remuneration. — Resolution 7

SPECIAL BUSINESS

To consider and if thought fit, to pass the following Resolutions, with or without modifications:-

ORDINARY RESOLUTIONS

7. Authority to Allot and Issue Shares

"THAT subject to Sections 75 and 76 of the Companies Act 2016 and approvals of the governmental and/or regulatory authorities, where such approval is necessary, the Directors be and are hereby given full authority to allot and issue shares in the Company, at any time, and upon such terms and conditions and for such purposes at the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the issued capital of the Company for the time being and that the Directors be and are hereby given full authority to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company". — Resolution 8

8. Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

"THAT subject to the provisions of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiary companies (collectively "Media Prima Group") to grant new shareholders' mandate for recurrent related party transactions ("RRPTs") of a revenue or trading nature ("Proposed New Shareholders' Mandate") as set out in Section 2.2 of the Circular to Shareholders dated 10 June 2020 with the related parties mentioned therein. — Resolution 9

THAT the Proposed New Shareholders' Mandate is subject to the following:

(a) the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public;

NOTICE OF 19TH ANNUAL GENERAL MEETING

MEDIA PRIMA BERHAD
Registration No. : 200001030368 (532975 A)

(b) disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the Proposed New Shareholders' Mandate during the financial year where aggregate value is equal to or exceeds the applicable prescribed threshold under the MMLR and/or the relevant Practice Notes; and

(c) the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public;

(d) disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the Proposed New Shareholders' Mandate during the financial year where aggregate value is equal to or exceeds the applicable prescribed threshold under the MMLR and/or the relevant Practice Notes; and

(e) annual renewal and such approval shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting is to be held pursuant to Section 30 of the Companies Act 2016 (but shall not extend to such extensions as may be allowed pursuant to Section 340 of the Companies Act 2016, whichever earlier.

AND THAT the Directors be and are hereby authorised to complete and execute all such acts and things (including such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

9. To transact any other business of which due notice has been given.

BY ORDER OF THE BOARD

TAN SAY CHOON (MAICSA 7057849)
SSM Practising Certificate No. 202008003070

Kuala Lumpur
10 June 2020

Notes:

1. In light of the COVID-19 outbreak and as part of the safety measures, the 19th AGM of the Company will be conducted on a fully virtual basis through live webcast and online remote voting using the Remote Participation and Voting Facilities ("RPV facilities") which are available on Boardroom Share Registrars Sdn Bhd's Boardroom Smart Investor Online Portal at https://www.boardroomlimited.my/. Please follow the procedures provided in the Administrative Details for the 19th AGM in order to register, participate and vote remotely via the RPV facilities.
2. The venue of the 19th AGM as stated in this Notice of AGM is the Broadcast Venue, strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue. No Shareholders/proxy(ies) from the public will be physically present at the Broadcast Venue.
3. Only members whose names appear in the Record of Depositors on 1 July 2020 ("General Meeting Record of Depositors") shall be eligible to attend in person or appoint proxies to attend and/or vote on their behalf at the AGM.
4. A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
5. Where a member appoints two (2) proxies, the appointment shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified.
6. Where a member of the company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly appointed under a power of attorney. In the case of a corporation, it shall be executed under its Common Seal or signed by its attorney duly authorised in writing or by an officer on behalf of the corporation.
8. Duly completed Proxy Form must be deposited at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time set for holding the meeting or any adjournment thereof. Alternatively, the form of proxy can be deposited electronically through the Share Registrar's website, Boardroom Smart Investor Online Portal at https://www.boardroomlimited.my/ before the proxy form lodgement cut-off time as mentioned above. Please follow the procedures provided in the Administrative Details for the 19th AGM in order to register, participate and vote.

NOTICE OF 19TH ANNUAL GENERAL MEETING

MEDIA PRIMA BERHAD
Registration No. : 200001030368 (532975 A)

Explanatory Notes:

1. **Audited Financial Statements for financial year ended 31 December 2019**

   The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only. They do not require shareholders' approval and hence, will not be put for voting.

2. **Re-election of Directors pursuant to the Company's Constitution**

   Raja Datuk Zaharaton binti Raja Zainal Abidin who retires pursuant to Article 20.3 of the Company's Constitution, has offered herself for re-election at the 19th AGM.

   Datuk (Dr) Syed Hussian bin Syed Junid, Dato' Iskandar Mizal bin Mahmood and Mohamad bin Abdullah who retire pursuant to Article 20.8 of the Company's Constitution, have offered themselves for re-election at the 19th AGM.

3. **Resolution 5: Directors' Fees**

   The fees for the Directors as set out below has been implemented since Financial Year ("FY") 2010 and the Board had agreed that the Directors' Fees in respect of FY 2019 be maintained as follows:-

Non-Executive Group Chairman	RM75,000 per annum
Non-Executive Director ("NED")	RM60,000 per annum

   The payment of the Directors Fees in respect of the FY 2019 will only be made if the proposed Resolution 5 has been approved at the 19th AGM of the Company.

4. **Resolution 6: Payment of Directors' benefits**

   The payment of Directors' benefits comprise the meeting allowance and other emoluments and benefits to the Directors such as insurance and medical and other claimable benefits including reimbursable expenses incurred in the course of carrying out their duties as Company Directors.

   The total amount of benefits payable to the Directors is estimated to be up to RM1,400,000.00 (from 8 July 2020 to the next AGM in 2021), taking into account various factors which include amongst others, the number of scheduled board meetings and board committee meetings as well as the number of Directors involved in these meetings.

   The payment of the benefits to the Directors will be made on a monthly basis and/or as and when incurred if the proposed Resolution 6 has been passed at the 19th AGM. The Board is of the view that it is fair and equitable for the Directors to be paid the Directors' remuneration (excluding Director's fees) on a monthly basis and / or as and when incurred, given that they have duly discharged their responsibilities and provided their services to the Company and the Group throughout the said period.

5. **Resolution 8: Authority to Directors to Allot and Issue Shares**

   The proposed resolution is a general mandate from the shareholders of the Company in accordance with Section 75 and 76 of the Companies Act 2016 for Directors to allot and issue new shares in the Company of up to an amount not exceeding 10% of the total number of issued shares of the Company for the time being for such purposes as the Company may deem fit in the best interest of the Company including for any possible fund raising for the Company's working capital requirements and strategic investments.

   The Resolution, if approved, will give the Company and its Directors the mandate and flexibility to allot and issue shares in the Company for possible fund raising initiatives without the need to seek shareholders' approval via a general meeting subsequent to this 19th AGM, which may delay the capital raising initiatives and incur relevant cost in organising the general meeting.

6. **Resolution 9: Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature "(Proposed New Shareholder' Mandate").**

   The Proposed New Shareholders' Mandate, if passed, will enable the Media Prima Group to enter into RRPTs of a revenue or trading nature, which are necessary for the day-to-day operations of the Media Prima Group, undertaken in the ordinary course of business and at arm's length basis and on normal commercial terms which are not more favorable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

   Details of the Proposed New Shareholders' Mandate are set out in the Appendix A of the Circular to Shareholders dated 10 June 2020. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

7. **Personal Data Privacy Notice:**

   By registering for the remote participation and electronic voting or submitting an instrument appointing a proxy(ies), attorney(s) and/or representative(s) to attend, participate and vote at the 19th AGM and/or any adjournment thereof, a member of the Company:

   (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxy(ies), attorney(s) and/or representative(s) appointed for the 19th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 19th AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"),

   (ii) warrants that where the member discloses the personal data of the member's proxy(ies), attorney(s) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies), attorney(s) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies), attorney(s) and/or representative(s) for the Purposes; and

   (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Directors who are standing for re-election at the Nineteenth (19th) Annual General Meeting of Media Prima Berhad are:

(i) Raja Datuk Zaharaton binti Raja Zainal Abidin **(Resolution 1)**

(ii) Datuk (Dr) Syed Hussian bin Syed Junid **(Resolution 2)**

(iii) Dato' Iskandar Mizal bin Mahmood **(Resolution 3)**

(iv) Mohamad bin Abdullah **(Resolution 4)**

The details of the above Directors who are seeking re-election are set out in the "Board of Directors Profiles" which appear from page 48 to 57 of the Annual Report.

The details of Directors' interests in the securities of the Company are set out in the "Directors' Direct and Deemed Interest in the Company" which appear on page 213 of the Annual Report.

FINANCIAL CALENDAR

ANNOUNCEMENT OF CONSOLIDATED RESULTS

(1) **30 May 2019**
Announcement of the unaudited consolidated results for the 1st quarter ended 31 March 2019.

(2) **22 August 2019**
Announcement of the unaudited consolidated results for the 2nd quarter ended 30 June 2019.

(3) **21 November 2019**
Announcement of the unaudited consolidated results for the 3rd quarter ended 30 September 2019.

(4) **26 February 2020**
Announcement of the unaudited consolidated results for the 4th quarter ended 31 December 2019.

(5) **21 May 2020**
Announcement of the unaudited consolidated results for the 1st quarter ended 31 March 2020.

ANNUAL GENERAL MEETING

(1) **10 June 2020**
Notice of Annual General Meeting

(2) **8 July 2020**
19th Annual General Meeting

GROUP DIRECTORY

MEDIA PRIMA BERHAD
Registration No. : 200001030368 (532975 A)
Balai Berita, Anjung Riong
31, Jalan Riong, Bangsar
59100 Kuala Lumpur

Tel : 1 300 300 672
Fax : +603 2283 0353
Email : communications@mediaprima.com.my
Website : http://www.mediaprima.com.my

SISTEM TELEVISYEN MALAYSIA BERHAD
Registration No. : 198301011326 (106645 T)
Sri Pentas, No 3, Persiaran Bandar Utama
Bandar Utama, 47800 Petaling
Selangor Darul Ehsan

Tel : +603 7726 6333
Website : http://www.tv3.com.my

CH-9 MEDIA SDN BHD
Registration No. : 198201002894 (82640 T)
Sri Pentas, No 3, Persiaran Bandar Utama
Bandar Utama, 47800 Petaling
Selangor Darul Ehsan

Tel : +603 7726 6333
Website : http://www.tv9.com.my

METROPOLITAN TV SDN BHD
Registration No. : 198401012281 (124833 A)
Sri Pentas, No 3, Persiaran Bandar Utama
Bandar Utama, 47800 Petaling
Selangor Darul Ehsan

Tel : +603 7726 6333
Website : http://www.8tv.com.my

NATSEVEN TV SDN BHD
Registration No. : 199401037539 (323221 A)
Sri Pentas, No. 3, Persiaran Bandar Utama
Bandar Utama, 47800 Petaling
Selangor Darul Ehsan

Tel : +603 7726 6333
Website : http://www.ntv7.com.my

THE NEW STRAITS TIMES PRESS (M) BERHAD
Registration No. : 196101000449 (4485 H)
Balai Berita, Anjung Liku
31 Jalan Riong, Bangsar
59100 Kuala Lumpur

Tel : 1 300 22 6787 (Local)
+603-2056 9499 (International)
Classified : 1 300 808 123
Fax : +603-2282 1428
Email : NSTPCorpComm@mediaprima.com.my
Website : http://www.nstp.com.my

MEDIA PRIMA OMNIA SDN BHD
(FORMERLY KNOWN AS ABLE COMMUNICATIONS SDN BHD)
Registration No. : 199701021126 (436623 M)
31, Jalan Riong, Bangsar
59100 Kuala Lumpur

SYNCHROSOUND STUDIO SDN BHD
Registration No. : 199101005032 (215342 D)
PH, North Wing, Sri Pentas,
Persiaran Bandar Utama,
47800 Petaling,
Selangor Darul Ehsan,
Malaysia

Office : +603 7710 5022
Studio : +603 7710 8822
Fax : +603 7710 7098
Website : http://www.ripplemedia.com.my

BIG TREE OUTDOOR SDN BHD
Registration No. : 199401032581 (318264 M)
2nd Floor, Balai Berita, Anjung Riong
31, Jalan Riong, Bangsar
59100 Kuala Lumpur

Tel : +603 7729 3889
Fax : +603 7729 3999
Website : http://www.bigtree.com.my

PRIMEWORKS STUDIOS SDN BHD
Registration No. : 199301029025 (283764 W)
Sri Pentas, 1st Floor, North Wing
No.3, Persiaran Bandar Utama
Bandar Utama, 47800 Petaling
Selangor Darul Ehsan

Tel : +603 7621 3020
Fax : +603 7727 1799
Website : http://www.primeworks.com.my

MEDIA PRIMA DIGITAL SDN BHD
Registration No. : 199301017287 (272025 V)
3rd Floor, North Wing, Sri Pentas
No.3, Persiaran Bandar Utama
Bandar Utama, 47800 Petaling
Selangor Darul Ehsan

Tel : +603 7621 3333
Fax : +603 7710 3876
Website : http://www.mediaprimadigital.com.my

REV ASIA HOLDINGS SDN BHD
Registration No. : 201301021518 (1051348 T)
The Penthouse,
Level 19, Uptown 1,
Jalan SS21/58,
Damansara Utama,
47400, Petaling Jaya
Selangor D.E, Malaysia

Tel : +603 7710 0180
Website : http://www.revasia.com

MP CJ ENM SDN BHD
Registration No. : 201601005538 (1176464 X)
Level 1, Balai Berita, Anjung Riong,
No. 31, Jalan Riong, 59100 Bangsar,
Kuala Lumpur, Malaysia

Hotline : 1-800-18-0808
Fax : +603 2280 0044
Website : http://www.cjwowshop.com.my

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PROXY FORM

media prima

Registration No. : 200001030368 (532975 A)

CDS Account No	
Number of Ordinary Share(s) held	

I/We ____

(FULL NAME OF SHAREHOLDER AS PER NRIC / CERTIFICATE OF INCORPORATION IN CAPITAL LETTERS)

NRIC No. / Company No. ______________________ of ______________________

____

(FULL ADDRESS)

being a member of MEDIA PRIMA BERHAD hereby appoint:

First Proxy

Full Name of Proxy in capital letters		**Proportion of shareholdings**	
		Number of shares	**Percentage (%)**
NRIC Number			

and/or failing him/her,

Second Proxy

Full Name of Proxy in capital letters		**Proportion of shareholdings**	
		Number of shares	**Percentage (%)**
NRIC Number			

or failing him/her the Chairman of the Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the Nineteenth (19th) Annual General Meeting of the Company to held at the Broadcast Venue at Theatrette, Ground Floor, Balai Berita, Anjung Riong, No. 31, Jalan Riong, Bangsar, 59100 Kuala Lumpur, Malaysia on Wednesday, 8 July 2020 at 10.00 a.m. and at any adjournment thereof, on the following resolutions referred to in the Notice of 19th AGM. My/our proxy is to vote as indicated below:-

Resolution No	**RESOLUTIONS**	**FOR**	**AGAINST**
Resolution 1	To re-elect Raja Datuk Zaharaton binti Raja Zainal Abidin as Director of the Company.		
Resolution 2	To re-elect Datuk (Dr) Syed Hussian bin Syed Junid as Director of the Company.		
Resolution 3	To re-elect Dato' Iskandar Mizal bin Mahmood as Director of the Company.		
Resolution 4	To re-elect Mohamad bin Abdullah as Director of the Company.		
Resolution 5	To approve the payment of Directors' fees of RM443,713.00 for the financial year ended 31 December 2019.		
Resolution 6	To approve the payment of Directors' benefits of up to RM1,400,000.00 for the period from 9 July 2020 until the next AGM of the Company.		
Resolution 7	To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company and to authorise the Directors to determine their remuneration.		
Resolution 8	To approve the proposed Authority to Allot and Issue Shares.		
Resolution 9	To approve the proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		

Please indicate with an "X" in the appropriate space how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he thinks fit, or at his discretion, abstain from voting.

Dated this __________ day of __________ 2020

____

Signature of Member / Common Seal

Notes:

1. In light of the COVID-19 outbreak and as part of the safety measures, the 19th AGM of the Company will be conducted on a fully virtual basis through live webcast and online remote voting using the Remote Participation and Voting Facilities ("RPV facilities") which are available on Boardroom Share Registrars Sdn Bhd's Boardroom Smart Investor Online Portal at https://www.boardroomlimited.my/. Please follow the procedures provided in the Administrative Details for the 19th AGM in order to register, participate and vote remotely via the RPV facilities.
2. The venue of the 19th AGM as stated in this Notice of AGM is the Broadcast Venue, strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue. No Shareholders/proxy(ies) from the public will be physically present at the Broadcast Venue.
3. Only members whose names appear in the Record of Depositors on 1 July 2020 ("General Meeting Record of Depositors") shall be eligible to attend in person or appoint proxies to attend and/or vote on their behalf at the AGM.
4. A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
5. Where a member appoints two (2) proxies, the appointment shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified.
6. Where a member of the company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly appointed under a power of attorney. In the case of a corporation, it shall be executed under its Common Seal or signed by its attorney duly authorised in writing or by an officer on behalf of the corporation.
8. Duly completed Proxy Form must be deposited at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time set for holding the meeting or any adjournment thereof. Alternatively, the form of proxy can be deposited electronically through the Share Registrar's website, Boardroom Smart Investor Online Portal at https://www.boardroomlimited.my/ before the proxy form lodgement cut-off time as mentioned above. Please follow the procedures provided in the Administrative Details for the 19th AGM in order to register, participate and vote.

Personal Data Privacy Notice:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the Member accepts and agrees to the personal data privacy terms set out in the Notice of 19th AGM dated 10 June 2020.

Please fold here to seal

STAMP

MEDIA PRIMA BERHAD
Registration No. : 200001030368 (532975 A)

c/o The Registrar
Boardroom Share Registrars Sdn Bhd
Registration No. : 199601006647 (378993-D)
11th Floor, Menara Symphony,
No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya,
Selangor Darul Ehsan

Please fold here to seal

www.mediaprima.com.my

MEDIA PRIMA BERHAD
Registration No. : 200001030368 (532975 A)

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