



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

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER
ENDED 30 JUNE 2020**

27 August 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		30.6.2020 RM'000	30.6.2019 RM'000	30.6.2020 RM'000	30.6.2019 RM'000
Revenue	A7	236,278	296,767	474,714	535,869
Operating expenses		(223,893)	(278,727)	(463,198)	(533,829)
Other operating income		2,539	5,137	4,774	7,979
Earnings before interest, taxation, depreciation, amortisation and impairment ("EBITDA")		14,924	23,177	16,290	10,019
Depreciation on right-of-use assets		(14,630)	(13,104)	(29,176)	(22,640)
Other depreciation		(12,738)	(15,508)	(26,646)	(31,099)
Amortisation of intangible assets (excluding programme and film rights)		(763)	(318)	(927)	(891)
Finance income		1,671	2,469	3,877	4,214
Finance costs on lease liabilities		(3,281)	(3,778)	(6,399)	(7,408)
Finance costs on financial liabilities		(2,237)	(213)	(2,711)	(353)
Share of results of associates		(62)	40	(81)	62
Loss before tax	A8	(17,116)	(7,235)	(45,773)	(48,096)
Taxation	B1	(917)	(3,548)	(2,232)	(5,508)
Net loss for the financial period		(18,033)	(10,783)	(48,005)	(53,604)
Loss and total comprehensive loss attributable to:					
- Owners of the Company		(20,105)	(8,825)	(49,645)	(49,234)
- Non-controlling interests		2,072	(1,958)	1,640	(4,370)
		(18,033)	(10,783)	(48,005)	(53,604)
Loss per share (sen)					
- Basic and diluted	B11	(1.81)	(0.80)	(4.48)	(4.44)

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2019.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTE	AS AT 30.6.2020 RM'000	AS AT 31.12.2019 RM'000
Assets			
Property, plant and equipment		223,193	246,823
Right-of-use assets		185,448	217,110
Investment properties		28,500	28,864
Associates		2,748	2,829
Financial assets at fair value through other comprehensive income		688	688
Intangible assets		387,462	395,889
Deferred tax assets		12,475	12,475
Non-current assets		840,514	904,678
Inventories		27,158	6,433
Trade and other receivables		215,566	250,103
Current tax recoverable		8,406	16,595
Deposits, cash and bank balances	A12	363,154	257,144
Current assets		614,284	530,275
Non-current assets held for sale		225	225
Total assets		1,455,023	1,435,178
Liabilities and equity			
Liabilities			
Lease liabilities		163,920	186,330
Borrowings	B4	140,798	-
Deferred tax liabilities		37,380	37,383
Non-current liabilities		342,098	223,713
Trade and other payables		467,341	548,356
Lease liabilities		58,154	61,151
Borrowings	B4	38,220	4,688
Current tax payable		1,062	1,117
Current liabilities		564,777	615,312
Total liabilities		906,875	839,025
Equity and Reserves			
Share capital		1,524,735	1,524,735
Reserves		(975,681)	(926,036)
Equity attributable to owners of the Company		549,054	598,699
Non-controlling interests		(906)	(2,546)
Total equity		548,148	596,153
Total liabilities and equity		1,455,023	1,435,178
Net assets per share attributable to equity holders of the Company (sen)*		49.50	53.98

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

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2019.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company				Non-controlling interests	Total equity
	Share capital RM'000	Other reserves RM'000	Accumulated losses RM'000	Total RM'000	RM'000	RM'000
2020						
At 1 January 2020	1,524,735	4	(926,040)	598,699	(2,546)	596,153
Net loss and total comprehensive loss for the period	-	-	(49,645)	(49,645)	1,640	(48,005)
At 30 June 2020	1,524,735	4	(975,685)	549,054	(906)	548,148
2019						
At 31 December 2018, as previously reported	1,524,735	1,755	(717,868)	808,622	5,765	814,387
Effects of adoption of MFRS 16	-	-	(29,136)	(29,136)	-	(29,136)
At 1 January 2019, as restated	1,524,735	1,755	(747,004)	779,486	5,765	785,251
Net loss and total comprehensive loss for the period	-	-	(49,234)	(49,234)	(4,370)	(53,604)
At 30 June 2019	1,524,735	1,755	(796,238)	730,252	1,395	731,647

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2019.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	NOTE	FOR THE PERIOD ENDED 30.6.2020 RM'000	FOR THE PERIOD ENDED 30.6.2019 RM'000
Cash flows from operating activities			
Loss for the financial period		(48,005)	(53,604)
Adjustments for:			
- Non-cash items		124,296	125,453
- Finance costs on lease liabilities		6,399	7,408
- Finance costs on financial liabilities		2,711	353
- Finance income		(3,877)	(4,214)
Operating cash flows before changes in working capital		81,524	75,396
Changes in working capital		(131,645)	(30,224)
Cash flows from operations		(50,121)	45,172
Income tax refund/(paid)		5,892	(2,632)
Net cash flows (used in)/generated from operating activities		(44,229)	42,540
Cash flows from investing activities			
Acquisition of interest in an associate		-	(1,500)
Property, plant and equipment:			
- Additions		(2,464)	(23,517)
- Proceeds from disposals		32	157
Intangible assets (excluding programme and film rights):			
- Additions		(27)	-
Non-current assets held for sale:			
- Proceed from disposals		-	3,310
Interest received		3,151	4,214
Net cash flows generated from/(used in) investing activities		692	(17,336)
Cash flows from financing activities			
Interest paid on lease liabilities		(6,399)	(6,055)
Interest paid on financial liabilities		(2,028)	(494)
Drawdown of borrowings		202,540	10,372
Repayment of borrowings		(28,874)	(7,863)
Increase in restricted bank balances		(52,178)	-
Payment of principal element of lease liabilities		(15,692)	(16,688)
Net cash flows generated from/(used in) financing activities		97,369	(20,728)
Net movement in cash and cash equivalents		53,832	4,476
Cash and cash equivalents at beginning of the period		256,944	209,914
Cash and cash equivalents at end of the period	A12	310,776	214,390

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2019.

NOTES TO THE INTERIM FINANCIAL REPORT

A1. BASIS OF PREPARATION

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

The unaudited interim financial statements should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 31 December 2019, which were prepared in compliance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2019.

The adoption of the following applicable amendments and improvements to MFRS that came into effect on 1 January 2020 did not have any significant impact on the Group upon the initial application.

Description	
Amendment to MFRS 3	Definition of a Business
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to MFRS 134	Interim Financial Reporting
Amendment to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
Amendment to MFRS 138	Extinguishing Financial Liabilities with Equity Instruments
Amendment to IC 22	Foreign Currency Transactions and Advance Consideration
Amendments to IC Interpretation 132	Intangible Assets – Web Site Costs

Amendment to MFRS 16 COVID-19-Related Rent Concessions is effective for financial periods beginning on or after 1 June 2020 was early adopted by the Group for the financial year ending 31 December 2020.

MFRS 16 was amended to provide a practical expedient for lessee accounting for rent concessions that arise as a direct consequence of the COVID-19 pandemic and satisfy the following criteria:

- (a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (b) The reduction of lease payments affects only payments originally due on or before 30 June 2021; and
- (c) There are no substantive changes to other terms and conditions of the lease.

NOTES TO THE INTERIM FINANCIAL REPORT

A1. BASIS OF PREPARATION (CONT'D)

Rent concessions that satisfy these criteria may be accounted for in accordance with the practical expedient, which means the lessee does not need to assess whether the rent concession meets the definition of a lease modification. Lessee apply other requirements in MFRS 16 in accounting for the concession.

The Group has elected to utilise the practical expedient for all rent concessions that meet the criteria. The practical expedient has been applied retrospectively, meaning it has been applied to all rent concessions that satisfy the criteria, which in the case of the Group, occurred from March 2020 to June 2020.

As at 30 June 2020, the Group is in the process of assessing the impact on the application of the practical expedient due to ongoing negotiations with lessors.

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

Description	Effective for annual periods beginning on or after
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2023

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

A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2019 was not qualified.

A3. SEASONAL OR CYCLICAL FACTORS

The operations of the Group's major business segments are generally affected by the major festive seasons. In addition, with the ongoing COVID-19 pandemic affecting the world economy, the Group's business segments which generate advertising revenue have also seen its performance for the period ended 30 June 2020 affected.

NOTES TO THE INTERIM FINANCIAL REPORT

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

The Directors of the Company consider that a termination benefits charge of RM11.3 million incurred in the second quarter ended 30 June 2020 to be one-off and material in nature and should be brought to the reader's attention in understanding the Group's financial statements.

Except as disclosed above, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group in the second quarter ended 30 June 2020.

A5. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior financial years that have a material effect in the second quarter ended 30 June 2020.

NOTES TO THE INTERIM FINANCIAL REPORT

A6. SEGMENTAL REPORTING

The Group determines and presents its operating segments based on information reported internally to the Group Managing Director and the Board of Directors. The Group predominantly operates in Malaysia and consequently, there is no disclosure on geographical segment being made. During the financial period, the operating segments of the Group have been redefined by the Board of Directors. Current period information and corresponding information for the comparative period have been restated where applicable based on the changes below:

Omnia Organising advertising-related solutions, marketing and sale of advertisements across the Group's main media platforms effective 1 April 2020 covering Broadcasting, Publishing and Branded Content under Content Creation.

Broadcasting Commercial television and radio broadcasting. Previously, Television Networks and Radio Networks were two separate operating segments.

Other existing operating segments remain unchanged as reported in the audited financial statements for the financial year ended 31 December 2019.

Period ended 30 June 2020	Omnia RM'000	Broad- casting RM'000	Out-of- Home RM'000	Publishing RM'000	Digital Media RM'000	Content Creation RM'000	Home Shopping RM'000	Corporate RM'000	Elimination RM'000	Total RM'000
Revenue from external customers	118,726	55,200	62,088	52,998	31,028	1,910	152,764	-	-	474,714
Inter-segment revenue	5,936	93,695	374	15,835	6,669	39,491	-	49,753	(211,753)	-
	124,662	148,895	62,462	68,833	37,697	41,401	152,764	49,753	(211,753)	474,714
Royalties	-	(788)	-	-	-	-	-	-	-	(788)
	124,662	148,107	62,462	68,833	37,697	41,401	152,764	49,753	(211,753)	473,926
Reportable segment (loss)/profit after tax before non-controlling interest	(3,592)	(8,997)	844	(26,181)	5,730	(4,969)	6,285	(41,637)	24,512	(48,005)

NOTES TO THE INTERIM FINANCIAL REPORT

A6. SEGMENTAL REPORTING (CONT'D)

Period ended 30 June 2019	Omnia RM'000	Broad- casting RM'000	Out-of- Home RM'000	Publishing RM'000	Digital Media RM'000	Content Creation RM'000	Home Shopping RM'000	Corporate RM'000	Elimination RM'000	Total RM'000
Revenue from external customers	-	211,324	78,353	103,450	23,449	5,034	114,259	-	-	535,869
Inter-segment revenue	-	6,620	655	1,941	12,284	35,479	-	49,616	(106,595)	-
	-	217,944	79,008	105,391	35,733	40,513	114,259	49,616	(106,595)	535,869
Royalties	-	(1,071)	-	-	-	-	-	-	-	(1,071)
	-	216,873	79,008	105,391	35,733	40,513	114,259	49,616	(106,595)	534,798
Reportable segment (loss)/profit after tax before non-controlling interest	-	(15,119)	1,600	(36,143)	1,578	4,720	(7,613)	(7,201)	4,574	(53,604)

NOTES TO THE INTERIM FINANCIAL REPORT

A7. REVENUE

Individual quarter for the period ended 30 June 2020	Traditional RM'000	Digital RM'000	Home Shopping RM'000	Group RM'000
Advertising	116,038	15,912	-	131,950
Circulation	9,044	-	-	9,044
Commerce	1,406	546	88,332	90,284
Content	4,211	-	-	4,211
Property and others	789	-	-	789
	131,488	16,458	88,332	236,278

Individual quarter for the period ended 30 June 2019	Traditional RM'000	Digital RM'000	Home Shopping RM'000	Group RM'000
Advertising	188,479	24,614	-	213,093
Circulation	16,647	-	-	16,647
Commerce	3,365	1,317	59,793	64,475
Content	1,608	-	-	1,608
Property and others	944	-	-	944
	211,043	25,931	59,793	296,767

Cumulative quarters for the period ended 30 June 2020	Traditional RM'000	Digital RM'000	Home Shopping RM'000	Group RM'000
Advertising	246,017	34,633	-	280,650
Circulation	25,913	-	-	25,913
Commerce	7,696	731	152,764	161,191
Content	5,347	-	-	5,347
Property and others	1,613	-	-	1,613
	286,586	35,364	152,764	474,714

Cumulative quarters for the period ended 30 June 2019	Traditional RM'000	Digital RM'000	Home Shopping RM'000	Group RM'000
Advertising	337,505	41,381	-	378,886
Circulation	31,744	-	-	31,744
Commerce	5,577	1,964	114,259	121,800
Content	1,621	-	-	1,621
Property and others	1,818	-	-	1,818
	378,265	43,345	114,259	535,869

NOTES TO THE INTERIM FINANCIAL REPORT

A8. LOSS BEFORE TAX

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.6.2020	30.6.2019	30.6.2020	30.6.2019
	RM'000	RM'000	RM'000	RM'000
Depreciation and amortisation	(28,131)	(28,930)	(56,749)	(54,630)
Net impairment charge of financial instruments	(2,943)	(1,183)	(3,455)	(4,039)
Foreign exchange loss	(96)	(399)	(211)	(801)
Inventories written-down	(146)	-	(146)	-
(Loss)/gain on disposal of property, plant and equipment	(10)	157	(10)	157
Gain on disposal of non-current assets held for sale	-	2,181	-	2,181

A9. VALUATIONS OF PROPERTY, PLANT & EQUIPMENT

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

A10. CONTINGENT LIABILITIES

The Group is a defendant in 22 legal suits (as at 31.12.2019: 18 suits) with contingent liabilities amounting to approximately RM5.9 million (as at 31.12.2019: RM5.4 million). The legal suits consist of claims on defamation and breach of contract.

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

A11. CAPITAL COMMITMENTS

Capital commitments not provided for in the financial statements as at 30 June 2020 are as follows:

	RM'000
Approved but not contracted:	
- Property, plant and equipment	47,190
- Intangible assets	96,314
Approved and contracted for:	
- Property, plant and equipment	10,341
	153,845

NOTES TO THE INTERIM FINANCIAL REPORT

A12. CASH AND CASH EQUIVALENTS

Details of cash and cash equivalents are as follows:

	As at 30.6.2020 RM'000	As at 30.6.2019 RM'000
Cash and bank balances	263,393	142,061
Deposits with licensed banks	99,761	72,529
Deposits, cash and bank balances	363,154	214,590
<i>Less: Restricted deposits</i>		
Deposits with licensed banks	(52,378)	(200)
Cash and cash equivalents	310,776	214,390

A13. SIGNIFICANT RELATED PARTY TRANSACTIONS

Significant related party transactions for the financial period ended 30 June 2020:

	For the Period Ended 30.6.2020 RM'000	For the Period Ended 30.6.2019 RM'000
Associate companies:		
- Purchase of services	1,008	525
Companies related by virtue of a common major shareholder with a significant influence over the Company:		
- Revenue from contracts	5,383	-
- Purchase of services	(10,338)	-

A14. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in composition for the Group in the second quarter ended 30 June 2020.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B1. TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.6.2020	30.6.2019	30.6.2020	30.6.2019
	RM'000	RM'000	RM'000	RM'000
In respect of the current period:				
- Current income tax	918	3,565	2,241	5,542
- Deferred taxation	(1)	(17)	(9)	(34)
	917	3,548	2,232	5,508

The Group's tax expense for the financial period is primarily due to income tax expense incurred by profitable subsidiaries within the Group.

B2. FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

As at 30 June 2020, the Group does not have any financial liabilities measured at fair value through profit or loss.

B3. MATERIAL LITIGATION

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

B4. BORROWINGS

	As at 30.6.2020 RM'000	As at 30.6.2019 RM'000
<u>Non-Current Borrowings</u>		
Secured:		
- Term loan	140,798	-
<u>Current Borrowings</u>		
Secured:		
- Term loan	13,375	-
Unsecured:		
- Banker's acceptance	24,845	6,678
	38,220	6,678
Total borrowings	179,018	6,678

The Group's borrowings are denominated in Ringgit Malaysia.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B5. REVIEW OF PERFORMANCE FOR THE CURRENT QUARTER AGAINST THE COMPARATIVE QUARTER

	Quarter ended 30.6.2020 RM'000	Quarter ended 30.6.2019 RM'000
Revenue	236,278	296,767
Loss After Tax ("LAT")	18,033	10,783
Loss After Tax excluding Exceptional Item	6,737	10,783

Group revenue for Q2FY20 of RM236.3 million decreased by 20% compared to Q2FY19 revenue of RM296.8 million mainly due to reduced advertising in the current quarter as clients' adex spending scaled down during the COVID-19 pandemic.

As a result of a one-off termination benefits charge of RM11.3 million, the Group's loss after tax for Q2FY20 widened by 67% against Q2FY19. The Group would have posted a loss after tax of RM6.7 million against Q2FY19's LAT of RM10.8 million if the termination benefits charge was excluded.

The performance of respective platforms for the quarter ended 30 June 2020 as compared to the comparative quarter are as follows:

- (a) Omnia – Revenue for Omnia consists of advertising revenue from the Group's Broadcasting, Publishing as well as Branded Content under Content Creation effective April 2020.
- (b) Broadcasting - Weak adex during the quarter resulted in Broadcasting quarterly revenue to decline by 46% against Q2FY19.
- (c) Publishing - Lower advertising revenue for the quarter mainly contributed to a 59% decline in revenue against the corresponding quarter.
- (d) Out-of-Home - Deferment in display advertising contracts during the quarter resulted in a 37% decline in revenue.
- (e) Digital Media – Marginal revenue growth of 1% compared to Q2FY19 was mainly due to higher external digital advertising revenue in the quarter despite lower intersegment revenue.
- (f) Content Creation - Revenue for the current quarter declined by 8% on the back of lower TV Production revenue compared to the comparative quarter.
- (g) Home Shopping - Significant increase in revenue by 48% compared to Q2FY19 was attributed to the shift in consumers shopping habits during the Movement Control Order ("MCO") period.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B6. REVIEW OF PERFORMANCE FOR THE CURRENT FINANCIAL PERIOD TO DATE AGAINST THE PREVIOUS FINANCIAL PERIOD TO DATE

	Period ended 30.6.2020 RM'000	Period ended 30.6.2019 RM'000
Revenue	474,714	535,869
Loss After Tax ("LAT")	48,005	53,604
Loss After Tax excluding Exceptional Items	36,709	53,604

The Group's revenue for 1HFY20 declined by 11% mainly attributed to lower adex spending in the midst of the COVID-19 pandemic. The lower advertising revenue was compensated slightly by the increase in home shopping revenue as the period under review coincided with the Movement Control Order ("MCO") enforced by the Malaysian government.

Loss after tax for the period was lower by 10% against the comparative period. Without the termination benefits charge of RM11.3 million, the adjusted LAT for the period would have narrowed by 32% against the comparative period.

The performance of respective platforms for the financial period ended 30 June 2020 as compared to the comparative financial period are as follows:

- (a) Omnia – Revenue for Omnia consists of advertising revenue from the Group's Broadcasting, Publishing as well as Branded Content under Content Creation effective April 2020.
- (b) Broadcasting - Revenue for the current period declined by 32% against the comparative period on the back of lower adex impacted by the soft consumer sentiment.
- (c) Publishing - Significant decrease in revenue by 35% mainly due to lower newspaper advertising in the period under review.
- (d) Out-of-Home - Revenue decline of 21% against the corresponding period attributed to deferment in display revenue during the current period.
- (e) Digital Media - Digital segment revenue saw a 5% growth against the previous period partly contributed by the internal realignment of NSTP's digital properties now managed by Digital Media.
- (f) Content Creation - Revenue grew marginally by 2% against the comparative period as higher branded content production revenue offset the lower intersegment revenue in the period.
- (g) Home Shopping - Higher viewership and the shift in consumers shopping habits during the MCO led to a 34% increase in revenue.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B7. COMPARISON OF PERFORMANCE FOR THE CURRENT QUARTER AGAINST THE IMMEDIATE PRECEDING QUARTER

	Period ended 30.6.2020 RM'000	Period ended 31.3.2020 RM'000
Revenue	236,278	238,436
Loss Before Tax ("LBT")	17,116	28,657
Loss Before Tax excluding Exceptional Item	5,820	28,657

Revenue for Q2FY20 of RM236.3 million remained flat compared to Q1FY20 revenue of RM238.4 million as the reduction in advertising revenue during Q2FY20 was offset by higher non-advertising revenue, driven by the increase in home shopping revenue.

Loss before tax in Q2FY20 of RM17.1 million was 40% lower against Q1FY20's loss before tax of RM28.7 million on the back of lower operating expenses despite the termination benefits charge incurred in the current quarter. If the one-off termination benefits charge were excluded, the Group would have posted a RM5.8 million loss before tax in Q2FY20.

B8. PROSPECTS FOR 2020

The Group foresees the second half of 2020 to remain challenging as it continues to face cautious business and consumer sentiment brought about by the COVID-19 pandemic. The Group has expedited the next phase of its transformation exercise which includes revising revenue models and corresponding cost management involving operational changes at selected units to address cost inefficiencies arising from work duplication.

The Group seeks to continue the momentum of its commerce business after an encouraging first half performance. Digital and branded content solutions will be areas of significant growth for the Group in facing an already soft adex environment.

B9. PROFIT FORECAST/PROFIT GUARANTEE

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

B10. DIVIDEND

No dividends have been declared by the Board of Directors for the second quarter ended 30 June 2020.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B11. LOSS PER SHARE

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.6.2020	30.6.2019	30.6.2020	30.6.2019
Loss attributable to owners of the Company (RM'000)	(20,105)	(8,825)	(49,645)	(49,234)
Weighted average number of ordinary shares in issue ('000)	1,109,199	1,109,199	1,109,199	1,109,199
Basic and diluted loss per share (sen)	(1.81)	(0.80)	(4.48)	(4.44)

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

BY ORDER OF THE BOARD

**TAN SAY CHOON (MAICSA 7057849 / SSM PRACTISING CERTIFICATE NO. 202008003070)
GROUP COMPANY SECRETARY**

Kuala Lumpur

27 August 2020

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

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