



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

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER
ENDED 30 SEPTEMBER 2023**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		30.9.2023 RM'000 3 months	30.9.2022 RM'000 3 months	30.9.2023 RM'000 3 months	30.9.2022 RM'000 3 months
Revenue	A8	213,923	N/A	213,923	N/A
Operating expenses		(186,022)	N/A	(186,022)	N/A
Other operating income		8,951	N/A	8,951	N/A
Earnings before interest, taxation, depreciation and amortisation ("EBITDA")		36,852	N/A	36,852	N/A
Depreciation on right-of-use assets		(9,589)	N/A	(9,589)	N/A
Other depreciation		(8,469)	N/A	(8,469)	N/A
Amortisation of intangible assets (excluding programme and film rights)		(245)	N/A	(245)	N/A
Finance income		2,729	N/A	2,729	N/A
Finance cost on lease liabilities		(1,506)	N/A	(1,506)	N/A
Finance cost on financial liabilities		(2,257)	N/A	(2,257)	N/A
Share of results of associates		15	N/A	15	N/A
Profit before tax	A9	17,530	N/A	17,530	N/A
Taxation	B1	(3,610)	N/A	(3,610)	N/A
Net profit and total comprehensive income for the financial period		13,920	N/A	13,920	N/A
Profit and total comprehensive income attributable to:					
- Owners of the Company		14,056	N/A	14,056	N/A
- Non-controlling interests		(136)	N/A	(136)	N/A
		13,920	N/A	13,920	N/A
Earnings per share (sen)					
- Basic and diluted	B10	1.27	N/A	1.27	N/A

No comparative financial information is presented for the unaudited condensed consolidated statement of comprehensive income for the period ended 30 September 2023. Due to the change of financial year end from 31 December to 30 June, the unaudited condensed consolidated statement of comprehensive income for the current quarter ended 30 September 2023, being the first quarter of the current financial year ending 30 June 2024, is not comparable with any comparative period previously presented.

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTE	AS AT 30.9.2023 RM'000	AS AT 30.6.2023 RM'000
Assets			
Property, plant and equipment		298,636	301,862
Right-of-use assets		112,805	121,990
Investment properties		13,150	15,450
Associates		1,289	1,274
Financial assets at fair value through other comprehensive income		688	688
Intangible assets		397,584	392,757
Other receivables		19,374	19,031
Deferred tax assets		12,790	12,790
Non-current assets		856,316	865,842
Inventories		6,545	8,269
Trade and other receivables		179,918	167,020
Current tax recoverable		21,139	19,189
Deposits, cash and bank balances	A13	351,891	343,328
Current assets		559,493	537,806
Total assets		1,415,809	1,403,648
Liabilities and equity			
Liabilities			
Lease liabilities		89,129	92,256
Borrowings	B5	192,809	121,840
Deferred tax liabilities		36,718	36,732
Non-current liabilities		318,656	250,828
Trade and other payables		373,749	387,888
Lease liabilities		43,469	48,988
Borrowings	B5	4,968	37,136
Current tax payable		2,653	3,594
Current liabilities		424,839	477,606
Total liabilities		743,495	728,434
Equity and reserves			
Share capital		1,524,735	1,524,735
Reserves		(847,135)	(844,553)
Equity attributable to owners of the Company		677,600	680,182
Non-controlling interests		(5,286)	(4,968)
Total equity		672,314	675,214
Total liabilities and equity		1,415,809	1,403,648
Net assets per share attributable to equity holders of the Company (sen)*		61.09	61.32

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

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<u>Attributable to owners of the Company</u>				Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Other reserves RM'000	Accumulated losses RM'000	Total RM'000		
At 1 July 2023	1,524,735	4	(844,557)	680,182	(4,968)	675,214
Net profit and total comprehensive income for the financial period	-	-	14,056	14,056	(136)	13,920
<u>Transactions with owners:</u>						
Dividend paid in respect of the financial period ended 30 June 2023	-	-	(16,638)	(16,638)	-	(16,638)
Dividend payable to non-controlling interests	-	-	-	-	(182)	(182)
At 30 September 2023	1,524,735	4	(847,139)	677,600	(5,286)	672,314

No comparative financial information is presented for the unaudited condensed consolidated statement of changes in equity for the period ended 30 September 2023. Due to the change of financial year end from 31 December to 30 June, the unaudited condensed consolidated statement of changes in equity for the current quarter ended 30 September 2023, being the first quarter of the current financial year ending 30 June 2024, is not comparable with any comparative period previously presented.

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	NOTE	FOR THE PERIOD ENDED 30.9.2023 RM'000 3 months	FOR THE PERIOD ENDED 30.9.2022 RM'000 3 months
Cash flows from operating activities			
Profit for the financial period		13,920	N/A
Adjustments for:			
- Non-cash items		36,741	N/A
- Finance cost on lease liabilities		1,506	N/A
- Finance cost on financial liabilities		2,257	N/A
- Finance income		(2,729)	N/A
Operating cash flows before changes in working capital		51,695	N/A
Changes in working capital		(27,988)	N/A
Cash flows from operations		23,707	N/A
Income tax paid		(5,812)	N/A
Net cash flows generated from operating activities		17,895	N/A
Cash flows from investing activities			
Property, plant and equipment:			
- Additions		(1,165)	N/A
- Proceeds from disposal		50	N/A
Intangible assets:			
- Additions		(27,670)	N/A
Investment properties:			
- Proceeds from disposal		5,952	N/A
Finance income received		2,729	N/A
Net cash flows used in investing activities		(20,104)	N/A
Cash flows from financing activities			
Finance cost paid on lease liabilities		(1,506)	N/A
Finance cost paid on financial liabilities		(2,206)	N/A
Drawdown of borrowings		78,901	N/A
Repayment of borrowings		(40,386)	N/A
Payment of principal element of lease liabilities		(7,393)	N/A
Decrease in restricted bank balances		2,280	N/A
Dividend paid to shareholders of the Company		(16,638)	N/A
Net cash flows generated from financing activities		13,052	N/A
Net movement in cash and cash equivalents		10,843	N/A
Cash and cash equivalents at beginning of the financial period		327,863	N/A
Cash and cash equivalents at end of the financial period	A13	338,706	N/A

No comparative financial information is presented for the unaudited condensed consolidated statement of cash flows for the period ended 30 September 2023. Due to the change of financial year end from 31 December to 30 June, the unaudited condensed consolidated statement of cash flows for the current quarter ended 30 September 2023, being the first quarter of the current financial year ending 30 June 2024, is not comparable with any comparative period previously presented.

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

NOTES TO THE INTERIM FINANCIAL REPORT

A1. BASIS OF PREPARATION

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

The unaudited interim financial report should be read in conjunction with the audited annual financial statements of the Group for the financial period ended 30 June 2023, which were prepared in compliance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial period ended 30 June 2023.

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

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

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

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

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

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

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

NOTES TO THE INTERIM FINANCIAL REPORT

A1. BASIS OF PREPARATION (CONTINUED)

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

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

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

A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

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

A3. SEASONAL OR CYCLICAL FACTORS

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

A4. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior financial periods that had a material effect in the period ended 30 September 2023.

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

There were no unusual items affecting the assets, liabilities, net income or cash flows of the Group in the quarter ended 30 September 2023.

A6. DIVIDENDS PAID

The amount of dividends paid to the shareholders of the Company during the financial period ended 30 September 2023:

	For the period ended 30.9.2023 RM'000 3 months
<u>In respect of the financial period ended 30 June 2023:</u>	
First and final single-tier dividend of 1.5 sen	16,638

NOTES TO THE INTERIM FINANCIAL REPORT

A7. SEGMENTAL REPORTING

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

	Omnia RM'000	Broad- casting RM'000	Out-of- Home RM'000	Publish- ing RM'000	Digital Media RM'000	Home Shopping# RM'000	Corporate and Others RM'000	Elimination RM'000	Total RM'000
Period ended									
<u>30 September 2023</u>									
Revenue from external customers	174,306	6,502	1,139	10,663	72	20,538	703	-	213,923
Inter-segment revenue	-	91,541	30,607	21,385	24,346	-	37,173	(205,052)	-
	174,306	98,043	31,746	32,048	24,418	20,538	37,876	(205,052)	213,923
Reportable segment profit/(loss) after tax before non-controlling interest	635	9,650	1,219	12,751	1,828	(4,378)	27,270	(35,055)	13,920

The reportable loss after tax for the Home Shopping segment includes intersegment charges incurred for television broadcasting fees. Excluding the intersegment charges, the Home Shopping segment reported a loss after tax of RM3.1 million for the financial period ended 30 September 2023.

NOTES TO THE INTERIM FINANCIAL REPORT

A8. REVENUE

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.9.2023	30.9.2022	30.9.2023	30.9.2022
	RM'000	RM'000	RM'000	RM'000
	3 months	3 months	3 months	3 months
Revenue from contracts with customers:				
- Advertising revenue	174,710	N/A	174,710	N/A
- Newspaper sales	6,238	N/A	6,238	N/A
- Newspaper printing and distribution	4,248	N/A	4,248	N/A
- Content sales	5,782	N/A	5,782	N/A
- Sale of home shopping goods	20,057	N/A	20,057	N/A
- Other ancillary revenue	1,709	N/A	1,709	N/A
	212,744	N/A	212,744	N/A
Revenue from other sources:				
- Rental income from investment properties and outdoor cellular antenna space	1,179	N/A	1,179	N/A
	213,923	N/A	213,923	N/A

A9. PROFIT BEFORE TAX

Profit before tax is stated after crediting:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.9.2023	30.9.2022	30.9.2023	30.9.2022
	RM'000	RM'000	RM'000	RM'000
	3 months	3 months	3 months	3 months
Net reversal of impairment of financial instruments	6,408	N/A	6,408	N/A
Net foreign exchange gain	213	N/A	213	N/A
Insurance claims received	2,231	N/A	2,231	N/A
Gain on disposal of property, plant and equipment	50	N/A	50	N/A
Gain on disposal of investment properties	3,735	N/A	3,735	N/A

A10. VALUATIONS OF PROPERTY, PLANT & EQUIPMENT

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

A11. CONTINGENT LIABILITIES

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

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

NOTES TO THE INTERIM FINANCIAL REPORT

A12. CAPITAL COMMITMENTS

	As at 30.9.2023 RM'000	As at 30.6.2023 RM'000
Approved but not contracted for:		
- Property, plant and equipment	93,922	100,731
- Intangible assets	95,539	127,106
Approved and contracted for:		
- Property, plant and equipment	6,440	1,988
- Intangible assets	7,489	15,020

A13. CASH AND CASH EQUIVALENTS

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

	As at 30.9.2023 RM'000
Cash and bank balances	301,514
Deposits with licensed banks	50,377
Deposits, cash and bank balances	351,891
Less: Restricted bank balances	(13,185)
Cash and cash equivalents	338,706

A14. SIGNIFICANT RELATED PARTY TRANSACTIONS

	For the period ended 30.9.2023 RM'000 3 months
Associate companies:	
- Purchase of services	(28)
Parties related by virtue of common major shareholders with significant influence over the Company:	
- Revenue from contracts with customers	5,931
- Finance income	711
- Purchase of goods and services	(6,189)
- Finance cost on borrowings	(2,353)

ADDITIONAL LISTING REQUIREMENT INFORMATION

B1. TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.9.2023	30.9.2022	30.9.2023	30.9.2022
	RM'000	RM'000	RM'000	RM'000
	3 months	3 months	3 months	3 months
- Current income tax	3,624	N/A	3,624	N/A
- Deferred tax credit	(14)	N/A	(14)	N/A
	3,610	N/A	3,610	N/A

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

B2. FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

As at 30 September 2023, the Group does not have any financial liabilities measured at fair value through profit or loss.

B3. MATERIAL LITIGATION

The status of material litigation is disclosed in Note A11 of this interim financial report.

B4. STATUS OF CORPORATE PROPOSALS

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

B5. BORROWINGS

	As at 30.9.2023 RM'000	As at 30.6.2023 RM'000
<u>Non-current</u>		
Secured:		
- Term loan	-	2,811
- Islamic term loan	192,809	119,029
	192,809	121,840
<u>Current</u>		
Secured:		
- Term loan	-	32,500
- Islamic term loan	4,143	-
Unsecured:		
- Banker's acceptance	825	4,636
	4,968	37,136
Total borrowings	197,777	158,976

The Group's borrowings are denominated in Ringgit Malaysia.

ADDITIONAL LISTING REQUIREMENT INFORMATION

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

	Quarter ended 30.9.2023 RM'000	Quarter ended 30.6.2023 RM'000
Revenue	213,923	223,009
Profit before tax	17,530	12,506
Profit after tax	13,920	8,061

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

The Group's revenue for the current quarter of RM213.9 million is a 4% reduction against the immediate preceding quarter's revenue of RM223.0 million. Advertising revenue in the current quarter remained fairly on par against the immediate preceding quarter, whilst non-advertising revenue saw a reduction against the immediate preceding quarter.

The Group's profitability nevertheless improved in the current quarter partly due to higher other operating income. This led to an increase in profit before tax and profit after tax by 40% and 73% against the immediate preceding quarter respectively.

The performance of the Group's segments for the current quarter ended 30 September 2023 as compared to the immediate preceding quarter ended 30 June 2023 are as follows:

- (a) Publishing - Higher advertising and printing revenue led to a 11% increase in total segment revenue in the current quarter compared to the immediate preceding quarter.
- (b) Omnia - Slight increase in the current quarter's revenue by 2% against the immediate preceding quarter.
- (c) Digital Media - An increase in digital advertising during the current quarter led to 2% increase in revenue compared to the immediate preceding quarter.
- (d) Out-of-Home - Revenue was on par against the immediate preceding quarter.
- (e) Broadcasting - Lower non-advertising revenue partly contributed to segment revenue in the current quarter to reduce by 3% compared to the immediate preceding quarter.
- (f) Home Shopping - Revenue was lower by 19% compared to the immediate preceding quarter amid the challenging market conditions in the consumer shopping space.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B7. PROSPECTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2024

The Group expects challenges as economic uncertainties continue to have an impact on advertising expenditure and consumer sentiment. Nonetheless, we are confident that our strong brands, extensive reach, and innovative content will continue to resonate with our loyal audiences and advertisers.

We shall continue to focus on executing our 3-year business plan and monitor operational efficiency amid the challenging outlook.

Guided by 3 growth pillars - content boost, inventory premiumisation, and exploration of new revenue streams, we are determined to leverage this strategy to benefit from the synergy of the Group's technological capabilities, data-driven insights, and talented pool of human resources. The strategic roadmap underscores our commitment to continuously deliver value to shareholders, solidifying business operations for sustainability, and capitalising on our standing as an integrated media group.

B8. PROFIT FORECAST/PROFIT GUARANTEE

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

B9. DIVIDENDS DECLARED

No dividend has been declared by the Board of Directors in respect of the financial period ended 30 September 2023.

ADDITIONAL LISTING REQUIREMENT INFORMATION

B10. EARNINGS PER SHARE

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.9.2023	30.9.2022	30.9.2023	30.9.2022
	RM'000	RM'000	RM'000	RM'000
	3 months	3 months	3 months	12 months
Profit attributable to owners of the Company (RM'000)	14,056	N/A	14,056	N/A
Weighted average number of ordinary shares in issue ('000)	1,109,199	N/A	1,109,199	N/A
Basic and diluted earnings per share (sen)	1.27	N/A	1.27	N/A

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

BY ORDER OF THE BOARD

TAN SAY CHOON

(MAICSA 7057849 / SSM PRACTISING CERTIFICATE NO. 202008003070)

GROUP COMPANY SECRETARY

Kuala Lumpur

29 November 2023

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

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