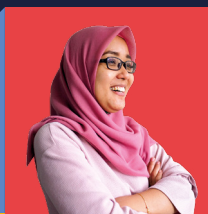


# WE ARE

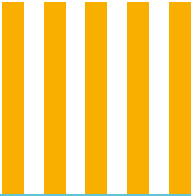
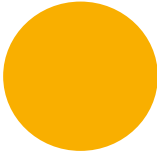
media prima



Annual Report 2021



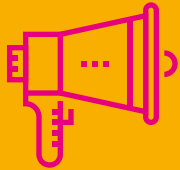
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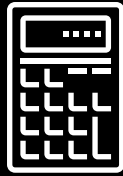
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# About This Report

We have a long history of creating content, services, and beloved brand names that Malaysians identify and grew up with.

We are home to Malaysia's oldest newspaper, most watched television stations and news programmes, and popular brands across print, television, radio, and digital platforms. We own one of the largest out-of-home advertising networks, and one of the most popular home shopping networks in Malaysia. On the community front, our public-funded humanitarian fund, launched in 1991, continues to assist Malaysians and communities abroad in need of support.

As the nation's largest and leading integrated media group, we take it as our responsibility to be transparent and accountable in every step of our business, especially in the communication of our operations, strategies, and measures we have undertaken to create value for all.

This Annual Report is dedicated to all our stakeholders and especially to our team who made this year an amazing one for the Group.

## OUR REPORTS

At the end of each financial year, we produce the Media Prima Annual Report and Sustainability Report which covers all businesses under Media Prima and elaborates on our overall business strategy, our targets and how we achieved them.



### ANNUAL REPORT

This report provides a review of our strategy, as well as financial and non-financial milestones. It has been prepared in accordance with the 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. Our financial statements are independently audited by PricewaterhouseCoopers PLT.



### SUSTAINABILITY REPORT

This report provides an overview of how we are doing in the aspects of our economic, social and environmental initiatives and performance across the Group. This report is prepared in accordance with Bursa Malaysia Securities Berhad's Sustainability Reporting Guide (2nd Edition). We also use the Global Reporting Initiative (GRI) Standards as a reference, while aligning our efforts towards the contribution of United Nations Sustainable Development Goals (UNSDG).



The full Annual Report and Sustainability Report can be viewed and downloaded online at [www.mediaprima.com.my](http://www.mediaprima.com.my). We welcome you to get in touch with us at [communications@mediaprima.com.my](mailto:communications@mediaprima.com.my)

# Acknowledgements

**A BIG THANK YOU TO ALL WHO HAVE CONTRIBUTED TO THIS REPORT. WE TRULY APPRECIATE ALL THE EFFORT IN MAKING THIS REPORT A SUCCESS. THANK YOU.**



▲ Our Annual Report 2021 Project Committee (from left) Efendi Zulkefli, Sharifah Nur Adibah Aljufri and Sophia Halim

Siti Khasiah Noor Binti Khairuddin  
Sasha Binti Bashir Ahmad  
Andrea Chong Chuin Li

Airin Zainul  
Noor Farina Bt Mohamed Ashrudin  
Trina Anne Tan  
Wong Loke Tung  
Wong Oi Yin  
Jaja Hussein

Muhammad Faisal Bin Mohd Noor  
Nandini Balakrishnan  
Nuur Tabtiilaa Binti Sharif  
Rosamirah Binti Pawanchik  
Loh Dominic James  
Chen Sue Ping  
Richard Chit Yoong Cheon  
Li Ee Kee  
Paul Raymond Moss

Kamarul Aznam Bin Kamarozaman  
Farazira Amira Binti Yusof  
Hana Harun  
Mazjulinayati Binti Mohamad  
Sazali Hashim  
Mohd Mazwir B Alwi  
Ikhwan Munir  
Aisyah Sabudin  
Rohanis Sukri  
Shahril Badri  
Asyraf Hamzah  
Eizairi Shamsudin

Nita Zulkifli  
Hanif Shaarani  
Hasnora Mohamad Ismail

Nur Diana Binti Mohd Radzi  
Nik Shazrul Ezwan Bin Che Mohd Ariff  
Illyani Fareesha Binti Yacob  
Shirley Chew

Junisa Binti Jaafar  
Steve Ko  
Nur Adiba Azim Bt Hamzah

Azlan Abdul Aziz  
Norida Sabri

Jessica Tan Say Choon  
Junaidah Jalal  
Anis Zuhaili Rozilah

Nor Arzlin Binti Redzwan  
Dona Zawina  
Nor Intan Hasalimah Binti Hashim  
Sylvia Singaraim

Sere Mohammad Bin Mohd Kasim  
Ida Haryati Binti Fazil  
Nik Norisra Bin Nik Norzlan  
Liyana binti Muhammad

Shahidir Bin Hasbullah  
Jemsul Bin Othman  
Mohamad Fadil Bin Zainal Abidin  
Nora Adiha Binti Mahamad  
Shuliza Binti Mohd Shukor  
Malathi A/P Karanamuthi

Mohamad Rezwan Khalil Azmi  
Liyana Binti Ahmad Rosdan

Affendy Ali  
Keshrinder Singh A/L Kuldip Singh

Muhammad Nadzir Bin Kamaruzman  
Mohd Khairul Anuar Bin Azhar  
Abu Ayyub Al Ansori Bin Zaubir  
Norhasriza Binti Zakaria

Sharifah Nur Adibah Aljufri  
Sophia Halim  
Efendi Zulkefli  
Mahathir Bin Mohamad Sidi  
Nurul Afiqah Mohamad  
Mohamad Farris Effendy Bin Md Salim

# We Are Media Prima

We are Malaysia's leading fully-integrated media company with a complete repertoire of media-related businesses in television, print, radio, out-of-home advertising, content creation, commerce and digital media.

Media Prima is also a constituent company of the FTSE4Good Index Series, a benchmark and tradable indexes for ESG (Environmental, Social and Governance) investors. This is a strong endorsement of our commitment to responsible business practices, good corporate governance and care for the environment.

We are Malaysia's most popular television network through our four channels — TV3, 8TV, ntv7, and TV9. Media Prima is home to Malaysia's fastest-growing home shopping network, WOWSHOP, the nation's largest content production company, Primeworks Studios, and Malaysia's first popular video streaming portal, tonton.

We are home to The New Straits Times Press (Malaysia) Berhad, Malaysia's largest publisher with three national news brands – New Straits Times, Berita Harian and Harian Metro. Its Production and Distribution unit, Print Towers Sdn Bhd, is a commercial newspaper printing and logistics business that undertakes orders beyond Media Prima.

Our digital arm, REV Media Group, is Malaysia's leading digital publisher, representing over 35 top authority brands with an extensive distribution network that reaches out to more than 15 million people each month.

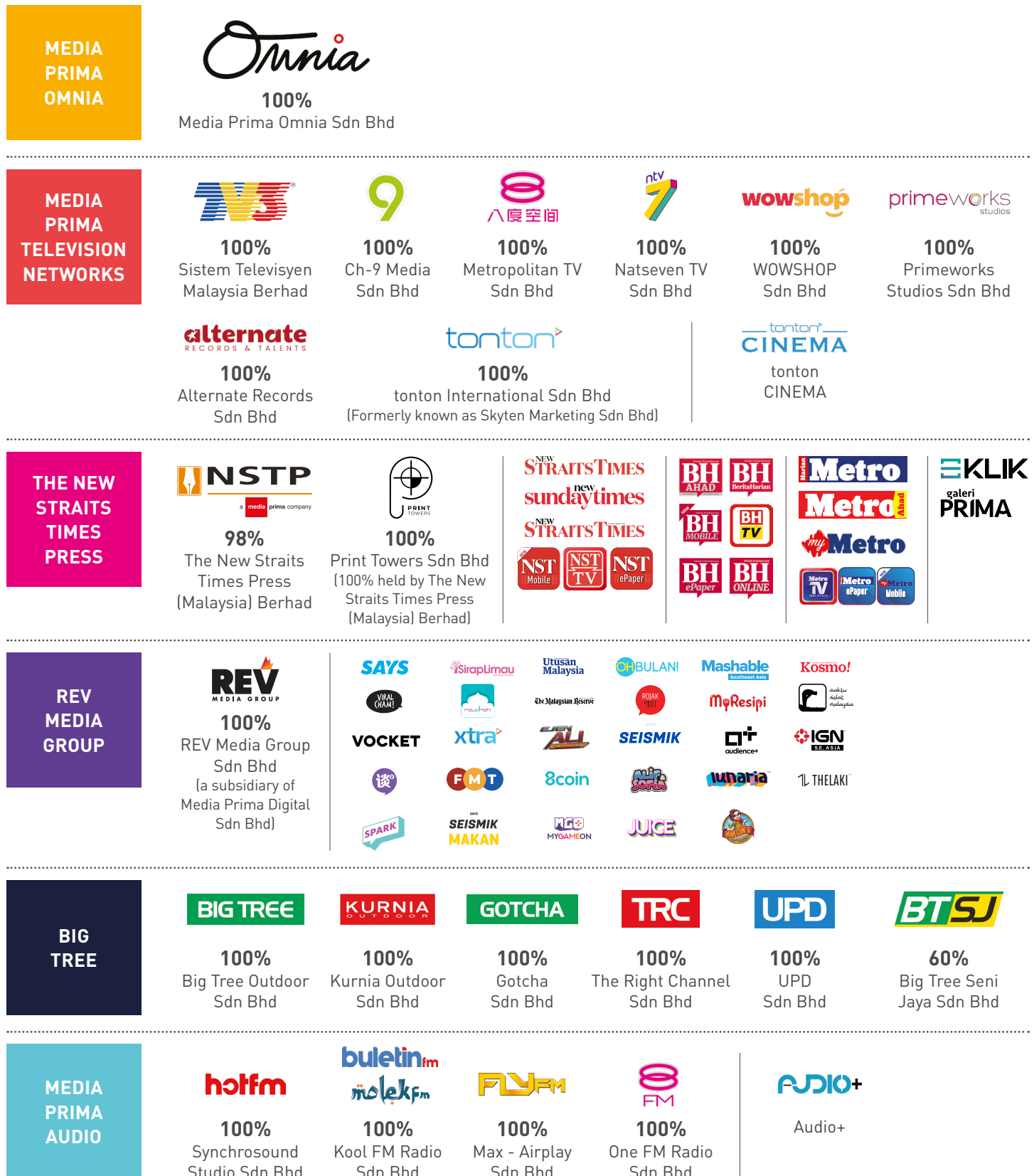
We are the market leader in out-of-home advertising, represented by Big Tree, The Right Channel, Kurnia Outdoor, Gotcha, UPD, and Big Tree Seni Jaya. Big Tree offers integrated out-of-home advertising solutions in cities, expressways, transit networks and retail hubs. This includes static and digital media formats.

In radio, Media Prima Audio is represented through five broadcast brands – Hot FM, Buletin FM, Molek FM, Fly FM and 8FM — and Audio+, an app that supports all five radio stations, podcasts and other engaging content.

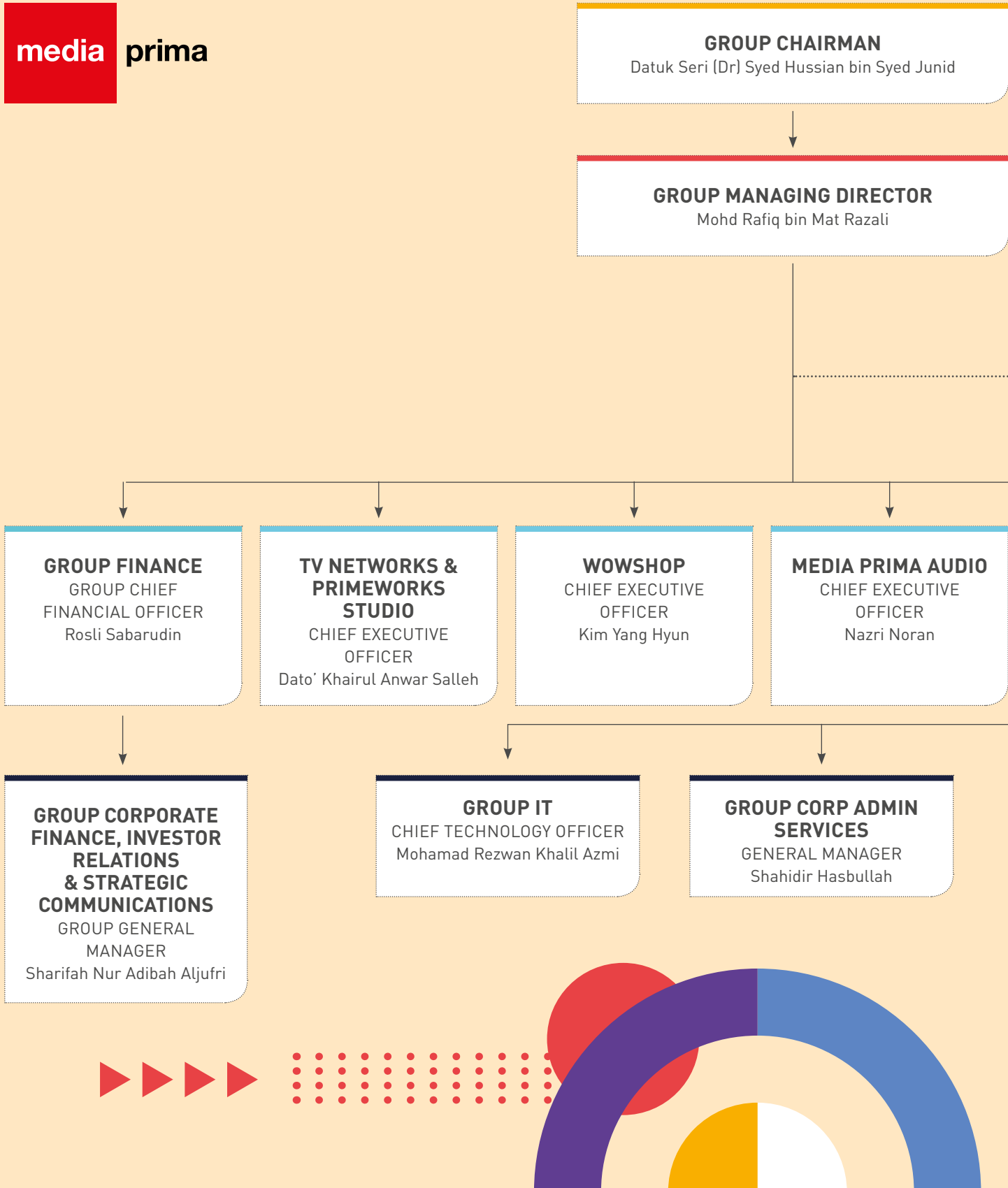
Tying our businesses together is our sales arm, Media Prima Omnia — an integrated solution provider that offers creative services and integrated marketing solutions across all Media Prima platforms, specialising in brand campaigns, events and creative content. Omnia's services address 98% of Malaysian households.

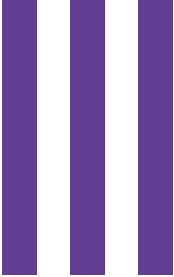
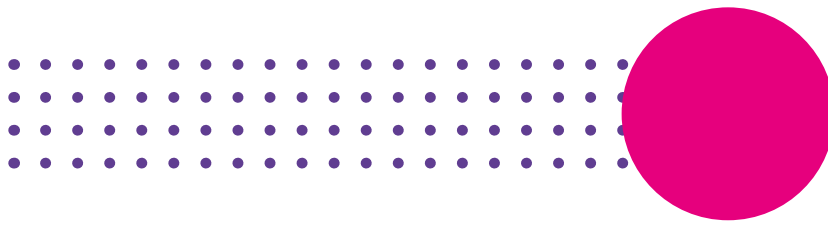
Visit [www.mediaprima.com.my](http://www.mediaprima.com.my) or Twitter [@mpbtalk](https://twitter.com/mpbtalk) | Facebook [@mediaprimabhd](https://www.facebook.com/mediaprimabhd) | Instagram [@mediaprimabhd](https://www.instagram.com/mediaprimabhd)

# Corporate Structure



# Organisational Structure





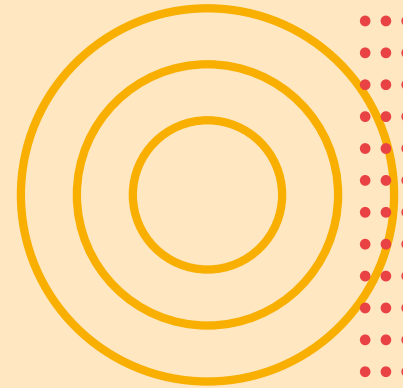
**MEDIA PRIMA  
BOARD OF DIRECTORS**



**RISK MANAGEMENT COMMITTEE  
& AUDIT COMMITTEE**



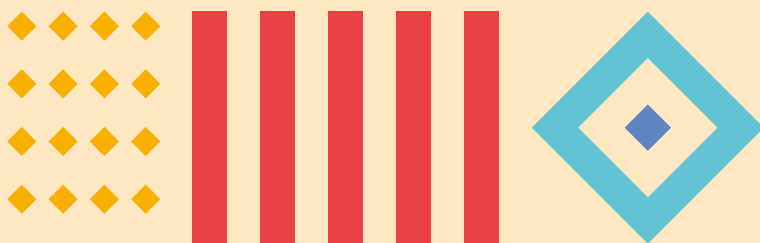
**GROUP CORPORATE GOVERNANCE,  
RISK MANAGEMENT & INTEGRITY**  
GROUP GENERAL MANAGER  
Sere Mohammad Mohd Kasim



**GROUP HR**  
GROUP GENERAL MANAGER  
Nor Arzlin Redzwan

**GROUP SECRETARIAL**  
GROUP COMPANY SECRETARY  
Jessica Tan Say Choon

**GROUP LEGAL & REGULATORY AFFAIRS**  
GROUP GENERAL MANAGER  
Affendy Ali Dally



# We Are MEDIA PRIMA



As a music director, I love my task taking care of the music content with updated market listening behaviour. Besides, I am glad to be part of the team, the family culture that promotes good working passion and spirit.

- Shirley Chew  
Music Director,  
8FM, Media Prima Audio

► Shirley Chew



I manage the funds under the Media Prima-NSTP Humanitarian Fund and organise CSR activities for the Group. My job requires me to engage various individuals. I am grateful to be surrounded with awesome coworkers and supportive volunteer members of the company. They are truly like a family and we are a great team!

- Farris Effendy  
Manager, Corporate Social  
Responsibility, Group  
Strategic Communications

► Farris Effendy



I am the Legal lead for REV Media Group's legal affairs. What I love about what I do in RMG – as cliché as it sounds, unlike any other Company, RMG believes that everyone has something of value to offer, and that sustaining a truly diverse, equitable and inclusive workplace with fostering an environment where people can be themselves, authentically, every day.

- Keshrinder Singh Kuldip Singh  
Legal Manager, REV Media Group

► Keshrinder Singh Kuldip Singh





I'm the SAYS Video Lead at REV Media Group. I write/produce my series NANDINI SAYS and lead the SAYS editorial video team. This job sparks plenty of joy because it allows me to speak my truth on justice, equality, and be a source of credible information. - Nandini Balakrishnan, SAYS Video Lead, REV Media Group.

► Nandini Balakrishnan



I have been with Media Prima for 17 years and I've always felt a very strong sense of camaraderie here. *We do our best to support and understand each other*, therefore I have colleagues who have become lifelong friends. When you have that kind of friendship with your colleagues, you are able to sustain the ups and downs that inevitably happen. We are able to face things better when we have each other's back, and it becomes us against the challenges!  
- Sasha Bashir  
Manager,  
Media Prima Omnia

► Anis Zuhaili Rozilah

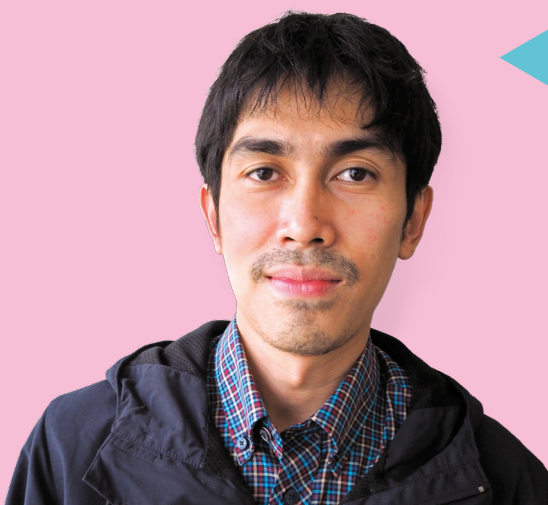


► Sasha Bashir



I am responsible for maintaining the statutory records of Media Prima Group of Companies and liaising with various authorities, especially the Companies Commission of Malaysia, to ensure our Group is in compliance with the legal guidelines and local rules and regulations. What I enjoy the most is planning and organising the Board and General Meetings of the Group as I get to be involved hands-on in the 'behind of the scenes' on what moves the Group forward and also in taking care of the heart of the Group – our Board of Directors.  
- Anis Zuhaili Rozilah  
Senior Executive, Group Secretarial Department

► Muhammad Nadzir bin Kamaruzman



Being at Media Prima has allowed me to work with great colleagues in interesting projects and initiatives. There is always excellent teamwork in striving to achieve our goals.  
- Muhammad Nadzir bin Kamaruzman  
Senior Manager, Group Finance

# Message from Our Group Chairman



▶▶▶▶  
Dear Shareholders,

2021 was a very productive and positive year for Media Prima. We passed many milestones and ended the year recording our best results since 2015. We posted a full year profit, saw revenue grow amid intensified competition, and we reaffirmed our position as Malaysia's top broadcaster and digital publisher.

**Datuk Seri (Dr) Syed Hussian Bin Syed Junid**  
*Group Chairman*

This is an amazing achievement despite the many challenges during these unprecedented times. Many of us hoped to return to some semblance of pre-Covid-19 normalcy. But with the rise and spread of new Covid-19 variants, we must come to grips with the unavoidable reality of the virus — that it is here to stay in one form or another.

Amid the uncertainty, we learned to adapt and reinvent ourselves, and more importantly, we ensured that we lived up to our public duty — to keep communities connected with news and information they trust, and the best entertainment. This allowed us to strengthen our bond with them throughout the country.

We pivoted to new ways of working with creativity and commitment, and maintained our position as Malaysia's largest and leading integrated media group even as the overall media landscape

in the country continues to evolve. Over the years, we have made a conscious and concerted effort to listen to our audience and meet their expectations.

This success was achieved on the back of the trust from all our stakeholders, namely our shareholders, our clients, our audiences, our regulators and most importantly, our people. This reassures us that as a Group, we are able to reinvent ourselves with the times while being resilient. Equally as important, it allowed us to deliver our first full year profit to our shareholders.

## **BUSINESS ENVIRONMENT**

Reopening the economy has revived consumer and business confidence. According to the Malaysian Institute of Economic Research (MIER), Malaysia's Consumer Sentiment Index (CSI) for the third quarter of 2021 grew to a high of

101.7 points. The last time the CSI broke the 100-point optimism threshold was in the third quarter of 2018.

Likewise, businesses have also begun to regain confidence. MIER’s Business Condition Index (BCI) for the third quarter of 2021 rose to 97 points, 10.5 points higher than in the third quarter of 2020, although this is still below the 100-point optimism threshold.

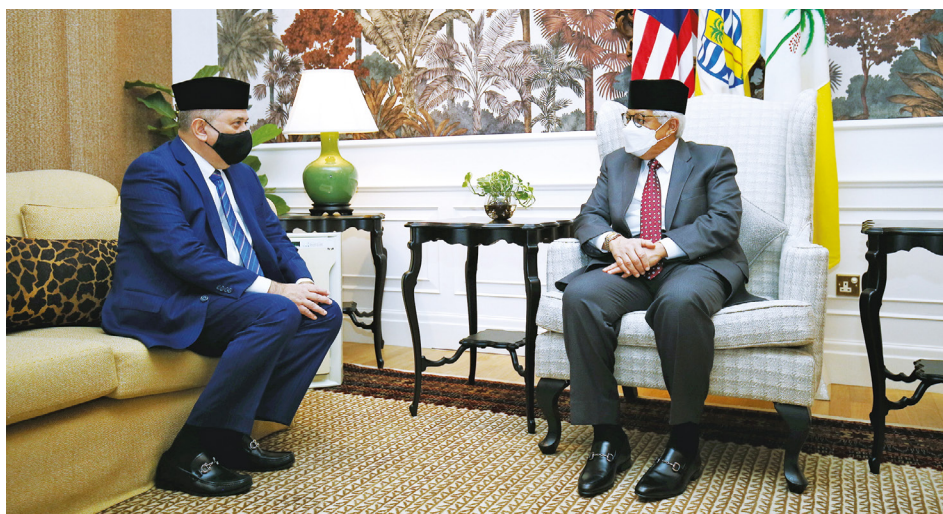
This upswing in confidence from both sides bodes well for Media Prima. On the advertising front, Nielsen found that advertising expenditure (“adex”) in Malaysia grew 17.9% in the first ten months of 2021, mainly driven by the free-to-air (“FTA”) television segment.

On the digital front, more Malaysians are digitally connected now than ever. According to Google, Temasek and Bain’s e-Economy SEA 2021 report, the Malaysian internet economy’s gross merchandise value (GMV) grew by 47% year-on-year to an estimated value of US\$21 billion in 2021 from the previous year. Malaysia’s online media (a category that includes advertising, gaming, video-on-demand, and music-on-demand) GMV has grown steadily by 14% to US\$2.4 billion in 2021 against the previous year.

Underlying the growth of Malaysia’s internet economy is e-commerce whose GMV grew by 68% to US\$14 billion in 2021 from last year. The e-Economy 2021 SEA report also found 43% of digital merchants in Malaysia said they would not have survived the pandemic had they not joined digital platforms. Moreover, e-commerce has been vital in helping several micro, small and medium enterprises stay afloat amidst the pandemic.

**BOUNCING BACK**

We are reaping the benefits of the reopening economy, registering our first full-year of profitability since 2018. Group profit after tax (“PAT”) grew to RM51.6 million for the financial year 2021 (FY21),



▲ In October, Media Prima’s top management paid a courtesy call on Penang Yang di-Pertua Negeri

rebounding from a loss after tax of RM18.1 million in FY20. Revenue improved by 8% to RM1.12 billion in FY21 from RM1.04 billion in FY20.

We’re back in the black for the full year as a result of better performance from advertising and content sales, as well as a steady full-year showing from our digital and commerce segments.

We made the right decision to consolidate our sales solutions for all of our advertisers under one coherent and effective team led by Media Prima Omnia. Today, we reach 26 million customers and 98% of Malaysian households. In FY21, Group advertising revenue, driven by Media Prima Omnia, grew by 16% from last year.

We are doing well across our businesses. Group content sales revenue more than tripled to RM42.9 million in FY21 against RM14.2 million in the corresponding year, driven by our content distribution and programming strategy. Benefitting from a burgeoning e-commerce market, our home shopping segment WOWSHOP maintained a steady performance for 2021, posting a FY21 revenue of RM268.6 million.

The Group posted RM99.5 million in FY21 digital revenue, a 10% increase from last

**RM51.6 million**

**PROFIT AFTER TAX (“PAT”) IN FY21**

**rebounding from a loss after tax of RM18.1 million in FY20**



**RM42.9 million**

**GROUP CONTENT SALES REVENUE**

**more than tripled in FY21 against RM14.2 million in the corresponding year**

## message from our group chairman



▲ In December 2021, we hosted an Appreciation Dinner in Penang for businesses who have supported and advertised with Media Prima.

year. Media Prima remains Malaysia's number one choice for mobile content, reaching a larger audience than Google and Facebook.

### SUPPORTING THE COMMUNITY AMID ADVERSITY

In FY21, over RM5.7 million was disbursed through our public-funded Media Prima-NSTP Humanitarian Fund. This amount was disbursed to various relief efforts across Malaysia which include medical assistance, poverty relief, humanitarian aid in conflict zones, assisting the fight against the Covid-19 pandemic and flood-relief assistance. Throughout the year, Media Prima dedicated a significant amount of airtime and space on all its media platforms to generate awareness on the various hardships faced by various communities.

Donations to the Bantuan Kemanusiaan Covid-19's fund have allowed us to continue our efforts to support hospitals and frontliners in their fight against the Covid-19 pandemic through the

distribution of vital medical equipment for public hospitals around Malaysia.

In light of the heavy rains and massive floods that hit several parts of Peninsular Malaysia in December 2021, we used our various channels to encourage the public to donate to the Tabung Bencana NSTP-Media Prima. Our post flood relief efforts throughout the nation include funding repair works of affected public buildings such as schools, mosques, as well as the disbursement of cash vouchers.

Altogether, your donations have assisted more than 100,000 people in Malaysia and overseas as of 30 April 2022. Further details on our relief efforts can be found in our Sustainability Report 2021. We are extremely grateful for all the public support and generosity.

### PROMOTING GOOD GOVERNANCE

We are proudly a constituent company of Bursa Malaysia's FTSE4Good Index Series, a benchmark and tradeable indexes for ESG (Environmental, Social

and Governance) Investors. We believe in a culture of sustainability and it is our intent and aspiration to always improve our sustainability practices. Our strong commitment to sustainability, in large part, is through transparency and good governance. Adhering to corporate governance standards has always been part and parcel of our philosophy to safeguard our stakeholders' interests.

### LOOKING AHEAD

The IMF projects the global economy will grow by an estimated 4.9% for 2022. GroupM forecasts global ad spend to grow at a fairly rapid pace of 9.7% in 2022, with digital advertising continuing to take the lion's share of ad spend. We believe that this will have positive impacts for Media Prima going into 2022.

The domestic economy is forecast to expand between 5.5% and 6.5% in 2022, to be driven by normalisation in economic activities arising from a high nationwide vaccination rate, resumption of projects with high multiplier effects, strong external demand and targeted travel activities, particularly for business, health and education purposes.

According to PwC Global Entertainment and Media Outlook 2021-2025, Business-to-Business (B2B) and cinema are the fastest-rising segments, predominantly driven by the rebound in advertising spending in 2021 to 2023 following its drop in 2020. Out-of-home (OOH) advertising and radio show growth in CAGR due to recovery post pandemic lockdowns during which these two segments were most impacted.

Nonetheless, we remain cautious as Malaysia's entertainment and media market recovery is expected to be slower than other countries in the region. According to PwC, this market is projected to grow at a CAGR of 3.16% while ASEAN is projected to grow at a CAGR of 5.2% from 2020-25.



▲ H.E. Dr. Merve Safa Kavakci, Ambassador of the Republic of Türkiye, and delegates from the Embassy of Turkey, visited our Sri Pentas headquarters to discuss new areas of collaboration.

We have taken meaningful steps to position ourselves for continued long-term growth. Going into 2022, we intend to embark on more collaborations between our media businesses by leveraging one another's strengths. We are the largest in terms of mobile reach and the leading broadcaster in Malaysia, and home to many popular and beloved IPs — we have the capacity to deliver clients the best and unique media solutions.

We will also ramp up our sales operations to take full advantage of a reinvigorated adex market. Media Prima Omnia will also focus on fast-growing industries that will benefit from the economy fully reopening.

The National Tech Association of Malaysia (PIKOM) expects e-commerce to continue growing in the medium to long-term as more consumers have adapted comfortably to purchasing online. With that in mind, we will continue to



▲ US Ambassador to Malaysia Brian D. McFeeters and delegates from the US Embassy paid a visit to Sri Pentas.

## message from our group chairman

aim for further growth with WOWSHOP by innovating our e-commerce platform and enhancing customer experience. You can find out more from our Management Discussion and Analysis section.

We will continue to focus on doing what we do best — making new high-quality news and entertainment content. We will expand our content into additional streaming platforms and markets in 2022. Watch out for amazing new shows and films from us this year!

### TRIBUTE AND THANKS

I would like to express our appreciation to a number of parties without which we would not have been able to navigate through 2021 successfully.

I would like to extend my utmost gratitude to my Board colleagues for their unwavering support and the indelible insights they bring to our team. In 2021, Datin Azalina Adham joined our Board of Directors – welcome! We would like to extend our appreciation to Lydia Anne Abraham, Mohd Rashid Mohd Yusof, Hisham Zainal Mokhtar, and Mohamad Bin Abdullah who stepped down from their roles on the Board of Media Prima in 2021 — thank you for your dedication and the shared wisdom.

In 2021, Rafiq Razali, who served the Group as CEO of REV Media Group, stepped up as our Group Managing Director and Rosli Sabarudin, who joined Media Prima in 2012, as our Group Chief Financial Officer. We also welcomed Nazri Noran as the CEO of Media Prima Audio while Samuel Wee was promoted as CEO of REV Media Group. We have every confidence in our senior management



▲ In December 2021, we visited our staff to offer them support after their homes were affected by floodwaters

team to bring Media Prima to new heights. We believe the strategy of blending our internal talents while complementing with new ones bodes well for the Group to ensure continuity while remaining fresh.

I would like to extend my deepest appreciation to all our diligent and dedicated employees — thank you for persevering with us through these uncertain times. To all Government ministries, agencies, and regulatory bodies we've partnered with, thank you. A big thank you to all our shareholders, business partners, and clients for choosing Media Prima. Your support has allowed us to thrive as Malaysia's leading and largest media company. Thank you!

Last but not least, our most heartfelt gratitude to all our frontliners for keeping up the good fight in this long battle against Covid-19. We must continue to support the fight by protecting ourselves against the virus. We also pay tribute to everyone involved in the effort to strengthen the nation's economy and ensure the wellbeing of our citizens. Rest assured we will be there to support you.

**DATUK SERI (DR) SYED HUSSIAN BIN SYED JUNID**

*Group Chairman*

# 2021 Key Highlights

## FEBRUARY

### 17 February

We launched DidikTV KPM with the Ministry of Education

### 25 February

We posted our second consecutive quarterly profit

## MARCH

### 15 March

We launched tonton CINEMA

### 23 March

We partnered with iQiyi

## APRIL

### 1 April

WOWSHOP celebrated its 5<sup>th</sup> anniversary

### 16 April

REV Media Group was named Digital Publisher of the Year for the second time at the d'Awards

## MAY

### 5 May

Big Tree launched CuBig @ KLCC Junction, a 3D anamorphic digital display located the heart of Kuala Lumpur's City Centre

### 27 May

- We posted our third consecutive profit and first 1Q profit since 2016
- Primeworks Studios entered into a collaboration with Disney+ Hotstar as its key content partner

## JUNE

### 1 June

We appointed a new leadership team at our radio networks with Nazri Noran as its Chief Executive Officer

## JULY

### 2 July

We initiated the acquisition of Balai Berita Bangsar

### 26 July

TV3 launched new morning content programming

## AUGUST

### 2 August

Media Prima's radio network rebranded as Media Prima Audio

### 26 August

We posted second quarter profit driven by higher advertising revenue

## SEPTEMBER

### 9 September

TV9 rebranded with a refreshed look and new content programming

## OCTOBER

### 1 October

Rafiq Razali appointed as Group Managing Director; Rosli Sabarudin appointed as Group Chief Financial Officer

### 4 October

Sam Wee appointed as Chief Executive Officer of REV Media Group

### 20 October

We partnered with Celcom and LGU Plus to roll out Augmented Reality content in tandem with the national roll-out of 5G connectivity

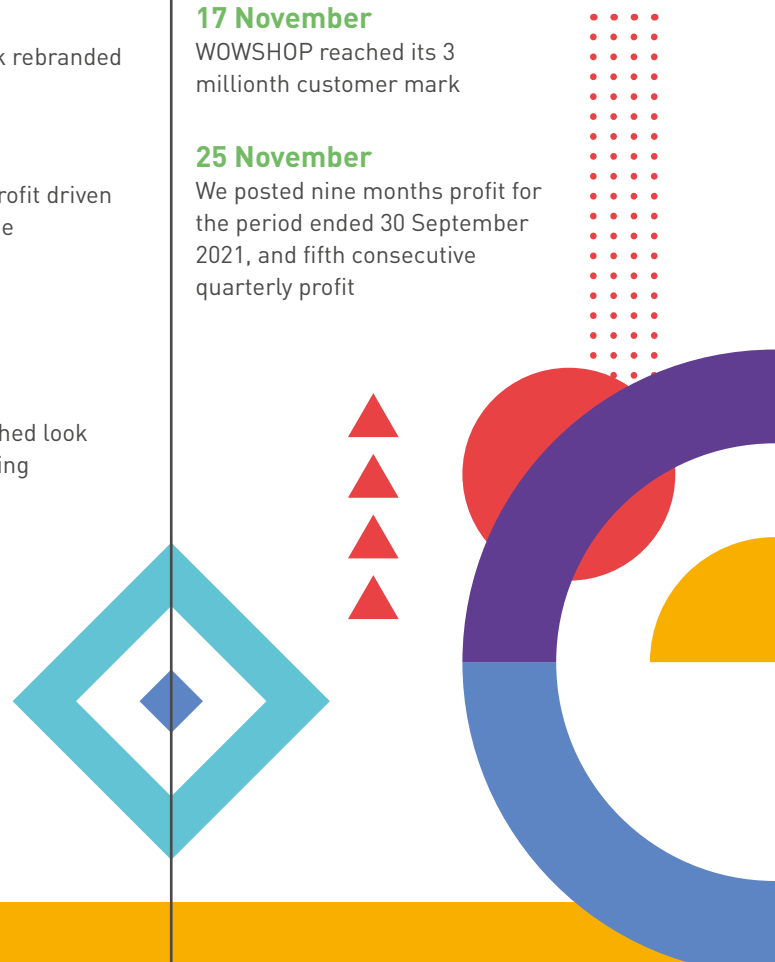
## NOVEMBER

### 17 November

WOWSHOP reached its 3 millionth customer mark

### 25 November

We posted nine months profit for the period ended 30 September 2021, and fifth consecutive quarterly profit



# We Are MEDIA PRIMA



I love to relate how technology can help the company to grow as a business and serve the Media Prima family. I oversee system implementations for Sales, Finance, HR, Procurement and Admin services among others, while working with the departments to help improve their work processes so the system solution would help them to be more efficient and create value for the company.

- Liyana Ahmad Rosdan  
Head, Enterprise and Business Systems,  
Group Information Technology

► Liyana Ahmad Rosdan



My job is to provide the best service and ensure that all electrical systems, air conditioners and others can operate properly at Media Prima. I also get involved and help in the success of a programme and event while in the office or outside. What I love about this job is that I am really interested in providing the best service and in addition it can help to accomplish the company's mission to make a prime media company continue to thrive.

- Jemsul bin Othman  
Senior Executive,  
Group Corporate Administrative Services

▲ Hanif Shaarani



I profile the offerings of Big Tree so audiences would recognise OOH as more than just billboards, it's the value that our media offer to clients and audiences in general in beautifying and upgrading cityscapes, and for brands to create landmarks. I do this through unique storytelling and creative communications.

- Hanif Shaarani  
Manager, Marketing and Creative  
Services, Big Tree

► Jemsul bin Othman

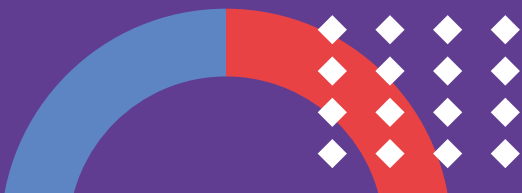


► Wong Loke Tung



I am fortunate to have Media Prima and the news team.

- Wong Loke Tung  
8TV, News and Current Affairs





I am in-charge of the overall Human Resources functions for Media Prima Television Networks. Being happy at work and loving what I do is an overall productivity booster that enhances my performance coupled with a positive and passionate mind-set. I truly appreciate all the opportunities given and pray to continue to give my level of best to the Company in return.

- Sylvia Singaraim,  
General Manager, Human Resources - Television Networks.

► Sylvia Singaraim



My roles are in Business Intelligence (BI) and Support (BS) in WOWSHOP. BI is about setting up the company budget and management/ KPI plan, and drawing a major action plan to achieve the given target. To achieve the goal/target, additional activities are planned and the strategic direction is revised by the BI and management team. The BS team is to enable the WOWSTERS to deliver better performance with utmost support and deliver customer satisfaction with WOW values (Customer service, Delivery and Warehousing etc). What I love about this job is that it has great significance in providing convenience for shopping to Malaysian customers. In addition, this business creates new value and contributes to the Media Prima Group synergistically.

- Steve Jooseob Ko  
Head of Business Intelligence and Support, WOWSHOP

► Ida Haryati Binti Fazil



My roles are in risk management and business continuity management for the Media Prima Group. Generally, risk management is about assisting business units in dealing with uncertainty and effects that may impede their ability to achieve business objectives through the use of methodologies recommended by the ISO 31000. For business continuity management, it's about collaborating with business units to plan for business readiness in disaster events to increase business resilience. Through positive engagement with business units, I get to understand business diversity and the competitive industry landscape.

- Ida Haryati Binti Fazil  
Manager, Risk Management,  
Group Corporate Governance,  
Risk and Integrity

► Steve Jooseob Ko



I am proudly an NST journalist, blessed with the opportunity of getting front row seats to historic and important national events. I work closely with remarkable colleagues who continue to inspire me with their passion and creativity. At NST, we also have encouraging editors who never fail to support the growth of all their reporters. We are a small, but strong and tight-knit team with shared goals to take NST to greater heights.

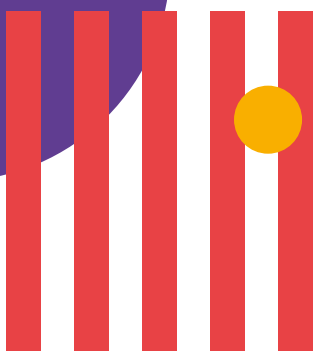
- Hana Naz Harun  
Journalist, News Desk,  
The New Straits Times

► Hana Naz Harun



# Message from Our Group Managing Director

Management Discussion and Analysis



As Malaysia's leading and largest media company, Media Prima plays a very important role in the nation's social fabric — to inform and entertain. Our presence is everywhere. Looking for news? Our journalists deliver the latest information and breaking updates across our multiple news brands in English, Bahasa Malaysia and Chinese on print, digital, radio and television.

You're likely to find Buletin Utama on the screens of busy eateries during dinner, or a physical copy of Berita Harian on the newsstands during breakfast. Head out on the highway to work, and you'll likely chance upon one of our digital out-of-home screens. Need a new vacuum? Head on over to WOWSHOP. We have something for everyone and have kept up with the times to cater to the ever-changing needs of our audiences.

Over our long history, we have faced many challenges from disruptive technologies and greater global competition, but the last two years were unparalleled with the Covid-19 crisis dominating all facets of society. The pandemic pronounced our public duty further, and we had to rise up in our responsibility as a conduit between the rakyat and those in-charge, to ensure that we get through this crisis effectively.

Adapting to this new normal meant significant changes in the way we live and work, and how our businesses operate. And while we physically distanced ourselves, we maintained the spirit of togetherness leveraging technology to our advantage.

I believe that Media Prima was quick to adjust to the new normal, as evident by our performance. As the pandemic extended into another year, so has our commitment to deliver the best out-of-the-box ideas to our clients and audiences.

Amid all the challenges, we made great strides through the dedication and hard working spirit of our team. They are a reminder of our responsibility to Malaysians. With our scale, we are able to make a big difference and have a positive impact in people's lives.



▲ In July 2021, we funded our own Group-wide vaccination programme to ensure our employees get vaccinated early.

### WE ARE PEOPLE-FIRST

Media Prima is undoubtedly a people-first company. We exist because of our audiences, and the key ingredient to our success is our people.

I am extremely impressed by what our teams have done through these difficult times. Working with their utmost dedication and determination, they have demonstrated the importance of Media Prima's public duty.

Throughout this period, we did our best to ensure the health and safety of our over 2,300 employees, as well as our vendors and suppliers who are important to Media Prima's ecosystem. To prevent the virus from spreading while ensuring our operations remain uninterrupted, employees were encouraged to work from home or in split teams on rotation.

In July 2021, we were one of the first companies in Malaysia to fund our own Group-wide vaccination programme to ensure our employees get vaccinated early. We were also one of the first companies in Malaysia to introduce

regular bi-weekly testing at work. We will continue to encourage safe working arrangements, and regular testing through distributing home test kits to ensure the safety of our employees.

Throughout the year, we invested in new and existing talents to drive our businesses forward. In June 2021, we welcomed Nazri Noran, Aaron Pinto, and Datuk Jake Abdullah, a trio of radio industry veterans who have operated and consulted winning radio stations across Malaysia. Our rejuvenated and rebranded audio business, Media Prima Audio, is led by Nazri as its Chief Executive Officer, Aaron as Chief Operating Officer and Datuk Jake as Strategic Advisor.

In 2021, Sam Wee was appointed as the REV Media Group's ("REV Media") Chief Executive Officer. Having been with the team since 2017, Sam played a key role in growing REV Media to become Malaysia's number one digital publisher. Nicholas Sagau, who has over 16 years of experience in the media and digital space, was promoted to REV Media's Chief Operating Officer.

# message from our group managing director

## management discussion and analysis

At the Group level, Rosli Sabarudin was promoted as Group Chief Financial Officer. Rosli joined the team in 2012 and his strength is in process improvement and reengineering. He was instrumental in setting-up our commerce segment which has grown into a profitable business.

I believe that the combination of our new appointments, together with the wisdom from our existing senior leadership team across our sales, television, print, commerce and out-of-home businesses, will drive new synergies for the Group moving forward. Together, we are excited to showcase what we have in store for 2022.

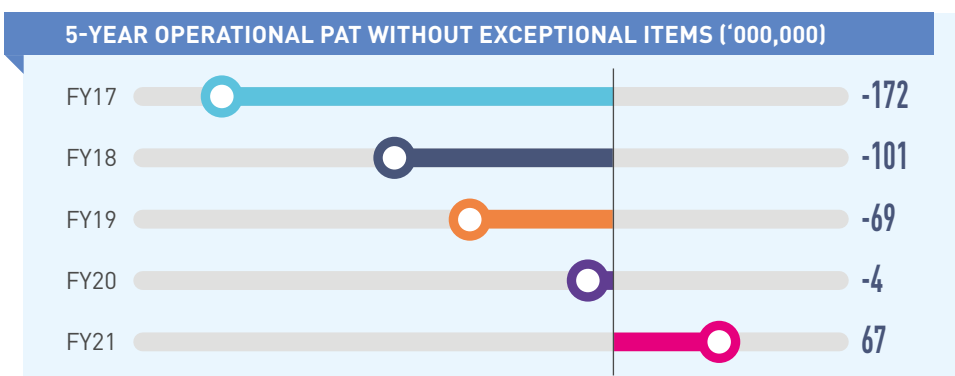
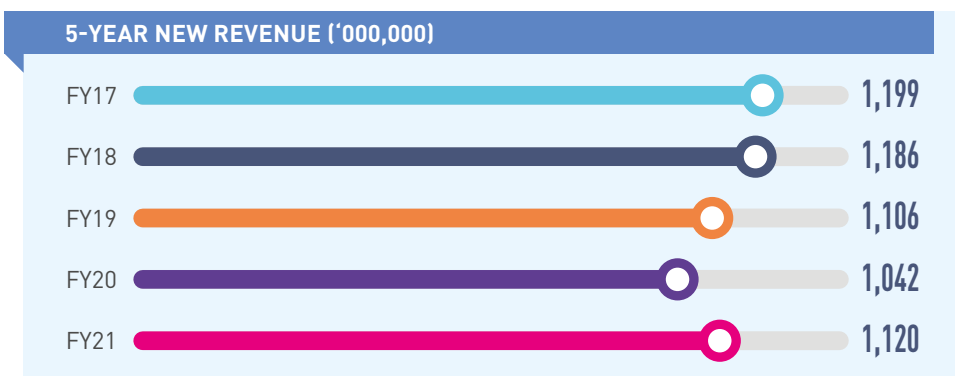
I joined Media Prima in 2015 and have witnessed the company conquer many different challenges to continue to be the leading media group that it is today, a competitive digital player in a market dominated by the big four tech players.

We are a team of creative, dedicated, and passionate people willing to push boundaries, and I hold huge confidence that we will continue to be Malaysia's most important media group.

### WE ARE GOING FOR GROWTH

We have made great strides and exceeded several of our FY21 targets ahead of schedule. For the full year ("FY21"), the Group posted a profit after tax ("PAT") of RM51.6 million, reversing a loss after tax ("LAT") of RM18.1 million in FY20. The three months ended 31 December 2021 ("4QFY21") saw the Group's PAT increase by 55% to RM28.2 million in 4QFY21 from RM18.1 million in the corresponding quarter ("4QFY20").

This represents the Group's first full year of operational profitability and the highest quarterly profit (without exceptional items) since FY15. Our 4QFY21 also reflects our sixth consecutive quarterly profit. This is a fantastic achievement given the difficulties due to effects of the Covid-19 pandemic.



Advertising revenue increased by 16% to RM745.3 million in FY21, from RM642.9 million in FY20, driven by an integrated approach to advertising spearheaded by Media Prima Omnia ("Omnia").

Our digital business, REV Media, posted a 10% increase to RM99.5 million in FY21 revenue from RM90.1 million in FY20. Our commerce business, WOWSHOP, posted a FY21 profit despite the increase in in-store shopping options following the lifting of movement restrictions.

We worked hard to turn around our publishing segment, the New Straits Times Press ("NSTP"), embarking on cost optimisation initiatives in 2020 to allow us to operate at a more efficient level. We also carved out NSTP's Production and Distribution unit to operate as a standalone printer to generate new revenue and optimise available capacity within the Group. Our initiatives have paid off. In FY21, NSTP returned to

black, posting a profit backed by growth in newspaper printing and distribution revenue of more than 20% in FY21 against the corresponding period.

### WE ARE ON A JOURNEY TO FINANCIAL FLEXIBILITY

We continued to be cash generative, cost disciplined and proactive in our capital management.

With our stronger financial footing, we were able to complete the acquisition of the Bangsar property which leveraged external financing to take advantage of the attractive cost of financing and tenure on offer.

We finished the year with a strong balance sheet and a significantly healthier cash position, with our cash and bank balance of RM341.6 million as at the end of FY21 from RM303.8 million as at the end of FY20.



▲ Molek FM is Media Prima Audio's newest radio station targeting listeners in Kelantan and Terengganu.

Our FY21 performance has also set a strong foundation for us to push harder in 2022. It allows us to engineer a better balance between giving back to shareholders, reinvesting into our business and preserving liquidity to strengthen our balance sheet.

We want to ensure sustainable revenue streams which would then translate into solid cash flows for the Group. This will enable us to keep moving forward with our capital allocation plans, which include continuing to invest in our growth areas of advertising, digital and commerce.

This journey to having financial flexibility will not only allow us to stand against financial pressures, but will better position us to respond to investment opportunities to enhance shareholder value.

**WE COMMAND STRONG PRESENCE IN MALAYSIA**

Our reach and relevance remained strong. In FY21, we reached 98% of the Malaysian population. Furthermore, we stayed as the largest Malaysian company in terms of total digital reach and the largest company for mobile reach. We are home to popular print and digital titles for the latest news and information.

Our broadcast reach is unparalleled in Malaysia. We remained the most watched television network with our channels, TV3, TV9, 8TV and ntv7 capturing over 33.6% of Malaysia's television audience. In FY21, TV3 reached 31.8% of broadcast audiences (Malay 4+) and 8TV's audience share increased to 40.6% (Chinese 4+).

We captured **33.6%** Malaysia's TV audience



Our radio stations command strong reach and influence with a reach of 5.1 million listeners in FY21. In August 2021, we refreshed our radio business under a new name — Media Prima Audio. This involved rebranding of all radio stations and re-strategising their content and talent line-ups. Hot FM and Fly FM now have a new and different sound, complemented by fresh new logos, looks and feels. Our two other radio stations have been rebranded as 8FM and Buletin FM respectively. 8FM aims to capitalise on the success of 8TV while Buletin FM will serve as an extension to Buletin Utama.

We captured **5.1m** Listeners on radio



We recently introduced a new radio station called Molek FM, targeting listeners in Kelantan and Terengganu with radio content that appeals to east coast communities. This expands our radio reach further geographically and to more targeted audiences across Malaysia. We are confident that these new initiatives to our radio business will deliver audiences a better experience with our content.



# message from our group managing director

## management discussion and analysis

Our strong broadcast reach, digital know-how, and expertise in content production, coupled with our access to a wide pool of popular on-air talent, led us to establish WOWSHOP in 2016 first as a joint-venture and today, a proudly owned subsidiary of Media Prima. Today, WOWSHOP is a profitable business with presence across seven television channels and on digital platforms. In FY21, WOWSHOP garnered over 3 million registered customers and produced over 1,400 live shows since its inception.

Beyond our homes, we are Malaysia's number one out-of-home advertising solutions provider through Big Tree, with nationwide reach across roads and expressways, transit systems, shopping malls and digital platforms. Big Tree's assets and out-of-home solutions are able to reach 80% of the total population.

There is so much we can do with our mass reach and presence all around Malaysia, our multiple platforms, beloved brands and popular intellectual properties. It made a lot of sense to tie this together under one umbrella, carried by one cohesive sales team led by Omnia.

### WE DELIVER SOLUTIONS

We know how to connect with Malaysia better than anyone else. We speak to Malaysians through the widest array of touchpoints, completing their days with one-of-a-kind content experiences- on air, online and on ground because "We Speak Malaysian" — Media Prima Omnia.

Launched in April 2020, Omnia is an integrated solution provider that offers creative services and integrated marketing solutions across all our platforms, specialising in brand campaigns, events and creative content.



▲ In February 2021, we introduced DidikTV KPM, a strategic collaboration driven by Media Prima Omnia and the Ministry of Education to increase access to quality education for all students nationwide.

For Omnia, the Covid-19 pandemic wasn't our biggest test but the general scepticism on our mission. Our detractors raised concerns about the industry's readiness for a singular entity that would create unmatched solutions through the integration of varied, multiple media platforms. It took a lot of hard work and dedication to the creative product that is aptly called the "Omnia Solution".

In less than a year since our inception, Omnia emerged an unrivalled leader bringing the best professionals together under one solid brand. The contributing factor to its success was the key strategic message: Omnia "speaks Malaysian" and reaches 98% of Malaysians hearts.

Omnia's strategy led to numerous collaborations with global brands to not only meet but rather exceed their expectations. These brands include Disney+ HotStar, Samsung, Shopee, Lazada and Foodpanda, who have greatly benefitted and experienced rapid growth in Malaysia thanks to Omnia's expertise.

Iconic and landmark events such as the Lazada Super Show and Shopee Big Show are a few examples that proved the effectiveness of Omnia's solutions for their clients.



year-on-year advertising growth



Advertisers have also become more receptive towards implementing out-of-home campaigns that go beyond conventional visuals through creative and immersive executions.

Goodday Milk unveiled their new packaging by constructing a giant 3D structure of their new milk carton at Big Tree's Spectacular Junction, creating an eye-catching display in the heart of Kuala Lumpur's Golden Triangle. These vibrant visuals with the larger-than-life milk cartons helped generate buzz for their product launch.

Netflix presented an extension to their out-of-home campaign with a synchronised countdown across Big Tree's network of digital out-of-home media, gearing up for the launch of the fifth season of its popular drama series, Money Heist. On the day of launch, Netflix produced an anamorphic display on the Cubig @ KLCC Junction, and amplified the launch experience by radiating Money Heist's signature red colour on the Bangunan Getah Asli, while featuring a large LED balloon on the rooftop of the building.

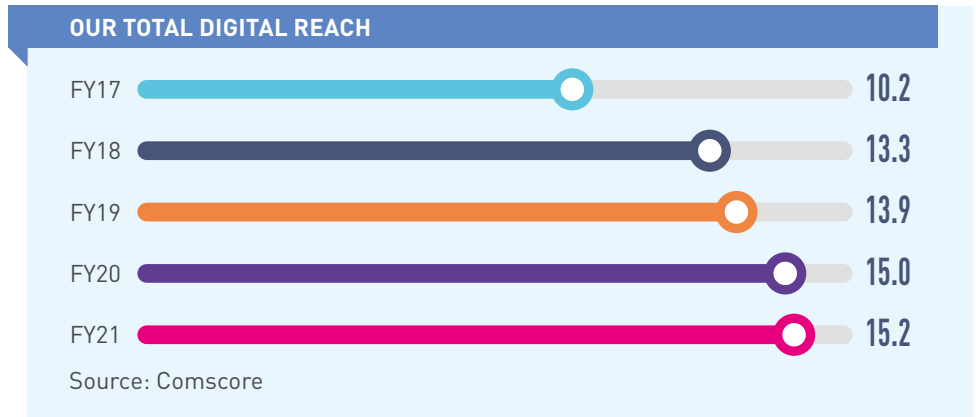
We will challenge ourselves to go further as more economic sectors reopen in 2022, which gives us the potential to do more for our partners. We believe Omnia has become an undisputed leader and will continue to grow, adapt, and evolve to meet and exceed the demands and desires of our partners because "We Speak Malaysian".

**WE COMMAND A STRONG DIGITAL PRESENCE**

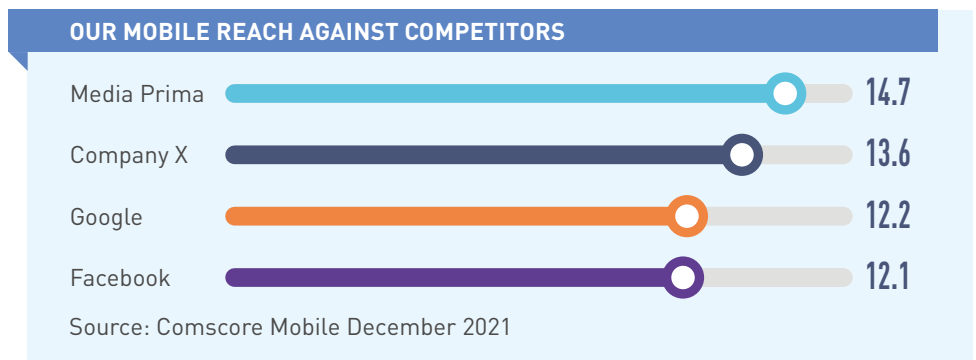
We began investing heavily in our digital transformation in 2016 and today, we have become a prominent player in Malaysia's digital space commanding a stronger presence, especially in mobile with an audience reach of 14.7 million. Overall, we command a total digital audience reach of 15.2 million.



▲ In May 2021, Big Tree launched CuBig @ KLCC Junction which offers a crisp and dynamic digital display and anamorphic content capabilities.



Our digital segment is championed by REV Media which represents over 35 top authority brands across multiple languages and genres, and reaches more than 15 million Malaysians a month. REV Media aims to be the number one Malaysian digital media company in terms of reach, retention and revenue. We believe that the way forward is to continuously innovate and be adaptive to the dynamic media industry.



# message from our group managing director

## management discussion and analysis

We have built a large social media following across Facebook, Instagram, Youtube, Tiktok and Twitter with a combined social reach of 93.4 million followers in December 2021. This is led by our Facebook pages for Berita Harian Online at 5.9 million followers, Harian Metro at 5.7 million followers and our YouTube page TV3 Malaysia at 5.0 million followers.

To grow and consolidate the Group’s sponsored social media content and influencer marketing, REV Media launched SPARK, a one-stop shop for social media campaigns. The idea behind SPARK is to productise our valuable social media assets, and variety of talents and influencers to create a staple social media product for advertisers across Media Prima’s digital platforms, news, television and radio networks.

Our Social Network Reach in 2021

Twitter	10.6m
Facebook	46.7m
Instagram	13.7m
YouTube	18.3m
Tiktok	4.1m

This indicates that our brands are a trusted go-to source among social media users. We have the right social media strategy and that there is more that we can do to deliver greater value to our audiences across all platforms. We will continue to be on the pulse for the latest social trends and quickly respond to new digital habits across all demographics.

Across the Group, our digitalisation initiatives are seeing positive growth. Our out-of-home business, Big Tree, continued to expand its digital out-of-home media due to demand from advertisers for more dynamic communication with audiences.

In May 2021, Big Tree launched CuBig @ KLCC Junction — their largest digital screen located on Jalan Ampang, opposite

the Petronas Twin Towers. The CuBig @ KLCC Junction offers a crisp and dynamic digital display and includes anamorphic content capabilities which gives audiences a life-like, 3D visual experience. In FY21, CuBig @ KLCC Junction had consistent 90% occupancy with big clients.

Our audio business introduced a new mobile app brand, Audio+, home for all its digital and social content such as live radio, podcasts, videos, and many more. Instead of downloading a separate app for each station, all Media Prima Audio brands are available under Audio+.

### WE DELIVERED NEWS AND UPDATES THAT PEOPLE TRUST

Our award-winning team of journalists and editors are committed to upholding the highest standards of impartiality and living up to our reputation for trusted journalism.

In 2021, we grew our News Network, adding more premium titles to our offerings. This puts us at the forefront in delivering the most accurate and verified news to our audiences. Our News Network today includes seven popular publications in English and Bahasa Malaysia and ranks among the top news sources for online readership in the country.

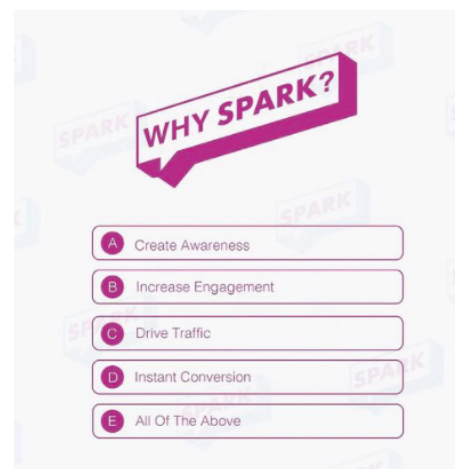
Two of our news portals, myMetro (hmetro.com.my) and BH Online (bharian.com.my) ranked as the most read online news portals in Malaysia with 8.0 million and 7.4 million average unique visitors



▲ Buletin Utama is one of the most watched news programmes in Malaysia.

respectively. Our online news strategy is working, and we are committed to upholding the highest standards of journalism for our audiences.

In broadcast news, our television programmes remain a key source of news and information for Malaysians with millions of viewers watching our information and news programmes such as Majalah 3, Malaysia Hari Ini, Wanita Hari Ini, Borak Kopitiam, Living Delight and 8 E-News. Buletin Utama, in particular, attracted an average viewership of 2.9 million in FY21 while 8TV’s Mandarin News remained the number one television programme among Chinese audiences.



TV Viewership Range in 2021

**Buletin Utama**  
**1.6 - 3.8 million**  
 (Total Individuals)



**Mandarin News**  
**670,000 - 1.3 million**  
 (Chinese 4+)

Source: Nielson Audience International 2021



▲ Some of our top shows on popular streaming platforms include *Kisah Cinta Kita*, *Cukup Derita Itu*, *Bidadari Salju* and *Lagi-Lagi Senario*.

**WE BROADCAST THE BEST LOCAL ENTERTAINMENT**

We continue to produce great local content which captivates the hearts and minds of our audiences from all walks of life. Our content offerings range from talk shows, dramas, animations, films, awards shows, reality competitions shows and more for Malaysians.

Our popular titles in FY21 included *Kekasih Hati Mr Bodyguard* (8.2 million viewers), *A Promise to Love* (600,000 Chinese 4+ viewers), *Hello My Little Fortune* (600,000 Chinese 4+ viewers) and *Bonus Vacation* (604,000 Chinese 4+ viewers).

Our awards shows continued to stay relevant — the live broadcast of *Anugerah Juara Lagu* captured 5.6 million viewers while the 34th edition of *Anugerah Bintang Popular BH* was watched by 4.4 million

viewers. The third season of our popular reality show, *Lagu Cinta Kita*, garnered an average reach of 2.9 million television viewers.

TV3 continued to be the number one destination for entertainment content among Malaysians particularly during Hari Raya capturing 26.4% of the audience during the festive season in FY21, a 0.6% increase from FY20. Primetime viewership during Hari Raya increased to 2.18 million viewers from 2.06 million in the previous year.

Our strong television reach is one of the main drivers to WOWSHOP's success. WOWSHOP's focus is on content commerce, customer-centric products and multi-platform offerings with more than 6,500 items on sale on all platforms in FY21 ranging from household products to electrical items, fashion, beauty, food and beverage, and digital.

New “shoppertainment” type content was introduced in FY21 such as *WOW Bazaar*, *Trendy Taherah*, *Masak Masak Cik Lily*, *Kecoh Pak Kodi*, *Keluarga Sebelah* and *Home Master Show*. These new shows aimed to have more personal interactions with viewers and two-way engagement through WOWSHOP's Facebook and Instagram accounts. Moving into 2022, WOWSHOP will work closely with our sales unit at Omnia to provide clients with packages which would encompass a combination of commercial air-time and commerce space.

As one of Malaysia's largest content production houses, we are positioned to benefit from the fast-growing video streaming market. Revenue from content sales tripled in FY21, underscoring the successful execution of our content distribution and programming strategy. Our strong relationships with international streaming platforms allowed us not only to expand our digital footprint and audience reach, but to also promote Malaysian content overseas.

We've signed multiple content partnership deals to stream some of TV3's top Malay dramas on Disney+ Hotstar. Primeworks Studios teamed up with iQiyi to give exclusive first window broadcasting rights to the majority of TV3's highest rated primetime dramas such as *Gerak Khas Undercover* and *Shah Alam 40000*.

We are excited to announce that the third season of our multiple award-winning animation series, *Ejen Ali*, will be released in 2022 in four territories — Malaysia, Indonesia, Singapore and Thailand. This marks Malaysia's first animation co-production with Disney+ Hotstar from Primeworks Studios and WAU Animation.

Pairing our popular brands and intellectual properties (“IPs”) with our mass reach across Malaysia places us in a prime position to expand into other segments such as licensing and merchandising. Beyond the screen,

## message from our group managing director

### management discussion and analysis

brands such as Carrie BacBuster and BATA have collaborated with our Ejen Ali IP on their merchandise such as body wash, hand sanitiser and footwear. Ejen Ali merchandises are also distributed by Mydin, one of Malaysia's leading retailers.

Our large reach also allowed us to venture into other types of content such as education. According to the Malaysian Department of Statistics, 98.1% of Malaysian households had access to Free-to-Air terrestrial television service, and were watching more TV during the various Movement Control Orders ("MCOs").

A study by Khazanah Research Institute on "Covid-19 and Unequal Learning", revealed that there are close to 900,000 students (37%) who do not have appropriate devices for e-learning and even the 6%-9% of students who own a personal computer or a tablet would have had to share the device with other members in a household for work and/or study.

In February 2021, we introduced educational content through a strategic collaboration with the Ministry of Education to increase access to quality education for all students nationwide, given our extensive reach and our ability to produce quality and engaging content. DidikTV KPM ("DidikTV") caters to students aged 6 to 18, from preschool to pre-university, as well as educators and tutors.

In addition to providing access to quality education, DidikTV's mission is to meet the needs of students from low-income families, and those living in rural or remote areas who lack internet access and digital devices. All content aired on Didik TV are based on the syllabus from the Ministry of Education.

DidikTV narrowed that gap in learning among our nation's students. In a survey done by IPSOS Malaysia in 2021, 98% of students found that DidikTV helped them understand things better because it became more engaging with attractive props and real-life objects used when explaining concepts. When explained in an entertaining TV programme style, it became much easier for the students to capture intangible ideas.

The survey also found better SPM results among the rural students despite the pandemic and limited learning resources. Grade "A" scorers (students achieving 5As and above) showed rural SPM candidates (37%) outperformed the urban SPM candidates (29%) especially on the SPM compulsory subjects with DidikTV as their primary learning resource during the MCO. It was also found that 96% of rural sector SPM students reported that with DidikTV, they could better understand their subjects without having to attend physical school sessions.

### WE SUPPORT COMMUNITIES

We believe that our business is at its best when it serves as a force for good. Our mass reach and multiple platforms enable us to empower Malaysians to do more for the community.

In 1991, the Media Prima-NSTP Humanitarian Fund was launched to serve as a channel for the public to contribute donations to community causes. Generous donations to the fund have assisted those in need of financial assistance for medical treatment, natural disaster and poverty relief, as well as those communities overseas whose livelihoods were affected by earthquakes or war.

Our most recent humanitarian efforts were focused on assisting communities that were heavily impacted by flood waters that destroyed homes and public buildings. Donations to our Humanitarian Fund allowed us to purchase needed items for affected communities such as food vouchers, hygiene products, and computers for schools among others.



▲ In December 2021, we provided 280 hygiene kits to victims of floodwaters in Hulu Langat, Selangor.



▲ We continued to engage with staff through a virtual Town Hall where we shared updates on the Group and answered their questions.

Beyond the Media Prima-NSTP Humanitarian Fund, our businesses found ways to give back to the community. Our radio team hosted a 24-hour virtual charity event, *Konsert Amal CovAid*, to raise funds for frontliners and victims of the Covid-19 pandemic. The virtual event featured special appearances from more than 30 local artists and celebrities. The donations were used to purchase medical equipment and food, as well as daily essentials for those affected during the pandemic.

NSTP’s *Harian Metro* collaborated with the brand *Hijrah* to help B40 groups in the Klang Valley facing socio-economic problems through the donation of ‘Kotak Rezeki *Harian Metro*’ boxes. To assist small medium enterprises in bouncing back from the impact of the Covid-19 pandemic, *Omnia* launched the *OmniaUSB* platform to serve as a one-stop centre to empower businesses with business solutions and development courses. You can read more about our Humanitarian Fund and community initiatives across the Group in our Sustainability Report 2021.

We remained a constituent company of the FTSE4Good Index Series following the December 2021 index review. Media Prima first added as a constituent in June 2019, and this acknowledgement is testament to our commitment to Environmental, Social and Governance (“ESG”) practices.

Launched in December 2014, this Index Series measures the performance of public listed companies demonstrating strong ESG practises.

Our success and sustainability are important and we will continue to deliver relevant and quality content while improving our operational efficiencies.

**WE CAN DO BETTER IN 2022**

Despite the challenges of the year, we made a lot of progress. It was a lot of hard work to get to where we are today. We had to consolidate assets and resources to streamline operations, which encouraged efficiency and fostered an integrated approach in our work culture.

We collaborated more across businesses by leveraging each other’s strengths. This allowed us to be more agile and innovative, and squeeze our potential as a leading integrated media powerhouse. This allowed Media Prima’s Board of Directors to declare a first and final dividend of 1.5 sen per ordinary share for FY21.

We believe that we have built the right foundation for growth. Moving into 2022, we will focus on sustaining this momentum by keeping a close watch on costs while accelerating revenue-generating initiatives for our advertising,

digital and commerce segments. We will look out for more strategic collaborations to expand further, while also strengthening our competitive advantage.

We will do more of what we’re known for — great content and IPs. We will invest more in content in 2022 such as news animations, documentaries, entertainment content, dramas, films. We will also enter into collaborations to create new IPs.

As we move into the year, we are mindful that there can be no sense of complacency to defend our position as Malaysia’s leading media group. We must always adapt and respond to new trends while balancing efficiency and effectiveness.

**THANK YOU**

I would like to express my deepest gratitude to our team. It was a lot of hard work and we made necessary sacrifices to be where we are today. We had to make painful decisions to ensure we establish a stable foundation for us to grow. I am proud and inspired by the way you have risen above all the challenges with resilience, flexibility and creativity. Thank you.

All our accomplishments are what defined us as Malaysia’s leading integrated media group, and to ensure that, we will continue to invest more in our people, developing talents, while supporting the community because they are what makes our company thrive.

To all our partners and suppliers, you have helped our business move from strength to strength — thank you for your continued support. Last but not least, a big thank you to our audiences for your trust and confidence in Media Prima. We exist because of you and we promise to ensure that Media Prima remains an institution that Malaysians are proud of.

**RAFIQ RAZALI**  
Group Managing Director

# Group Financial Review

## OVERVIEW

We have made great strides and exceeded several of our 2021 targets ahead of schedule, adjusting to the new normal, as evident by our performance. As the pandemic extended into another year, so has our commitment to deliver the best out-of-the-box ideas to our clients and audiences. This is reflected in our financial results, which saw the Group post a full year of operational profitability and the highest quarterly profit (without exceptional items) since 2015.

## REVENUE

Revenue increased by 8% in 2021 to RM1,120.2 million against 2020 revenue of RM1,041.6 million. Our integrated advertising strategy led by Omnia delivered a 16% increase in advertising revenue in 2021 to RM745.3 million against RM642.9 million in 2020. Content sales increased by 205% in 2021 to RM43.4 million against 2020 revenue of RM14.2 million, largely attributed to the growth in licensing of programmes to media streaming platforms during the year. The increase in revenue was offset mainly from lower home shopping revenue, which decreased by 13% in 2021 to RM267.9 million against 2020 revenue of RM308.9 million.

## OPERATING COSTS

Operating costs for 2021 decreased by 3% from RM1,056.5 million in 2020 to RM1,029.6 million in 2021. Included

in operating costs for 2021 is an aggregate impairment of non-current assets of RM15.5 million attributed to the impairments of property, plant and equipment, intangible assets and investment in an associate.

Direct cost, which are costs associated with revenue growth, increased by 2% to RM432.8 million attributed to investments in digital and advertiser content programme costs during the year. The increase was partially offset by lower cost of home shopping goods sold, which reduced by 11% in 2021.

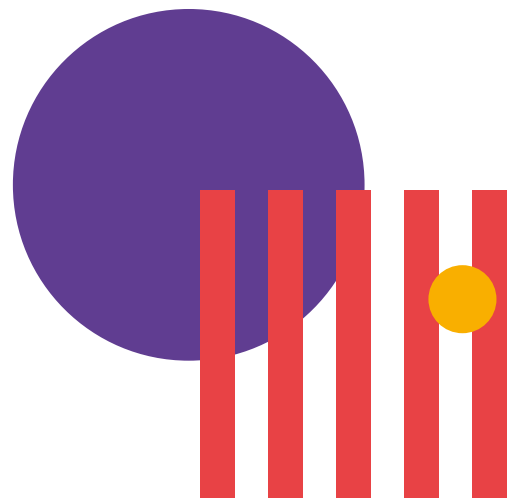
Other operating costs excluding impairment of non-current assets and net reversal of impairment of financial instruments decreased by 6% to RM584.4 million. Lower employee benefits and transmission, technology and distribution costs were achieved through continuous operational optimisation initiatives.



**RM1,120.2 million**

## REVENUE

increased by 8% in 2021 against 2020 revenue of RM1,041.6 million





	2021 RM'000	2020 RM'000
Amortisation of programmes and film rights	91,947	95,579
Newsprint and newspaper production	22,923	28,938
Outdoor display and production	57,142	48,914
Cost of home shopping goods sold	188,501	212,858
Content production and other media	72,308	39,505
<b>Total direct costs</b>	<b>432,821</b>	<b>425,794</b>
Transmission, technology and distribution	62,639	73,988
Employee benefits	287,272	297,500
Occupancy	23,349	24,703
Depreciation	92,592	111,137
Amortisation of intangible assets (excluding programme and film rights)	1,462	1,745
Other operating costs	117,074	110,792
<b>Total other operating costs (before impairment of non-current assets and net (reversal of)/impairment of financial instruments)</b>	<b>584,388</b>	<b>619,865</b>
Impairment of non-current assets	15,505	-
Net (reversal of)/impairment of financial instruments	(3,135)	10,843
<b>Total other operating costs</b>	<b>596,758</b>	<b>630,708</b>
<b>Total operating costs</b>	<b>1,029,579</b>	<b>1,056,502</b>

## TAXATION

Our tax expense increased by 214% to RM38.7 million in 2021 compared to RM12.3 million in 2020. The higher tax expense in 2021 compared to the preceding year is in line with higher profit before tax in 2021.

## EARNINGS

We have posted a profit after tax of RM51.6 million in 2021, reversing a loss after tax of RM18.1 million in 2020, driven by higher revenue and lower operating costs in 2021.

## EXCEPTIONAL ITEMS

In addition to statutory performance measured in accordance with MFRS, we measure our performance based on

normalised earnings because we believe normalised performance measures provide management and investors with useful additional information about our financial performance. Normalised performance measures are not defined by MFRS and may not be directly comparable with similar adjusted performance measures used by other entities.

We derived our normalised profit for the financial year by excluding exceptional items from the profit for the financial year in the statement of comprehensive income. Exceptional items are those items we consider to be one-off or material in nature that should be brought to attention in understanding our financial performance.



# RM51.6 million

PROFIT AFTER TAX

reversing a loss after tax of  
RM18.1 million in 2020

# group financial review

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

	2021 RM'000
Profit for the financial year	51,562
Exceptional item:	
Impairment of non-current assets	15,505
Normalised profit for the financial year	67,067

## DIVIDEND

The Board of Directors approved a single-tier dividend of 1.5 sen per ordinary share for the financial year ended 31 December 2021 amounting to approximately RM16.6 million.

## TOTAL ASSETS

Total assets as at 31 December 2021 stood at RM1,408.5 million, a 3% increase from RM1,367.1 million as at 31 December 2020. Non-current assets increased by RM36.0 million, mainly due to non-current other receivables which are mostly in relation to the acquisition of the Balai Berita Kuala Lumpur property. Property, plant and equipment and right-of-use assets decreased by RM51.8 million and RM37.7 million respectively, with the decreases mostly due to depreciation charges during the year.

Current assets as at 31 December 2021 decreased by RM5.9 million, with the reduction in inventories and trade and other receivables by RM9.1 million and RM33.6 million respectively being offset by the RM37.8 million increase in deposits, cash and bank balances.

Non-current assets held for sale increased by RM11.4 million due to a reclassification from investment property as the sale of a property is expected to be completed in 2022.

## TOTAL LIABILITIES

Total liabilities decreased by RM10.1 million to RM783.9 million as at 31 December 2021. Non-current liabilities of RM262.8 million remained fairly similar to the preceding year's balance of RM261.9 million. The RM40.5 million increase in non-current borrowings partly from the drawdown of an Islamic term loan facility during the year, which was offset by a RM39.3 million reduction in non-current lease liabilities.

Current liabilities as at 31 December 2021 stood at RM521.1 million. Current tax payable increased by RM16.6 million in line with higher tax expense for the year. Current borrowings decreased by RM12.3 million mainly due to repayment of banker's acceptance facilities during the year.

## CASH FLOW

Cash and cash equivalents increased by RM34.9 million from RM291.3 million as at 31 December 2020 to RM326.2 million as at 31 December 2021.

Net cash flow generated from operating activities increased by RM198.6 million to RM264.9 million mainly due to better operating performance and improvement in working capital during the year. In 2020, movement in working capital was largely attributed to a RM97.8 million reduction in payables.

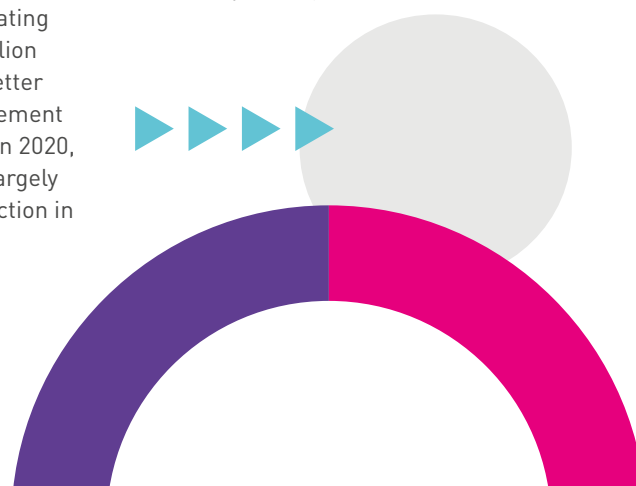
Net cash flow used in investing activities increased by RM139.5 million to RM208.6 million primarily from the advance payments made in 2021 for the acquisition of the Balai Berita Kuala Lumpur property of RM118.4 million. Payments to acquire intangible assets increased by RM14.1 million to RM79.7 million in 2021.

Net movement of RM58.7 million in cash flow used in financing activities to RM21.4 million is partly due to the lower drawdown of borrowings in 2021 compared to the preceding year. Most of the drawdown of borrowings during the year was from an Islamic term loan facility to partly finance the acquisition of the Balai Berita Kuala Lumpur property. Total cash flows from the payment of lease liabilities decreased by RM23.1 million to RM39.5 million.

## NET CASH

At 31 December 2021, we are in a net cash position of RM35.9 million compared to a net debt position of RM6.8 million at 31 December 2020.

Our gross debt position of RM305.7 million at 31 December 2021 comprising borrowings of RM153.6 million and lease liabilities of RM152.0 million. Reduction of gross debt position by RM4.9 million from RM310.6 million at 31 December 2020 was largely due to reduction of lease liabilities balance by RM33.0 million, as well as repayment of borrowings of RM48.2 million. The reduction is partly offset by drawdown of an Islamic term loan facility and banker's acceptances in 2021 amounting to RM70.0 million and RM3.3 million respectively.



## 5-YEAR FINANCIAL HIGHLIGHTS

	2021	2020	2019	2018	2017
<b>OPERATING PERFORMANCE (RM'000)</b>					
Revenue	1,120,188	1,041,565	1,106,039	1,185,737	1,198,828
Profit/(Loss) Before Tax	90,223	(5,787)	(173,001)	60,640	(605,528)
Profit/(Loss) After Tax	51,562	(18,086)	(185,488)	58,991	(669,665)
Profit/(Loss) Attributable to Owners of the Company	55,231	(18,378)	(177,850)	58,623	(650,611)
<b>KEY DATA OF FINANCIAL POSITION (RM'000)</b>					
Total Assets	1,408,538	1,367,089	1,435,178	1,317,602	1,582,262
Total Debt <sup>1</sup>	305,676	310,566	252,169	4,169	314,157
Share Capital	1,524,735	1,524,735	1,524,735	1,524,735	1,524,735
Shareholders' Equity <sup>2</sup>	632,139	576,914	598,699	808,622	766,650
<b>SHARE INFORMATION (SEN PER SHARE)</b>					
Basic Earnings/(Loss) Per Share <sup>3</sup>	4.98	(1.66)	(16.03)	5.29	(58.66)
Net Assets Backing Per Share	56.99	52.01	53.98	72.90	69.12
Dividend Per Share <sup>4</sup>	1.5	-	-	-	-
<b>FINANCIAL RATIOS</b>					
Return on Shareholders' Equity (%)	9%	-3%	-30%	7%	-85%
Return on Total Assets (%)	4%	-1%	-13%	4%	-42%
Gearing Ratio (Debt to Equity)	0.49	0.54	0.42	0.01	0.41
Interest Cover Ratio	6.6	0.6	(9.5)	3.8	(40.6)
<b>OTHER NON-FINANCIAL INFORMATION</b>					
Number of Employees at Year End	2,397	2,332	3,689	3,897	4,039



<sup>1</sup> Comprises of borrowings and lease liabilities

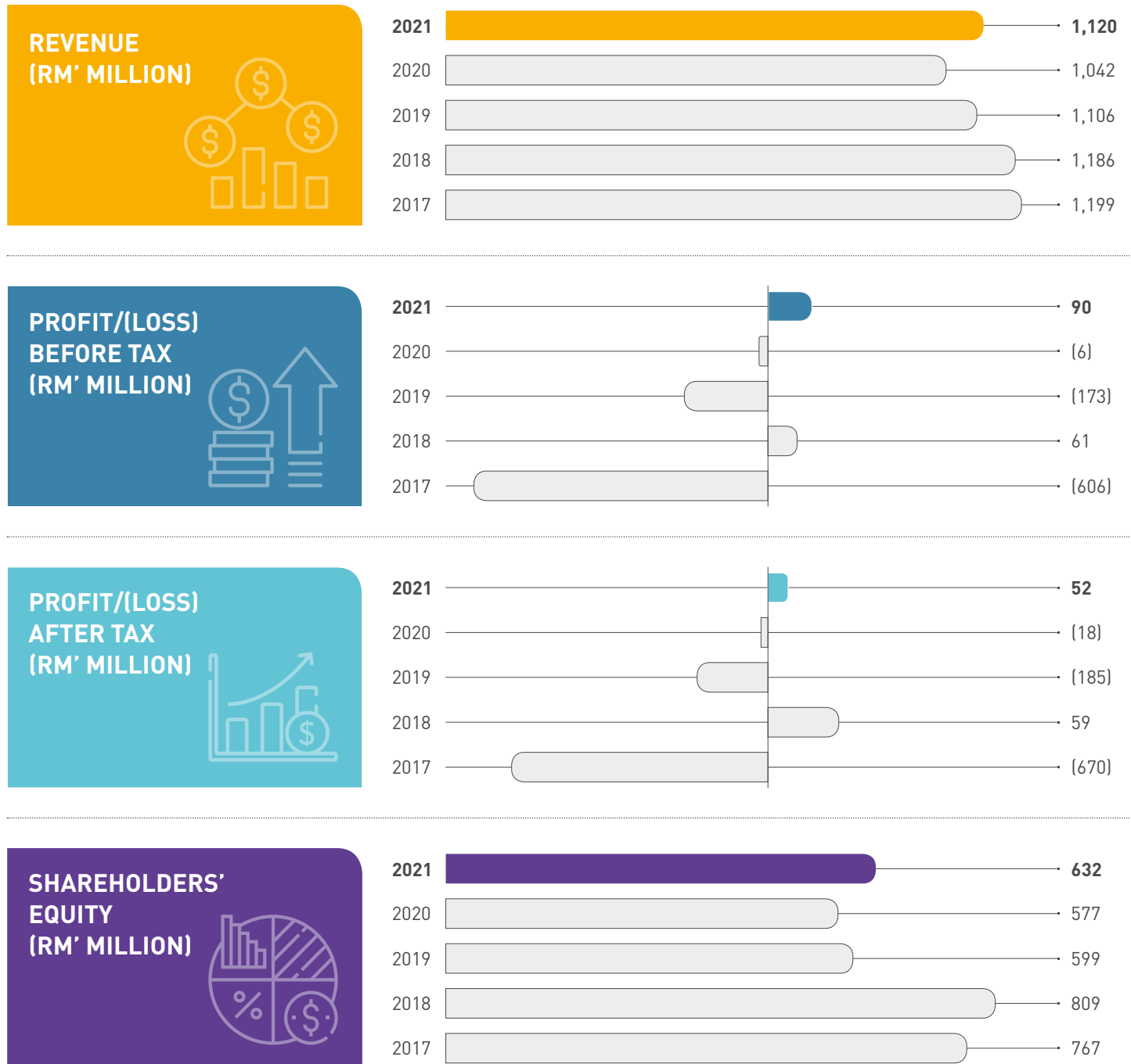
<sup>2</sup> Comprises of share capital, other reserves and accumulated losses

<sup>3</sup> Basic earnings/(loss) per share is calculated by dividing the net profit/(loss) attributable to the owners of the Company by the weighted average number of ordinary shares in issue

<sup>4</sup> Dividend per share is the total dividend declared for the respective financial year(s)

# group financial review

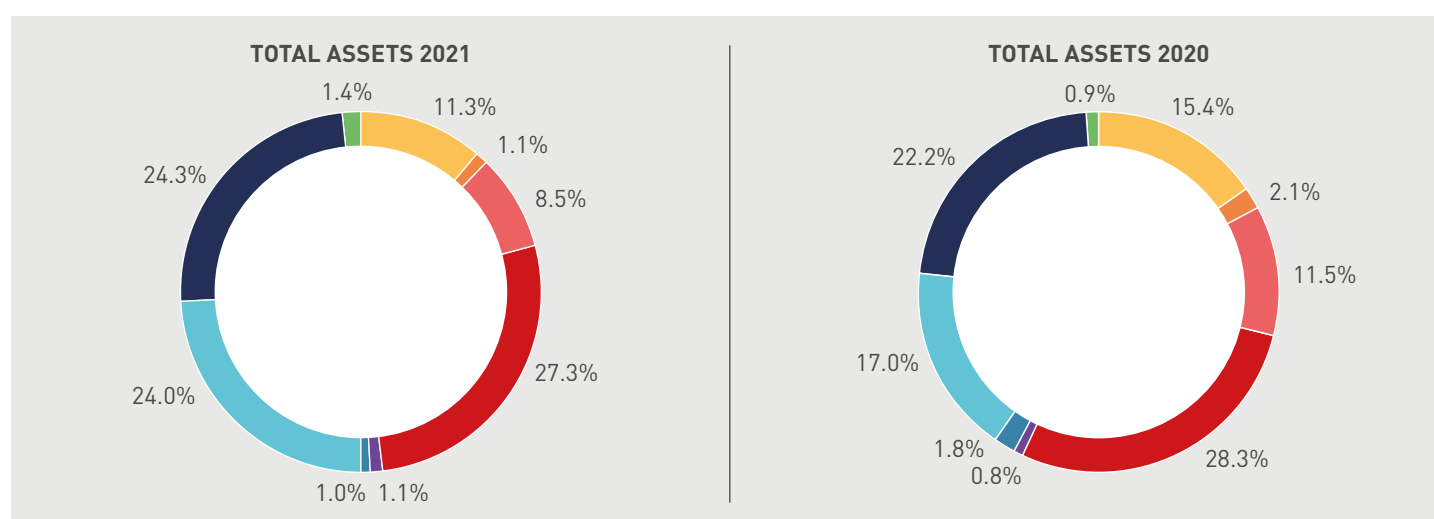
## 5-YEAR PERFORMANCE SUMMARY



SIMPLIFIED GROUP STATEMENT OF FINANCIAL POSITION

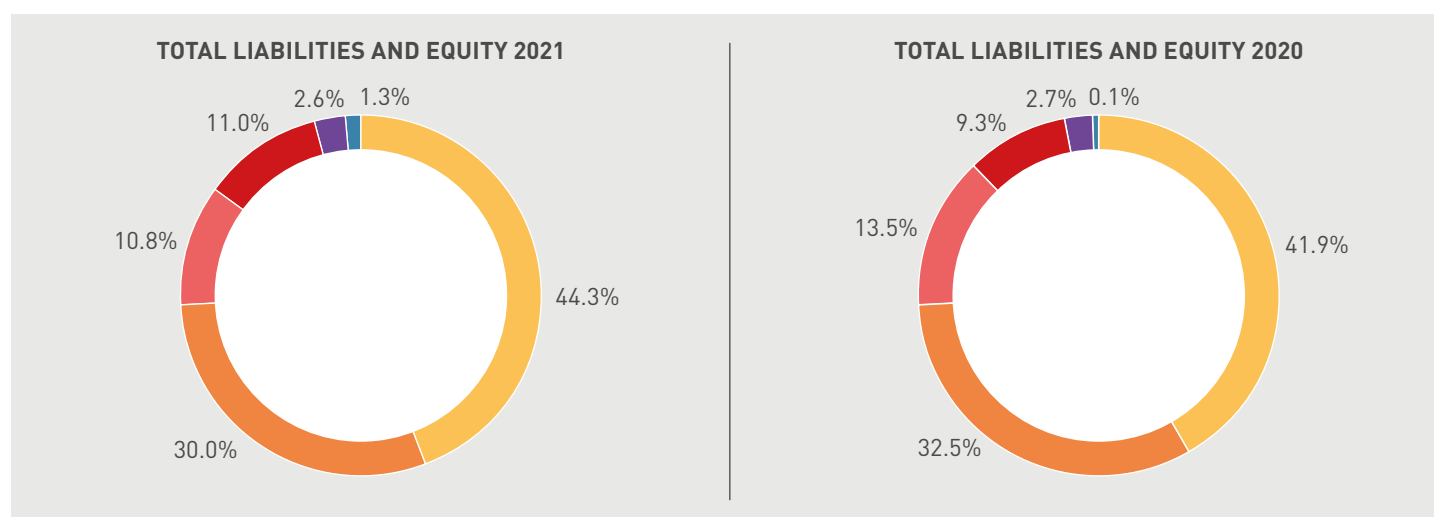
TOTAL ASSETS (RM'000)

Year	Property, plant and equipment	Investment properties	Right-of-use assets	Intangible assets	Deferred tax assets	Inventories	Trade and other receivables	Cash and bank balances	Other assets
2021	158,603	16,066	119,357	384,496	14,383	14,976	338,201	341,621	20,835
2020	210,396	28,136	157,017	387,139	11,584	24,097	232,992	303,783	11,945

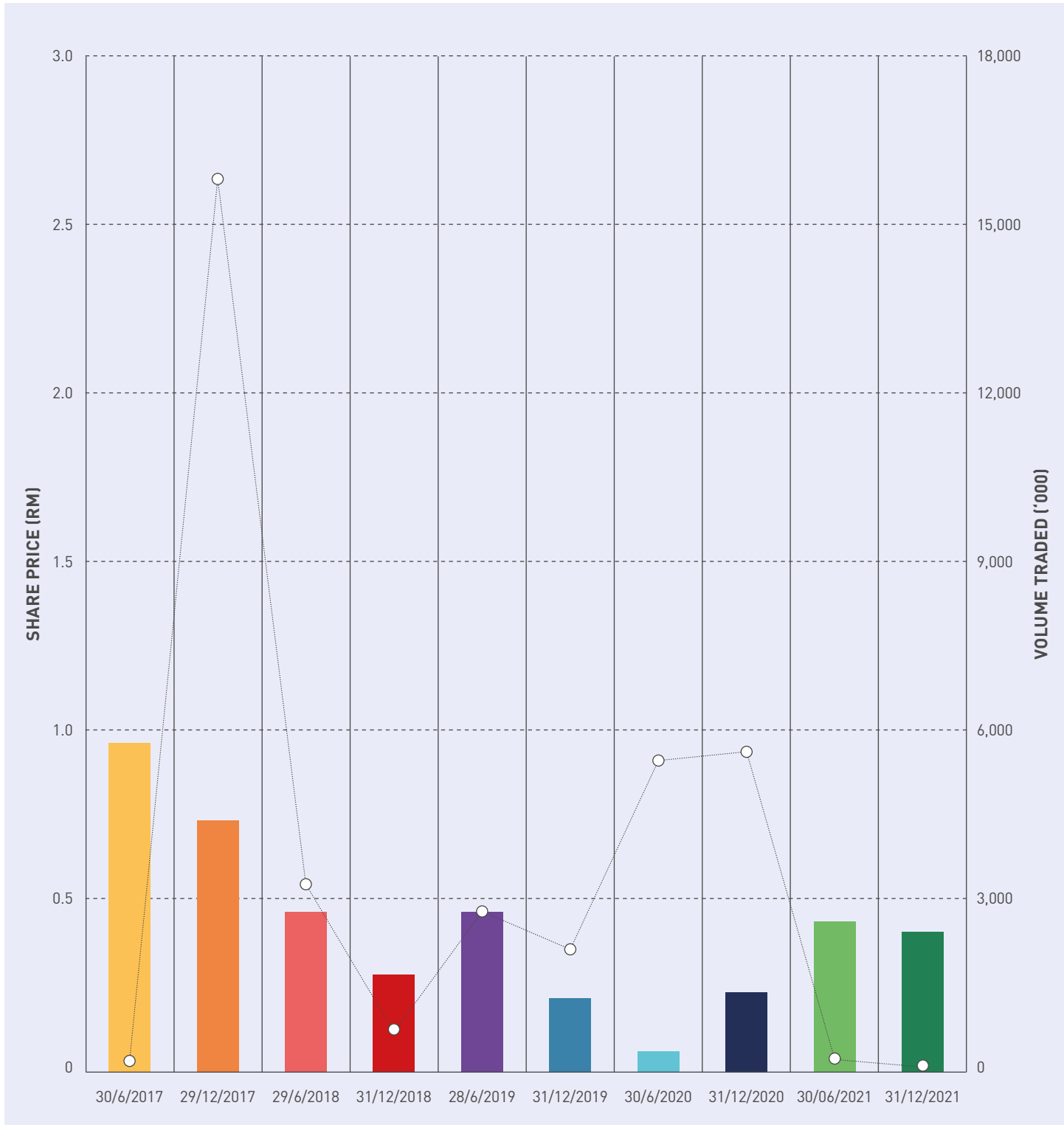


TOTAL LIABILITIES AND EQUITY (RM'000)

Year	Total equity	Trade and other payables	Lease liabilities	Borrowings	Deferred tax liabilities	Others
2021	624,616	422,981	152,042	153,634	37,288	17,977
2020	573,067	444,589	185,081	125,485	37,501	1,366



# Share Price Chart



Date	30/6/2017	29/12/2017	29/6/2018	31/12/2018	28/6/2019	31/12/2019	30/6/2020	31/12/2020	30/06/2021	31/12/2021
Share Price (RM)	0.94	0.76	0.48	0.35	0.48	0.28	0.15	0.29	0.45	0.42
Volume Traded	674,800	16,775,500	3,392,000	1,964,000	2,893,000	2,246,400	5,432,600	5,723,100	837,700	139,000

# Sustainability Statement



## ABOUT THIS STATEMENT

As the effects of the pandemic continue to be seen and experienced by businesses and individuals across the nation and the globe, it is more important than ever to build and strengthen business resilience. For Media Prima Berhad, business resilience and sustainability is about having a stronghold, much like the roots of a tree, in business fundamentals and constructing forward-looking plans to weather the storms.

This sustainability statement provides an overview of how we are doing from the aspects of our economic, social and environmental initiatives and performance across the Group. For more details on our Sustainability Initiatives, you can refer to Media Prima Sustainability Report 2021.

## REPORTING APPROACH, GUIDELINES AND REFERENCES

We have reached out to our internal and external stakeholders this year to understand their expectations on matters that are material to the business. This report has been prepared in accordance with Bursa Malaysia Securities Berhad's Sustainability Reporting Guide (2<sup>nd</sup> Edition). We also use the Global Reporting Initiative (GRI) Standards as a reference, while aligning our efforts with United Nations Sustainable Development Goals (UNSDGs).

Bursa Malaysia Securities Berhad's Sustainability Reporting Guide (2<sup>nd</sup> Edition)

Global Reporting Initiative (GRI) Standards

United Nations Sustainability Development Goals (UN SDGs)

## SCOPE OF REPORTING

The scope of this report covers key business units which form a group of media-related businesses in television and radio broadcast, print, content creation, digital, commerce, out-of-home media and sales. While our business operations are mainly in Malaysia, we also serve customers and viewers beyond our borders.

## REPORTING PERIOD

1 January – 31 December 2021  
*(unless stated otherwise in the report)*

Current figures are presented alongside data from 2019 and 2020 whenever possible to track and measure our progress.

Your views are important to us. Please send your feedback and suggestions to:

### Group Strategic Communications Department

Balai Berita, Anjung Riong,  
31, Jalan Riong, Bangsar,  
59100 Kuala Lumpur, Malaysia

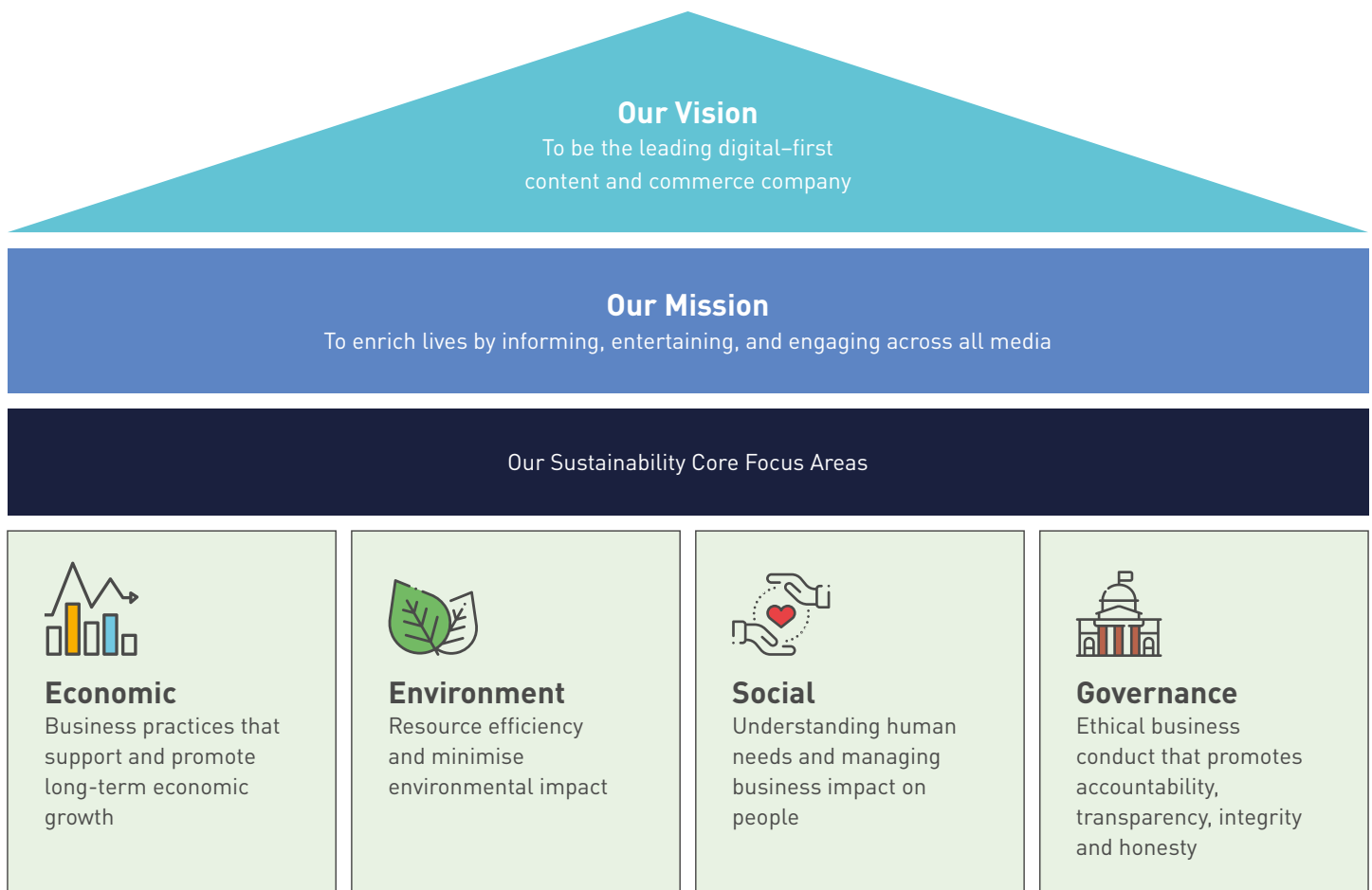
Contact Number:  
1300 300 672 | +603 2282 0353

# sustainability statement

## SUSTAINABILITY STRATEGY

The Group's sustainability strategy is supported by our core focus areas – Economic, Environment, Social and Governance. Through our myriad of integrated media offerings, these focus areas remain our compass, purposeful in setting forth a sustainability agenda that will expand and grow in tandem with our ambitions.

As we continue to engage our stakeholders to practise mutual awareness and achieve a deeper understanding of material matters pertinent to our long-term success, the most important thing for us to remember is that sustainability is an ongoing journey rather than a destination. We will continue to support initiatives that champion responsible media and feed these into a bigger industry strategy that addresses key issues.







**KEY STAKEHOLDERS ENGAGEMENT**


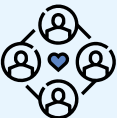

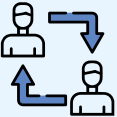
As an organisation that aims to enrich lives by informing, entertaining, and engaging across all media, our stakeholders are the heart of our daily operations. We regularly engage our stakeholders, seeking to build stronger relationships. This increases our accountability with our stakeholders while allowing us to better understand their expectations to enhance our sustainability strategies accordingly.

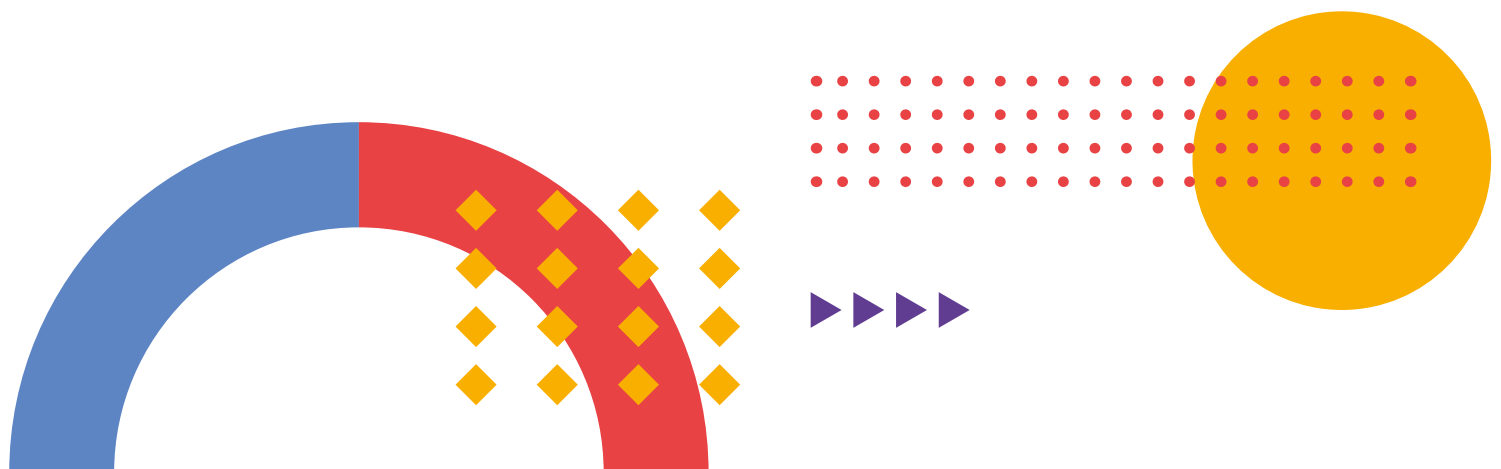
In 2021, the relentless disruptions caused by Covid-19 led to the continued use of virtual channels to engage with our stakeholders. Amongst this was our Annual General Meeting (AGM) which was held through live streaming with remote participation and electronic voting.

The below Stakeholder Engagement table entails the formal and informal ways we stay connected to our stakeholders. Our key stakeholders include, but are not limited to, customers, employees, shareholders, analysts, investors, government bodies, regulators, public community, value chain partners, interest groups and industry peers.

STAKEHOLDER	METHODS OF ENGAGEMENT	AREAS OF INTEREST	ADDRESSING THEIR INTEREST
<b>CUSTOMERS</b> Including Viewers, Users, Listeners, Readers, Advertisers and Shoppers 	→ Customer satisfaction Surveys → Customer complaints tools → Social media → Websites → Materiality survey	→ Viewing preference → Content development → Technical support → Social discourse → Privacy and freedom of expression → Children’s rights	Customers and the competition are instrumental to our prospects. Sharing a common goal across the organisation, we give customers a value-added experience using our products/services.
<b>EMPLOYEES</b> 	→ Employee satisfaction survey → Employee engagement programme → Internal communications such as newsletters, the intranet and updates → Events and functions → Employee grievance system → Materiality survey	→ Equal opportunities → Diversity → Career progression → Benefits and rewards	Employees are key to our innovation-driven culture. They drive success and we are committed to being a good employer.
<b>REGULATORY AUTHORITIES</b> 	→ Regular communication → Reports and compliance → Periodic meetings → Regular environmental reporting to the Department of Environment → Materiality survey	→ Compliance to all regulations → Reducing our environmental footprint	We have established sustainability governance to manage risk, ensure compliance and operate with integrity at all times.
<b>SHAREHOLDERS, ANALYSTS AND INVESTORS</b> 	→ Results announcement meetings → Annual general meetings → Regular updates and communication → Investor roadshows → Materiality survey → Video conferencing and video calls	→ 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 through a strong financial performance and our engagement methods.

# sustainability statement

STAKEHOLDER	METHODS OF ENGAGEMENT	AREAS OF INTEREST	ADDRESSING THEIR INTEREST
<b>COMMUNITY AND THE PUBLIC</b> 	<ul style="list-style-type: none"> <li>→ Financial and non financial contributions</li> <li>→ Philanthropic activities</li> <li>→ Volunteerism programmes</li> <li>→ Events and roadshows</li> <li>→ Materiality survey</li> </ul>	<ul style="list-style-type: none"> <li>→ Social and economic development contributions</li> <li>→ Socio-environmental impacts</li> </ul>	<p>We strive to be a strategic partner and a positive force in our local communities.</p>
<b>VALUE CHAIN PARTNERS</b> <ul style="list-style-type: none"> <li>→ Third-Party Suppliers and Vendors</li> <li>→ Event Sponsors</li> </ul> 	<ul style="list-style-type: none"> <li>→ Contract bidding and procurement management</li> <li>→ Training and talent management</li> <li>→ Programme roadshows</li> <li>→ Programme licensing negotiations</li> <li>→ Materiality survey</li> <li>→ Video conferencing and video calls</li> </ul>	<ul style="list-style-type: none"> <li>→ Fair procurement</li> <li>→ Efficient supply chain management</li> </ul>	<p>Supplier relationships are governed by our supplier code of conduct. Conforming to international ethical standards, these guidelines stipulate the conduct expected from suppliers in areas such as economic sustainability, environmental sustainability and social responsibility.</p>
<b>INTEREST GROUPS</b> <ul style="list-style-type: none"> <li>→ Non-Governmental Organisations</li> <li>→ Industry Analysts</li> </ul> 	<ul style="list-style-type: none"> <li>→ Regular and ad-hoc meetings</li> <li>→ Official launches</li> <li>→ Events</li> <li>→ Open dialogue</li> <li>→ Interviews, press releases and websites</li> <li>→ Materiality survey</li> </ul>	<ul style="list-style-type: none"> <li>→ Company's performance</li> <li>→ Rights of vulnerable groups</li> <li>→ Future direction</li> <li>→ Digital media's influence on society</li> </ul>	<p>Views of interest groups are included when considering the societal impact of operations.</p>
<b>INDUSTRY PEERS</b> 	<ul style="list-style-type: none"> <li>→ Conferences and meetings</li> <li>→ Industry workshops</li> <li>→ Networking events</li> <li>→ Materiality survey</li> </ul>	<ul style="list-style-type: none"> <li>→ Our performance</li> <li>→ Compliance</li> <li>→ Development within the media industry</li> </ul>	<p>We have an excellent record of collaborating with key partners and engage with thousands of industry players and other stakeholders every day. Sharing ideas and inspiring positive change allows us to continue making the greatest possible difference.</p>

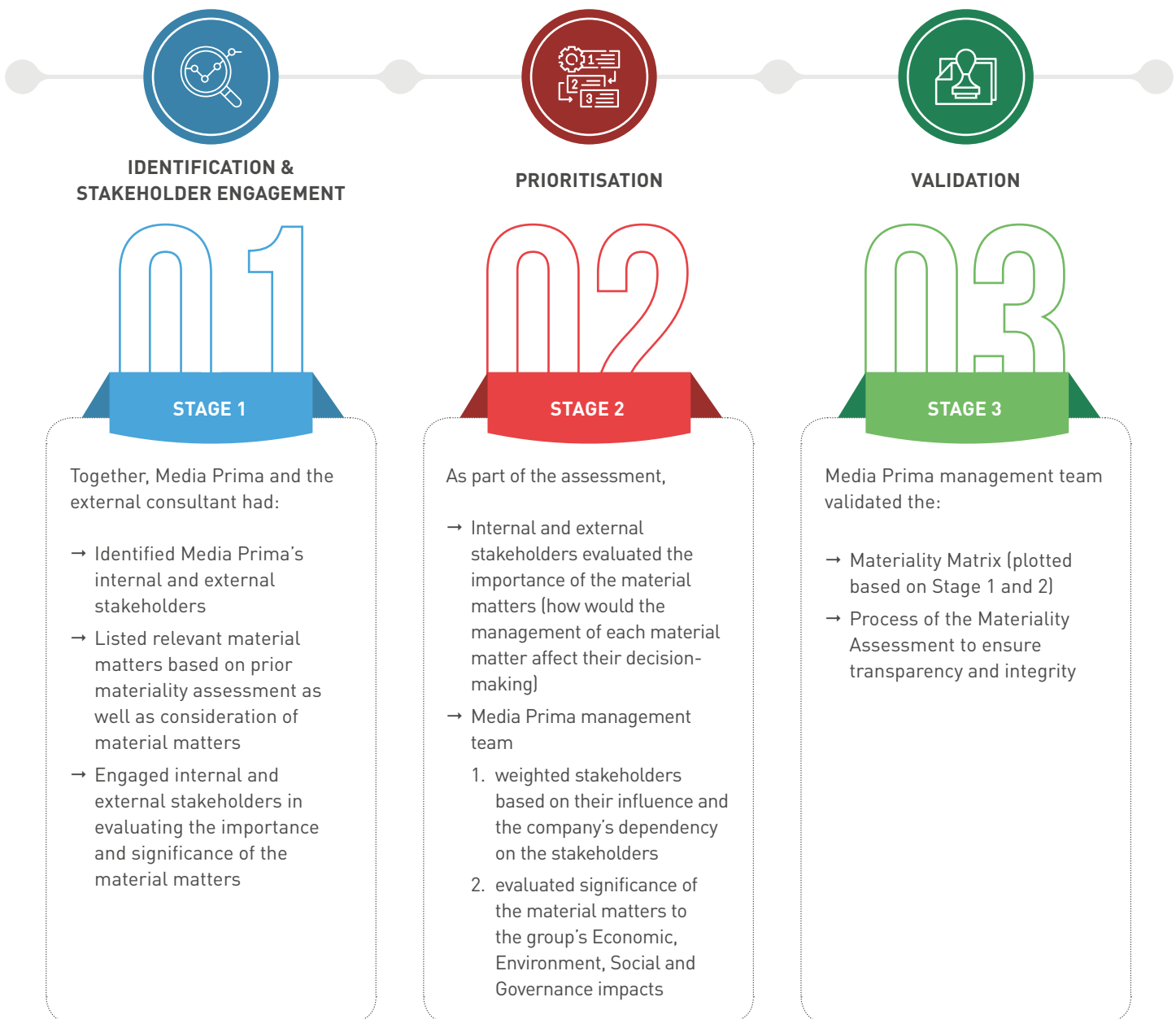


**MATERIALITY ASSESSMENT**

Material matters are aspects that would affect our business ability to create value over time – those that diminish value are known as ‘risks’ and those that support value creation are known as ‘opportunities’. A Materiality Assessment is conducted to identify and prioritise sustainability matters that are important to Media Prima and its stakeholders.

In 2021, Media Prima engaged an external consultant to conduct a Materiality Assessment to review the relevance of identified material matters.

The process of Materiality Assessment is depicted in the chart below:



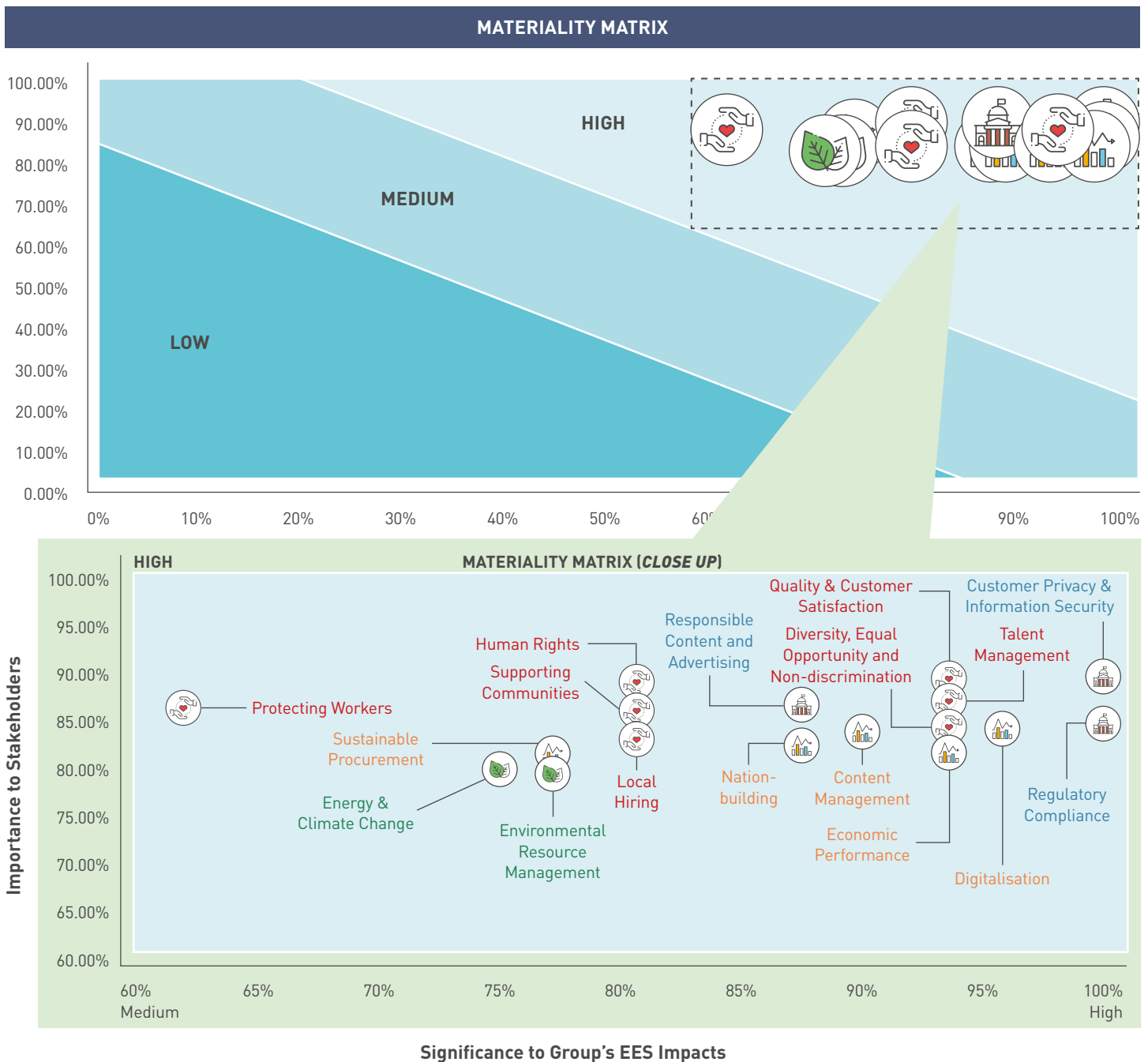
Based on the Materiality Matrix (see next page), all identified seventeen (17) material matters are of high importance and have been categorised into 4 aspects – Economic, Environment, Social and Governance.

This sustainability report will elaborate on the management of opportunities and risks for each of the material matters.

# sustainability statement

## MATERIALITY MATRIX

Based on the materiality matrix below, seventeen (17) material matters were identified to be of high priority. The higher the material matter is on the graph, the more important the material matter is to our stakeholders; this would influence decision-making on their engagement with Media Prima. Material matters that are located towards the right most of the graph means that they would have significant impact to the Group's EES performance.



The material matters are categorised into the following four (4) aspects:



ALIGNMENT OF MATERIAL MATTERS TO UNSDG



GOVERNANCE

MATERIAL MATTERS	WHY IT MATTERS TO US	CONTRIBUTION TO UNSDG
M1 Regulatory Compliance	Prevent corrupt and anti-competitive behaviour and complying with all other economic, environmental and social legislation	
M2 Responsible Content and Advertising	Provide adequate and accurate information to our audience and leverage on our reach to advocate economic, environmental and social matters	
M3 Customer Privacy and Information Security	Protect the safety, interest and privacy of customers	



ECONOMIC

MATERIAL MATTERS	WHY IT MATTERS TO US	CONTRIBUTION TO UNSDG
M4 Economic Performance	Ensure equity of the economic value generated and distributed among different stakeholders as well as the economic impacts throughout society	
M5 Nation-building	Develop local infrastructure and services which will have an impact on the local community	
M6 Digitalisation	Stay competitive during rapid shifts in media landscape to digital advertising, home shopping, e-commerce, mobile apps and streaming	
M7 Content Management	Manage content for traditional and digital distribution channels to ensure relevance	
M8 Sustainable Procurement	Support of local suppliers and promote good environmental and social practices throughout the supply chain	

# sustainability statement










## ENVIRONMENT

MATERIAL MATTERS	WHY IT MATTERS TO US	CONTRIBUTION TO UNSDG
M9 Environmental Resource Management	Manage materials, water, effluents and waste used and produced by the company due to operational or non-operational activities	 
M10 Energy and Climate Change	Manage emissions and energy relating to company's operational and non-operational activities	 



## SOCIAL

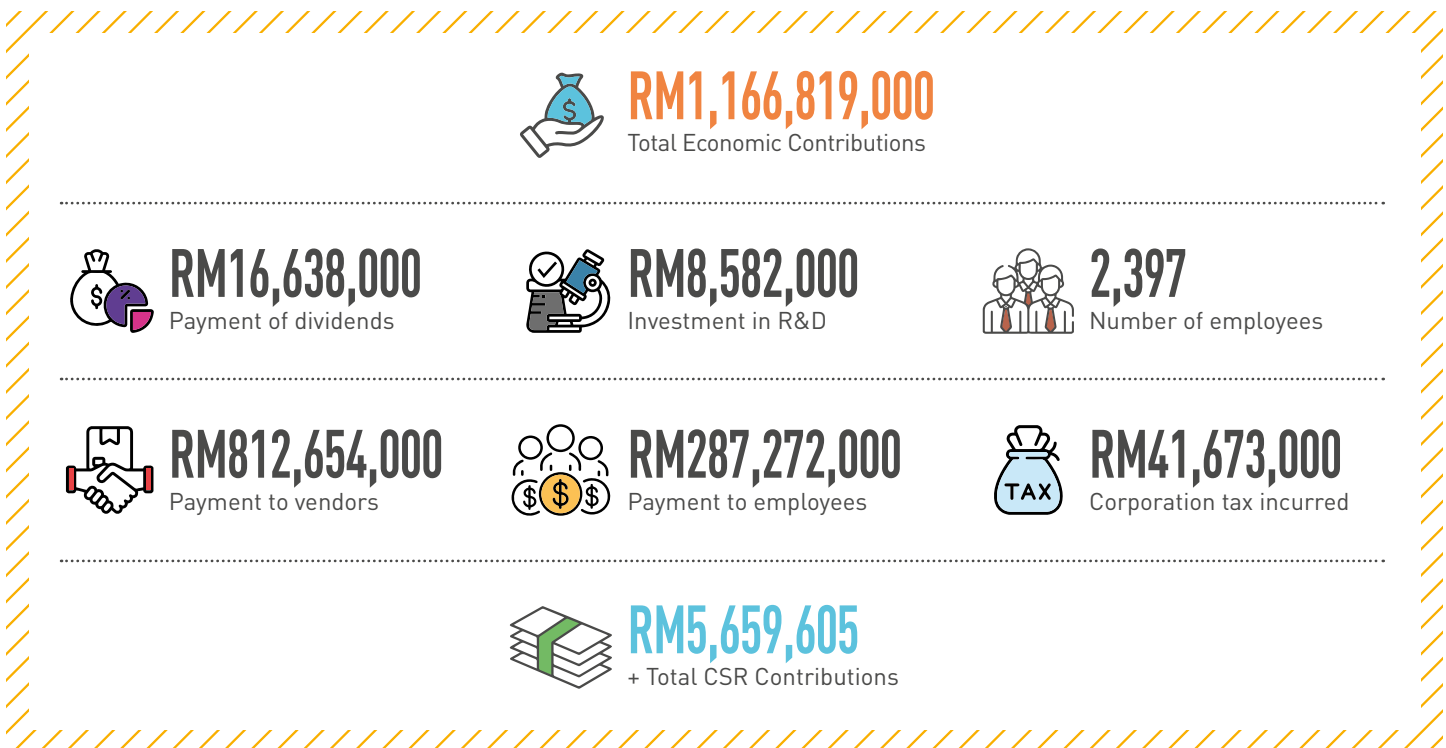
MATERIAL MATTERS	WHY IT MATTERS TO US	CONTRIBUTION TO UNSDG
M11 Talent Management	Approach to hiring, recruitment, retention, working conditions as well as training, upgrading employee skills, performance and career development	 
M12 Local Hiring	Contribute to economic development in local areas and communities in which we operate	 
M13 Protecting Workers and Human Rights	Protect workers' rights to join unions, enjoy a healthy and safe working environment, work without force or coercion. This includes protecting human rights, especially those from the minority group as well as young talents	 
M14 Diversity, Equal Opportunity and Non-discrimination	Approach to ensure diversity and equal opportunity at work, eliminating all forms of discrimination	
M15 Supporting Communities	Support those living and/or working in areas that are economically, socially or environmentally within our reach	   
M16 Quality and Customer Satisfaction	Promoting quality throughout operations to ensure high levels of customer satisfaction	



**ECONOMIC**

**ECONOMIC PERFORMANCE AND NATION-BUILDING**

The Group understands the importance of its role in ensuring strong economic performance such that it will be able to positively contribute to all its stakeholders as well as the nation’s Gross Domestic Product (GDP). Below are some of the Group’s economic contributions to the industry for 2021:



**INTEGRATED SOLUTIONS IN ADVERTISING SPACE**

Leveraging their profound understanding of Malaysians, Media Prima Omnia (“Omnia”) made great strides in revenue growth with its integrated solutions that reached out to 98% of households, penetrating various layers of society. One of the key campaigns in 2021 which demonstrated Omnia’s expertise and effectiveness was the multi-platform collaboration with Lazada. The “Lazada 11.11 Super Show” was broadcasted simultaneously on TV3 and ntv7 with a simulcast on YouTube, Facebook Live and 11 Big Tree Powerscreens.

Another successful collaboration was Samsung’s Keluarga Epik television drama which achieved a viewership of 2.3 million. Samsung’s advertising via Media Prima content, platforms and products has grown 225% since Omnia’s inception in 2020. Other successful campaigns include collaborations with Foodpanda and Shopee. Foodpanda’s advertising with Omnia grew by 72.5% since 2020, while Shopee’s grew by 205.8%.

With Omnia as their trusted partner, Disney+ Hotstar achieved effective brand expansion with campaigns across TV3, 8TV, all Media Prima radio stations and out of home (OOH) media, announcing their launch with outstanding prominence.

# sustainability statement



▲ Big Tree launched its largest digital out-of-home display called CuBig @ KLCC Junction.

## ADDITIONAL CHANNEL FOR EQUITABLE QUALITY EDUCATION

DidikTV KPM, launched in February 2021, was conceptualised by the Ministry of Education and Media Prima to provide additional access to quality education for students nationwide. The channel broadcasts teaching and learning content based on the Ministry of Education’s curriculum and co-curriculum.

Not only did DidikTV KPM manage to reduce the curve on a prevailing issue of educational inequality, but it also helped elevate the education level for the rural sector students to have a more promising future.



## STRATEGIC PARTNERSHIPS TO EXPAND REACH

The sustainability of media companies involves adapting to the shifting technological environment and taking advantage of strategic collaboration. As one of Malaysia’s largest content production houses, Primeworks Studios benefitted from the fast-growing video streaming market. In 2021, we achieved an impressive 400% increase in content sales revenue driven by strategic partnerships with streaming services including Disney+ Hotstar, iQiyi and WeTV. Our strong partnership with these international streaming platforms allowed us not only to expand our digital footprint and audience reach but to also promote Malaysian content overseas.



Increase in content sales revenue

## INTERACTIVE ADVERTISING FOR EFFECTIVE MARKETING

In May 2021, Big Tree launched its largest Digital Out-of-Home (DOOH) display named CuBig @ KLCC Junction. We received a consistent 90% occupancy since the launch of this screen in 2021. Observing the trend of growing interest in DOOH, we increased our DOOH inventory in 2021 and plan to establish a greater coverage of premium DOOH in the Klang Valley and at multiple market centres in Malaysia. Big Tree also aims to upgrade and create more contemporary upscale impressions incorporating modern aesthetics.



## CONTRIBUTION TO THE GROWTH OF OUR LOCAL CONTENT CREATION INDUSTRY

Primeworks Studios bagged 8 wins at the 31st Malaysia Film Festival. These awards reflect the Group’s contribution towards the growth and progress of the local film industry. The award-winning films were Sangkar, Ejen Ali The Movie and Wira.

Other productions that won award achievements included EJEN ALI (Anugerah Bintang Popular Berita Harian 2021), EJEN ALI MISI: JUANG (ContentAsia Awards), ISTERI MISTERI (Asian Academy Creative Awards 2021) and BONUS VACATION (Seoul International Drama Awards 2021).

**ACCOMPLISHMENTS IN OTHER NOTABLE AREAS**

The New Straits Times Press (NSTP) worked hard to turn around our publishing segment, returning it to the black in 2021. To remain sustainable, it is important that we not only incorporate new strategies but also sustain and perpetuate our identity as a transparent and responsible media group. Our award-winning team of journalists and editors are committed to upholding the highest standards of impartiality and living up to our reputation for responsible and trusted journalism.

NSTP bagged a total of 18 awards, including five top awards at the Malaysia Press Institute-Petronas Journalism Awards 2020. At the same award ceremony, TV3's Majalah 3 won the Best Video Documentary for Benteng Biru Hijau – Virus Maut.

REV Media was awarded Best Digital Publisher of the Year by the Malaysian Digital Association's ("MDA") Awards 2020, bringing home the Gold Award for the second consecutive year. It also won the Best Use of Data Silver Award for its campaign with EcoWorld titled "Shaping Opinions Through The Opinions Of Others".

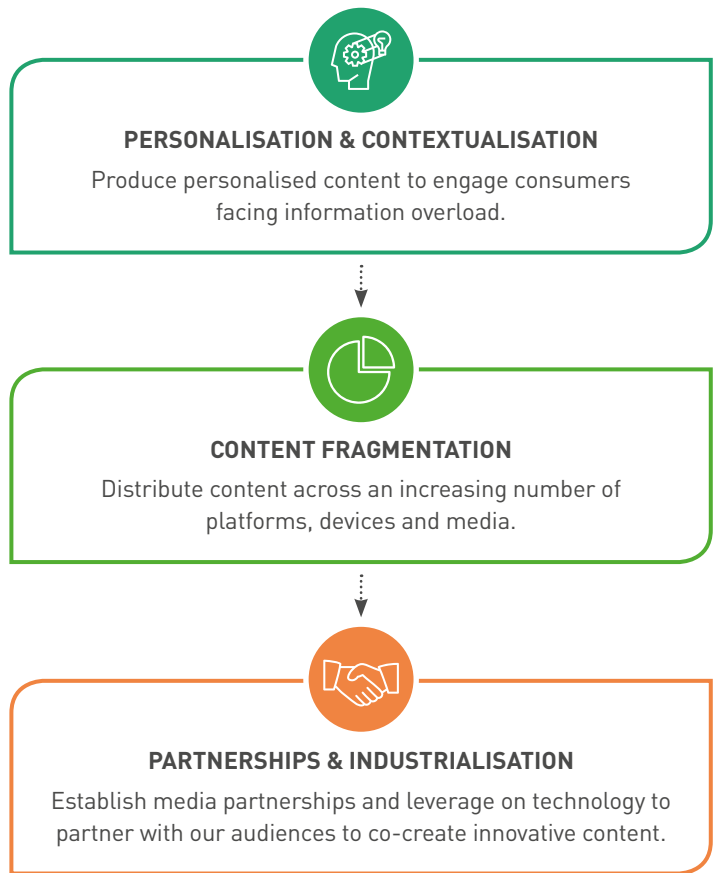
REV Media received the Excellence in Sports/Esports Marketing (Silver) by Marketing Excellence Awards 2020 for the launch of the esports campus tournament, XPAX Kejohanan E-Sukan Kampus (KEK) 2019.



▲ TV3's Majalah 3 won the Best Documentary Video for Benteng Biru Hijau - Virus Maut, at the Malam Wartawan Malaysia 2021.

**DIGITALISATION**

Digitalisation implies much more than merely embracing digital technology. We can harness the benefits of digital technologies to spur innovation, improve efficiency and enhance customer experience. At Media Prima, we continue to leverage digital technologies to strengthen business resilience and develop growth opportunities. Despite working from home, we have kept audiences entertained throughout lockdowns, developing new and quality content, thus helping the media industry become more sustainable. Our digital themes below ensure our operations are aligned to our digitalisation journey and our vision - To be the leading digital-first content and commerce company.



Championed by REV Media, our digital segment has become a prominent player in Malaysia's digital space. We represent over 35 top authority brands across multiple languages and genres, and command a total digital audience reach of 15.2 million. We have built a large social media following across Facebook, Instagram, YouTube, TikTok and Twitter with a combined social reach of 93.3 million followers in December 2021.

# sustainability statement

Across the Group, our digitalisation initiatives are seeing positive growth. We are inspired to continuously deliver greater value to our audiences across all platforms. We shall persist to keep a finger on the pulse of society for the latest social trends and respond with agility to dynamic changes in digital habits across all demographics.

# 93.3 million

Total social media followers



## LAUNCH OF NEW MOBILE GAME APP EJEN ALI: AGENTS' ARENA

Riding on the popularity of Ejen Ali, this is the latest mobile game to join the popular Ejen Ali mobile game family. In 2021, the Ejen Ali mobile game series accumulated over 3.7 million downloads and 201,000 monthly active users.

## GROWTH IN ESPORTS BY GOING 'LOKAL' AND VIA PESTA GAME

The gaming market is one of the largest in Southeast Asia, worth US\$100 million in 2018. Thus, REV Media Group believes going lokal ('lokal' is the BM word for local), is the essential next step in IGN's regional evolution. In 2021, IGN Southeast Asia – Bahasa Malaysia achieved a monthly reach of 5.9 million audience. We also anticipate our audience to increase by an estimate of 1.5 million monthly visits and 700,000 monthly active users. We hosted Malaysia's first virtual sports day, Pesta Game, whereby local YouTubers faced each other in various esports. Organised by YouTube Malaysia in collaboration with MyGameOn and IGN SEA, the match was streamed live in Bahasa Malaysia across some of Malaysia's biggest YouTube channels.



▲ We held Malaysia's first virtual sports day, Pesta Game, where local YouTubers battled each other in various esports.

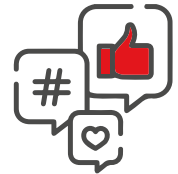
## INCREASING DIGITAL REACH AND PRESENCE

In 2021, our online news increased its online readership by 44% from 5.17 million to 7.45 million. Our strong social media following in 2021 was led by our Facebook pages for Berita Harian Online at 5.9 million followers and Harian Metro at 5.7 million followers.

In 2021, WOWSHOP grew its digital presence and achieved:

# 33%

increase in engagement rate from new Facebook Live and WhatsApp platforms



# 230,000

total followers (Facebook & Instagram)



# AUDIO+

In August 2021, we refreshed and re-strategised our radio business to stay relevant for our audience. AUDIO+ became the home for all radio, digital and social content. AUDIO+ garnered a 71% increase of total active users in September. The app also contributed a huge increase in overall digital listening, with an increase of 2.5 million listens for the month of August 2021 compared to July 2021.

Source: Comscore for web and mobile, Unity Analytics, RADIOactive analytics

## CONTENT MANAGEMENT

Being Malaysia’s leading fully-integrated media company, content creation and management is of utmost importance to Media Prima to stay relevant in the industry and meet the demands of its customers. Here we highlight the initiatives taken by different business units across the Group to produce great engaging content and grow our content distribution.

### TV NETWORKS CONTINUE TO BE RELEVANT FOR TARGETED AUDIENCES

Despite changing trends in consumer habits and emergence of new media popularity, our flagship brands TV3, TV9, 8TV and ntv7 remained resilient. We prevailed as the most watched television network with our channels capturing over 33.6% of Malaysia’s television audiences. In 2021, TV3 reached 31.8% (Malay 4+) of broadcast audiences and 8TV’s audience share increased to 40.6% (Chinese 4+). In broadcast news, Buletin Utama attracted an average viewership of 2.9 million in 2021 while 8TV’s Mandarin News remained the number one television programme among Chinese audiences.

Majalah 3’s production, Covid-19 Special Series on TV3 touched the hearts of Malaysians from all walks of life. In collaboration with KKM and PMO, the series helped raise public awareness on the dangers of Covid-19. In particular, the episode titled “Kita Masih Belum Menang” moved viewers to tears.



### EXPERIMENTING “SHOPPERTAINMENT” CONTENT IN COMMERCE

2021 was a content experimental year for WOWSHOP. We explored a variety of content concepts and formats. Innovative creations combining interactive and exciting elements to entertain customers as they shop led to the production of new “shoppertainment” type of content such as WOW Bazaar, Trendy Tahirah and Keluarga Sebelah. Moving into 2022, WOWSHOP will work closely with Omnia to provide clients with packages which would encompass a combination of commercial air-time and commerce space.

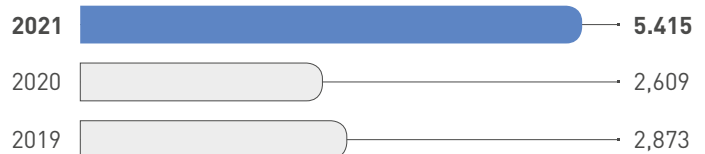


## ENTERTAINMENT

Primeworks Studios is the creative force behind a wide range of content genres, producing over 2,000 hours of compelling content annually for a range of platforms including television, cinema and digital. Innovative content creation is the essence of sustainability in the media industry. In 2021, the hours of content produced via Primeworks Studios more than doubled that of previous years.

We continue to produce great local content which captivate the hearts and minds of our audiences across demographics.

### Hours of Content Produced



Kekasih Hati Mr Bodyguard the drama sequel managed to draw 8.2 million viewers during the 13 episode screening and was also a hot topic on social media. The final episode of this sequel managed to record 3.1 million viewers on TV3. The drama was also popular on Disney+ Hotstar.

The third season of our multiple award-winning animation series, Ejen Ali, is planned to be released in 6 territories across Southeast Asia in 2022. This marks Malaysia’s first animation co-production with Disney+ Hotstar from Primeworks Studios and WAU Animation. A film sequel, Ejen Ali The Movie 2, is also planned to be released in 2023.

## DIGITAL MEDIA

TV3MALAYSIA Official remained one of the most watched on YouTube Malaysia with 5.02 million subscribers and 552,612,437 views.

SAYS is one of Malaysia’s top social news website, with 4 million readers and over 11 million average monthly page views; while SAYS SEISMIK the sister site of SAYS, reaches out to affluent and urban audiences in Bahasa Malaysia with a reach of 4.2 million average monthly page views.

# sustainability statement



## SOCIAL

### TALENT MANAGEMENT

Our most valuable assets are our people and the talent we nurture. They are the differentiating factors that shape our success. At Media Prima, we strive to cultivate a diverse and inclusive working environment that promotes collaboration and inspires innovation to achieve high performance. Our people strategy remains as our anchor, as we continue to reshape and adapt to navigate through economic turbulence.

#### HR PILLARS



##### Re-shaping Workforce Excellence

Strategic organisational and workforce planning that enables a significant contribution in business performance and meets the organisation's new challenges (i.e., process, policy, system).



##### Building Talent Capabilities

Nurturing a competent workforce and accelerating our workforce to future works by developing their leadership, functional & organisational competencies and core values via a new mode of learning.




##### Enriching Employee Engagement

Embarking on efforts to promote effective communication as well as to foster better relationships between management and employees.

Anchored By Media Prima DNA  
Integrity. Innovative. Entrepreneurial Spirit.

Impact  
Attract. Engage. Retain. Grow.

2021 continued to be a challenging year where we were forced to be agile and adapt to new ways. The disruptive changes caused Media Prima to classify our Talent Development strategy as mission-critical. As the world embraced a new normal, we as leaders had to transform and positively evolve.




In 2021, Media Prima was named as one of Malaysia's Top 100 Leading Graduate Employees

**OUR PEOPLE'S LEARNING AND GROWTH**


Growth is an integral part of Media Prima's Talent Development strategy. During the Covid-19 pandemic, we encouraged and empowered our employees to undertake self-development opportunities to address their skill gaps and upskill accordingly. The pandemic hastened our transition to online and remote learning. Below are some achievements for the year:

**RM227,036** 

Total investment in Training and Development

**2,051** 

Total training man-days in 2021

**147**  **7** 

Total no. of courses | training hours on average per year per employee

**CONTINUED ENGAGEMENT TO UPKEEP EMPLOYEE MORALE AND WELLBEING**

As employees persevered working-from-home during the lockdown, we continued to deploy various virtual engagement activities to boost employee morale. In line with our Talent Development Strategy framework, we placed high emphasis on engagement to ensure that our employees have a strong sense of belonging and are taken care of physically and psychologically.

We were one of the first companies in Malaysia to fund a group-wide vaccination programme to ensure our employees get vaccinated early. We were also one of the first companies in Malaysia to introduce regular fortnightly testing at work. The Group took extra steps to ensure employees feel supported in their battle with Covid-19 by delivering care packages. In addition, we conducted health and wellness initiatives after work to reduce stress and improve wellbeing during the pandemic.

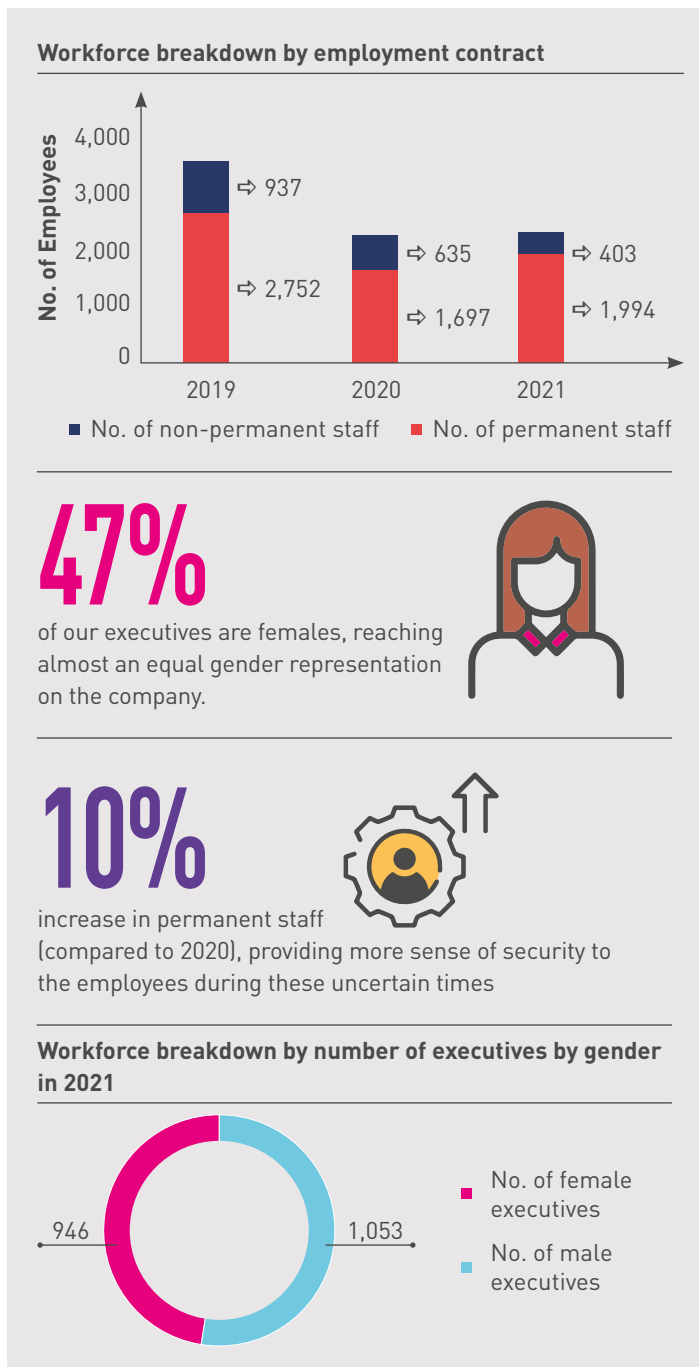


▲ We were one of the first companies in Malaysia to fund a group-wide vaccination programme to ensure our employees get vaccinated early.

# sustainability statement

## DIVERSITY, EQUAL OPPORTUNITY, AND NON-DISCRIMINATION

Media Prima is committed to continuously engage all our employees respectfully and fairly. We strive to offer equal opportunities for all, regardless of an individual's race, gender, religion and any other attributes unrelated to employment expectations. We comply strictly with prevailing legislation on employment rights, including the prohibition of hiring minors.



## EMPLOYEE WELFARE AND BENEFITS

The emphasis on employees has always been a part of our company culture. We recognise and reward employees for good performance. We provide employment benefits to employees of all levels. We practise fair remuneration and comply with local labour legislation and any collective bargaining agreements that specify remuneration-related matters. All forms of discrimination are prohibited in our Code of Conduct and Business Ethics. Below are some of the benefits enjoyed by our employees:

- Medical benefits for employees and their dependents
- Group term life and personal accident insurance
- Social Security Organisation (SOCSO)
- Flexible working arrangement and staggered hours
- Remote office
- Annual leave, pilgrimage leave and maternity/paternity leave
- Employee's Provident Fund
- Performance bonus (subject to profitability)
- Various allowances
- Festive subsidy

## LOCAL HIRING

We understand that we are able to play an important role in reducing the unemployment rate of the nation. In 2021, we actively participated and supported our Government's initiatives to increase employment opportunities for Malaysian citizens.

These initiatives include Program Insentif Pengambilan Pekerja dan Bantuan Latihan (PENJANA KERJAYA) by SOCSO, an incentive to encourage employers to employ unemployed Malaysians, post-

graduates and post-school graduates as employees or apprentices. We have also successfully on-boarded 28 Proteges in 2021 via our Protégé Programme, which aims to equip graduates with the right skills through industrial attachment.

Media Prima was named “Majikan Prihatin” (Caring Employer) by SOCSO under the Penjana 2.0 scheme for the effort of hiring vulnerable groups/employees with physical disabilities.



### PROTECTING WORKERS AND HUMAN RIGHTS

As part of Media Prima’s commitment to protect its employees safety and rights, we comply with the Occupational Safety and Health Act (OSHA) 1994, which includes new safety and health regulations as stated below:

#### OSHA 1994 Section 15

15. (1) It shall be the duty of every employer and every self-employed person to ensure, so far as is practicable, the safety, health and welfare at work of all his employees.

We are committed to providing all employees, visitors and contractors with a safe and sustainable workplace. We are also committed to protecting the health and safety of our workers and eliminating work-related illness and injury. Zero harm is the ultimate goal; ensuring our people are not hurt at work and can return home without injuries is of paramount importance. Below are the indicators of the Group’s health and safety report as of 2021:


INDICATOR	2019	2020	2021
Injury rate for total workforce	0.9	0.8	0
Occupational diseases rate for total workforce	0	0	0
Lost day for total workforce	76	75	0*
Absolute number of fatalities for total workforce	0	0	0


\* Due to employees working-from-home for most of 2021

Additionally, the Group has implemented the following initiatives to keep our employees safe:


**media prima** MEDIA PRIMA INITIATES MOVEMENT CONTROL ORDER RESPONSE PLAN

**THE MEDIA PRIMA MCO RESPONSE PLAN**  
Will be implemented across the Group comprising, among others, rotational on-site and virtual operations, and on-site split teams operations.







Awareness of Covid-19 impact through posters and emails




Provision of Personal Protective Equipment (PPE) to frontliners




Provision of hand sanitisers in strategic places



Use of detergents that can eliminate Covid-19 virus



Placement of safety markings around office premises



Pre- and post-production safety briefings

### SUPPORTING COMMUNITIES

As the leading media group in Malaysia, it is our social responsibility to use our influence through our range of media platforms to raise awareness and highlight the struggles faced by various communities. We continue to prioritise this public duty and are committed to drive initiatives to help the people in need.

#### MEDIA PRIMA - NSTP HUMANITARIAN FUND (MPNHF)

Despite challenging economic conditions, we are grateful and humbled by the generous donations and the trust we received from the public and organisations. At Media Prima, all contributions are fully utilised for those in need, while all administrative costs in managing the funds are borne by us. In 2021, we disbursed over RM5.6 million from the MPNHF to support individuals and communities in need of financial help. Our public aid primarily focused on medical assistance, disaster relief and poverty relief.

# sustainability statement

## Humanitarian Medical Assistance

The MPNHF helped 140 individuals undergo life-saving surgeries, medical treatments, prosthetic and orthopaedic treatments. These included surgery cases referred by government hospitals across the country, 1 beneficiary of a prosthetic limb and 1 beneficiary of a 3D Boston brace for corrective spinal posture. The surgeries and treatments were conducted in Gleneagles Hospitals, Sunway Medical Centre and Teh Lin Prosthetic and Orthopedic.



**RM1,780,807**

Funds Disbursed



**140**

beneficiaries

## Humanitarian Poverty Relief

To lessen the burden of the impoverished, a total of 2,250 asnaf received aid via a CSR collaboration with the Federal Territories Ministry. 1,500 asnaf in the Federal Territories of Putrajaya and Kuala Lumpur received RM150 cash each and 750 asnaf in the Federal Territory of Labuan received food baskets worth RM100 each.



**RM300,000**

Funds Disbursed



**2,250**

beneficiaries

## TV3 Bersamamu

Since its inception in 2005, the TV3 Bersamamu Fund has encouraged public participation and contribution through the popular television programme Bersamamu and related activities on the ground. Today, the TV3 Bersamamu Fund is within the ambit of the MPNHF as it continues to provide help to those in need. In 2021, we featured the plight of many and provided relief in the form of financial and medical assistance that helped 225 beneficiaries.



**RM1,829,557**

Funds Disbursed



**225**

beneficiaries

## Bantuan Metro Prihatin

Bantuan Metro Prihatin is a fund launched in 2019 by Harian Metro under the purview of MPNHF. It is dedicated to providing financial support to those less fortunate. Harian Metro has published numerous community stories along with appeals from those in need since 1991. For the past six years, these stories have also been highlighted under a permanent column named Metro Prihatin. In 2021, 22 beneficiaries received aid in the form of financial relief and medical assistance from Bantuan Metro Prihatin.



**RM110,069**

Funds Disbursed



**22**

beneficiaries

**Bantuan Kemanusiaan Covid-19**

In efforts to support our Government’s battle against the Covid-19 virus, donations were channelled to fund the purchase of 9 Top Loading Vaccine Refrigerators for the Malaysian Armed Forces and the Ministry of Health, to facilitate the distribution of vaccines to remote areas across the country for the national immunisation programme.



**RM166,500**  
Funds Disbursed

**Tabung Bencana**

Tabung Bencana NSTP - Media Prima was launched in 2009 to provide humanitarian aid to victims of natural disasters. In January 2021, our Briged Sukarelawan Media Prima – NSTP contributed over 700 sets of hygiene kits to Jabatan Kebajikan Masyarakat Negeri Terengganu and cash vouchers to 240 families in Kuantan, Pahang. In response to the nationwide floods in December 2021, we distributed hygiene kits to 280 families in Hulu Langat, Selangor.



**RM36,009**  
Funds Disbursed



Cash Vouchers  
240 families

Hygiene Kits  
980 families

**CONTINUED SUPPORT FOR PANDEMIC-STRICKEN BUSINESSES AND PEOPLE**

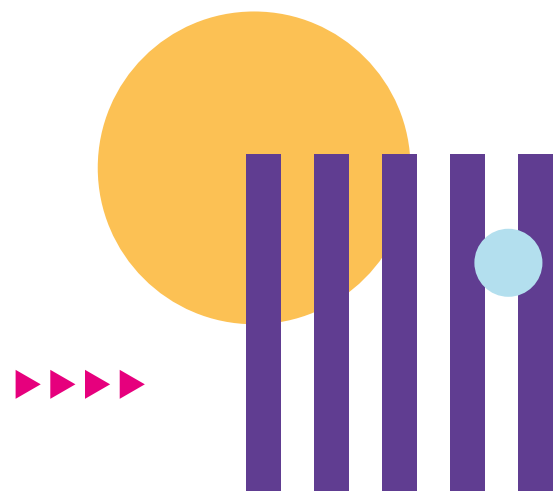
Throughout the year, we remained committed to helping Malaysians cope with the pandemic. **#SupportLokal** is an ongoing campaign which was launched in February 2021 by Media Prima Audio (MPA) to support local businesses and spur economic development by promoting their products. To date, the campaign received a total of 1,000 entries whereby approximately 350 businesses were promoted on-air and via the station’s social media platforms.

**Program Amal COVAiD #BaikSemula** is a 24-hour virtual charity programme by MPA to raise funds for the MPNHF’s Bantuan Kemanusiaan Covid-19 campaign. The show featured 43 artists and reached more than 70,000 views and more than 30,000 live conversations.

MPA also ran a campaign called **AEON BersamaMu #KitaJagaKita** where listeners were encouraged to share their pandemic challenges by sending a WhatsApp message to all MPA stations. Almost 10,000 messages were received and the selected listeners were rewarded with necessities from AEON worth RM200.

**The 30 Hari 30 Frontliners campaign** was a collaboration by Hot FM, Harian Metro and CSR Central Sugars Refinery Sdn Bhd (CSR) to show appreciation to frontliners. Selected frontliners, nominated by their friends and family, received RM500 cash and groceries.

Last but not least, 8FM ran a campaign that offered listeners the opportunity to settle their bills. This campaign helped over 46 listeners with their utility bills, amounting to RM17,848 in total.



# sustainability statement



## ENVIRONMENT

### ENVIRONMENTAL RESOURCE MANAGEMENT

We aim to contribute to sustainable development through measures that minimise the environmental impact of our activities and promote appreciation for the environment. We also acknowledge the role we play in raising awareness and educating the public in environmental preservation and resource conservation, be it through our actions or communication.


Following the guidelines below, Media Prima had zero cases of penalties or fines in 2021:



RESOURCE CONSUMPTION

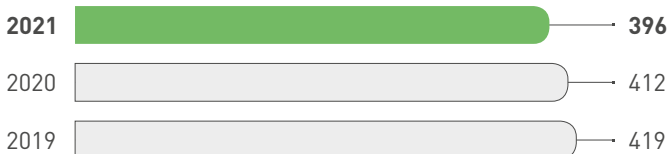
We acknowledge that printing causes environmental impacts like deforestation and chemical effluence. In response to this, we have taken sustainable measures to reduce the negative impact.

**Paper**  
**100%**  
 recycled paper

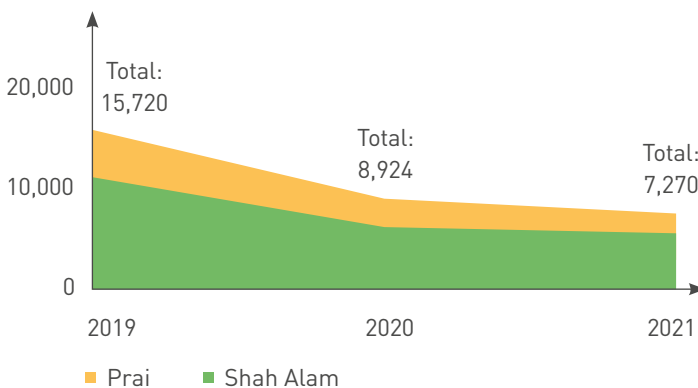


We have continued using 100% recycled paper in all our printing to improve sustainability in our use of paper resource. We are seeing a drop in demand for print order as our customers shift to digital options, resulting in a lower output per kg of newsprint (see graph on the right) as well as total decrease in paper consumption (see graph below).

No. of pages per kg of Newsprint



NSTP Paper Consumption (MT) by Plant



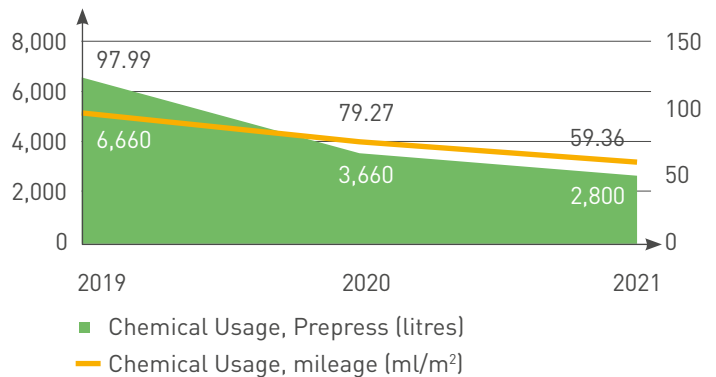
Chemical

Chemical-Free

Plates Used in Shah Alam Branch



The Group strives to keep chemical waste to a minimum because we care for the environment and the people's safety. In 2021, we introduced the use of chemical-free plates in our operations which resulted in the reduction of chemical usage. The plates are used to transfer images and text onto the printing surface. The chart below shows the decreasing trend of our total chemical usage:

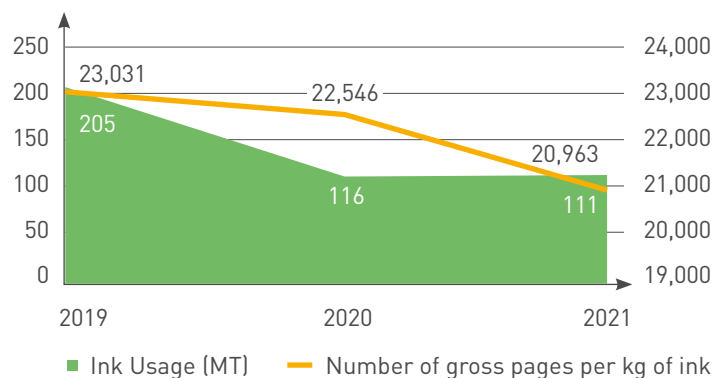


Ink

ISO 12647-3 graphic technology standard



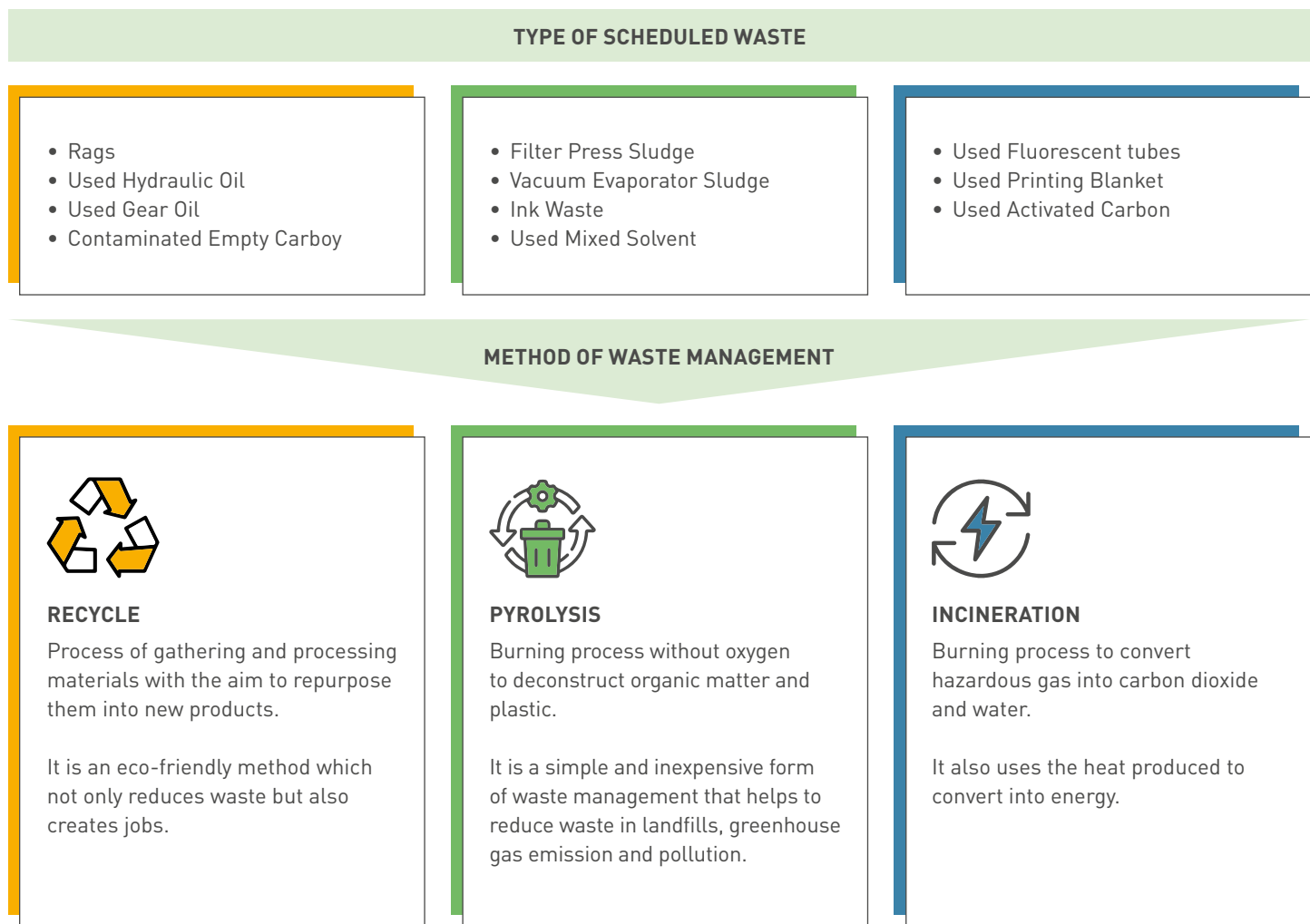
Ink is a complex material containing heavy metals which are detrimental to the environment. Our ink process control is compliant to ISO 12647-3 graphic technology standard, which contributes to UN SDG 12 Responsible Consumption and Production. Meeting global standards guarantees the quality of our printing process and hence, eliminates unnecessary reprinting.



# sustainability statement

## WASTE MANAGEMENT

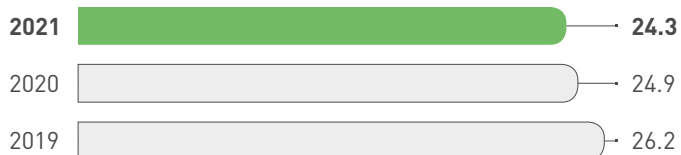
Waste management is an important responsibility of Media Prima. We ensure our daily operations pose minimal damage to the environment. The Environmental Committee is in charge of overseeing the performance of the Waste Water Treatment Plant's effluent water sample results to ensure that they meet Standard B compliances, which means meeting the conditions for discharge of industrial effluent into other inland Waters or Malaysian waters (i.e., 200mg/L for most industries). All scheduled wastes are treated and disposed safely at registered disposal facilities. The method of waste management is outlined below:



**25.1 MT** scheduled waste disposed in 2021 (2020: 20.42 MT)

*Note: Some of the scheduled waste disposed in 2021 are accumulated from 2020. Scheduled waste can be stored and disposed within 180 days.*

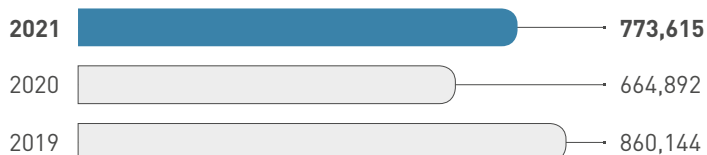
### NSTP Paper Consumption (MT) by Plant



Total scheduled waste have declined. These include:

- ⇒ E-Waste
- ⇒ Vacuum Evaporator Sludge
- ⇒ Used Oil
- ⇒ Spent Hydraulic Oil
- ⇒ Mixed Solvent
- ⇒ Rotowash Carboy
- ⇒ Contaminated Empty Drum
- ⇒ Used Rags
- ⇒ Used Printing Blanket
- ⇒ Used Activated Carbon
- ⇒ Ink Waste
- ⇒ Filter Press Sludge

### Newsprint Wastage (KG)



Newsprint Wastage include:

- ⇒ Reel Ends
- ⇒ Run-up Spoilage
- ⇒ Empty Core
- ⇒ Newsprint Covers
- ⇒ Machine Waste (Scrap Paper)
- ⇒ Test Run and Mock-ups

**100%**

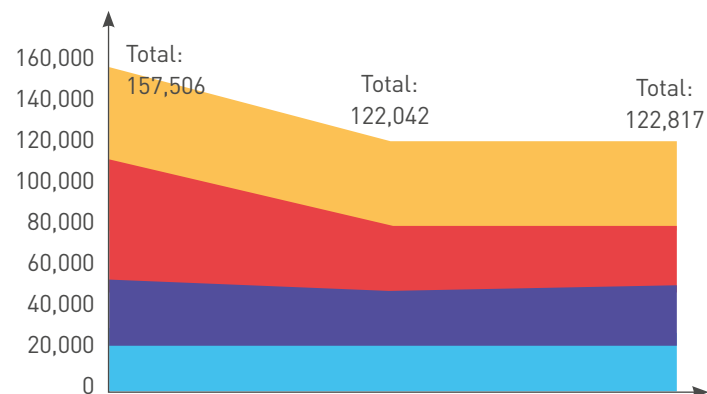
recycled to licensed contractor



Scheduled waste collected is handed off to Department of Environment (DoE) licensed contractors, for appropriate disposal in accordance with environmental regulations, while we send all paper waste to our licensed contractor for recycling.

We manage our water by shutting down unnecessary supplies and prioritising the Fire System Management and other important equipment which require water supply, for example, chillers. For consistency in water management, we send reminders to internal users to be more vigilant in using water. The Group's water consumption over the past three years is illustrated as follows:

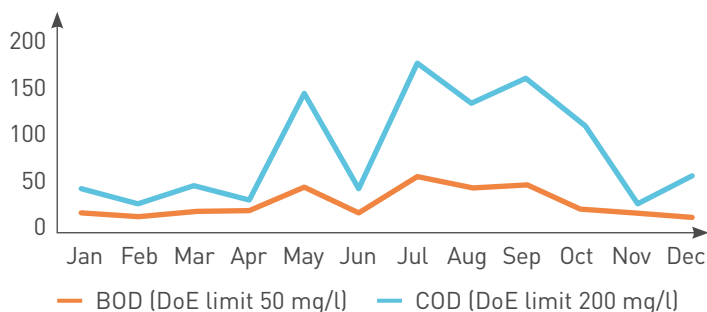
### Group Water Consumption (M<sup>3</sup>)



	2019	2020	2021
Sri Pentas	45,082	40,922	<b>42,097</b>
Bangsar	58,467	32,196	<b>30,179</b>
Prai	22,468	21,876	<b>21,210</b>
Shah Alam	31,489	27,048	<b>29,331</b>

Bangsar's water consumption reduced in 2020 due to the shutdown of non-operational areas. In 2021, the slight increase in the Group's total water consumption could be due to the commencement of employees working at their workplace.

### Effluents Management Readings in 2021



Balai Berita Shah Alam houses its own Waste Water Treatment Plant (WWTP). Wastewater generated by the plant is treated at this WWTP before being discharged safely into the drainage system. To comply with DoE, our effluent discharge is sampled every week. We test the Biochemical Oxygen Demand (BOD), Chemical Oxygen Demand (COD) and sulphide parameters to ensure they are within permissible limits set by the DoE.

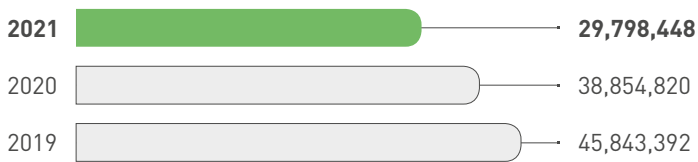
### ENERGY AND CLIMATE CHANGE

As a Group, we have policies dedicated to controlling energy consumption and minimise wastage. These are also monitored by our Energy Committee. We make an effort to improve cost-effectiveness, productivity and working conditions, with the objective to protect the environment.

# sustainability statement

To reduce energy consumption, we constantly remind employees to maintain the “No Cost Energy Saving” measures. Among the measures are switching off lights and computer screens during long office breaks, controlling air conditioners via timer for certain areas, and monitoring water usage.

## Group Electricity Consumption (kWh)

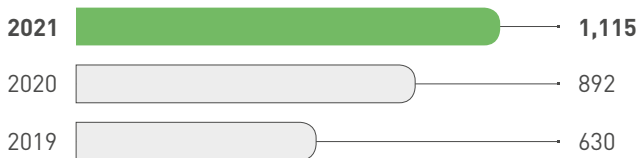


The chart shows the Group’s total electricity consumption across 3 years. All the entities have experienced a decrease in electricity consumption despite several media stations having resumed their operation. Our highest energy use component is the chillers and therefore, we have scheduled chiller managements to ensure energy use is kept low. For Big Tree’s OOH Panels, we have continued our initiatives in replacing current floodlights with LED lights which offer higher lighting efficiency with energy-saving capabilities.

## NSTP Energy Intensity

The chart shows that the NSTP’s energy intensity has increased over 3 years because of the print inefficiency. More energy is required to produce less newsprint. Even so, initiatives have been set in place to reduce the energy used in NSTP branches.

## Energy Usage (kWh) Per MT of newsprint



We are currently monitoring Heating, Ventilation, and Air Conditioning (HVAC) systems, lighting areas and compressed air use for press machines. In addition, power inverters were installed to reduce energy usage when optimum use is reached. NSTP also submits an Energy Consumption Report to the Energy Commission twice a year to ensure energy consumption is within the regulated level of 3 million kWh for 6 months. We have a designated personnel who monitors the energy usage and we are proud to report that we are within the stipulated limit.

## ENVIRONMENTAL IMPACT

### Spreading Environmental Awareness Through Radio Platforms

In 2021, the Group conducted several environmental Public Service Announcements (PSA) across our radio platforms. These include:

- ⇒ Waste Management
- ⇒ Water Management
- ⇒ Reduce Food Waste
- ⇒ Invest In Sustainability
- ⇒ Recycle, Reuse, Repurpose, Donate
- ⇒ Dangers of Fast Fashion
- ⇒ Protecting Marine Life From Plastic
- ⇒ Restoring Ecosystem

### Malaysian Wildlife Spotlited In Kuala Lumpur To Raise Conservation Efforts

Big Tree continued to develop awareness on flora and fauna conservation through the “Ilustrasi Haiwan Malaysia” campaign. We produced vibrant art featuring a series of animals unique to Malaysia and these images were displayed around the vicinity of Petronas Twin Towers. This campaign aimed to provide attention to 12 different animals such as the Malayan Tiger, Malayan Peacock-Pheasant, and Malayan Tapir by relaying facts on the specific animal’s population, conservation status, and habitat. QR codes were embedded into the visuals of each animal for passerbys to be able to retrieve this information.



Big Tree’s Ilustrasi Haiwan Malaysia campaign aimed to develop awareness on flora and fauna conservation.



## GOVERNANCE

### CUSTOMER PRIVACY AND INFORMATION SECURITY

Protecting customer privacy and information security is Media Prima’s top priority with the advanced technology the world currently brings. With our stakeholders in mind, our Group IT have developed principles and measures to minimise the risk of cyber threats.

#### PRINCIPLES OF DATA PROTECTION AND PRIVACY

These principles are the foundation of our data protection and privacy.



#### Protect

data against unauthorised access while ensuring it is accessible for legitimate purposes with a suitable degree of traceability. This protection is also extended to relations with third parties.



#### Comply

with national and international legal requirements, particularly with the Ministry of Communications and Multimedia Commission (MCMC).



#### Safeguard

adequate measures to protect data from threats, including cybersecurity, that have been identified in accordance with the level of risk associated with the loss of confidentiality, integrity and availability of information.

#### RISK PREVENTION MEASURES

The following lays out the risk prevention measures we have adopted:

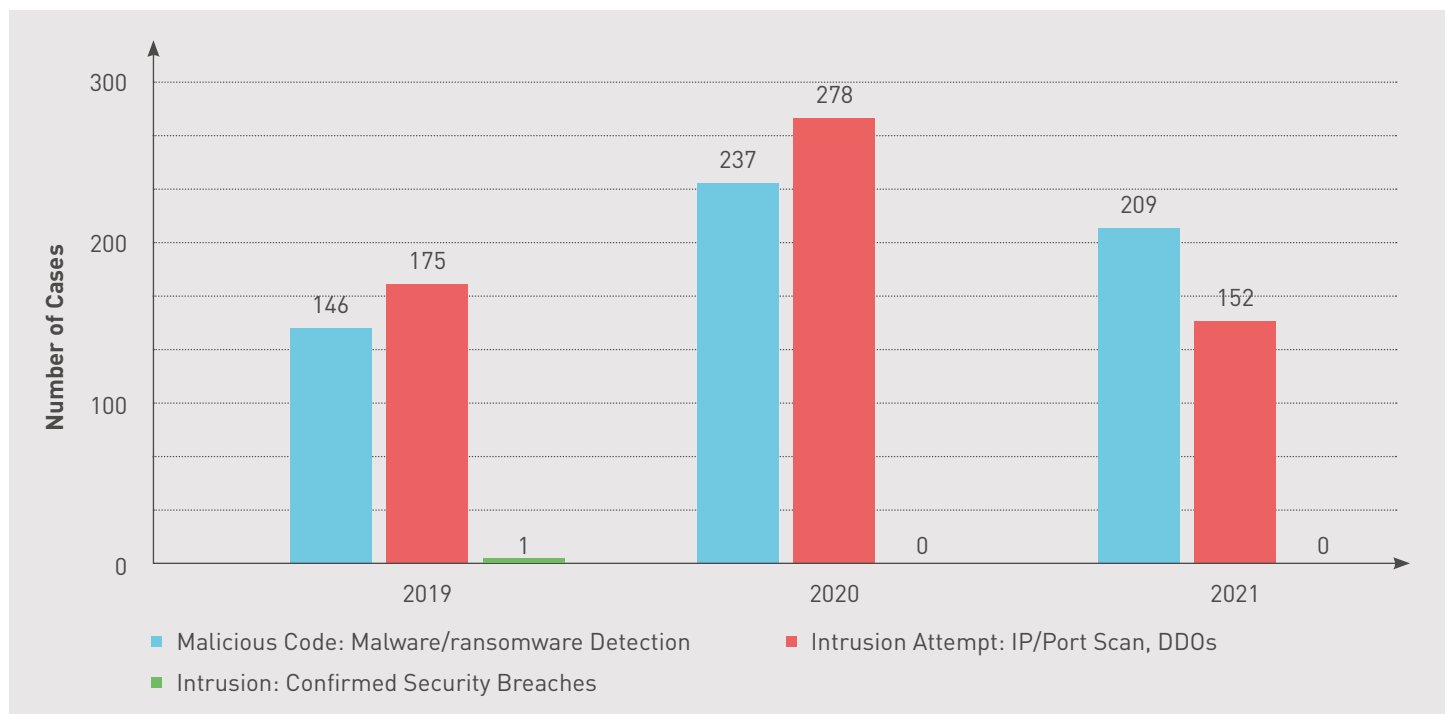
<p><b>Protect Customer Data and Privacy</b></p>	<ul style="list-style-type: none"> <li>⇒ SSL Encrypted to prevent third-party infiltration amidst conversation</li> <li>⇒ Database securely stored isolated behind Firewall and layers of security</li> <li>⇒ Transactions handled via API to prevent any data leakage</li> </ul>
<p><b>Ensure Safe Payment</b></p>	<ul style="list-style-type: none"> <li>⇒ PCI DSS Audit standard compliant for all payment processing</li> <li>⇒ Stored credentials encrypted to ensure no data can be reused by anyone or tampered</li> <li>⇒ Payments processed via authorized payment gateway providers</li> </ul>
<p><b>Manage Cyber Threats</b></p>	<ul style="list-style-type: none"> <li>⇒ Security Policy and Standards enforced and published, available to users and concerned parties.</li> <li>⇒ Physical and Environmental Security                             <ul style="list-style-type: none"> <li>- Security perimeter</li> <li>- Biometric access controls</li> <li>- Surveillance cameras and guards</li> </ul> </li> <li>⇒ Computer and Network Management</li> <li>⇒ Online Sites hosted on Google Cloud Platform with CloudFlare CDN and WAF protection.</li> </ul>
<p><b>Combat Data Piracy</b></p>	<ul style="list-style-type: none"> <li>⇒ Actively tracing and reporting pirated content to be removed</li> <li>⇒ DMCA Policy compliant to initiate takedown of the content</li> <li>⇒ Content manager/copyright manager used to review and issue takedown based on the content review</li> </ul>

# sustainability statement

In 2021, there were 83% less intrusion attempts, which also resulted in 13% decrease in malware or ransomware detection. We are proud to report 0% intrusions.

## Summary of Cybersecurity Attack/Malware Attempt 2019 - 2021

Source: Mesiniaga SOC and Cloudflare



# Investor Relations

At Media Prima, we are committed to effective, transparent and regular communication. We place high importance in ensuring that our stakeholders have a sound understanding of the Group's performance and position while we navigate an agile business environment.



Throughout the financial year, we provided the investment community with an in-depth understanding of our performance, business strategy and investment thesis. Our key financial results and operating metrics are released publicly to Bursa Securities on a quarterly basis. Our quarterly releases 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.

Our corporate website ([www.mediaprima.com.my](http://www.mediaprima.com.my)) remains an important communication platform for Media Prima. We have a dedicated Investor Relations portal ([www.mediaprima.com.my/investor-relations](http://www.mediaprima.com.my/investor-relations)) that is updated regularly with the latest corporate, financial and stock information, and our quarterly results presentations upon release of our financial results.

Furthermore, our analysts and shareholders also have direct access to

our Investor Relations team for any queries on the Group's financial performance and position. We additionally maintain regular communication with our analysts and institutional shareholders via conference calls and one-on-one and group meetings.

## ENGAGING THE INVESTMENT COMMUNITY IN 2021

The nationwide lockdowns and social distancing measures did not deter us from engaging with the investment

# investor relations

community. In 2021, our dialogue with the investment community included virtual one-on-one and group meetings, as well as teleconference calls.

We participated in various investor conferences in 2021 to help investors gain a better understanding of Media Prima's strategic direction, financial sustainability and digital initiatives.

In October, our Group Managing Director, Rafiq Razali, participated in the Bursa-Hong Leong Investment Bank: Stratum Focus Series XII Webinar: Cloud Computing: "ITs Now and The Future" where he shared insight on Media Prima's journey in adopting cloud computing to increase efficiency in the workspace.

In the same month, Rafiq participated in an MIDF Conversations webinar together with Azeem Abu Bakar, Managing Director and CEO of Free Malaysia Today, to discuss Malaysia's media landscape and the future of journalism. The conversation also dove into what it takes to nurture great culture and high energy levels in an organisation, putting local companies on track to become internationally-recognised media brands, and other hot topics such as

misinformation, fake news and the effects of social media on our society, especially on mental health.

In November, Rafiq participated at the CGS-CIMB Premier Roundtable Engagement Series (PRES) - "A New Blood Rising". PRES is an exclusive closed-door forum to provide captains of the Malaysian industry with a high-level engagement platform to discuss pressing issues facing the country and share their thoughts on the road ahead for corporate Malaysia. This session was focused on discussing Media Prima's success in returning to its growth path, and how our businesses can remain relevant within a fast changing industry and more global competition.

In February 2022, we hosted our first virtual Analyst Briefing. The Media Prima FY21 Earnings Chat was a two-way interactive virtual discussion with analysts and Rafiq, who was joined by our Group Chief Financial Officer, Rosli Sabarudin. This virtual session was attended by almost all our invited analysts including those from the buy side as well.

## WE WALK THE EXTRA MILE

Our commitment to regular communication with the investment community has been recognised by the Malaysia Investor Relations Association (MIRA). In 2021, we remained a constituent of Bursa Malaysia's FTSE4Good Index Series, a benchmark and tradeable indexes for ESG (Environmental, Social and Governance) Investors. This is testament to our commitment to ESG practices. These accolades have never been our end objective, nonetheless, it is rewarding to see our commitment and unwavering efforts acknowledged by the industry.

We will continue to ensure high standards in our corporate disclosures and interactive communication with all our stakeholders. Media Prima will remain in 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. We will strive to enhance the quality of our corporate disclosures.

Visit [www.mediaprima.com.my/investor-relations](http://www.mediaprima.com.my/investor-relations) or reach out to us at [investor@mediaprima.com.my](mailto:investor@mediaprima.com.my)



# Financial Calendar



## ANNOUNCEMENT OF CONSOLIDATED RESULTS

**27 MAY 2021**

Announcement of the unaudited consolidated results for the 1st quarter ended 31 March 2021.

**26 AUGUST 2021**

Announcement of the unaudited consolidated results for the 2nd quarter ended 30 June 2021.

**25 NOVEMBER 2021**

Announcement of the unaudited consolidated results for the 3rd quarter ended 30 September 2021.

**23 FEBRUARY 2022**

Announcement of the unaudited consolidated results for the 4th quarter ended 31 December 2021.

## DIVIDEND

First and Final Single-Tier Dividend of 1.5 sen per Ordinary Share for the Financial Year Ended 31 December 2021

Announcement Date : **23 February 2022**  
 Entitlement Date : **5 May 2022**  
 Payment Date : **20 May 2022**

## ANNUAL GENERAL MEETING

**29 APRIL 2022**

Notice of 21<sup>st</sup> Annual General Meeting

**27 MAY 2022**

21<sup>st</sup> Annual General Meeting



# Board of Directors



## Seated (L-R)

- 01** Raja Datuk Zaharaton binti Raja Zainal Abidin  
(Senior Independent Non-Executive Director)
- 02** Datuk Seri (Dr) Syed Hussian bin Syed Junid  
(Independent Non-Executive Group Chairman)

## Seated (L-R)

- 03** Datin Azalina binti Adham  
Independent Non-Executive Director
- 04** Dato' Sivananthan A/L Shanmugam  
Independent Non-Executive Director
- 05** Mohd Rafiq bin Mat Razali  
Group Managing Director
- 06** Abdullah bin Abu Samah  
Independent Non-Executive Director

Notes to the Board of Directors' Profile on pages 65 to 68

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 FY2021.
4. None of the Directors have any family relationships with any Directors and/or major shareholders of the Company.

# Board of Directors' Profile

## DATUK SERI (DR) SYED HUSSIAN BIN SYED JUNID

Group Chairman

Age	Nationality	Gender
<b>61</b>	<b>Malaysian</b>	<b>Male</b>

- 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 Seri (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.

Within the Media Prima Group, he sits on the Board of Sistem Televisyen Malaysia Berhad, Synchrosound Studio Sdn Bhd, Big Tree Outdoor Sdn Bhd, Media Prima Digital Sdn Bhd, REV Media Group Sdn Bhd, Media Prima Omnia Sdn Bhd, WOWSHOP Sdn Bhd, Print Towers Sdn Bhd and The New Straits Times Press (Malaysia) Berhad.

Datuk Seri (Dr) Syed Hussian was formerly a Director of Tanjung Offshore Berhad, AWC Berhad, Efficient E-Solutions Berhad, and Amanah Raya Reit Berhad. He was the Group Chairman – Malaysia Operations for Western Digital. He had served as Director of all its subsidiaries including Western Digital Media (Penang), SanDisk Batu Kawan (Penang), Western Digital Substrate Johor and Kuching. He held key positions within Western Digital such as the Director of Asian Operations Support in 2000, as Senior Director in 2011 and subsequently as Group Chairman. He is a Director of Finisar Malaysia Sdn Bhd (now known as II – VI), one of the biggest global multinational companies in Perak employing close to 4000 employees. Both WDC and II – VI are listed on the National Association of Securities Dealers (NASDAQ) US.

Over the years, Datuk Seri (Dr) Syed Hussian's contribution to helping Malaysian students get access to quality education has been widely acknowledged by the country's leading varsities. Datuk Seri (Dr) Syed was appointed to the Board of University Malaysia

Sarawak, an appointment supported by the Ministry of Higher Education and the Sarawak based university. He is also the CEO@ Faculty for Sultan Salahuddin Abdul Aziz Shah Polytechnic and Chairman of the institution's Industry Advisory Board since 2018. At Universiti Teknikal Malaysia Melaka (UTeM), he is an Adjunct Professor and the CEO@Faculty for the institution. His many contributions to UTeM was recognised in 2019 when he received the Honorary Degree of Doctor of Engineering Technology. Other roles in education include as the Advisor of Universiti Malaysia Kelantan Entrepreneurship Programme and Chairman of the WD-Ministry of Higher Education Campus Connect Program.

Datuk Seri (Dr) 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.



## board of directors' profile

### MOHD RAFIQ BIN MAT RAZALI

*Group Managing Director*

Age	Nationality	Gender
<b>37</b>	<b>Malaysian</b>	<b>Male</b>

- Appointed as Group Managing Director on 1 October 2021
- Appointed as Group Executive Director on 18 February 2021
- Member of Risk Management Committee

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

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

In 2011, Rafiq moved on to 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 was part of the team that established KFit (now known as Fave), a Malaysian start-up with operations across the Asia Pacific region. Fave was recently acquired by a leading fintech company. Rafiq is also currently an Endeavor mentor.

His appointment as Group Managing Director 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 fulfil the ever-changing needs of its customers.

Within the Media Prima Group, he sits on the Board of Sistem Televisyen Malaysia Berhad, Synchronsound Studio Sdn Bhd, Big Tree Outdoor Sdn Bhd, Media Prima Digital Sdn Bhd, REV Media Group Sdn Bhd, Media Prima Omnia Sdn Bhd, WOWSHOP Sdn Bhd, Print Towers Sdn Bhd and The New Straits Times Press (Malaysia) Berhad.





- First appointment as Independent Non-Executive Director on 13 August 2015
- Resignation as Senior Independent Non-Executive Director on 12 June 2018
- Member of Nomination and Remuneration Committee
- Member of Audit 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 was 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 the Media Prima Group, Raja Datuk Zaharaton was previously the Chairman of Big Tree Outdoor Sdn Bhd and formerly 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 Sdn Bhd.

**RAJA DATUK ZAHARATON  
BINTI RAJA ZAINAL ABIDIN**

*Senior Independent  
Non-Executive Director*

Age **73** Nationality **Malaysian** Gender **Female**



- First appointment as Independent Non-Executive Director on 11 March 2021
- Chairman of Audit Committee

Abdullah is currently serving as a Director on the Board of Kulim (Malaysia) Berhad ("Kulim"), is the Chairman of Extreme Edge Sdn Bhd (a subsidiary company of Kulim), and a Director of Al-'Aqar Healthcare Reit, Al-Salam Real Estate Investment Trust and Damansara Reit Managers Sdn Bhd.

Abdullah began his career with KPMG Malaysia from 1988 to 2020. In 1993, he was seconded for two years to KPMG London to focus on the financial services sector. He served as a Partner in the Audit Division from 1997 until his retirement in 2020. He also served as a member of Exco for KPMG Malaysia from 2014 to 2018.

He has over 32 years of experience servicing clients from various industries and large

multinational companies. This includes companies in oil and gas, banking and finance, construction and property development, hotel and hospitality, palm oil plantation, manufacturing, and trading sectors.

In addition to external audit, Abdullah has significant experience in reviews of prospective financial information for purposes of initial public offerings, rights issues and bond issues. He has led many audit assignments in financial due diligence reviews on behalf of acquirers.

He graduated with a Master of Business Administration from the University of Washington, Seattle, USA. He also holds a Bachelor of Science in Business Administration from the University of the Pacific, California, USA. He is a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.

**ABDULLAH BIN  
ABU SAMAH**

*Independent  
Non-Executive Director*

Age **56** Nationality **Malaysian** Gender **Male**

## board of directors' profile



- First appointment as Independent Non-Executive Director on 15 April 2021
- Chairman of Risk Management Committee
- Member of Nomination and Remuneration Committee

Dato' Sivananthan holds a Bachelor's Degree of Arts from the University of Malaya. He was the Managing Director of Malaysia, Sri Lanka and Maldives for Nokia, a role in which he oversees the operations of the three Asian markets. An experienced veteran of over three decades within the IT and Telecommunications field, Dato' Sivananthan throughout his career had developed a deep understanding of technologies i.e Industry IR 4.0. namely the internet of things (IoT), managed services, cloud technology, artificial intelligence

(AI), digital transformation, e-commerce, automation and 5G.

Prior to his role at Nokia, Dato' Sivananthan was the Chairman and Country Vice President of Tech Mahindra and before that he held senior leadership roles at major IT firms such as IBM Malaysia and Sapura as well as at leading telco firms including Swedtel Southeast Asia, Alcatel Network and Maxis. From 2017 till 2019, he has been a Committee Member of Outsourcing Malaysia, an outsourcing initiative coordinated by Malaysia's national ICT industry association, PIKOM.

Dato' Sivananthan areas of expertise are in technology, business management, start-up, leadership, strategic planning, digital transformation and corporate turnaround.

**DATO' SIVANANTHAN  
A/L SHANMUGAM**

*Independent  
Non-Executive Director*

Age  
**54**

Nationality  
**Malaysian**

Gender  
**Male**



- First appointment as Independent Non-Executive Director on 24 June 2021
- Member of Audit Committee
- Member of Risk Management Committee

Datin Azalina brings over 29 years of diverse financial and capital market experience in investment banking, corporate finance as well as the stock exchange business. She was formerly the Chief Operating Officer of Bursa Malaysia, the Malaysian national stock exchange. During her tenure at Bursa Malaysia, Datin Azalina led several transformational initiatives including Bursa Marketplace – the first-of-its-kind virtual marketplace; Bursa Anywhere – ASEANs first mobile depository e-services app; and the Leading Entrepreneur Accelerator Platform (LEAP) Market ASEANs first-of-its-kind alternative capital raising platforms for SMEs.

Prior to joining the national stock exchange, she was an investment banker with experience in corporate banking, corporate

finance and privatisation having served with Maybank Investment Bank and Alliance Investment Bank Berhad.

Datin Azalina is currently an Independent Non-Executive Director of MyCreative Ventures Sdn Bhd, a wholly owned subsidiary of Ministry of Finance Incorporated (MOF Inc), where she serves as the Chairman of its Board Risk Management Committee and Board Change Management Committee. She also serves as a member of the Executive Advisory Panel of the Cultural Development Agency, CENDANA. Further, she is also an Independent Non-Executive Director of OSK Holdings Berhad and PRG Holdings Berhad and serves on various board committees of the companies.

Datin Azalina holds a Bachelor of Science Degree in Finance from Purdue University, United States of America, and is an alumni of the Harvard Business School, United States of America, through its Advanced Management Programme.

**DATIN AZALINA  
BINTI ADHAM**

*Independent  
Non-Executive Director*

Age  
**53**

Nationality  
**Malaysian**

Gender  
**Female**

# Senior Management Team



## MOHD RAFIQ BIN MAT RAZALI

Group Managing Director

Age	Nationality	Gender
37	Malaysian	Male

- Appointed as Group Managing Director on 1 October 2021
- Appointed as Group Executive Director on 18 February 2021
- Appointed as Chief Executive Officer of REV Media Group on 15 April 2016
- Member of Risk Management Committee

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

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

In 2011, Rafiq moved on to 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 was part of the team that established KFit (now known as Fave), a Malaysian start-up with operations across the Asia Pacific region. Fave was recently acquired by a leading fintech company. Rafiq is also currently an Endeavor mentor.

His appointment as Group Managing Director 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 fulfil the ever-changing needs of its customers.

### Notes:

Other than as disclosed:

1. None of the members of the Senior Management Team have any conflict of interest with the Company.
2. None of the members of the Senior Management Team have any convictions for offences within the past five years.
3. None of the members of the Senior Management Team have any sanctions and/or penalties imposed on them by any regulatory bodies during FY2021.
4. None of the members of the Senior Management Team have any family relationships with any Directors and/or Major Shareholders of the Company.

## senior management team



**ROSLI BIN SABARUDIN**  
Group Chief Financial Officer

Age	Nationality	Gender
<b>46</b>	<b>Malaysian</b>	<b>Male</b>

→ Appointed as Group Chief Financial Officer on 1 October 2021.

Rosli was appointed as Acting Group Chief Financial Officer on 24 April 2020. He previously served as Group General Manager, Finance (Financial Reporting, System and Operations).

Rosli received his Accounting degree from Victoria University of Wellington, New Zealand, in 1998. Having started his career with Tenaga Nasional Berhad ("TNB") in 1998, Rosli brings with him more than 24 years of experience in Accounting, Finance and Management in the utility and media industry, which include statutory financial reporting, financial operations, procurement, financial systems and asset management.

One of his major strengths is his strong interest in process improvement and reengineering.

He spent 14 years in TNB assuming various roles with his last appointment as Financial Controller for TNB Remaco Sdn Bhd. He has also covered the role of Customer Service Manager, State Finance Officer, SAP System Implementer and Change Management Consultant in the CEO's office entrusted with major transformation initiatives.

In 2012, Rosli joined Media Prima. His scope of responsibilities with the Group included Financial Controller for Television Networks (TV3/STMB) and Primeworks Studio. He played an instrumental role in the setting up of CJ Wow Shop, a joint venture in 2016 between Media Prima and South Korea's CJ ENM O Shopping Division and several major transformation initiatives within the Group.

Being a qualified accountant, Rosli is a Fellow with the Association of Certified Chartered Accountants (ACCA, UK) and a member of the Malaysian Institute of Accountants ("MIA").



**DATUK MICHAEL CHAN**  
Chief Executive Officer,  
Media Prima Omnia

Age	Nationality	Gender
<b>52</b>	<b>Malaysian</b>	<b>Male</b>

→ Joined Media Prima Berhad as Group Director of Commercial in November 2019

→ Appointed as Executive Director/CEO of Media Prima Omnia in January 2020

Datuk Michael was the former CEO of MYTV Broadcasting where he led the team to successfully migrate the Malaysian national broadcasting infrastructure 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 the country's first business focused TV station working alongside the international Bloomberg team.

Datuk 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.

Datuk 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.

Datuk Michael studied Political Science and Finance at the University of Kentucky, has a Masters of Marketing from UNN (now Northumbria University) and attended the Executive Development Program at Harvard Business School. He has also been an Endeavor Mentor since 2013, and was recently appointed to the Board of Perbadanan Stadium Malaysia (PSM).





**DATO' KHAIRUL ANWAR SALLEH**

*Chief Executive Officer of Media Prima Television Networks and Primeworks Studios*

Age	Nationality	Gender
<b>56</b>	<b>Singaporean with Malaysian PR</b>	<b>Male</b>

- Appointed as Chief Executive Officer of Media Prima Television Networks on 1 August 2020
- Appointed as Chief Executive Officer of Primeworks Studios on 14 November 2020

Dato' Khairul is responsible for the overall operations of Media Prima Television Networks and Primeworks Studios, and to strengthen its core businesses while pursuing new business opportunities in-line with Media Prima's long-term growth strategies. Dato' Khairul oversees

Media Prima's TV3, ntv7, 8TV, TV9, tonton, WOWSHOP and Primeworks Studios.

He graduated from Curtin University of Technology, Western Australia, in 1992 with a Bachelor of Fine Arts (Sculpture). He also holds a Diploma in Painting from La Salle College of Arts in 1989. Besides that, he has also attended the Harvard Premiere Business Management Program and Astro Insead Strategic Leadership Program.

Dato' Khairul has over 25 years of experience across the media and entertainment industry ranging from the arts, television and stage production, to content management in both entrepreneurial and corporate environments. He served as Vice President of Malay and Nusantara Content Business of Astro Malaysia Holdings Berhad from March 2010.

He currently chairs Creative Content Association Malaysia ("CCAM") and is also an exco member of The Cultural Economy Development Agency ("Cendana").



**MUSTAPHA KAMIL BIN MOHD JANOR**

*Chief Executive Officer of NSTP*

Age	Nationality	Gender
<b>61</b>	<b>Malaysian</b>	<b>Male</b>

- Appointed as Executive Director of News and Editorial Operations on 2 October 2018
- Appointed as Chief Executive Officer of The New Straits Times Press (Malaysia) in 2 October 2020

Mustapha Kamil is the Executive Director of News and Editorial Operations, Media Prima Berhad, as well as the Chief Executive Officer of The New Straits Times Press (Malaysia) Berhad ("NSTP").

He is responsible for the overall news and editorial operations of the Group and provides strategic direction and oversight to the Group's news operations.

Having been with the company for many years, Mustapha began his career in NSTP as a Cadet Reporter in 1989 and has since held various positions within the company.

In 1994, he attended the Advanced Journalism course at the Thomson Foundation in Cardiff, Wales when he was a Reporter with the New Straits Times' ("NST") Business Times. In 1999, he served as NSTP's Foreign Correspondent in New York, and three years later returned to serve as the Managing Editor of Business Times in 2001. Mustapha Kamil was promoted as NST's Group Editor in 2013 until his resignation in May 2016.

Mustapha attended the Advanced Journalism Course at The Thomson Foundation in Cardiff, Wales.

## senior management team



**SAMUEL WEE**  
Chief Executive Officer of  
REV Media Group

Age	Nationality	Gender
<b>35</b>	<b>Malaysian</b>	<b>Male</b>

→ Appointed as Chief Executive Officer of REV Media Group on 1 October 2021

Sam first joined Media Prima in 2017 as the General Manager, Business Operations of REV Media Group (formerly known as REV Asia Holdings, a subsidiary of Media Prima Digital), and was promoted to Chief Operating Officer in 2020.

He played a key role in helping REV Media become Malaysia's number one digital publisher which today represents over 40

top authority brands and engages more than 15 million Malaysians.

Prior to joining Media Prima, Sam and a group of pioneers established Malaysia's leading digital media group, REV Asia Holdings, which acquired SAYS, OHBULANI, and ViralCham to turbocharge its growth. He also led REV Asia Holdings' regional expansion into Philippines, Indonesia and Vietnam. REV Asia Holdings was acquired by Media Prima in August 2017 and rebranded as REV Media Group in 2020.

Sam started his career with HSBC Malaysia in Corporate Strategy and Business Transformation before venturing into the start-up scene as one of the founding members of SAYS. Sam holds a Bachelor of Business in Finance and Management from the University of Technology, Sydney, and is also the recipient of the HSBC's Young Entrepreneur Awards 2006 (Asia).



**MOHAMAD SHUKOR BIN ARIFFIN**  
Chief Executive Officer of Big Tree

Age	Nationality	Gender
<b>51</b>	<b>Malaysian</b>	<b>Male</b>

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

Shukor has demonstrated strong leadership and contributed significantly towards Big Tree's rapid growth to become Malaysia's leading Out-of- Home ("OOH") Advertising Solutions provider.

He was promoted to General Manager, Business Development and Corporate Planning, in September 2009 and later, General Manager of Operations in October 2011. In June 2017, he was made the Chief Operating Officer of Big Tree.

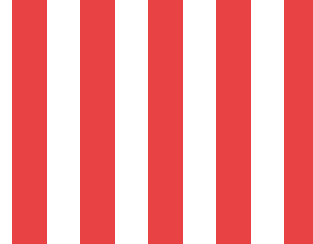
An advocate for the utilisation of the latest technologies, Shukor revolutionised the Malaysian OOH industry and Big Tree's

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 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 included the implementation of OOH advertising solutions for the Malaysian Mass Rapid Transit ("MRT") and Light Rapid Transit ("LRT") lines. These transit lines engage the lucrative, young and online-driven demographics across the Klang Valley with extensive daily reach.

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



**NAZRI NORAN**  
*Chief Executive Officer of Media Prima Audio*

Age	Nationality	Gender
<b>45</b>	<b>Malaysian</b>	<b>Male</b>

→ Appointed as Chief Executive Officer of Media Prima Audio on 1 June 2021

Nazri has over 20 years of experience in the entertainment industry. From his broad and extensive experience in the radio broadcast industry, he is known for specialising in creating content that resonates with the local audience.

As Chief Executive Officer of Media Prima Audio, Nazri is in charge of its overall strategy and operations to further strengthen its position as a leading radio network.

Nazri most recently served as Senior Assistant Vice President of Astro Radio Malay and Tamil where he headed its radio brands ERA, Sinar, Gegar, ZAYAN and Raaga. He began his career with Astro Radio in 2001 where he served various roles with hitz FM, Xfresh FM and Sinar FM.

Nazri graduated with a Postgraduate Certificate in Business Administration and Management from the University of Liverpool in 2017.



**YANG HYUN KIM**  
*Chief Executive Officer of WOWSHOP*

Age	Nationality	Gender
<b>49</b>	<b>Korean</b>	<b>Male</b>

→ Appointed as Chief Executive Officer of WOWSHOP on 1 April 2016

Yang Hyun Kim was appointed as Chief Executive Officer of WOWSHOP Sdn. Bhd. (formerly known as MP CJ ENM Sdn. Bhd) which was first established as a Joint Venture with CJ ENM in April 2016, and later wholly owned by Media Prima in September 2020.

With his comprehensive experience, in-depth knowledge and business acumen ranging from media, retail, homeshopping, e-commerce to the consumer lifestyle sector, he has played a pivotal role in diversifying the Group's revenue source, bringing in commerce and B2C revenue while driving digital transformation through e-commerce and digital commerce.

He received his Master's Degree in International Business and Studies (Specialised in ASEAN and Australia) from CHUNG-ANG University, Korea in February 2000. He also received a Bachelors of Art in Economics from DONG-A University, Korea in February 1998.

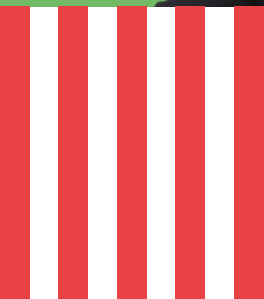
Before joining the Group, since 1999, he was attached to CJ Group, Global Lifestyle Company, which had 4 core business divisions, Food

and Food service, Bio, Logistics and Retail, Entertainment and Media, headquartered in Korea. With over 20 years of experience with CJ Group, he extended his foot print from broadband, Pay TV, OTT to Retail, Homeshopping, e-Commerce, and is well-versed in media, broadband, commerce, digital, customer's lifestyle business, and its convergence and innovative transformation.

During his tenure with CJ ENM Commerce Division (formerly known as CJ O Shopping), a Global leading home shopping network, he was responsible for incubating and developing global businesses while providing strategy consultation for India, China, Vietnam, Thailand, Philippines, Turkey and Mexico. He most recently initiated and led the Malaysia Homeshopping Project, embarking on the WOWSHOP business.

During his tenure with CJ Hello, a No. 1 Cable TV operator in Korea later acquired by LG U Plus in 2019, he was appointed to execute the Global M&A, was dispatched in India in 2012, and led a whole M&A project to acquire one of leading Pay TV operators, from the market research, feasibility study, acquisition deal structuring, due diligence, term-sheet and final negotiation among others.

Moving WOWSHOP to another level and keeping its market position incomparable, he is dedicated to customer-centric operations, compelling content creation, value-creating merchandising, high level of operational excellence and consistent digital transformation whilst delivering on its vision of being "The Foremost Customer-Oriented Content Commerce Platform in Malaysia" with the tagline of "Hidup Mesti Ada Wow!"



# 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 2021.

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 2021 (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 2021:-

AWARDS	ORGANISER
MSWG-ASEAN Corporate Governance - Industry Excellence Award	Minority Shareholders Watch Group (MSWG)
Top 10 Companies Malaysia Board Diversity Index	Institute of Corporate Directors Malaysia (ICDM) and Willis Towers Watson

### MCCG'S PRINCIPLE A - BOARD LEADERSHIP & EFFECTIVENESS

#### BOARD RESPONSIBILITIES

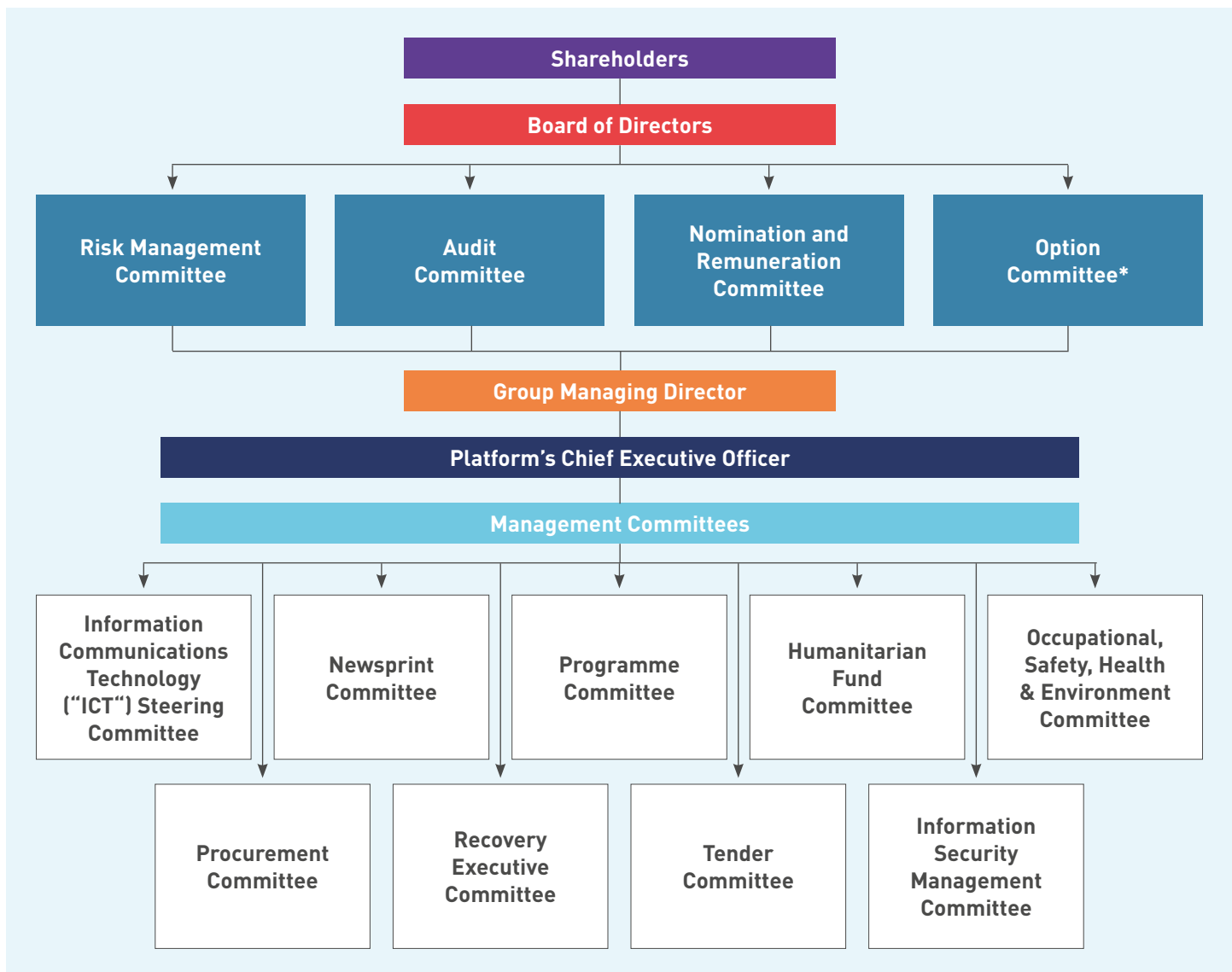
The Group is led and controlled by an effective Board. All Board members carry an independent judgement to bear on issues of strategy, performance, resources and standards of conduct. The Board recognises the Board's philosophy, principles, ethics, mission and vision and reflects this understanding on 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 2021. Detailed coverage of our corporate responsibility initiatives are explained separately in our Sustainability Report 2021.

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 authority 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:-



\* Dissolved on 27 May 2021

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 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 Secretary who is responsible for providing a central source of guidance and advice to the Board, on its roles and responsibilities and good corporate governance.

## corporate governance overview statement

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 2021.

### Number of meetings convened by the Board and each Board Committee

MEETING	NUMBER OF MEETINGS IN 2021
Board	12
Audit Committee	4
Risk Management Committee	4
Nomination and Remuneration Committee	7

### Board Meetings

During the financial year ended 31 December 2021, the Board of Directors had met 12 times on the following occasions:-

NO	BOARD MEETING	DATE
1	Special Meeting	14 January 2021
2	Special Meeting	8 February 2021
3	71 <sup>st</sup> Meeting	25 February 2021
4	Special Meeting	11 March 2021
5	Special Meeting	23 March 2021
6	72 <sup>nd</sup> Meeting	27 May 2021
7	Special Meeting	9 June 2021
8	73 <sup>rd</sup> Meeting	26 August 2021
9	Special Meeting	28 September 2021
10	Special Meeting	12 October 2021
11	74 <sup>th</sup> Meeting	25 November 2021
12	Special Meeting	13 December 2021

Details of Directors' attendance at the Board of Directors Meeting for the financial year ended 31 December 2021 are as follows:-

DIRECTOR	ATTENDED/ HELD	ATTENDANCE
<b>Datuk Seri (Dr) Syed Hussian bin Syed Junid</b> <i>Independent Non-Executive Group Chairman</i>	12/12	100%
<b>Mohd Rafiq bin Mat Razali</b> <i>Executive Director</i> <i>(appointed on 18 February 2021)</i>	10/10	100%
<b>Raja Datuk Zaharaton binti Raja Zainal Abidin</b> <i>Senior Independent Non-Executive Director</i>	11/12	92%
<b>Abdullah bin Abu Samah</b> <i>Independent Non-Executive Director</i> <i>(appointed on 11 March 2021)</i>	8/8	100%
<b>Dato' Sivananthan A/L Shanmugam</b> <i>Independent Non-Executive Director</i> <i>(appointed on 15 April 2021)</i>	7/7	100%

DIRECTOR	ATTENDED/ HELD	ATTENDANCE
<b>Datin Azalina binti Adham</b> <i>Independent Non-Executive Director</i> <i>(appointed on 24 June 2021)</i>	5/5	100%
<b>Lydia Anne Abraham</b> <i>Independent Non-Executive Director</i> <i>(retired on 23 June 2021)</i>	7/7	100%
<b>Mohd Rashid bin Mohd Yusof</b> <i>Independent Non-Executive Director</i> <i>(retired on 23 June 2021)</i>	7/7	100%
<b>Hisham bin Zainal Mokhtar</b> <i>Independent Non-Executive Director</i> <i>(resigned on 1 April 2021)</i>	5/5	100%
<b>Mohamad bin Abdullah</b> <i>Non-Independent Non-Executive Director</i> <i>(resigned on 18 February 2021)</i>	2/2	100%
<b>Dato' Iskandar Mizal bin Mahmood</b> <i>Executive Director</i> <i>(resigned on 18 May 2021)</i>	5/5	100%

Key transactions deliberated and approved by the Board for the financial year ended 31 December 2021 include:-

AREA	KEY TRANSACTIONS
<b>Strategic Stewardship</b>	<ul style="list-style-type: none"> <li>→ Proposed Budget and Business Plan of the Group for the financial year ending 31 December 2021;</li> <li>→ Quarterly Risk Profiles of Media Prima Group;</li> <li>→ Proposed relocation exercise; and</li> <li>→ Related party transactions.</li> </ul>
<b>Investor Relations</b>	<ul style="list-style-type: none"> <li>→ Quarterly Equity Structure Report;</li> <li>→ Quarterly Shareholding's Reports;</li> <li>→ Proceedings and Possible Questions and Answers for the 20<sup>th</sup> Annual General Meeting;</li> <li>→ Press release on the Group's Performance for the financial year ended 2020; and</li> <li>→ Press release on the Group's Quarterly Performance for the financial year ended 2021.</li> </ul>

AREA	KEY TRANSACTIONS
<b>Financial Reporting</b>	<p>The release of financial results and announcements made to Bursa Malaysia Securities Berhad:-</p> <ul style="list-style-type: none"> <li>→ Group consolidated financial results for the financial year ended 2020; and</li> <li>→ Group's quarterly consolidated financial results (i.e. Q4 2020 and Q1, Q2 &amp; Q3 of 2021).</li> </ul>
<b>Boardroom Affairs</b>	<ul style="list-style-type: none"> <li>→ Composition of the Board Members in Subsidiaries;</li> <li>→ Nomination of Directors/Member of Board Committees of Media Prima Berhad;</li> <li>→ Deliberation of Findings on Board Effectiveness Evaluation Exercise;</li> <li>→ Annual Review on the list/composition of Directors for the Media Prima Group of Companies; and</li> <li>→ Disclosure of Directors' interest.</li> </ul>
<b>Regulatory Compliance</b>	<ul style="list-style-type: none"> <li>→ Annual Report 2020's Statements:-                             <ul style="list-style-type: none"> <li>- Audit Committee Report;</li> <li>- Statement on Risk Management and Internal Control;</li> <li>- Risk Management Committee Report;</li> <li>- Corporate Governance Overview Statement;</li> <li>- Group Chairman's Statement; and</li> <li>- Group Managing Director's Statement.</li> </ul> </li> <li>→ Circulars/Letters from Authorities.</li> </ul>
<b>Litigation Status</b>	Quarterly summary and status of litigations suits.
<b>Employee Welfare</b>	<ul style="list-style-type: none"> <li>→ Appointment and remuneration structure for the newly appointed Senior Management;</li> <li>→ Employees' Key Performance Indicators achievements for financial year ended 2020;</li> <li>→ FYE 2020 KPI scorecard framework;</li> <li>→ Senior Management's Balance Scorecard Rating for financial year ended 2020; and</li> <li>→ Balance Score Card for Senior Management in 2021.</li> </ul>

### Board Committees

The Board committees which comprise of Audit Committee, Risk Management Committee, Nomination and Remuneration 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 74 whilst details on Risk Management Committee and Audit Committee are further explained under Principle B of the overview statement on page 84.

# corporate governance overview statement

## Option Committee

The Option Committee was established on 27 August 2004 and is chaired by Raja Datuk Zaharaton binti Raja Zainal Abidin who was appointed on 23 February 2017. The other member of the Option Committee includes:-

NO.	DIRECTOR	REMARKS
1	Hisham bin Zainal Mokhtar	Appointed on 27 February 2019 (Resigned on 1 April 2021)

The Committee was dissolved on 27 May 2021.

## Board Directorships

All directors of the Group do not hold more than five (5) directorships in public listed companies as at 31 December 2021. 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)

DIRECTORSHIPS	NO OF DIRECTORS	NAME OF DIRECTORS	%
3 Directorships	3	→ Raja Datuk Zaharaton binti Raja Zainal Abidin → Datin Azalina binti Adham → Abdullah bin Abu Samah	50%
1 Directorship	3	→ Datuk Seri (Dr) Syed Hussian bin Syed Junid → Dato' Sivananthan A/L Shanmugam → Mohd Rafiq bin Mat Razali	50%

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 2021 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 2021 are shown below:-

CONFERENCES/SEMINARS/TRAINING	DATE	ORGANISER	DIRECTOR
<b>Leadership &amp; Strategy</b>			
Managing Human Rights: Why is it important to corporations	11 March 2021	KPMG Board Leadership Centre	Abdullah Abu Samah
Mandatory Accreditation Program	31 March - 2 April 2021	Asia School of Business Iclif Executive Education Center	Mohd Rafiq Mat Razali
	31 May - 2 June 2021		Abdullah Abu Samah
	28 - 30 June 2021		Dato' Sivananthan A/L Shanmugam
	11 - 13 October 2021		Datin Azalina Adham
Board of Directors Training on i) Impact of Covid-19 and other emerging risks. ii) Board Responsibilities (MCCG 2021) iii) When governance fails – Red Flags	5 August 2021	Yinson Holdings Berhad	Raja Datuk Zaharaton Raja Zainal Abidin
Sustainability: Decarbonisation and Carbon Neutrality	13 September 2021	Deloitte Malaysia (Chin Foong Ling & George Lee)	Datin Azalina Adham
Board of Directors' Workshop – 1. The purpose driven organisation by Ms Lydia Anne Abraham, Founder and Chair of Leadwomen Sdn Bhd. 2. MyDIGITAL and National Fourth Industrial Revolution Policy by Ms Marina Che Mokhtar, Partner-PwC Advisory (Economics & Policy). 3. Malaysia Entertainment & Media Outlook: 2021-2025 by Mr Michael Graham, Chief Digital Officer, PwC.	12 October 2021	Media Prima Berhad	→ Datuk Seri (Dr) Syed Hussian Syed Junid → Mohd Rafiq Mat Razali → Raja Datuk Zaharaton Raja Zainal Abidin → Abdullah Abu Samah → Dato' Sivananthan A/L Shanmugam → Datin Azalina Adham
KPMG Tax and Business Summit 2021	17 November 2021	KPMG Tax Services Sdn Bhd	Abdullah Abu Samah
Sustainability Management & Reporting	27 December 2021	PRG Holdings Berhad	Datin Azalina Adham
<b>Governance</b>			
MACC and offences pursuant to Section 17(a), MACC Act 2009	8 May 2021	Yinson Holdings Berhad	Raja Datuk Zaharaton Raja Zainal Abidin
Malaysian Code of Corporate Governance (2021 Revision)	6 July 2021	Taliworks Corporation Berhad	Raja Datuk Zaharaton Raja Zainal Abidin
Environmental Social Governance – risk management briefing	15 September 2021	Taliworks Corporation Berhad	Raja Datuk Zaharaton Raja Zainal Abidin
ESG Trends and Yinson's Positioning - Presented by PWC	1 October 2021	Yinson Holdings Berhad	Raja Datuk Zaharaton Raja Zainal Abidin
Board of Director's Training on AMLA and Anti Bribery and Corruption	14 December 2021	Areca Capital	Raja Datuk Zaharaton Raja Zainal Abidin

# corporate governance overview statement

## 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](http://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 line with the new Section 17A of the Malaysian Anti-Corruption Commission Act 2009 on corporate liability for corruption which came into force on 1 June 2020, the Board had on 30 May 2020, approved and adopted a Group Anti-Corruption Policy to ensure that the Group’s businesses do not participate in corrupt activities for its advantage or benefits. The policy is guided by the Guidelines on Adequate Procedures issued pursuant to section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009. The Policy can be accessed through the Company’s website.

Awareness sessions for board members and key management personnel on Section 17A were conducted by the Group Corporate Governance, Risk Management and Integrity Department and representative from the Malaysian Anti-Corruption Commission.

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.

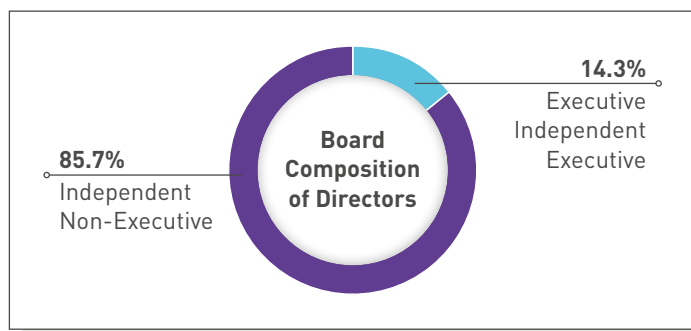
The whistleblowing policy and the anti-fraud policy can be accessed by all staff via the Group’s intranet. The key components of the whistleblowing policy include protection to the whistleblower from any retaliation in the form of dismissal, harassment or discrimination at work, or any action in court, 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, Risk Management and Integrity 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 Constitution also provides that all Directors shall retire from office once in at least every three years. Retiring directors may offer themselves for re-election.

The Board comprises of five Independent Directors and an Executive Director who serves as the Group Managing Director. The strong presence of five Independent Non-Executive Directors assures effective check and balance on the functioning of the Board.

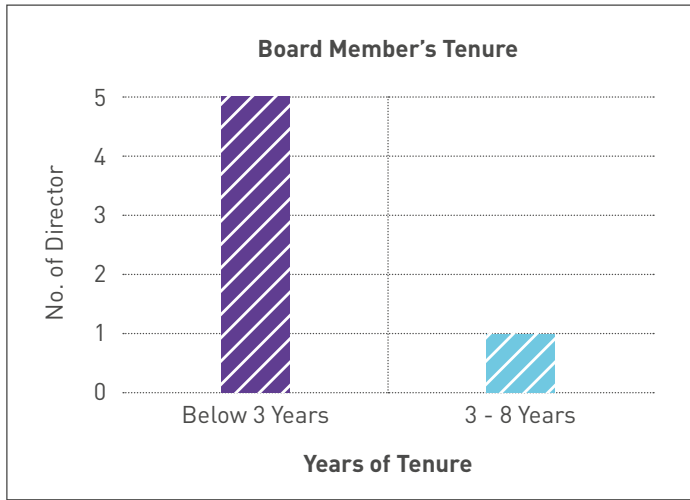
By virtue of their roles and responsibilities, all the Independent Non-Executive Directors represent the Group’s minority shareholders’ interests. They are independent of the Management and free from any undue influence from interested parties which could materially interfere with the exercise of their 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/her calibre, qualification, experience and personal qualities, particularly his/her 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.

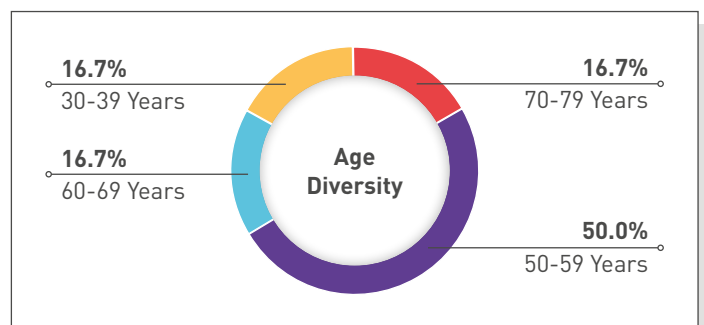
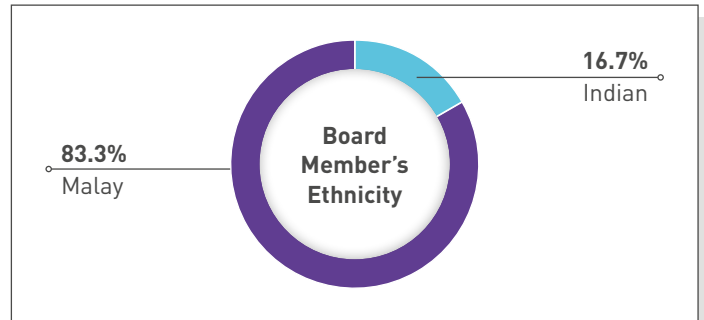
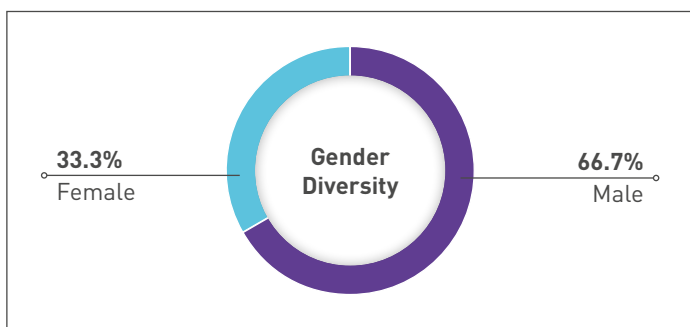


The Group Chairman and all Independent Non-Executive Directors have served the Board for less than nine (9) years where their tenures are set out in the Board of Directors' Profile as set out on pages 65 to 68 of this Annual Report.

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 pages 65 to 68 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 2021:-



**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.

# corporate governance overview statement

## 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.

### iii. Fixed Allowance

The Executive Director is entitled for fixed allowances.

### iv. Benefits-in-Kind

The Executive Directors are 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 and Surgical Insurance.

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.

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.

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. The Board Charter is reviewed when the need 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](http://www.mediaprima.com.my).

## Nomination and Remuneration Committee

The Nomination and Remuneration Committee was established on 14 May 2015 and is chaired by Datuk Seri (Dr) Syed Hussian bin Syed Junid. The Committee had held seven (7) meetings in 2021 namely on 23 February 2021, 11 March 2021, 23 March 2021, 12 April 2021, 25 May 2021, 28 September 2021 and 23 November 2021 and members' attendance is as follows:-

NO.	DIRECTOR	ATTENDED/ HELD	ATTENDANCE
1	Datuk Seri (Dr) Syed Hussian bin Syed Junid	7/7	100%
2	Raja Datuk Zaharaton binti Raja Zainal Abidin	6/7	86%
3	Dato' Sivananthan A/L Shanmugam (Appointed as a member on 15 April 2021)	3/3	100%
4	Mohd Rashid bin Mohd Yusof (Retired on 23 June 2021)	5/5	100%
5	Hisham bin Zainal Mokhtar (Resigned on 1 April 2021)	3/3	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 2021 include:

- i. Annual review of the list/composition of Directors for the MPB Group of Companies;
- ii. Nomination/appointment of Directors;
- iii. Proposed renewal of contract and remuneration structure for Senior Management;
- iv. Key Performance Indicator (KPI) achievements for the year of 2020;
- v. KPI Scorecard framework 2021 for Senior Management; and
- vi. Board Effectiveness Evaluation exercise.

The details on the remuneration of directors for the financial year ended 31 December 2021, 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 Seri (Dr) Syed Hussian bin Syed Junid	75,000	3,000	-	-	597,743	15,688	691,431
Raja Datuk Zaharaton binti Raja Zainal Abidin	60,000	5,047	-	-	21,000	-	86,047
Abdullah bin Abu Samah (appointed on 11 March 2021)	48,658	3,767	-	-	13,000	-	65,425
Dato' Sivananthan A/L Shanmugam (appointed on 15 April 2021)	42,904	3,384	-	-	15,000	-	61,288
Datin Azalina binti Adham (appointed on 24 June 2021)	31,397	3,140	-	-	9,000	-	43,537
Lydia Anne Abraham (retired on 23 June 2021)	28,438	3,318	-	-	13,000	-	44,756
Mohd Rashid bin Mohd Yusof (retired on 23 June 2021)	28,438	3,318	-	-	16,000	-	47,756
Hisham bin Zainal Mokhtar (resigned on 1 April 2021)	14,795	986	-	-	9,000	-	24,781
Mohamad bin Abdullah (resigned on 18 February 2021)	7,890	526	-	-	2,000	-	10,416
<b>TOTAL FOR NON-EXECUTIVE DIRECTORS (RM)</b>	<b>337,520</b>	<b>26,486</b>	<b>-</b>	<b>-</b>	<b>695,743</b>	<b>15,688</b>	<b>1,075,437</b>
Mohd Rafiq bin Mat Razali (appointed as Executive Director on 18 February 2021)	-	-	878,522	110,135	54,271	6,251	1,049,179
Dato' Iskandar Mizal bin Mahmood (resigned as Executive Director on 18 May 2021)	-	-	418,548	53,524	33,484	2,748	508,304
<b>TOTAL FOR EXECUTIVE DIRECTORS (RM)</b>	<b>-</b>	<b>-</b>	<b>1,297,070</b>	<b>163,659</b>	<b>87,755</b>	<b>8,999</b>	<b>1,557,483</b>
<b>TOTAL (RM)</b>	<b>337,520</b>	<b>26,486</b>	<b>1,297,070</b>	<b>163,659</b>	<b>783,498</b>	<b>24,687</b>	<b>2,632,920</b>

## corporate governance overview statement

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
RM1,850,001 to RM1,900,000	1
RM1,350,001 to RM1,400,000	1
RM1,150,001 to RM1,200,000	1
RM1,100,001 to RM1,150,000	1
RM750,001 to RM800,000	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 and security concerns.

### 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 Abdullah Abu Samah who is a member of the Malaysian Institute of Accountants ("MIA") and Malaysian Institute of Certified Public Accountants ("MICPA"). The Board believes that the current composition has the required experience and knowledge for the roles of Audit Committee.

The Audit Committee comprises of three (3) Independent Non-Executive Directors and no alternate director is appointed as member of the Audit Committee.

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 three (3) 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 2021 activities can be found on pages 97 to 102 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 Dato' Sivanathan A/L Shanmugam.

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 31000:2018 Risk Management 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 pages 103 to 105 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 2021 is outlined on page 90 to 96 of this Annual Report.

The internal audit function within the Group is carried out by the Group Corporate Governance, Risk Management and Integrity Department. The department is led by the Group General Manager, Group Corporate Governance, Risk Management and Integrity who reports directly to the Audit Committee. The Group Corporate Governance, Risk Management and Integrity Department checks for compliance with statutory/regulatory requirements, internal policies and procedures and review the work processes/procedures for efficiency and effectiveness.

All internal audit activities during the financial year were conducted by the Group Corporate Governance, Risk Management and Integrity Department. The details of the Department's activities are presented in pages 97 to 102 of this Annual Report.

## 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](http://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.
<b>Rosli bin Sabarudin</b>	Group Chief Financial Officer	Financial	rosli.sabarudin@mediaprima.com.my/ 03-2724 8712
<b>Sere Mohammad bin Mohd Kasim</b>	Group General Manager, Group Corporate Governance, Risk Management and Integrity	Governance, Internal Audit, Risk Management and Integrity	sere@mediaprima.com.my/ 03-2724 8975
<b>Tan Say Choon</b>	Group General Manager, Group Secretarial	Corporate Secretarial and Board Matters	jessica@mediaprima.com.my/ 03-2724 8911
<b>Sharifah Nur Adibah binti Syed Tahir</b>	Group General Manager, Corporate Development and Planning	Investor Relations, Corporate Finance and Strategic Planning	nuradibah@mediaprima.com.my/ 03-2724 8702
<b>Affendy Ali Dally</b>	Group General Manager, Group Legal and Regulatory Affairs	Legal, Regulatory Affairs, and Intellectual Property	affendy.ali@mediaprima.com.my/ 03-2724 8904
<b>Izzat Alhadjri</b>	General Manager, Group Corporate Communications	Stakeholder Management, Public Relations, Events, Corporate Branding, Social Impact	izzat.alhadjri@mediaprima.com.my/ 03-2724 8957

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.

# corporate governance overview statement

## 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 all resolutions.

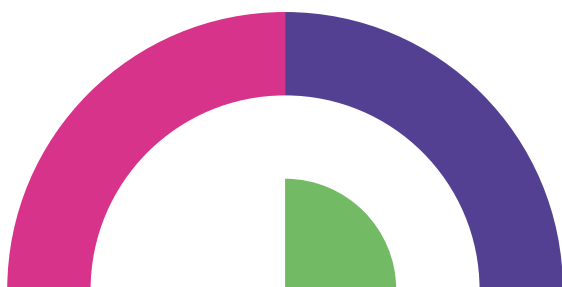
The Group had given 28 days notice to the shareholders for the 20<sup>th</sup> Annual General Meeting held on 23 June 2021, which was conducted virtually.

All directors attended the 20<sup>th</sup> 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](http://www.mediaprima.com.my)

The Group had leveraged 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](http://www.mediaprima.com.my)

The Corporate Governance Overview Statement was approved by the Board of Directors during the meeting dated 25 February 2022.



# Additional Compliance Information

## 1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

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

## 2. AUDIT AND NON-AUDIT FEES

The fees paid/payable to external auditors and its affiliates for services rendered to Media Prima Berhad ("the Company") and its subsidiaries ("the Group") for the financial year ended 31 December 2021 are as follows:

	Company (RM'000)	Group (RM'000)
Statutory audit fees	98	1,300
Tax-related fees	30	261
Other non-audit fees	80	80

The other non-audit fees relates to accounting advisory services for the Company's circular to shareholders on a material transaction. The non-audit services rendered by PricewaterhouseCoopers PLT are not prohibited by regulatory and other professional requirements and are based on globally practiced guidelines on auditors' independence.

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

Save as disclosed below, there was no other material contract entered into by the Group involving the interest of directors and major shareholders of the Company, either still subsisting at the end of the financial year ended 31 December 2021 or entered into since the end of the previous financial year:

- a) the proposed disposal by The New Straits Times Properties Sdn Bhd, a 98.18% indirectly-owned subsidiary of the Company, of a piece of leasehold industrial land held under H.S.(D) 116410, PT 237, Bandar Sultan Sulaiman, Daerah Klang, Negeri Selangor measuring approximately 23,370 square metres to Alam Flora Environmental Solutions Sdn. Bhd. for a total disposal consideration of RM25,000,000.00 to be satisfied via cash pursuant to a conditional sale and purchase agreement dated 15 July 2021. As at 31 December 2021, the proposed disposal is pending fulfilment of the conditions precedent under the terms of the conditional sale and purchase agreement.

Save as disclosed below, as at 31 December 2021, none of the directors or other major shareholders of the Company as well as persons connected with them have any interest, direct or indirect, in the proposal:

Name of interested major shareholder	Direct interest	%	Indirect interest	%
Aurora Mulia Sdn Bhd ("Aurora Mulia")	353,815,941	31.9	-	-
Sutera Bakti Sdn Bhd ("Sutera Bakti")	-	-	353,815,941 <sup>(1)</sup>	31.9
Perspective Lane Sdn Bhd ("Perspective Lane")	-	-	353,815,941 <sup>(2)</sup>	31.9
Restu Jernih Sdn Bhd ("Restu Jernih")	-	-	353,815,941 <sup>(3)</sup>	31.9
Tan Sri Dato' Seri Syed Mokhtar Shah bin Syed Nor ("TSSM")	-	-	353,815,941 <sup>(4)</sup>	31.9

The nature of relationship with the above related parties as at 31 December 2021 is as follows:

<sup>(1)</sup> Deemed interested by virtue of its interest Aurora Mulia Sdn Bhd pursuant to Section 8 of the Companies Act 2016 ("the Act").

<sup>(2)</sup> Deemed interested by virtue of its interest in Sutera Bakti Sdn Bhd pursuant to Section 8 of the Act.

<sup>(3)</sup> Deemed interested by virtue of its interest in Perspective Lane Sdn Bhd pursuant to Section 8 of the Act.

<sup>(4)</sup> Deemed interested by virtue of his interest in Restu Jernih Sdn Bhd pursuant to Section 8 of the Act.

TSSM is also an indirect major shareholder of Alam Flora Environmental Solutions Sdn. Bhd., through Malakoff Corporation Berhad.

## additional compliance information

#### 4. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE (“RRPTs”)

The details of the shareholders’ mandate for the RRPTs are set out in the Circular to Shareholders dated 29 April 2022 which is available on Bursa Malaysia Securities Berhad’s (“Bursa Securities”) website and the Company’s website.

The shareholders of the Company had at the 20th Annual General Meeting held on 23 June 2021 granted their approval for the Company and its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature, which are necessary for its day-to-day operations and are in the ordinary course of business in order to comply with Paragraph 10.09(2)(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Securities.

In accordance to Paragraph 3.1.5 of Practice Note 12 of the MMLR of Bursa Securities, the details of recurrent related party transactions made during the financial year ended 31 December 2021 pursuant to the shareholders’ mandate are as follows:

Item	Media Prima Berhad and/or its subsidiary companies	Transacting related party	Interested related parties	Nature of transaction	Amount transacted for the financial year ended 31 December 2021 (RM’000)
1	Media Prima Omnia Sdn Bhd (“Omnia”)	TSSM Group	<b>Major shareholders</b> TSSM <sup>1</sup> Restu Jernih <sup>2</sup> Perspective Lane <sup>3</sup> Sutera Bakti <sup>4</sup> Aurora Mulia <sup>5</sup>	Sale of media-related solutions by Omnia	7,370
2	Print Towers Sdn Bhd (“PTSB”)	Percetakan Nasional Malaysia Berhad	<b>Major shareholders</b> TSSM <sup>1</sup> Restu Jernih <sup>2</sup> Perspective Lane <sup>3</sup> Sutera Bakti <sup>4</sup> Aurora Mulia <sup>5</sup>	Provision of printing services by PTSB	2,967
3	PTSB	TMR Media Sdn Bhd	<b>Major shareholders</b> TSSM <sup>1</sup> Restu Jernih <sup>2</sup> Perspective Lane <sup>3</sup> Sutera Bakti <sup>4</sup> Aurora Mulia <sup>5</sup>	Provision of printing services by PTSB	597
4	PTSB	Media Mulia Sdn Bhd	<b>Major shareholders</b> TSSM <sup>1</sup> Restu Jernih <sup>2</sup> Perspective Lane <sup>3</sup> Sutera Bakti <sup>4</sup> Aurora Mulia <sup>5</sup>	Provision of printing services by PTSB	8,986
5	Big Tree Outdoor Sdn Bhd and its subsidiaries (“BTO Group”)	Jasmine Food Corporation Sdn Bhd	<b>Major shareholders</b> TSSM <sup>1</sup> Restu Jernih <sup>2</sup> Perspective Lane <sup>3</sup> Sutera Bakti <sup>4</sup> Aurora Mulia <sup>5</sup>	Provision of advertising services by BTO Group	893

Item	Media Prima Berhad and/or its subsidiary companies	Transacting related party	Interested related parties	Nature of transaction	Amount transacted for the financial year ended 31 December 2021 (RM'000)
6	Sistem Televisyen Malaysia Berhad and its subsidiaries ("STMB Group")	MYTV Broadcasting Sdn Bhd	<b>Major shareholders</b> TSSM <sup>1</sup> Restu Jernih <sup>2</sup> Perspective Lane <sup>3</sup> Sutera Bakti <sup>4</sup> Aurora Mulia <sup>5</sup>	Subscription of digital terrestrial television services from MYTV Broadcasting Sdn Bhd pursuant to the Malaysian Government's implementation of the National Broadcasting Digitalisation Project.	25,000
7	Media Prima Digital Sdn. Bhd. and its subsidiaries ("MPD Group")	TMR Media Sdn Bhd	<b>Major shareholders</b> TSSM <sup>1</sup> Restu Jernih <sup>2</sup> Perspective Lane <sup>3</sup> Sutera Bakti <sup>4</sup> Aurora Mulia <sup>5</sup>	Payment of licensing fee to TMR Media by MPD Group	1,200
8	MPD Group	Media Mulia Sdn Bhd	<b>Major shareholders</b> TSSM <sup>1</sup> Restu Jernih <sup>2</sup> Perspective Lane <sup>3</sup> Sutera Bakti <sup>4</sup> Aurora Mulia <sup>5</sup>	Payment of licensing fee to Media Mulia by MPD Group	2,400
9	BTO Group	TSSM Group	<b>Major shareholders</b> TSSM <sup>1</sup> Restu Jernih <sup>2</sup> Perspective Lane <sup>3</sup> Sutera Bakti <sup>4</sup> Aurora Mulia <sup>5</sup>	Provision of advertising services by BTO Group	310

## Notes:

The nature of relationship with the above related parties as at 31 December 2021 is as follows:

- <sup>1</sup> TSSM holds (via Restu Jernih/Perspective Lane/Sutera Bakti) 100% effective interest in Percetakan Nasional Malaysia Berhad, TMR Media Sdn Bhd and MYTV Broadcasting Sdn Bhd, and a 70% effective interest in Media Mulia Sdn Bhd. He also has personal controlling interest of 20% and above in numerous other private companies and entities that are in diverse businesses and charitable activities and are regarded as persons connected to TSSM. As the list of these private companies and entities are constantly changing, MPB has not listed them but identifies them as "TSSM Group". For clarity, the TSSM Group also includes Media Mulia Sdn Bhd, MYTV Broadcasting Sdn Bhd, Percetakan Nasional Malaysia Berhad, TMR Media Sdn Bhd and Jasmine Food Corporation Sdn Bhd.
- <sup>2</sup> Restu Jernih holds (via Perspective Lane/Sutera Bakti) 100% effective interest in Percetakan Nasional Malaysia Berhad, TMR Media Sdn Bhd and MYTV Broadcasting Sdn Bhd, and a 70% effective interest in Media Mulia Sdn Bhd.
- <sup>3</sup> Perspective Lane holds (via Sutera Bakti) 100% effective interest in Percetakan Nasional Malaysia Berhad, TMR Media Sdn Bhd and MYTV Broadcasting Sdn Bhd, and a 70% effective interest in Media Mulia Sdn Bhd.
- <sup>4</sup> Sutera Bakti holds 100% effective interest in Percetakan Nasional Malaysia Berhad, TMR Media Sdn Bhd (via Aurora Mulia), MYTV Broadcasting Sdn Bhd and a 70% effective interest in Media Mulia Sdn Bhd.
- <sup>5</sup> Aurora Mulia holds 100% effective interest in TMR Media Sdn Bhd and a 70% effective interest in Media Mulia Sdn Bhd.

# 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 HIGHLIGHTS THE KEY FEATURES OF THE RISK MANAGEMENT AND INTERNAL CONTROL OF THE GROUP FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021.**

## 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 31000:2018 Risk Management 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 managing risks in order to achieve 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) line of defence concept:-

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

## B. Key Control Structure of the Group

### 1. Key Control Structure of the Group

Media Prima Berhad has inculcated that managing risk is everyone's responsibilities. The whole Group comes together to manage risks in an effective 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 and the Risk Management 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](http://www.mediaprima.com.my). These Committees have the authority to examine all matters within their scope and report to the Board with their recommendations.

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 by the Group Corporate Governance, Risk Management and Integrity Department.
- 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 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 the risk management framework;
- Reviewing risk exposures; and
- Ensuring that infrastructure, processes, 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 103 to 105 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 comprises of three (3) Independent Non-Executive Directors who are highly experienced and whose knowledge, background and judgement are invaluable to the Group. The Audit Committee has 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 97 to 102 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:-

# statement on risk management and internal control

## 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, Procurement Committee, Tender Committee, Information Communications Technology Steering Committee, Information Security Management Committee, Occupational Safety, Health and Environment Committee and Humanitarian Fund Committee which all have clearly defined terms of reference.

## 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.

## 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.

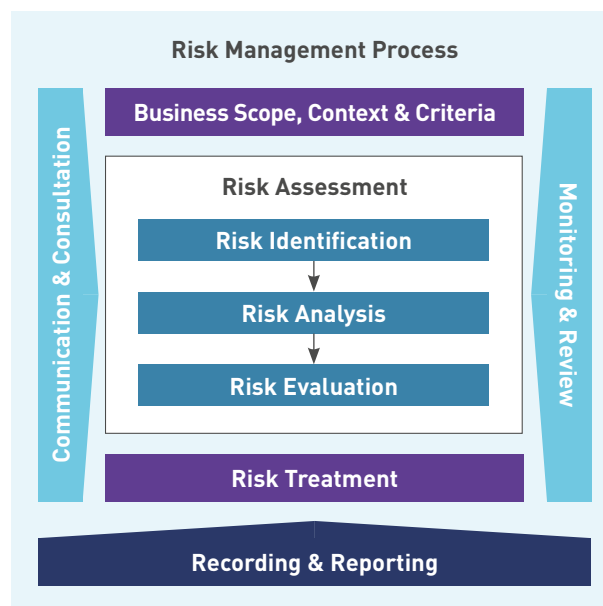
At Media Prima Berhad, risk management is integrated within MPB's strategy planning process and its ongoing improvement in identifying, analysing, quantifying, mitigating and monitoring of all significant risk areas. This remains a vital focus of the Board in building a successful and sustainable business.

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 Risk Management Unit (RMU) of Group Corporate Governance, Risk Management and Integrity Department ("GCGRI") in discharging their risk management responsibilities. The RMU together with the various business units facilitates the risk review exercise across the Group and report the significant risks faced by the company to the RMC and ultimately to the Board. RMU is also responsible for ensuring that the risk management framework is effectively implemented and that risk registers are maintained by the respective business platforms.

## Risk Management Process

A structured risk management process based on ISO 31000:2018 Risk Management Guidelines has been formulated to ensure that significant risks are identified and treated accordingly. The Risk Management Unit of GCGRI 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 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 103 to 105 of this Annual Report.

Whilst the Risk Management Unit's principal function is coordinating risk review and reporting to the RMC, all business units are responsible to carry out a risk review on a regular basis, especially in 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, Risk Management and Integrity (GCGRI) Department includes 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 GCGRI 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 GCGRI Department undertakes regular reviews of the Group's operations and its system of internal controls. The GCGRI 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 GCGRI Department's recommendations. The progress of implementation of the agreed actions is being monitored by the GCGRI Department through follow up reviews in which implementation status are presented to the Audit Committee on a quarterly basis.
  - The GCGRI 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 11.1 of the MCCG 2021. Thus, the GCGRI Department is independent of the activities being audited and is performed with impartiality, proficiency and due professional care.
  - The GCGRI 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 GCGRI Department during the year are set out in the Audit Committee Report on pages 97 to 102 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 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.

#### 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.

#### 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.

# statement on risk management and internal control

- 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 expenditures, human resources matters and execution of contracts.
- During the year, the Group has revised the Limits of Authority (LOA) for MPB and its Subsidiaries which take effect on 1 October 2021.

## Code of Ethics

- The Code of Ethics is communicated to all employees and compliance with this Code is mandatory. The Code serves as 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.

## Anti-Corruption Policy

The Group has established an Anti-Corruption Policy to ensure that the Company's businesses do not participate

in corrupt activities for its advantage or benefits. The policy is guided by the Guidelines on Adequate Procedures issued pursuant to section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009 and can be accessed through the Company's website.

The Company has issued a series of Integrity Newsletter called Integrity Buzz every month since April 2021. Integrity Buzz is a medium for GCGRI to share information related to compliance, integrity and ethics across the Group.

## 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 emphasised to educate the staff on their responsibilities to protect the Group's information asset. Several initiatives were undertaken in 2021 such as implementation of a centralised system to manage Media Prima IT assets, implementation of high-availability firewall and enhancement of remote access service to facilitate employees' Work From Home (WFH) arrangement and Network Access 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
<b>BCP Documents Update</b>	Business Continuity Plan (BCP) documents were reviewed to ensure key people and recovery procedures reflect the current MPB’s business environment.
<b>Crisis Communications</b>	Enhanced BCP Crisis Communications Procedure to include pandemic response plan based on announcement of movement control order (MCO) by the Government.
<b>Awareness Programmes</b>	Awareness sessions are conducted annually to update and ensure key employees are aware of the Company recovery strategies. In 2021, the awareness sessions were focused on strategy for pandemic recovery response, BCP Committee and critical operational personnel.
<b>Simulation/ Testing</b>	The ongoing pandemic response plan had been incorporated as the scope of the simulation that 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. CONTROL ENVIRONMENT AND ACTIVITIES**

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

## statement on risk management and internal control

coverage of Group's assets against the prevailing market price for the similar assets.

- Access to company's Intranet System (i.e PeopleConnect) for updated and revised Policies and Procedures of the company, Code of Ethics, Limits of Authority and other information related to the company.
- Monitoring of performance including discussion of any significant issues at Senior Management meetings.
- Content Regulatory Awareness sessions conducted by Group Legal and 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) had been conducted to educate on the importance of protecting the Group's intellectual property.

### 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 on-going 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, Risk Management and Integrity Department (GCGR) regularly review the processes to ensure the effectiveness

of the existing controls. GCGR 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.

### E. REVIEW OF 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 2021.**

## A. COMPOSITION

The Audit Committee was established on 19 August 2003. The Audit Committee comprises of three (3) Independent Non-Executive Directors and no alternate director is appointed as a member of the Audit Committee.

				
<b>Abdullah bin Abu Samah</b>	<b>Raja Datuk Zaharaton binti Raja Zainal Abidin</b>	<b>Datin Azalina binti Adham</b>	<b>Mohd Rashid bin Mohd Yusof</b>	<b>Lydia Anne Abraham</b>
Independent Non-Executive Director	Senior Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director
<ul style="list-style-type: none"> <li>Appointed as Member on 11 March 2021.</li> <li>Redesignated as Chairman on 24 June 2021.</li> </ul>	<ul style="list-style-type: none"> <li>Appointed as Member on 24 June 2021.</li> </ul>	<ul style="list-style-type: none"> <li>Appointed as Member on 24 June 2021.</li> </ul>	<ul style="list-style-type: none"> <li>Appointed as Chairman on 12 June 2018.</li> </ul>	<ul style="list-style-type: none"> <li>Appointed as Member on 14 May 2015.</li> </ul>
<ul style="list-style-type: none"> <li>Chairman of Audit Committee.</li> </ul>	<ul style="list-style-type: none"> <li>Member of Audit Committee.</li> <li>Member of Nomination and Remuneration Committee.</li> </ul>	<ul style="list-style-type: none"> <li>Member of Audit Committee.</li> <li>Member of Risk Management Committee.</li> </ul>	<ul style="list-style-type: none"> <li>Retired as Chairman on 23 June 2021.</li> </ul>	<ul style="list-style-type: none"> <li>Retired as Member on 23 June 2021.</li> </ul>

The Audit Committee Chairman, Encik Abdullah Bin Abu Samah, is a member of the Malaysian Institute of Accountants (MIA) and Malaysian Institute of Certified Public Accountants (MICPA).

The current Committee members' profiles, qualification and experience can be found on pages 65 to 68 of this Annual Report.

## B. MEETINGS

The Audit Committee had held a total of four meetings during financial year 2021 and details of the Committee members' attendance are as follows:-

Audit Committee Meeting	70 <sup>th</sup> ACM 23 February 2021	71 <sup>th</sup> ACM 25 May 2021	72 <sup>nd</sup> ACM 24 August 2021	73 <sup>rd</sup> ACM 23 November 2021
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# audit committee report

AUDIT COMMITTEE MEMBER	ATTENDANCE (%)
Abdullah bin Abu Samah (Chairman)	(3 of 3) 100%
Raja Datuk Zaharaton binti Raja Zainal Abidin	(2 of 2) 100%
Datin Azalina binti Adham	(2 of 2) 100%
Mohd Rashid bin Mohd Yusof*	(2 of 2) 100%
Lydia Anne Abraham**	(2 of 2) 100%

\* Mohd Rashid bin Mohd Yusof retired as Audit Committee Chairman on 23 June 2021

\*\* Lydia Anne Abraham retired as Audit Committee member on 23 June 2021

The Audit Committee met on quarterly basis with full quorum on each meeting. The Group Managing Director, Group Chief Financial Officer and the Group General Manager, Group Corporate Governance, Risk Management and Integrity Department 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.

The Company Secretary is the secretary of the Audit Committee. The Company Secretary is 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 23 February 2021 and 24 August 2021 without the presence of the Management and the Group Managing Director.

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

## C. TERMS OF REFERENCE

The Audit Committee is guided by its 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 2021 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](http://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 2021

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

### RISKS AND CONTROLS

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.

The Audit Committee had reviewed the Statement on Risk Management and Internal Control and the Audit Committee Report for the financial year 2020 on 23 February 2021 for the inclusion in Media Prima Berhad's Annual Report for 2020.

### 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 2021 were reviewed at the Audit Committee meetings on 25 May 2021, 24 August 2021 and 23 November 2021, respectively. The quarterly unaudited financial results announcements were made public through Bursa Malaysia on 27 May 2021, 26 August 2021 and 25 November 2021 respectively.

2. The Audit Committee had reviewed the annual financial statements for the financial year ended 2020 at its meeting on 23 February 2021. The relevant announcement was made public on Bursa Malaysia on 25 February 2021.

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 regarding 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 23 February 2021 with regards to the relevant disclosures in the annual audited financial statements for 2020.
2. The Audit Committee had assessed Messrs PricewaterhouseCoopers ("PwC") independence before recommending for its re-appointment and remuneration. The External Auditors had on 21 February 2022 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 2021.
3. Messrs PwC was reappointed as the External Auditors for the financial year ended 2021 by the shareholders at the Media Prima Berhad 20th Annual General Meeting held on 23 June 2021.
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 2021 on 24 August 2021. The audit plan outlines their 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 27 August 2021.
6. In relation to the Financial Statements for the Year Ended 31 December 2021, the Audit Committee at its meeting held on 21 February 2022 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 2022 during the 73<sup>rd</sup> Audit Committee Meeting held on 23 November 2021.
2. 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.
3. 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 requested the Management to rectify and improve the internal control systems based on Group Corporate Governance, Risk Management and Integrity (GCGRl) Department's recommendations and suggestions for improvements.
4. The Audit Committee had reviewed the adequacy of resources and the competencies of staff within the Group Corporate Governance, Risk Management and Integrity Department to ensure it has the required expertise and professionalism to discharge its duties.

# audit committee report

5. The Chairman of the Audit Committee had appraised the Group General Manager, Group Corporate Governance, Risk Management and Integrity Department's performance for 2021.

## 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 pages 74 to 86 of this Annual Report.

## E. GROUP CORPORATE GOVERNANCE, RISK MANAGEMENT AND INTEGRITY DEPARTMENT

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

The GCGRI 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 (CMIIA), a Certified Internal Auditor (CIA) and holds a Certification in Risk Management Assurance (CRMA) of The Institute of Internal Auditors Inc, USA. He also holds a Bachelor of Business Administration (Hons.) Finance and is a Certified Integrity Officer (CeIO) accorded by the Malaysian Anti-Corruption Commission.

The activity of the GCGRI Department are guided by the Internal Audit Charter that defines the roles, responsibilities, accountability and scope of work of the GCGRI Department. All internal audit activities in 2021 were performed in-house by a group of 6 internal auditors from various background and competencies.

The total costs incurred by the GCGRI Department in discharging its functions and responsibilities in 2021 amounted to RM 1,471,379 (2020: RM 1,408,015) comprising mainly of staff costs, travelling, training and professional membership subscriptions.

The Group Corporate Governance, Risk Management and Integrity Department is contactable via [gcg@mediaprima.com.my](mailto:gcg@mediaprima.com.my).

## Independence and Objectivity

The Group Corporate Governance, Risk Management and Integrity (GCGRI) 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 GCGRI Department has no direct operational responsibility or authority over any of the activities reviewed.

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

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

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

As a corporate subscriber of the Minority Shareholder Watchdog Group ("MSWG"), the GCGRI 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, Risk Management and Integrity (GCGRI) 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 2021. The key audit areas performed in 2021 were as follows:-

NO.	REVIEW	AUDIT COMMITTEE MEETING/DATE
1	Cyber Security and Data Security (All Platforms)	71 <sup>st</sup> /25 May 2021
2	Operational Review on Print Towers Sdn Bhd	71 <sup>st</sup> /25 May 2021
3	Newspapers Sales and Circulation (NSTP)	72 <sup>nd</sup> /24 August 2021
4	Home Shopping and E-commerce (WOWSHOP)	72 <sup>nd</sup> /24 August 2021
5	News & Current Affairs (Television Networks)	73 <sup>rd</sup> /23 November 2021
6	Third Party Contracts (All Platforms)	73 <sup>rd</sup> /23 November 2021
7	Workforce Management	74 <sup>th</sup> /21 February 2022
8	Digital Products	74 <sup>th</sup> /21 February 2022
9	Follow-up Report	71 <sup>st</sup> to 74 <sup>th</sup> /25 May 2021, 24 August 2021, 23 November 2021 and 21 February 2022

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. GCGRI Department continuously monitor the implementation of audit recommendations through periodic follow-up reviews.

GCGRI 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 GCGRI Department:-

- Independent verification of results and/or votes at competition-based programmes organised by the Group such as Anugerah Juara Lagu 35, Lagu Cinta Kita 3, Anugerah Bintang Popular Berita Harian 34 and Muzik-Muzik;
- 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
- Completion of 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 2021.

### 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, Risk Management and Integrity 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, Risk Management and Integrity's internal audit processes. The IIAM had provided broad recommendations to enhance the ability of the Group Corporate Governance, Risk Management and Integrity Department to render effective internal audit services to its stakeholders.

# audit committee report

## Professional Qualifications and Continuous Competency Development

The Group Corporate Governance, Risk Management and Integrity (GCGRI) 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 GCGRI 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 2021 included:-

INTERNAL	
CONFERENCES/SEMINARS/COURSES	TITLE DATE
GIT Security Awareness - Cyber Security Best Practices Training	22 June 2021
IT Policy Awareness Training	14 - 15 December 2021

EXTERNAL		
CONFERENCES/SEMINARS/COURSES TITLE	DATE	TRAINER/ORGANISER
Corruption Risk Management	27 & 28 April 2021	ICLIF Executive Education Centre
Seminar Penguahan Pegawai Integriti	4 May 2021	Persatuan Pegawai Integriti Bertauliah Malaysia
IT Audit Networking	8 June 2021	IIA Malaysia
Code of Ethics	15 June 2021	IIA Malaysia
2021 IIA Malaysia National Conference - Vigorous and Versatile	27 - 28 September 2021	IIA Malaysia






This Audit Committee Report is made on the recommendation of the Audit Committee which was approved by the Board of Directors on 23 February 2022.

# 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 CRUISING THROUGH THIS CHALLENGING PERIOD.**

MPB Risk Management Framework, which was developed based on ISO 31000:2018 Risk Management Guidelines, 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. COMMITTEE MEMBERS

				
<b>Dato' Sivananthan A/L Shanmugam</b>	<b>Datin Azalina binti Adham</b>	<b>Mohd Rafiq bin Mat Razali</b>	<b>Lydia Anne Abraham</b>	<b>Raja Datuk Zaharaton binti Raja Zainal Abidin</b>
Independent Non-Executive Director	Independent Non-Executive Director	Group Managing Director	Independent Non-Executive Director	Senior Independent Non-Executive Director
<ul style="list-style-type: none"> <li>Appointed as Member on 15 April 2021.</li> <li>Redesignated as Chairman on 24 June 2021.</li> </ul>	<ul style="list-style-type: none"> <li>Appointed as Member on 24 June 2021.</li> </ul>	<ul style="list-style-type: none"> <li>Appointed as Member on 24 June 2021.</li> </ul>	<ul style="list-style-type: none"> <li>Appointed as Member on 8 May 2014.</li> <li>Redesignated as Chairman on 12 June 2018.</li> </ul>	<ul style="list-style-type: none"> <li>Appointed as Member on 22 February 2018.</li> </ul>
<ul style="list-style-type: none"> <li>Chairman of Risk Management Committee.</li> <li>Member of Nomination and Remuneration Committee</li> </ul>	<ul style="list-style-type: none"> <li>Member of Risk Management Committee.</li> <li>Member of Audit Committee.</li> </ul>	<ul style="list-style-type: none"> <li>Member of Risk Management Committee.</li> </ul>	<ul style="list-style-type: none"> <li>Retired as Chairman of the Committee on 23 June 2021.</li> </ul>	<ul style="list-style-type: none"> <li>Resigned from Committee on 24 June 2021.</li> <li>Member of Nomination and Remuneration Committee</li> </ul>

## B. 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”).

# risk management committee report

- The Secretary is responsible for the coordination of administrative details including calling the meetings, voting and keeping of minutes.

## C. ATTENDANCE AT MEETINGS

- During the financial year ended 31 December 2021, the RMC had met four (4) times and the attendances of the respective members are illustrated below:-

Risk Management Committee Meeting
39th RMC 23 February 2021
40th RMC 25 May 2021
41st RMC 24 August 2021
42nd RMC 23 November 2021

Risk Management Committee Member	Attendance (%)
Dato' Sivananthan A/L Shanmugam*	(3 of 3) 100%
Datin Azalina binti Adham**	(2 of 2) 100%
Mohd Rafiq bin Mat Razali***	(2 of 2) 100%
Lydia Anne Abraham****	(2 of 2) 100%
Raja Datuk Zaharaton binti Raja Zainal Abidin*****	(2 of 2) 100%

- \* Dato' Sivananthan A/L Shanmugam appointed as Risk Management Committee member on 15.04.2021 redesignated as Chairman of the Committee on 24.06.2021
- \*\* Datin Azalina binti Adham appointed as Risk Management Committee member on 24.06.2021
- \*\*\* Mohd Rafiq bin Mat Razali appointed as Risk Management Committee member on 24.06.2021
- \*\*\*\* Lydia Anne Abraham retired as a member and Chairman of the Risk Management Committee on 23.06.2021
- \*\*\*\*\* Raja Datuk Zaharaton binti Raja Zainal Abidin resigned as Risk Management Committee member on 24.06.2021

## D. DUTIES OF RISK MANAGEMENT COMMITTEE

- The duties of the RMC 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.

- 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.

## E. RISK MANAGEMENT FRAMEWORK

- The framework adopted by the Group incorporated the latest 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 a needed basis.

- The framework is designed to realise the Group’s objectives, set forth in four (4) categories:
  - Corporate - 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.
- Review of Corporate Risks
  - At corporate level, the risks and mitigations deliberated by the Committee is centred around the following risk areas:

**BUSINESS SUSTAINABILITY**  
 The dynamic of current business landscape during pandemic environment require drastic and agile approach in managing its risk to be able in adapting and growing the business for sustainable future.

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**QUALITY PRODUCTS AND CONTENT**  
 New normal changes the routine of people’s behaviour and economic cycle. Challenges in constructing and delivering best content (products) is key to stay relevant to the targeted audience.

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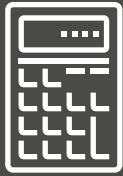
**INNOVATION**  
 Focus and experiment in new business model are crucial to ensure ability in competition and protecting the ecosystem to grow market share.

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**CYBER & INFORMATION SECURITY**  
 The rise of technology adoption and work-from-home environment increases the exposure to cyber threats. Critical information systems (e.g. Newsroom and operation/production system) being highly critical to the continuous operations of the business having direct impact to revenue, brand reputation and market share.

**PEOPLE**  
 Talent management is key element in achieving business goals. Recruiting, retaining and managing talent is critical especially for digital talent where the demand is so competitive in current business environment.

- 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 incorporated the Pandemic environment as the simulation assessment to ensure critical operations are protected in the BCP simulation scope.
- Review of Risks and Risk Controls
  - On quarterly basis, top risks of the Group were reported and reviewed by the senior management. Key and material risks were then escalated to RMC for deliberation of the controls and policy in place to mitigate or manage these risks.
- Review on Sustainability Risk
  - Regular and continuous risk assessments in ensuring environmental responsibility and good governance towards positive impact of ESG commitment. Media Prima will continuously play a role as the leading integrated media solution by engaging and educating communities in ESG awareness.
- Review of Corruption Risks and Integrity
  - On an annual basis, corruption risks of the Group were assessed and reviewed to continuously improve existing controls and ensure that they are adequate. Key and material risks were then escalated to RMC for deliberation of controls and policy to mitigate or treat these risks.



# Financial Statements

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# Directors' Responsibility Statement

In respect of the audited financial statements for the financial year ended 31 December 2021

The Directors of the Company are required by the Companies Act 2016 ("CA 2016") to prepare the financial statements for each financial year in accordance with applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards and the relevant provisions of the CA 2016. The Directors are responsible to ensure that the financial statements give a true and fair view of the financial position of the Group and the Company at the end of the financial year, and of their financial performance and cash flows for the financial year then ended.

In preparing the financial statements, the Directors have:

- adopted appropriate accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- ensured that all applicable approved accounting standards have been followed; and
- prepared the financial statements on a going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operation for the foreseeable future.

The Directors have the responsibility to ensure that the Group and the Company keep accounting records which disclose with reasonable accuracy the financial position of the Group and the Company, and which enable them to ensure the financial statements comply with the CA 2016.

The Directors also have the overall responsibilities to take such steps that are reasonably open to them to safeguard the assets of the Group and of the Company, and for the establishment, implementation and maintenance of appropriate accounting and internal control systems for the detection and prevention of fraud and other irregularities.

# 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 2021.

## 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, printing, sale and distribution 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 principal 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 profit for the financial year	51,562	56,059
Attributable to:		
Owners of the Company	55,231	56,059
Non-controlling interests	(3,669)	-
Net profit for the financial year	51,562	56,059

## DIVIDENDS

On 23 February 2022, the Board of Directors approved the payment of a single tier dividend of 1.5 sen per ordinary share amounting to RM16,637,989. The financial statements for the current year do not reflect this dividend.

## RESERVES AND PROVISIONS

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

## ISSUE OF SHARES AND DEBENTURES

There were no changes in the issued and paid-up capital of the Company during the financial year.

There were no debentures issued during the financial year.

**OPTIONS GRANTED OVER UNISSUED SHARES**

No options were granted to any persons to take up unissued shares of the Company during the financial year.

**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 Seri (Dr) Syed Hussian bin Syed Junid	
Raja Datuk Zaharaton binti Raja Zainal Abidin	
Mohd Rafiq bin Mat Razali	(Appointed on 18 February 2021)
Abdullah bin Abu Samah	(Appointed on 11 March 2021)
Dato' Sivanathan A/L Shanmugam	(Appointed on 15 April 2021)
Datin Azalina binti Adham	(Appointed on 24 June 2021)
Mohamad bin Abdullah	(Resigned on 18 February 2021)
Hisham bin Zainal Mokhtar	(Resigned on 1 April 2021)
Dato' Iskandar Mizal bin Mahmood	(Resigned on 18 May 2021)
Lydia Anne Abraham	(Retired on 23 June 2021)
Mohd Rashid bin Mohd Yusof	(Retired on 23 June 2021)

Pursuant to Section 253 of the Companies Act 2016, the names of Directors of the Company's 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.

**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.

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 2021 amounted to RM61,066.

# directors' report

## 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 1.1.2021/ ∅*date of appointment	Additions	Disposals	At 31.12.2021
<u>Shares in the Company</u>				
Direct interests:				
Datuk Seri (Dr) Syed Hussian bin Syed Junid	2,015,295	4,084,700	-	6,099,995
Mohd Rafiq bin Mat Razali ∅	220,000	80,000	-	300,000
Datin Azalina binti Adham *	867	-	-	867
Indirect interests:				
Datuk Seri (Dr) Syed Hussian bin Syed Junid #	-	100,000	-	100,000

∅ Direct interest in ordinary shares of the Company held on the date of appointment of 18 February 2021.

\* Direct interest in ordinary shares of the Company held on the date of appointment of 24 June 2021.

# Deemed interest in ordinary shares of the Company held through persons connected with the Director.

## 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

**OTHER STATUTORY INFORMATION (CONTINUED)**

- (b) At the date of this report, the Directors are not aware of any circumstances: (continued)
- (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 36 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, other than as disclosed in Note 37 to the financial statements.

**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 9 March 2022. Signed on behalf of the Board of Directors:



**DATUK SERI (DR) SYED HUSSIAN BIN SYED JUNID**  
GROUP CHAIRMAN



**MOHD RAFIQ BIN MAT RAZALI**  
GROUP MANAGING DIRECTOR

Petaling Jaya  
9 March 2022

# Statements of Comprehensive Income

For The Financial Year Ended 31 December 2021

	Note	Group		Company	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Revenue	4	<b>1,120,188</b>	1,041,565	<b>67,686</b>	59,074
Other operating income		<b>9,878</b>	17,249	<b>208</b>	418
Amortisation of intangible assets and programming rights costs		<b>(93,409)</b>	(97,324)	-	-
Content production and other media costs		<b>(72,308)</b>	(39,505)	-	-
Newsprint and newspaper production costs		<b>(22,923)</b>	(28,938)	-	-
Outdoor display and production costs		<b>(57,142)</b>	(48,914)	-	-
Cost of home shopping goods sold		<b>(188,501)</b>	(212,858)	-	-
Transmission, technology and distribution costs		<b>(62,639)</b>	(73,988)	-	-
Employee benefits costs	6	<b>(287,272)</b>	(297,500)	<b>(14,496)</b>	(37,186)
Occupancy costs		<b>(23,349)</b>	(24,703)	<b>(3,156)</b>	(4,727)
Depreciation		<b>(92,592)</b>	(111,137)	<b>(947)</b>	(1,120)
Net (impairment)/reversal of impairment of non-current assets	7	<b>(15,505)</b>	-	<b>864</b>	(44,448)
Net reversal/(loss) on impairment of financial instruments		<b>3,135</b>	(10,843)	<b>21,093</b>	-
Other operating costs		<b>(117,074)</b>	(110,792)	<b>(2,527)</b>	(13,823)
Profit/(loss) from operations	8	<b>100,487</b>	2,312	<b>68,725</b>	(41,812)
Finance income	9	<b>5,980</b>	6,704	<b>1,425</b>	1,996
Finance cost	9	<b>(16,004)</b>	(14,652)	<b>(14,091)</b>	(9,543)
Share of results of associates	17	<b>(240)</b>	(151)	-	-
Profit/(loss) before taxation		<b>90,223</b>	(5,787)	<b>56,059</b>	(49,359)
Taxation	11	<b>(38,661)</b>	(12,299)	-	(276)
Net profit/(loss) and total comprehensive income/(loss) for the financial year		<b>51,562</b>	(18,086)	<b>56,059</b>	(49,635)

	Note	Group	
		2021 RM'000	2020 RM'000
Profit/(loss) attributable to:			
- Owners of the Company		55,231	(18,378)
- Non-controlling interest		(3,669)	292
		<b>51,562</b>	<b>(18,086)</b>
Total comprehensive income/(loss) attributable to:			
- Owners of the Company		55,231	(18,378)
- Non-controlling interest		(3,669)	292
		<b>51,562</b>	<b>(18,086)</b>
Earnings/(loss) per share:			
- Basic (sen)	12	4.98	(1.66)
- Diluted (sen)	12	4.98	(1.66)

The notes on pages 121 to 219 form an integral part of these financial statements.

# Statements of Financial Position

As At 31 December 2021

	Note	Group		Company	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>NON-CURRENT ASSETS</b>					
Property, plant and equipment	13	158,603	210,396	1,279	1,334
Right-of-use assets	14	119,357	157,017	-	1,253
Investment properties	15	16,066	28,136	-	-
Subsidiaries	16	-	-	896,458	895,838
Associates	17	1,241	2,678	-	-
Intangible assets	18	384,496	387,139	-	-
Trade and other receivables	22	138,764	-	770	-
Deferred tax assets	19	14,383	11,584	-	-
Financial assets at fair value through other comprehensive income	20	688	688	-	-
		<b>833,598</b>	797,638	<b>898,507</b>	898,425
<b>CURRENT ASSETS</b>					
Inventories	21	14,976	24,097	-	-
Trade and other receivables	22	199,437	232,992	3,408	5,498
Amounts due from subsidiaries	23	-	-	109,853	66,306
Current tax recoverable		7,330	8,354	157	-
Deposits, cash and bank balances	24	341,621	303,783	62,729	125,717
		<b>563,364</b>	569,226	<b>176,147</b>	197,521
Non-current assets held for sale	25	11,576	225	-	-
<b>TOTAL ASSETS</b>		<b>1,408,538</b>	1,367,089	<b>1,074,654</b>	1,095,946
<b>NON-CURRENT LIABILITIES</b>					
Borrowings	26	120,073	79,583	50,053	79,583
Lease liabilities	14	105,488	144,790	-	735
Amounts due to subsidiaries	23	-	-	161,952	189,421
Deferred tax liabilities	19	37,288	37,501	-	-
		<b>262,849</b>	261,874	<b>212,005</b>	269,739



# Consolidated Statement of Changes In Equity

For The Financial Year Ended 31 December 2021

GROUP	Note	Attributable to owners of the Company				Non-controlling interests	Total equity
		Share capital	Other reserves	Accumulated losses	Total		
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>2021</b>							
As at 1 January 2021		1,524,735	4	(947,825)	576,914	(3,847)	573,067
Net profit/(loss) and total comprehensive income/(loss) for the financial year		-	-	55,231	55,231	(3,669)	51,562
<u>Transaction with owners:</u>							
Acquisition of additional interest in a subsidiary	16(b)	-	-	(6)	(6)	(7)	(13)
At 31 December 2021		1,524,735	4	(892,600)	632,139	(7,523)	624,616
<b>2020</b>							
As at 1 January 2020		1,524,735	4	(926,040)	598,699	(2,546)	596,153
Net loss and total comprehensive loss for the financial year		-	-	(18,378)	(18,378)	292	(18,086)
<u>Transaction with owners:</u>							
Acquisition of additional interest in a subsidiary	16(b)	-	-	(3,407)	(3,407)	(1,593)	(5,000)
At 31 December 2020		1,524,735	4	(947,825)	576,914	(3,847)	573,067

The notes on pages 121 to 219 form an integral part of these financial statements.

# Statement of Changes In Equity

For The Financial Year Ended 31 December 2021

COMPANY	Share capital RM'000	Accumulated losses RM'000	Total equity RM'000
<b>2021</b>			
At 1 January 2021	1,524,735	(872,642)	652,093
Net profit and total comprehensive income for the financial year	-	56,059	56,059
At 31 December 2021	1,524,735	(816,583)	708,152
<b>2020</b>			
At 1 January 2020	1,524,735	(823,007)	701,728
Net loss and total comprehensive loss for the financial year	-	(49,635)	(49,635)
At 31 December 2020	1,524,735	(872,642)	652,093

The notes on pages 121 to 219 form an integral part of these financial statements.

# Statement of Cash Flows

For The Financial Year Ended 31 December 2021

	Group		Company	
	2021 RM'000	2020 RM'000 (Restated)	2021 RM'000	2020 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net profit/(loss) for the financial year	51,562	(18,086)	56,059	(49,635)
Adjustments for:				
Amortisation of intangible assets and programming rights costs	93,409	97,324	-	-
Intangible assets				
- Impairment	3,000	-	-	-
- Write offs	69	-	-	-
Property, plant and equipment				
- Depreciation	54,469	53,532	818	476
- (Gain)/loss on disposals	(401)	488	-	-
- Impairment	11,308	-	-	-
- Write offs	1,968	172	-	-
- Additions via contra arrangement	(876)	-	-	-
Right-of-use assets				
- Depreciation	37,629	56,877	129	644
- (Gain)/loss on termination of leases	(130)	1,438	(130)	-
Investment properties				
- Depreciation	494	728	-	-
Finance cost	16,004	14,652	14,091	9,543
Allowance for obsolescence of inventories	70	229	-	-
Net (reversal of)/impairment of investments in subsidiaries	-	-	(864)	44,448
Impairment of investment in an associate	1,197	-	-	-
Share of results of associates	240	151	-	-
Covid-19 related rent concessions	(2,352)	(9,030)	-	-
Other goods and services received via contra arrangement	(1,004)	(25)	-	-
Net unrealised foreign exchange gain	(1)	(11)	-	-
Dividend income	-	-	(60,019)	(20,020)
Finance income	(5,980)	(6,704)	(1,425)	(1,996)
Taxation	38,661	12,299	-	276
Net (reversal)/charge of termination benefits	(2,436)	(13,513)	(436)	349
Net (reversal)/loss on impairment of financial instruments				
- Trade and other receivables	(3,135)	10,843	-	-
- Amounts due from subsidiaries	-	-	(21,093)	-
	<b>293,765</b>	<b>201,364</b>	<b>(12,870)</b>	<b>(15,915)</b>

	Group		Company	
	2021 RM'000	2020 RM'000 (Restated)	2021 RM'000	2020 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)</b>				
Changes in working capital:				
Inventories	9,051	(17,893)	-	-
Receivables	17,321	6,293	1,321	4,818
Payables	(17,130)	(97,764)	(28,332)	14,965
Programme-related assets	(14,100)	(22,931)	-	-
Amounts due from subsidiaries	-	-	731	19,533
Cash flows generated from/(used in) operations	288,907	69,069	(39,150)	23,401
Net income tax paid	(24,038)	(2,800)	(196)	(169)
Net cash flows generated from/(used in) operating activities	264,869	66,269	(39,346)	23,232
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Settlement of deferred purchase consideration				
- Subsidiary	-	(780)	-	-
- Associate	-	(240)	-	-
Property, plant and equipment				
- Additions	(16,957)	(9,660)	(734)	(735)
- Advance payments	(118,391)	-	-	-
- Proceeds from disposals	466	436	-	-
Intangible assets				
- Additions	(79,735)	(65,643)	-	-
Proceeds from transfer of a subsidiary (Note 16 (a))	-	-	258	-
Finance income received	5,980	6,704	1,425	1,996
Dividends received	-	-	30,000	20,020
Acquisition of additional interest in a subsidiary	-	-	(13)	-
Payments on behalf of subsidiaries	-	-	(35,466)	-
Net cash flow (used in)/generated from investing activities	(208,637)	(69,183)	(4,530)	21,281

# statement of cash flows

for the financial year ended 31 December 2021

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000 (Restated)	RM'000	RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Drawdown of borrowings	73,267	187,686	-	153,509
Repayment of borrowings	(48,158)	(65,463)	(32,500)	(40,000)
Repayment of intercompany loans	-	-	-	(75,000)
Cash received on behalf on subsidiaries	-	-	17,344	-
Payment of principal element of lease liabilities	(30,526)	(51,592)	(95)	(610)
Acquisition of non-controlling interests	(13)	(5,000)	-	-
Increase in restricted bank balances	(2,985)	(12,280)	-	(12,280)
Finance cost paid				
- Borrowings	(3,955)	(4,993)	(3,850)	(4,402)
- Lease liabilities	(9,009)	(11,085)	(11)	(92)
Net cash flow (used in)/generated from financing activities	(21,379)	37,273	(19,112)	21,125
<b>NET MOVEMENT IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR</b>	<b>34,853</b>	<b>34,359</b>	<b>(62,988)</b>	<b>65,638</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<b>291,303</b>	<b>256,944</b>	<b>113,437</b>	<b>47,799</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR (NOTE 24)</b>	<b>326,156</b>	<b>291,303</b>	<b>50,449</b>	<b>113,437</b>

Analysis of debt reconciliations are disclosed in Note 14 and 26 to the financial statements.

The notes on pages 121 to 219 form an integral part of these financial statements.

# Notes To The Financial Statements

For The Financial Year Ended 31 December 2021

## 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, printing, sale and distribution 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 principal 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 9 March 2022.

## 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 judgement in the process of applying the Group's and Company's accounting policies. Although these estimates and judgement 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 2021

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (a) Basis of preparation (continued)

#### (i) Amendments to published standards that are effective and applicable to the Group and Company

The Group and Company have applied the following amendments for the first time for the financial year beginning on 1 January 2021:

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 'Interest Rate Benchmark Reform — Phase 2'

The amendments listed above did not have any significant impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

#### (ii) Standards early adopted by the Group and Company

The Group and Company have elected to early adopt Amendments to MFRS 16 'Covid-19 Related Rent Concessions beyond 30 June 2021' for the first time in the financial statements for the financial year 2021; with the date of initial application of 1 January 2021, which resulted in changes in accounting policies.

On adoption of the MFRS 16 amendment, the Group and Company are not required to assess whether a rent concession that occurs as a direct consequence of the Covid-19 pandemic and meet specified conditions is a lease modification.

The Group and Company account for such Covid-19-related rent concession as a variable lease payment in the period(s) in which the event or condition that triggers the reduced payment occurs.

In accordance with the transitional provisions provided in the MFRS 16 amendment, the comparative information for 2020 was not restated and continued to be reported under the previous accounting policies in accordance with the lease modification principles in MFRS 16. These amendments had no impact to the retained earnings on 1 January 2021.

The impact of the early adoption is disclosed in Note 14(d) to the financial statements.

#### (iii) Amendments to published standards 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 2022. None of these are expected to have a significant effect on the Group and Company.

- Annual Improvements to MFRS 9 'Fees in the 10% test for derecognition of financial liabilities' (effective 1 January 2022) clarifies that only fees paid or received between the borrower and the lender, including the fees paid or received on each other's behalf, are included in the cash flow of the new loan when performing the 10% test.

An entity shall apply the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

- Amendments to MFRS 3 'Reference to Conceptual Framework' (effective 1 January 2022) replace the reference to Framework for Preparation and Presentation of Financial Statements with 2018 Conceptual Framework. The amendments did not change the current accounting for business combinations on acquisition date.

The amendments provide an exception for the recognition of liabilities and contingent liabilities should be in accordance with the principles of MFRS 137 'Provisions, contingent liabilities and contingent assets' and IC Interpretation 21 'Levies' when falls within their scope. It also clarifies that contingent assets should not be recognised at the acquisition date.

The amendments shall be applied prospectively.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (a) Basis of preparation (continued)

#### (iii) Amendments to published standards have been issued but not yet effective and applicable to the Group and Company (continued)

- Amendments to MFRS 116 'Proceeds before Intended Use' (effective 1 January 2022) prohibit an entity from deducting from the cost of a property, plant and equipment the proceeds received from selling items produced by the property, plant and equipment before it is ready for its intended use. The sales proceeds should instead be recognised in the statement of comprehensive income.

The amendments also clarify that testing whether an asset is functioning properly refers to assessing the technical and physical performance of the property, plant and equipment.

The amendments shall be applied retrospectively.

- Amendments to MFRS 137 'Onerous Contracts—Cost of Fulfilling a Contract' (effective 1 January 2022) clarify that direct costs of fulfilling a contract include both the incremental cost of fulfilling the contract as well as an allocation of other costs directly related to fulfilling contracts. The amendments also clarify that before recognising a separate provision for an onerous contract, impairment loss that has occurred on assets used in fulfilling the contract should be recognised.

The amendments shall be applied retrospectively.

- Amendments to MFRS 101 'Classification of Liabilities as Current or Non-Current' (effective 1 January 2023) clarify that a liability is classified as noncurrent if an entity has a substantive right at the end of the reporting period to defer settlement for at least 12 months after the reporting period. If the right to defer settlement of a liability is subject to the entity complying with specified conditions (for example, debt covenants), the right exists at the end of the reporting period only if the entity complies with those conditions at that date. The amendments further clarify that the entity must comply with the conditions at the end of the reporting period even if the lender does not test compliance until a later date.

The assessment of whether an entity has the right to defer settlement of a liability at the reporting date is not affected by expectations of the entity or events after the reporting date.

The amendments shall be applied retrospectively.

- Amendments to MFRS 112 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction' (effective 1 January 2023) clarify that the initial exemption rule does not apply to transactions where both an asset and a liability are recognised at the same time such as leases and decommissioning obligations. Accordingly, entities are required to recognise both deferred tax assets and liabilities for all deductible and taxable temporary differences arising from such transactions.

# notes to the financial statements

for the financial year ended 31 December 2021

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (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.

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 when the acquired sets of activities and assets meet the definition of a business. The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. 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.

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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (b) Basis of consolidation (continued)

#### (ii) Basis of consolidation (continued)

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 interests

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.

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.

# notes to the financial statements

for the financial year ended 31 December 2021

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (b) Basis of consolidation (continued)

#### (v) Associates (continued)

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 statement of comprehensive income.

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.

On disposal of an investment, the difference between the net disposal proceeds and its carrying amount is charged/credited to the statement of comprehensive income.

#### (vi) Investment in subsidiaries in separate financial statements

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.

### (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 statement of comprehensive income 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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (c) Property, plant and equipment (continued)

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, transmission and production equipment	5 – 10 years
Office equipment, furniture and fittings	3 – 10 years
Leasehold improvements and office renovations	3 – 10 years
Motor vehicles	5 years
Structures	5 – 10 years

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 statement of comprehensive income.

### (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 statement of comprehensive income in the financial year of the retirement or disposal.

# notes to the financial statements

for the financial year ended 31 December 2021

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (e) Intangible assets

#### (i) Programmes and film rights

The right to sell programme rights is recognised within intangible assets. Programme assets reported as inventories represent the Group's right to broadcast programmes.

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.

#### (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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (e) Intangible assets (continued)

#### (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 statement of comprehensive income 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.

The impairment loss is charged to the statement of comprehensive income 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.

# notes to the financial statements

for the financial year ended 31 December 2021

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (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(y) (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.

### (k) Leases

#### (i) The Group and Company as a lessee

Leases are recognised as right-of-use ('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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (k) Leases (continued)

#### (i) The Group and Company as a lessee (continued)

##### 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 properties 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.

##### 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 the statement of comprehensive income.

##### 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 asset in a similar economic environment with similar terms, security and conditions.

# notes to the financial statements

for the financial year ended 31 December 2021

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (k) Leases (continued)

#### (i) The Group and Company as a lessee (continued)

##### Lease liabilities (continued)

Lease payments are allocated between principal and finance cost. The finance cost 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.

Some leases contain variable payment terms that are linked to revenue generated from sales of advertisement. Variable lease payments that depend on revenue share are recognised in the statement of comprehensive income 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 finance cost 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.

##### Accounting policies applied from 1 January 2021

During the financial year, the Group and Company apply the practical expedient to account for a Covid-19 related rent concession that meets all of the following conditions in the same way as they would if they were not lease modification:

- (i) 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;
- (ii) any reduction in lease payments affects only payments due on or before 30 June 2022; and
- (iii) there is no substantive change to other terms and conditions of the lease.

The Group and Company account for Covid-19 related rent concession as a variable lease payment in the period in which the event or condition that triggers the reduced payment occurs. Impacts of rent concessions are presented within "other operating income" in the statement of comprehensive income.

See Note 14(d) for the impact of change in accounting policy following the above adoption.

#### (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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (k) Leases (continued)

#### (ii) The Group as a lessor (continued)

##### (a) Finance leases (continued)

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

When the Group and Company are intermediate lessors, 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 in Note 2(k)(i), then they classify the sublease as an operating lease.

### (l) Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, 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 substantively 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.

# notes to the financial statements

for the financial year ended 31 December 2021

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (l) Current and deferred tax (continued)

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

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.

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.

#### (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 statement of comprehensive income 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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (n) Trade and other payables (continued)

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.

### (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.

Dividends on ordinary shares are recognised as liabilities when proposed or declared before the statement of financial position date. A dividend proposed or declared after the statement of financial position date, but before the financial statements are authorised for issue, is not recognised as a liability at the statement of financial position date.

# notes to the financial statements

for the financial year ended 31 December 2021

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (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 the statement of comprehensive income 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 statement of comprehensive income over the period of the borrowings.

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.

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 statement of comprehensive income.

When borrowings measured at amortised cost is modified without this resulting in derecognition, any gain or loss, being the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate, shall be recognised immediately within finance cost in the statement of comprehensive income.

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 the statement of comprehensive income in the period in which they are incurred.

### (s) Financial guarantee contracts

Financial guarantee contracts are contracts that require the Group or Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where financial guarantees in relation to loans or payables of subsidiaries are provided by the Company for no compensation, the fair values are accounted for as contributions and are charged to the statement of comprehensive income.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (s) Financial guarantee contracts (continued)

Financial guarantee contracts are subsequently measured at the higher of the amount determined in accordance with the expected credit loss model under MFRS 9 'Financial instruments' and the amount initially recognised less cumulative amount of income recognised in accordance with the principles of MFRS 15 'Revenue from Contracts with Customers', where appropriate.

### (t) 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 contract 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 60 days, which is consistent with market practice.

### (i) Advertising revenue

Advertising revenue mostly consists of advertising on television, radio, newspapers, digital platforms and outdoor display advertising.

Advertising revenue on television and radio are generated in the form of airtime advertisements and advertising embedded in sponsored programmes. Advertising revenue on television and radio are recognised at a point in time when the airtime advertisements and sponsored programmes are broadcast on the Group's television and radio stations.

Digital advertising revenue is recognised at a point in time as the advertisements are displayed on digital platforms.

Newspaper advertising revenue is recognised at a point in time on the publication of newspapers.

Display rental, display content management and lighting revenue on outdoor structures 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, display content management and lighting revenue stand-alone selling price are measured at the fixed transaction price agreed in the contracts.

# notes to the financial statements

for the financial year ended 31 December 2021

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (t) Revenue recognition (continued)

#### (i) Advertising revenue (continued)

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 the statement of comprehensive income over the service period.

#### (ii) Sale of goods

Revenue from the sale of goods includes the sale of newspapers and retail goods on a home shopping network.

The Group sells newspapers mostly to newspaper wholesalers and retailers. Revenue from the sale of newspapers is recognised at a point in time when the control of the goods is transferred to the customer, which generally coincides with the acceptance of goods by the customer.

The Group operates a home shopping network through various platforms including but not limited to television, electronic commerce and mobile commerce platforms. Revenue from the sale of home shopping goods is recognised at a point in time when the control of the goods is transferred to the customer, which generally coincides with the acceptance of goods by the customer.

Revenue from the sale of home shopping goods and related costs are recognised on a gross basis in the statement of comprehensive income when the Group acts as a principal. Revenue is recognised on a net basis and represents the margin earned in transactions where the Group is not the primary obligor, is not subject to inventory risk, and does not have latitude in establishing prices.

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.

#### (iii) Content and programme sales

Content revenue mostly consists of programme rights sales to customers, revenue generated from content production for customers 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. Assessment is made 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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (t) Revenue recognition (continued)

#### (iii) Content and programme sales (continued)

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, commercial newspaper printing and distribution services, and talent services.

Revenue from management services and talent services are recognised over time as and when the services are rendered.

Revenue from commercial newspaper printing and distribution services are recognised at a point in time upon the delivery of services.

#### (v) Finance income

Finance 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 fair value through other comprehensive income ("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.

### (u) 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 31). Typically, the amount will be billed within 30 days and payment is expected within 30 to 60 days.

#### (ii) Contract liabilities

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 collected 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.

# notes to the financial statements

for the financial year ended 31 December 2021

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (u) Contract balances (continued)

#### (ii) Contract liabilities (continued)

All other contract liabilities are expected to be recognised as revenue over the next 12 months.

#### (iii) Contract cost assets

Contract cost assets comprise the incremental costs of obtaining a contract and the costs to fulfil a contract.

Costs of obtaining a contract primarily comprises of advertising commissions and rebates payable to media agencies and advertising sales incentives payable to certain employees of the Group and Company. Cost to fulfil a contract primarily comprises of cost to produce advertisement content and sponsored programmes commissioned by customers for broadcast on the Group's television stations.

The Group and Company recognise a contract cost that relates directly to a contract or to an anticipated contract as an asset when the cost generates or enhances resources of the Group and Company which will be used in satisfying performance obligations in the future and it is expected to be recovered.

These contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in the statement of comprehensive income when the carrying amount of the contract cost assets exceeds the expected revenue less expected cost that will be incurred.

The Group and Company have elected the practical expedient to recognise incremental cost incurred to obtain contract with a period of less than one year as an expense when incurred.

### (v) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group and Company will comply with all attached conditions.

Government grants relating to costs are recognised in the statement of comprehensive income over the periods to match the related costs for which the grants are intended to compensate.

### (w) 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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (w) Foreign currencies (continued)

#### (ii) Transactions and balances (continued)

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within "finance income or cost". All other foreign exchange gains and losses are presented within "other operating expenses" in the statement of comprehensive income.

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.

#### (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.

### (x) 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.

# notes to the financial statements

for the financial year ended 31 December 2021

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (y) 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 ('FVOCI') 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 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 Company has transferred substantially all the risks and rewards of ownership.

#### (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 the statement of comprehensive income.

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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (y) Financial assets (continued)

#### (iii) Measurement (continued)

##### (b) Subsequent measurement (continued)

- Debt instruments (continued)

- 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.

- Equity instruments

The Group and Company subsequently measure all equity investments at fair value. Where the Group 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 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.

# notes to the financial statements

for the financial year ended 31 December 2021

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Financial assets (continued)

(iv) Impairment (continued)

### Impairment for debt instruments (continued)

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.

(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 months 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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Financial assets (continued)

(iv) Impairment (continued)

### Significant increase in credit risk (continued)

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; and
- 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 average lending rate and inflation) are 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.

### 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; and
  - 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.

# notes to the financial statements

for the financial year ended 31 December 2021

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Financial assets (continued)

(iv) Impairment (continued)

### Groupings of instruments for ECL measured on collective basis (continued)

(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.

(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.

(z) 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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (z) Financial liabilities (continued)

The Group and Company consider the 10% quantitative test as well as qualitative aspects to determine if modification of financial liabilities warrants a derecognition. 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.

### (aa) 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 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:

### (a) 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 the Group 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, 17 and 18 of the financial statements.

# notes to the financial statements

for the financial year ended 31 December 2021

## 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

### (b) 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.

### (c) 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 31.

### (d) 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).

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	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Revenue from contracts with customers:				
Advertising revenue	745,268	642,875	-	-
Newspaper sales	37,592	47,186	-	-
Newspaper printing and distribution	18,760	15,151	-	-
Content sales	43,371	14,232	-	-
Sale of home shopping goods	267,924	308,865	-	-
Other ancillary revenue	3,422	9,939	-	-
Management fees	-	-	7,667	39,054
	<b>1,116,337</b>	1,038,248	<b>7,667</b>	39,054
Revenue from other sources:				
Rental income from investment properties and outdoor cellular antenna space	3,851	3,317	-	-
Dividends from subsidiaries	-	-	60,019	20,020
	<b>1,120,188</b>	1,041,565	<b>67,686</b>	59,074
Timing of revenue recognition:				
At a point in time	1,037,637	940,073	-	-
Over time	78,700	98,175	7,667	39,054
Revenue from contracts with customers	<b>1,116,337</b>	1,038,248	<b>7,667</b>	39,054
Revenue from other sources	<b>3,851</b>	3,317	<b>60,019</b>	20,020
	<b>1,120,188</b>	1,041,565	<b>67,686</b>	59,074

The reconciliation of revenue and segment information is set out in Note 5.

#### 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 RM24.4 million (2020: RM9.0 million), of which the Group expects to recognise RM18.1 million as revenue in 2022 and the remaining amount of RM6.3 million is expected to be recognised as revenue from 2023 onwards.

# notes to the financial statements

for the financial year ended 31 December 2021

## 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.

Omnia	Integrated advertising solutions, marketing and sale of advertisements across the Group's media platforms, covering broadcasting, print, digital and outdoor
Broadcasting	Advertising slots on commercial television and radio broadcasting as well as content sales
Outdoor Media	Outdoor advertising space and related outdoor advertisement production services
Print Media	Printing, publishing, distribution and sale of newspapers
Digital Media	Digital media, digital content creation and online advertising 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 Omnia, Broadcasting, Outdoor Media, Print Media, Digital Media, Content Creation and Home Shopping makes up individual segments.

## 5 SEGMENT INFORMATION (CONTINUED)

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

2021	Omnia RM'000	Broad- casting 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	693,703	29,807	50,870	56,988	15,840	4,362	268,618	-	-	1,120,188
Inter-segment revenue	-	450,232	41,088	81,704	998	95,162	-	67,686	(736,870)	-
	693,703	480,039	91,958	138,692	16,838	99,524	268,618	67,686	(736,870)	1,120,188
EBITDA	1,350	146,828	18,722	21,946	16,801	15,569	3,405	68,808	(83,383)	210,046
Depreciation and amortisation (excluding amortisation of programming and film rights)	(57)	(39,471)	(34,471)	(16,027)	(188)	(1,759)	(1,067)	(947)	(67)	(94,054)
Net impairment (loss)/reversal of impairment	-	-	(11,338)	(2,970)	-	(1,197)	-	864	(864)	(15,505)
Finance income	1,022	3,970	1,048	4,404	241	257	884	1,425	(7,271)	5,980
Finance cost	-	(4,768)	(3,806)	(3,341)	-	-	-	(14,091)	10,002	(16,004)
Share of results of associates	-	-	-	-	-	(240)	-	-	-	(240)
Taxation	2,106	(26,116)	(9,387)	(1,089)	(2,919)	(674)	(200)	-	(382)	(38,661)
Reportable segment profit/(loss) after tax before allocation to non-controlling interest	4,421	80,443	(39,232)	2,923	13,935	11,956	3,022	56,059	(81,965)	51,562

# notes to the financial statements

for the financial year ended 31 December 2021

## 5 SEGMENT INFORMATION (CONTINUED)

The segment information provided to the chief operating decision-maker for the reportable segments is as follows: (continued)

2020	Omnia RM'000	Broad- casting 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	388,032	74,604	112,369	85,112	18,847	53,736	308,865	-	-	1,041,565
Inter-segment revenue	-	273,636	821	64,489	46,499	36,385	-	59,074	(480,904)	-
	388,032	348,240	113,190	149,601	65,346	90,121	308,865	59,074	(480,904)	1,041,565
(LBITDA)/EBITDA	(10,998)	67,018	55,414	(3,714)	2,229	15,334	10,738	12,683	(19,832)	128,872
Depreciation and amortisation (excluding amortisation of programming and film rights)	-	(29,074)	(53,369)	(25,792)	(79)	(2,041)	(1,340)	(1,120)	(67)	(112,882)
Impairment loss	-	-	-	-	-	-	-	(44,448)	44,448	-
Net reversal/(charge) of termination benefits	-	1,789	(90)	831	(6,823)	(458)	-	(8,927)	-	(13,678)
Finance income	19	1,633	1,395	6,748	142	335	971	1,996	(6,535)	6,704
Finance cost	-	(2,372)	(4,702)	(4,570)	-	-	-	(9,543)	6,535	(14,652)
Share of results of associates	-	-	-	-	-	(151)	-	-	-	(151)
Taxation	(1,120)	(2,978)	(3,819)	(181)	(1,620)	(2,173)	(150)	(276)	18	(12,299)
Reportable segment (loss)/profit after tax before allocation to non-controlling interest	(12,099)	36,016	(5,171)	(26,678)	(6,151)	10,846	10,219	(49,635)	24,567	(18,086)

# 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 reconciliation of revenue and segment information is as follows:

2021	Omnia RM'000	Broad- casting 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 contracts with customers:										
Advertising revenue	692,911	-	47,301	-	-	4,362	694	-	-	745,268
Newspaper sales	-	-	-	37,592	-	-	-	-	-	37,592
Newspaper printing and distribution	-	-	-	18,760	-	-	-	-	-	18,760
Content sales	-	29,541	-	-	13,830	-	-	-	-	43,371
Sale of home shopping goods	-	-	-	-	-	-	267,924	-	-	267,924
Other ancillary revenue	792	266	-	354	2,010	-	-	-	-	3,422
	693,703	29,807	47,301	56,706	15,840	4,362	268,618	-	-	1,116,337
Revenue from other sources:										
Rental income from investment properties and outdoor cellular antenna space	-	-	3,569	282	-	-	-	-	-	3,851
Revenue from external customers	693,703	29,807	50,870	56,988	15,840	4,362	268,618	-	-	1,120,188
Intersegment revenue	-	450,232	41,088	81,704	998	95,162	-	67,686	(736,870)	-
Segment revenue	693,703	480,039	91,958	138,692	16,838	99,524	268,618	67,686	(736,870)	1,120,188

# notes to the financial statements

for the financial year ended 31 December 2021

## 5 SEGMENT INFORMATION (CONTINUED)

The reconciliation of revenue and segment information is as follows: (continued)

2020	Omnia RM'000	Broad- casting 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 contracts with customers:										
Advertising revenue	387,605	74,515	109,208	20,107	-	51,440	-	-	-	642,875
Newspaper sales	-	-	-	47,186	-	-	-	-	-	47,186
Newspaper printing and distribution	-	-	-	15,151	-	-	-	-	-	15,151
Content sales	-	-	-	-	14,232	-	-	-	-	14,232
Sale of home shopping goods	-	-	-	-	-	-	308,865	-	-	308,865
Other ancillary revenue	427	89	-	2,512	4,615	2,296	-	-	-	9,939
	388,032	74,604	109,208	84,956	18,847	53,736	308,865	-	-	1,038,248
Revenue from other sources:										
Rental income from investment properties and outdoor cellular antenna space	-	-	3,161	156	-	-	-	-	-	3,317
Revenue from external customers	388,032	74,604	112,369	85,112	18,847	53,736	308,865	-	-	1,041,565
Intersegment revenue	-	273,636	821	64,489	46,499	36,385	-	59,074	(480,904)	-
Segment revenue	388,032	348,240	113,190	149,601	65,346	90,121	308,865	59,074	(480,904)	1,041,565

Intersegment revenue consists of advertising revenue from Omnia, management fees, dividend income and other ancillary revenue.

## 6 EMPLOYEE BENEFITS COSTS

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Wages, salaries and bonuses	221,818	220,290	12,509	21,976
Defined contribution retirement plan	27,610	30,150	1,652	3,220
(Reversal)/charge of termination benefits	(2,436)	13,678	(436)	8,928
Other employee benefits	40,280	33,382	771	3,062
	<b>287,272</b>	<b>297,500</b>	<b>14,496</b>	<b>37,186</b>

## 7 NET IMPAIRMENT/(REVERSAL OF IMPAIRMENT) OF NON-CURRENT ASSETS

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment (Note 13)	11,308	-	-	-
Investments in subsidiaries (Note 16)	-	-	(864)	44,448
Investments in associates (Note 17)	1,197	-	-	-
Intangible assets (Note 18)	3,000	-	-	-
	<b>15,505</b>	<b>-</b>	<b>(864)</b>	<b>44,448</b>

## 8 PROFIT/(LOSS) FROM OPERATIONS

Profit/(loss) from operations is stated after charging:

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration:				
- Statutory audit	1,300	1,487	98	98
- Tax services	261	261	30	30
- Other services (Note (a))	80	20	80	20
Depreciation:				
- Property, plant and equipment	54,469	53,532	818	476
- Right-of-use assets	37,629	56,877	129	644
- Investment properties	494	728	-	-
Net loss on disposal:				
- Property, plant and equipment	-	488	-	-
Cost of inventories charged as expenses	17,012	26,624	-	-
Allowance for obsolescence of inventories	70	229	-	-

# notes to the financial statements

for the financial year ended 31 December 2021

## 8 PROFIT/(LOSS) FROM OPERATIONS (CONTINUED)

Profit/(loss) from operations is stated after charging: (continued)

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Net impairment loss allowance:				
- Trade and other receivables	-	10,843	-	-
Write-offs:				
- Property, plant and equipment	1,968	172	-	-
- Intangible assets	69	-	-	-
Home shopping call centre agency cost	3,348	3,757	-	-
Road reserve fees payable to the Malaysian Highway Authority	6,548	10,230	-	-
Distribution costs	26,466	36,478	-	-
Repair and maintenance	35,543	37,602	70	7,038
Research and development	8,852	9,029	-	49
Professional and consultancy	11,073	7,746	398	264
Advertising and promotion	9,118	2,776	38	490
Net foreign exchange losses:				
- Realised	196	272	-	-
and after crediting:				
Covid-19 related rent concessions	2,352	9,030	-	-
Government grants (Note (b))	1,677	60	65	-
Net income from the sale of newsprint and unsold newspapers	933	775	-	-
Net gain on disposal:				
- Property, plant and equipment	401	-	-	-
Rental income:				
- Equipment and facilities	283	2,992	-	-
- Premises	1,495	762	-	382
- Investment properties	282	66	-	-
Net impairment loss allowance reversal:				
- Trade and other receivables	3,135	-	-	-
- Amounts due from subsidiaries	-	-	21,093	-
Net foreign exchange gains:				
- Realised	-	-	2	-
- Unrealised	1	11	-	-

## 8 PROFIT/(LOSS) FROM OPERATIONS (CONTINUED)

- (a) Other services rendered by the external auditor of the Group

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.

- (b) Government grants

The Group and Company received wage subsidies in support of employee hiring and retention during the Covid-19 pandemic. These subsidies were presented as "other operating income" in the statement of comprehensive income.

## 9 FINANCE INCOME/(COST)

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Finance income:				
- from deposits	5,980	6,704	1,425	1,996
Finance cost:				
- on borrowings	(6,995)	(3,567)	(6,820)	(2,976)
- on lease liabilities	(9,009)	(11,085)	(11)	(92)
- on intercompany loans	-	-	(7,260)	(6,475)
	<b>(16,004)</b>	<b>(14,652)</b>	<b>(14,091)</b>	<b>(9,543)</b>

## 10 DIRECTORS' REMUNERATION

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Non-executive Directors:				
- Fees	338	544	338	425
- Allowances	696	663	696	564
- Other remuneration	26	31	26	31
Executive Directors:				
- Basic salaries and bonus	1,297	1,095	644	1,095
- Allowances	88	101	52	101
- Defined contribution retirement plan	164	201	83	201
- Other remuneration	-	1,000	-	1,000
	<b>2,609</b>	<b>3,635</b>	<b>1,839</b>	<b>3,417</b>
Estimated monetary value of benefits-in-kind	25	23	21	23

# notes to the financial statements

for the financial year ended 31 December 2021

## 11 TAXATION

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Current tax:				
- Current financial year	43,237	10,651	-	276
- (Over)/under accruals in prior financial year	(1,564)	639	-	-
	41,673	11,290	-	276
Deferred tax:				
- Origination and reversal of temporary differences (Note 19)	(3,012)	1,009	-	-
Tax expense	38,661	12,299	-	276

The explanation of the relationship between taxation and profit/(loss) before taxation is as follows:

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) before taxation	90,223	(5,787)	56,059	(49,359)
Tax calculated at the Malaysian corporate income tax rate of 24% (2020: 24%)	21,654	(1,389)	13,454	(11,846)
Tax effects of:				
- Expenses not deductible for tax purpose	7,534	6,215	3,576	13,116
- Income not subject to tax	(509)	(411)	(19,820)	(5,007)
- Deferred tax assets not recognised in respect of current year's temporary differences, allowances and unused tax losses	16,434	6,912	2,790	4,013
- Recognition of previously unrecognised deferred tax assets	(8,869)	-	-	-
- Share of results of associates	58	36	-	-
- Under accruals of taxation in prior financial years	2,359	936	-	-
Taxation	38,661	12,299	-	276

## 12 EARNINGS/(LOSS) PER SHARE

		Group	
		2021	2020
Net profit/(loss) attributable to owners of the Company	(RM'000)	55,231	(18,378)
Weighted average number of ordinary shares in issue	('000)	1,109,199	1,109,199
Basic earnings/(loss) per share	(sen)	4.98	(1.66)
Diluted earnings/(loss) per share	(sen)	4.98	(1.66)

The basic earnings/(loss) per share is calculated by dividing the net profit/(loss) attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year. There are no potential ordinary shares outstanding as at 31 December 2021 and 31 December 2020. As such, the diluted earnings/(loss) per share is equivalent to the basic earnings/(loss) per share.

## 13 PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land	Buildings	Plant and machinery	Broad-casting, transmission and production equipment	Office equipment, furniture and fittings	Leasehold improvements and office renovations	Motor vehicles	Structures	Asset under construction	Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>2021</b>										
<u>Cost</u>										
At 1 January 2021	13,108	186,567	836,364	722,694	344,332	83,276	12,900	212,234	4,218	2,415,693
Additions	-	-	29	3,148	3,223	1,920	279	129	7,064	15,792
Disposals	-	-	(717)	(313)	(1,047)	-	(984)	(475)	-	(3,536)
Write-offs	-	-	-	-	-	-	-	-	(1,968)	(1,968)
Reclassifications	-	-	-	111	-	-	-	7,489	(7,600)	-
Transfer from non-current assets held for sale (Note 25(a))	225	-	-	-	-	-	-	-	-	225
At 31 December 2021	13,333	186,567	835,676	725,640	346,508	85,196	12,195	219,377	1,714	2,426,206
<u>Accumulated depreciation</u>										
At 1 January 2021	-	89,026	626,280	602,272	285,658	81,244	11,128	152,169	-	1,847,777
Charge for the financial year	-	1,512	2,180	23,418	13,355	686	712	12,606	-	54,469
Disposals	-	-	(711)	(313)	(1,003)	-	(984)	(460)	-	(3,471)
At 31 December 2021	-	90,538	627,749	625,377	298,010	81,930	10,856	164,315	-	1,898,775

# notes to the financial statements

for the financial year ended 31 December 2021

## 13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Broad-casting, transmission and production equipment RM'000	Office equipment, furniture and fittings RM'000	Leasehold improvements and office renovations RM'000	Motor vehicles RM'000	Structures under construction RM'000	Asset under construction RM'000	Total RM'000
<u>2021</u>										
<u>Accumulated impairment losses</u>										
At 1 January 2021	3,265	70,231	202,307	65,513	14,770	3	1,049	382	-	357,520
Charge for the financial year	-	-	-	-	3,010	-	-	8,298	-	11,308
At 31 December 2021	3,265	70,231	202,307	65,513	17,780	3	1,049	8,680	-	368,828
<u>Net book value</u>										
At 31 December 2021	10,068	25,798	5,620	34,750	30,718	3,263	290	46,382	1,714	158,603

## 13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land		Buildings		Plant and machinery		Broad-casting, transmission and production equipment		Office equipment, furniture and fittings		Leasehold improvements and office renovations		Motor vehicles		Structures		Asset under construction		Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>2020</b>																			
<u>Cost</u>																			
At 1 January 2020	13,108	186,567	836,504	795,279	337,021	82,137	12,904	206,047	3,934	2,473,501									
Additions	-	-	237	691	4,772	1,258	-	58	11,185	18,201									
Disposals	-	-	(377)	(73,276)	(1,802)	(100)	(4)	(108)	(128)	(75,795)									
Write-offs	-	-	-	-	(29)	(19)	-	-	(166)	(214)									
Reclassifications	-	-	-	-	4,370	-	-	6,237	(10,607)	-									
At 31 December 2020	13,108	186,567	836,364	722,694	344,332	83,276	12,900	212,234	4,218	2,415,693									
<u>Accumulated depreciation</u>																			
At 1 January 2020	-	87,514	623,562	655,323	272,165	79,754	10,160	140,680	-	1,869,158									
Charge for the financial year	-	1,512	2,913	19,665	15,319	1,577	972	11,574	-	53,532									
Disposals	-	-	(195)	(72,716)	(1,797)	(74)	(4)	(85)	-	(74,871)									
Write-offs	-	-	-	-	(29)	(13)	-	-	-	(42)									
At 31 December 2020	-	89,026	626,280	602,272	285,658	81,244	11,128	152,169	-	1,847,777									
<u>Accumulated impairment losses</u>																			
At 1 January 2020/ At 31 December 2020	3,265	70,231	202,307	65,513	14,770	3	1,049	382	-	357,520									
<u>Net book value</u>																			
At 31 December 2020	9,843	27,310	7,777	54,909	43,904	2,029	723	59,683	4,218	210,396									

# notes to the financial statements

for the financial year ended 31 December 2021

## 13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Company	
	2021	2020
	RM'000	RM'000
<b>Office equipment, furniture and fittings</b>		
<u>Cost</u>		
At 1 January	5,689	4,401
Additions	763	1,288
At 31 December	6,452	5,689
<u>Accumulated depreciation</u>		
At 1 January	4,355	3,879
Charge for the financial year	818	476
At 31 December	5,173	4,355
<u>Net book value</u>		
At 31 December	1,279	1,334

(a) Impairment of property, plant and equipment

(i) Outdoor Media

During the financial year, the Group performed a rationalisation exercise involving its advertising structures within the Outdoor Media segment as certain advertising concessions were planned to be terminated or not renewed. The Group has performed an impairment assessment and measured the recoverable amount based on FVLCS estimated using the discounted cash flows method. The fair value is estimated by probability-weighting the estimated future cash outflows, adjusted for inflation, expected market revenue growth rates and discounting at 10%. The recoverable amount is classified as Level 3 in the fair value hierarchy. Accordingly, RM8.3 million of impairment loss was recognised in "impairment of non-current assets" in the statements of comprehensive income.

(ii) Print Media

During the financial year, the Print Media segment had performed a rationalisation exercise involving certain office equipment and furniture and fittings. An impairment assessment was performed resulting in a charge of RM3.0 million on identified office equipment and furniture and fittings as the recoverable amount is determined to be nil since there is no resale value. The charges had been recorded in "impairment of non-current assets" in the Group's statement of comprehensive income.

No impairment of property, plant and equipment was recognised during the previous financial year.

(b) Revision of remaining useful lives of broadcasting and transmission equipment

During the financial year, estimates of the remaining useful life of certain broadcasting and transmission equipment of the Group were shortened following a review of technological development and obsolescence of television and radio broadcasting assets. The change in accounting estimates reflects the remaining period over which the Group expects to obtain value from the identified television and radio broadcasting assets.

### 13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (b) Revision of remaining useful lives of broadcasting and transmission equipment (continued)

Depreciation charge to the Group's statement of comprehensive income increased by RM7.5 million during the current financial year as a result of the change in accounting estimates.

- (c) Property, plant and equipment pledged as security

As at 31 December 2021, certain land and buildings of the Group with an aggregate carrying amount of RM22.9 million (2020: RM26.6 million) were pledged to a licensed bank as security for a borrowing facility granted to the Company.

- (d) Property, plant and equipment of the Group and Company are acquired by way of:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Cash payment	8,416	9,660	181	735
Other payables	6,500	8,541	582	553
Contra arrangements	876	-	-	-
	<b>15,792</b>	<b>18,201</b>	<b>763</b>	<b>1,288</b>

### 14 LEASES

#### ROU assets

Group	Leasehold land RM'000	Buildings RM'000	Out-of-Home display sites RM'000	Total RM'000
<b>2021</b>				
<u>Cost</u>				
At 1 January 2021	10,302	190,566	242,743	443,611
Additions	-	1,093	-	1,093
Terminations	-	(2,792)	-	(2,792)
At 31 December 2021	<b>10,302</b>	<b>188,867</b>	<b>242,743</b>	<b>441,912</b>
<u>Accumulated depreciation</u>				
At 1 January 2021	838	111,044	174,712	286,594
Charge for the financial year	411	19,871	17,347	37,629
Terminations	-	(1,668)	-	(1,668)
At 31 December 2021	<b>1,249</b>	<b>129,247</b>	<b>192,059</b>	<b>322,555</b>
<u>Net book value</u>				
At 31 December 2021	<b>9,053</b>	<b>59,620</b>	<b>50,684</b>	<b>119,357</b>

# notes to the financial statements

for the financial year ended 31 December 2021

## 14 LEASES (CONTINUED)

### ROU assets (continued)

Group	Broadcasting transmission equipment RM'000	Leasehold land RM'000	Buildings RM'000	Out-of-Home display sites RM'000	Total RM'000
<b>2020</b>					
<u>Cost</u>					
At 1 January 2020	5,160	10,302	190,997	245,656	452,115
Terminations	(5,160)	-	(431)	(2,913)	(8,504)
At 31 December 2020	-	10,302	190,566	242,743	443,611
<u>Accumulated depreciation</u>					
At 1 January 2020	3,397	427	91,481	139,700	235,005
Charge for the financial year	-	411	19,986	36,480	56,877
Terminations	(3,397)	-	(423)	(1,468)	(5,288)
At 31 December 2020	-	838	111,044	174,712	286,594
<u>Net book value</u>					
At 31 December 2020	-	9,464	79,522	68,031	157,017

## 14 LEASES (CONTINUED)

ROU assets (continued)

	Company	
	2021 RM'000	2020 RM'000
<b>Buildings</b>		
<u>Cost</u>		
At 1 January	2,792	2,792
Terminations	(2,792)	-
At 31 December	-	2,792
<u>Accumulated depreciation</u>		
At 1 January	1,539	895
Charge for the financial year	129	644
Terminations	(1,668)	-
At 31 December	-	1,539
<u>Net book value</u>		
At 31 December	-	1,253

Lease liabilities

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Non-current	(105,488)	(144,790)	-	(735)
Current	(46,554)	(40,291)	-	(614)
	(152,042)	(185,081)	-	(1,349)

# notes to the financial statements

for the financial year ended 31 December 2021

## 14 LEASES (CONTINUED)

- (a) Amounts recognised in the statement of comprehensive income

The statement of comprehensive income shows the following amounts relating to leases:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Depreciation of right-of-use assets (Note 8)	<b>(37,629)</b>	(56,877)	<b>(129)</b>	(644)
Finance cost on lease liabilities (Note 9)	<b>(9,009)</b>	(11,085)	<b>(11)</b>	(92)
Expenses relating to short-term leases	<b>(15,817)</b>	(5,790)	-	-
Expenses related to leases of low-value assets other than short-term leases	<b>(2,868)</b>	(1,502)	<b>(25)</b>	(509)
Expenses relating to variable lease payments not included in				
lease liabilities (Note 14(c))	<b>(10,351)</b>	(19,034)	-	-
Gain/(loss) on termination of leases	<b>130</b>	(1,438)	<b>130</b>	-
Covid-19 related rent concessions (Note 14(d))	<b>2,352</b>	9,030	-	-

- (b) Leasing activities of the Group and Company

The Group and Company have lease contracts for various properties, office buildings, plants and outdoor advertising display sites used in its operations. Leasehold land generally have lease tenures ranging from 50 and 99 years (2020: 50 and 99 years), leases of buildings and plants generally have lease terms of three (3) and six (6) years (2020: three (3) years and six (6) years), while outdoor advertising display sites generally have lease terms between three (3) and ten (10) years (2020: three (3) and ten (10) years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The Group and Company also have certain short-term leases with a lease term of 12 months or less and leases of IT and office equipment with low value. The Group and Company apply the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

- (c) Variable lease payments

Some outdoor advertising display site leases contain variable payment terms that are linked to sales generated from display of advertisements. For individual outdoor advertising sites, up to 30% of lease payments are on the basis of variable payment terms with percentages ranging from 30% to 60% of sales. Variable payment terms are used to link site rental payments to display rental revenue and to reduce fixed costs. Variable lease payments that depend on revenue are recognised in the statement of comprehensive income in the period in which the condition that triggers those payments occurs, as disclosed in Note 14(a) to the financial statements.

- (d) Covid-19 related rent concessions

During the financial year, as a result of the Covid-19 pandemic, the Group has received various forms of rent concessions, including payment holidays for a period of time.

The Group has applied the practical expedient to all rent concessions that meet the conditions of the MFRS 16 amendments.

## 14 LEASES (CONTINUED)

## (d) Covid-19 related rent concessions (continued)

The amount recognised in the Group's statement of comprehensive income has reflected changes in lease payments that arise from rent concessions to which the Group has applied the practical expedient is RM2.4 million (2020: RM 9.0 million). The lease liability is reduced by RM2.4 million correspondingly (2020: RM9.0 million).

## (e) 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. As at 31 December 2021, potential undiscounted future cash outflows of RM99.9 million (2020: RM208.7 million) have not been included in the lease liabilities of the Group because it is not reasonably certain that the leases will be extended (or not terminated).

## (f) Reconciliation of financial liabilities arising from financing activities in relation to leases

The table below details changes in the Group's and Company's liabilities arising from financing activities in relation to leases 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 Company's statement of cash flows as cash flows from financing activities.

Lease liabilities

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
At 1 January	185,081	247,481	1,349	1,959
Cash flows	(39,535)	(62,677)	(106)	(702)
Non-cash movements:				
- Interest accretion	9,009	11,085	11	92
- Covid-19 related rent concessions	(2,352)	(9,030)	-	-
- Additions	1,093	-	-	-
- Terminations	(1,254)	(1,778)	(1,254)	-
At 31 December	152,042	185,081	-	1,349

# notes to the financial statements

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## 14 LEASES (CONTINUED)

(g) Minimum lease payments

The following is a summary of the minimum lease payments:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<u>Lease rental obligations</u>				
Minimum lease payments:				
- Not later than 1 year	45,898	47,397	-	692
- Later than 1 year and not later than 2 years	43,298	45,961	-	639
- Later than 2 years and not later than 5 years	78,336	101,132	-	96
- Later than 5 years	-	13,100	-	-
	167,532	207,590	-	1,427
Future finance charges	(15,490)	(22,509)	-	(78)
Present value of lease obligations	152,042	185,081	-	1,349

## 15 INVESTMENT PROPERTIES

Group	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Total RM'000
<b>2021</b>				
<u>Cost</u>				
At 1 January 2021	6,300	6,487	32,461	45,248
Transfer to non-current assets held for sale (Note 25(b))	-	-	(13,300)	(13,300)
At 31 December 2021	6,300	6,487	19,161	31,948
<u>Accumulated depreciation</u>				
At 1 January 2021	-	461	13,197	13,658
Charge for the financial year	-	1	493	494
Transfer to non-current assets held for sale (Note 25(b))	-	-	(1,724)	(1,724)
At 31 December 2021	-	462	11,966	12,428
<u>Accumulated impairment losses</u>				
At 1 January/31 December 2021	-	3,092	362	3,454
<u>Net book value</u>				
At 31 December 2021	6,300	2,933	6,833	16,066

## 15 INVESTMENT PROPERTIES (CONTINUED)

Group	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Total RM'000
<b>2020</b>				
<u>Cost</u>				
At 1 January/31 December 2020	6,300	6,487	32,461	45,248
<u>Accumulated depreciation</u>				
At 1 January 2020	-	460	12,470	12,930
Charge for the financial year	-	1	727	728
At 31 December 2020	-	461	13,197	13,658
<u>Accumulated impairment losses</u>				
At 1 January/31 December 2020	-	3,092	362	3,454
<u>Net book value</u>				
At 31 December 2020	6,300	2,934	18,902	28,136

The following amounts have been recognised in the statement of comprehensive income in respect of investment properties:

	Group	
	2021 RM'000	2020 RM'000
Direct operating expenses incurred from investment properties that generate rental income	(406)	(607)
Direct operating expenses incurred from investment properties that did not generate rental income	(394)	(545)

## (a) 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:

Group	2021		2020	
	Carrying amount	Fair value	Carrying amount	Fair value
	RM'000	RM'000	RM'000	RM'000
Investment properties	16,066	43,839	28,136	68,398

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.

# notes to the financial statements

for the financial year ended 31 December 2021

## 15 INVESTMENT PROPERTIES (CONTINUED)

### (b) Investment properties pledged as securities

As at 31 December 2021, certain investment properties of the Group with an aggregate carrying amount of RM0.6 million (2020: RM12.4 million) were pledged to a licensed bank as security for a borrowing facility granted to the Company. The Group and Company are required to assign any rental income and proceeds of disposal of the pledged investment properties to the licensed bank.

### (c) Leasing arrangements

Investment properties are leased to tenants under operating leases for a period of less than one (1) year. 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.

## 16 SUBSIDIARIES

	Company	
	2021	2020
	RM'000	RM'000
Unquoted shares, at cost	1,772,757	1,774,563
Less: Accumulated impairment losses	(876,299)	(878,725)
	<b>896,458</b>	895,838

The details of the subsidiaries are as follows:

Name of company	Country of incorporation	Principal activities	Effective interest in equity	
			2021	2020
			%	%
Media Prima Omnia Sdn Bhd	Malaysia	Contracting and marketing of advertisements	100	100
Sistem Televisyen Malaysia Berhad ("STMB")	Malaysia	Commercial television broadcasting, television programme and content production and distribution, 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 and display production	100	100
Primeworks Studios Sdn Bhd	Malaysia	Feature film production, acquisition, commissioning and distribution	100	100
The Talent Unit Sdn Bhd	Malaysia	Talent management of artistes	100	100

## 16 SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows: (continued)

Name of company	Country of incorporation	Principal activities	Effective interest in equity	
			2021 %	2020 %
Alternate Records Sdn Bhd	Malaysia	Music production and recording studio	100	100
Esprit Assets Sdn Bhd	Malaysia	Property investments and provision of property management services	100	100
Animated & Production Techniques Sdn Bhd	Malaysia	Dormant	100	100
Primeworks Distribution Sdn Bhd ("PWD")	Malaysia	Content and programme sales and distribution	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	98.18	98.17
Media Prima Digital Sdn Bhd ("MPD")	Malaysia	Digital media services	100	100
<u>Held by STMB</u>				
Ch-9 Media Sdn Bhd	Malaysia	Commercial television broadcasting	100	100
Natseven TV Sdn Bhd	Malaysia	Commercial television broadcasting	100	100
WOWSHOP Sdn Bhd ("WOWSHOP")	Malaysia	Home shopping network	100	100
STMB Properties Sdn Bhd (formerly known as Big Events Sdn Bhd) ("STMB Properties")	Malaysia	Property investment	100	100
Tonton International Sdn Bhd (formerly known as Skyten Marketing Sdn Bhd) ("TISB")	Malaysia	Dormant	100	100
Merit Idea Sdn Bhd	Malaysia	Investment holding	100	100

# notes to the financial statements

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## 16 SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows: (continued)

Name of company	Country of incorporation	Principal activities	Effective interest in equity	
			2021 %	2020 %
<u>Held by Merit Idea Sdn Bhd</u>				
Metropolitan TV Sdn Bhd ("8TV")	Malaysia	Commercial television broadcasting	100	100
<u>Held by Hot FM</u>				
Perintis Layar Sdn Bhd	Malaysia	Investment holding	100	100
One FM Radio Sdn Bhd	Malaysia	Commercial radio broadcasting	99.6	99.6
Kool FM Radio Sdn Bhd	Malaysia	Commercial radio broadcasting	100	100
<u>Held by Perintis Layar Sdn Bhd</u>				
Max-Airplay Sdn Bhd	Malaysia	Commercial radio broadcasting	100	100
<u>Held by NSTP</u>				
Print Towers Sdn Bhd	Malaysia	Newspaper printing and distribution	98.18	98.17
Business Times (Malaysia) Sdn Bhd	Malaysia	Dormant	98.18	98.17
Marican Sdn Bhd	Malaysia	Dormant	90.82	90.81
New Straits Times Sdn Bhd	Malaysia	Dormant	98.18	98.17
NSTP e-Media Sdn Bhd	Malaysia	Dormant	98.18	98.17
Shin Min Publishing (Malaysia) Sdn Bhd	Malaysia	Dormant	87.97	87.96
The New Straits Times Properties Sdn Bhd	Malaysia	Property management services	98.18	98.17

## 16 SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows: (continued)

Name of company	Country of incorporation	Principal activities	Effective interest in equity	
			2021 %	2020 %
<u>Held by Jupiter Outdoor Network Sdn Bhd</u>				
Calcom Sdn Bhd	Malaysia	Dormant	100	100
Lokasi Sejagat Sdn Bhd	Malaysia	Dormant	100	100
<u>Held by BTO</u>				
UPD Sdn Bhd	Malaysia	Outdoor advertising	100	100
The Right Channel Sdn Bhd ("TRC")	Malaysia	Outdoor advertising	100	100
Kurnia Outdoor Sdn Bhd ("Kurnia")	Malaysia	Outdoor advertising and display production	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
<u>Held by Alternate Records Sdn Bhd</u>				
Booty Studio Productions Sdn Bhd	Malaysia	Dormant	60	60

# notes to the financial statements

for the financial year ended 31 December 2021

## 16 SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows: (continued)

Name of company	Country of incorporation	Principal activities	Effective interest in equity	
			2021 %	2020 %
<u>Held by TRC</u>				
MMC-AD Sdn Bhd	Malaysia	Dormant	100	100
Media Master Industries (M) Sdn Bhd	Malaysia	Dormant	100	100
<u>Held by Kurnia</u>				
Kurnia Outdoor Productions Sdn Bhd	Malaysia	Production of outdoor advertising display	100	100
<u>Held by Lazim Juta Sdn Bhd</u>				
Strategic Media Asset Mgmt Co Ltd	Malaysia	Dormant	100	100
<u>Held by MPD</u>				
Rev Media Group Sdn Bhd	Malaysia	Investment holding	100	100
<u>Held by RMGSB</u>				
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	52
<u>Held by Rev Social Malaysia Sdn Bhd</u>				
Rev Social International Sdn Bhd	Malaysia	Digital publishing	100	100

**16 SUBSIDIARIES (CONTINUED)**

## (a) Transfer of subsidiaries within the Group

- (i) On 4 August 2021, the Company transferred its entire shareholding of 1,800,000 ordinary shares in STMB Properties, representing its entire issued and paid-up share capital, to STMB for a cash consideration of RM0.3 million.
- (ii) On 25 November 2021, Jupiter Outdoor Network Sdn Bhd transferred its entire shareholding of 2 ordinary shares in TISB, representing its entire issued and paid up capital, to STMB for a cash consideration of RM1.00.

The above transactions did not have any material effect to the Group.

## (b) Acquisition of additional interest in subsidiaries

- (i) On 28 December 2021, the Company purchased 15,000 ordinary shares of NSTP from a minority shareholder of NSTP for a total cash consideration of RM12,750.

The purchase did not have a material effect to the Group and Company during the financial year.

- (ii) On 1 September 2020, STMB entered into a share sale and purchase agreement with a minority shareholder of WOWSHOP to purchase 21,070,000 ordinary shares in WOWSHOP for a total cash consideration of RM5.0 million. Following the acquisition, STMB's equity interest in WOWSHOP increased from 51% to 100%.

Immediately prior to the purchase, the carrying amount of the existing 49% non-controlling interest in WOWSHOP was RM1.6 million. The Group recognised a decrease in non-controlling interests of RM1.6 million and a decrease in equity attributable to owners of the Company of RM3.4 million during the previous financial year.

The effect of the above transactions on the Group's equity attributable to the owners of the Company is summarised as follows:

	Group	
	2021	2020
	RM'000	RM'000
Carrying amount of non-controlling interests acquired	7	1,593
Consideration paid to non-controlling interests	(13)	(5,000)
Differences on acquisition recognised in accumulated losses	(6)	(3,407)

# notes to the financial statements

for the financial year ended 31 December 2021

## 16 SUBSIDIARIES (CONTINUED)

- (c) 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 NCI, which, in the opinion of the Directors, are material to the Group.

Proportion of equity interest held by NCI:

	2021	2020
	%	%
NCI percentage of ownership interest in equity:		
- NSTP group	1.82	1.83
- BTSJ	40.0	40.0

	2021	2020
	RM'000	RM'000
Carrying amount of NCI:		
- NSTP group	3,733	3,687
- BTSJ	(12,854)	(9,662)
- Other subsidiaries with immaterial NCI	1,598	2,128
	(7,523)	(3,847)

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before intercompany elimination.

	WOWSHOP*	NSTP group	BTSJ
	RM'000	RM'000	RM'000
<u>Summarised statements of comprehensive income</u>			
<b>2021</b>			
Revenue	-	138,692	9,351
Net profit/(loss) and total comprehensive income/(loss) for the financial year	-	2,919	(7,979)
<b>2020</b>			
Revenue	205,373	149,601	11,040
Net profit/(loss) and total comprehensive income/(loss) for the financial year	7,499	(26,678)	(6,975)

## 16 SUBSIDIARIES (CONTINUED)

(c) 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.

	NSTP group RM'000	BTSJ RM'000
<u>Summarised statements of financial position</u>		
<b>2021</b>		
Non-current assets	198,400	56,388
Current assets	119,981	9,034
Non-current liabilities	(34,717)	(43,962)
Current liabilities	(96,600)	(53,594)
Net assets/(liabilities)	187,064	(32,134)

<b>2020</b>		
Non-current assets	242,104	67,362
Current assets	99,913	8,938
Non-current liabilities	(50,783)	(53,840)
Current liabilities	(107,089)	(46,615)
Net assets/(liabilities)	184,145	(24,155)

	WOWSHOP* RM'000	NSTP group RM'000	BTSJ RM'000
<u>Summarised cash flow information</u>			
<b>2021</b>			
Net cash flow generated from operating activities	-	12,999	8,858
Net cash flow generated from investing activities	-	7,896	87
Net cash flow used in financing activities	-	(29,013)	(6,322)
Net (decrease)/increase in cash and cash equivalents	-	(8,118)	2,623
<b>2020</b>			
Net cash flow generated from operating activities	4,956	20,356	4,643
Net cash flow generated from/(used in) investing activities	127	(624)	(1,510)
Net cash flow used in financing activities	-	(3,970)	(8,250)
Net increase/(decrease) in cash and cash equivalents	5,083	15,762	(5,117)

\* The summarised statement of comprehensive income and summarised cash flows information of WOWSHOP is up until 1 September 2020, being the date of the acquisition of the remaining non-controlling interest by STMB, as disclosed in Note 16(b).

# notes to the financial statements

for the financial year ended 31 December 2021

## 16 SUBSIDIARIES (CONTINUED)

### (d) Impairment assessment on investment in subsidiaries

As of the year end, the market capitalisation of the Company is lower than the net assets value. This indicates an impairment may exist on the Company's investments in subsidiaries. The Company has performed the following impairment assessment on its investments.

Due to the inherent uncertainty arising from the Covid-19 pandemic, the recoverable amount of the investments are determined using the FVLCS method applying the income approach of present value technique. The projections cover a five (5) year period with terminal values. The fair value measurement was categorised as a Level 3 fair value based on inputs in the valuation technique used.

The valuation technique uses a set of cash flows that represents the probability-weighted average of all possible future cash flows expected to be generated from the investment, adjusting for average revenue growth rates, average EBITDA margins, terminal growth rate and discount rate. In determining the value of each key assumption, the management used the approved budget for 2022 as well as external market data. The inputs used in the valuation technique represent the market participants' expectations of the highest and best use of the investment.

In the previous financial year, except for Hot FM, the recoverable amounts of the investments were determined using the VIU method, applying a discounted cash flow model using cash flow projections covering a five (5) year period and terminal values. The cash flows are derived based on the approved budgeted cash flows for 2021 and projections for a period of subsequent four (4) years, based on management's plans.

For Hot FM, in the previous financial year, the recoverable amount was determined using the FVLCS method based on the fair value of broadcasting licenses attributable to Hot FM and its subsidiaries.

### (i) STMB

The Group's television broadcasting platform has seen a better than expected result during the year. The Group's initiatives to introduce Omnia as a one-stop advertising solution in the financial year 2020 and offerings of attractive advertising incentives have gained traction and garnered a robust reception from the advertisers in 2021. This is further driven by the reopening of the economy which has greatly increased advertisers' demand for television advertising such that the medium has become the driver of the traditional advertising expenditure market's growth. As a result, the investment's recoverable amount has improved to RM504.0 million and a reversal of impairment of RM124.9 million is recorded.

The key assumptions used are as follows:

	2021	2020
Average revenue (decline)/growth	(1%)-1%	(10%)
EBITDA margin	0%-2%	14%
Terminal growth rate	0%-1%	0%
Discount rate	11%-12%	15%

## 16 SUBSIDIARIES (CONTINUED)

(d) Impairment assessment on investment in subsidiaries (continued)

(i) STMB (continued)

The sensitivity analysis of each of these key assumptions for the current financial year with all other variables being held constant are as follows:

	2021 Decrease in recoverable amount RM'million
Decrease in revenue growth rate by 1%	56.1
Decrease in EBITDA margin by 5%	29.3
Decrease in terminal growth by 1%	24.7
Increase in discount rate of 1%	33.5

The sensitivity analysis of each of these key assumptions for the previous financial year with all other variables being held constant are as follows:

	2020 Decrease in recoverable amount RM'million
Decrease in revenue growth rate by 1%	9.7
Decrease in EBITDA margin by 1%	31.1
Decrease in terminal growth by 1%	6.8
Increase in discount rate of 1%	17.8

(ii) BTO

Despite the reopening of the economy during the year, overall Outdoor advertising remained sluggish as the increase in trend for digital displays is nullified by the softer than expected demand for static displays which make up the majority of the Group's Outdoor platform assets. The Outdoor platform is still affected by the lower traffic observed in particular on the highways where most of the platform's display billboards are located. As a result, the investment's recoverable amount has reduced to RM83.1 million and an impairment of RM120.6 million is recognised.

The key assumptions used are as follows:

	2021	2020
Average revenue growth for digital structures	3%-12%	2%
Average revenue growth for static structures	0%-8%	2%
EBITDA margin	30%-37%	45%
Terminal growth rate	2%	0%
Discount rate	11%-12%	12.7%

# notes to the financial statements

for the financial year ended 31 December 2021

## 16 SUBSIDIARIES (CONTINUED)

(d) Impairment assessment on investment in subsidiaries (continued)

(ii) BTO (continued)

The sensitivity analysis of each of these key assumptions with all other variables being held constant are as follows:

	2021 Decrease in recoverable amount RM'million	2020 Decrease in recoverable amount RM'million
Decrease in revenue growth rate of 1%	18.1	12.8
Decrease in EBITDA margin of 1%	1.1	9.1
Decrease in terminal growth of 1%	0.8	8.2
Increase in discount rate of 1%	1.6	13.1

(iii) Hot FM

The key assumptions used in the calculations are as follows:

	2021	2020
Average revenue growth	1%	0%
EBITDA margin	(51%)-35%	-
Terminal growth rate	0%-2%	0%
Discount rate	10%-11%	8%

From the assessment performed, the investment is not impaired as the recoverable amounts exceed the carrying amounts included in the financial statements.

Based on the sensitivity analysis performed, the Directors concluded that no reasonable change in the base case assumptions would cause the carrying amounts of the CGU to exceed its recoverable amounts.

(iv) NSTP

The key assumptions used are as follows:

	2021	2020
Average digital revenue growth	2%	7%
Average print revenue growth	(26%)	(35%)
Terminal growth rate	0%-1%	0%-1%
Discount rate	16%-18%	14%-17%

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 RM93.5 million (2020: RM125.5 million).

## 16 SUBSIDIARIES (CONTINUED)

(d) Impairment assessment on investment in subsidiaries (continued)

(iv) NSTP (continued)

From the assessment, the Company's investment in NSTP is not impaired as the recoverable amount exceeds the carrying amount reported in the financial statements.

The sensitivity analysis of each of these key assumptions with all other variables being held constant are as follows:

	2021 Decrease in recoverable amount RM'million	2020 Decrease in recoverable amount RM'million
Decrease in revenue growth rate of 1%	0.3	0.2
Decrease in EBITDA margin of 1%	4.7	0.1
Increase in discount rate of 1%	2.6	5.9

(v) MPD

The key assumptions used are as follows:

	2021
Average revenue growth	3%-20%
EBITDA margin	12%-20%
Terminal growth rate	0%-3%
Discount rate	10%

From the assessment, the Company's investment in MPD is not impaired as the recoverable amount exceeds the carrying amount reported in the financial statements.

The impairment assessment includes an impact assessment of changes in key assumptions.

The sensitivity analysis of each of these key assumptions with all other variables being held constant are as follows:

	2021 Decrease in recoverable amount RM'million
Decrease in revenue growth rate of 1%	5.7
Decrease in EBITDA margin of 1%	8.6
Decrease in terminal growth of 1%	13.1
Increase in discount rate of 1%	12.3

# notes to the financial statements

for the financial year ended 31 December 2021

## 16 SUBSIDIARIES (CONTINUED)

(d) Impairment assessment on investment in subsidiaries (continued)

(vi) PWS

During the financial year, the Group completed the business restructuring of PWS by transferring its content and programme production operation to STMB. As such, the Company recognised an impairment charge of RM3.5 million which represented the entire carrying amount of its investment in PWS. The impairment charge had been recorded in "impairment in non-current assets" in the Company's statement of comprehensive income.

(vii) PWD

During the previous financial year, the Group restructured the business of PWD by transferring its content and programme sales and distribution business to STMB. As such, the Company recognised an impairment charge of RM44.4 million which represented the entire carrying amount of its investment in PWD. The impairment charge had been recorded in "impairment in non-current assets" in the Company's statement of comprehensive income.

## 17 ASSOCIATES

	Group	
	2021	2020
	RM'000	RM'000
Unquoted investments	2,700	2,700
Share of post-acquisition results and reserves	(262)	(22)
	2,438	2,678
Less: Accumulated impairment losses	(1,197)	-
	1,241	2,678

The amount recognised in the statement of comprehensive income is as follows:

	Group	
	2021	2020
	RM'000	RM'000
Share of results of associates:		
- Share of loss and total comprehensive loss	(240)	(151)

## 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	
			2021 %	2020 %
<u>Held by NSTP</u>				
Asia Magazines Limited	Hong Kong	Dissolved	-	26.41 <sup>^</sup>
<u>Held by RMGSB</u>				
Monster Scape Sdn. Bhd. ("MSSB")	Malaysia	Digital publishing	25	25
Maxoom Sdn. Bhd. ("Maxoom")	Malaysia	Digital publishing	20	20

<sup>^</sup> Effective interest via 98.17% interest in NSTP.

The Directors do not consider the investment in associates to be material to the Group.

There are no contingent liabilities relating to the Group's interest in the associates.

(a) Impairment assessment on investment in associates

During the financial year, the Group had undertaken an impairment assessment of its investment in MSSB mainly attributable to MSSB's loss for the financial year. Based on the recoverable amount estimated using the FVLCS calculations, an impairment charge of RM1.2 million was made. The discount rate used for the calculations was 10.53%. The impairment charge had been recorded in "impairment of non-current assets" in the statement of comprehensive income.

(b) Members' voluntary winding-up of an associate during the financial year

On 8 June 2021, Asia Magazines Limited, an associate of the Group, was dissolved via a members' voluntary winding-up pursuant to Section 231 of the Hong Kong Companies (Winding up and Miscellaneous Provisions) Ordinance (Cap. 32). The dissolution did not have a significant impact to the Group during the financial year.

(c) Restrictions on associates

MSSB and Maxoom both cannot distribute their profits without the consent from all of their respective directors.

# notes to the financial statements

for the financial year ended 31 December 2021

## 18 INTANGIBLE ASSETS

Group	Arising from business combinations					Acquired separately				Total
	Goodwill	Brands and digital publishing	Publishing rights	Outdoor concession rights	Outdoor concession rights	Programme rights	Film production	Computer software and development		
	(Indefinite life)	(Indefinite life)	(Indefinite life)	(Indefinite life)	(Definite life)	(Definite life)	(Definite life)	(Definite life)		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2021	183,140	76,301	60,493	39,446	1,292	22,228	2,301	1,938	387,139	
Additions	-	-	-	-	-	93,290	22	523	93,835	
	183,140	76,301	60,493	39,446	1,292	115,518	2,323	2,461	480,974	
Amortisation of intangible assets and programming rights costs	-	-	-	-	(264)	(89,867)	(2,080)	(1,198)	(93,409)	
Impairment during the financial year	(3,000)	-	-	-	-	-	-	-	(3,000)	
Write-offs	-	-	-	-	-	-	(69)	-	(69)	
At 31 December 2021	180,140	76,301	60,493	39,446	1,028	25,651	174	1,263	384,496	
At 1 January 2020	183,140	76,301	60,493	39,446	1,556	25,216	7,298	2,439	395,889	
Additions	-	-	-	-	-	86,406	1,188	980	88,574	
	183,140	76,301	60,493	39,446	1,556	111,622	8,486	3,419	484,463	
Amortisation of intangible assets and programming rights costs	-	-	-	-	(264)	(89,394)	(6,185)	(1,481)	(97,324)	
At 31 December 2020	183,140	76,301	60,493	39,446	1,292	22,228	2,301	1,938	387,139	

## 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 follows:

Group	Goodwill RM'000	Publishing rights, brands and digital publishing RM'000	Outdoor advertising concession rights RM'000	Total RM'000
At 1 January 2021	183,140	136,794	39,446	359,380
Impairment charge for the financial year	(3,000)	-	-	(3,000)
At 31 December 2021	180,140	136,794	39,446	356,380
Represented by:				
<b>At 31 December 2021</b>				
Outdoor Media	110,084	-	39,446	149,530
Digital Media	51,974	76,301	-	128,275
Print Media	-	60,493	-	60,493
Audio	18,082	-	-	18,082
	180,140	136,794	39,446	356,380
<b>At 31 December 2020</b>				
Outdoor Media	113,084	-	39,446	152,530
Digital Media	51,974	76,301	-	128,275
Print Media	-	60,493	-	60,493
Audio	18,082	-	-	18,082
	183,140	136,794	39,446	359,380

# notes to the financial statements

for the financial year ended 31 December 2021

## 18 INTANGIBLE ASSETS (CONTINUED)

(a) Impairment assessments for intangible assets with indefinite useful lives (continued)

(i) Impairment assessments for intangible assets represented by Outdoor Media

Despite the reopening of the economy during the year, overall Outdoor advertising remained sluggish as the increase in trend for digital displays is nullified by the softer than expected demand for static displays which make up the majority of the Group's Outdoor platform assets. The Outdoor platform is still affected by the lower traffic observed in particular on the highways where most of the platform's display billboards are located. As a result, an impairment of RM3.0 million is recognised on the goodwill of the Outdoor Media CGU.

Due to the inherent uncertainty arising from the Covid-19 pandemic, the recoverable amount of the CGU is determined using the FVLCS method applying the income approach. The projections cover a five (5) year period with terminal values. The fair value measurement was categorised as a Level 3 fair value based on inputs in the valuation technique used.

The valuation technique uses a set of cash flows that represents the probability-weighted average of all possible future cash flows expected to be generated from the Outdoor Media. In determining the value of each key assumption, management used the historical data of Outdoor Media in combination with management budget for 2022 and external market data where available. The inputs used in the valuation technique are assumed to represent the market participants' expectation of the highest and best use of the cash-generating unit.

In the previous financial year, the recoverable amount was determined using the VIU method applying a discounted cash flow model using cash flow projections from approved management budget for 2021 and covering a subsequent four (4) year period for Outdoor Media with terminal values. The cash flows are derived based on the approved budgeted cash flows for 2021 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 EBITDA.

The key assumptions used are as follows:

	2021	2020
Average revenue growth for digital structures	3%-12%	2%
Average revenue growth for static structures	0%-8%	2%
EBITDA margin	31%-36%	45%
Terminal growth rate	2%	0%
Discount rate	11%-12%	17%

The FVLCS does not include BTSJ as the company was not part of the acquisition of Outdoor Media. Hence, it is not part of the cash-generating unit.

The sensitivity analysis of each of these key assumptions with all other variables being held constant are as follows:

	2021 Decrease in recoverable amount RM'million
Decrease in average revenue growth rate by 1%	19.3
Decrease in average EBITDA margin by 1%	1.1
Decrease in average terminal growth by 1%	8.7
Increase in average discount rate by 1%	12.2

## 18 INTANGIBLE ASSETS (CONTINUED)

(a) Impairment assessments for intangible assets with indefinite useful lives (continued)

(i) Impairment assessments for intangible assets represented by Outdoor Media (continued)

In the previous financial year, there was no reasonable change in the base case assumptions would cause the carrying amounts of the CGU to exceed its recoverable amounts.

(ii) Impairment assessments for intangible assets represented by Print Media

The FVLCS has been determined using the Relief from Royalty ("RFR") valuation using the average royalty rates benchmarked against licensed publications in the similar industry. Due to the inherent uncertainty arising from the Covid-19 pandemic, the FVLCS calculations apply a set of discounted cash flows that represents the probability-weighted average of all expected future cash flows. The fair value measurement was categorised as a Level 3 fair value based on inputs in the valuation technique used.

The cash flow projections were based on an approved management budget for 2022 with reference to market data and covered a subsequent four (4) years with terminal values reflecting market participant's expectation of revenue growth of the cash-generating unit. The inputs used in the valuation technique are assumed to represent the market participants' expectation of the highest and best use of the cash-generating unit.

The key assumptions used are as follows:

	2021	2020
Average digital revenue growth	3% - 7%	7%
Average print revenue decline	(20%) - (44%)	(35%)
Digital business RFR rate	16%	16%
Print business RFR rate	10%	10%
Terminal growth rate	0% - 1%	0% - 1%
Discount rate	9% - 11%	7% - 8%

From the assessment performed, the CGU is not impaired as the recoverable amounts exceed the carrying amounts included in the financial statements.

The sensitivity analysis of each of these key assumptions with all other variables being held constant are as follows:

	2021 Decrease in recoverable amount RM'million	2020 Decrease in recoverable amount RM'million
Decrease in average revenue growth rate by 1%	3.2	3.4
Decrease in average terminal growth of 1%	2.6	4.8
Increase in average discount rate of 1%	2.5	8.3

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## 18 INTANGIBLE ASSETS (CONTINUED)

(a) Impairment assessments for intangible assets with indefinite useful lives (continued)

(iii) Impairment assessments for intangible assets represented by Digital Media

The FVLCS has been determined using the RFR valuation using the average royalty rates benchmarked against licensed publications in the similar industry. Due to the inherent uncertainty arising from the Covid-19 pandemic, the FVLCS calculations apply a set of discounted cash flows that represents the probability-weighted average of all expected future cash flows. The fair value measurement was categorised as a Level 3 fair value based on inputs in the valuation technique used.

The cash flow projections were based on an approved management budget for 2022 with reference to market data and covered a subsequent four (4) years with terminal values reflecting market participant's expectation of revenue growth of the cash-generating unit. The inputs used in the valuation technique are assumed to represent the market participants' expectation of the highest and best use of the cash-generating unit.

In the previous financial year, the recoverable amount was determined using the VIU method applying a discounted cash flow model using cash flow projections covering a five year (5) period and terminal values. The cash flows were derived based on the approved budgeted cash flows for 2021 and projections for a period of subsequent four (4) years reflecting management's expectation of revenue growth, operating costs and EBITDA. The change from the VIU method of discounted cash flows to the FVLCS method of RFR valuation was made to better reflect market participants' expectation of the value of the cash-generating unit.

The key assumptions used are as follows:

	2021	2020
Average revenue growth rate	3%-20%	3%
Digital business RFR rate	16%	-
Average EBITDA margin	-	12.5%
Terminal growth rate	1%-3%	3%
Discount rate	9%-11%	12%

From the assessment performed, the CGU is not impaired as the recoverable amounts exceed the carrying amounts included in the financial statements.

Based on the sensitivity analysis performed, the Directors concluded that no reasonable change in the base case assumptions would cause the carrying amounts of the CGU to exceed its recoverable amounts.

In the previous financial year, there was no reasonable change in the base case assumptions would cause the carrying amounts of the CGU to exceed its recoverable amounts.

(iv) Impairment assessments for intangible assets represented by Audio CGU

Due to the inherent uncertainty arising from the Covid-19 pandemic, the recoverable amount of the CGU is determined using the FVLCS method applying the income approach. The projections cover a five (5) year period with terminal values. The fair value measurement was categorised as a Level 3 fair value based on inputs in the valuation technique used.

## 18 INTANGIBLE ASSETS (CONTINUED)

(a) Impairment assessments for intangible assets with indefinite useful lives (continued)

(iv) Impairment assessments for intangible assets represented by Audio CGU (continued)

The valuation technique uses a set of cash flows that represents the probability-weighted average of all possible future cash flows expected to be generated from the Audio CGU. In determining the value of each key assumption, management used the approved budget for 2022 and external market data. The inputs used in the valuation technique are assumed to represent the market participants' expectation of the highest and best use of the cash-generating unit.

In the previous financial year, the recoverable amount was determined using the FVLCS method applying a discounted future cash flow model with reference to the fair value of broadcasting licenses attributable to Audio CGU for a period of five (5) years. The change in FVLCS method from fair value of broadcasting licenses to probability-weighted expected cash flows was made to better incorporate the uncertainties surrounding the business.

The key assumptions used in the calculations are as follows:

	2021	2020
Average revenue growth	1%	-
Average EBITDA margin	(51%)-35%	-
Terminal growth rate	0%-2%	0.0%
Discount rate	9%-10%	8.5%

As a result of the impairment assessment, Audio CGU is not impaired as the recoverable amounts exceed the carrying amounts included in the financial statements.

Based on the sensitivity analysis performed, the Directors concluded that no reasonable change in the base case assumptions would cause the carrying amounts of the CGU to exceed its recoverable amounts.

## 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	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Deferred tax assets:				
- To be realised after more than 12 months	10,064	7,083	-	-
- To be realised within 12 months	4,319	4,501	-	-
	14,383	11,584	-	-
Deferred tax liabilities:				
- To be settled after more than 12 months	(37,288)	(37,501)	-	-
- To be settled within 12 months	-	-	-	-
	(37,288)	(37,501)	-	-
	(22,905)	(25,917)	-	-

# notes to the financial statements

for the financial year ended 31 December 2021

## 19 DEFERRED TAXATION (CONTINUED)

During the financial year, deferred tax assets have been recognised for Media Prima Omnia Sdn Bhd, STMB, 8TV and MPD as there are evidence that these entities will be able to generate future taxable profits which will be available against which the temporary differences can be utilised.

The movement during the financial year relating to deferred tax is as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
At 1 January	(25,917)	(24,908)	-	-
Credited/(charged) to profit or loss (Note 11):				
- Property, plant and equipment	7,159	2,991	22	(67)
- Intangible assets	(1,538)	1,356	-	-
- Allowances and provisions	1,327	(807)	(322)	(88)
- Unused tax losses	(2,418)	(160)	-	-
- Unabsorbed capital allowances	(7,824)	2,289	-	-
- Advance billings and contract liabilities	6,914	(5,580)	-	-
- Right-of-use assets	8,801	17,329	300	155
- Lease liabilities	(9,409)	(18,427)	-	-
	3,012	(1,009)	-	-
At 31 December	(22,905)	(25,917)	-	-
Deferred tax assets (before offsetting):				
- Property, plant and equipment	4	-	-	-
- Allowances and provisions	23,257	21,930	86	408
- Unused tax losses	71	2,489	-	-
- Advance billings and contract liabilities	8,830	1,916	-	-
- Lease liabilities	30,895	40,304	-	-
- Unabsorbed capital allowances	624	8,448	-	-
	63,681	75,087	86	408
Offsetting	(49,298)	(63,503)	(86)	(408)
Deferred tax assets (after offsetting)	14,383	11,584	-	-
Deferred tax liabilities (before offsetting):				
- Intangible assets	(36,580)	(35,042)	-	-
- Property, plant and equipment	(24,055)	(31,210)	(86)	(108)
- Right-of-use assets	(25,951)	(34,752)	-	(300)
	(86,586)	(101,004)	(86)	(408)
Offsetting	49,298	63,503	86	408
Deferred tax liabilities (after offsetting)	(37,288)	(37,501)	-	-

## 19 DEFERRED TAXATION (CONTINUED)

The amount of capital allowances, deductible temporary differences and unused tax losses (which have ten (10) years of expiry period) for which no deferred tax asset is recognised in the statement of financial position is as follows:

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Unused tax losses	585,685	529,539	74,836	38,801
Unabsorbed capital allowances	136,725	111,134	760	-
Deductible temporary differences	59,609	109,822	5,979	31,147
Unabsorbed reinvestment allowances	238,299	238,299	-	-
	<b>1,020,318</b>	988,794	<b>81,575</b>	69,948
Deferred tax assets not recognised at 24%	<b>244,876</b>	237,311	<b>19,578</b>	16,788

The expiry of the Group and Company's tax losses according to year of assessment ("YA") is summarised below:

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
- 2025	-	359,632	-	16,626
- 2026	-	145,381	-	22,175
- 2027	-	24,526	-	-
- 2028	361,989	-	16,626	-
- 2029	137,911	-	22,175	-
- 2030	26,096	-	-	-
- 2031	59,689	-	36,035	-
	<b>585,685</b>	529,539	<b>74,836</b>	38,801

No deferred tax assets are recognised from the above due to uncertainty of their recoverability. Under the Malaysia Finance Act 2021 which was gazetted on 31 December 2021, the existing time limit to carry forward unutilised tax losses has been extended to ten (10) consecutive years (2020: seven (7) consecutive years) of assessment. Accordingly, any accumulated unutilised tax losses brought forward from YA 2018 can be carried forward for 10 consecutive years of assessment (i.e. from YA 2018 to 2028).

The unabsorbed reinvestment allowances are allowed to be carried forward for utilisation up to seven (7) consecutive YAs from the first year after the end of the incentive period. If the incentive period has expired prior to YA 2019, accumulated unabsorbed reinvestment allowances brought forward from YA 2018 shall be allowed to be utilised for another seven (7) consecutive YAs i.e. from YA 2019 to YA 2025. Any amount which remains unutilised by YA 2025 shall be disregarded from YA 2026. All of the Group's unabsorbed reinvestment allowances will expire in YA 2026.

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

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## 20 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

	Group	
	2021	2020
	RM'000	RM'000
At 1 January/At 31 December	688	688

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.

The changes in fair value of the financial assets during the financial year are not material.

	Fair value	
	2021	2020
	RM'000	RM'000
Club memberships:		
Tropicana Golf & Country Resort	440	440
Saujana Resort (M) Berhad	248	248

## 21 INVENTORIES

	Group	
	2021	2020
	RM'000	RM'000
Raw materials and consumables	14,317	23,770
Goods held for resale	659	327
	14,976	24,097

## 22 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Non-current:				
Deposits (Note (a))	132,054	-	770	-
Prepayments (Note (a))	10,710	-	-	-
	142,764	-	770	-
Less: Loss allowance on deposits	(4,000)	-	-	-
	138,764	-	770	-

## 22 TRADE AND OTHER RECEIVABLES (CONTINUED)

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Current:</u>				
Trade receivables	203,661	228,335	-	-
Contract assets (Note (b))	14,373	12,857	-	-
Less: Loss allowance	(57,895)	(67,670)	-	-
	160,139	173,522	-	-
Less: Advanced billings	(1,539)	(2,770)	-	-
	158,600	170,752	-	-
Amounts due from other related parties	2,000	3,293	-	-
Amounts due from associates	459	-	-	-
Deposits	-	22,755	-	819
Prepayments	20,425	18,880	1,893	3,092
Contract cost assets (Note (c))	1,448	-	-	-
Other receivables	23,934	23,727	1,524	1,596
Less: Loss allowance for other receivables	(7,429)	(6,415)	(9)	(9)
	40,837	62,240	3,408	5,498
	199,437	232,992	3,408	5,498
<b>Total</b>	<b>338,201</b>	<b>232,992</b>	<b>4,178</b>	<b>5,498</b>

The credit terms of the trade receivables, amounts due from associates and amounts due from other related parties range up to 60 days (2020: 60 days).

The amounts due from associates and other related parties are denominated in Ringgit Malaysia, unsecured, repayable based on contractual terms and bear no interest.

## (a) Non-current deposits and prepayments

Included in the non-current deposits and prepayments of the Group are deposits, down payments and prepayment of incidental costs for the acquisition of a property, plant and equipment. The acquisition of the property, plant and equipment was completed after the reporting period as disclosed in Note 37(a) to the financial statements.

In addition, the non-current deposits of the Group and Company include deposits for the rental and utilities of premises and outdoor display sites, and employee medical insurance facilities that are expected to be recovered within a period exceeding one (1) year.

# notes to the financial statements

for the financial year ended 31 December 2021

## 22 TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Movement of contract assets net of loss allowances charged during the financial year were as follows:

	Group	
	2021	2020
	RM'000	RM'000
At 1 January	12,857	18,263
Increases as a result of services performed and goods delivered but yet to be billed	61,714	27,999
Transfer to receivables	(60,198)	(33,405)
At 31 December	14,373	12,857

Contract assets have increased in line with the higher contract activities during the year.

(c) Contract cost assets

Cost to fulfil a contract primarily comprises of cost to produce advertisement content and sponsored programmes commissioned by advertising customers for broadcast on the Group's television stations. The amortisation of contract fulfilment costs charged to the Group's statement of comprehensive income amounted to RM24.9 million (2020: RM9.2 million).

## 23 AMOUNTS DUE FROM/(TO) SUBSIDIARIES

	Company	
	2021	2020
	RM'000	RM'000
<u>Current</u>		
Amounts due from subsidiaries (Note (a))	131,800	109,346
Less: Loss allowance	(21,947)	(43,040)
	109,853	66,306
Amounts due to subsidiaries (Note (b))	(101,319)	(89,539)
Intercompany loans payable (Note (c))	(6,448)	(8,454)
	(107,767)	(97,993)
<u>Non-current</u>		
Intercompany loans payable (Note (c))	(161,952)	(189,421)

(a) The amounts due from subsidiaries 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 (2020: 60 days to 120 days).

(b) 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 (2020: 60 days to 120 days).

**23 AMOUNTS DUE FROM/(TO) SUBSIDIARIES (CONTINUED)**

## (c) Intercompany loans payable

On 1 December 2020, the Company converted an amount due to STMB of RM100.0 million into an unsecured loan due to STMB. The loan will mature on 30 November 2025 and is repayable in entirety on its maturity date. The effective interest rate of the term loan is 3.86% per annum. The loan contains an option for early repayment.

On 28 December 2018, the Company obtained a RM254.0 million unsecured loan for working capital purposes from NSTP. The loan will mature on 31 December 2023 and is repayable in entirety on its maturity date. The effective interest rate of the term loan is 3.86% per annum. The loan contains an option for early repayment.

The reconciliation of intercompany loans payable arising from financing activities and the movement on loss allowances for amounts due from subsidiaries are detailed in Note 26 and Note 31(b) respectively.

**24 DEPOSITS, CASH AND BANK BALANCES**

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	31,494	33,892	1,175	542
Deposits with licensed banks	310,127	269,891	61,554	125,175
Deposits, cash and bank balances	341,621	303,783	62,729	125,717
Less: Restricted deposits	(15,465)	(12,480)	(12,280)	(12,280)
Cash and cash equivalents	326,156	291,303	50,449	113,437

The deposits, cash and bank balances are denominated in Ringgit Malaysia.

The interest and profit rates for bank balances and deposits ranged from 1.66% to 2.12% (2020: 1.75% to 3.35%) per annum for the Group and Company.

Bank balances which are not available for use by the Group and Company at the end of the financial year includes deposits with licensed banks, amounting to RM15.5 million (2020: RM12.5 million) and RM12.3 million (2020: RM12.3 million) respectively. These restricted deposits have been placed by the Group and Company for the payment of interest and borrowings as well as security for the borrowings.

**25 NON-CURRENT ASSETS HELD FOR SALE**

The details of non-current assets held for sale are as follows:

	Group	
	2021	2020
	RM'000	RM'000
Investment properties	11,576	225

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for the financial year ended 31 December 2021

## 25 NON-CURRENT ASSETS HELD FOR SALE (CONTINUED)

The movements of non-current assets held for sale as follows:

	Group	
	2021	2020
	RM'000	RM'000
At 1 January	225	225
Transfer to property, plant and equipment (Note (a))	(225)	-
Transfer from investment properties (Note (b))	11,576	-
At 31 December	11,576	225

(a) Transfer to property, plant and equipment

During the financial year, a freehold property classified as a non-current asset held for sale was transferred to property, plant and equipment as the disposal was no longer highly probable as at 31 December 2021.

(b) Transfer from investment properties

During the financial year, The New Straits Times Properties Sdn Bhd, an indirect subsidiary of the Company, entered into a sale and purchase agreement to dispose a piece of leasehold property. The disposal is expected to be completed in the financial year ending 31 December 2022.

## 26 BORROWINGS

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Non-current:</u>				
Secured				
- Term loan (Note (a))	50,053	79,583	50,053	79,583
- Islamic term loan (Note (b))	70,020	-	-	-
	120,073	79,583	50,053	79,583
<u>Current:</u>				
Secured				
- Term loan (Note (a))	32,500	32,500	32,500	32,500
Unsecured				
Banker's acceptance (Note (c))	1,061	13,402	-	-
	33,561	45,902	32,500	32,500
	153,634	125,485	82,553	112,083

(a) Term loan

On 10 March 2020, the Company obtained a term loan facility of up to RM180.0 million from a licensed bank, which bears an interest rate of 1.65% above the licensed bank's cost of funds. The loan is repayable by quarterly instalments and will mature on 12 September 2024. The effective interest rate of the term loan is 5.54% per annum.

## 26 BORROWINGS (CONTINUED)

### (a) Term loan (continued)

The term loan is secured by a charge over certain property, plant and equipment and investment properties of the Group as disclosed in Note 13 and Note 15 to the financial statements and a charge over a bank deposit of the Company.

### (b) Islamic term loan

On 23 December 2021, STMB Properties an indirect subsidiary of the Company, obtained a term loan facility of up to RM120.0 million from a licensed Islamic bank, which bears a profit rate of 1.75% above the licensed Islamic bank's cost of funds. The repayment of the loan commences in three years after the initial drawdown of the facility and will mature on 23 December 2033. The effective profit rate of the term loan is 3.96% per annum.

The term loan is secured by a charge over certain property, plant and equipment of the Group which was acquired by the Group after the reporting period as disclosed in Note 37 to the financial statements and a charge over a bank deposit of the Group. The term loan is also secured by corporate guarantees from STMB, the immediate parent company of STMB Properties, and the Company.

The licensed Islamic bank from which STMB Properties obtained the term loan is a related party by virtue of the relationship as disclosed in Note 34(a)(iv) to the financial statements.

### (c) Banker's acceptance

The Group had banker's acceptance facilities with a term of up to 6 months. The facilities' effective interest rate is 2.51% to 2.52% (2020: 3.78%) per annum and are repayable in entirety on its maturity date.

#### Reconciliation of liabilities arising from financing activities

The table below details changes in the Group and 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 and Company's statement of cash flows as cash flows from financing activities.

	At 1 January 2021 RM'000	Cash flows RM'000	Non-cash movement		At 31 December 2021 RM'000
			Accretion of interest RM'000	Others RM'000	
<b>Group</b>					
Borrowings	125,485	21,154	6,995	-	153,634
<b>Company</b>					
Borrowings	112,083	(36,350)	6,820	-	82,553
Intercompany loans payable (Note 23)	197,875	-	7,260	(36,735)	168,400

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## 26 BORROWINGS (CONTINUED)

	At 1 January 2020 RM'000	Cash flows RM'000	Non-cash movement		At 31 December 2020 RM'000
			Accretion of interest RM'000	Others RM'000	
<b>Group</b>					
Borrowings	4,688	117,230	3,567	-	125,485
<b>Company</b>					
Borrowings	-	109,107	2,976	-	112,083
Intercompany loans payable (Note 23)	215,725	(75,000)	6,475	50,675	197,875

## 27 TRADE AND OTHER PAYABLES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Trade payables	28,193	44,051	-	-
Amounts due to associates	-	464	-	-
Amounts due to other related parties	3,933	7,772	-	-
Other payables (Note (a))	69,396	74,856	3,726	7,092
Accrued expenses and liabilities (Note (b))	265,466	236,271	8,468	5,881
Provision for termination benefits (Note (c))	7,923	10,359	1,629	2,065
Contract liabilities (Note (d))	48,070	70,816	407	27,930
	<b>422,981</b>	<b>444,589</b>	<b>14,230</b>	<b>42,968</b>

Credit terms of trade payables normally range from no credit to 90 days (2020: no credit to 90 days).

The amounts due to associates and other related parties are denominated in Ringgit Malaysia, unsecured, repayable based on contractual term and bear no interest.

(a) Deferred and contingent consideration from investments in subsidiaries and associates

During the previous financial year, the Group paid RM0.8 million and RM0.2 million of the respective deferred considerations on the investments in TVSB, an indirect subsidiary of the Company, and Maxoom, an associate of the Group.

(b) Accrued expenses and other liabilities

(i) Included in accrued expenses of the Group are road reserve occupancy fees payable to the Malaysian Highway Authority ("MHA") for rental of outdoor structural space within the MHA's jurisdiction. At the end of the financial year, the fees payable amounted to RM47.0 million (2020: RM42.4 million).

(ii) Included in accrued expenses of the Group and Company are employee incentives payable amounted to RM38.8 million and RM3.3 million respectively (2020: RM13.5 million and RM0.6 million respectively).

## 27 TRADE AND OTHER PAYABLES (CONTINUED)

## (b) Accrued expenses and other liabilities (continued)

(iii) Included in accrued expenses of the Group is an amount due to a corporate shareholder of a subsidiary of RM11.8 million (2020: RM11.8 million) arising from an outdoor advertising revenue-share arrangement. The amount due to a corporate shareholder of a subsidiary is denominated in Ringgit Malaysia, unsecured, repayable based on contractual term and bear no interest.

(iv) Included in accrued expenses of the Group are accruals related to programme rights, content production, revenue-share payment accruals and other accruals incurred as part of the Group's normal course of operations.

## (c) Provision for termination benefits

Movement of provision for termination benefits during the financial year were as follows:

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
At 1 January	10,359	23,872	2,065	1,716
Net (reversal)/charge during the financial year	(2,436)	(13,513)	(436)	349
At 31 December	7,923	10,359	1,629	2,065

## (d) Movement of contract liabilities during the financial year were as follows:

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
At 1 January	70,816	68,290	27,930	776
Contract liabilities remaining after net of revenue recognised during the financial year	48,070	70,816	-	27,930
Contract liabilities utilised by subsidiaries	-	-	(27,523)	-
Revenue recognised that was included in the contract liabilities balance at the beginning of the financial year	(70,816)	(68,290)	-	(776)
At 31 December	48,070	70,816	407	27,930

Contract liabilities of the Group have decreased mainly due to rendering of advertising services relating to the contract liabilities carried forward from the previous year, as well as due to lower advance payments from customers received during the year.

Contract liabilities of the Company have decreased mainly due to the transfer of contract liabilities to subsidiaries upon rendering of advertising services by subsidiaries during the year.

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## 28 SHARE CAPITAL

	Group and Company			
	2021		2020	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
<u>Ordinary shares</u>				
<u>Issued and fully paid</u>				
At 1 January/31 December	1,109,199	1,524,735	1,109,199	1,524,735

## 29 OTHER RESERVES

Other reserves comprise the cumulative net change in the fair value of financial assets designated at FVOCI until the assets are derecognised.

	Group	
	2021 RM'000	2020 RM'000
At 1 January/At 31 December	4	4

## 30 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")

### 2021

	AC RM'000	FVOCI RM'000	Total RM'000
<b>Financial assets</b>			
<b>Group</b>			
Trade and other receivables excluding prepayments, statutory refundables, contract cost assets, non-refundable deposits and contract assets	159,191	-	159,191
Deposits, cash and bank balances	341,621	-	341,621
Financial assets at fair value through other comprehensive income	-	688	688
Total	500,812	688	501,500

## 30 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

## 2021 (continued)

Financial assets	AC RM'000	FVOCI RM'000	Total RM'000
<b>Company</b>			
Trade and other receivables excluding prepayments, statutory refundables, non-refundable deposits and contract assets	1,515	-	1,515
Deposits, cash and bank balances	62,729	-	62,729
Amounts due from subsidiaries	109,853	-	109,853
Total	174,097	-	174,097

Financial liabilities at amortised cost	Group RM'000	Company RM'000
Trade and other payables excluding statutory liabilities and contract liabilities	364,729	13,272
Borrowings	153,634	82,553
Amounts due to subsidiaries	-	269,719
Lease liabilities	152,042	-
Total	670,405	365,544

## 2020

Financial assets	AC RM'000	FVOCI RM'000	Total RM'000
<b>Group</b>			
Trade and other receivables excluding prepayments, statutory refundables and contract assets	198,205	-	198,205
Deposits, cash and bank balances	303,783	-	303,783
Financial assets at fair value through other comprehensive income	-	688	688
Total	501,988	688	502,676

**Company**

Trade and other receivables excluding prepayments, statutory refundables and contract assets	667	-	667
Deposits, cash and bank balances	125,717	-	125,717
Amounts due from subsidiaries	66,306	-	66,306
Total	192,690	-	192,690

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## 30 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

### 2020 (continued)

Financial liabilities at amortised cost	Group RM'000	Company RM'000
Trade and other payables excluding statutory liabilities and contract liabilities	362,376	15,004
Borrowings	125,485	112,083
Amounts due to subsidiaries	-	287,414
Lease liabilities	185,081	1,349
<b>Total</b>	<b>672,942</b>	<b>415,850</b>

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
<u>Financial assets</u>			
<b>2021</b>			
Amounts due from subsidiaries	630,981	(521,128)	109,853
<b>2020</b>			
Amounts due from subsidiaries	630,296	(563,990)	66,306
<u>Financial liabilities</u>			
<b>2021</b>			
Amounts due to subsidiaries	790,847	(521,128)	269,719
<b>2020</b>			
Amounts due to subsidiaries	851,404	(563,990)	287,414

### 31 FINANCIAL RISK MANAGEMENT

The Group and Company'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
- (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 and Company'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 and Company. Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to the Group and Company's financial risk management policies. The Directors regularly reviews these risks and approves the treasury policies, which covers the management of these risks.

- (i) Foreign currency exchange risk

The Group operates nationally but some of its revenue and cost are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar. Revenue from certain sale of content are exposed to foreign currency exchange risk. The main costs with such exposure are programme rights, newsprint, licenses and software services.

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.

# notes to the financial statements

for the financial year ended 31 December 2021

## 31 FINANCIAL RISK MANAGEMENT (CONTINUED)

The Group and Company's activities expose it to a variety of financial risks, including: (continued)

(a) Market risks (continued)

(i) Foreign currency exchange risk (continued)

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/(loss) for the financial 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/ equity (net of tax)	
	Receivables RM'000	Payables RM'000	RM	RM
			weaken by 10%	strengthen by 10%
	RM'000	RM'000	RM'000	RM'000
<b>2021</b>				
US Dollar	17,212	(1,218)	(1,216)	1,216
<b>2020</b>				
US Dollar	2,775	(1,742)	(103)	103

Foreign currency risk for the Group which have a foreign 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.

(ii) Cash flow and fair value interest rate risk

The Group and Company's interest rate risk arises from its interest bearing financial instruments that could impact fair value and future cash flows due to fluctuations in market interest rates. The Group's policy is to maintain appropriate level of borrowings in fixed and floating rate instruments to ensure that some level of predictability in cash flows are preserved while ensuring that the Group and Company maintain its cost of debt and gearing ratio at healthy levels within the limits of any covenants.

## 31 FINANCIAL RISK MANAGEMENT (CONTINUED)

The Group and Company's activities expose it to a variety of financial risks, including: (continued)

## (a) Market risks (continued)

## (ii) Cash flow and fair value interest rate risk (continued)

Exposure to interest rate risk

The interest rate profile of the Group and Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the financial year were:

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Fixed rate instruments</u>				
Financial assets:				
- Deposits, cash and bank balances	341,621	303,783	62,729	125,717
Financial liabilities:				
- Borrowings	1,061	13,402	-	-
- Intercompany loans payable	-	-	168,400	197,875
<u>Floating rate instruments</u>				
Financial liabilities:				
- Borrowings	152,573	112,083	82,553	112,083

The financial assets are not sensitive to interest rate changes. A 30.0% change in the interest rates of the financial liabilities with floating interest rates at the end of the financial year would have affected the Group and Company's profit or loss and equity by RM0.5 million (2020: RM0.2 million). This analysis assumes that all other variables, in particular foreign currency rates remained constant.

## (iii) Price risk

The Group is exposed to 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.

# notes to the financial statements

for the financial year ended 31 December 2021

## 31 FINANCIAL RISK MANAGEMENT (CONTINUED)

### (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 on-going 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 the financial institutions' average lending rate and inflation as the most relevant factor, and accordingly, adjust the historical loss rates based on expected changes in these factors. During the financial year, there was a reversal of loss allowance due to an improvement in overall collection of trade receivable balances which was not anticipated in the previous financial year's assessment.

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
<b>2021</b>					
Not past due	74,450	-	1%	1,906	73,354
Past due 1 to 3 months	65,010	-	2%	1,348	63,662
Past due 4 to 6 months	6,006	214	14%	638	5,154
Past due 7 to 12 months	5,339	421	33%	1,322	3,596
Past due more than 12 months	52,856	8,746	100%	44,110	-
	<b>203,661</b>	<b>9,381</b>		<b>48,514</b>	<b>145,766</b>
Trade receivables	203,661	9,381		48,514	145,766
Contract assets	14,373	-		-	14,373
	<b>218,034</b>	<b>9,381</b>		<b>48,514</b>	<b>160,139</b>

## 31 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Trade receivables and contract assets (continued)

Group	Gross RM'000	Individual impairment RM'000	Average expected loss rate %	Collective impairment RM'000	Net RM'000
<b>2020</b>					
Not past due	69,544	-	3%	1,891	67,653
Past due 1 to 3 months	88,720	-	4%	3,723	84,997
Past due 4 to 6 months	9,805	592	35%	2,881	6,332
Past due 7 to 12 months	12,217	3,913	86%	6,621	1,683
Past due more than 12 months	48,049	5,637	100%	42,412	-
	<b>228,335</b>	<b>10,142</b>		<b>57,528</b>	<b>160,665</b>
Trade receivables	228,335	10,142		57,528	160,665
Contract assets	12,857	-		-	12,857
	<b>241,192</b>	<b>10,142</b>		<b>57,528</b>	<b>173,522</b>

Contract assets are expected to be recoverable within 30 days.

The closing allowances for trade receivables and contract assets reconcile to the opening loss allowances as follows:

Group	2021 RM'000	2020 RM'000
At the beginning of the financial year	<b>67,670</b>	86,981
Net (reversal)/increase in loss allowance	<b>(8,180)</b>	10,829
Receivables written-off	<b>(1,595)</b>	(30,140)
At the end of the financial year	<b>57,895</b>	67,670

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(y)(iv) for accounting policy on impairment on financial assets.

# notes to the financial statements

for the financial year ended 31 December 2021

## 31 FINANCIAL RISK MANAGEMENT (CONTINUED)

### (b) Credit risk (continued)

#### Other receivables and deposits (continued)

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 provisions) RM'000
<b>Group</b>					
<b>2021</b>					
Performing	0%	12-month ECL	144,559	-	144,559
Non-performing	100%	Lifetime ECL	11,429	(11,429)	-
Total			155,988	(11,429)	144,559
<b>2020</b>					
Performing	0%	12-month ECL	40,067	-	40,067
Non-performing	100%	Lifetime ECL	6,415	(6,415)	-
Total			46,482	(6,415)	40,067
<b>Company</b>					
<b>2021</b>					
Performing	0%	12-month ECL	2,285	-	2,285
Non-performing	100%	Lifetime ECL	9	(9)	-
Total			2,294	(9)	2,285
<b>2020</b>					
Performing	0%	12-month ECL	2,406	-	2,406
Non-performing	100%	Lifetime ECL	9	(9)	-
Total			2,415	(9)	2,406

## 31 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Other receivables and deposits (continued)

The closing loss allowance for other receivables and deposits reconciles to the opening loss allowance as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
At the beginning of the financial year	6,415	12,954	9	9
Net increase in loss allowance	5,045	14	-	-
Receivables written-off	(31)	(6,553)	-	-
At the end of the financial year	11,429	6,415	9	9

Amounts due from other related parties and associates

The Group provides advertising and printing services to its related parties and associates. 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 and associates individually using internal information available. Refer to Note 2(y)(iv) for accounting policy on impairment on financial assets.

The following table contains an analysis of the credit risk exposure of amounts due from other related parties and associates for which no ECL allowance is recognised. The gross carrying amount 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
<b>2021</b>					
Performing	0%	12-month ECL	2,459	-	2,459
<b>2020</b>					
Performing	0%	12-month ECL	3,293	-	3,293

# notes to the financial statements

for the financial year ended 31 December 2021

## 31 FINANCIAL RISK MANAGEMENT (CONTINUED)

### (b) Credit risk (continued)

#### Amounts due from subsidiaries

Amounts due from subsidiaries mainly comprise of advances and payments on behalf. 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.

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(y)(iv) for accounting policy on impairment on financial assets.

The following table contains an analysis of the credit risk exposure of amounts due from subsidiaries for which an ECL allowance is recognised. The gross carrying amount of amounts due from 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
<b><u>2021</u></b>					
Performing	0%	12-month ECL	63,590	-	63,590
Under performing	32%	Lifetime ECL	67,893	(21,630)	46,263
Non-performing	100%	Lifetime ECL	317	(317)	-
<b>Total</b>			<b>131,800</b>	<b>(21,947)</b>	<b>109,853</b>
<b><u>2020</u></b>					
Performing	0%	12-month ECL	5,931	-	5,931
Under performing	41%	Lifetime ECL	103,098	(42,723)	60,375
Non-performing	100%	Lifetime ECL	317	(317)	-
<b>Total</b>			<b>109,346</b>	<b>(43,040)</b>	<b>66,306</b>

## 31 FINANCIAL RISK MANAGEMENT (CONTINUED)

## (b) Credit risk (continued)

Amounts due from subsidiaries (continued)

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
<b>2021</b>			
At the beginning of the financial year	42,723	317	43,040
Net reversal of loss allowance	(21,093)	-	(21,093)
At the end of the financial year	21,630	317	21,947
<b>2020</b>			
At the beginning of the financial year	42,742	298	43,040
Net (reversal)/increase in loss allowance	(19)	19	-
At the end of the financial year	42,723	317	43,040

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 a 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 and Company's liquidity requirements.

The table below analyses the Group 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 amounts will not reconcile to the amounts disclosed on the statement of financial position for borrowings, debt instruments and trade and other payables.

# notes to the financial statements

for the financial year ended 31 December 2021

## 31 FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

	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
<b>Group</b>					
<b>2021</b>					
Trade and other payables	364,729	-	-	364,729	364,729
Borrowings	38,976	73,001	71,317	183,294	153,634
	<b>403,705</b>	<b>73,001</b>	<b>71,317</b>	<b>548,023</b>	<b>518,363</b>
<b>2020</b>					
Trade and other payables	362,376	-	-	362,376	362,376
Borrowings	51,732	84,500	-	136,232	125,485
	<b>414,108</b>	<b>84,500</b>	<b>-</b>	<b>498,608</b>	<b>487,861</b>
<b>Company</b>					
<b>2021</b>					
Trade and other payables	13,272	-	-	13,272	13,272
Amounts due to subsidiaries	107,767	179,996	-	287,763	269,719
Borrowings	35,277	53,856	-	89,133	82,553
	<b>156,316</b>	<b>233,852</b>	<b>-</b>	<b>390,168</b>	<b>365,544</b>
<b>2020</b>					
Trade and other payables	15,004	-	-	15,004	15,004
Amounts due to subsidiaries	99,434	198,400	-	297,834	287,414
Borrowings	36,230	84,500	-	120,730	112,083
	<b>150,668</b>	<b>282,900</b>	<b>-</b>	<b>433,568</b>	<b>414,501</b>

### Financial guarantee contracts

The Company provides an unsecured financial guarantee to a licensed bank in respect of a borrowing facility granted to a subsidiary.

A corporate guarantee with a nominal amount of RM71.3 million (2020: Nil) was provided by the Company to a licensed bank in respect of a borrowing facility of its subsidiary. As at the reporting date, there was no indication that the subsidiary would default on repayment.

The financial guarantee has not been recognised by the Company as their fair values on initial recognition are insignificant.

## 31 FINANCIAL RISK MANAGEMENT (CONTINUED)

## (d) Capital risk management

The Group's and 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 capital structure of the Group and Company consists of debts and total equity, comprising issued share capital, other reserves and accumulated losses.

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Total debts	305,676	310,566	82,553	113,432
Total equity	624,616	573,067	708,152	652,093
Total capital	930,292	883,633	790,705	765,525

The Group and 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 statement of financial position. Total equity is calculated as "equity" as shown in the statement of financial position.

The Group and Company are subject to certain externally imposed capital requirements in the form of loan covenants. The Group and Company monitor the gearing ratio and compliance with loan covenants based on the terms of the loan agreements. The Group and Company have complied with the capital requirements imposed by its lenders as at financial year end.

The gearing ratios as at 31 December are as follows:

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Total debts	305,676	310,566	82,553	113,432
Total equity	624,616	573,067	708,152	652,093
Gearing ratio	0.49	0.54	0.12	0.17

# notes to the financial statements

for the financial year ended 31 December 2021

## 32 FAIR VALUE

### (a) Fair value

The carrying amounts of cash and cash equivalents, short term receivables and payables approximate fair values due to the relatively short term nature of these financial instruments.

The fair values of 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:

	2021		2020	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
<b>Group</b>				
Borrowings	153,634	153,607	125,485	125,558
<b>Company</b>				
Amounts due to subsidiaries	168,400	166,779	197,875	197,875
Borrowings	82,553	83,527	112,083	112,156

### (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
<b>2021</b>				
Financial assets at FVOCI	-	688	-	688
<b>2020</b>				
Financial assets at FVOCI	-	688	-	688

**33 SIGNIFICANT NON-CASH TRANSACTIONS**

The significant non-cash transactions during the financial year were as follows:

	Group	
	2021	2020
	RM'000	RM'000
Goods and services received through contra arrangements with customers	1,004	25
Property, plant and equipment obtained through contra arrangement with customers	876	-

	Company	
	2021	2020
	RM'000	RM'000
Settlement of intercompany loan payable through balance offsetting	36,735	49,325

The conversion of amount due to a subsidiary into an intercompany loan payable of RM100.0 million during the previous financial year is disclosed in Note 23(c) to the financial statements.

**34 SIGNIFICANT RELATED PARTY DISCLOSURES**

## (a) Identities of related parties

For purposes of these financial statements, parties are considered to be related to the Group and Company if the Group and Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties include:

- (i) Direct and indirect subsidiaries of the Company as disclosed in Note 16;
- (ii) Associates of the Group as disclosed in Note 17;
- (iii) Key management personnel which 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; and
- (iv) Companies related by virtue of a common major shareholder with a deemed significant influence over the Company ("Other related parties").

# notes to the financial statements

for the financial year ended 31 December 2021

## 34 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

### (b) Key management compensation

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	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
- Fees	338	544	338	425
- Basic salaries, bonus and other remunerations	8,139	11,593	1,673	2,441
- Allowances	2,115	2,184	1,065	745
- Defined contribution retirement plan	1,022	1,755	241	278
	<b>11,614</b>	<b>16,076</b>	<b>3,317</b>	<b>3,889</b>
Estimated monetary value of benefits-in-kind	64	93	26	26

Included in the key management compensation is Directors' remuneration as disclosed in Note 10 to the financial statements.

### (c) Significant transactions between related parties

In addition to the transactions detailed elsewhere in the financial statements, the Group and Company had undertaken the following transactions with related parties during the financial year:

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Subsidiaries</u>				
- Management fees	-	-	7,667	39,054
- Dividend receivable	-	-	60,019	20,020
- Rental cost payable	-	-	(3,268)	(4,232)
- Finance cost on intercompany loans	-	-	(7,260)	(6,475)
<u>Associates</u>				
- Advertising commissions	(1,848)	(2,338)	-	-

## 34 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

## (c) Significant transactions between related parties (continued)

In addition to the transactions detailed elsewhere in the financial statements, the Group and Company had undertaken the following transactions with related parties during the financial year: (continued)

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Companies related by virtue of a common major shareholder with a deemed significant influence over the Company</u>				
- Sale of advertisements	8,573	7,042	-	-
- Newspaper printing and distribution services	12,550	8,941	-	-
- Rental income receivable	223	-	-	-
- Television transmission services	(25,000)	(25,240)	-	-
- Advertising commissions	(4,739)	-	-	-
- Outdoor display cost	(245)	-	-	-
- Finance cost on borrowings	(69)	-	-	-
- Transaction costs on borrowings	(601)	-	-	-

## (d) Significant related party balances

In addition to the significant related party balances disclosed in Note 22, 23, 26 and 27 to the financial statements, the Group has the following balances with related parties:

	Group	
	2021	2020
	RM'000	RM'000
<u>Companies related by virtue of a common major shareholder with a deemed significant influence over the Company</u>		
- Deposits with a licensed bank	2,988	-

# notes to the financial statements

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## 35 CAPITAL COMMITMENTS

	Group	
	2021	2020
	RM'000	RM'000
Capital commitments, approved but not contracted for at the end of the reporting period:		
- Property, plant and equipment	42,552	30,397
- Intangible assets	138,773	140,912
	<b>181,325</b>	171,309
Capital commitments, approved and contracted for at the end of the reporting period:		
- Property, plant and equipment	54,777	9,483
- Intangible assets	10,736	3,003
	<b>65,513</b>	12,486
	<b>246,838</b>	183,795

## 36 CONTINGENT LIABILITIES

The Group is a defendant in 17 (2020: 19) legal suits with contingent liabilities amounting to approximately RM3.9 million (2020: RM5.6 million) as at 31 December 2021. The legal suits mainly consist of claims on defamation.

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.

## 37 SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

### (a) Major acquisition of property, plant and equipment

On 3 September 2021, STMB Properties, a wholly-owned indirect subsidiary of the Company, had entered into a sale and purchase agreement with PNB Development Sdn Berhad for the acquisition of two pieces of freehold land held under title no. GERAN 31811, Lot 443 and GERAN 31812, Lot 444, Seksyen 96A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, measuring a total of approximately 151,814 square feet and the buildings erected thereon ("Bangsar Property"), for a total purchase consideration of RM156.4 million.

The acquisition of the Bangsar Property had been completed on 20 January 2022 in accordance with the sale and purchase agreement.

**37 SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD (CONTINUED)**

## (b) Termination of leases

The Bangsar Property was leased by NSTP, a 98.18% directly-held subsidiary of the Company, from PNB Development Sdn. Berhad prior to the acquisition as disclosed in Note 37(a) to the financial statements. The lease was terminated on 20 January 2022 via a deed of termination pursuant to the completion of the acquisition of the Bangsar Property by STMB Properties. As at the date of termination, the carrying amount of the right-of-use asset and lease liability attributed to the lease of the Bangsar Property of RM22.4 million and RM25.6 million respectively shall be derecognised by the Group.

**38 DIVIDENDS**

On 23 February 2022, the Board of Directors approved the payment of a single tier dividend of 1.5 sen per ordinary share amounting to RM16,637,989. The financial statements for the current year do not reflect this dividend.

**39 RESTATEMENT**

The Group has restated its previously reported statement of cash flows for the financial year ended 31 December 2020, where cash flow activities that give rise to long-term assets should be classified as cash flows arising from investing activities rather than operating activities.

The following tables detail the adjustments for each affected individual line item in the statements of cash flows. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided.

Reconciliation of Statements of Cash Flows

	Financial year ended 31.12.2020		
	As previously reported	Adjustment	As restated
	RM'000	RM'000	RM'000
STATEMENT OF CASH FLOWS (EXTRACT)			
Changes in working capital:			
Programme-related assets	(87,594)	64,663	<b>(22,931)</b>
Cash flows generated from operations	4,406	64,663	<b>69,069</b>
Net cash flows generated from operating activities	1,606	64,663	<b>66,269</b>
Intangible assets			
- Additions	(980)	(64,663)	<b>(65,643)</b>
Net cash flows used in investing activities	(4,520)	(64,663)	<b>(69,183)</b>

The above adjustment does not have material impact on the statements of comprehensive income and statements of financial position.

# Statement By Directors

Pursuant To Section 251(2) Of The Companies Act 2016

We, Datuk Seri (Dr) Syed Hussian bin Syed Junid and Mohd Rafiq bin Mat Razali, 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 112 to 219 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 2021 and financial performance of the Group and of the Company for the financial year ended 31 December 2021 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 9 March 2022.



**DATUK SERI (DR) SYED HUSSIAN BIN SYED JUNID**  
GROUP CHAIRMAN



**MOHD RAFIQ BIN MAT RAZALI**  
GROUP MANAGING DIRECTOR

Petaling Jaya

# Statutory Declaration

Pursuant To Section 251(1) Of The Companies Act 2016

I, Rosli bin Sabarudin, 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 112 to 219 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.



**ROSLI BIN SABARUDIN**

Subscribed and solemnly declared by the abovenamed at Petaling Jaya, Malaysia on 9 March 2022, before me,



COMMISSIONER FOR OATHS

3 Damansara Shopping Mall  
3, Jalan SS20/27  
47400 Petaling Jaya  
Selangor Darul Ehsan

# 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 2021, 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 2021 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 112 to 219.

### 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' International Code of Ethics for Professional Accountants (including International Independence Standards) ("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 of 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  
(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
<p><u>Impairment assessment on goodwill and intangible assets with indefinite life</u></p> <p>The Group has goodwill of RM180.1 million and intangible assets with indefinite life of RM176.2 million as at 31 December 2021.</p> <p>An impairment charge of RM3.0 million has been recorded by management in relation to Outdoor Media goodwill in the current financial year because the recoverable amounts of the Cash Generating Unit ("CGU") are lower than the carrying value.</p> <p>No further impairment charge has been recorded by management for the other CGUs.</p> <p>The recoverable amounts of the CGUs were based on the probability weighted approach to determine the expected cash flows, 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 revenue growth rate, growth rate for costs, terminal growth rate and Earnings Before Interest, Taxation, Depreciation and Amortisation ("EBITDA") margin and hence, an area of focus for us.</p> <p>Refer to Note 2(e), Note 2(f) in the summary of significant accounting policies, Note 3(a) in the critical accounting estimates and judgements and Note 18 to the financial statements.</p>	<p>We have assessed management's impairment assessments and our procedures included the following:</p> <ul style="list-style-type: none"> <li>• Discussed and assessed the assumptions used by management in the cash flows projections, in particular, the revenue growth rate, growth rate for costs, terminal growth rate and EBITDA margin by comparing with business plans, historical results and market data;</li> <li>• Assessed the reliability of management's forecast through the review of past trends of actual financial performances against previous forecasted results;</li> <li>• Performed sensitivity analysis on discount rates to evaluate the impact on the impairment assessment; and</li> <li>• Assessed the adequacy and reasonableness of the disclosures in the financial statements.</li> </ul> <p>Based on our procedures, we noted no significant exceptions.</p>
<p><u>Impairment assessment on investment in subsidiaries</u></p> <p>Management performed impairment assessments of investments in subsidiaries. As a result, a net impairment reversal of RM0.9 million had been made in respect of Media Prima Berhad's investment in its subsidiaries as stated in Note 16 to the financial statements.</p> <p>This is an area of focus as the recoverable amount of the investments is determined based on the probability weighted approach to determine the expected cash flows, which require judgement on the part of management estimation of the future financial performance and key assumptions used, in particular, the revenue growth rate, growth rate for cost, EBITDA margin and valuation of buildings.</p> <p>Refer to Note 2(b)(vi), Note 2(f) in the summary of significant accounting policies, Note 3(a) in the critical accounting estimates and judgements and Note 16 to the financial statements.</p>	<p>We have assessed management's impairment assessments and our procedures included the following:</p> <ul style="list-style-type: none"> <li>• Discussed and assessed the assumptions used by management in the cash flows projections, in particular, the revenue growth rate, growth rate for costs and EBITDA margin by comparing with business plans, historical results and market data;</li> <li>• Assessed the reliability of management's forecast through the review of past trends of actual financial performances against previous forecasted results;</li> <li>• Performed sensitivity analysis on discount rates to evaluate the impact on the impairment assessment; and</li> <li>• Assessed the adequacy and reasonableness of the disclosures in the financial statements.</li> </ul> <p>Based on our procedures, we noted no significant exceptions.</p>

## 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 of Directors' Report, Statement on Risk Management and Internal Control, Audit Committee Report and Risk Management Committee Report, which we obtained prior to the date of this auditors' report, and other sections of the 2021 Annual Report, which is expected to be made available to us after that date. Other information does not include the financial statements of the Group and of the Company and our auditors' 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 on the other information that we obtained prior to the date of this auditors' report, 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.

### 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.

# 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 (CONTINUED)

### Auditors' responsibilities for the audit of the financial statements (continued)

- (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 of 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 on 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.

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, actions taken to eliminate threats or safeguards applied.

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 financial 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

Kuala Lumpur

9 March 2022



**NURUL A'IN BINTI ABDUL LATIF**  
02910/02/2023 J  
Chartered Accountant

# Statistics of Shareholdings

As At 31 March 2022

Total Number of Issued Shares : 1,109,199, 286  
 Class of Share : Ordinary Shares  
 No. of Shareholders : 22,008  
 Voting Rights : One (1) vote per Ordinary Share

## DISTRIBUTION OF SHAREHOLDINGS

As At 31 March 2022

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Shares
1 - 99	5,064	23.01	189,853	0.02
100 - 1,000	8,226	37.38	3,897,625	0.35
1,001 - 10,000	6,606	30.02	24,192,985	2.18
10,001 - 100,000	1,766	8.02	55,077,065	4.96
100,001 to less than 5% of issued shares	343	1.56	327,098,017	29.49
5% and above of issued shares	3	0.01	698,743,741	63.00
<b>Total</b>	<b>22,008</b>	<b>100.00</b>	<b>1,109,199,286</b>	<b>100.00</b>

## STATEMENT OF DIRECTORS' INTEREST

As At 31 March 2022

No.	Name of Directors	Direct Holdings		Indirect Holdings	
		No. of Shares	% of Issued Shares	No. of Shares	% of Issued Shares
1	Datuk Seri (Dr) Syed Hussian bin Syed Junid	6,099,995	0.55	100,000	0.01
2	Mohd Rafiq bin Mat Razali	300,000	0.03	-	-
3	Raja Datuk Zaharatin binti Raja Zainal Abidin	-	-	-	-
4	Abdullah bin Abu Samah	-	-	-	-
5	Dato' Sivananthan A/L Shanmugam	-	-	-	-
6	Datin Azalina binti Adham	867	-	-	-
		<b>6,400,862</b>	<b>0.58</b>	<b>100,000</b>	<b>0.01</b>

# statistics of shareholdings

as at 31 march 2022

## SUBSTANTIAL SHAREHOLDERS

As At 31 March 2022

No.	Name of Shareholders	No. of Shares	% of Issued Shares
1.	Aurora Mulia Sdn. Bhd.	353,815,941	31.90
2.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB For JAG Capital Holdings Sdn Bhd (PB)	222,711,000	20.08
3.	HSBC Nominees (Asing) Sdn Bhd Morgan Stanley & Co. International PLC (Firm A/C)	122,216,800	11.02
		698,743,741	63.00

## TOP 30 SECURITIES ACCOUNT HOLDERS

As At 31 March 2022

No.	Name of Shareholders	No. of Shares	% of Issued Shares
1	Aurora Mulia Sdn. Bhd.	353,815,941	31.90
2	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB For JAG Capital Holdings Sdn Bhd (PB)	222,711,000	20.08
3	HSBC Nominees (Asing) Sdn Bhd Morgan Stanley & Co. International PLC (Firm A/C)	122,216,800	11.02
4	Citigroup Nominees (Asing) Sdn Bhd GSCO LLC For Blackwell Partners LLC (Series A)	25,740,900	2.32
5	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Leasing Corporation Sdn Bhd (CTS-LCS0001C)	23,305,800	2.10
6	Citigroup Nominees (Asing) Sdn Bhd Macquarie Bank Limited (Main)	19,827,600	1.79
7	Citigroup Nominees (Asing) Sdn Bhd Exempt An For Citibank New York (Norges Bank 19)	17,638,700	1.59
8	Lee See Jin	14,663,200	1.32
9	HSBC Nominees (Asing) Sdn Bhd TNTC For Sagacia Fund LP	12,938,267	1.17
10	HSBC Nominees (Asing) Sdn Bhd TNTC For Dirnad Fund LP	11,485,000	1.04
11	Chin Chin Seong	9,244,200	0.83

No.	Name of Shareholders	No. of Shares	% of Issued Shares
12	Chin Chin Seong	8,236,800	0.74
13	Public Invest Nominees (Asing) Sdn Bhd Pledged Securities Account For Muhamad Aloysius Heng (M)	6,350,800	0.57
14	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chan Shiann Gwo (E-TSA)	6,300,000	0.57
15	Syed Hussian Bin Syed Junid	6,099,995	0.55
16	RHB Nominees (Tempatan) Sdn Bhd Telekom Malaysia Berhad	5,222,214	0.47
17	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Erwin Selvarajah A/L Peter Selvarajah	5,000,000	0.45
18	Yeoh Yew Choo	4,599,400	0.41
19	Chew Saw Bee	4,200,000	0.38
20	Nur Aliyah Binti Abdullah	4,092,100	0.37
21	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt An For UOB Kay Hian Pte Ltd (A/C Clients)	3,831,756	0.35
22	HSBC Nominees (Asing) Sdn Bhd TNTC For Diakrisis Fund LP	3,689,274	0.33
23	Chehan Prasanna Richard Perera	3,500,000	0.32
24	AMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chin Chin Seong	3,419,900	0.31
25	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Mohd Nazasli Bin Abdul Aziz (MY1484)	2,626,100	0.24
26	Duclos Sdn Bhd	2,500,000	0.23
27	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tee Kuang Yik (MY3963)	2,200,000	0.20

## statistics of shareholdings

as at 31 march 2022

No.	Name of Shareholders	No. of Shares	% of Issued Shares
28	HSBC Nominees (Asing) Sdn Bhd J.P. Morgan Securities PLC	2,033,596	0.18
29	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Erwin Selvarajah A/L Peter Selvarajah (7006509)	2,000,000	0.18
30	Hsiao Mei Ling	2,000,000	0.18
	<b>Total</b>	911,489,343	82.19

# List of Top 10 Properties

No	Properties	Type	Tenure	Date of last valuation	Built-up area (Sq. ft.)	Land area (Sq. ft.)	Description	Age of building (years)	Net book value as at 31 December 2021 (RM'000)
1.	Lot PLO 02, T2 & T3, Kawasan Perindustrian Senai, 81400 Senai, Johor	Leasehold	60 years (Expiry:2040)	2021	152,238	183,823	Former Regional Printing Plant	34	12,570
	Lot PLO 3, Kawasan Perindustrian Bebas, 81400 Senai, Johor	Leasehold	60 years (Expiry:2043)			174,240		16	2,861
2.	No 323 (Plot 325), Prai Industrial Estate, 13600 Seberang Prai, Pulau Pinang	Leasehold	60 years (Expiry:2039)	2021	136,880	157,185	Regional Printing Plant	35	8,849
	No 322 (Plot 324), Prai Industrial Estate, 13600 Seberang Prai, Pulau Pinang	Leasehold	60 years (Expiry:2035)	2021		87,076		13	3,024
3.	Lot 33, Lebuhraya Sultan Mohamad 1, Jalan Lebuhraya 1, Kawasan Perindustrian Bandar Sultan Sulaiman, Pelabuhan Klang Utara, 42000 Klang, Selangor	Leasehold	99 years (Expiry:2105)	2021	138,583	251,875	Warehouse	14	11,576
4.	Lot 7 & 9, Jalan Jurubina U1/18, Seksyen U1, Hicom Glenmarie Park, 40150 Shah Alam, Selangor	Freehold	-	2021	80,739	80,062	Broadcasting Studio	25	10,359
5.	33, Jalan Sultan Ahmad Shah, 10050 George Town, Pulau Pinang	Freehold	-	2021	7,883	13,771	Office Block	28	6,145
6.	Lot 1024, KM13, Mukim Sri Rusa, Batu 8 3/4, Jalan Pantai Teluk Kemang, 71050 Port Dickson, Negeri Sembilan	Freehold	-	2021	32,779	64,305	Condominium	22	3,744
7.	Kawasan Perindustrian Ajil, 21800 Hulu Terengganu, Terengganu	Freehold	60 years (Expiry:2061)	2021	88,459	630,444	Former Regional Printing Plant	13	2,824
8.	Flat 108, 4 Whitehall Court, London SW1A 2 EP, United Kingdom	Leasehold	99 years (Expiry:2086)	2021	865	0	Residential Apartment	37	2,460
9.	Lot 91, 92 & 93 Kompleks Alor Setar, 05100 Alor Setar, Kedah	Leasehold	99 years (Expiry:2083)	2021	11,020	3,498	Office Block	38	1,082
10.	No. 1107-U, Jalan Pejabat, 20200 Kuala Terengganu, Terengganu	Freehold	-	2021	6,270	1,636	Office Block	30	1,039

# Group Directory

## MEDIA PRIMA BERHAD

Balai Berita Bangsar  
31, Jalan Riong, Bangsar  
59100 Kuala Lumpur  
Tel : 1 300 30 0672  
Fax : +603 2283 0353  
Email : [communications@mediaprima.com.my](mailto:communications@mediaprima.com.my)  
Website : [www.mediaprima.com.my](http://www.mediaprima.com.my)

## REV MEDIA GROUP

The Basecamp, 3rd Floor, North Wing, Sri Pentas,  
No 3, Persiaran Bandar Utama,  
Bandar Utama, 47800 Petaling Jaya,  
Selangor Darul Ehsan.  
Tel : +603 7621 3333  
Fax : +603 7710 3876  
Website : [www.revmedia.my](http://www.revmedia.my)

## MEDIA PRIMA OMNIA

Balai Berita Bangsar  
31, Jalan Riong, Bangsar  
59100 Kuala Lumpur  
Website : [www.mediaprimaomnia.my](http://www.mediaprimaomnia.my)

## WOWSHOP SDN BHD

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 : [www.wowshop.com.my](http://www.wowshop.com.my)

## MEDIA PRIMA TELEVISION NETWORKS (SISTEM TELEVISYEN MALAYSIA BERHAD) AND PRIMEWORKS STUDIOS SDN BHD

Sri Pentas, No 3, Persiaran Bandar Utama,  
Bandar Utama, 47800 Petaling Jaya,  
Selangor Darul Ehsan.  
Tel : +603 7726 6333  
Website : [www.tonton.com.my](http://www.tonton.com.my)  
Website : [www.primeworks.com.my](http://www.primeworks.com.my)

## BIG TREE OUTDOOR SDN BHD

2nd Floor, Balai Berita, Anjung Riong  
31, Jalan Riong, Bangsar  
59100 Kuala Lumpur  
Tel : +603 7729 3889  
Fax : +603 7729 3999  
Website : [www.bigtree.com.my](http://www.bigtree.com.my)

## THE NEW STRAITS TIMES PRESS (M) BERHAD

Balai Berita, Anjung Liku  
31, Jalan Riong, Bangsar  
59100 Kuala Lumpur  
Tel : 1 300 22 6787 (Local)  
+603 2056 9499 (International)  
Classifieds : 1 300 808 123  
Fax : +603 2282 1428  
Email : [NSTPCorpComm@mediaprima.com.my](mailto:NSTPCorpComm@mediaprima.com.my)  
Website : [www.nstp.com.my](http://www.nstp.com.my)

## MEDIA PRIMA AUDIO (SYNCHRO SOUND STUDIO SDN BHD)

PH, North Wing, Sri Pentas,  
No 3, Persiaran Bandar Utama,  
Bandar Utama, 47800 Petaling Jaya,  
Selangor Darul Ehsan.  
Office : +603 7710 5022  
Studio : +603 7710 8822  
Fax : +603 7710 7098  
Website : [www.mediaprima.audio](http://www.mediaprima.audio)

# Corporate Information

## BOARD OF DIRECTORS

**Datuk Seri (Dr) Syed Hussian bin Syed Junid**  
Group Chairman

**Mohd Rafiq bin Mat Razali**  
Group Managing Director

**Raja Datuk Zaharaton binti Raja Zainal Abidin**  
Senior Independent Non-Executive Director

**Abdullah bin Abu Samah**  
Independent Non-Executive Director

**Dato' Sivananthan A/L Shanmugam**  
Independent Non-Executive Director

**Datin Azalina binti Adham**  
Independent Non-Executive Director

## AUDIT COMMITTEE MEMBERS

**Abdullah bin Abu Samah**  
Chairman of the Committee/  
Independent Non-Executive Director

**Raja Datuk Zaharaton binti Raja Zainal Abidin**  
Member of the Committee/  
Senior Independent Non-Executive Director

**Datin Azalina binti Adham**  
Member of the Committee/  
Independent Non-Executive Director

## GROUP COMPANY SECRETARY

**Jessica Tan Say Choon**  
(MAICSA 7057849)  
SSM Practicing Certificate No. 202008003070

## REGISTERED OFFICE

**Media Prima Berhad**  
Registration No.: 200001030368 (532975-A)  
Balai Berita, Anjung Riong,  
No. 31, Jalan Riong, Bangsar,  
59100 Kuala Lumpur.  
Tel : 1300 300 672  
Fax : +603 – 2282 0806

## AUDITORS

PricewaterhouseCoopers PLT  
(LLP0014401-LCA & AF 1146)  
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  
Registration No.: 199601006647 (378993-D)  
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

# Notice of 21<sup>st</sup> Annual General Meeting

media prima

**MEDIA PRIMA BERHAD**

[Registration No : 200001030368 (532975-A)]

(Incorporated in Malaysia)

**NOTICE IS HEREBY GIVEN** that the Twenty-First (21<sup>st</sup>) Annual General Meeting (“AGM”) of **MEDIA PRIMA BERHAD** (“the Company”) will be held on a fully virtual basis through live streaming and Remote Participation and Electronic Voting (“RPEV facilities”) which are available at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC - D6A357657) on Friday, 27 May 2022 at 9.30 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 2021 and the Reports of the Directors and Auditors thereon.   | <b>Please refer to Explanatory Note 1</b> |
| 2. To re-elect Datuk Seri (Dr) Syed Hussian bin Syed Junid who retires in accordance with Article 20.3 of the Company’s Constitution and being eligible, has offered himself for re-election. | <b>Resolution 1</b>                       |
| 3. To re-elect Datin Azalina binti Adham who retires in accordance with Article 20.8 of the Company’s Constitution and being eligible, has offered herself for re-election.                   | <b>Resolution 2</b>                       |
| 4. To approve the payment of Directors’ fees of RM337,520.55 for the financial year ended 31 December 2021.   | <b>Resolution 3</b>                       |
| 5. To approve the payment of Directors’ benefits of up to RM1,400,000.00 for the period from 28 May 2022 until the next AGM of the Company.   | <b>Resolution 4</b>                       |
| 6. To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company and to authorise the Board of Directors to determine their remuneration.  | <b>Resolution 5</b>                       |

## SPECIAL BUSINESS

To consider and if thought fit, to pass the following Resolutions, with or without modifications: -

## ORDINARY RESOLUTIONS

- |   |                     |
|---|---------------------|
| 7. <b>Authority to Allot and Issue Shares</b>   |                     |
| “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 total number of issued shares 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”. | <b>Resolution 6</b> |
| 8. <b>Proposed Renewal of Existing Shareholders’ Mandate and Proposed New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature</b>   |                     |
| “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 renew the existing shareholders’ mandate and to grant new shareholders’ mandate for recurrent related party transactions (“RRPTs”) of a revenue or trading nature with the related parties (“Proposed Shareholders’ Mandate”) as set out in Section 2.2 of the Circular to Shareholders dated 29 April 2022.  | <b>Resolution 7</b> |

THAT the Proposed 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;
- (b) disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the Proposed 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) 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 340 of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340 of the Companies Act 2016, whichever is 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**  
 29 April 2022

#### Notes :

1. The 21<sup>st</sup> AGM of the Company will be conducted on a fully virtual basis via Remote Participation and Electronic Voting facilities (collectively referred hereinafter as "RPEV" or "Virtual AGM").
2. An online meeting platform can be recognised as the meeting venue or place under Section 327(2) of the Companies Act 2016 provided that the online platform is located in Malaysia. With the RPEV facilities, this will facilitate and enable all shareholders to participate fully in the proceedings by audio and/or video capabilities without the need to be physically present at the Meeting venue, which is advantageous given the current circumstances relating to Covid-19 and best health practices.
3. Only members whose names appear in the Record of Depositors on 20 May 2022 ("General Meeting Record of Depositors") shall be entitled to participate in the 21<sup>st</sup> 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.

# notice of 21<sup>st</sup> annual general meeting

media prima

**MEDIA PRIMA BERHAD**  
 [Registration No : 200001030368 (532975-A)]  
 (Incorporated in Malaysia)

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 office at Ground Floor or 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 Boardroom Smart Investor Online Portal at <https://investor.boardroomlimited.com/> before the proxy form lodgement cut-off time as mentioned above. Please follow the procedures provided in the Administrative Details for the 21<sup>st</sup> AGM in order to register, participate and vote.

## Explanatory Notes:-

### 1. Audited Financial Statements for financial year ended 31 December 2021

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. Resolution 1 and 2: Re-election of Directors pursuant to the Company's Constitution

The Nomination & Remuneration Committee and the Board have reviewed the performance of each Director subject for re-election, through the annual Board Assessment, and are satisfied with the performance, contribution and effectiveness of the Directors, Datuk Seri (Dr) Syed Hussian bin Syed Junid and Datin Azalina binti Adham

Datuk Seri (Dr) Syed Hussian bin Syed Junid who retires pursuant to Article 20.3 of the Company's Constitution, has offered himself for re-election at the 21<sup>st</sup> AGM. Datin Azalina binti Adham who retires pursuant to Article 20.8 of the Company's Constitution, has offered herself for re-election at the 21<sup>st</sup> AGM.

Both the two Directors standing for re-election have abstained from deliberations and decisions on their own eligibility to stand for re-election at the 21<sup>st</sup> AGM of the Company.

Raja Datuk Zaharaton binti Raja Zainal Abidin who retires pursuant to Article 20.3 of the Company's Constitution has indicated to the Company that she would not be seeking re-election at the 21<sup>st</sup> AGM. Hence, she shall retire as Director at the conclusion of the 21<sup>st</sup> AGM.

### 3. Resolution 3: 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 2021 be maintained as follows:-

<b>Non-Executive Group Chairman</b>	RM75,000 per annum
<b>Non-Executive Director ("NED")</b>	RM60,000 per annum

The payment of the Directors Fees in respect of the FY 2021 will only be made if the proposed Resolution 3 has been approved at the 21<sup>st</sup> AGM of the Company.

### 4. Resolution 4: 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 28 May 2022 to the next AGM in 2023), 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 4 has been passed at the 21<sup>st</sup> 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 5: Re-appointment of Auditors

Based on the External Auditors Evaluation result for the Financial Year under review, the Board Audit Committee and Board are satisfied with the quality of service, adequacy of resources provided, communication, independence, objectivity and professionalism demonstrated by the External Auditors, Messrs PricewaterhouseCoopers PLT ("PwC"), in carrying out their duties. Being satisfied with PwC's performance, the Board recommends their re-appointment for shareholders' approval at the forthcoming AGM.

6. **Resolution 6: 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 21<sup>st</sup> AGM, which may delay the capital raising initiatives and incur relevant cost in organising the general meeting.

7. **Resolution 7: Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate").**

The Proposed 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 Shareholders' Mandate are set out in the Circular to Shareholders dated 29 April 2022. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

8. **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 21<sup>st</sup> 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 21<sup>st</sup> AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 21<sup>st</sup> 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 Twenty-First (21<sup>st</sup>) Annual General Meeting of Media Prima Berhad are: -

- (i) Datuk Seri (Dr) Syed Hussian bin Syed Junid ***(Resolution 1)***
- (ii) Datin Azalina binti Adham ***(Resolution 2)***

The details of the above Directors who are seeking re-election are set out in the "Board of Directors' Profile" which appear from pages 65 to 68 of the Annual Report.

The details of Directors' interests in the securities of the Company are set out in the "Statement of Directors' Interest" which appear on page 225 of the Annual Report.

# Proxy Form

media prima

MEDIA PRIMA BERHAD  
[Registration No : 200001030368 (532975-A)]  
[Incorporated in Malaysia]

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	NRIC Number	Proportion of shareholdings	
		Number of shares	Percentage (%)
Email address/ tel no			

and/or failing him/her,

## Second Proxy

Full Name of Proxy in capital letters	NRIC Number	Proportion of shareholdings	
		Number of shares	Percentage (%)
Email address/ tel no			

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 Twenty-First (21<sup>st</sup>) Annual General Meeting ("AGM") of MEDIA PRIMA BERHAD ("the Company") to be held on a fully virtual basis through live streaming and Remote Participation and Electronic Voting ("RPEV facilities") which are available at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC - D6A357657) on Friday, 27 May 2022 at 9.30 a.m. and at any adjournment thereof, on the following resolutions referred to in the Notice of 21<sup>st</sup> AGM. My/our proxy is to vote as indicated below :-

Resolution No	RESOLUTIONS	FOR	AGAINST
Resolution 1	To re-elect Datuk Seri (Dr) Syed Hussian bin Syed Junid as Director of the Company.		
Resolution 2	To re-elect Datin Azalina Binti Adham as Director of the Company.		
Resolution 3	To approve the payment of Directors' fees of RM337,520.55 for the financial year ended 31 December 2021.		
Resolution 4	To approve the payment of Directors' benefits of up to RM1,400,000.00 for the period from 28 May 2022 until the next AGM of the Company.		
Resolution 5	To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company and to authorise the Directors to determine their remuneration.		
Resolution 6	To approve the proposed Authority to Allot and Issue Shares.		
Resolution 7	To approve the Proposed Renewal of Existing Shareholders' Mandate and 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 ..... 2022

\_\_\_\_\_  
Signature of Member / Common Seal

## Notes :

- The 21<sup>st</sup> AGM of the Company will be conducted on a fully virtual basis via Remote Participation and Electronic Voting facilities (collectively referred hereinafter as "RPEV" or "Virtual AGM").
- An online meeting platform can be recognised as the meeting venue or place under Section 327(2) of the Companies Act 2016 provided that the online platform is located in Malaysia. With the RPEV facilities, this will facilitate and enable all shareholders to participate fully in the proceedings by audio and/or video capabilities without the need to be physically present at the Meeting venue, which is advantageous given the current circumstances relating to Covid-19 and best health practices.
- Only members whose names appear in the Record of Depositors on 20 May 2022 ("General Meeting Record of Depositors") shall be entitled to participate in the 21<sup>st</sup> AGM.
- 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.
- 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.
- 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.
- 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.
- Duly completed Proxy Form must be deposited at Boardroom Share Registrars Sdn Bhd office at Ground Floor or 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 Boardroom Smart Investor Online Portal at <https://investor.boardroomlimited.com/> before the proxy form lodgement cut-off time as mentioned above. Please follow the procedures provided in the Administrative Details for the 21<sup>st</sup> 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 21<sup>st</sup> AGM dated 29 April 2022

*Please fold here to seal*

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**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

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*Please fold here to seal*





[www.mediaprima.com.my](http://www.mediaprima.com.my)

MEDIA PRIMA BERHAD  
20001030368(532975-A)

Balai Berita,  
Anjung Riong  
31, Jalan Riong, Bangsar, 59100,  
Kuala Lumpur, Malaysia

