AT MEDIA PRIMA, 'SAFETY IS A VALUE, NOT AN ACTIVITY'.

THE GROUP IS COMMITTED TO PROVIDING A SAFE AND CONDUCIVE WORK ENVIRONMENT. COMPANY POLICY STATES THAT ACTIVITIES MUST PROTECT THE SAFETY AND HEALTH OF EMPLOYEES, COMMUNITIES ADJACENT TO OPERATIONS AND THE GENERAL PUBLIC.

SAFETY AND HEALTH COMMITTEE

Media Prima's safety and health committee consists of a chairman, a secretary, and both employer and employee representatives. This is in line with Section 30 of the Occupational Safety and Health Act 1994.

Safety and Health Committee Breakdown

LOCATION	CHAIRMAN	SECRETARY	MEMBERS	
			MANAGEMENT REPRESENTATIVES	EMPLOYEE REPRESENTATIVES
Sri Pentas	1	1	4	12
Shah Alam	1	1	5	4
Prai	1	1	3	8
Senai	1	2	5	5
Ajil	1	1	5	7
Bangsar	1	2	8	7

In addition to qualified safety and health personnel, Media Prima also provides appropriate equipment to support management in carrying out its objectives and goals. Journalists working in high conflict areas are equipped with personal protective equipment such as a bullet proof helmet and ballistic or bullet-proof vest. Employees working at printing plants must wear a full face cartridge respirator, earplugs, safety shoes, face mask, safety glasses, gloves and welding shields especially when conducting maintenance work on the printing machine.

Accident and Injury Statistics

OSH INDICATOR	2012	2013	2014
Injury rate (IR) for total workforce	10	1.9	1.4
Occupational diseases rate (ODR) for total workforce	5	0	0
Lost day for total workforce	267	242	117
Absentee rate (AR) for total workforce	0	0	0
Absolute number of fatalities for total workforce	0	0	0

SAFETY MEASURES FOR SUPPLIERS AND SUB-CONTRACTORS

The OHSAS Steering Committee, led by the OHSAS-MR or a designee, develops processes that obtain and review contractor method statements. Prior to on-site work, all contractors are furnished with relevant information and documents to ensure they comply with Media Prima's OSH Management System. Big Tree Outdoor is committed to minimising risks associated with employees and contractors working at heights when installing billboards. The primary risks associated with working at heights are persons or objects falling. Safe access to all work areas must be provided.

Big Tree Outdoor takes the following precautionary measures before allowing any employees or contractors to work at height:

- Assessment of environment and weather conditions
- Organisation of fall prevention equipment
- Safe access and egress for public protection
- Allowable clearances from overhead power lines
- Personal Protective Equipment (PPE)
- Manual handling
- The means of rescuing persons from safety harnesses following arrested falls
- Protection of portable electric tools by having them tagged and tested

Several types of equipment may be used to minimise risks including scaffolding, fixed and mobile work platforms, ladders, safety harnesses, fall arrestors, hard hats, toe boards and waist high barriers. Additional protection is also given to those working along highways. PPE provided for maintenance work in highway areas include a safety helmet, eye glasses or goggles, a safety vest, gloves and safety boots. A proper traffic management plan for highway lane closure is developed as advised by the concessionaires to avoid hazards to road users and contractors.

MEDIA PRIMA'S MARKETPLACE POLICIES ARE GUIDED BY INTERNATIONAL BEST PRACTICE.

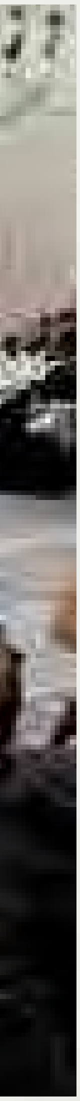
Supplier selection guidelines promote transparent and fair procurement decisions that are in the best interests of all parties. TV, radio and newsprint content strives for editorial independence, content quality, plurality and diversity. Nielsen's comprehensive customer satisfaction and viewer monitoring tools ensure that only the very best products and services are delivered at all times.

THE SOURCING AND MANAGING OF PROGRAMMES

Media Prima gives its viewers the very best experience and delivers the most sought-after content by examining market trends and researching viewers' desired programmes. Media Prima's transparent business prioritises editorial independence, content quality, plurality and diversity.

The Acquisition and Content Management (ACM) Team and Brand Management Group (BMG) respond to the market and secure in-demand programmes. BMG is responsible for TV networks and conducts internal discussions on purchasing suggested programmes. Once confirmed, ACM negotiates the programme license.

If the budget and content fits the broadcasting requirements, a financial evaluation report is raised that contains detailed analysis of a programme including a Return on Investment projection. This report is



tabled at a monthly programme committee meeting for approval or rejection. Media Prima's Programme Committee also decides on the platform to air the programme. This committee comprises the Chairman, Group Managing Director, Group Chief Financial Officer, General Manager of BMG for all networks, General Manager of ACM and General Manager of the Finance Department.

The BMG team presents a master schedule to ensure a balanced programme offering that is suitable for all demographic groups. This schedule lists the planned programmes for a specified period.

SOURCING AND MANAGING ARTISTES

Artistes are managed by Media Prima's subsidiary, the Talent Unit Sdn Bhd, also known as the 8unit. 8unit prioritises local artistes in its search for new talents, especially those who have been groomed through the in-house programme. In-house reality TV shows identify outstanding talent in artistes. Several TV reality shows effectively discover outstanding expertise in the market. Previous shows include Malaysian Idol, Project Superstar and One In A Million. 8unit's exclusive artistes include Jaclyn Victor, Faizal Tahir, Tomok, Black, Shiha, Candy and Senario.

An active talent scouting programme searches for potential outstanding artistes through various on-ground activities and by participating in activities conducted by each of Media Prima's TV programmes. Sought-after traits consist of credibility, personality and industry knowledge. Other role specific criteria include vocal skills, attractiveness and age.

Once hired, 8unit helps these artistes realise their dreams and create memorable lifetime moments. The management team provides continuous career development and coaching. 8unit has a reputable network of media contacts, partners and clientele. It strives for maximum exposure and opportunities to build a successful and multi-faceted career path for these artists.

RESPONSIBLE MARKETING

Media Prima adheres to the national policy of responsible marketing set by the *Lembaga Penapisan Filem*. Two main censorship acts are abided by:

- Film Censorship Act 2002 (Act 620)
- Censorship Guidelines (KDN) 2010

These acts help categorise films as (U), P13, 18 or TUT (*Tidak Lulus Untuk Ditayangkan*) and whether dialogue or scenes must be censored. Film screening judgments are made by following rules and criteria set by the three basic documents of the Film Censorship Act, Guidelines and User-Specific Censorship. Films passed with compulsory cuts must be edited before the film is released or screened. These cuts can be edited in a studio for digital or television screenings or by physically removing the offending section from the film. Media Prima has adopted practices for managing, moderating and/or filtering user generated content including user codes of conduct.

MALAYSIAN FILM CLASSIFICATIONS

This category can be viewed by all segments of society without age limit. The film is entertaining and promotes values as well as polite and positive teachings.

This category can only be viewed by those aged 13 years and above. Viewers under the age of 13 years require parental guidance or a guardian. The film contains some violence or elements of horror.

This category can only be viewed by those aged 18 years and above. The film may contain some elements of violence, horror and sex. It may contain aspects of a religious, social or political nature.

Media Prima's responsible marketing policy complies fully with the Malaysian Communications and Multimedia Commission (MCMC) Act and guidelines from the Association of Accredited Advertising Agents Malaysia (4As). Editorial and print media content meets the regulations governed by the Malaysian Communications and Multimedia Content Code and all other publication guidelines under the Ministry of Home Affairs (KDN). Media Prima's content dissemination promotes equity of access to content and products.

CUSTOMER SATISFACTION

Media Prima assesses and monitors customer satisfaction for each segment of its target audiences: Mass, Malay, Chinese, Women, Kids and Urban. Each is given a measurable yearly KPI target that the brand and programme custodians, BMG and PWS, must

achieve. The projection begins with the programme slot and considers many aspects that affect the station performance level. These typically include audience availability, the competitors' offerings and the programme's originality of concept and format, editorial, casting, host and other proven track records. Performance falling below the desired target signals viewers are neither attracted to nor enjoy the station's programmes. They either switch off their televisions or change to a competitor's channel. Viewers' movement are then tracked accordingly.

Media Prima's TV Audience Measurement is conducted by Nielsen. Reports for the previous day's telecasts are made available by 11.00am for day part analysis, and by programme title at 3.00pm. These are the first indicators of programme and station performances. Research provides overnight ratings for critical key programmes shown the night before on a daily basis. This could be a one-off event or weekly programming for immediate review and post mortem analysis.

For weekly programming, the BMG and PWS teams scrutinise the findings. If the number of viewers falls, strategies are introduced to increase the programme efficiency, such as pacing, editorial, scripting and editing, or station promos. If weekly or one off events exceed expectations, Consumer Communications Group highlights these success stories to the industry.

Large-scale market research is also conducted. This assists in major decision making that affects the entire platform's business plan and strategies.

MEDIA PRIMA UPHOLDS ETHICAL BUSINESS CONDUCT

Protecting Copyright

Media Prima only permits software that is developed by, or has been licensed or provided by the developer to be used within the Company. All permanent or contractual employees must refrain from:

- Duplicating copyrighted material without the owner's consent;
- Copying software from one machine to another without the owner's documented authority;
- Copying company proprietary software for use in computers that do not belong to the Company, or for any unauthorised purposes;
- Installing unauthorised software on desktop computers.

Anti-competition

All information on competitors must be obtained from legal sources. Employees must never use any illegal or unethical methods to gain competitive advantage. Employees should sell products and services fairly and honestly, stressing their quality and value. They should not use tactics that unfairly undermine competitors' products in advertisements, demonstrations or by using disparaging comments or innuendos.

Media Prima welcomed the Anti-Competitive Act 2010, which is governed by the Malaysia Competition Commission (MyCC). The Company's panel of solicitors conducted a dedicated training session earlier this year. This training introduced the Act and its implications to Media Prima's business.

DID YOU KNOW?

The Competition Act excludes activities regulated under The Communications and Multimedia Act 1998

Radio and Broadcasting are regulated by The Communications and Multimedia Act 1998

Other Media Prima businesses such as publishing and billboards are regulated by the Competition Act

It is imperative that company solicitors and other members of the Group clearly understand this Act. Media Prima will develop an internal compliance programme to outline standards and policies in-line with this Act.

MEDIA PRIMA HAS A DEEP AND INTRINSIC LINK TO GOOD CORPORATE RESPONSIBILITY. OUR COPORATE RESPONSIBILITY AND SUSTAINABILITY INITIATIVES POSITION US AS A POSITIVE FORCE IN COMMUNITIES IN WHICH WE OPERATE.

The Group has always cared for communities in need. Community initiatives continued to be integrated into business operations to make these efforts more sustainable and far reaching. This is a core part of Media Prima's DNA.

EDUCATION

Promoting Intelligence, Nurturing Talent & Advocating Responsibility (PINTAR)

Media Prima launched the *Program Kecemerlangan UPSR 2015* in Sekolah Kebangsaan Cherating, Pahang on 1 November 2014. The programme under the flagship of Media Prima Student Engagement Programme (SEP), aimed to help students prepare and excel in their *Ujian Penilaian Sekolah Rendah (UPSR)* examinations. Media Prima sponsored tuition classes for 125 Standard 5 students who will be sitting for the UPSR in 2015. Media Prima works closely with the school to create a strong academic foundation for students to excel in their academic journeys.

The programme launch included two motivational talks by television networks personalities, Hj Ahmad Noor Sulaiman and Maria Tunku Sabri. The talks promoted positive character building, motivation and self-confidence when facing examinations and life's challenges.

COMMUNITY

Tabung Bencana Taufan Haiyan Media Prima – NSTP

On 20 June 2014, Media Prima presented RM315,000 of public donations from its Media Prima-NSTP Typhoon Haiyan Disaster Fund to the Philippines Red Cross. The fund was launched on 11 November 2013, three days after Typhoon Haiyan devastated central Philippines. The category-five super Typhoon Haiyan created 313 km/h winds and forced millions of Filipinos out of their homes and shattered infrastructure. All donations collected were given to the Philippines Red Cross through the Philippines Embassy in Kuala Lumpur for its humanitarian mission and post flood rebuilding efforts in aid of the victims of Typhoon Haiyan.

Tabung Kemanusiaan Palestin Media Prima

The Group reactivated *Tabung Kemanusiaan Palestin Media Prima* on 24 July 2014. Tabung Kemanusiaan Palestin Media Prima generated funds that helped victims of the escalating conflict in Gaza.

CONTRIBUTIONS TO 234 SCHOOLS AFFECTED BY FLOODS

State	Schools	Total Donations
JOHOR	1 SCHOOL	RM 8,000
KELANTAN	20 SCHOOLS	RM 160,000
TERENGGANU	29 SCHOOLS	RM 232,000
SARAWAK	44 SCHOOLS	RM 352,000
PAHANG	55 SCHOOLS	RM 680,000
SABAH	85 SCHOOLS	RM 440,000

Tabung Bencana NSTP – Media Prima

Tabung Bencana NSTP–Media Prima was first established on 1 October 2009 to assist earthquake victims in Padang, Sumatra. Today, the fund is at the forefront of relief efforts for victims of natural disasters and other humanitarian crises. Leveraging on the strength of Media Prima's integrated media platform, the Group is able to effectively generate awareness and enable the public and other corporate citizens to donate funds to assist the victims.

2013 Floods in Malaysia: Contributions to schools affected by flooding

Tabung Bencana NSTP-Media Prima disbursed RM1.872 million to 234 schools in six flood-affected states from November 2013 to February 2014. Each school received RM8,000.

Donation to victims of Belaga boat tragedy

The Kawan Mas express boat tragically sank in the River Rajang near Tanjung Giam Bungan, Belaga, Sarawak, on 28 May 2013. The *Tabung Bencana NSTP–Media Prima* was activated to help three families of relatives who died in this accident or were declared missing. The donation presentation ceremony was held at the Resident Office, Kapit, Sarawak on 28 January 2014.

Boat Donation to JPAM

Media Prima donated five aluminium boats to the Malaysian Civil Defence Department (JPAM). Each boat costs approximately RM20,000 and came with a 20HP four stroke engine, life jackets and paddles. JPAM deployed two boats to Pahang and one each to Terengganu, Kelantan and Johor.

Flood Relief Missions in 2014

Funds from *Tabung Bencana NSTP-Media Prima* were used to purchase relief items for the flood victims through the flood relief missions spearheaded by members of *Briged Sukarelawan Media Prima–NSTP*. Relief items normally consist of basic groceries such as rice, cooking oil, flour, sugar, instant noodles, biscuits, hygiene kits, diapers and cleaning equipment worth RM200 per family. The flood relief missions conducted in 2014 are summarised in the following table.

Media Prima also collaborated with Universiti Kebangsaan Malaysia (UKM) to provide medical relief and carry out disease prevention programmes in Kelantan.

Locations	Number of victims (families)	Contribution worth
Tenom & Beufort, Sabah	500	RM100,000.00
Penampang, Sabah	250	RM62,500.00
Baling, Kedah	176	RM22,880.00
Manjoi & Klebang, Perak	96	RM19,200.00
Jeli & Kuala Krai, Kelantan	500	RM100,000.00
Jerantut, Pahang	400	RM80,000.00

Briged Sukarelawan Media Prima-NSTP

Briged Sukarelawan Media Prima-NSTP was established in 2011 as part of the Group's overall corporate responsibility strategy to develop a sustainable business model. Brigade members comprise members of staff from various platforms and backgrounds at Media Prima. These volunteers are required to register and attend training on basic volunteerism and other relevant subjects before being allowed to join relief missions or voluntary charitable work. The brigade forms the backbone of numerous relief missions under *Tabung Bencana NSTP-Media Prima* and also conducted other CSR activities.

Supporting Healthy Hearts

The brigade jointly organised a two-day medical screening programme with the National Heart Institute (IJN). IJN offered basic medical and cardiology examinations in the district of Sungai Siput, Perak. The programme was held at two venues from 15 to 16 February 2014. 78 volunteers from Media Prima, IJN, Kelab 4x4 Redah and Adabi attended to more than 1,000 local residents. The volunteers also organised a colouring contest and health quizzes for the children as well as a *gotong-royong* to cook lunch for the local people. The programme was supported by Yayasan 1MDB and Adabi Marketing.

Civil Defence Special Training

Nine brigade members participated in the Civil Defence Special Training from 10 to 13 October 2014. The training was delivered by Jabatan Pertahanan Awam Malaysia at Akademi Latihan Pertahanan Awam Malaysia (ALPHA), Bangi. The training exposed the brigade members to basic skills required in relief missions such as first aid, firefighting, water rescue and basic scuba diving.

Providing Essential Relief

On 31 December 2014, brigade members joined more than 200 Media Prima employees to assist air force personnel at the Royal Malaysian Air Force (RMAF) base in Subang. The volunteers packed flood relief items that were subsequently delivered to flood victims in affected states.

PRINT

NST

NST Outreach: A Session with the Orang Asli Community at Bukit Lanjan

NST organised a half day CSR activity during the holy month of Ramadan. The session was held at Desa Temuan, an Orang Asli settlement in Bukit Lanjan, Damansara Perdana.

An English educational workshop was conducted for 149 Orang Asli children who studied at SK Bukit Lanjan. An NST reading corner was established in the school's library and a gotong-royong drive was initiated to clean the school library.

BH

Gotong-royong Suara Komuniti BH

Briged Sukarelawan Media Prima-NSTP organised a half-day CSR activity on 16 February 2014. This event demonstrated *Suara Komuniti BH's* ability to highlight and respond to local community issues. 19 volunteers from *Briged Sukarelawan Media Prima-NSTP* and *Kelab 4x4 Redah* repainted Surau Jami'atul Al-Islahiah, Kampung Karai, Sungai Siput.

Semarak Ramadan BH

Semarak Ramadan BH is a charity programme held in the holy month of Ramadan. The programme aims to help members of less fortunate communities.

During the event, donated items were presented to the recipients. Orphans received school bags and duit raya. The poor families were given basic groceries and duit raya.

BH newspapers, BH aprons and *bubur lambuk* were distributed to traders and local people at the nearby *Bazar Ramadan*. *Gotong-royong* activities included preparing food for breaking fast and Sahur at a selected orphanage.

HARIAN METRO

Titipan Kasih Harian Metro was introduced in 2010 to help those less fortunate. The programme is divided into three components: Monthly, Ramadan and Special.

Titipan Kasih (Monthly)

Titipan Kasih Monthly is a charity programme that helps the poor and underprivileged. Their plights were highlighted in Harian Metro's *'Metro Prihatin'* column. Harian Metro made four visits in 2014 to families that were hit by disasters. Monetary donations, food and household items were given to these families.

Titipan Kasih Harian Metro (Special)

Titipan Kasih Harian Metro (Special) is an extension of the monthly *Titipan Kasih Harian Metro* but held on a larger scale. This programme involves more volunteers from Harian Metro and NSTP.

In the first quarter, the programme was held on 22 February 2014. 20 Harian Metro volunteers visited Surau Al Hira, PPR Bersepadu Flat Jasmin, Senawang, Negeri Sembilan. *Gotong-royong* activities consisted of cleaning and painting the surau. In the second quarter, the programme involving 50 volunteers, was held on 26 April 2014 at Pusat Pengajian Tahfiz Al-Quran in Kota Bharu, Kelantan. *Gotong-royong* activities conducted included cleaning and painting the hostel building.

Titipan Kasih Harian Metro Ramadan

Titipan Kasih Harian Metro Ramadan is held in the holy month of Ramadan. The theme was 'Helping Urban Poverty'. Less fortunate groups of orphans and poor families from *Projek Perumahan Rakyat (PPR)* areas received vital help.

Donations were given to the recipients during the programme. The orphans and poor families received school bags and *duit raya*; the families also received basic groceries. Free basic health screening was provided by National Heart Institute (Bandar Baru Sentul) and KPJ Healthcare Berhad (Johor Bahru).

TELEVISION NETWORKS

TV3

Bersamamu

In May 2005, TV3 proudly unveiled its steadfast CSR themed signature programme, *Bersamamu*. The *Bersamamu* charity programme continues to receive an overwhelming response and has built closer community ties. Aired every Wednesday at 9.30pm, it aims to raise public awareness of the beauty of charity.

Bersamamu received its international premiere when it was screened at the third Deauville Green Awards in France from 17 to 19 June 2014. The series was also nominated for Best Documentary Film, under the Corporate Sponsorship and Humanitarian Help category. The episode screened in Deauville was part of the *Penuhi Impian* series. The programme fulfilled the wish of 16-year-old Muhammad Amiruddin Abdullah who was diagnosed with neurofibroma. He harboured a dream of going to the Legoland Theme Park in Johor, Malaysia.

Kem Remaja Bersamamu 2014 featured more than 30 young people aged between 10 and 17 years of age from various parts of Peninsular Malaysia. The programme enhanced young persons' personal development and spiritual growth. Their skills were honed while their lives' goals, visions and directions were redefined.

Karnival Jom Heboh

Karnival Jom Heboh (KJH) is organised by TV3 to bring the station and other Media Prima TV and Radio stations closer to their audiences and advertisers. Since it was first introduced in 2003, KJH has been patronised by more than 5 million visitors at various locations throughout Peninsular and East Malaysia. This carnival serves as the ultimate platform for TV3 to interact with its loyal viewers in a personalised manner. An event suitable for the entire family, KJH is filled with exciting activities and games that will provide everyone a truly enjoyable time. Visitors can meet their favourite stars and shop at the various advertisers' stalls.

30 Jemaah Haji

In conjunction with TV3's 30th anniversary celebrations, 30 underprivileged viewers were given the opportunity to perform the Hajj sponsored by TV3. The group left for Saudi Arabia on 5 September 2014. They included senior citizens, the disabled and new converts who would otherwise be unable to afford the cost of performing their Hajj. This initiative was a collaboration between TV3 and Lembaga Tabung Haji Malaysia. TV3 also produced *Selangkah Haji,* a programme which documented the pilgrims' preparations and their journey to perform the Hajj. *Selangkah Haji* was aired on 5 October 2014 in conjunction with Hari Raya Haji and hosted by TV personality Ahmad Fedtri Yahya.

ntv7

Listen to the World 2

Listen To The World 2 is a charity-based TV programme featuring five pairs of station celebrities. The celebrities travel to different rural and poverty-stricken locations to encounter the hardships faced by the people and attempt to lift them out of the doldrums. The half-an-hour programme is aired every Friday night at 10.00pm on ntv7.

The first Listen to the World 2 charity drive was held during the Yuan Carnival at One City Shopping Mall in USJ. Artistes spread tender loving care to people from many parts of the world while highlighting the plights of the poor and needy. A total of RM10,000.00 was collected. The proceeds were distributed to "Insan Welfare Society of Brain Injured Child (PKIII)". On 20 and 21 December 2014, a second event took place at Penang Auto City. An enthusiastic crowd of more than 40,000 attended the Yuan Carnival in Juru, Penang.

Yuan Carnival

Since its inception in 2010, Yuan Carnival has been held in more than 30 locations nationwide. The event features a fabulous line-up of international and local celebrities. Guests were invited to sample an array of local favourites and international delights at 40 food stalls. Several workshop booths also offered a wide range of fun-filled and educational activities throughout the day. More than 450,000 people from all walks of life attended the events which were held in October 2014 at OneCity USJ, in December 2014 at Penang Auto City.

8TV

Newscaster Camp Workshop

8TV held a Newscaster Camp Workshop from 5 to 7 September 2014 at Sri Pentas, Bandar Utama. The three-day camp provided an overview of a newscaster's role and the broadcasting industry to college and university students.

50 college and university students enrolled for the camp. They were introduced to a variety of topics including writing and editing news. A tour of the news studio was also given.

The students created videos of themselves as newscasters; the best videos were shortlisted and aired on the 8TV news. During the session, the selected newscasters shared their experiences with the audience. 8TV hopes that younger generations will consider newscaster careers in the future.

Let's Cycle

Let's Cycle forms part of 8TV's 10th Anniversary campaign. This reality programme promotes the importance of going green and healthy living through cycling. The programme's hosts, Baki and Rickman, cycled throughout Peninsular Malaysia for one month. They shared their knowledge of going green and low carbon living with the villagers and townsfolk along the way.

Activities were carried out in four main towns: Penang, Kuantan, Johor Bahru and Melaka. Green warriors and volunteers were recruited at colleges and schools to perform go-green exercises. Other activities included a DIY Workshop using recycled items; exchanges between exclusive premiums and recycled items; and a pledge board in support of going green.

TV9

Projek Kufi Raudhah

On 25 April 2014, *Projek Kufi Raudhah* was conducted in conjunction with *Raudhah Di Hatiku*. This project introduced Kufi art while maintaining the beauty of the mosque. The project was held at Masjid An-Nur Batu 8, Ulu Kinta, Perak. Persatuan Seni Khat Kufi Murabba was assisted by 30 volunteers from the Perak Youth Council.

ADUN Ulu Kinta Yang Berhormat Datuk Haji Aminuddin bin Md. Hanafiah and Seelan Paul, Chief Operating Officer Media Prima Television Networks were among the guests of honour. TV3 and TV9 personalities taking part in the event included Hasfizza Sabjahan, Zaim Helmi Zaini, Affiza Azmi, Ameera Zaini and Yusmanabila Yunus.

Program Mesra MAIK

Program Mesra MAIK was organised by the *Majlis Agama Islam & Adat Istiadat Melayu Kelantan (MAIK)* in collaboration with Media Prima Television Networks at Prince Valley Resort, Tanah Merah, Kelantan. The programme was held in conjunction with *Karnival Raudhah Di Hatiku* in Kota Bharu, Kelantan.

Program Mesra MAIK involved 25 families with specific programmes catering for parents, teens and children such as *Program Keibubapaan, Program Bersama Remaja* and *Program Bersama Kanak-kanak.* The programme aims to instil good family values through lectures and other fun family activities.

RADIO NETWORKS

HOT FM

Projek Radio

Projek Radio is an initiative aimed at discovering new radio talents for Hot FM. Its target audience is young people aged between 18 and 29 years of who are fluent in the Malay language. Feedback was good and Hot FM received over 1,500 audition entries. *Projek Radio* crowned Tun Nadia as the grand winner who was presented with RM10,000.00 and a one year contract with Hot FM as a radio announcer.

Projek EP

Hot FM and AG Coco launched a new effort to discover new talents in the local music industry. The target audience was young people above 18 years old. *Projek EP* was particularly interested in engaging aspiring singers and songwriters with their own original demos, who had never signed a record deal. The winning demo was rearranged by renowned producer AG Coco and a music video was produced and debuted on Hot FM. The winners were also presented with a chance to perform acoustically on Hot TV.

FLY FM

Fly Movember

In the spirit of No Shave November, Fly Fm reached out to the national and international communities to raise awareness of men's health. All age groups were targeted although primarily it was aimed at those aged between 16 and 29 years.

Fly Fm announcers played simple hide and seek games in their disguised Mo Bros outfits, which listeners had to identify. In conjunction with this event, Fly Fm rewarded its loyal listeners and also made a RM5,000.00 donation to the National Cancer Society Association.

ONE FM

one FM Panda Day

one FM Panda Day was held in conjunction with the birthdays of one FM announcer, Wayne and two of Malaysia's Pandas, Leng Leng and Xing Xing. 10 volunteers were invited to bring 20 children from Ti Ratana Homes to the national zoo to spread happiness to the orphans. The visit was followed by a lunch and cake cutting ceremony.

I'm FINished with Fins

one FM supported Shark Savers in encouraging new couples and young people to stop eating shark fins during wedding ceremonies. People aged between the ages of 21 to 35 years were targeted primarily to protect sharks and retain the ecosystem. Listeners were asked to upload their wedding dinner menus and explain creatively why they opted against having shark fins. The chosen wedding dinner was invaded by one FM announcers who presented angpow and a gift to the lucky couple. The grand winners also won a honeymoon package.

MATERIALS MANAGEMENT

WATER MANAGEMENT

ENERGY MANAGEMENT

WASTE MANAGEMENT

MEDIA PRIMA ALLOCATED SIGNIFICANT RESOURCES TO INITIATIVES THAT PROTECT THE ENVIRONMENT.

In 2014, a holistic approach to environmental management contributed to a significant reduction of input materials such as newsprint, ink and chemicals.

MATERIALS MANAGEMENT

NSTP has a considerable amount of capital invested in materials. It is essential that inventory is managed efficiently and effectively to ensure the long-term sustainability of the business. Effective materials management solves many problems, improves the productivity of materials and streamlines waste management.

NTSP's press system upgrades continued to improve in-house efficiency by reducing start up copies and printing registrations. These initiatives are ongoing and have further reduced newsprint wastage and paper consumption.

PAPER

NSTP minimises paper wastage and keeps the number of pages per kg of newsprint high. In 2014, the number of pages per kg of newsprint increased by 0.25%.

The total paper consumption by plant is presented in the table below. NSTP managed to reduce paper consumption at all of its plants. Collectively, this represents a 24.7% reduction compared to 2013.

Year	Shah Alam	Prai	Senai	Ajil	All Plants
2012	41,616	18,332	16,517	10,870	87,335
2013	43,204	19,220	17,957	11,187	91,568
2014	32,340	14,389	13,816	8,409	68,953

CHEMICALS

NSTP uses a plate developer in its prepress process. This developer is a concentrated alkaline that is used to remove the coating from the plate before the printing process. An almost neutral gum is also used to fix the image and prevent oxidation of the plate. NSTP's plate developer usage by plant is summarised in the table below.

Chemical Usage, Prepress (litres)

Year	Shah Alam	Prai	Senai	Ajil	Total
2012	10,720	9,570	9,450	9,135	37,765
2013	14,831	10,100	8,670	7,900	41,501
2014	15,452	9,779	5,665	5,270	36,116

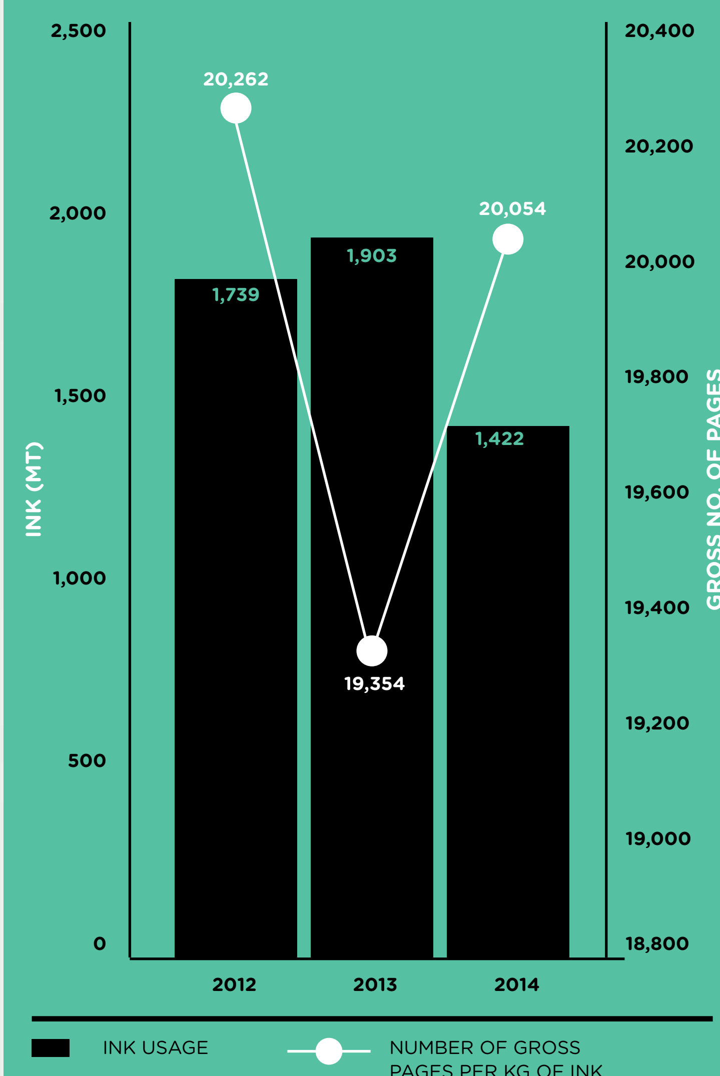
INK

NSTP follows the ISO 12647-3 graphic technology standard. ISO 12647-3:2013 specifies a number of process parameters and their values to be applied when producing colour separations and printing forms for newspaper single or four-colour printing.

Currently, NSTP is working towards ISO 12647-3 certification by the World Association of Newspapers and News Publishers. NSTP hopes to be awarded this certification next year.

In 2014, NSTP's ink efficiency increased allowing more pages to be printed from the same volume of ink. NSTP's improved ink efficiency, and a drop in paper consumption, resulted in a 25% reduction of ink.

Number of Gross Pages per Kilogram of Ink usage at NSTP Printing Plants from 2012 to 2014



ENERGY MANAGEMENT

Media Prima is working towards full compliance with the requirements of the Efficient Management of Electrical Energy Regulations 2008 endorsed by the Energy Commission of Malaysia.

Energy usage for NSTP from 2012 to 2014 (kWh)

NSTP PLANTS		
2012	2013	2014
30,188,210	31,116,768	30,146,654
TV AND RADIO NETWORKS		
2012	2013	2014
35,364,333	36,002,608	34,604,770
BTO OFFICE		
2012	2013	2014
99,787.72	71,436.00**	**
BTO Billboards		
2012	2013	2014
3,697,238.53	3,804,082.30	5,258,895.15

* *This value is based on the conversion of cost of electricity to kWh.*

** *In 2013, Big Tree Outdoor moved its headquarters to Balai Berita Bangsar. Its electricity consumption is now reported under NSTP.*

Big Tree Outdoor's energy consumption increased significantly in 2014. Big Tree Outdoor expanded its operations to include Cubig digital billboards, which consume electricity 24 hours a day.

WATER MANAGEMENT

Water is essential for life on earth. Population and economic growth, climate change, pollution and other challenges place growing pressure on water resources. This can have a major impact on the populations' social, economic and environmental well-being.

NSTP aims to minimise the impact business operations have on Malaysia's water supplies. The water consumption by plant from 2012 to 2014 is presented in the table below.

Water Consumption at NSTP (m^3)

YEAR	SHAH ALAM	PRAI	SENAI	AJIL	BANGSAR
2012	42,874	36,379	27,395	12,936	
2013	62,218	40,727	28,272	14,817	66,979
2014	70,398	42,385	33,320	17,069	57,840

In 2014, NSTP's water consumption increased at all plants. NSTP discovered a water leak in the pipe connecting the internal tank at Balai Berita Prai. NSTP also cleaned the inside and outside of its plants in Shah Alam, Prai, Senai and Ajil. This explains the increased water consumption in 2014. All water is supplied by a municipal water provider.

WASTE MANAGEMENT

Solid Waste

Media Prima employs the Reduce, Reuse and Recycle (3R) concept to help cut down the amount of waste it throws away. Waste disposal conserves natural resources, landfill space and energy. It can also be quite costly for the Company.

NSTP sends 100% of its paper waste to Malaysian Newsprint Industries (MNI) for recycling. The collection of other wastes including aluminium and cores is being tendered. Unsellable waste is disposed off according to the environmental regulations. The total of newsprint waste sent to MNI in 2014 is presented below.

Newsprint wastage	Amount (kg)		
	2012	2013	2014
Total	2,858,657	3,099,800	2,517,199

SCHEDULED WASTE

Scheduled waste at NSTP's printing plants consists of contaminated rags, drums, waste ink and chemical waste. This waste is collected, stored and disposed of by Department of Environment (DOE) licensed contractors. The contaminated rags are washed and returned for reuse. Chemical waste is sent to an in-house wastewater treatment plant (WWTP). Monthly reports are sent to the DOE and sludge produced by the WWTP is disposed of as scheduled waste.

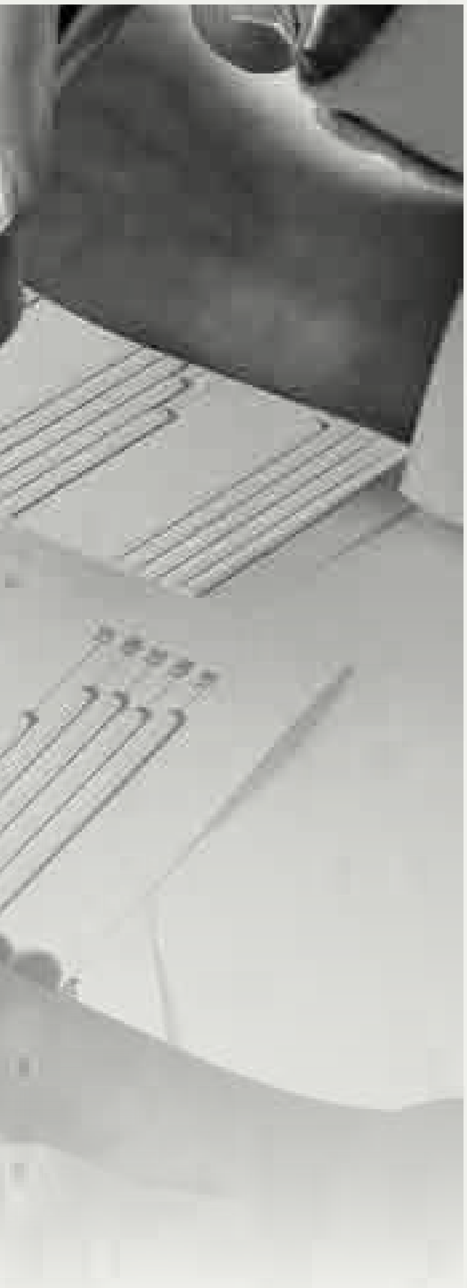
NSTP Scheduled Waste Disposal (MT) by plant in 2014

AJIL	PRAI	SENAI	SHAH ALAM	TOTAL
18.62	52.14	27.51	31.37	129.64

* Full details of the Group's CSR activities are available in the stand-alone Media Prima Sustainability Report 2014.

THE GROUP MAINTAINS REGULAR AND PROACTIVE ENGAGEMENT WITH ITS SHAREHOLDERS AND INVESTORS, WITH

THE PROVISION OF CLEAR, COMPREHENSIVE AND TIMELY INFORMATION THROUGH A NUMBER OF READILY ACCESSIBLE CHANNELS SUCH AS CORPORATE WEBSITE, ANNUAL GENERAL MEETING AND INVESTORS BRIEFING.



Media Prima has scored an overall score of 4.06 (out of a maximum of 5 points) which exceeds Media Prima's internal KPI target rating for the survey of 3.75.

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, research analysts, bankers as well as research and stock-broking houses and the general public in relation to the dissemination of timely, relevant and accurate information pertaining to the Group.

The Board actively demonstrates and promotes the value of transparency, accountability and integrity in all its dealings with its investors. The Board also maintains lines of communication with major shareholders to take heed of their concerns over matters relating to corporate governance and Group performance. The Corporate Finance and Investor Relations Unit, under direct supervision of the Group Chief Financial Officer, is tasked with the responsibility to respond to all queries raised by the investors and research analysts. This is particularly important to keep them well-informed of the latest developments in the business and to help them understand the underlying drivers of the Group's success. Group Corporate Communications Department is responsible to coordinate investor relations events and activities which include organising Annual General Meetings, Investors Briefings, press conferences and also providing a platform other than the Annual General Meeting for stakeholders to meet the Management and be updated on the Group's performance and initiatives.

The Corporate Finance and Investor Relations Unit has conducted an Investor Relations survey in December 2014 to assess the levels of satisfaction and effectiveness of Media Prima's Investor Relations activities for 2014. Analysts, shareholders and fund managers were invited to participate in the survey. Media Prima has scored an overall score of 4.06 (out of a maximum of 5 points) which exceeds Media Prima's internal KPI target rating for the survey of 3.75.

In line with good corporate governance practices, an annual programme to meet both local and international investment communities including the institutional fund managers and analysts is set at the beginning of the year. To maintain good rapport and relationship with local and foreign investors and fund managers, the Group Managing Director and the Group Chief Financial Officer attended presentations and meetings in Hong Kong, Singapore, Japan and a series of local road shows during the year. Briefings with investors and analysts were also held after the second quarter and fourth quarter announcement of financial results to Bursa Securities to explain the Group's strategy, performance and major developments and to address other matters affecting shareholders' interest. This further enhances the Group's credibility in promoting good corporate governance and in dealing with investors.

In addition to corporate announcements, events and developments are notified to the public via press releases and/or by holding press conferences after general meetings or corporate events. These would provide shareholders, analysts and the investing public with an overview of the Group's performance and operations. All press releases are consistent with announcements to Bursa Securities.

All corporate and financial information, such as the Annual Report of Media Prima Berhad, the quarterly announcements of the financial results of the Group, and other announcements and disclosures are available on Media Prima's website, www.mediaprima.com.my.

OUR BOARD OF DIRECTORS

MEDIA

DATUK SHAHRIL RIDZA BIN RIDZUAN

DATO' GUMURI BIN HUSSAIN

TAN SRI DATO' SERI MOHAMED JAWHAR

LYDIA ANNE ABRAHAM

TAN SRI JOHAN BIN JAAFFAR (CHAIRMAN)

DATO' SRI
AMRIN BIN
AWALUDDIN

DATUK SERI FATEH
ISKANDAR
BIN TAN SRI DATO'
MOHAMED MANSOR
(DEPUTY CHAIRMAN)

DATO' ABDUL
KADIR BIN
MOHD DEEN

TAN SRI
LEE LAM
THYE, JP

PRIMA

TAN SRI JOHAN BIN JAAFFAR

INDEPENDENT NON-EXECUTIVE CHAIRMAN

Tan Sri Johan bin Jaaffar, aged 61, a Malaysian, is the Independent Non-Executive Chairman of Media Prima Berhad ("Media Prima"). He was appointed to the Board of Media Prima on 30 April 2009.

Tan Sri Johan is also Chairman of the following subsidiaries within Media Prima Group, namely Sistem Televisyen Malaysia Berhad ("STMB"), Synchrosound Studio Sdn Bhd ("Synchrosound Studio"), One FM Radio Sdn Bhd ("One FM"), Primeworks Studios Sdn Bhd ("PWS"), Big Tree Outdoor Sdn Bhd ("BTO") and Alt Media Sdn Bhd.

Outside Media Prima Group, Tan Sri Johan serves as the Chairman of the Consultation and Corruption Prevention Panel, an independent panel under the Malaysian Anti-Corruption Commission (MACC) and Chairman of Sekolah Sri Nobel, a private school.

Currently, Tan Sri Johan is a board member of Perbadanan Tabung Pendidikan Tinggi Nasional (PTPTN), Laureate Malaysia Advisory and Majlis Penasihat Pendidikan Kebangsaan. In addition, he also sits in the MERCY Malaysia Board of Trustees, a member of National Unity Consultative Council (NUCC) and National Information Technology Council (NITC). He also serves as a committee member of National Academic Award under the Ministry of Education Malaysia and Local Authority Transformation Programme under the Ministry of Urban Wellbeing, Housing and Local Government.

Tan Sri Johan is an Adjunct Professor at Limkokwing University of Creative Technology since 2011 and Universiti Utara Malaysia since 2012. He was also a Resident Writer at University Technology Malaysia (UTM) for a year from July 2012.

Tan Sri Johan started his career in Dewan Bahasa & Pustaka ("DBP") in 1977. He then joined Utusan Melayu (M) Berhad as the Group Chief Editor from 1992 until 1998. From 2006 until 2010, Tan Sri Johan returned to DBP as the Chairman of the Board.

He had served as a board member of various organisations such as ASWARA, Sindora Berhad, Malaysian Business Council, Multimedia Super Corridor, Multimedia Development Council and Yayasan Anak-anak Yatim Malaysia. Tan Sri Johan also sat in the Nomination Committees – Education & Community category for Merdeka Award from 2008 until 2010.

He holds a Bachelor of Arts from University Malaya and currently a columnist for the New Straits Times and Berita Harian.

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

DATO' SRI AMRIN BIN AWALUDDIN

GROUP MANAGING DIRECTOR

Dato' Sri Amrin bin Awaluddin, aged 48, a Malaysian, is the Group Managing Director of Media Prima. He was appointed to the Board of Media Prima on 1 September 2009.

He held various positions within the Group prior to assuming his current position on 1 September 2009 and holds a Bachelor of Business Administration (Honours) from Acadia University, Canada and Master of Business Administration (Finance) with Distinction from University of Hull, United Kingdom.

He joined the Group as the Chief Financial Officer of Sistem Televisyen Malaysia Berhad ("STMB") in November 2001. In September 2003, he was appointed as Group Chief Financial Officer of Media Prima Berhad. He assumed the position of Chief Executive Officer of Natseven TV Sdn Bhd (ntv7) in January 2006 and then as the Chief Executive Officer of Sistem Televisyen Malaysia Berhad (STMB) in April 2008.

Dato' Sri Amrin sits on the Board of Media Prima's subsidiaries amongst them NSTP, STMB, Synchrosound Studio, BTO, Primeworks Studios and Alt Media Sdn Bhd. He is also the Independent Non-Executive Director of Taliworks Corporation Berhad and CIMB Banking Group Berhad.

He is the Deputy President of Kuala Lumpur Business Club (KLBC), a Member of the Asian Television Awards Advisory Board, a Board Advisor of Pusat Sains Negara, Member of the Board of Yayasan Kelana Ehsan, Member of the Board of Trustees of Enactus Education Foundation, Ahli Lembaga Pengurus Tabung Amanah Perwira and Pertahanan Negara (TAPPN).

Prior to joining the Group, Dato' Sri Amrin was with Development and Commercial Bank Berhad, Amanah Merchant Bank Berhad, Renong Berhad, Malaysian Resources Corporation Berhad and Putera Capital Berhad.

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

DATUK SERI FATEH ISKANDAR BIN TAN SRI DATO' MOHAMED MANSOR

DEPUTY CHAIRMAN / SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR
CHAIRMAN OF THE NOMINATION COMMITTEE, REMUNERATION COMMITTEE AND RISK MANAGEMENT COMMITTEE OF MEDIA PRIMA

Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor, aged 47, a Malaysian, is the Deputy Chairman and also the Senior Independent Non-Executive Director of Media Prima. He was appointed to the Board of Media Prima on 4 September 2009, and is the Chairman of the Nomination Committee, Remuneration Committee and Risk Management Committee of Media Prima.

Datuk Seri Fateh Iskandar attended the Malay College Kuala Kangsar (MCKK) and later obtained his law degree from the University of Queensland, Australia and subsequently went on to obtain his Masters in Business Administration.

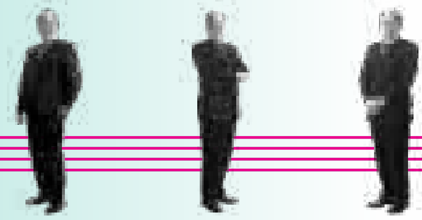
He practiced law in Australia before coming back to Malaysia joining Kumpulan Perangsang Selangor Berhad (KPS) as its Corporate Manager. He left KPS to join Glomac in 1992 as General Manager for Business Development and climbed the way up the corporate ladder. In February 1997, he was appointed to the Board of Glomac Berhad. He is currently the Group Managing Director / Chief Executive Officer of Glomac Berhad, a main board property company listed on Bursa Malaysia since June 2000.

Apart from sitting on several private limited companies, Datuk Seri Fateh Iskandar sits on the Board of Axis-Reits Managers Berhad, the first REITs company to be listed on Bursa Malaysia. Within the Media Prima Group, he sits on the Board of NSTP. He is also a Director of Telekom Malaysia Berhad, Malaysia's broadband champion and leading integrated information and communications Group. In October 2014, he was appointed as a Director for VADS Berhad, a joint venture IT Company between Telekom and IBM servicing the IT and Telecommunications Industry. He was recently appointed as City Advisory Board Member for DBKL effective November 2014 by His Majesty the King.

He is currently the President of The Real Estate & Housing Developer's Association (REHDA) Malaysia and Immediate Past Chairman of REHDA Selangor Branch. He is the former Deputy Chairman of the Malaysian Australian Business Council (MABC), Chairman of Gagasan Badan Ekonomi Melayu, Selangor Branch (GABEM) a body that promotes entrepreneurship amongst Malays in the country. He is the Co-Chair of the Special Taskforce to Facilitate Business Group (PEMUDAH) on Legal & Services and is also a Member of PEMUDAH Selangor Group. He was one of the founding Director of MPI (Malaysian Property Incorporated), a partnership between the Government and the private sector that was established to promote property investments and ownership to foreigners all around the world.

With around 20 years of experience and involvement in the property development industry, his vast experience and expertise has made him a very well-known and respected figure among his peers locally as well as on the international arena. He is frequently invited as a guest speaker in forums, seminars and conventions to offer his insights and views and to share his wealth of experiences and has given talks both locally and internationally on the property market in Malaysia over the years. He was awarded the "Malaysian Business Award in Property 2012" and won another award in 2013 from Asean Business Council for Property Excellence. In mid-2013 he was also accorded the "Entrepreneurship Award – Property & Real Estate" by Asia Pacific Entrepreneurship Malaysia. In April 2014, Datuk Seri FD Iskandar was awarded by The Leaders International the "Global Leadership Awards 2014 – Commercial Property Development. Latest in addition was The Brand Laureate Corporate Leader Brand Icon Award awarded by the Asia Pacific Brands Foundation in November 2014.

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



DATUK SHAHRIL RIDZA BIN RIDZUAN

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR
MEMBER OF THE REMUNERATION COMMITTEE OF MEDIA PRIMA

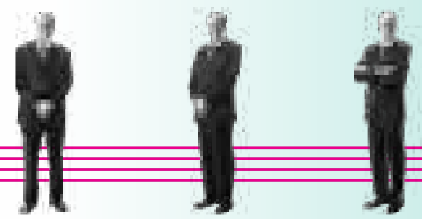
Datuk Shahril Ridza bin Ridzuan, aged 44, a Malaysian, is a Non-Independent Non-Executive Director of Media Prima. He was appointed to the Board of Media Prima on 22 October 2001 and is a member of the Remuneration Committee of Media Prima.

Datuk Shahril Ridza currently sits on the Boards of Malaysian Resources Corporation Berhad, Malaysia Building Society Berhad and Pengurusan Danaharta Nasional Berhad.

Datuk Shahril Ridza began his career as a Legal Assistant at Zain & Co from 1994 to 1996. He then became Special Assistant to the Executive Chairman of Trenergy (M) Berhad/Turnaround Managers Inc (M) Sdn Bhd from 1997 to 1998. He subsequently joined Pengurusan Danaharta Nasional Berhad in 1998 for a year before joining SSR Associates Sdn Bhd as Executive Director from 1999 to August 2001. He served as Group Managing Director, Malaysian Resources Corporation Berhad ("MRCB") until November 2009 and is presently Chief Executive Officer at Employees Provident Fund ("EPF").

Datuk Shahril Ridza holds a Bachelor of Civil Law (1st Class) from Oxford University, England, a Master of Arts (1st Class) from Cambridge University, England, and was called to the Malaysian Bar and the Bar of England & Wales.

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



TAN SRI LEE LAM THYE, JP

INDEPENDENT NON-EXECUTIVE DIRECTOR
MEMBER OF THE NOMINATION COMMITTEE, AUDIT COMMITTEE AND REMUNERATION COMMITTEE OF MEDIA PRIMA

Tan Sri Lee Lam Thye, aged 68, a Malaysian, is an Independent Non-Executive Director of Media Prima. He was appointed to the Board of Media Prima on 18 August 2003, and is a Member of the Nomination Committee, Audit Committee and Remuneration Committee of Media Prima.

Before retiring from politics in 1990, Tan Sri Lee served as the State Legislative Assemblyman for Bukit Nenas, Selangor, from 1969 to 1974 and from 1974 to 1990 as the Member of Parliament for Kuala Lumpur Bandar/Bukit Bintang.

He currently serves as the Chairman of the National Institute of Occupational Safety & Health under the Ministry of Human Resources. He is also the Chairman of the Eco World Foundation, Vice-Chairman of the Malaysia Crime Prevention Foundation and Deputy Chairman of the National Unity Consultative Council. Previously he served as a Member of the Royal Commission to enhance the operations and management of the Royal Malaysian Police. He was also Chairman of the National Service Training Council and a former Member of the Malaysian Human Rights Commission.

In the private sector, Tan Sri Lee serves as a Non-Executive Director of Amcorp Properties Berhad (AMPROP Berhad) and a Board Member of the Eco World Development Group Berhad (formerly known as Focal Aims Holdings Berhad. Within the Media Prima Group, he is a Board member of STMB and Synchrosound Studio. Tan Sri Lee is also a Professional Representative on the Board of Employees Provident Fund since 1 June 2009.

Tan Sri Lee completed his secondary education at Saint Michael's Institution, Ipoh, Perak, and obtained his Senior Cambridge Certificate in 1965.

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

TAN SRI DATO' SERI MOHAMED JAWHAR

INDEPENDENT NON-EXECUTIVE DIRECTOR
MEMBER OF THE AUDIT COMMITTEE, NOMINATION COMMITTEE AND RISK MANAGEMENT COMMITTEE OF MEDIA PRIMA

Tan Sri Dato' Seri Mohamed Jawhar, aged 70, a Malaysian, is an Independent Non-Executive Director of Media Prima. He was appointed to the Board of Media Prima on 30 August 2006. He is also a member of the Audit Committee, Nomination Committee and Risk Management Committee of Media Prima.

His other positions include and has included: Chairman and Chief Executive Officer (CEO), Institute of Strategic and International Studies (ISIS) Malaysia; Member, Securities Commission Malaysia; Member, Malaysian Anti-Corruption Commission Advisory Panel; Distinguished Fellow, Institute of Diplomacy and Foreign Relations (IDFR), Ministry of Foreign Affairs Malaysia; Distinguished Fellow, Malaysian Institute of Defence and Security (MiDAS), Ministry of Defence; Board Member, International Institute of Advanced Islamic Studies (IAIS) Malaysia; Member, National Unity Advisory Panel, Malaysia (2004-2009); Chairman, Malaysian National Committee, Pacific Economic Cooperation Council (2005-2009); Co-Chair, Network of East Asia Think-tanks (NEAT) (2005-2006); Co-Chair, Council for Security Cooperation in the Asia Pacific (CSCAP) (2006-2008); and Expert and Eminent Person, ASEAN Regional Forum (ARF). Tan Sri Jawhar also holds directorships in Ekuiti Nasional Berhad (Ekuinas), Affin Bank and Affin Islamic Bank. Within the Media Prima Group, he is Chairman of NSTP and Board Member of STMB.

He served with the government for over 20 years before joining ISIS Malaysia as Deputy Director-General in 1990. He was appointed as Director-General in March 1997 and later as Chairman and CEO in 2006. Although no longer CEO of ISIS since January 2010, he served as its Chairman until January 2015.

During his government service, his positions included Director-General, Department of National Unity; Under-Secretary, Ministry of Home Affairs; Director (Analysis) Research Division Prime Minister's Department; and Principal Assistant Secretary, National Security Council. He has also served as Counselor in the Malaysian Embassies in Indonesia and Thailand.

He holds a BA Hons. from University Malaya.

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

DATO' ABDUL KADIR BIN MOHD DEEN

INDEPENDENT NON-EXECUTIVE DIRECTOR
MEMBER OF THE REMUNERATION COMMITTEE, NOMINATION COMMITTEE AND AUDIT COMMITTEE OF MEDIA PRIMA

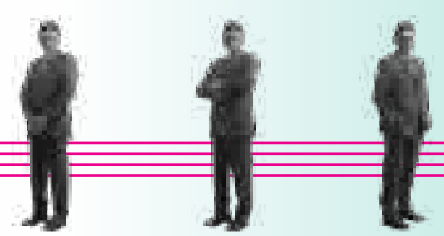
Dato' Abdul Kadir bin Mohd Deen, aged 70, a Malaysian, is an Independent Non-Executive Director of Media Prima. He was appointed to the Board of Media Prima on 29 May 2007. He is also a Member of the Remuneration Committee, Nomination Committee and Audit Committee of Media Prima.

Within the Media Prima Group, Dato' Abdul Kadir sits on the Board of STMB, BTO and Alt Media Sdn Bhd. Outside the Group, he is the Chairman of Eco Motive Sdn Bhd.

Dato' Abdul Kadir was with the Ministry of Foreign Affairs for over 33 years and served in various overseas postings, including Second Secretary at the Embassy of Malaysia in Manila, Philippines, 1973-1976 and First Secretary at the Embassy of Malaysia, Kuwait, 1977-1979. He also served as the Minister Counselor Deputy Permanent Representative, Malaysian Permanent Mission to the United Nations, New York from 1984-1988. He was subsequently assigned as Deputy Chief of Mission, Embassy of Malaysia, Beijing, People's Republic of China from March 1988 to December 1989. In October 1990 he was reassigned as Minister, Deputy Chief of Mission, Embassy of Malaysia, Tokyo, Japan and thereafter in July 1992 he was appointed High Commissioner of Malaysia to Sri Lanka until December 1996. From January 1997 to February 1999 he was High Commissioner of Malaysia to South Africa. He was reassigned as Ambassador of Malaysia to the Federal Republic of Germany concurrently accredited to Switzerland and Greece from 1999 to 2003, before his retirement from the Malaysian Diplomatic Service.

He holds a B.A. (Hons) from University of Lancaster, United Kingdom.

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



DATO' GUMURI BIN HUSSAIN

INDEPENDENT NON-EXECUTIVE DIRECTOR
CHAIRMAN OF THE AUDIT COMMITTEE AND MEMBER OF THE RISK MANAGEMENT COMMITTEE OF MEDIA PRIMA

Dato' Gumuri bin Hussain, aged 69, a Malaysian, is an Independent Non-Executive Director of Media Prima. He was appointed to the Board of Media Prima on 29 April 2008. He is also the Chairman of the Audit Committee and member of the Risk Management Committee of Media Prima.

Dato' Gumuri is currently a Board member of Metrod Holdings Berhad and KUB Malaysia Berhad. Dato' Gumuri is also a member of the Securities Commission and Audit Oversight Board. Within the Media Prima Group, he sits on the Board of BTO and Alt Media Sdn Bhd.

Dato' Gumuri was the Chairman of SME Bank from 2005 until 2013. He was also the Managing Director and Chief Executive Officer of Penerbangan Malaysia Berhad from 2002 to 2004. Prior to this, he was a Senior Partner and Deputy Chairman of the Governance Board of PricewaterhouseCoopers Malaysia. He has also served as a Non-Executive Director of Rangkaian Hotel Seri Malaysia Berhad, Bank Industri & Teknologi Malaysia Berhad, Malaysia Airlines System Berhad and Sabah Bank Berhad.

Dato' Gumuri is a Fellow of the Institute of Chartered Accountants in England and Wales, a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.

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

LYDIA ANNE ABRAHAM

INDEPENDENT NON-EXECUTIVE DIRECTOR
MEMBER OF THE RISK MANAGEMENT COMMITTEE OF MEDIA PRIMA

Lydia Anne Abraham, aged 57, a Malaysian, is an Independent Non-Executive Director of Media Prima. She was appointed to the Board of Media Prima on 19 November 2013, and is a member of the Risk Management Committee of Media Prima.

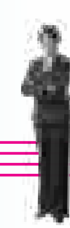
Anne has over 20 years of experience in the Information Technology industry, starting out as a technical Trainer in 1990, moving her way up to be the Managing Director for the Cisco Malaysian operations in 2008, a position she held for three years. Prior to that role, she was the Country Manager for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

In the course of her corporate career, she has always been a strong advocate for women's advancement into leadership positions. In August 2011 she decided to leave corporate world to establish a consulting and training organisation committed to changing perceptions and mindsets on the significance of balanced gender leadership. Hence the establishment of LeadWomen Sdn Bhd in August 2011. As founder and Chief Executive Officer of LeadWomen, Anne plays a pivotal role in guiding the company's vision and mission towards developing and advancing women into leadership positions across the corporate and government sectors in the ASEAN Region. Currently, she is working on the Malaysian government initiative to drive for at least 30% women representation in decision-making positions and boards of Malaysian public listed companies.

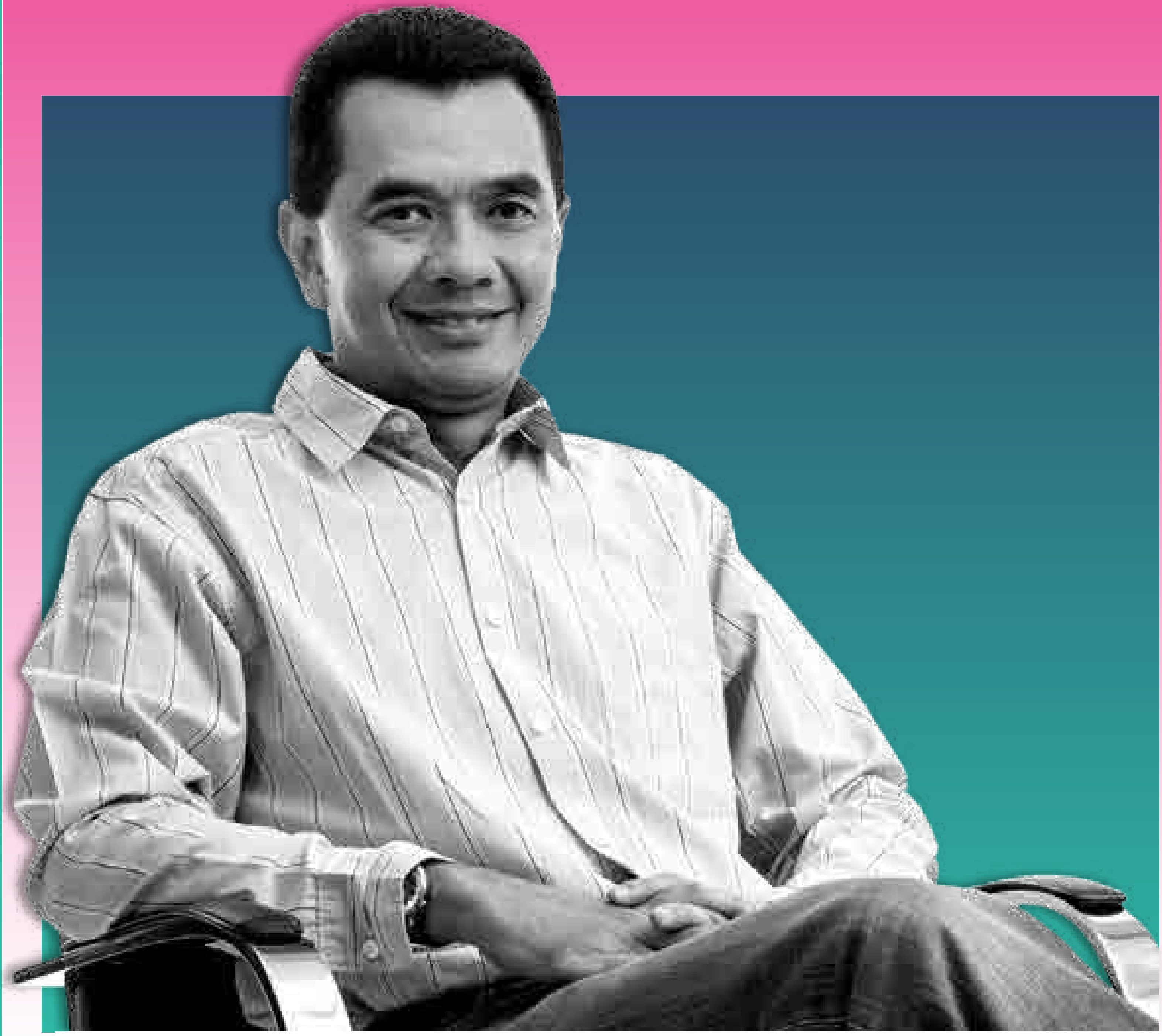
Anne holds a B.A. in Mathematics from Essex University, United Kingdom and a Higher National Diploma of Computer Studies from Plymouth Polytechnic, United Kingdom.

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





SENIOR MANAGEMENT TEAM



DATO' SRI AMRIN BIN AWALUDDIN

GROUP MANAGING DIRECTOR

Dato' Sri Amrin bin Awaluddin, a Malaysian, aged 48, joined the Group on 1 November 2001 as the Chief Financial Officer of Sistem Televisyen Malaysia Berhad (TV3). He was appointed as the Group Managing Director on 9 January 2009.

He started his career with Development and Commercial Bank Berhad and garnered working experiences at Amanah Merchant Bank Berhad, Renong Berhad, Malaysian Resources Corporation Berhad and Putera Capital Berhad prior to him joining the Group. He has over 26 years of invaluable experience in the financial services and corporate sectors.

He holds a Bachelor of Business Administration (Finance) from the Acadia University, Canada and a Masters of Business Administration from the University of Hull, United Kingdom.

GROUP CHIEF FINANCIAL OFFICER

Encik Mohamad Ariff bin Ibrahim, aged 49, a Malaysian, is the Group Chief Financial Officer of Media Prima Berhad since April 2010.

He started his career at PricewaterhouseCoopers in 1991. He then moved to Malaysia Mining Corporation Berhad as an Internal Auditor before he joined New Straits Times Press (M) Sdn Bhd in 1993 where he held various positions in the Finance Department.

In year 2000, he was transferred to NSTP's subsidiary, Commerce Assurance Berhad, heading the Finance Department. In 2003, he became Assistant General Manager, overseeing Bancassurance Division and in 2004, became the Senior Vice President, Corporate Services until 2006. He was subsequently transferred to CIMB Aviva Assurance Berhad as the Director of Operations prior to his appointment as the Chief Financial Officer (CFO) in The New Straits Times Press (Malaysia) Berhad in 2009.

He is a Fellow Member of The Chartered Association of Certified Accountants (UK) and a Chartered Accountant of the Malaysian Institute of Accountants (MIA).

CHIEF EXECUTIVE OFFICER TELEVISION NETWORKS & PRIMEWORKS STUDIOS SDN BHD

Encik Ahmad Izham bin Omar, aged 45, a Malaysian joined 9 January 2003 as the Chief Operating Officer of 8TV and now holds the post of Chief Executive Officer, Media Prima Television Networks, Media Prima overseeing TV3, ntv7, 8TV and TV9 as well as Chief Executive Officer of Primeworks Studios, Malaysia's leading content company, specialising in movies, television programmes, animation and more.

He started his musical career with the legendary Positive Tone record label in 1994, producing progressive music that captured the imagination of Malaysia. He sold the label to EMI and became EMI Malaysia's A&R Director.

He is a graduate of Berklee College of Music and later pursued his MBA at Suffolk University.

CHIEF EXECUTIVE OFFICER
THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD

Dato' Mohammad Azlan bin Abdullah, aged 47, was appointed as the Chief Executive Officer for NSTP on 1 January 2012. He was formerly the Chief Executive Officer of Big Tree Outdoor which he joined in 2001 till 2011.

He started his career at Coopers and Lybrand, a public accounting firm in 1991 and later joined Projek Lebuhraya Utara Selatan Bhd (PLUS) from 1992 - 1999. He then moved to Renong Group as its Senior Manager in property division in 1999 till 2001.

He is a graduate from University of Tasmania, Australia with a Bachelor of Business (Accounting), a Fellow Member of Certified Practising Accountant (CPA) Australia and a Chartered Accountant by the Malaysian Institute of Accountants (MIA).

CHIEF EXECUTIVE OFFICER RADIO NETWORKS &
CHIEF OPERATING OFFICER TELEVISION NETWORKS

Seelan Paul, a Malaysian, aged 41, joined on 1 August 2005 as the Network Manager of Radio Networks. He was later promoted to Chief Executive Officer, Radio Networks in 2011 and subsequently Chief Operating Officer, Television Networks in 2014.

He started his career in the media industry as a radio announcer prior stepping into the corporate world with Media Prima.

Seelan holds a Bachelors Degree in Education from Universiti Putra Malaysia.

CHIEF EXECUTIVE OFFICER
BIG TREE OUTDOOR SDN BHD

Jeff Cheah, a Malaysian, aged 39, joined the Group on 15 January 2001 as Account Manager-Sales. His career took off and he was eventually appointed as the Chief Executive Officer of Big Tree Outdoor on 3 January 2013.

In 1995, he joined Intraco Plastic (M) Sdn Bhd, then moved on to University of South Australia, Adelaide. Upon return after graduation, he started his career at Metromedia Technologies (M) Sdn Bhd.

He is a graduate of University of South Australia where he majored in Marketing. He has impeccable knowledge and experience in marketing and advertising given his 14 years of experience in out-of-home advertising industry. He is also the Vice President of the Outdoor Advertising Association of Malaysia.

CHIEF EXECUTIVE OFFICER
MEDIA PRIMA DIGITAL

Dato' Zainul Arifin Mohammed bin Isa, aged 53, was appointed to the Board of Alt Media Sdn Bhd, on April 10, 2012. Alt Media is the company responsible for managing and operating the digital media businesses for the Media Prima Group.

Upon completion of his studies at University Malaya in 1986, Dato' Zainul joined the New Straits Times as a reporter. A few years later, in 1990, he went to the United States to pursue his Masters at the New York University.

He has held several positions in the Group, including the General Manager for NSTP eMedia Sdn Bhd, where he was involved in numerous new media initiatives for the NSTP Group's publications that allowed them to further extend their reaches into cyberspace.

Dato' Zainul was appointed Group Managing Editor for NSTP (June 2009 - October 2011) in which he headed the editorial operations of the three newspapers within the Group.

GROUP MANAGING EDITOR
THE NEW STRAITS TIMES PRESS (M) BERHAD

Datuk Abdul Jalil bin Hamid, a Malaysian, aged 57, joined in October 2011 after a vibrant career locally and overseas.

Datuk Jalil served Bernama for seven years prior to joining Reuters. During his 18 years with Reuters, he was posted to Reuters offices in London, Singapore and Jakarta.

He then joined Securities Commission Malaysia as Head, Corporate Affairs Department before moving on to head the National Communications Team under the Prime Minister's Office where he spearheaded strategic communication planning and executions for the government.

A graduate from UITM in Mass Communications, he also attended journalism fellowship programmes in United States and Japan. He currently sits on the Board of Bernama.

GROUP MANAGING EDITOR,
NEWS & CURRENT AFFAIRS TELEVISION NETWORKS

Datuk Seri Mohd Ashraf bin Abdullah, aged 48, a Malaysian joined TV3 as Group Editor on 17 June 2009. He was promoted as Group Managing Editor, News and Current Affairs, Television Networks on 19 November 2013.

He started his career in journalism with the New Straits Times Sdn Bhd as a cadet reporter in 1987. In his 17-year career with the NST, he served the company in various positions including London Correspondent, Specialist Writer (Politics), Assistant News Editor and News Editor. He left the daily in 2004 to join Golden Hope Plantations Berhad as the General Manager of Group Corporate Affairs. In 2007, he was appointed as Director of Fourth Estate Media (M) Sdn Bhd.

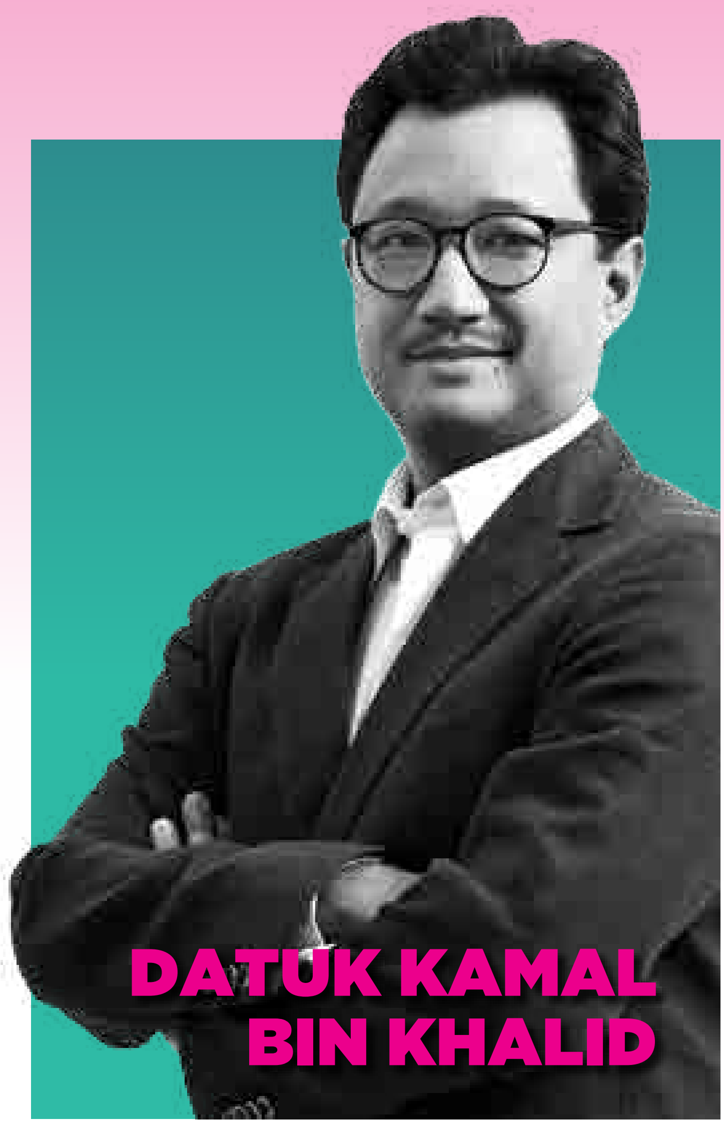
He graduated from the University of London's School of Oriental and African Studies with a Master of Arts in International Studies & Diplomacy.

CHIEF OPERATING OFFICER
GROUP SHARED SERVICES

Datuk Kamal bin Khalid, a Malaysian, aged 44, joined in May 2009. He served as Head of the Communications Unit in the Prime Minister's Office from October 2003 to April 2009.

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

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



GROUP CHIEF MARKETING OFFICER
INTEGRATED MARKETING

Shareen Ooi, aged 49, a Malaysian started her career in Media Prima in 1985 where she was one of the pioneering marketing staff and she quickly rose up the corporate ladder.

Some of her key achievements in her earlier years were to spearhead sales for 4 Television Networks. In 2005, she became the Group General Manager under Media Prima TV Networks. In 2012, she was promoted as the Group Chief Marketing Officer Integrated Marketing for the Group.

She holds a Master of Business Administration from Bern University, Switzerland. Her proven track record with Media Prima of 28 years and her outstanding contributions to the industry has earned her the prestigious *Kesatria Mangku Negara* (KMN) Award conferred by the Seri Paduka Baginda Yang Di-Pertuan Agung in 2013. She also won the Women of Excellence Awards in 2014 for successful Malaysian women under Corporate Top Class Management awards.

She is trained by NAM Institute for Empowerment of Women Malaysia (NIEW) for Women Directors on boarding training programme. The programme was organised by the Ministry of Women, Family and Community Development.

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 MEDIA PRIMA AND ITS SUBSIDIARIES (THE GROUP) AS A FUNDAMENTAL PART OF DISCHARGING ITS RESPONSIBILITIES TO CREATE, PROTECT AND ENHANCE SHAREHOLDERS' VALUE AND THE PERFORMANCE OF THE GROUP.

The Malaysian Code on Corporate Governance 2012 (the Code) aims to set out principles and best practices on structures and processes that companies may apply in their operations towards achieving the optimal governance framework.

The Board reaffirms its supports to the Code and 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 monitors the development in corporate governance including the Code.

The Statement on Corporate Governance of Media Prima Berhad aims to provide shareholders with a description of the corporate governance practices of the Group and its compliance to the Code.

The commitment and efforts of the Board, Management and employees of Media Prima Berhad in sustaining high standards of corporate governance and investor relations is proven by the following accolades received in 2014:

AWARDS

Asia Money's Corporate Governance Poll 2014 (Malaysia):-
- Best for Disclosure and Transparency
- Best for Investor Relations
- Best Overall for Corporate Governance (Ranked 2nd)
- Best for Responsibilities of Management and the Board of Directors (Ranked 2nd)
- Best for Shareholders' Rights and Equitable Treatment (Ranked 2nd)

Human Resources Excellence Awards 2014:-
- Excellence in Graduate Development (Gold)
- Excellence in Leadership Development (Bronze)

Media Prima Berhad is included in the FTSE4Good Bursa Malaysia Index, screened in accordance with the transparent and defined Environmental, Social and Governance (ESG) criteria. The index has been designed to identify Malaysian companies with recognised corporate responsibility practices, expanding the range of the benchmarks of the FTSE Bursa Malaysia Index Series for the Malaysian Markets.

The Board of Media Prima Berhad is pleased to report to the shareholders, the Group's application of the Principles in the Code and the extent to which the Group has complied with the "Recommendations" of the Code during the financial year ended 31 December 2014.

A. THE BOARD OF DIRECTORS

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 understands the Board's philosophy, principles, ethics, mission and vision and reflects this understanding on key issues throughout the year.

The Board delegates authority and vests accountability for the Group's day to day operations with a Management team led by the Group Managing Director (GMD). The Board, however assumes the following responsibilities in discharging its duty of stewardship of the Group:

- Reviewing and adopting a strategic plan for the Group;
- Overseeing the conduct of the Group's business to evaluate whether the Group is being properly managed;
- Succession planning including appointing, training, fixing the compensation of and where appropriate, replacing Senior Management;
- Identifying principal risks and ensuring implementation of appropriate systems to manage these risks;
- Developing and implementing an investor relations programme and shareholder communications policy for the Group; and
- Reviewing the adequacy and the integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

Board Composition and Balance

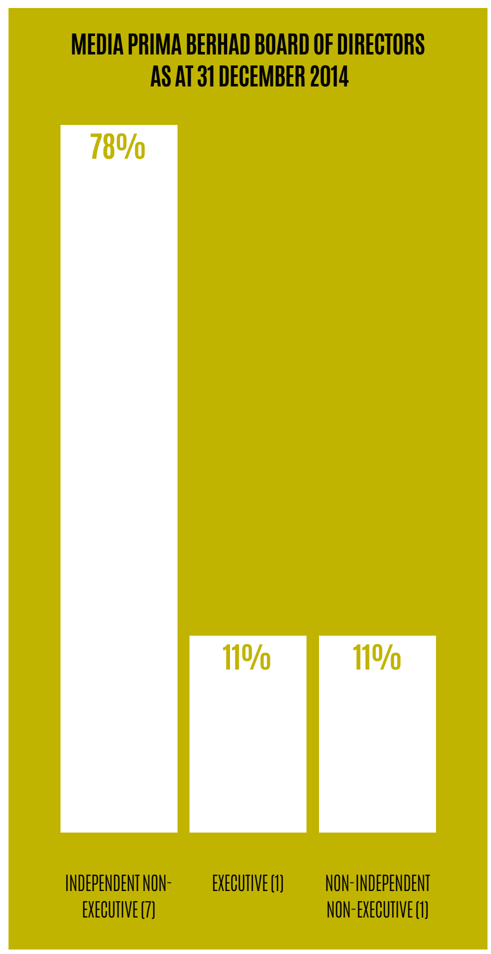
The Board is comprised of individuals who are highly experienced in their respective fields of endeavour and whose knowledge, background and judgement is valuable in ensuring that the Group achieves the highest standards of performance, accountability and ethical behaviour as expected by Media Prima Berhad's stakeholders.

The Board has a balanced composition of Executive and Non-Executive Directors (including Independent Directors) such that no individual or group of individuals can dominate the Board's decision-making powers and processes. The Independent Non-Executive Directors make up 78% of the Board membership.

The directors of the Group do not hold more than 5 directorships in public listed companies as prescribed by Bursa Securities Listing Requirement.

As at 31 December 2014, the Board has nine (9) members, of which one (1) is an Executive Director and Eight (8) are Non-Executive Directors. The Board believes the size of the Board is optimum given the scope and size of the Group, and sufficient to provide effective debate and decision making with a substantial degree of independence from the Management. A brief description of the background of each director is set out on pages 118 to 126 of this Annual Report.

The roles and responsibilities of the Chairman of the Board and the GMD are clear and distinct. The Chairman is responsible to conduct Board discussions effectively and the GMD is responsible of running the operations on a day to day basis. The current Chairman is not the previous Chief Executive Officer of the Company.



Director's Roles and Responsibilities

There is clear division of roles and responsibilities between the Chairman of the Board and the GMD to ensure that there is a balance of power and authority and that no individual has unfettered powers of decision. The Chairman of the Board is responsible for ensuring the Board's effectiveness and conduct whilst the GMD has overall responsibility over the business units, organisational effectiveness and implementation of Board's policies, strategies and decisions.

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

Independent Non-Executive Directors

The Independent Non-Executive Directors are of credibility, calibre and have the necessary skill and experience to carry sufficient weight in Board decisions. Although all the directors have an equal responsibility for the Group's operations, the role of these Independent Non-Executive Directors is particularly important in ensuring that the strategies proposed by the Management are fully discussed and examined, and take account of the long term interests, not only of the shareholders, but also of employees, customers, suppliers and the many communities in which the Group conducts business.

Senior Independent Non-Executive Director

Datuk Seri Fateh Iskandar Tan Sri Dato' Mohamed Mansor, Deputy Chairman of MPB is the Senior Independent Non-Executive Director, as prescribed in the Code, to whom concerns pertaining to the Group may be conveyed by shareholders and the public.

Shareholders and any other interested parties may contact Datuk Seri Fateh Iskandar Tan Sri Dato' Mohamed Mansor to address any concerns in writing or via telephone or facsimile at the following numbers:-

Telephone No. : + (603) 7723 9012
Facsimile No. : + (603) 7727 9111

Directors' Code of Ethics

Media Prima Berhad has established a Directors` Code of Ethics to guide the Board in discharging its oversight role effectively. The Code of Ethics requires all directors to observe high ethical business standards of honesty and integrity and to apply these values to all aspects of our business and professional practices and act in good faith in the best interests of Media Prima Group and its shareholders.

Appointments to the Board

The Malaysian Code on Corporate Governance 2012 (the Code) endorses as good practice, a formal procedure for appointment to the Board, with a Nomination Committee making recommendations to the Board. The Nomination Committee of the Board of Media Prima scrutinises the sourcing and nomination of suitable candidates for appointment as a Director in Media Prima Berhad and its subsidiary companies and to the Committees of the Board, before making recommendations to the Board for approval. This Committee carries out an annual review on the composition of Board of MPB as well as its Group of companies to ensure the selection of Board members with different mix of skill sets, competencies and gender diversity.

The Board is supportive of gender diversity recommendations made in The Code and had appointed a female Independent Non-Executive Director.

Re-election of Directors

In accordance with the Company's Articles of Association, newly-appointed directors shall hold office until the next Annual General Meeting (AGM) and shall then be eligible for re-election. The Articles also provide that all directors shall retire from office once at least in every three (3) years. Retiring directors may offer themselves for re-election.

Board Effectiveness Evaluation

The Board through the Nomination Committee conducts an effective assessment to evaluate the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual director. The Board has also reviewed its required mix of skills and experience, gender diversity and other qualities, including core competencies, which Non-Executive Directors should bring to the Board. The Board also examines its size, with a view to determining the effective number of Board members. The Board is of the view that the current size of the Board is appropriate.

Board Charter

A Board Charter had been established with the objectives to ensure that all Board members are aware of their duties and responsibilities as Board members, 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 Company.

The Board Charter focuses on:
- Board's roles and responsibilities;
- Board's composition and balance;
- Board's performance;
- Board's meetings;
- Remuneration policies;
- Access to information and independent advice;
- Financial reporting;
- Stakeholder communication;
- Company Secretary; and
- Conflict of interest.

The Board Charter will be reviewed from time to time to ensure that it remains consistent with the Board's objectives and current laws and practices. The MPB Board Charter is available online through the Company's official website at www.mediaprima.com.my.

Company Secretary

The Company Secretary provides a central source of guidance and advice to the Board, on matters of ethics and good corporate governance. The Company Secretary is required to provide the directors, collectively and individually, with detailed guidance on their duties and responsibilities. The Company Secretary assists in determining the annual board plan and board agenda and in formulating governance and board-related matters.

The Board has unrestricted access to the advice and services of the Company Secretary who is responsible for providing directors with the Boards' papers and related matters. The Company Secretary coordinates the induction programme for newly-appointed directors as well as the Board assessment process.

Board Meetings

Board meetings are scheduled in advance at the beginning of the new financial year to enable directors to plan ahead and fit the year's meetings into their own schedules. The Board meets at least four (4) times a year, once in every quarter and has a formal schedule of matters specifically reserved to it for decision, 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.

Key transactions submitted to and approved by the Board in 2014 include:-

AREA	KEY TRANSACTIONS
Business Plan	• Proposed revised Limits of Authority ("LOA") for Media Prima Berhad and its operational platforms. • Proposed Capital Management and Revised Dividend Policy. • Proposed Media Prima Berhad Business Continuity Plan ("BCP"). • Proposed Budget and Business Plan of the Group for the financial year ending 31 December 2015.
Investor Relation	• Proposed third single tier dividend and a final tier dividend for the financial year 2013.
Financial	• Proposed quarterly consolidated financial results for release to Bursa Malaysia Securities Berhad.
Employee Relations	• Proposed Integrated Group Human Resources Policies. • Proposed Key Performance Indicators achievements and bonus payment for financial year 2013. • Proposed Employees and Senior Management merit increment for 2014.

Board meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues. Decisions are made on a consensus basis after due deliberation.

During the financial year ended 31 December 2014, the Board of Directors had met seven (7) times on the following occasions:

BOD MEETING	DATE
Special Meeting	8 January 2014
43rd Meeting	20 February 2014
Special Meeting	23 April 2014
44th Meeting	8 May 2014
45th Meeting	14 August 2014
Special Meeting	24 September 2014
46th Meeting	6 November 2014

Details of the Board movement and attendance at meetings for financial year ended 31 December 2014 are set out below:

DIRECTOR	
TAN SRI JOHAN BIN JAAFFAR Independent Non-Executive Chairman (appointed on 30 April 2009)	
ATTENDANCE	**%**
7 out of 7	100
DATUK SERI FATEH ISKANDAR BIN TAN SRI DATO' MOHAMED MANSOR Independent Non-Executive Deputy Chairman (appointed on 4 September 2009)	
ATTENDANCE	**%**
7 out of 7	100
DATO' SRI AMRIN BIN AWALUDDIN Group Managing Director (appointed on 1 September 2009)	
ATTENDANCE	**%**
7 out of 7	100
TAN SRI LEE LAM THYE* Independent Non-Executive (appointed on 18 August 2003)	
ATTENDANCE	**%**
7 out of 7	100
TAN SRI DATO' SERI MOHAMED JAWHAR Independent Non-Executive (appointed on 30 August 2006)	
ATTENDANCE	**%**
7 out of 7	100
DATUK SHAHRIL RIDZA BIN RIDZUAN Non-Independent Non-Executive (appointed on 22 October 2001)	
ATTENDANCE	**%**
7 out of 7	100
DATO' ABDUL KADIR BIN MOHD DEEN Independent Non-Executive (appointed on 29 May 2007)	
ATTENDANCE	**%**
6 out of 7	86
DATO' GUMURI BIN HUSSAIN Independent Non-Executive (appointed on 29 April 2008)	
ATTENDANCE	**%**
6 out of 7	86
LYDIA ANNE ABRAHAM Independent Non-Executive (appointed on 19 November 2013)	
ATTENDANCE	**%**
7 out of 7	100
DATUK AHMAD BIN ABD TALIB, JP Executive Director (appointed on 1 July 2009 and retired on 23 April 2014)	
ATTENDANCE	**%**
3 out of 3	100

*Approved by Shareholders to remain as an Independent Non-Executive Director effective 23 April 2013 in accordance to Recommendation 3.3 of Principle 3 of the Malaysian Code on Corporate Governance 2012.

Supply of Information

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 customer satisfaction, product and service quality, market share and market reaction.

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 at Board meetings to provide insight and to furnish clarification on issues that may be raised by the Board.

The 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 report of the Group;
- Corporate proposals;
- Group's risk profile;
- Information on operational and financial issues;
- Updates on Group's corporate social responsibility;
- Business forecasts and outlook; and
- Circular resolutions passed.

The Board recognises that the Chairman is entitled to the strong and positive support of the Company Secretary in ensuring the effective functioning of the Board. All directors have access to the advice and services of the Company Secretary and, whether as a full board or in their individual capacities, directors are also at liberty to take independent professional advice on any matter connected with the discharge of their responsibilities as they may deem necessary and appropriate, at the Company's expense.

Directors' Training

The Board via the Nomination Committee had performed an annual assessment to review its required mix of skills and experience, gender diversity and also training needed to ensure its members have access to appropriate continuing education programmes.

All directors attended relevant training programmes in 2014 to enhance their skills and knowledge, and to keep abreast with the relevant changes in laws, regulation and business environment, in order to discharge their duties more effectively.

Trainings, seminars and conferences attended by the Board of Directors in 2014 include:

Course Title	Trainer/Organiser	Date
ISIS National Forum on "GST"	Institute of Strategic and International Studies (ISIS)	11 February 2014
Mandatory Accreditation Programme for Directors of Public Listed Companies	Bursatra Sdn Bhd	12 & 13 February 2014
Directors Forum & the Innovation Zone	Malaysian Directors Academy (MINDA)	24 & 25 February 2014
ASLI National Economic Summit & Dialogue with Prime Minister	Asean Strategy & Leadership Institute (ASLI)	7 March 2014
Perdana Leadership Roundtable on "Surviving The Next Global Financial Crisis"	Perdana Leadership Foundation	17 March 2014
Briefing Session on Corporate Governance Guide : Towards BoardRoom Excellence (2nd Edition)-An Update	Bursa Malaysia Berhad	25 March 2014
Dialogue Session with Prime Minister - "Sustainability & Diversity"	Securities Commission	9 April 2014
Invest Malaysia Conference 2014 - Malaysia's Growth Dynamics : Export to Consumption	CIMB Bank Berhad	9 June 2014
World Peace Forum at Tsinghua University, Beijing, China.	Tsinghua University & Chinese People's Institute of Foreign Affairs	20 June 2014
Board Chairman Series : The Role of the Chairman,	ICLIF & Bursa Malaysia	24 June 2014
Roundtable on the Malaysian Code for Institutional Investors 2014 - "From Aspiration to Adoption : A Stewardship Code for Malaysia"	Minority Shareholder Watchdog Group	27 June 2014
UITM Global Economic Symposium	UITM	6 September 2014
CFO Dialogue Session – "The Cutting Edge CFO"	MIA / CIMA	8 September 2014
CPA Congress 2014 - "The Evolving Media Landscape"	CPA Australia	9 September 2014
International Seminar on GST 2014 (MOF)	Bank Negara Malaysia	15 September 2014

Course Title	Trainer/Organiser	Date
Intellectual Property (IP) Financing Conference	Bank Negara Malaysia	23 September 2014
Media Prima Board of Directors' Workshop	Media Prima Berhad	24 September 2014
Annual ASEAN Corporate Governance Summit 2014 – "Governance and Regulatory Updates"	Affin Bank	2 October 2014
Board Leadership Forum 2014 Washington Hilton, USA	Boardsource Washington - Governance by Design	9-10 October 2014
Board of Directors Breakfast Series - "Great Companies Deserve Great Board"	Bursa Malaysia Berhad	10 October 2014
MIA International Accountants Conferences 2014	Malaysian Institute of Accountants	4 November 2014
Board of Director's Training : 2015 Tax Budget Briefing	Taliworks Corporation Berhad	27 November 2014
Khazanah Global Lectures with Boris Johnson (Mayor of London)	Khazanah Nasional	2 December 2014

Board Committees

The Board delegates certain responsibilities to Board Committees, each with defined terms of reference and responsibilities and the Board receives reports of their proceedings and deliberations. Where Committees have no authority to make decisions on matters reserved for the Board, recommendations would be highlighted for the Board of Directors' approval. The Chairman of the various Committees report the outcome of the Committee meetings to the Board and relevant decisions are incorporated in the minutes of the Board of Directors' meetings.

The Board Committees in Media Prima Berhad are as follows:

Audit Committee

The Audit Committee was established on 19 August 2003 and the members are:

MEMBER	ATTENDANCE	PERCENTAGE
Dato' Gumuri bin Hussain (Chairman)	4 out of 4	100
Tan Sri Dato' Seri Mohamed Jawhar	3 out of 4	75
Tan Sri Lee Lam Thye	4 out of 4	100
Dato' Abdul Kadir bin Mohd Deen	3 out of 4	75

A full Audit Committee report detailing its composition, terms of reference and summary of activities during the year is set out on pages 152 to 156 of this Annual Report.

Risk Management Committee

The Risk Management Committee was established on 12 May 2011. The Committe held four (4) meetings in 2014 on 20 February 2014, 7 May 2014, 14 August 2014 and 6 November 2014 respectively and the members are:

MEMBER	ATTENDANCE	PERCENTAGE
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor (Chairman)	4 out of 4	100
Tan Sri Dato' Seri Mohamed Jawhar	4 out of 4	100
Dato' Gumuri bin Hussain	4 out of 4	100
Datuk Ahmad Abd Talib, JP (Retired on 23 April 2014)	1 out of 1	100
Lydia Anne Abraham (Appointed on 8 May 2014)	2 out of 2	100

A Risk Management Committee report detailing its responsibilities, terms of reference and summary of initiatives/activities during the year is set out on pages 157 to 158 of this Annual Report.

Nomination Committee

The Nomination Committee was established on 19 August 2003. The Committee held two (2) meetings on 8 May 2014 and 24 September 2014 respectively and the members are:

MEMBER	ATTENDANCE	PERCENTAGE
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor (Chairman)	2 out of 2	100
Tan Sri Lee Lam Thye	2 out of 2	100
Tan Sri Dato' Seri Mohamed Jawhar	2 out of 2	100
Dato' Abdul Kadir bin Mohd Deen	2 out of 2	100

Responsibilities & Activities

- To assist the Board in assessing its overall effectiveness.
- To assist the Board in reviewing its required mix of skills, experience and other qualities Non-Executive Directors should bring to the Board.
- To identify and recommend new nominees to the Board and Committees of the Board of Media Prima and nominees to the Board of its subsidiaries. All decisions and appointments are made by the respective Boards after considering the recommendation of the Nomination Committee.

Remuneration Committee

The Remuneration Committee was established on 19 August 2003. The Committee held four (4) meetings in 2014 on 8 January 2014, 20 February 2014, 8 May 2014 and 24 September 2014 respectively and the members are:

MEMBER	ATTENDANCE	PERCENTAGE
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor (Chairman)	4 out of 4	100
Dato' Abdul Kadir bin Mohd Deen	4 out of 4	100
Tan Sri Lee Lam Thye	4 out of 4	100
Datuk Shahril Ridza bin Ridzuan	4 out of 4	100

Responsibilities & Activities

- To review any major changes in employee benefit structures throughout the Company or Group, and if fit recommend to the Board for adoption.
- To review and recommend to the Board for adoption the framework for the Company's annual incentive scheme. The framework for the annual incentive scheme may include:
  - Merit Increment;
  - Merit Bonus; and
  - Incentives (based on sales and others).
- To review and recommend to the Board improvements (if any) on designated Executive Managements' remuneration policy and package and any other issues relating to benefits of designated Executive Management on an annual basis.
- To establish a formal and transparent procedure for developing policy on the total individual remuneration package of Executive Directors, GMD and other designated Executive Management including, where appropriate, bonuses, incentives and share options.
- To design the remuneration package for all Executive Directors, GMD and other Executive Management with the aim of attracting and retaining high-calibre designated Executive Management who will deliver success for shareholders and high standards of service for customers, while having due regard to the business environment in which the Group operates. Once formulated, to recommend to the Board for approval.
- To determine and recommend to the Board the framework or broad policy for the remuneration packages of the GMD, the Chairman of the Company and such other members of the Executive Management as it is designated to consider.

Employee's Share Option Scheme (ESOS) Committee

ESOS Committee was established on 27 August 2004 and the Committee had not held any meeting in 2014.

MEMBER
Dato' Abdul Kadir bin Mohd Deen (Chairman)
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor
Dato' Amrin bin Awaluddin

Responsibilities & Activities

- To implement and administer the Media Prima Employees' Share Option Scheme in accordance with the by-laws approved by the shareholders of the Company.
- To determine participation eligibility, option offers and share allocations and to attend to such other matters as may be required.

MANAGEMENT COMMITTEE

The Company has established various Management Committees to help the Board fulfil its responsibilities. The salient terms of reference of the established Management Committees are as follows:-

COMMITTEE	RESPONSIBILITY
Programme Committee	To ensure transparency of the procurement process of television and online contents.
Group Risk Management & Audit Committee	To oversee the Group's risk management activities and internal control processes.
Procurement and Tender Committee	To ensure transparency and integrity of the procurement process on capital and operational expenditures.
ICT Steering Committee	To review and monitor the status of implementation of ICT initiatives within the Group.
Integration Committee	To assist and monitor the process of integration and internal wide restructuring exercise for the Group.
Recovery Executive Committee	To plan and manage business recovery and business operations in the event of a disaster or major disruption to key business operations.
Newsprint Committee	To ensure that the supply of newsprints is sufficient and the acquisition of the newsprints are in the best interest of the Company.
Project Serumah Committee	To ensure effective relocation process between MPB's premises and accommodate expansion plan for the Group.
Donation Committee	To set annual plan for the fund raising campaigns and to monitor the charity events organised by the Group.

B. DIRECTORS' REMUNERATION

Level and Make-up of Remuneration

The Group has established a formal and transparent procedure 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 Remuneration Committee (RC), comprising of wholly Non-Executive Directors, carries out the annual review of the overall remuneration policy for Executive Directors whereupon recommendations are submitted to the Board for approval. The remuneration for Executive Directors is structured to link rewards to corporate and individual performance. It is nevertheless, the ultimate responsibility of the Board to approve the remuneration of these directors.

An annual review by the RC records the performance of the GMD and Executive Directors and submits recommendations to the Board on specific adjustments in remuneration and/or reward payments that reflect their respective contributions for the year, and which are competitive and in tandem with Media Prima Berhad's corporate objectives, culture and strategy.

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 AGM. Each individual director abstains from the Board's decision on his own remuneration.

Remuneration Package

The remuneration package of the Executive Directors is as follows:

i. Basic Salary

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 a selected group of comparable companies.

ii. Performance Bonus

The Group operates a performance based bonus scheme for all employees, including the Executive Directors. 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. Bonuses payable to the Executive Directors are reviewed by the Remuneration Committee and approved by the Board.

iii. Fixed Allowance

Executive Directors are entitled for fixed allowances.

iv. Employees' Share Option Scheme (ESOS)

Executive Directors are also eligible to participate in the employees' share option scheme designed to incentivise employees of the Group.

v. Benefits-in-kind

Executive Directors are entitled to other customary benefits such as Group Hospitalisation and Surgical Insurance, leave passage, car and driver.

Non-Executive Directors are paid annual fees, attendance allowance for each Board meeting attended. They are also entitled for Group Hospitalisation and Surgical Insurance. The Chairman is entitled to leave passage, contributions to Employee Provident Fund, a car and driver benefits.

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

The details on the aggregate remuneration of directors for the financial year ended 31 December 2014, distinguishing between Executive and Non-Executive Directors with categorisation into appropriate components are as follows:

Remuneration	Non-Executive Director	Executive Director	Total
	RM		
Fees (Media Prima)	495,000	-	495,000
Fees (Subsidiaries)	442,000	-	442,000
Salary	-	1,250,618	1,250,618
Bonus	206,543	800,573	1,007,116
EPF	98,595	379,330	477,925
Other Remuneration/ Emoluments	670,900	172,643	843,543
Benefits in Kind	83,975	69,499	153,474
Total	**1,997,013**	**2,672,663**	**4,669,676**

The remuneration paid to directors during the year, analysed into bands of RM50,000, which complies with the disclosure requirements under Bursa Malaysia Listing Requirements is as follows:

Remuneration Band	Number of Directors	
	Non-Executive	Executive
Less than RM 100,000	2	-
RM 100,001 – RM 150,000	1	-
RM 150,001 – RM 200,000	3	-
RM 200,001 – RM 250,000	1	-
RM 550,001 – RM 600,000	**-**	**1**
RM 950,001 – RM 1,000,000	**1**	**-**
RM 2,100,000 – RM 2,150,000	**-**	**1**
Total	**8**	**2***

Note: Successive bands of RM50,000 are not shown entirely as they are not represented.
*1 Executive Director retired during the year.

C. SHAREHOLDERS

Investor Relations

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

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.

A summary of investor relations activities undertaken by Media Prima Berhad during the year is set out on pages 114 to 115 of this Annual Report.

Dividend Policy

MPB Group integration exercise has significantly changed the financial landscape of the Group. A dividend policy would provide the flexibility to the Group to channel the excess cash flow to maximise shareholders' returns. Dividend policy reflects the Board's current views on the Group financial and cash flow position. Dividend policy will be reviewed from time to time as it is the policy of the Board, in recommending dividend distribution.

The Board of Directors has approved a dividend policy with a pay-out ratio ranging from minimum 60% to the maximum of 80% based on;

- PATAMI
- Funding requirement (capital expenditure & investments); and
- Availability of cash flow.

Websites

The Group strives to ensure that shareholders and the general public would have an easy and convenient access to the Group's latest financial results, press releases, annual reports and other corporate information via its website www.mediaprima.com.my. Each of Media Prima's subsidiaries also has established their own website as a source of information and excellent medium of communication to shareholders and the general public.

Annual General Meeting

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 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 presentation 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 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 Chairman declares the outcome of each resolution after proposal and secondment are done by the shareholders. A press conference is held immediately after the AGM where the Chairman and the Group Managing Director will clarify and explain issues raised by the media and analysts. An analyst briefing will also be held in the course of providing all stakeholders with the latest updates on the Group.

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

NAME	RELATED MATTERS
Mohamad Ariff bin Ibrahim Group Chief Financial Officer Phone No: 603 2724 8778	Financial/ Investor Relations
Sere Mohammad bin Mohd Kasim Group General Manager, Group Corporate Governance Phone No: 603 2724 8975	Internal Control and Internal Audit
Mohd Hisham bin Md. Shazli Group General Manager, Group Risk Management Phone No: 603 27248988	Risk Management
Tuan Haji Zulkifli bin Haji Mohd Salleh Group General Manager, Group Stakeholder Management & Regulatory Affairs Phone No: 603 2724 8923	Stakeholder Management/ Regulatory Compliance
Azlan bin Abdul Aziz Group General Manager, Group Corporate Communications Phone No: 603 2724 8949	Corporate Responsibility and Other Queries

D. ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board aims to present a balanced and understandable assessment of the Group's financial position and prospects in presenting the annual financial statements and quarterly announcement to shareholders. This also applies to other price-sensitive public reports and reports to regulators.

On behalf of the Board, the Audit Committee scrutinises the financial and statutory compliance aspects of the audited financial statements and adherence to internal policies and procedures prior to full deliberation at the Board level. The Board ensures the integrity of the Group's financial reporting and fully recognises that accountability in financial disclosure forms an integral part of good corporate governance practices.

Whistle-blowing Policy

In order to strengthen corporate governance practices across the Group, a whistle-blowing 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.

Whistle-blowing policy together with anti-fraud policy is available for all staff and can be accessed via intranet. The key components of the whistle blowing provision include protection to the whistle blower 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 whistle blower to the regulators. Any employee who believes or suspects that a fraud exists or has been committed should report this to the Group General Manager, Group Corporate Governance Department.

Internal Control

The Board acknowledges its responsibility for the Group`s system of internal controls and risk management and for reviewing the effectiveness of these systems. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives. Any system can only provide a reasonable but not absolute assurance against material misstatement, loss or fraud.

The Statement on Risk Management and Internal Control furnished on pages 146 to 151 of the Annual Report provides an overview on the state of risk management and internal control system within the Group.

Corporate Responsibility

The Group's Corporate Responsibility initiatives are explained separately in our Sustainability Report 2014.

Relationship with the Auditors

The Board has established a formal, transparent and appropriate relationship with the Group's auditors, both External and Internal, through the Audit Committee.

The Audit Committee meets regularly with the External and Internal auditors to discuss and review the audit plan, quarterly financial results, annual financial statements and the audit findings, and makes recommendations for the Board's approval. During the year, the Board has also met with the External and Internal auditors without the presence of the Executive Directors and Management.

A report by the Audit Committee and its terms of reference are provided on pages 152 to 156 of the Annual Report.

E. STATEMENT OF DIRECTOR'S RESPONSIBILITY IN RELATION TO THE AUDITED FINANCIAL STATEMENTS

The Board is responsible for the preparation of the financial statements of the Group and the Company. The Board has ensured that the financial statements have been prepared based on accounting policies that have been consistently and properly applied, supported by reasonable and prudent judgements and estimates and in adherence to all applicable accounting standards.

It is also the Board's responsibility to ensure that accounting records are accurate, within margins of reasonableness, which discloses the financial position of the Group and the Company in a true and fair manner.

This Statement on Corporate Governance is made in accordance with the resolution of the Board of Directors dated on 25 February 2015.

1. SHARE BUY-BACK

There was no share buy-back by the Company during the financial year.

2. OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

The Company did not issue any Options, Warrants and Convertible Securities during the financial year ended 2014 save for the following:-

(a) Employees' Share Options Scheme ("ESOS")

(i) The Company's ESOS was approved at an Extraordinary General Meeting ("EGM") held on 14 May 2010, for a period of five (5) years up to 13 May 2015 ("MPB ESOS"). As at 31 December 2014, three (3) offers were made to employees, the details of which are set out below :-

Exercise Price	Total of Options Granted ('000)	Options Exercised and Shares Issued during 2014 ('000)	Options Exercised and Shares Issued since commencement of MPB ESOS ('000)
RM1.80	79,283	926	71,068
RM1.98	2,322	39	2,165
RM2.10	480	0	385

A total of 5,951,144 options are still outstanding for the employees under the MPB ESOS.

Under the MPB ESOS, a total of 1,550,000 options were granted to the Executive Directors at the exercise price of RM1.80. During the financial year ended 31 December 2014, no options were exercised as the total of the 1,550,000 options have been duly exercised by the Executive Directors since commencement of the MPB ESOS.

(ii) Under the approval made at the EGM, the aggregate maximum allocation applicable to Directors and Senior Management shall not exceed 50% of the options offered available under MPB ESOS. The actual percentage granted to them was 4.8%.

(b) Conversion of Warrants

As at 31 December 2014 and 9 January 2015, there was an issuance of 7,613,790 and 82,722 ordinary shares of RM1.00 each respectively arising from the exercise of MPB Warrants 2009/2014 at an exercise price of RM1.80 per Warrant.

3. DEPOSITORY RECEIPT PROGRAMME

The Company did not sponsor any Depository Receipt Programme during the financial year.

4. NON-AUDIT FEES

The amount of Non-Audit Fees paid/payable to external auditors and their affiliated companies by the Company for the financial year ended 31 December 2014 is set out in Note 6 to the financial statements for the financial year ended 31 December 2014 on page 190 of this Annual Report.

5. PROFIT GUARANTEE

There was no profit guarantee for the financial year ended 31 December 2014.

6. LIST OF PROPERTIES AND REVALUATION POLICY

The list of properties is set out on pages 242 to 245 of this Annual Report. There was no revaluation of properties of the Group during the financial year other than the result of MFRS 1 exemption options whereby the Group elected to measure certain properties at fair value as at transition date as their deemed cost as at that date. This has been disclosed in Note 24 and Note 25 to the financial statements for the financial year ended 31 December 2014 on pages 206 to 212 of this Annual Report.

7. MATERIAL CONTRACTS

There was no material contract entered into by the Group involving the interest of directors and major shareholders, either still subsisting at the end of the financial year ended 31 December 2014 or entered into since the end of the previous financial year.

8. SANCTIONS AND/OR PENALTIES

There were no significant sanctions and/or penalties imposed on the Company and/or its subsidiary companies, Directors or management by the relevant regulatory bodies during the financial year.

9. RECURRENT RELATED PARTY TRANSACTIONS ("RRPTs") OF REVENUE NATURE

There were no RRPTs during the financial year ended 31 December 2014.

10. VARIATION IN RESULTS

There was no variation in results (differ by 10% or more) from any profit estimate/forecast/projection/unaudited results announced.

11. UTILISATION OF PROCEEDS

On 23 March 2010, the Company issued 4.95% Redeemable Fixed Rate Bonds at a total nominal value of RM150.0 million with 50 million detachable warrants on a bought deal basis to Affin Investment Bank Berhad and Affin Bank Berhad, in accordance with the Trust Deed governing the Bonds dated 23 February 2010.

Proceeds from the issuance of RM143.7 million Bonds have been utilised for the following purposes:
(i) Repayment of the Bridging Loan of RM53.6 million; and
(ii) Finance investments in media related assets of RM19.9 million, RM15.8 million, RM23.1 million and RM31.3 million in Year 2010, 2011, 2012 and 2014, respectively.

MEDIA PRIMA BERHAD (MPB) HAS COMPLIED WITH PRINCIPLE 6 OF THE MALAYSIAN CODE OF CORPORATE GOVERNANCE 2012 THAT REQUIRES THE BOARD OF DIRECTORS (BOARD) TO ESTABLISH A SOUND RISK MANAGEMENT FRAMEWORK AND INTERNAL CONTROLS SYSTEM.

ACCORDINGLY, IN COMPLIANCE WITH PARAGRAPH 15.26(B) OF THE MAIN LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD, THE BOARD IS PLEASED TO PROVIDE THE STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL THAT WAS PREPARED IN ACCORDANCE TO THE "STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL - GUIDELINES FOR DIRECTORS OF LISTED ISSUES". THIS GUIDELINE OUTLINES THE PROCESSES TO BE ADOPTED BY THE BOARD IN REVIEWING THE ADEQUACY AND EFFECTIVENESS OF RISK MANAGEMENT AND INTERNAL CONTROL OF THE GROUP DURING FINANCIAL PERIOD UNDER REVIEW.

A. RESPONSIBILITY

The Board acknowledges its responsibility to adopt sound risk management practices to safeguard Media Prima Berhad's (MPB) business interest from risk events that may impede achievement of business strategy and action plan, enable value creation, process improvement and measuring achievement as assurance to the Group's various stakeholders.

MPB advocates a continuous and iterative process for enhancing risk awareness across the organisation through an Enterprise-Wide Risk management (ERM) framework which is largely benchmarked against the ISO 31000:2009 Risk Management – Principles and Guidelines. The framework provides the subsidiaries (business platforms), operating units and support functions (business units) a consistent approach for risk identification and institutes a common platform to discuss and manage risks.

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

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

The Group established the three lines of defence concept: risk taking units (business platforms), risk control unit (Group Risk Management Department), and risk checking unit (Group Corporate Governance Department). The risk taking units manage the day-to-day management of risks inherent in its business activities, while the risk control unit is responsible for setting the risk management framework, developing tools and methodologies. Complementing this is the risk checking unit or internal audit, which provides independent assurance of the effectiveness of the internal control approach.

B. CONTROL ENVIROMENT AND ACTIVITIES

1. Key Control Structure of the Group

MPB has inculcated that managing risk is everyone's business. The whole Group comes together to manage risks in a successful and cost-efficient manner. Key control lies in the four lines of defence:

i. Board of Directors

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 Nomination Committee, Remuneration Committee and Employee Share Option Scheme Committee. Specific responsibilities have been delegated to these Board Committees, all of which have formalised terms of reference. 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. The Board through Risk Management Committee (RMC) maintains overall responsibility for risk oversight within the Group.

While the Board and RMC provide oversight, the responsibility for managing risks appropriately lies with Senior Management:

- Provide leadership and direction to business units;
- Dissect risk issues highlighted at the Group Risk Management & Audit Committee Meetings (GRMAC);
- Understand the inherent risks in each business platform; and
- Implement 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.

ii. Risk Management Committee

The Board has also delegated the responsibility of reviewing the risk management systems and to ensure the effectiveness of the Group`s Risk Management Framework to the Risk Management Committee (RMC). The RMC updates the Board on the significant changes that affect the risk profile of the Group. The RMC's responsibilities include:

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

Further details of the activities undertaken by the RMC during the year are set out in the Risk Management Committee Report on pages 157 to 158.

iii. Independence of the Audit Committee

The Board is also supported by the Audit Committee with responsibility to provide 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 is comprised of four (4) Non-Executive Directors who are highly experienced and whose knowledge, background and judgement are invaluable to the Group. The Audit Committee have unimpeded access to both the Internal and External Auditor and has the right to convene meetings with the auditor without the presence of Executive Directors and Management.

The Audit Committee reviews the work of the Internal and External Auditor, their findings and recommendations to ensure that it obtains 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. Further details of the activities undertaken by the Audit Committee during the year are set out in the Audit Committee Report on pages 152 to 156.

iv. Operating Units

At the forefront, operating units are responsible for identification and management of risks within its operations. The operating units are also responsible for compliance of all daily activities with the approved policies, guidelines and procedures. One of the key activities undertaken in 2014 was the aggregation of the risks identified by each of the six business platforms and quantifying the impact of materiality should these risks occur.

Management Committees

Management Committees have been established to ensure that the Group's interests are adequately protected in arriving at important business/operational decisions. The Committees include the Programme Committee, Newsprint Committee, Group Risk Management & Audit Committee, Procurement Committee, Tender Committee, ICT Steering Committee, Donation Committee, Integration Committee, Project Serumah Committee and Recovery Executive Committee with 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. 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 Board, working through the Risk Management Committee (RMC), is overall responsible for the governance of risk within the Group and ensures that Management maintains a sound system of risk management and internal controls to safeguard stakeholders' interests and the company's assets. In the process, the Board determines the nature and extent of the significant risks which the company is willing to take in achieving its strategic objectives. The Board is also involved in setting and instilling the right culture throughout the Company for effective risk governance.

The Board has also delegated the responsibility of reviewing the effectiveness of risk management to the Risk Management Committee (RMC). The effectiveness of the risk management system is monitored and evaluated by the Group Risk Management Department (RMD), on an on-going basis. The RMC assists the Board to review and oversee the effectiveness of the risk management of the Group, wherein the RMD function would facilitate the continuous monitoring and evaluating of the Group's risk management system. Any approved policy and framework formulated to identify, measure and monitor various risk components would be reviewed and recommended by the RMC to the Board. Additionally, the RMC reviews and assesses the adequacy of these risk management policies and ensures infrastructure, resources and systems are emplaced for risk management.

Together with the various business units, the Group Risk Management Department (RMD) identifies, manages and reports the key risks faced by the company to the RMC, which then updates the Board. RMD is also responsible for ensuring that the risk management framework is effectively implemented and that risk registers are maintained by the respective business platforms. All business platforms carry out a risk review on a regular basis, especially in the context of exceptional events, to ensure that risk registers are up-to-date and risk controls are enhanced and kept current.

RMD prepares quarterly reports on the company's risk management activities which include financial, operational, compliance, information technology, printing & broadcasting management, internal controls and risk management systems to the RMC. MPB's risk management philosophy is built on a culture where risk exposures are mitigated by calibrating risks to acceptable levels whilst achieving the organisation's business plans and goals.

Risk Management Framework

MPB's risk management framework is designed based on the following principles:

- Risks can be managed, but cannot be totally eliminated.
- Risks are aligned with, and driven by, business values, targets and objectives.
- Risks ownership lies with the Chief Executive Officers of the business platforms and Head of Departments of the business units.
- Risks on material matters are highlighted to RMC with constant engagement on development of risks controls and mitigation processes.
- Risks management processes are integrated with other processes including budgeting, planning and business development.

The key outputs of MPB's Risk Management are:

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

Risk Management Process

The Board through Risk Management Committee (RMC) obtained quarterly updates with regards the Group positive opportunity or negative threat of actions and events. At strategic level, the Board is particularly concerned with:

- **BUSINESS INTERRUPTION RISK** - The Board understands the widespread of negative impact of these types of emergencies. The key to risk management is to build enough awareness, measures and systems (internal control) in place so that, ideally nothing will shut down or be interrupted. The less downtime occurs, the faster normal operations resume, the better the platform's position.

Mitigation:
- Readiness of disaster recovery: Successful result on disaster recovery testing was done on the crucial domain involving broadcasting, transmission of data and information technology readiness.

- Availability time responses: The Group monitors its broadcasting, data transmission and plant "downtime" (time where there is no transmission of content of audio and/or visual, and non-availability of physical and/or e-paper). The average availability for the four major platforms is well below the 1% allowable downtime set forth by the authority.

- **COMPETITIVENESS RISK** – New media landscape has emerged. Emerging technology empowered consumers to be in control of their media choices in terms of timing, format and platform. It is important to analyse these changes from the viewpoint of media consumers and the effect to marketers (sales personnel). Prudent risks that enable platforms to forecast external and internal factors that could cause gradual or sudden changes in platforms business plans need to be constantly analysed.

Mitigation:
- Creating new media environment: Explore and build new ecology in the way the Group operates.

- Experimenting new landscape: Constantly improving and creating landscape marked by disaggregation in which traditional formats of disseminating news and contents are being unbundled, making it increasingly social, modular and mobile.

- **CONSUMER BEHAVIOUR RISK** – Traditional advertising increasingly viewed as passive medium for brand awareness. Consumers prefer medium that they can interact anytime, anywhere. The challenge is to meet these changing consumer behaviour.

Mitigation:
- Developing digital assets: There is a need to focus on providing values that can grab consumers' eyeballs via innovative contents.
- Need to connect beyond traditional media: Moving to 'being social on social media' so that we can hold conversations and connect with our consumers.

Internal Audit Function

- The Group Internal Audit function was set up by the Board to provide independent assurance of the adequacy of risk management, internal control and governance systems. Group Internal Audit activities are guided by an Internal Audit Charter which is approved by the Audit Committee.

- The Group's Internal Audit function undertakes regular reviews of the Group's operations and its system of internal controls. The Internal Audit function reviews the Group's activities based on an approved audit plan presented to 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 input from the Senior Management and the Board.

- Internal audit findings are discussed at Management level and actions are agreed in response to the Internal Audit recommendations. The progress of implementation of the agreed actions is being monitored by Internal Audit through follow up reviews.

- The Internal Audit function has a clear line of reporting to the Audit Committee and the Audit Committee determines the remit of the Internal Audit function. Thus, the Internal Audit function is independent of the activities being audited and is performed with impartiality, proficiency and due professional care.

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

- Policies and Procedures of business processes are documented and set out in a series of Standard Operating Manuals and implemented throughout the Group. These policies and procedures are subject to regular reviews, updates and continuous improvements to reflect the changing risks and operational needs.

- Policies and Procedures developed and enforced during the year are as follows:

POLICY	PURPOSE
Official Online Media	To provide guidelines and expectation to MPB staff on official and private usage of social media and ensure the usage does not tarnish the reputation of the Group or its employees.
Contest Policy for TV Networks	To ensure efficient and effective practices in production and management of contest and contest are uniformed,authorized and conducted with transparency.
BigTree Outdoor Third Party Collaboration	To ensure proposal, approval, contract awarding and release of payment are uniformed, authorized and conducted with probity and transparency and MPB's interests are always protected in matters relating to third party collaboration.
Programme Committee Terms of Reference	To ensure the quality of content for MPB Group through programs acquired or produced by establishing a committee to assess, monitor and control the processes of selecting and monitoring of each programme.
Centralised Document Management System	To ensure proper access management and storage for all documents and its disposal.
Primeworks Studios: Content Production	To ensure practices in content production are uniformed, authorised and conducted with transparency.
Airtime Management Group (AMG): Screen Services & Programme Edit	To establish a standard process to manage the overall operation of Screen Services.
Primeworks Studios: Quality Content	To establish a Standard Operating Procedure for pre-production, production and post-production process for all content genres.

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.

Key Performance Indicators (KPI)

- The Group has also in place a Performance Management System, which linked to and guided by Key Performance Indicators and accountability. KPIs help in defining and measuring progress towards attaining organisational goals.

- KPIs are quantifiable measurements, agreed to beforehand, that reflect the critical success factors of an organisation and a series of goal-setting and coaching sessions has been rolled out since the beginning of 2014 to line managers and also general managers to enhance staff's performance.

Limits of Authority

- The Limits of Authority (LOA) for the Group has been structured to define all the common matters pertaining to operations such as policy approval, awarding of projects and capital and operational expenditure. It serves as a control whereby a cross-check system has been incorporated to minimise any abuse of authority.

- The system provides that approvals granted should be supported by a recommendation from the subordinates and notified to the superior of the approving authority particularly pertaining to material transactions.

- The highest approving authority is the Board of Directors where the transactions will determine the direction and financial position of the Group and are above the limit that has been granted to the Group Managing Director.

- A separate LOA for each business platform has been prepared in order to ensure adequate management control and smooth operations at platform level. All Heads of platform shall always be governed by the authority limits accorded to them in the LOA for the respective platforms.

Code of Ethics

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

- The Code highlights key issues and identifies the relevant policies and procedures and resources to help employees conduct business and duties with high integrity in line with the Group's acceptable practice.

- The No Festive Gift Policy was established 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.

Annual Assessment of Internal Control

- In line with the Board's request, an annual assessment to evaluate the performance and state of internal controls and risk management of operating companies/departments within Media Prima Berhad was conducted during the year. A General Audit Report (GAR) was issued to all the operating companies/departments within the Group at the end of the assessment.

- The rating system evaluates the achievement of the following key components:

  i. Meeting key objectives and financial performance including cost control measures;
  ii. Compliance with risk management framework and internal control procedures; and
  iii. The effectiveness of management supervision and the quality of staffing.

- The assessment provides the Board with the necessary assurance that a sound control environment and structure are in place.

Fraud Prevention Manual and Whistle-Blowing Policy

- The Group has established a Fraud Prevention Manual consisting of the Anti-fraud Policy and Whistle-blowing 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.

POLICY	DESCRIPTION
Anti-fraud Policy	• Defines fraud and fraudulent activities • Facilitates in the prevention and detection of fraud against the Group. • To limit the opportunity for fraud by increasing the prevention, detection and prosecution of fraudulent activities.
Whistle-blowing Policy	• Provides guidance to employees in communicating illegal or immoral conduct to the appropriate party within the Group without having to worry about being victimised and discriminated. • Provides proper investigation on all allegations or reports from within and outside of 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 need to be registered via Supplier e-Registry (SUPeR) online. Once the registration is successful, suppliers can conduct business with MPB and its group of companies, effective upon receipt of an email notifying the same.

- The Code applies to all suppliers, vendors, contractors and any other persons doing business with Media Prima Berhad and its subsidiary companies.

Group Information Technology Initiatives

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

- Reliance of key business operations to IT has been augmented with the following initiatives during the year:

INITIATIVE	PURPOSE
Business Intelligence Solution	To provide interactive dashboard and reports across MPB Group covering sales and revenue module for all platforms.
Group Financial System	To increase efficiency by simplifying process and reducing time to reconcile data thus improve governance and control.
Goods & Services Tax (GST) Compliance	To enhance relevant existing systems in the Group to be GST compliant as outlined in the "Guide to Enhance Your Accounting Software to be GST Compliant" circulated by Jabatan Kastam Diraja Malaysia.
Big Tree Core System	To integrate the processes in customer media booking, procurement, project, site development, asset maintenance, and finance thus increase efficiency, and improves governance and control.
Radio Traffic System - Aquira	To operate on the most recent technology which can support enhancements and updates thus increasing overall system performance.
Information Security Management System (ISMS)	- To systematically examine broadcasting security risks, taking account of the threats, vulnerabilities, and impacts. - To design and implement a coherent and comprehensive suite of broadcasting security controls. - To adopt and continue to ensure the controls are in place on an ongoing basis.

- Media Prima Berhad has been awarded with MS ISO/IEC 27001:2007 by CyberSecurity Malaysia for The Information Security Management System (ISMS) for the management and operation of the broadcast and automation systems used for TV Networks. ISMS is a set of policies concerned with information security management of core operations or IT related risks.

- A management framework that includes ICT Steering Committee and an Information Security Officer had been established to manage enterprise security architecture and information security audit framework within the organisation.

C. OTHER KEY ELEMENTS OF INTERNAL CONTROL

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

- Monthly reporting of actual results and review against budget, with major variances being followed up and management actions taken, where necessary. The financial results are reviewed by the Board with Management on a quarterly basis, to enable both parties to gauge the Group's achievement of its annual targets and review any key financial and operational issues. The Board reviews regular reports from the management on the key operating statistics, as well as legal and regulatory matters.
- Regular and comprehensive information provided to Management, covering financial performance and key performance indicators such as advertising market share, television viewership, programme ratings and utilisation of resources.
- Access to company's Intranet System (Peopleconnect) for updated and revised Policies and Procedures of the Company, Code of Ethics, Limits of Authority and other informations related to the Company.
- Monitoring of performance including discussion of any significant issues at Senior Management meetings.
- Content Regulatory Workshops conducted by Regulatory Affairs Department throughout the year as part of the initiatives to impart information and to provide explanation on the rules and regulations governing the broadcast industry based on the Communication and Multimedia Act 1998, Communication and Multimedia Content Forum Content Code and the respective license conditions of each TV Networks, Radio Networks and Print Media.
- Regular visits to operating units by Senior Management.

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

NAME AND DESIGNATION	MATTERS
Sere Mohammad bin Mohd Kasim Group General Manager, Group Corporate Governance	Internal Control and Internal Audit
Mohd Hisham bin Md. Shazli Group General Manager, Group Risk Management	Risk Management
Tuan Haji Zulkifli bin Haji Mohd Salleh Group General Manager, Group Stakeholder Management & Regulatory Affairs	Stakeholder Management & Regulatory Affairs

D. ADEQUACY OF RISK MANAGEMENT & INTERNAL CONTROL

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 Board has received assurance from the Group Managing Director and Group Chief Financial Officer 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 Group Corporate Governance regularly review the processes to ensure the effectiveness of the existing controls. There has been no significant change in MPB's risk management environment. Group Risk Management monitors the control environment and business processes 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 date of approval of this statement, no significant control failures or weaknesses that would result in material loss, contingency or uncertainty requiring disclosure in the Group's Annual Report were noted.

This statement, prepared for inclusion in the Annual Report of the Company for the year ended 31 December 2014 has been reviewed by the Audit Committee and Risk Management Committeeprior to their recommendation to the Board for approval.

This statement is made on the recommendation of the Audit Committee and Risk Management Committee to the Board of Directors and as per the Board's resolution dated 25 February 2015.

E. ASSOCIATED COMPANY

The state of risk management and internal control of Malaysian Newsprint Industries Sdn Bhd (MNI), an associated company of Media Prima Berhad is excluded from this statement. However, two Senior Management members from Media Prima Berhad namely Dato' Mohammad Azlan Abdullah and Encik Mohamad Ariff Ibrahim are appointed to MNI's Board, attend its Board meetings and review the key financial information of the company. These directors report to the Media Prima Berhad Board in the event that the Company does not appropriately manage significant risks.

F. REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

This Statement on Risk Management and Internal Control has been reviewed by the External Auditors as required by Paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad for the inclusion in the Annual Report of Media Prima Berhad for the year ended 31 December 2014.

The limited assurance review was performed in accordance with Recommended Practice Guide (RPG) 5 (Revised) issued by the Malaysian Institute of Accountants. RPG5 (Revised) 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.

THE BOARD OF DIRECTORS OF MEDIA PRIMA BERHAD IS PLEASED TO PRESENT THE REPORT ON THE AUDIT COMMITTEE OF THE BOARD FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014.

The Audit Committee Report provides insights into the manner in which the Audit Committee discharged its functions for the Group in 2014.

The Audit Committee was established on 19 August 2003 in line with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Listing Requirements).

DATO' GUMURI BIN HUSSAIN

INDEPENDENT NON-EXECUTIVE DIRECTOR

- CHAIRMAN OF AUDIT COMMITTEE.
- MEMBER OF RISK MANAGEMENT COMMITTEE.
- MEMBER OF THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS.
- MEMBER OF MALAYSIAN INSTITUTE OF ACCOUNTANTS.
- FELLOW OF THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WALES.

TAN SRI DATO' SERI MOHAMED JAWHAR

INDEPENDENT NON-EXECUTIVE DIRECTOR

- MEMBER OF RISK MANAGEMENT COMMITTEE.
- MEMBER OF NOMINATION COMMITTEE.

TAN SRI LEE LAM THYE

INDEPENDENT NON-EXECUTIVE DIRECTOR

- MEMBER OF NOMINATION COMMITTEE.
- MEMBER OF REMUNERATION COMMITTEE.

DATO' ABDUL KADIR BIN MOHD DEEN

INDEPENDENT NON-EXECUTIVE DIRECTOR

- CHAIRMAN OF EMPLOYEES, SHARE OPTION SCHEME (ESOS) COMMITTEE.
- MEMBER OF NOMINATION COMMITTEE.
- MEMBER OF REMUNERATION COMMITTEE.

A. TERMS OF REFERENCE

Composition of Members

1. The Committee shall be appointed from amongst its directors which fulfil the following requirements:

- The Audit Committee must be composed of no fewer than three (3) members; and
- At least one member of the Audit Committee:
  - i. Must be a member of the Malaysian Institute of Accountants (MIA); or
  - ii. If he is not a member of the MIA, he must have at least 3 years` working experience; and
    - He must have passed the examination specified in Part I of the 1st Schedule of the Accountants Act 1967; or
    - He must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967.

2. The Chairman and majority of the Audit Committee members must be Independent Non-Executive Directors.

3. No alternate director is appointed as a member of the Audit Committee.

4. Where the Chairman is unable to attend the meeting, the members shall elect a person among themselves as Chairman.

5. In the event of any vacancy in the Audit Committee resulting in the non-compliance of the above requirements, the Company must fill the vacancy within 3 months.

6. The Company Secretary shall act as Secretary to the Committee.

   The Terms of Reference (ToR) of the Audit Committee continues to remain aligned with the Listing Requirements, recommendations of the Malaysian Code on Corporate Governance 2012 (MCCG2012) and relevant best practices. Media Prima Berhad's Audit Committee consists of four Independent Non-Executive members and none of them is an alternate director.

   The roles of Audit Committee is accessible in the Board Charter on the Company's official website at www.mediaprima.com.my.

Scope

1. The Audit Committee shall be granted the authority to investigate any activity of the Company and its subsidiaries and all employees shall be directed to cooperate as requested by members of the Committee.
2. The Audit Committee shall be empowered to retain persons having special competence as necessary to assist the Committee in fulfilling its responsibilities.
3. The Audit Committee shall provide assistance to the Board in fulfilling its fiduciary responsibilities particularly relating to business ethics, policies, financial management and control.
4. The Audit Committee, through regularly scheduled meetings, shall maintain a direct line of communication between Board, External Auditor, Internal Auditor and Management.
5. The Audit Committee shall provide greater emphasis on the audit functions by increasing the objectivity and independence of External and Internal Auditors and providing a forum for discussion that is independent of the Management.
6. The Audit Committee may invite any person to the meeting to assist the Committee in decision-making process and that the Committee may meet exclusively as and when necessary.
7. Serious allegations that have financial implications against any employee of the Company shall be referred to the Audit Committee for investigation to be conducted.

Authority

The Audit Committee shall have the following authority as empowered by the Board of Directors:

1. Have authority to investigate any matter within its terms of reference;
2. Have the resources which are required to perform its duties;
3. Have full, free and unrestricted access to any information, records, properties and personnel of the Company and any other companies within the Group;
4. Have direct communication channels with the External Auditor and Internal Auditor carrying out the internal audit function or activity;
5. Be able to obtain independent professional advice, legal or otherwise deemed necessary; and
6. Be able to convene meetings with the External Auditor and Internal Auditor together with other independent members of the Board excluding the attendance of the Executive members of the Committee whenever deemed necessary.

B. DUTIES AND RESPONSIBILITIES

The primary duties and responsibilities of the Audit Committee with the following groups are as follows:

Board / Management

1. Chairman of the Audit Committee is to provide written reports/updates on deliberations and decisions made at the Committee`s level to the Board on regular basis with focus given to significant issues and resolutions by the Committee.
2. To submit to the Board a summary of material concerns and weaknesses in the control environment noted during the year and the corresponding measures taken to address the issues.
3. To obtain satisfactory response from Management on reports issued by Internal and External Auditor.
4. To highlight significant findings identified and the impact of the audit findings on the operations.
5. Where review of audit reports of subsidiaries and any related corporation also falls under the jurisdiction of the Committee, all the above mentioned functions shall also be performed by the Committee in co-ordination with the Board of Directors of the subsidiaries and related corporation.
6. To review arrangements established by Management for compliance with any regulatory or other external reporting requirements, by-laws and regulation related to the Media Prima Group's operations.
7. To consider other areas as defined by the Board.

Internal Audit

1. To oversee the Internal Audit function by:
   - Reviewing the adequacy of the scope, functions and resources of the Internal Audit function, Internal Audit Charter and that it has the necessary authority to carry out its work;
   - Reviewing the Internal Audit programme, the results of the Internal Audit programme, processes or investigation undertaken and ensure that appropriate action is taken on the recommendations of the Internal Audit;
   - Reviewing any appraisal or assessment of the performance of members of the Internal Audit function;
   - Determining and recommending to the Board the remit of the Internal Audit function, including the remuneration of the Group General Manager, Group Corporate Governance;
   - Approving any appointment or termination of senior staff members of the Internal Audit function;
   - Informing itself of resignations of Internal Audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning;
   - Ensuring on an on-going basis that Internal Audit has adequate and competent resources;
   - Monitoring closely any significant disagreement between Internal Audit and Management irrespective whether they have been resolved; and
   - Ensuring that Internal Audit reports are not subject to the clearance of the Group Managing Director/Chief Executive Officer, save for purposes of presentation to the Group Risk Management & Audit Committee.
2. To consider the major findings of internal investigations and management's response.

External Audit

1. Review the appointment of the External Auditor, the audit fee and any questions of resignation or dismissal and to make recommendations to the Board.
2. Assess the qualification, expertise, resources and effectiveness of the External Auditor.
3. Monitor the effectiveness of the External Auditor's performance and their independence and objectivity.
4. Review the nature and scope of the audit and ensure co-ordination where more than one audit firm is involved.
5. Review the assistance given by the employees of the Company to the External Auditor.
6. To discuss with the External Auditor, audit report and evaluation of the system of the internal controls.
7. Review major audit findings and reservations arising from the interim and final audits, any matter the Auditor may wish to discuss.
8. Review the External Auditormanagement letter and management response.
9. Meet with the External Auditors at least twice in the financial year (without the presence of other directors and employees, whenever deemed necessary) to discuss problems and reservations arising from the interim and final audits, and any matters the External Auditors may wish to discuss.

Financial Reporting

Review the quarterly and year-end financial statements of the Company, focusing particularly on:

- Any changes in accounting policies and practices;
- Significant adjustments arising from the audit;
- The going concern assumption; and
- Compliance with accounting standards and other legal requirements.

Annual Reporting

Review and recommend the Statement on Risk Management and Internal Control and Audit Committee Report to the Board for approval.

Related Party Transactions

Review any related party transactions that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of Management's integrity.

C. ACTIVITIES OF THE AUDIT COMMITTEE

The Committee carried out the following activities during the year in discharging its duties and responsibilities as stipulated in its Terms of Reference:

Attendance of Meetings

The Audit Committee held a total of four (4) meetings during the financial year 2014 and the details of attendance of the Committee members are as follows:

Name of Director	42nd ACM	43rd ACM	44th ACM	45th ACM
	19 Feb 2014	5 May 2014	11 Aug 2014	3 Nov 2014
DATO' GUMURI BIN HUSSAIN (CHAIRMAN)	√	√	√	√
TAN SRI DATO' SERI MOHAMED JAWHAR	√	√	√	*
TAN SRI LEE LAM THYE	√	√	√	√
DATO' ABDUL KADIR BIN MOHD DEEN	√	√	*	√

ACM: Audit Committee Meeting
*Absent with Apologies (Overseas)

The Audit Committee meets on scheduled basis at least once every quarter. The Group Managing Director, the Group Chief Financial Officer and the Group General Manager, Group Corporate Governance were also invited for each meeting.

The Audit Committee also invited members of the Senior Management or relevant employees within the Group who the Committee deems fit to attend its meetings to assist in resolving and clarifying matters raised in audit reports.

The quorum for each meeting shall be three (3) members. The Company Secretary is responsible for the co-ordination of administrative details including calling for meetings, voting and keeping of minutes. Minutes of each meeting is signed by the Chairman and distributed to all attendees at the meetings and members of Committee.

The Audit Committee Chairman briefed the Board on matters discussed at every Audit Committee meeting. The Chairman is also responsible to update the Board about Committee 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 business.

The Committee has explicit right to convene meetings with both the Internal and External Auditor without the presence of other directors and employees. The Audit Committee held two meetings with the External Auditor on 19 February 2014 and 11 August 2014 respectively in the absence of Management and Executive Directors.

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

Risks and Controls

1. Evaluated the overall effectiveness of the system of internal controls through the review of the results of work performed by Internal and External Auditor and discussions with Senior Management.
2. Reviewed the results of the Annual Assessment exercise.
3. Reviewed the Statement on Risk Management and Internal Control and Audit Committee Report prior to their inclusion in the Company's Annual Report.

Financial Results

1. Reviewed the Group's quarterly results before recommending to the Board for their approval and release of the Group's results to the Bursa Securities focusing on the following areas, where relevant:
    - Listing Requirements of the Bursa Securities;
    - Provisions of the Companies Act, 1965;
    - Applicable approved accounting standards; and
    - Other legal and regulatory requirements.
2. Reviewed the audited financial statements of Media Prima Berhad and its subsidiaries with the Group Managing Director, Group Chief Financial Officer and the External Auditor before recommending to the Board for their approval.
3. In the review of the annual audited financial statements, the Committee discussed with the Management and the External Auditor regarding the accounting policies and standards that were applied and their judgement of the items that may affect the financial statements.

External Audit

1. Reviewed with the External Auditor their audit plan, strategy and scope of the statutory audits of the Group accounts for the financial year ended 31 December 2014.
2. Reviewed the results and issues arising from their audit of the year-end financial statements and their resolution of such issues highlighted in their report to the Committee.
3. Reviewed their performance and independence before recommending to the Board their re-appointment and remuneration.

Internal Audit

1. Reviewed the Internal Audit plan for the financial year ended 31 December 2014 ensuring the principal risk areas were adequately identified and covered in the plan.
2. Reviewed the scope and coverage of the audit over the activities of the respective operating units of the Group and the basis of assessment and risk of the proposed areas of audit.
3. Reviewed and deliberated on audit reports and follow-up reports prepared by Group Corporate Governance.
4. Reviewed the recommendations by Group Corporate Governance and appraised the adequacy and effectiveness of management response in resolving the audit issues reported.
5. Reviewed the corrective actions taken by Management in addressing and resolving issues as well as ensuring that all issues were adequately addressed on a timely basis.
6. Reviewed the adequacy of resources and the competencies of staff within the Internal Audit function to execute the plan and the results of their work.
7. Appraised the performance of the Group General Manager, Group Corporate Governance.

Employees' Share Option Scheme

As per paragraph 8.17(2) of Listing Requirements of Bursa Securities, the Audit Committee will review and verify any allocation of share options under Media Prima Berhad Employees' Share Option Scheme (ESOS), to ensure compliance with the allocation criteria determined by the ESOS Committee and in accordance with the by-laws of the Media Prima ESOS.

The Audit Committee shall undertake any such other function as may be determined by the Board from time to time.

Training

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

The training attended by the Committees is reported under the Statement on Corporate Governance in pages 138 to 139.

D. INTERNAL AUDIT FUNCTION

The Group has an established in-house Internal Audit function carried out by the Group Corporate Governance Department (GCG). All internal audit activities during the financial year were conducted by GCG. There were no area of the internal audit functions which were outsourced.

GCG headed by the Group General Manager, Encik Sere Mohammad Mohd Kasim reports to the Audit Committee. The activities of GCG are guided by the Internal Audit Charter that defines the roles, responsibilities, accountability and scope of work of the Department. This is to enable the Internal Audit function to remain relevant in the context of new challenges and opportunities in the changing global business and economic environment.

GCG has a total of 12 staff as at 31 December 2014. There were 4 new recruits during the year. The total operation costs of the department for 2014 was RM 1,482,141 (2013: RM 1,555,285) comprising of mainly salaries, travelling expenses and training.

GCG is contactable via gcg@mediaprima.com.my

Practices and Framework

In order to ensure standardisation and consistency in providing assurance on the adequacy, all auditing activities of GCG are conducted in line with the Group's objectives and policies; in accordance with applicable laws and regulations; in compliance with the relevant policies and guidelines as guided by the Code of Ethics and International Standards for the Professional Practice of Internal Auditing (Standards) promulgated by the Institute of Internal Auditors (IIA).

Independence and Objectivity

GCG activities remain free from interference by any element in the organization, including matters of audit selection, scope, procedures, frequency, timing or report content, to maintain the necessary independent and objective mental attitude.

GCG has no direct operational responsibility or authority over any of the activities audited. Accordingly, GCG will not implement internal controls, develop procedures, install systems, prepare records or engage in any other activity that impair the internal auditors' judgment.

GCG, through a systematic and structured approach is responsible for the following:

i. Provide independent assurance to the Board and Management that adequate and effective internal control system is in place to safeguard Company's assets;

ii. Recommend improvements and enhancements to the existing system of internal control and work procedures/ processes; and

iii. Reference point to ensure effective implementation of policies and procedures and agent of change to promote best corporate governance practices.

GCG is a corporate member of The Institute of Internal Auditors Malaysia (IIAM). As a member, the department is entitled to access to publications, research papers, survey reports and other reference materials to enhance knowledge, attend courses for the continuous professional development and wide range of educational products and receive the monthly IIAM`s Internal Auditor Journal. The Journal provides up to date and pertinent information on auditing techniques, applications, trends and best practices that has been a good reference to the department.

Scope and Coverage

The scope of coverage encompasses all units and operations of the Group, including the subsidiaries. The selection of units to be audited 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 GCG to focus its resources and skills in ensuring alignment with business strategy and goals, thus maintaining relevance and driving continuous improvements within the Group.

During the year, GCG has completed and issued internal audit reports for 11 assignments based on approved annual audit plan. The audit conducted in 2014 covered a wide range of operational areas within the Group which include review on Property Renovation and Management, Newspaper Sales and Distribution, Content Acquisition, Integrated Marketing, Corporate Responsibility Activities, Advertising and Promotion, Engineering Services, Content Sales, System Implementation and Upgrades, Annual Assessment 2014 and NSTP Annual Stock Take.

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

Members of the management were invited to the Audit Committee meetings from time to time, where necessary, for further clarification purposes.

The Management is responsible for ensuring that corrective actions on reported weaknesses as recommended are taken within the required timeframe. GCG continuously monitors the implementation of audit recommendations through periodic follow-up reviews.

GCG also works closely with the External Auditor to resolve any control issues and assists in ensuring that appropriate management actions are taken. Management is responsible for ensuring that a written report on action planned or completed is sent to the Audit Committee and the Group General Manager, GCG.

During the year under review, the following activities were also carried out by GCG:

- Attended major competition based programmes organised by the Group such as Anugerah Juara Lagu, Anugerah Bintang Popular Berita Harian, Liga Lawak Superstar, National Spell-it-right Challenge and Anugerah Skrin to provide independent verification and confirmation of the competitions results and/or SMS votes;

- Participated in ground event organised by the Group such as Karnival Jom Heboh, Raudhah and Gempak Santai Harian Metro for observation and identification of areas for process improvements;

- Witnessed the tender opening process for procurement, fixed assets and tape disposal exercise to ensure due process has been observed and complied with according to approved Policies and Procedures;

- Conducted communication sessions with Management on Internal Audit activities and planning of audits to ensure that areas of Management concern are covered;

- Prepared annual report statements of Statement on Corporate Governance, Statement on Risk Management and Internal Control and Audit Committee Report for Media Prima Berhad`s financial year 2014 Annual Report; and

- Conducted an online Client Satisfaction Survey.

Commitment to competence

GCG personnel participated in 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 2014 include:

- Brainstorming Session for Group Corporate Governance;
- GST Awareness Training;
- 2014 National Conference on Internal Auditing – Embracing Change;
- Board of Directors' Workshop;
- Financial Auditing for Internal Auditors;
- Secretary Development Program;
- Personal Data Protection Act Auditing Workshop;
- Goal Setting Refresher; and
- Advanced Audit Techniques 2014.

This report is made on the recommendation of the Audit Committee to the Board of Directors and as per the Board`s resolution dated 25 February 2015.

MEDIA PRIMA BERHAD (MPB) IS AN INDUSTRY UNLIKE ANY OTHER. WE ARE IN THE CONTENT INDUSTRY, AN INDUSTRY DEFINED BY IDEAS, NEW THINKING, INNOVATION AND ABOVE ALL, CREATIVE THINKING BEYOND THE ORDINARY.

IDEAS MATTER. IN CHURNING OUT IDEAS OF EXTRAORDINARY STANDARD, WE MUST BE WILLING TO RISK THE UNUSUAL. IN THE PROCESS OF NURTURING UNUSUAL IDEAS THE BOARD NEEDS TO BE ASSURED THE SOURCES OF UNCERTAINTY THAT COULD IMPAIR CONTINUING OPERATIONS OR EVENT THAT CAN DERAIL MPB FROM REACHING ITS STRATEGIC OBJECTIVE IS SOUNDLY MANAGED. TO MANAGE RISKS BETTER, RISK MANAGEMENT COMMITTEE (RMC) HAS REFINED THE RISK MANAGEMENT FRAMEWORK TO BE MORE HOLISTIC AND QUANTIFY THE IMPACT MORE CLEARLY.

A. RESPONSIBILITY AND DUTIES

- The duties of the RMC shall include:
  - Assessment and monitoring of all risks associated with the operations of the Group;
  - Development and implementation of internal compliance and control systems, and procedures to manage risk;
  - Assessment and monitoring of the effectiveness of controls instituted;
  - Review and make recommendation 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.

COMMITTEE MEMBERS

DATUK SERI FATEH ISKANDAR BIN TAN SRI DATO' MOHAMED MANSOR (CHAIRMAN)

TAN SRI DATO' SERI MOHAMED JAWHAR

DATO' GUMURI BIN HUSSAIN

DATUK AHMAD BIN ABD TALIB, JP
(RETIRED ON 23.04.2014)

LYDIA ANNE ABRAHAM
(APPOINTED ON 08.05.2014)

B. COMMITTEE MEMBERS

- RMC must be composed of no fewer than 4 members.
- Majority of the members must be independent directors.
- The Chairperson shall be an independent, non-executive director.
- No alternate director is appointed as a member of the RMC.
- In the event of any vacancy in the RMC resulting in the non-compliance of the above requirements, the company must fill the vacancy within 3 months.
- The Company Secretary shall act as Secretary to the RMC.

C. MEETINGS

- To form a quorum in respect of a meeting of the Committee shall be a minimum of three (3) members.

- Meeting of the Committee shall be held at least four times per year.

- The Chairperson will call a meeting of the RMC if so directed by the Board. The Chairperson will call a meeting of the RMC if so requested by any Committee Member or the Group Managing Director (GMD).

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

D. ATTENDANCE AT MEETINGS

During the financial year ended 31 December 2014, the Risk Management Committee (RMC) had met four (4) times and attendances of members are illustrated below:-

Member	Attendance
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor (Chairman)	4/4
Tan Sri Dato' Seri Mohamed Jawhar	4/4
Dato' Gumuri bin Hussain	4/4
Datuk Ahmad bin Abd Talib,JP (Retired on 23.04.2014)	1/4
Lydia Anne Abraham (Appointed on 08.05.2014)	2/4

E. RISK MANAGEMENT COMMITTEE REPORT

- Risk Management Framework
  - Since 2004, a formalised risk management framework has been implemented across MPB Group which risks are identified, evaluated and controlled on a coordinated and integrated basis. The framework is geared to achieving the Group objectives, set forth in four categories:

STRATEGIC

High level goals aligned with and supporting the Group mission.

OPERATIONS

Effective and efficient use of the Group resources

REPORTING

Reliability of reporting

COMPLIANCE

Compliance with applicable laws and regulations.

- Review of Crisis Management
  - During the year under review MPB has tested the readiness of disaster recovery plan. Testing was done in the crucial areas involving broadcasting, transmission of data and IT readiness. This form integral part of the Group contingency plan to minimize operational disruptions in the event of a disaster. As part of the Group ongoing test/ simulation programme, the business continuity plan is continuously being enhanced and tested.

- Availability Time Risk Responses
  - The group monitors its broadcasting "downtime" (time where there is no transmission of content of audio and/or visual). The average downtime for period under review is well below the 1% allowable downtime target set forth by the authority. The transmission availability for the three major platforms ranges 99.92% to 99.99% throughout the year.

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

FINANCIAL STATEMENTS

The Directors have pleasure in submitting their report with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2014.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities of the Group consist of investment holding, commercial television and radio broadcasting, publishing, sale of newspapers, provision of internet based on-line services, general media advertising, provision of advertising space and related production works, sale of programme rights, sale of videos, cable and laser rights, content production, property management services and other industry related services.

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

The principal activities of the subsidiaries and associates are set out in Note 26 and Note 27 to the financial statements respectively.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Net profit for the financial year	76,622	103,283
Attributable to:		
Owners of the Company	75,528	
Non-controlling interest	1,094	
Net profit for the financial year	76,622	

DIVIDENDS

The dividends paid or declared by the Company since 31 December 2013 were as follows:

	RM'000
(1) In respect of the financial year ended 31 December 2013, a third single tier dividend of 3.0 sen per share on 1,103,944,194 ordinary shares, paid on 28 March 2014	33,120
(2) In respect of the financial year ended 31 December 2013, a final single tier dividend of 5.0 sen per share on 1,105,460,355 ordinary shares, paid on 27 June 2014	55,273
(3) In respect of the financial year ended 31 December 2014, a first interim single tier dividend of 3.0 sen per share on 1,106,493,547 ordinary shares, paid on 30 September 2014	33,195
(4) In respect of the financial year ended 31 December 2014, a second interim single tier dividend of 3.0 sen per share on 1,108,047,362 ordinary shares, paid on 30 December 2014	33,241
	154,829

The Directors had on 25 February 2015 recommended the payment of a final single tier dividend of 5.0 sen per ordinary share, subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

RESERVES AND PROVISIONS

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

ISSUANCE OF SHARES

During the financial year, 8,578,119 new ordinary shares of RM1.00 each were issued by the Company comprising:

(a) 7,613,790 (2013: 13,395,302) ordinary shares of RM1.00 each pursuant to the exercise of the Company's warrants at exercise price of RM1.80 (2013: RM1.80) per warrant. The premium arising from the exercise of warrants of RM7,234,101 (2013: RM12,686,335) has been credited to the Share Premium reserve.

(b) 964,329 (2013: 7,442,557) ordinary shares of RM1.00 each pursuant to the exercise of the Company's Employee Share Option Scheme ("ESOS") at exercise prices of RM1.80 and RM1.98 (2013: RM1.80, RM1.98 and RM2.10) per option. The premium arising from the exercise of ESOS of RM1,177,632 (2013: RM9,187,596) has been credited to the Share Premium reserve.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

The Company's ESOS was approved by the shareholders on 15 April 2010 and became effective on 14 May 2010 for a period of five (5) years.

Details of the ESOS are set out in Note 12 to the financial statements.

DIRECTORS

The Directors who have held office during the period since the date of the last report are:

Tan Sri Johan Jaaffar (Chairman)
Datuk Seri Fateh Iskandar Tan Sri Dato' Mohamed Mansor
Dato' Sri Amrin Awaluddin
Datuk Shahril Ridza Ridzuan
Tan Sri Lee Lam Thye
Tan Sri Dato' Seri Mohamed Jawhar
Dato' Abdul Kadir Mohd Deen
Dato' Gumuri Hussain
Lydia Anne Abraham
Datuk Ahmad Abd Talib (retired on 23 April 2014)

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, being arrangements with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than the Company's ESOS (see Note 7 to the financial statements).

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 7 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.

REMUNERATION COMMITTEE

The Remuneration Committee concluded the annual review of the overall remuneration policy for Directors, the Group Managing Director and the Senior Management Officers where upon recommendations are made to the Board of Directors for approval. The members of the Remuneration Committee at the date of this Report comprise:

Datuk Seri Fateh Iskandar Tan Sri Dato' Mohamed Mansor (Chairman)
Dato' Abdul Kadir Mohd Deen
Tan Sri Lee Lam Thye
Datuk Shahril Ridza Ridzuan

DIRECTORS' INTERESTS

According to the Register of Directors' shareholdings, none of the Directors in office at the end of the financial year held any interest in shares and options over ordinary shares in the Company and its related corporations during the financial year.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:

(a) 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

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

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

(a) 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

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

(c) 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.

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.

At the date of this report, there does not exist:

(a) 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

(b) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

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.

In the opinion of the Directors:

(a) 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

(b) 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.

AUDITORS

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with their resolution dated 25 February 2015.

TAN SRI JOHAN JAAFFAR
CHAIRMAN

DATO' SRI AMRIN AWALUDDIN
GROUP MANAGING DIRECTOR

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	Note	Group		Company	
		2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Revenue	2	**1,506,981**	1,722,943	**141,640**	268,438
Other operating income		**7,975**	21,125	**6**	-
Finance income	4	**16,833**	15,322	**14,553**	12,139
Programmes, film rights and album production costs					
- Amortisation		**(192,488)**	(197,592)	**-**	-
- Write offs		**(6)**	(190)	**-**	-
Newsprint and production cost		**(178,119)**	(231,177)	**-**	-
Other editorial charges		**(10,331)**	(11,434)	**-**	-
Other direct costs		**(113,253)**	(133,464)	**-**	-
Distribution expenses		**(30,521)**	(33,392)	**-**	-
Employee benefits costs	5	**(496,980)**	(446,342)	**(32,079)**	(26,041)
Advertising and promotion expenses		**(28,033)**	(50,744)	**(720)**	(1,281)
Transmission rental and expenses		**(42,247)**	(42,985)	**-**	-
Repairs and maintenance		**(43,047)**	(41,423)	**(64)**	(7)
Utilities		**(33,393)**	(33,672)	**(199)**	(194)
Professional and consultancy fees		**(11,957)**	(11,124)	**(561)**	(1,733)
Rental of premises		**(14,913)**	(12,050)	**-**	-
Travelling		**(11,635)**	(12,839)	**(786)**	(844)
Research and survey		**(8,149)**	(7,518)	**-**	-
License fees		**(9,489)**	(9,984)	**-**	-
Property, plant and equipment					
- Depreciation		**(95,584)**	(95,943)	**(32)**	(36)
- Write offs		**(7)**	(346)	**-**	-
- Net gain on disposal		**2,730**	459	**-**	-
Investment properties					
- Depreciation		**(1,592)**	(1,631)	**-**	-
- Net gain on disposal		**171**	640	**-**	-
Net (provision for)/reversal of impairment of trade and other receivables		**(6,074)**	1,870	**-**	-
Amortisation of acquired rights		**(3,211)**	(3,593)	**-**	-
Other operating expenses		**(73,036)**	(77,920)	**(3,395)**	(2,412)
Profit from operations	6	**130,625**	306,996	**118,363**	248,029
Finance cost	4	**(22,901)**	(26,253)	**(21,871)**	(24,674)
Share of results of an associate		**(6,283)**	9,238	**-**	-
Profit before taxation		**101,441**	289,981	**96,492**	223,355
Taxation	8	**(24,819)**	(73,565)	**6,791**	(29,632)
Net profit for the financial year		**76,622**	216,416	**103,283**	193,723

	Note	Group		Company	
		2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Other comprehensive (loss)/income:					
Items that may be subsequently reclassified to profit or loss					
- Revaluation of available-for-sale financial assets		**-**	(145)	**-**	-
Net other comprehensive loss for the financial year, net of tax		**-**	(145)	**-**	-
Total comprehensive income for the financial year		**76,622**	216,271	**103,283**	193,723
Profit attributable to:					
- Owners of the Company		**75,528**	214,165		
- Non-controlling interests		**1,094**	2,251		
		76,622	216,416		
Total comprehensive income attributable to:					
- Owners of the Company		**75,528**	214,023		
- Non-controlling interests		**1,094**	2,248		
Total comprehensive income for the financial year		**76,622**	216,271		
Earnings per share:					
- Basic (sen)	9(a)	**6.83**	19.62		
- Diluted (sen)	9(b)	**6.73**	19.18		

Items in the statement above are disclosed net of tax. The income tax relating to each component of other comprehensive income is disclosed in Note 8.

The accounting policies on pages 172 to 186 and the notes on pages 187 to 234 form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Note	Group		Company	
		2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	24	**740,514**	757,978	**133**	141
Investment properties	25	**50,743**	54,722	**-**	-
Subsidiaries	26	**-**	-	**1,665,644**	1,665,644
Associates	27	**163,729**	176,183	**-**	-
Prepaid transmission station rentals		**1,004**	1,287	**-**	-
Available-for-sale financial assets	30	**2,325**	2,325	**-**	-
Intangible assets	29	**388,004**	383,714	**-**	-
Deferred tax assets	23	**88,039**	84,510	**-**	-
		1,434,358	1,460,719	**1,665,777**	1,665,785
CURRENT ASSETS					
Inventories	31	**74,313**	117,963	**-**	-
Trade and other receivables	32	**342,279**	386,038	**483**	362
Amounts due from subsidiaries	33	**-**	-	**165,383**	177,403
Tax recoverable		**59,792**	21,438	**12,029**	7,003
Financial assets at fair value through profit or loss	28	**90**	90	**-**	-
Deposits, cash and bank balances	34	**564,990**	618,390	**283,158**	298,668
		1,041,464	1,143,919	**461,053**	483,436
NON-CURRENT ASSETS HELD FOR SALE	38	**2,699**	2,024	**-**	-
TOTAL ASSETS		**2,478,521**	2,606,662	**2,126,830**	2,149,221

STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2014

	Note	Group 2014 RM'000	Group 2013 RM'000	Company 2014 RM'000	Company 2013 RM'000
NON-CURRENT LIABILITIES					
Commercial papers medium term notes	16(i)	**300,108**	300,036	**300,108**	300,036
Redeemable fixed rate bonds	16(ii)	**-**	150,418	**-**	150,418
Hire-purchase and lease creditors	21	**-**	1,316	**-**	-
Deferred tax liabilities	23	**69,094**	66,320	**-**	-
		369,202	518,090	**300,108**	450,454
CURRENT LIABILITIES					
Trade and other payables	22	**343,397**	364,612	**15,782**	13,088
Amounts due to subsidiaries	33	**-**	-	**27,933**	18,264
Amount due to an associate	35	**816**	2,176	**-**	-
Redeemable fixed rate bonds	16(ii)	**151,689**	-	**151,689**	-
Interest bearing bank borrowings:					
- Banker's acceptance	18	**-**	35,098	**-**	-
- Revolving credit	18	**-**	10,000	**-**	-
Current tax liabilities		**213**	357	**-**	-
		496,115	412,243	**195,404**	31,352
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY					
Share capital	11	**1,109,107**	1,100,529	**1,109,107**	1,100,529
Share premium	13	**415,449**	407,037	**415,449**	407,037
Other reserves	14	**4,584**	15,703	**2,473**	13,592
Retained earnings	15	**63,437**	133,160	**104,289**	146,257
		1,592,577	1,656,429	**1,631,318**	1,667,415
NON-CONTROLLING INTEREST		**20,627**	19,900	**-**	-
TOTAL EQUITY		**1,613,204**	1,676,329	**1,631,318**	1,667,415
TOTAL LIABILITIES AND EQUITY		**2,478,521**	2,606,662	**2,126,830**	2,149,221

	Sen	Sen
NET ASSETS PER SHARE*	**143.59**	150.51

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

The accounting policies on pages 172 to 186 and the notes on pages 187 to 234 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

		Attributable to owners of the Company						
			Non-distributable		Distributable			
GROUP 2014	**Note**	**Share capital RM'000**	**Share premium RM'000**	**Revaluation and other reserves RM'000**	**Retained earnings RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
At 1 January 2014		1,100,529	407,037	15,703	133,160	1,656,429	19,900	1,676,329
Net profit and total comprehensive income for the financial year		-	-	-	75,528	75,528	1,094	76,622
Transaction with owners:								
Exercise of Employees Share Option Scheme ("ESOS")	11(b)	964	1,178	(399)	-	1,743	-	1,743
Cancellation of ESOS	12	-	-	(112)	112	-	-	-
Exercise of warrants	11(a)	7,614	7,234	(1,142)	-	13,706	-	13,706
Cancellation of expired warrants	14	-	-	(9,466)	9,466	-	-	-
Third interim dividends paid for the financial year ended 31 December 2013	10	-	-	-	(33,120)	(33,120)	-	(33,120)
Final dividends paid for the financial year ended 31 December 2013	10	-	-	-	(55,273)	(55,273)	-	(55,273)
First interim dividends paid for the financial year ended 31 December 2014	10	-	-	-	(33,195)	(33,195)	-	(33,195)
Second interim dividends paid for the financial year ended 31 December 2014	10	-	-	-	(33,241)	(33,241)	-	(33,241)
Dividends paid to non-controlling interests		-	-	-	-	-	(367)	(367)
Total transaction with owners for the financial year		8,578	8,412	(11,119)	(145,251)	(139,380)	(367)	(139,747)
At 31 December 2014		1,109,107	415,449	4,584	63,437	1,592,577	20,627	1,613,204

		Attributable to owners of the Company						
			Non-distributable		Distributable			
GROUP 2013	**Note**	**Share capital RM'000**	**Share premium RM'000**	**Revaluation and other reserves RM'000**	**Retained earnings RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
At 1 January 2013		1,079,692	385,162	72,744	9,692	1,547,290	19,440	1,566,730
Net profit for the financial year		-	-	-	214,165	214,165	2,251	216,416
Other comprehensive income:								
Revaluation of available-for-sale financial assets		-	-	(142)	-	(142)	(3)	(145)
Reclassification		-	-	(52,276)	52,276	-	-	-
Total comprehensive income for the financial year		-	-	(52,418)	266,441	214,023	2,248	216,271
Transaction with owners:								
Exercise of Employees Share Option Scheme ("ESOS")	11(b)	7,442	9,188	(3,123)	-	13,507	-	13,507
Cancellation of ESOS	12	-	-	(30)	30	-	-	-
Exercise of warrants	11(a)	13,395	12,687	(1,970)	-	24,112	-	24,112
Redemption of redeemable preference shares		-	-	500	(500)	-	-	-
Final dividends paid for the financial year ended 31 December 2012	10	-	-	-	(76,562)	(76,562)	-	(76,562)
First interim dividends for the financial year ended 31 December 2013	10	-	-	-	(32,928)	(32,928)	-	(32,928)
Second interim dividends for the financial year ended 31 December 2013	10	-	-	-	(33,013)	(33,013)	-	(33,013)
Dividends paid to non-controlling interests		-	-	-	-	-	(1,788)	(1,788)
Total transaction with owners for the financial year		20,837	21,875	(4,623)	(142,973)	(104,884)	(1,788)	(106,672)
At 31 December 2013		1,100,529	407,037	15,703	133,160	1,656,429	19,900	1,676,329

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	Note	Share capital RM'000	Non-distributable Share premium RM'000	Non-distributable Other reserves RM'000	Distributable Retained earnings RM'000	Total equity RM'000
COMPANY						
2014						
At 1 January 2014		1,100,529	407,037	13,592	146,257	1,667,415
Net profit and total comprehensive income for the financial year		-	-	-	103,283	103,283
Transaction with owners:						
Exercise of ESOS	11(b)	964	1,178	(399)	-	1,743
Cancellation of ESOS	12	-	-	(112)	112	-
Exercise of warrants	11(a)	7,614	7,234	(1,142)	-	13,706
Cancellation of expired warrants	14	-	-	(9,466)	9,466	-
Third interim dividends paid for the financial year ended 31 December 2013	10	-	-	-	(33,120)	(33,120)
Final dividends paid for the financial year ended 31 December 2013	10	-	-	-	(55,273)	(55,273)
First interim dividends for the financial year ended 31 December 2014	10	-	-	-	(33,195)	(33,195)
Second interim dividends for the financial year ended 31 December 2014	10	-	-	-	(33,241)	(33,241)
Total transaction with owners for the financial year		8,578	8,412	(11,119)	(145,251)	(139,380)
At 31 December 2014		1,109,107	415,449	2,473	104,289	1,631,318
2013						
At 1 January 2013		1,079,692	385,162	18,715	95,007	1,578,576
Net profit and total comprehensive income for the financial year		-	-	-	193,723	193,723
Transaction with owners:						
Exercise of ESOS	11(b)	7,442	9,188	(3,123)	-	13,507
Cancellation of ESOS	12	-		(30)	30	-
Exercise of warrants	11(a)	13,395	12,687	(1,970)	-	24,112
Final dividends paid for the financial year ended 31 December 2012	10	-	-	-	(76,562)	(76,562)
First interim dividends for the financial year ended 31 December 2013	10	-	-	-	(32,928)	(32,928)
Second interim dividends for the financial year ended 31 December 2013	10	-	-	-	(33,013)	(33,013)
Total transaction with owners for the financial year		20,837	21,875	(5,123)	(142,473)	(104,884)
At 31 December 2013		1,100,529	407,037	13,592	146,257	1,667,415

The accounting policies on pages 172 to 186 and the notes on pages 187 to 234 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

		Group		Company	
	Note	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash flows generated from/ (used in) operations	37	**269,565**	401,373	**(24,652)**	12,590
Income tax paid (net of refund)		**(64,072)**	(75,210)	**1,765**	(183)
Net cash flow from/(used in) operating activities		**205,493**	326,163	**(22,887)**	12,407
CASH FLOWS FROM INVESTING ACTIVITIES					
Property, plant and equipment					
- Additions		**(77,993)**	(103,470)	**(24)**	(33)
- Proceeds from disposals		**3,302**	745	**-**	-
Investment properties					
- Proceeds from disposals		**996**	4,319	**-**	-
Non-current assets held for sale					
- Proceeds from disposal		**720**	-	**-**	-
Redemption of redeemable preference shares from a subsidiary		**-**	-	**-**	50,000
Redemption of redeemable preference shares in an associate		**5,360**	-	**-**	-
Disbursement of intercompany loan	33(a)	**-**	-	**(20,000)**	(120,000)
Interest received		**16,833**	15,322	**14,553**	12,139
Dividends received		**811**	8,640	**172,756**	190,313
Net cash flow (used in)/from investing activities		**(49,971)**	(74,444)	**167,285**	132,419

		Group		Company	
		2014	2013	2014	2013
	Note	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of:					
- Term loans		**-**	(187,000)	**-**	(187,000)
- Hire-purchase and lease creditors		**(2,519)**	(4,492)	**-**	-
- Revolving credit		**(10,000)**	(25,000)	**-**	-
- Banker's acceptance		**(35,098)**	(24,356)	**-**	-
Drawdown of:					
- Banker's acceptance		**-**	32,514	**-**	-
- Revolving credit		**-**	23,000	**-**	-
Net proceeds from issuance of ordinary shares arising from:					
- Exercise of warrants		**13,706**	24,112	**13,706**	24,112
- Exercise of ESOS		**1,743**	13,507	**1,743**	13,507
Restricted bank balances		**(4,042)**	26,149	**(3,945)**	25,563
Interest paid		**(21,558)**	(24,296)	**(20,528)**	(22,717)
Dividends paid to shareholders of the Company		**(154,829)**	(142,503)	**(154,829)**	(142,503)
Dividends paid to non-controlling interests		**(367)**	(1,193)	**-**	-
Net cash flow used in financing activities		**(212,964)**	(289,558)	**(163,853)**	(289,038)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR		**(57,442)**	(37,839)	**(19,455)**	(144,212)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		**608,894**	646,733	**292,496**	436,708
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	36	**551,452**	608,894	**273,041**	292,496

The accounting policies on pages 172 to 186 and the notes on pages 187 to 234 form an integral part of these financial statements.

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 the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments, if any) at fair value through profit or loss.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgment in the process of applying the Group and Company's accounting policies. Although these estimates and judgment are based on the Directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note AC.

The financial statements have been approved for issuance in accordance with a resolution of the Board of Directors on 25 February 2015.

(a) Standards, amendments to published standards and interpretations that are effective

The amendments to published standards and interpretations that are effective for the Group and Company's financial year beginning on or after 1 January 2014 are as follows:

- Amendments to MFRS 132 "Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities"
- Amendments to MFRS 10 "Consolidated Financial Statements", MFRS 12 "Disclosures of Interest in Other Entities" and MFRS 127 "Separate Financial Statements - Investment Entities"
- IC Interpretation 21 "Levies"

The above amendments to published standards did not have any material impact on the financial statements of the Group and Company.

(b) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group but not yet effective

(i) Financial year beginning on/after 1 January 2015

- Annual Improvements to MFRSs 2010-2012 Cycle (Amendments to MFRS 2 "Share-based Payment", MFRS 3 "Business Combinations", MFRS 8 "Operating Segments", MFRS 13 "Fair Value Measurement", MFRS 116 "Property, Plant and Equipment", MFRS 124 "Related Party Disclosures" and MFRS 138 "Intangible Assets")
- Annual Improvements to MFRSs 2011-2013 Cycle (Amendments to MFRS 3 "Business Combinations", MFRS 13 "Fair Value Measurement" and MFRS 140 "Investment Property")
- Amendments to MFRS 119 "Employee Benefits - Defined Benefits Plans: Employee Contributions"

(ii) Financial year beginning on/after 1 January 2016

- Amendments to MFRS 11 "Joint Arrangements"
- Amendments to MFRS 116 "Property, Plant and Equipment" and MFRS 138 "Intangible Assets"
- Amendments to MFRS 10 "Consolidated Financial Statements" and MFRS 128 "Investments in Associates and Joint Ventures"
- Amendments to MFRS 127 "Separate Financial Statements"
- Annual Improvements to MFRSs 2012 - 2014 Cycle (Amendments to MFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations", MFRS 7 "Financial Instruments: Disclosures", MFRS 119 "Employee Benefits" and MFRS 134 "Interim Financial Reporting")

A BASIS OF PREPARATION (CONTINUED)

(b) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group but not yet effective (continued)

(iii) Financial year beginning on/after 1 January 2017

- MFRS 15 "Revenue from Contracts with Customers"

(iv) Financial year beginning on/after 1 January 2018

- MFRS 9 "Financial Instruments"

The effects of the above standards and amendments to published standards are currently being assessed by the Directors.

B BASIS OF CONSOLIDATION

(a) Subsidiaries

Subsidiaries are all those entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through to power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are de-consolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree 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. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's 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 profit or loss. Refer to accounting policy Note C on goodwill.

Non-controlling interest is the equity in a subsidiary not attributable, directly or indirectly, to a parent. On an acquisition-by-acquisition basis, the Group measures any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. At the end of reporting period, non-controlling interest consists of amount calculated on the date of combinations and its share of changes in the subsidiary's equity since the date of combination.

All earnings and losses of the subsidiary are attributed to the parent and the non-controlling interest, even if the attribution of losses to the non-controlling interest results in a debit balance in the shareholders' equity. Profit or loss attribution to non-controlling interests for prior years is not restated.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date, any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with MFRS 139 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

B BASIS OF CONSOLIDATION (COTINUED)

(a) Subsidiaries (continued)

The Group applies predecessor accounting to account for business combinations under common control. Under the predecessor accounting assets and liabilities acquired are not restated to their respective fair values but at the carrying amounts from the consolidated financial statements of the ultimate holding company of the Group and adjusted to ensure uniform accounting policies of the Group. The difference between any consideration given and the aggregate carrying amounts of the assets and liabilities (as of the date of the transaction) of the acquired entity is recorded as an adjustment to retained earnings. No additional goodwill is recognised.

The acquired entity's results, assets and liabilities are consolidated from the date on which the business combination between entities under common control occurred. Consequently, the consolidated financial statements do not reflect the results of the acquired entity for the period before the transaction occurred. The corresponding amounts for the previous year are not restated.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. This may indicate an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The gain or loss on disposal of a subsidiary is the difference between net disposal proceeds and the Group's share of its net assets as of the date of disposal including the cumulative amount of any exchange differences that relate to the subsidiary is recognised in profit or loss attributable to the parent.

(b) 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 adjacent to 'share of profit/(loss) of an associate' in the income statement.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates and unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

Where necessary, in applying the equity method, adjustments are made to the financial statements of associates to ensure consistency of accounting policies with those of the Group.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

Dilution gains and losses in associates are recognised in the profit or loss.

For incremental interest in an associate, the date of acquisition is the purchase date at each stage and goodwill is calculated at each purchase date based on the fair value of assets and liabilities identified. There is no "step up to fair value" of net assets previously acquired and the share of profits and equity movements for the previously acquired stake is recorded directly through equity.

B BASIS OF CONSOLIDATION (CONTINUED)

(c) Transactions with non-controlling interest

The Group applies a policy of treating transactions with non-controlling interests as transactions with equity owners to the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share of the carrying value of net assets of the subsidiary acquired is deducted from equity. For disposals to non-controlling interests, differences between any proceeds received and the relevant share of non-controlling interests are also recognised in equity.

(d) Changes in ownership interests

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value is its fair value on initial recognition as a financial asset in accordance with MFRS 139. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

C 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 on acquisitions of subsidiaries is included in 'Intangible Assets'.

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 I on impairment of non-financial assets.

Goodwill in respect of acquisitions prior to 2006 were written off to reserves.

D RESEARCH AND DEVELOPMENT

Research and development costs are charged to the profit or loss in the financial year in which they are incurred. Development costs previously recognised as an expense are not recognised as an asset in the subsequent financial year. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

(i) it is technically feasible to complete the intangible asset so that it will be available for use or sale;
(ii) management intends to complete the intangible asset and use or sell it;
(iii) there is an ability to use or sell the intangible asset;
(iv) it can be demonstrated how the intangible asset will generate probable future economic benefits;
(v) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
(vi) the expenditure attributable to the intangible asset during its development can be reliably measured.

Capitalised development costs recognised as intangible assets are amortised from the point at which the asset is ready for use on a straight-line basis over its useful life, not exceeding 5 years.

E INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

In the Company's separate financial statements, investments in subsidiaries and associates are stated at cost less accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note I on impairment of non-financial assets.

On disposal of an investment, the difference between the net disposal proceeds and its carrying amount is charged/credited to the profit or loss.

The amounts 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.

F 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 the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged to the profit or loss during the financial year in which they are incurred.

Freehold land is not depreciated as it has an infinite life. Depreciation on assets under construction commences when the assets are ready for their intended use.

Depreciation on the other property, plant and equipment is calculated so as to write off the cost or valuation of the assets to their residual values on a straight line basis over the expected useful lives of the assets, summarised as follows:

Buildings	20 – 50 years
Plant and machinery	4 – 25 years
Broadcasting and transmission equipment	10 years
Production equipment	5 – 10 years
Office equipment, furniture and fittings	3 – 10 years
Office renovations	3 – 10 years
Motor vehicles	5 years
Leasehold improvements	3 – 15 years
Structures	5 – 10 years

Leasehold land is amortised over the remaining period of the respective leases ranging from 40 and 96 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 assesses 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 I on impairment of non-financial assets.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the profit or loss.

G 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.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses. Investment property is depreciated on the straight line basis to allocate the cost to their residual values over their estimated useful lives.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Freehold land is not depreciated as it has an infinite life.

Depreciation on the other investment properties is calculated so as to write off the cost of the assets to their residual values on a straight line basis over the expected useful lives of 20 to 99 years.

On disposal of an investment property, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal, it shall be derecognised. The difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss in the financial year of the retirement or disposal.

H INTANGIBLE ASSETS

(a) Programmes and film rights

Programmes and film rights are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

The programmes and film rights are recognised after they are contracted for, after receipt of materials and after approvals are obtained from the censorship authority. Cost comprises contracted cost and direct expenditure. Amortisation is calculated so as to write off the relevant portion of the cost of programmes and film rights which fairly represents its relevant attached rights, to match against recognised revenue from 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 I on impairment of non-financial assets.

(b) Acquired concession rights and outdoor advertising rights

Acquired 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. 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 I on impairment of non-financial assets.

Acquired 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 I on impairment of non-financial assets.

(c) Acquired publishing rights and contracts

Acquired publishing rights and contracts 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 publishing rights and contracts over their respective tenure up to the expiry of such rights and/or contracts. 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 I on impairment of non-financial assets.

Acquired publishing rights and contracts 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 I on impairment of non-financial assets.

I 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 profit or loss unless it reverses a previous revaluation in which case it is charged to the revaluation surplus. Impairment losses on goodwill are not reversed. In respect of other assets, any subsequent increase in recoverable amount is recognised in profit or loss unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation surplus reserve.

J 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.

K TRADE RECEIVABLES

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. 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.

Non-current trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less accumulated impairment losses which are determinable based on accounting policy at Note AA(v) on impairment of financial assets.

Advanced billings are billings made to customers in advance of display rental, advertisement production works or events. Advanced billings collected are disclosed in the financial statements as deferred income. Advanced billings not collected are excluded from trade receivables until revenue is recognised.

L INVENTORIES

Inventories are stated at the lower of cost and net realisable value. 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.

Cost comprises direct labour, materials, sub-contract costs and related expenditure and is determined on a weighted average basis.

(i) Consumable spares and raw materials for newspaper printing

Consumable spares comprise spare parts for broadcasting and transmission equipment and are expensed upon utilisation. Raw materials for newspaper printing are also expensed on usage.

(ii) Albums

Albums comprise mainly costs of production and related production overheads and are expensed when sold.

M CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statements, cash and cash equivalents comprise cash on hand, bank balances, demand deposits and short term highly liquid investments with original maturities of three months or less and less bank overdrafts. Bank overdrafts are included within borrowings, classified as current liabilities.

N LEASES

(a) Accounting by lessee

(i) Finance leases

Leases of property, plant and equipment where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases.

Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant periodic rate of interest on the balance outstanding. The corresponding rental obligations, net of finance charges, are included in payables. The interest element of the finance lease is charged to the statement of comprehensive income over the lease period, so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease expense.

Property, plant and equipment acquired under finance leases are depreciated over the estimated useful lives of the assets, in accordance with the annual rates stated in Note F above. Where there is no reasonable certainty that the ownership will be transferred to the Group, the asset is depreciated over the shorter of the lease term and its estimated useful life.

N LEASES (CONTINUED)

(a) Accounting by lessee (continued)

(ii) Operating leases

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

(iii) Prepaid lease rentals

Prepaid lease rentals for transmission stations are charged to the profit or loss on a straight line basis over the respective period of the leases, ranging between 31 and 36 years.

(b) Accounting by lessor

(i) Finance leases

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income.

(ii) Operating leases

When assets are leased out under an operating lease, the asset is included in the statement of financial position based on the nature of the asset. Lease income is recognised over the term of the lease on a straight-line basis.

O CURRENT AND DEFERRED TAX

The tax expense for the period comprises current and deferred tax. Tax is recognised in the net profit for the financial year except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement 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 in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction occurring, it affects neither accounting nor taxable profit nor loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement 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 it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax assets (including tax benefit from reinvestment allowances) are recognised only 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.

P EMPLOYEE BENEFITS

(i) Short-term employee benefits

The Group recognises 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 recognises a provision where there is a contractual obligation or where there is a past practice that has created a constructive obligation.

Wages, salaries, sick leave, paid annual leave, bonuses and non-monetary employee benefits are accrued in the financial year in which the associated services are rendered by employees of the Group.

(ii) Post-employment benefits - defined contribution plans

A defined contribution plan is a pension plan under which the Group pays 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 contributions to defined contribution plans, including the national defined contribution plan, the Employees' Provident Fund ("EPF"), are charged to the profit or loss in the financial year to which they relate. Once the contributions have been paid, the Group has 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 recognises 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.

(iv) Share-based compensation

The Group operates an equity-settled, share-based compensation plan for its employees i.e. Employee Share Options Scheme ("ESOS").

The fair value of the employee services received in exchange for the grant of the share options is recognised as an expense in the profit or loss as staff cost over the vesting period, with a corresponding increase in equity.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and the remaining employee of the entity over a specified time period); and
- excluding the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market vesting conditions are included in the assumptions about the number of options that are expected to vest. At each balance financial position, the Group revises its estimates of the number of share options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised. When options are not exercised and lapsed, the share option reserve is transferred to retained earnings.

Recharges made by the Company in respect of options granted to subsidiaries are accounted for as amounts receivable from subsidiaries.

Q TRADE PAYABLES

Trade payables are 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.

Non-current trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

R PROVISIONS

Provisions are recognised when the Group has 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 expects 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.

S 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. The Group does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

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.

T SHARE CAPITAL

Ordinary shares are classified as equity.

Incremental external costs directly attributable to the issuance of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders. However, in the case of interim dividends, it is recognised as liability upon approval by the Board of Directors of the Company.

U DEBT INSTRUMENTS

Debt instruments are recognised initially at fair value, net of transaction costs incurred with any difference between the initial fair value and proceeds (net of transaction costs) being charged to profit or loss at initial recognition. In subsequent periods, debt instruments are stated at amortised cost using the effective interest method with the difference between the initial fair value and the redemption value is recognised in the profit or loss over the period of the debt instruments.

V WARRANTS RESERVE

Proceeds from the issuance of warrants, net of issuance costs, are credited to warrants reserve which is non-distributable. Warrants reserve are transferred to the share premium reserve upon the exercise of warrants. Warrants reserve in relation to unexercised warrants at the expiry of the warrants period is transferred to retained earnings.

W BORROWINGS

Borrowings are recognised initially at fair value, net of transaction costs incurred with any difference between the initial fair value and proceeds (net of transaction costs) being charged to profit or loss at initial recognition. In subsequent periods, borrowings are stated at amortised cost using the effective interest method with the difference between the initial fair value and the redemption value is recognised in the profit or loss over the period of the borrowings.

Interest, dividends, losses and gains relating to a financial instrument, or a component part, classified as a liability is reported within finance cost in the profit or loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the financial position date.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility 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 facility 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.

X INCOME 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 is shown net of estimated returns, discounts, commissions, rebates and taxes and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Dividend income is recognised when the right to receive payment is established.

Revenue of the Company from the provision of procurement services to subsidiaries is recognised when the services have been rendered.

Revenue of the subsidiaries is recognised upon the delivery of products and customer acceptance or performance of services, or upon telecast or publishing of advertisements, net of discounts, returns, sales commissions and sales rebates, if any. Revenue from display rental income, advertisement production works and events are recognised in accordance with the terms of the sales contract which is principally over the period of the contract, on an accrual basis. Accordingly, all amounts received in advance are disclosed in the financial statements as deferred income.

Interest income of the Group and Company is recognised using the effective interest rate method.

Rental income is recognised on an accrual basis.

Y FOREIGN CURRENCIES

(a) 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, which is the Company's functional and presentation currency.

Y FOREIGN CURRENCIES (CONTINUED)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the net profit for the financial year, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within other operating expenses.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

(c) 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.

Z 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.

AA FINANCIAL ASSETS

(i) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the near term. Derivatives are also categorised as held for trading unless they are designated as hedges. The assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

AA FINANCIAL ASSETS (CONTINUED)

(i) Classification (continued)

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

(c) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the end of the reporting period, which are classified as current assets.

(d) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

(ii) Recognition and initial measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset.

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or losses are initially recognised at fair value, and transaction costs are expensed in profit or loss.

(iii) Subsequent measurement – gains and losses

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity financial assets are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of financial assets at fair value through profit or loss, including the effects of currency translation, interest and dividend income are recognised in the profit or loss in the period in which the changes arise.

Changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income, except for interest, dividend income and impairment losses (see accounting policy Note AA(v)) and foreign exchange gains and losses on monetary assets. The exchange differences on monetary assets are recognised in net profit for the financial year, whereas exchange differences on non-monetary assets are recognised in other comprehensive income as part of fair value change.

Interest and dividend income on available-for-sale financial assets are recognised separately in the profit or loss. Interest on available-for-sale debt securities calculated using the effective interest method is recognised in net profit for the financial year. Dividends income on available-for-sale equity instruments are recognised in net profit for the financial year when the Group's right to receive a payment is established.

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported 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.

(v) Subsequent measurement - impairment of financial assets

(a) Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

AA FINANCIAL ASSETS (CONTINUED)

(v) Subsequent measurement - impairment of financial assets (continued)

(a) Assets carried at amortised cost (continued)

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- the group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- it becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:

  (i) adverse changes in the payment status of borrowers in the portfolio; and
  (ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the net profit for the financial year. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the profit or loss.

When an asset is uncollectible, it is written off against the related allowance account. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

(b) Assets classified as available-for-sale

The Group assesses at the end of the reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired.

For debt securities, the Group uses criteria and measurement of impairment loss applicable for 'assets carried at amortised cost' above. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in net profit for the financial year, the impairment loss is reversed through the profit or loss.

In the case of equity securities classified as available-for-sale, in addition to the criteria for 'assets carried at amortised cost' above, a significant or prolonged decline in the fair value of the security below its cost is also considered as an indicator that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative losses that had been recognised directly in equity is removed from equity and recognised in net profit for the financial year. The amount of cumulative losses that is reclassified to net profit for the financial year is the difference between the acquisition cost and the current fair value, less any impairment losses on that financial asset previously recognised in net profit for the financial year. Impairment losses recognised in net profit for the financial year on equity instruments classified as available-for-sale are not reversed through profit or loss.

(vi) De-recognition

Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

When available-for-sale financial assets are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to net profit for the financial year.

AB FINANCIAL LIABILITIES

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial liabilities with another enterprise under conditions that are potentially unfavourable.

The Group's and the Company's financial liabilities are classified as "other financial liabilities" and the accounting policy is as follows:

i. Other financial liabilities

All other financial liabilities are recognised initially at fair value plus transaction costs and thereafter, at amortised cost using the effective interest method. Amortisation is charged to profit or loss. It is capitalised as part of the cost of a qualifying asset only if the amortisation is directly attributable to the acquisition, construction or production of the asset. Capitalisation of such borrowing costs commences when the activities to prepare the asset are incurred. Borrowings costs are capitalised until the assets are substantially completed for their intended use or sale.

Financial liabilities are classified as current liabilities for those having maturity dates of less than 12 months after the reporting date, and the balance is classified as non-current.

Financial liabilities are derecognised when the obligation specified in the contract is discharged or cancelled or expired.

AC 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.

(a) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have a material impact to the Group's results and financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

(i) Assessment of impairment of non-financial assets (excluding goodwill)

The Group assesses impairment of the non-financial assets (excluding goodwill) 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).

Recoverable amount is measured at the higher of the fair value less cost to sell 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.

Projected future cash flows are based on Group's judgement in terms of assessing future uncertain parameters such as estimated revenue growth, operating costs, margins, future inflationary figures, appropriate 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.

(ii) Contingent liabilities

The Group has several material pending legal cases which are disclosed in Note 42 to the financial statements. The Directors, based on legal advice, have taken certain positions as to whether there will be any future liabilities arising from these legal proceedings.

(iii) Deferred tax assets

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. This involves judgements regarding the future financial performance of the particular entity in which the deferred tax asset has been recognised.

(iv) Estimation of income taxes

Income taxes are estimated based on the rules governed under the Income Tax Act, 1967. Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the financial year in which such determination is made.

(b) Critical judgements in applying the Group's accounting policies

There are no critical judgements made in applying the Group's accounting policies.

1 GENERAL INFORMATION

The principal activity of the Company is investment holding.

The principal activities of the Group consist of investment holding, commercial television and radio broadcasting, publishing, editorial services, sale of newspapers, provision of internet based on-line services, general media advertising, provision of advertising space and related production works, sale of programme rights, sale of videos, cable and laser rights, content production, property management services, procurement services and other industry related services.

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

The principal activities of the subsidiaries and associates are set out in Note 26 and Note 27 to the financial statements respectively.

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Board 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

2 REVENUE

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Advertising revenue	**1,283,946**	1,432,654	**-**	-
Newspaper sales	**209,504**	262,101	**-**	-
Sale of programmes, videos, cable and laser rights, and media revenue	**9,456**	20,310	**-**	-
Fees from provision of production services and sponsorship	**3,694**	7,315	**-**	-
Fees from provision of procurement services	**-**	-	**-**	3,487
Rental income from investment properties	**381**	563	**-**	-
Dividends from subsidiaries	**-**	-	**141,640**	264,951
	1,506,981	1,722,943	**141,640**	268,438

3 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 is predominantly domestic based.

The reportable operating segments derive their revenue primarily from commercial television and radio broadcasting, media advertising, digital media, sale of program rights, provision of outdoor advertising space and related production works, content creation, talent management and publishing and sale of newspapers.

Other services include music recording. The results of these operations are included in the 'corporate and others' column.

The chief operating decision-maker assesses the performance of the operating segments, before its respective tax charged or tax credits, based on a measure of Earnings Before Interest, Taxation, Depreciation and Amortisation ("EBITDA"). Since the chief operating decision-maker reviews EBITDA, the share of associates' results are not included in the measure of EBITDA.

The chief operating decision-maker assesses the assets and liabilities of the operations on a Group basis whereby the TV Networks, Radio Networks, Outdoor Media, Digital Media, Print Media and Content Creation makes up individual segments. Within each segment, a significant portion of the assets and operations are based on shared resources basis i.e. centralised Group treasury, management services, finance, engineering, information technology, human resource and other support services. Consequently, no segmental analysis is done.

3 SEGMENT INFORMATION (CONTINUED)

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

2014	Television Networks RM'000	Radio Networks RM'000	Outdoor Media RM'000	Print Media RM'000	Digital Media RM'000	Content Creation RM'000	#Corporate and Others RM'000	Elimination RM'000	Total RM'000
Revenue from external customers	643,488	71,067	148,090	592,054	32,568	19,701	13	-	1,506,981
Royalties	(3,260)	(355)	-	-	-	-	-	-	(3,615)
	640,228	70,712	148,090	592,054	32,568	19,701	13	-	1,503,366
Dividends from subsidiaries	22,175	-	-	-	-	-	141,640	(163,815)	-
Inter-segment revenue	5,208	-	4,055	413	-	5,703	-	(15,379)	-
	667,611	70,712	152,145	592,467	32,568	25,404	141,653	(179,194)	1,503,366
EBITDA	135,020	37,719	55,547	36,736	(3,172)	(2,859)	113,643	(141,622)	231,012
Depreciation and amortisation	(37,744)	(2,134)	(8,912)	(46,910)	(1,564)	(42)	(104)	(2,977)	(100,387)
Interest expense	(198)	-	-	(2,150)	-	-	(21,871)	1,318	(22,901)
Income tax expense	(17,706)	(4,852)	(11,942)	1,612	-	(1,040)	6,791	2,318	(24,819)
Share of results of an associate	-	-	-	(6,283)	-	-	-	-	(6,283)
Reportable segment profit after tax before allocation to non-controlling interest	79,372	30,733	34,693	(16,995)	(4,736)	(3,941)	98,459	(140,963)	76,622

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.

3 SEGMENT INFORMATION (CONTINUED)

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

2013	Television Networks RM'000	Radio Networks RM'000	Outdoor Media RM'000	Print Media RM'000	Digital Media RM'000	Content Creation RM'000	#Corporate and Others RM'000	Elimination RM'000	Total RM'000
Revenue from external customers	727,769	72,889	156,962	710,898	30,351	24,051	23	-	1,722,943
Royalties	(2,490)	(366)	-	-	-	(14)	-	-	(2,870)
	725,279	72,523	156,962	710,898	30,351	24,037	23	-	1,720,073
Dividends from subsidiaries	40,200	-	-	-	-	-	264,951	(305,151)	-
Inter-segment revenue	4,302	45	6,135	2,309	-	18,167	-	(30,958)	-
	769,781	72,568	163,097	713,207	30,351	42,204	264,974	(336,109)	1,720,073
EBITDA	219,701	38,226	54,997	110,687	(3,573)	5,042	242,205	(259,122)	408,163
Depreciation and amortisation	(38,908)	(1,864)	(9,282)	(46,234)	(1,549)	(298)	(48)	(2,984)	(101,167)
Interest expense	(437)	-	-	(1,142)	-	-	(24,674)	-	(26,253)
Income tax expense	(42,212)	(4,245)	(12,081)	(16,371)	-	(5,255)	(25,022)	31,621	(73,565)
Share of results of an associate	-	-	-	9,238	-	-	-	-	9,238
Reportable segment profit after tax before allocation to non-controlling interest	138,144	32,117	33,634	56,178	(5,122)	(511)	192,461	(230,485)	216,416

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.

4 FINANCE INCOME AND COST

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Finance income:				
- Interest income	**(16,833)**	(15,322)	**(14,553)**	(12,139)
	(16,833)	(15,322)	**(14,553)**	(12,139)
Finance cost:				
Interest expenses on				
- Banker's acceptance	**-**	721	**-**	-
- Revolving credit	**832**	421	**-**	-
- Commercial Paper Medium Term Notes	**13,176**	13,104	**13,176**	13,104
- Redeemable Fixed Rate Bonds	**8,695**	9,470	**8,695**	9,470
- Term loans and bridging loan	**-**	2,100	**-**	2,100
- Hire purchase	**198**	437	**-**	-
	22,901	26,253	**21,871**	24,674
Net finance cost	**6,068**	10,931	**7,318**	12,535

5 EMPLOYEE BENEFITS COSTS

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Wages, salaries and bonus	**346,704**	360,650	**24,483**	21,228
Defined contribution retirement plan	**50,277**	53,207	**4,358**	3,782
Termination benefits	**79,776**	-	**2,035**	-
Other employee benefits	**20,223**	32,485	**1,203**	1,031
	496,980	446,342	**32,079**	26,041

6 PROFIT FROM OPERATIONS

Profit from operations is stated after charging/(crediting):

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Royalties	**3,615**	2,870	**-**	-
Auditors' remuneration:				
- statutory audit	**1,400**	1,400	**65**	65
- other services	**214**	24	**-**	16
- tax services	**297**	357	**18**	18
Loss on disposal of non-current assets held for sale	**167**	-	**-**	-
Rental income from equipment	**(2,732)**	(2,466)	**-**	-
Rental income from premises	**(326)**	(146)	**-**	-
Gross dividends from:				
- associates	**-**	(8,640)	**-**	-
Provision for stock obsolescences	**582**	-	**-**	-
Write back of over accruals in prior years	**-**	(712)	**-**	-

7 DIRECTORS' REMUNERATION

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Non-executive Directors:				
- Fees	**979**	884	**538**	442
- Allowances	**626**	602	**347**	339
- Defined contribution retirement plan	**99**	92	**55**	51
- Other remuneration	**207**	186	**207**	186
Executive Directors:				
- Basic salaries and bonus	**2,052**	2,871	**2,052**	2,252
- Allowances	**173**	268	**173**	215
- Defined contribution retirement plan	**379**	538	**379**	435
	4,515	5,441	**3,751**	3,920
Estimated monetary value of benefits-in-kind	**153**	213	**69**	78

7 DIRECTORS' REMUNERATION (CONTINUED)

Executive Directors of the Company had been granted share options under the ESOS on the same terms and conditions as those offered to other employees of the Group (see Note 12) in the previous years as follows:

	Grant date	Expiry date	Exercise price RM/ share	Number of options over ordinary shares of RM1.00 each			
				At 1 January '000	Granted '000	Exercised '000	At 31 December '000
Financial year ended 31 December 2013	31 May 2010	13 May 2015	1.80	430*	-	(430)	-

There were no share options under the ESOS granted to Directors during the financial year. The number of share options vested at statement of financial position date was Nil (2013: Nil).

* Exclude director who has retired during the financial year.

8 TAXATION

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Current tax:				
- Current financial year	**28,316**	57,478	**-**	29,667
- (Over)/under accrual in prior financial years	**(2,742)**	6,621	**(6,791)**	(35)
	25,574	64,099	**(6,791)**	29,632
Deferred tax:				
- Origination and reversal of temporary differences (Note 23)	**(755)**	9,466	**-**	-
	24,819	73,565	**(6,791)**	29,632

Income tax is calculated at the statutory tax rate of 25% (2013: 25%) of the estimated assessable profit for the financial year.

The explanation of the relationship between taxation and profit before taxation is as follows:

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Profit before taxation	**101,441**	289,981	**96,492**	223,355
Tax calculated at the Malaysian corporate income tax rate of 25% (2013: 25%)	**25,360**	72,495	**24,123**	55,839
Tax effects of:				
- expenses not deductible for tax purpose	**6,946**	2,678	**5,880**	356
- income not subject to tax	**(4,989)**	(18)	**(39,048)**	(34,250)
- temporary differences and unutilised tax losses not recognised as deferred tax	**5,185**	185	**3,285**	531
- temporary differences in respect of previous years	**(6,818)**	(5,727)	**-**	-
- share of results of an associate	**1,571**	(2,310)	**-**	-
- expenses eligible for double deduction	**(405)**	(359)	**-**	-
- under/(over) accruals of taxation in prior financial years	**(2,742)**	6,621	**(6,791)**	(35)
- remeasurement of deferred tax upon the change of income tax rate	**711**	-	**-**	-
- utilisation of Group tax relief	**-**	-	**5,760**	7,191
Taxation	**24,819**	73,565	**(6,791)**	29,632

Included in income tax expense of the Group are tax savings amounting to RM9,066,791 (2013: RM9,757,978) from utilisation of group reliefs.

There is no tax charge/credit relating to components of 'other comprehensive income'.

9 EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share is calculated by dividing the net profit for the financial year by the weighted average number of ordinary shares in issue during the financial year.

		Group	
		2014	2013
Net profit for the financial year attributable to owners of the Company	(RM'000)	**75,528**	214,165
Weighted average number of ordinary shares in issue	('000)	**1,105,261**	1,091,669
Basic earnings per share for:			
Net profit for the financial year attributable to owners of the Company	(Sen)	**6.83**	19.62

(b) Diluted earnings per share

For the diluted earnings per share calculation, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

In respect of share options granted to employees or warrants, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the annual average share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options or warrants. The number of shares calculated is compared with the number of shares that would have been issued assuming the exercise of the share options or warrants. The difference is added to the denominator as an issue of ordinary shares for no consideration. This calculation serves to determine the "bonus" element to the ordinary shares outstanding for the purpose of computing the dilution. No adjustment is made to net profit for the financial year for the share options and warrants calculation.

		Group	
		2014	2013
Weighted average number of ordinary shares in issue	('000)	**1,105,261**	1,091,669
Adjustments for:			
Warrants	('000)	**15,010**	21,837
ESOS	('000)	**1,416**	2,925
Weighted average number of ordinary shares for purposes of computing diluted earnings per share	('000)	**1,121,687**	1,116,431
Diluted earnings per share for:			
Net profit for the financial year attributable to owners of the Company	(Sen)	**6.73**	19.18

10 DIVIDENDS

	Group and Company			
	2014		2013	
	Gross dividend per share Sen	Amount of net dividend RM'000	Gross dividend per share Sen	Amount of net dividend RM'000
Third interim dividend for the previous financial year	**3.0**	*** 33,120**	-	-
Final single tier dividend for the previous financial year	**5.0**	*** 55,273**	7.0	76,562
First interim single tier dividend	**3.0**	**33,195**	3.0	32,928
Second interim single tier dividend	**3.0**	**33,241**	3.0	33,013
	14.0	**154,829**	13.0	142,503

* Paid during the financial year

At the forthcoming Annual General Meeting of the Company, a final single tier dividend of 5.0 sen per ordinary share in respect of the financial year ended 31 December 2014 will be proposed for shareholders' approval. This final dividend will be accrued as a liability in the financial year ended 31 December 2015 when approved by the shareholders.

11 SHARE CAPITAL

		Group and Company	
	Note	2014 RM'000	2013 RM'000
Ordinary shares of RM1.00 each:			
Authorised			
At 1 January/31 December		**2,000,000**	2,000,000
Issued and fully paid			
At 1 January		**1,100,529**	1,079,692
Issuance of shares arising from:			
- Exercise of warrants	(a)	**7,614**	13,395
- Exercise of ESOS	(b)	**964**	7,442
At 31 December		**1,109,107**	1,100,529

During the financial year, the Company increased its issued and fully paid share capital from RM1,100,529,407 to RM1,109,107,526 by way of the issuance of:

(a) 7,613,790 (2013: 13,395,302) ordinary shares of RM1.00 each pursuant to the exercise of the Company's warrants at exercise price of RM1.80 per warrant (2013: RM1.80). The premium arising from the exercise of warrants of RM7,234,101 (2013: RM12,686,335) has been credited to the Share Premium reserve.

(b) 964,329 (2013: 7,442,557) ordinary shares of RM1.00 each pursuant to the exercise of the Company's Employee Share Option Scheme ("ESOS") at exercise prices of RM1.80 and RM1.98 (2013: RM1.80, RM1.98 and RM2.10) per option. The premium arising from the exercise of ESOS of RM1,177,632 (2013: RM9,187,596) has been credited to the Share Premium reserve.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

12 SHARE-BASED PAYMENTS

Employees' Share Option Scheme ("ESOS")

On 15 April 2010, the Company's shareholders had approved an ESOS which became effective on 14 May 2010 for a period of five (5) years, set to expire in 13 May 2015 ("2010 MPB ESOS").

The main features of the 2010 MPB ESOS are:

(i) The total number of ordinary shares to be issued by the Company under the ESOS as approved by the Securities Commission shall not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company at any one time during the existence of the ESOS.

(ii) The options granted may be exercised at any time within the option period whilst the Grantee is employed by a corporation in the Group.

(iii) The exercise price is at a discount of 10% from the weighted average market price of the shares for the five (5) market days immediately preceding the respective dates of offer of the options or the par value of the shares of the Company of RM1.00, whichever is higher.

(iv) Options granted under the ESOS carry no dividend or voting rights. Upon exercise of the options, shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

(v) The persons to whom the options have been granted have no right to participate by virtue of the options in any share issue of any other company.

12 SHARE-BASED PAYMENTS (CONTINUED)

Employees' Share Option Scheme ("ESOS") (continued)

Set out below are details of options over ordinary shares of the Company granted under the ESOS:

Grant date	Expiry date	Exercise price RM/ share	At 1 January '000	Exercised '000	Can-celled/ Lapsed '000	At 31 December '000	Fair value of options RM'000
			Number of options over ordinary shares of RM1.00 each				
Financial year ended 31 December 2014							
16 December 2010	**13 May 2015**	**2.10**	**80**	**-**	**(17)**	**63**	**40**
18 November 2010	**13 May 2015**	**1.98**	**175**	**(39)**	**(15)**	**121**	**62**
31 May 2010	**13 May 2015**	**1.80**	**6,938**	**(926)**	**(245)**	**5,767**	**2,364**
			7,193	**(965)**	**(277)**	**5,951**	**2,466**
Financial year ended 31 December 2013							
16 December 2010	13 May 2015	2.10	222	(142)	-	80	50
18 November 2010	13 May 2015	1.98	556	(381)	-	175	89
31 May 2010	13 May 2015	1.80	13,930	(6,919)	(73)	6,938	2,845
			14,708	(7,442)	(73)	7,193	2,984

	2014 '000	2013 '000
Number of options over ordinary shares vested, as at the end of the financial year	**5,951**	7,193

The fair value of the ESOS granted in which MFRS 2 "Share-based payment" were applied, were determined using the Trinomial Valuation model. The significant inputs in the model were as follows:

	2010 MPB Options 31 May 2010	2010 MPB Options 18 November 2010	2010 MPB Options 16 December 2010
Fair value per option (RM)	0.41	0.51	0.64
Exercise price	1.80	1.98	2.10
Option life (number of days to expiry from date of issuance)	1,808 days	1,637 days	1,609 days
Weighted average share price at grant date	2.07	2.33	2.60
Expected dividend yield	5.77%	5.77%	5.77%
Risk free interest rates (Yield of Malaysian Government Securities)	3.11%	3.11%	3.04%
Expected volatility	24.54%	22.35%	22.14%
MPB share historical volatility period:			
From	60 days to 9 July 2010	May 2010	May 2010
To		December 2010	December 2010

13 SHARE PREMIUM

	Note	Group and Company 2014 RM'000	Group and Company 2013 RM'000
At 1 January		407,037	385,162
Arising from:			
- Exercise of warrants	11(a)	7,234	12,687
- Exercise of ESOS	11(b)	1,178	9,188
At 31 December		415,449	407,037

14 OTHER RESERVES

Group

2014	Capital redemption reserve RM'000	Warrants reserve RM'000	Share option reserve RM'000	Available for-sale reserve RM'000	Total RM'000
1 January 2014	**500**	**10,608**	**2,984**	**1,611**	**15,703**
Cancellation of ESOS	**-**	**-**	**(112)**	**-**	**(112)**
Exercise of ESOS	**-**	**-**	**(399)**	**-**	**(399)**
Exercise of warrants	**-**	**(1,142)**	**-**	**-**	**(1,142)**
Cancellation of expired warrants	**-**	**(9,466)**	**-**	**-**	**(9,466)**
At 31 December 2014	**500**	**-**	**2,473**	**1,611**	**4,584**

Group

2013	Revaluation reserve RM'000	Capital redemption reserve RM'000	Warrants reserve RM'000	Share option reserve RM'000	Available for-sale reserve RM'000	Total RM'000
1 January 2013	52,276	-	12,578	6,137	1,753	72,744
Reclassification	(52,276)	-	-	-	-	(52,276)
Cancellation of ESOS	-	-	-	(30)	-	(30)
Exercise of ESOS	-	-	-	(3,123)	-	(3,123)
Revaluation of available-for-sale financial assets	-	-	-	-	(142)	(142)
Exercise of warrants	-	-	(1,970)	-	-	(1,970)
Redemption of redeemable preference shares	-	500	-	-	-	500
At 31 December 2013	-	500	10,608	2,984	1,611	15,703

Revaluation reserves amounting to RM52.3 million were due to revaluation made on acquisition of a subsidiary. The amount had been reclassified to retained earnings during the previous financial year.

14 OTHER RESERVES (CONTINUED)

Company

2014	Warrants reserve RM'000	Share option reserve RM'000	Total RM'000
At 1 January 2014	**10,608**	**2,984**	**13,592**
Cancellation of ESOS	**-**	**(112)**	**(112)**
Exercise of ESOS	**-**	**(399)**	**(399)**
Exercise of warrants	**(1,142)**	**-**	**(1,142)**
Cancellation of expired warrants	**(9,466)**	**-**	**(9,466)**
At 31 December 2014	**-**	**2,473**	**2,473**
2013			
At 1 January 2013	12,578	6,137	18,715
Cancellation of ESOS	-	(30)	(30)
Exercise of ESOS	-	(3,123)	(3,123)
Exercise of warrants	(1,970)	-	(1,970)
At 31 December 2013	10,608	2,984	13,592

15 RETAINED EARNINGS

The Malaysian Budget 2008 introduced a single-tier tax system which came into effect from the year of assessment 2008, where companies are not required to have tax credits under Section 108 of the Income Tax Act, 1967 for dividend payment purposes. Dividends paid under this system are tax exempt in the hands of shareholders. Effective 1 January 2014, the Company's Section 108 balance had been disregarded and single tier dividends are paid under the single-tier tax system.

16 DEBT INSTRUMENTS

	Group and Company	
	2014 RM'000	2013 RM'000
Commercial Papers Medium Term Notes ("CPMTN") (Note (i))	**300,108**	300,036
Redeemable Fixed Rate Bonds (Note (ii))	**151,689**	150,418
	451,797	450,454

(i) Commercial Papers Medium Term Notes ("CPMTN")

	Group and Company	
	2014 RM'000	2013 RM'000
Non-current:		
5-year 4.38% CPMTN (unsecured)	**300,108**	300,036

In 2012, the Company undertook a 7-year Commercial Paper Medium Term Notes ("CPMTN") programme of up to RM500.0 million in nominal value.

The CPMTN Programme was constituted by a Trust Deed and a Programme Agreement, both dated 13 December 2012. As at 31 December 2014, the Group has issued MTNs in the nominal value of RM300.0 million.

16 DEBT INSTRUMENTS (CONTINUED)

(i) Commercial Papers Medium Term Notes ("CPMTN") (continued)

The principal terms of the CPMTN are as follows:

(a) Issuance of CP and/or MTN of up to an aggregate limit of RM500.0 million in nominal value. The tenure of the CP/MTN Programme shall be up to seven (7) years from the date of the first issue;

(b) The CP will be issued on a zero coupon basis. In respect of coupon bearing MTN, the coupon rate is to be determined prior to the issue date of each issue;

(c) The CPMTN Programme shall have an availability period of up to seven (7) years from the date of first issuance of CP or MTN under the CPMTN Programme;

(d) The proceeds of the CPMTN Programme shall be utilised for investments, capital expenditure, working capital requirements and/or general corporate purposes of the Group. The capital expenditure of the Group will include, among others, investment in new media platforms and investment in connection with digital television broadcasting; and

(e) The interest on the MTN of RM300.0 million is 4.38% per annum, payable semi-annually in arrears, calculated on the basis of the actual number of days of 365 days with the last payment of interest to be made on the maturity date of the MTN. The tenure of the MTN of RM300.0 million is 5 years from the date of issue of 28 December 2012.

(ii) Redeemable Fixed Rate Bonds ("RFRB")

	Group and Company	
	2014	**2013**
	RM'000	**RM'000**
Current:		
5-year 4.95% RFRB	**151,689**	-
Non-current:		
5-year 4.95% RFRB	**-**	150,418
Total	**151,689**	150,418

On 23 March 2010, the Company issued RM150,000,000 nominal 5-year, 4.95% coupon rate and 6.5% yield to maturity RFRB with RM50,000,000 detachable warrants (Note 17). The RFRB is constituted by a Subscription Agreement dated 23 February 2010.

The fair value of the liability component, included in non-current borrowings, was calculated using a market interest rate for an equivalent bond with no warrants attached. The residual amount, representing the value of the equity conversion option, is included in shareholders' equity in other reserves representing fair value of the warrants (Note 17).

The principal terms of the RFRB are as follows:

(a) The coupon on the RFRB will accrue at 4.95% per annum based on the face value and shall be payable semi-annually in arrears, calculated on the basis of the actual number of days elapsed in a year;

(b) The tenure of the RFRB is five (5) years from the date of issue; and

(c) The bonds shall be redeemed at nominal value on the 5th anniversary of issuance date in cash which will be settled through the Real Time Electronic Transfer of Funds and Securities (RENTAS) system of Bank Negara Malaysia.

17 WARRANTS

Pursuant to the acquisition of The New Straits Times Press (Malaysia) Berhad ("NSTP") in 2009, warrants of the Company were offered for free as part of the purchase consideration to acquire the remaining NSTP ordinary shares not owned by the Company ("Consideration Warrant"). The Company had also issued Bonus Warrants to existing shareholders of the Company ("Bonus Warrant"). The Consideration and Bonus Warrants were constituted by a Deed Poll dated 17 December 2009.

The principal terms of the Consideration and Bonus Warrants (collectively known as "warrants") are as follows:

(a) The exercise price of the warrants is fixed at RM1.80 per warrant;

(b) The warrants may be exercised at any time on or before the maturity date, 31 December 2014, falling five (5) years from the date of issue of the first (1st) tranche of warrants which was on 31 December 2009. Unexercised warrants after the exercise period will thereafter lapse and cease to be valid;

(c) The warrants will rank pari passu without any preference or priority among themselves including in an event of liquidation; and

(d) The warrants are listed on Bursa Malaysia.

In 2010, the Company issued 50,000,000 warrants to investors as part of the issuance of RFRB (Note 16(ii)). The principal terms of the newly issued warrants are as disclosed above.

At maturity date on 31 December 2014, 65,174,840 warrants which remained unexercised have lapsed and cancelled. Warrants reserve of RM9,465,419 has been transferred to retained earnings (Note 14).

18 INTEREST BEARING BANK BORROWINGS

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Current:				
Unsecured				
Revolving credit	-	10,000	-	-
Banker's acceptance	-	35,098	-	-
Total	-	45,098	-	-

Available credit facilities of the Group as at 31 December 2014 amounts to RM420 million (2013: RM460 million). The above borrowings are denominated in Ringgit Malaysia.

The weighted average effective interest rates per annum applicable to the Group were as follows:

	Group		Company	
	2014 %	2013 %	2014 %	2013 %
As at the financial year end				
Revolving credit	-	3.80	-	-
Banker's acceptance	-	3.35	-	-

19 FINANCIAL INSTRUMENTS BY CATEGORY

(a) Financial assets and financial liabilities are categorised as follows:

Group	Loans and receivables RM'000	Assets designated at fair value through profit and loss RM'000	Assets designated as available-for-sale RM'000	Total RM'000
Financial assets				
31 December 2014				
Trade and other receivables excluding prepayments	**285,580**	**-**	**-**	**285,580**
Deposit, cash and bank balances	**564,990**	**-**	**-**	**564,990**
Financial assets at fair value through profit or loss	**-**	**90**	**-**	**90**
Available-for-sale financial asset	**-**	**-**	**2,325**	**2,325**
Total	**850,570**	**90**	**2,325**	**852,985**
31 December 2013				
Trade and other receivables excluding prepayments	336,032	-	-	336,032
Deposit, cash and bank balances	618,390	-	-	618,390
Financial assets at fair value through profit or loss	-	90	-	90
Available-for-sale financial asset	-	-	2,325	2,325
Total	954,422	90	2,325	956,837

Group	Other financial liabilities at amortised cost RM'000	Total RM'000
Financial liabilities		
31 December 2014		
Trade and other payables excluding statutory liabilities	**333,780**	**333,780**
Redeemable fixed rate bonds	**151,689**	**151,689**
Commercial paper medium term notes	**300,108**	**300,108**
Amount due to an associate	**816**	**816**
Total	**789,393**	**789,393**
31 December 2013		
Trade and other payables excluding statutory liabilities	311,874	311,874
Interest bearing bank borrowings:		
- Banker's acceptance	35,098	35,098
- Revolving credit	10,000	10,000
Redeemable fixed rate bonds	150,418	150,418
Commercial paper medium term notes	300,036	300,036
Amount due to an associate	2,176	2,176
Total	809,602	809,602

19 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

(a) Financial assets and financial liabilities are categorised as follows: (continued)

Company	2014 RM'000	2013 RM'000
Financial assets classified as loans and receivables		
Trade and other receivables excluding prepayments	**149**	199
Deposit, cash and bank balances	**283,158**	298,668
Amounts due from subsidiaries	**165,383**	177,403
Total	**448,690**	476,270
Financial liabilities classified as other financial liabilities at amortised cost		
Trade and other payables excluding statutory liabilities	**13,939**	12,449
Redeemable fixed rate bonds	**151,689**	150,418
Commercial Papers Medium Term Notes	**300,108**	300,036
Amounts due to subsidiaries	**27,933**	18,264
Total	**493,669**	481,167

(b) Offsetting of financial assets and financial liabilities:

(i) Financial assets

The following financial assets are subject to offsetting, enforceable master netting arrangements and similar arrangements.

	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
At 31 December 2014			
Amounts due from subsidiaries	**169,826**	**(4,443)**	**165,383**
At 31 December 2013			
Amounts due from subsidiaries	198,468	(21,065)	177,403

19 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

(b) Offsetting of financial assets and financial liabilities: (continued)

(ii) Financial liabilities

The following financial liabilities are subject to offsetting, enforceable master netting arrangements and similar arrangements.

	Gross amounts of recognised financial liabilities RM'000	Gross amounts of recognised financial assets set-off in the statement of financial position RM'000	Net amount RM'000
At 31 December 2014			
Amounts due to subsidiaries	**207,565**	**(179,632)**	**27,933**
At 31 December 2013			
Amounts due to subsidiaries	185,175	(166,911)	18,264

20 CREDIT QUALITY OF FINANCIAL ASSETS

The credit quality of financial assets that are not impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Group

	2014 RM'000	2013 RM'000
Trade receivables:		
Counterparties without external credit rating		
- Group 1	**6,732**	15,231
- Group 2	**232,582**	271,137
Total unimpaired trade receivables	**239,314**	286,368

Group 1 – new customers (less than 6 months).
Group 2 – existing customers (more than 6 months) with no defaults in the past.

None of the financial assets that are fully performing has been renegotiated in the last year.

	2014 RM'000	2013 RM'000
Cash at bank and short-term bank deposits:		
AAA/P1	**413,180**	524,189
AA3/P1	**107,464**	-
AA2/P1	**34,264**	4,007
AA/P1	**-**	1,034
A3/P1	**3,024**	-
A2/P1	**5,347**	26,698
A1/P1	**-**	62,357
A	**-**	60
Unrated	**1,711**	45
	564,990	618,390

20 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

Company	2014 RM'000	2013 RM'000
Cash at bank and short-term bank deposits:		
AAA/P1	**177,340**	228,094
AA3/P1	**95,729**	-
AA2/P1	**5,044**	2,007
A2/P1	**5,045**	26,698
A1/P1	**-**	41,869
	283,158	298,668

21 HIRE-PURCHASE AND LEASE CREDITORS

This represents future instalments under hire-purchase and lease agreements, repayable as follows:

	Group	
	2014 RM'000	2013 RM'000
Finance lease liabilities:		
Minimum lease payments:		
- not later than 1 year	**1,327**	2,719
- later than 1 year and not later than 5 years	**-**	1,327
	1,327	4,046
Future finance charges on finance leases	**(32)**	(232)
Present value of finance lease liabilities	**1,295**	3,814
Present value of finance lease liabilities:		
- not later than 1 year	**1,295**	2,498
- later than 1 year and not later than 5 years	**-**	1,316
	1,295	3,814
Analysed as:		
Due within 1 year (Note 22)	**1,295**	2,498
Due after 1 year	**-**	1,316
	1,295	3,814

Finance lease liabilities are effectively secured as the rights to the leased assets revert to the lessors in the event of default. The finance lease liabilities contain covenants, which require a subsidiary to maintain minimum debt service ratio.

As at 31 December 2014, the weighted average effective interest rate applicable to the lease liabilities as at the financial year end is 7.42% (2013: 7.46%) per annum and interest for the financial year is fixed at 4.00% (2013: 4.00%) per annum for the Group. The entire balance is denominated in Ringgit Malaysia.

22 TRADE AND OTHER PAYABLES

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Trade payables	**56,942**	58,950	**-**	-
Programme rights payables	**10,877**	7,684	**320**	583
	67,819	66,634	**320**	583
Trade and other accruals	**188,604**	237,622	**15,107**	12,148
Other payables	**76,062**	50,624	**355**	357
Hire-purchase and lease creditors (Note 21)	**1,295**	2,498	**-**	-
Deferred income	**9,617**	6,638	**-**	-
Dividends payable	**-**	596	**-**	-
	275,578	297,978	**15,462**	12,505
	343,397	364,612	**15,782**	13,088

The trade and other payables are denominated as follows:

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Ringgit Malaysia	**338,894**	364,264	**15,782**	13,088
US Dollar	**4,058**	348	**-**	-
Others	**445**	-	**-**	-
	343,397	364,612	**15,782**	13,088

Credit terms of trade payables range from no credit to 90 days (2013: 90 days).

Deferred income represent rental charges in advance based on the relevant rental contract and advance payments received from customers on contract that have yet to be completed.

23 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	
	2014 RM'000	2013 RM'000
Deferred tax assets		
- To be recovered after more than 12 months	**72,275**	56,522
- To be recovered within 12 months	**15,764**	27,988
	88,039	84,510
Deferred tax liabilities		
- To be recovered after more than 12 months	**(68,174)**	(66,320)
- To be recovered within 12 months	**(920)**	-
	(69,094)	(66,320)

The movement during the financial year relating to deferred tax is as follows:

	Group	
	2014 RM'000	2013 RM'000
At 1 January	**18,190**	27,656
Credited/(charged) to profit or loss (Note 8)		
- Property, plant and equipment	**4,129**	2,780
- Intangible assets	**890**	986
- Allowances and provisions	**(7,315)**	4,314
- Hire purchase creditors	**(436)**	4,686
- Unused tax losses	**4,604**	(8,458)
- Unabsorbed capital allowances	**904**	(783)
- Advance billings	**(410)**	1,199
- Reinvestment allowance	**(1,757)**	(14,190)
- Inventories	**146**	-
	755	(9,466)
At 31 December	**18,945**	18,190

23 DEFERRED TAXATION (CONTINUED)

	Group	
	2014	2013
	RM'000	RM'000
Deferred tax assets (before offsetting)		
- Allowances and provisions	**12,355**	19,670
- Hire purchase creditors	**518**	954
- Unused tax losses	**35,801**	31,197
- Advance billings	**3,402**	3,812
- Unabsorbed capital allowances	**17,751**	16,847
- Reinvestment allowances	**78,331**	80,088
- Inventories	**154**	8
	148,312	152,576
Offsetting	**(60,273)**	(68,066)
Deferred tax assets (after offsetting)	**88,039**	84,510
Deferred tax liabilities (before offsetting)		
- Intangible assets	**(48,019)**	(48,909)
- Property, plant and equipment	**(81,348)**	(85,477)
	(129,367)	(134,386)
Offsetting	**60,273**	68,066
Deferred tax liabilities (after offsetting)	**(69,094)**	(66,320)

The amount of allowances, deductible temporary differences and unused tax losses (which have no expiry date) for which no deferred tax asset is recognised in the statement of financial position is as follows:

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Unused tax losses	**179,129**	162,608	**31,234**	21,359
Deductible temporary differences	**38,723**	37,246	**15,825**	12,581
Unabsorbed capital allowances	**19,084**	16,341	**246**	224
	236,936	216,195	**47,305**	34,164
Deferred tax assets not recognised at 25%	**59,234**	54,049	**11,826**	8,541

The deductible temporary differences and unused tax losses are available indefinitely for offset against future taxable profits of the Group and Company, subject to agreement with the Inland Revenue Board. These tax benefits will only be obtained if the Group and Company derive future assessable income of a nature and amount sufficient for the tax benefits to be utilised. Deferred tax assets have not been recognised in respect of the tax losses and deductible temporary differences of certain entities within the Group as these entities have a history of losses or are dormant.

24 PROPERTY, PLANT AND EQUIPMENT

	Leasehold land RM'000	Freehold land at cost RM'000	Buildings at cost RM'000	Plant and machinery at cost RM'000	Broadcasting and transmission equipment at cost RM'000
Group					
2014					
Cost					
At 1.1.2014	17,456	95,278	309,623	709,313	694,997
Additions	-	-	-	6,465	23,518
Disposals	-	-	-	(12,390)	(3,246)
Write offs	-	-	-	-	-
Reclassification	-	-	-	-	52
At 31.12.2014	17,456	95,278	309,623	703,388	715,321
Accumulated depreciation					
At 1.1.2014	3,946	-	119,443	466,165	488,497
Charge for the financial year	457	-	7,391	22,006	30,281
Disposals	-	-	-	(12,046)	(3,169)
Write offs	-	-	-	-	-
At 31.12.2014	4,403	-	126,834	476,125	515,609
Accumulated impairment losses					
At 1.1.2014/ At 31.12.2014	-	3,265	50,020	42,985	38,422
Net book value					
At 31.12.2014	13,053	92,013	132,769	184,278	161,290

Production equipment at cost RM'000	Office equipment, furniture and fittings at cost RM'000	Office renovations at cost RM'000	Motor vehicles at cost RM'000	Leasehold improvements at cost RM'000	Assets under construction at cost RM'000	Structures at cost RM'000	Total RM'000
1,358	364,749	30,356	19,537	31,023	4,871	132,815	2,411,376
-	19,188	-	1,282	974	25,653	1,619	78,699
-	(795)	-	(1,527)	(1)	(117)	(761)	(18,837)
-	(20)	-	-	-	-	(180)	(200)
-	7,644	-	-	-	(13,950)	6,254	-
1,358	390,766	30,356	19,292	31,996	16,457	139,747	2,471,038
1,294	265,035	28,574	14,555	30,246	-	95,684	1,513,439
-	25,563	594	1,548	805	-	6,939	95,584
-	(763)	-	(1,527)	-	-	(760)	(18,265)
-	(20)	-	-	-	-	(173)	(193)
1,294	289,815	29,168	14,576	31,051	-	101,690	1,590,565
-	3,975	-	910	-	-	382	139,959
64	96,976	1,188	3,806	945	16,457	37,675	740,514

24 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Leasehold land RM'000	Freehold land at cost RM'000	Buildings at cost RM'000	Plant and machinery at cost RM'000	Boardcasting and transmission equipment at cost RM'000
Group					
2013					
Cost					
At 1.1.2013	17,456	95,278	309,623	699,721	649,387
Additions	-	-	-	9,624	44,741
Disposals	-	-	-	(32)	-
Write offs	-	-	-	-	-
Reclassification	-	-	-	-	869
At 31.12.2013	17,456	95,278	309,623	709,313	694,997
Accumulated depreciation					
At 1.1.2013	3,489	-	112,036	443,995	456,870
Charge for the financial year	457	-	7,407	22,177	31,627
Disposals	-	-	-	(7)	-
Write offs	-	-	-	-	-
At 31.12.2013	3,946	-	119,443	466,165	488,497
Accumulated impairment losses					
At 1.1.2013/ At 31.12.2013	-	3,265	50,020	42,985	38,422
Net book value					
At 31.12.2013	13,510	92,013	140,160	200,163	168,078

Production equipment at cost RM'000	Office equipment, furniture and fittings at cost RM'000	Office renovations at cost RM'000	Motor vehicles at cost RM'000	Leasehold improvements at cost RM'000	Assets under construction at cost RM'000	Structures at cost RM'000	Total RM'000
1,358	327,329	30,951	21,714	30,808	4,691	124,228	2,312,544
-	13,182	10	1,667	215	31,581	4,556	105,576
-	(1,390)	-	(3,844)	-	-	(498)	(5,764)
-	(38)	(605)	-	-	-	(337)	(980)
-	25,666	-	-	-	(31,401)	4,866	-
1,358	364,749	30,356	19,537	31,023	4,871	132,815	2,411,376
1,251	243,337	28,092	16,556	28,869	-	89,113	1,423,608
43	22,763	793	1,815	1,377	-	7,484	95,943
-	(1,024)	-	(3,816)	-	-	(631)	(5,478)
-	(41)	(311)	-	-	-	(282)	(634)
1,294	265,035	28,574	14,555	30,246	-	95,684	1,513,439
-	3,975	-	910	-	-	382	139,959
64	95,739	1,782	4,072	777	4,871	36,749	757,978

24 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Company	
	2014	2013
	RM'000	RM'000
Office equipment, furniture & fittings		
Cost		
At 1 January	**3,720**	3,687
Additions	**24**	33
At 31 December	**3,744**	3,720
Accumulated depreciation		
At 1 January	**3,579**	3,543
Charge for the financial year	**32**	36
At 31 December	**3,611**	3,579
Net book value		
At 31 December	**133**	141

The value of property, plant and equipment of the Group includes the following assets acquired under hire-purchase and finance lease agreements:

	Cost RM'000	Accumulated depreciation RM'000	Net book value RM'000
Group			
2014			
Broadcasting, transmission and production equipment	**1,250**	**(635)**	**615**
Office equipment and furniture and fittings	**10,008**	**(10,008)**	**-**
	11,258	**(10,643)**	**615**
2013			
Broadcasting, transmission and production equipment	13,139	(7,525)	5,614
Office equipment and furniture and fittings	10,008	(10,008)	-
	23,147	(17,533)	5,614

25 INVESTMENT PROPERTIES

	Leasehold land at cost RM'000	Freehold land at cost RM'000	Buildings at cost RM'000	Cinema at cost RM'000	Total RM'000
Group					
Cost					
At 1 January 2014	16,386	10,604	55,658	2,382	85,030
Disposal	-	-	(1,131)	-	(1,131)
Transfer to Non-Current Assets Held for Sale			(1,639)	-	(1,639)
At 31 December 2014	16,386	10,604	52,888	2,382	82,260
Accumulated depreciation					
At 1 January 2014	4,943	-	10,915	699	16,557
Charge for the financial year	9	-	1,583	-	1,592
Disposal	-	-	(306)	-	(306)
Transfer to Non-Current Assets Held for Sale	-	-	(77)	-	(77)
At 31 December 2014	4,952	-	12,115	699	17,766
Accumulated impairment losses					
At 1 January/31 December 2014	1,457	1,101	9,510	1,683	13,751
Net book value					
At 31 December 2014	9,977	9,503	31,263	-	50,743

25 INVESTMENT PROPERTIES (CONTINUED)

	Leasehold land at cost RM'000	Freehold land at cost RM'000	Buildings at cost RM'000	Cinema at cost RM'000	Total RM'000
Group					
Cost					
At 1 January 2013	16,386	11,612	60,936	2,382	91,316
Disposal	-	(717)	(3,450)	-	(4,167)
Transfer to Non-Current Assets Held for Sale	-	(291)	(1,828)	-	(2,119)
At 31 December 2013	16,386	10,604	55,658	2,382	85,030
Accumulated depreciation					
At 1 January 2013	4,934	-	9,876	699	15,509
Charge for the financial year	9	-	1,622	-	1,631
Disposal	-	-	(488)	-	(488)
Transfer to Non-Current Assets Held for Sale	-	-	(95)	-	(95)
At 31 December 2013	4,943	-	10,915	699	16,557
Accumulated impairment losses					
At 1 January/31 December 2013	1,457	1,101	9,510	1,683	13,751
Net book value					
At 31 December 2013	9,986	9,503	35,233	-	54,722

The fair value of the properties is estimated at RM87.3million (2013: RM62.7 million) based on valuations by independent professional valuers during the financial year. Valuations were based on current prices in an active market.

Direct operating expenses from investment properties that generated rental income of the Group during the financial year amounted to RM318,172 (2013: RM378,743).

Direct operating expenses from investment properties that did not generate rental income of the Group during the financial year amounted to RM106,027 (2013: RM132,659).

The titles to freehold and leasehold properties included in the investment properties for the Group at net book value of RM0.7 million (2013: RM4.2 million) are in the process of being transferred to the Group. Risks, rewards and effective titles to those properties have been passed to the Group upon unconditional completion of the acquisition of the properties. The Group has submitted the relevant documents to the authorities for transfer of legal titles to the Group and is awaiting the process and formalities of this transfer to be completed.

26 SUBSIDIARIES

	Company 2014 RM'000	Company 2013 RM'000
Unquoted shares, at cost	**1,089,779**	1,089,779
Less: Accumulated impairment losses	**(119)**	(119)
	1,089,660	1,089,660
Redeemable preference shares ("RPS")	**577,684**	577,684
Less: Accumulated impairment losses	**(1,700)**	(1,700)
	575,984	575,984
	1,665,644	1,665,644

The amount due from a subsidiary of which the Company does not expect repayment in the foreseeable future is considered as part of the Company's investment in the subsidiary.

26 SUBSIDIARIES (CONTINUED)

During the previous financial year, a subsidiary redeemed 50,000,000 of RPS of RM0.01 per share, which were issued at RM0.01 per RPS, at a premium of RM0.99 each by cash. The nominal value of the shares redeemed of RM0.5 million had been classified as Capital Redemption Reserve.

The details of the subsidiaries are as follows:

Name of company	Country of incorporation	Principal activities	Interest in equity 2014 %	Interest in equity 2013 %
Sistem Televisyen Malaysia Berhad ("STMB")	Malaysia	Commercial television broadcasting	**100**	100
Synchrosound Studio Sdn Bhd	Malaysia	Commercial radio broadcasting	**100**	100
Big Tree Outdoor Sdn Bhd ("BTO")	Malaysia	Provision of advertising space and related services,investment holding and management services	**100**	100
Primeworks Studios Sdn Bhd	Malaysia	Production of television content and motion picture films, acquiring ready made films from local producers and production houses and investment holding	**100**	100
Big Events Sdn Bhd	Malaysia	Events management	**100**	100
The Talent Unit Sdn Bhd	Malaysia	Talent management of artistes	**100**	100
Alternate Records Sdn Bhd	Malaysia	Album production and recording studio	**100**	100
Amity Valley Sdn Bhd	Malaysia	Dormant	**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 (formerly known as Media Prima Content Services Sdn Bhd)	Malaysia	Content procurement and sale of content to IPTV, cable, video and rights	**100**	100
Able Communications Sdn Bhd	Malaysia	Dormant	**100**	100
Encorp Media Technology Sdn Bhd	Malaysia	Dormant	**100**	100

26 SUBSIDIARIES (CONTINUED)

Name of company	Country of incorporation	Principal activities	Interest in equity 2014 %	Interest in equity 2013 %
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 newspaper and investment holding	**98.17**	98.17
Held by STMB				
Ch-9 Media Sdn Bhd ("TV9")	Malaysia	Commercial television broadcasting	**100**	100
Natseven TV Sdn Bhd ("ntv7")	Malaysia	Commercial television broadcasting	**100**	100
Merit Idea Sdn Bhd	Malaysia	Investment holding	**100**	100
Held by Merit Idea Sdn Bhd				
Metropolitan TV Sdn Bhd ("8TV")	Malaysia	Commercial television broadcasting	**100**	100
Held by Synchrosound Studio Sdn Bhd				
Perintis Layar Sdn Bhd	Malaysia	Investment holding	**100**	100
One FM Radio Sdn Bhd	Malaysia	Commercial radio broadcasting	**80**	80
Held by Perintis Layar Sdn Bhd				
Max-Airplay Sdn Bhd ("FlyFM")	Malaysia	Commercial radio broadcasting	**100**	100
Held by NSTP				
Berita Book Centre Sdn Bhd	Malaysia	Dormant	**100**	100
Berita Harian Sdn Berhad	Malaysia	Dormant	**100**	100
Business Times (Malaysia) Sdn Bhd	Malaysia	Dormant	**100**	100
Marican Sdn Berhad	Malaysia	Dormant	**92.5**	92.5
New Straits Times Sdn Berhad	Malaysia	Dormant	**100**	100
New Straits Times Technology Sdn Bhd	Malaysia	Dormant	**100**	100
NSTP e-Media Sdn Bhd	Malaysia	Internet based on-line services	**100**	100
Shin Min Publishing (Malaysia) Sdn Bhd	Malaysia	Dormant	**89.6**	89.6

26 SUBSIDIARIES (CONTINUED)

Name of company	Country of incorporation	Principal activities	Interest in equity 2014 %	Interest in equity 2013 %
The New Straits Times Properties Sdn Bhd	Malaysia	Property management services	**100**	100
Held by New Straits Times Technology Sdn Bhd				
Berita Information Systems Sdn Bhd	Malaysia	Dormant	**100**	100
Held by Jupiter Outdoor Network Sdn Bhd				
Calcom Sdn Bhd	Malaysia	Dormant	**100**	100
Lokasi Sejagat Sdn Bhd	Malaysia	Dormant	**100**	100
Skyten Marketing Sdn Bhd	Malaysia	Dormant	**100**	100
Held by Big Tree Outdoor Sdn Bhd				
UPD Sdn Bhd (“UPD”)	Malaysia	Outdoor advertising	**100**	100
The Right Channel Sdn Bhd (“TRC”)	Malaysia	Outdoor advertising	**100**	100
Kurnia Outdoor Sdn Bhd (“Kurnia”)	Malaysia	Outdoor advertising	**100**	100
Jupiter Outdoor Network Sdn Bhd	Malaysia	Dormant	**100**	100
Big Tree Productions Sdn Bhd	Malaysia	Undertaking outdoor advertising business and carrying out related production works	**100**	100
Uniteers Outdoor Advertising Sdn Bhd	Malaysia	Advertising contracting and agents, sale of advertising space	**100**	100
Gotcha Sdn Bhd	Malaysia	Undertaking outdoor advertising business and carrying out related production works	**100**	100
Eureka Outdoor Sdn Bhd	Malaysia	Dormant	**100**	100
Anchor Heights Sdn Bhd	Malaysia	Dormant	**100**	100
Uni-Talent Gateway Sdn Bhd	Malaysia	Dormant	**100**	100
Held by Alternate Records Sdn Bhd				
Booty Studio Productions Sdn Bhd	Malaysia	Dormant	**60**	60
Held by Primeworks Studios Sdn Bhd				
Alt Media Sdn Bhd (“Alt Media”)	Malaysia	New media businesses and related activities	**100**	100

26 SUBSIDIARIES (CONTINUED)

Name of company	Country of incorporation	Principal activities	Interest in equity 2014 %	Interest in equity 2013 %
Held by UPD Sdn Bhd ("UPD")				
Utusan Sinar Media Sdn Bhd	Malaysia	Dormant	**100**	100
Held by The Right Channel Sdn Bhd ("TRC")				
MMC-AD Sdn Bhd	Malaysia	Dormant	**100**	100
Media Master Industries (M) Sdn Bhd	Malaysia	Dormant	**100**	100
Held by Kurnia Outdoor Sdn Bhd				
Kurnia Outdoor Productions Sdn Bhd	Malaysia	Production of advertising display	**100**	100
Held by Lazim Juta Sdn Bhd				
Strategic Media Asset Mgmt Co Ltd	Labuan	Dormant	**100**	100

27 ASSOCIATES

The amount recognised in the statement of financial position is as follows:

	Group 2014 RM'000	Group 2013 RM'000
Share of net assets	**163,729**	176,183
The amount recognised in the statement of comprehensive income is as follows:		
Share of results of an associate	**(6,283)**	9,238

Group

Set out below is the summarised financial information for Malaysian Newsprint Industries ("MNI"), associate of the Group as at 31 December 2014, which, in the opinion of the directors, is material to the Group and is accounted for using the equity method.

Summarised key financial information from the statement of comprehensive income for the year ended 31 December 2014 and 2013:

	2014 RM'000	2013 RM'000
Revenue	**417,389**	488,958
Depreciation and amortisation	**(34,654)**	(33,658)
Interest expense	**(8,020)**	(11,417)
Profit before taxation	**(23,823)**	57,019
Taxation	**(5,592)**	(13,766)
Net (loss)/profit and total comprehensive (loss)/income for the financial year	**(29,415)**	43,253
Dividend received from associate	**811**	-

27 ASSOCIATES (CONTINUED)

Summarised statement of financial position as at 31 December 2014 and 2013:

	2014 RM'000	2013 RM'000
NON CURRENT ASSETS	**733,259**	769,865
Cash and cash equivalents	**6,315**	6,244
Other current assets (excluding cash and cash equivalents)	**73,316**	76,835
TOTAL CURRENT ASSETS	**79,631**	83,079
Financial liabilities (excluding trade payables)	**(78,002)**	(75,429)
Other current liabilities (including trade payables)	**(46,098)**	(47,831)
TOTAL CURRENT LIABILITIES	**(124,100)**	(123,260)
TOTAL NON CURRENT LIABILITIES	**(225,544)**	(233,230)
NET ASSETS	**463,246**	496,454

Reconciliation of the summarised financial information of the Group's associate presented to the carrying amount of its interest in associate:

	2014 RM'000	2013 RM'000
Opening net assets 1 January	**496,454**	453,201
Net (loss)/profit and total comprehensive (loss)/income for the financial year	**(29,415)**	43,253
Dividends paid	**(3,793)**	-
Closing net assets 31 December	**463,246**	496,454
Interest in associates (21.36%)	**98,949**	106,043
Redeemable Preference Shares	**64,780**	70,140
Carrying value	**163,729**	176,183

MNI supplies newsprint materials to the Group's print business segment.

27 ASSOCIATES (CONTINUED)

The Group's equity interests in the associates, their respective principal activities and countries of incorporation are as follows:

Name of company	Principal activities	Group effective interest in equity 2014 %	2013 %
Sistem Network Nusantara Sdn Bhd	Dormant	**49.0**	49.0
Held by NSTP			
Asia Magazines Limited (Incorporated in Hong Kong)	Dormant	**26.41^**	26.41^
Business Day Co Ltd (Incorporated in Thailand)	Dormant	**46.63^**	46.63^
Malaysian Newsprint Industries Sdn Bhd	Manufacture and sale of newsprint and related paper products	**21.00^**	21.00^
Laras Perkasa Sdn Bhd *	Liquidated	**-**	29.45^

^ Effective interest via 98.17% interest in NSTP

* Laras Perkasa Sdn Bhd was liquidated during the financial year. Proceeds from the capital repayment amounting to RM360,000 were received which resulted in a loss of liquidation of RM69,000.

The associates are private companies and there is no quoted market price available for its shares.

There are no contingent liabilities relating to the Group's interest in the associates.

28 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group 2014 RM'000	Group 2013 RM'000
Shares in corporations, quoted in Malaysia	**2**	2
Shares in corporations, unquoted in Malaysia	**88**	88
	90	90

Changes in fair values of financial assets at fair value through profit or loss are recorded on the face of the profit or loss.

The fair value of all equity securities is based on their current bid prices in an active market.

29 INTANGIBLE ASSETS

Group	Programmes rights (definite life) RM'000	Film rights (definite life) RM'000	Goodwill (indefinite life) RM'000	Acquired concession rights and outdoor advertising rights (definite life) RM'000	Acquired concession rights and outdoor advertising rights (indefinite life) RM'000	Acquired publishing rights and contracts (indefinite life) RM'000	Total RM'000
At 1 January 2014	**23,080**	**16,542**	**128,170**	**15,464**	**39,446**	**161,012**	**383,714**
Additions	**182,735**	**17,260**	**-**	**-**	**-**	**-**	**199,995**
	205,815	**33,802**	**128,170**	**15,464**	**39,446**	**161,012**	**583,709**
Amortisation during the financial year	**(173,416)**	**(19,072)**	**-**	**(3,211)**	**-**	**-**	**(195,699)**
Write offs during the financial year	**(6)**	**-**	**-**	**-**	**-**	**-**	**(6)**
At 31 December 2014	**32,393**	**14,730**	**128,170**	**12,253**	**39,446**	**161,012**	**388,004**
At 1 January 2013	8,541	19,014	128,170	19,057	39,446	161,012	375,240
Additions	202,430	7,419	-	-	-	-	209,849
	210,971	26,433	128,170	19,057	39,446	161,012	585,089
Amortisation during the financial year	(187,701)	(9,891)	-	(3,593)	-	-	(201,185)
Write offs during the financial year	(190)	-	-	-	-	-	(190)
At 31 December 2013	23,080	16,542	128,170	15,464	39,446	161,012	383,714

Intangible assets with indefinite useful lives are tested for impairment on an annual basis. Included in intangible assets are acquired rights which have indefinite useful lives, totalling RM200.5 million (2013: RM200.5 million). 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. Based on the test performed as described below, the Directors concluded that the recoverable amount, calculated based on value-in-use, is higher than the carrying amount.

Impairment tests for intangible assets with indefinite useful life

The carrying amounts of intangible assets allocated to the Group's cash-generating units ("CGUs") are as follows:

Group	2013 and 2014		
	Goodwill RM'000	Intangibles with indefinite life RM'000	Total RM'000
NSTP Group	-	161,012	161,012
Outdoor Group	112,465	39,446	151,911
One FM	11,384	-	11,384
Others	4,321	-	4,321
	128,170	200,458	328,628

No impairment loss was required for the carrying amounts of the intangible assets above assessed as at 31 December 2014 as their recoverable amounts were in excess of their carrying amounts.

The recoverable amounts of the CGUs are determined based on value-in-use ("VIU") calculations. Cash flows are derived based on the approved budgeted cash flows for 2014 and projections for the subsequent period of four (4) years, based on external data. The projections reflect management's expectation of revenue growth, operating costs and margins for the cash-generating unit based on current assessment of market share, expectations of market growth and industry growth.

29 INTANGIBLE ASSETS (CONTINUED)

The key assumptions used for the value-in-use calculations are as follows:

	NSTP Group %	Outdoor Group %	One FM %
2014			
Average revenue growth	**3.4**	**5.0**	**5.0**
Pre-tax discount rate	**9.9**	**11.4**	**11.4**
Terminal growth rate	**2.5**	**2.5**	**2.5**
2013			
Average revenue growth	3.0	5.6	5.6
Pre-tax discount rate	10.6	10.7	10.7
Terminal growth rate	0.0	2.5	2.5

(i) A terminal growth rate of 2.5% (2013: 0.0% to 2.5%;) is applied in the VIU calculations. The average revenue growth rate and terminal growth rate reflects long term growth forecast.

(ii) The growth in overhead costs are determined based on past performance and expected inflationary factors and is consistent with previous years.

(iii) Contribution margins and EBITDA margins are projected based on the industry trends, together with the trends observed within the Group.

(iv) Maintenance costs and taxes at 24% (2013: 25%) is incorporated in the cash flows.

The Group's review includes an impact assessment of changes in key assumptions. 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 CGUs to exceed their recoverable amounts.

30 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group	
	2014 RM'000	2013 RM'000
At 1 January	**2,325**	2,525
Disposal	**-**	(55)
Net (loss)/gains recognised in other comprehensive income	**-**	(145)
At 31 December	**2,325**	2,325

Available-for-sale financial assets comprise unquoted shares and are denominated in Ringgit Malaysia.

The fair value of unlisted securities are based on inputs rather than quoted prices included within active markets that are not observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). The fair value of available-for-sale assets equals the carrying amount.

31 INVENTORIES

	Group	
	2014 RM'000	2013 RM'000
Raw materials	**74,250**	117,874
Publication stocks	**63**	89
	74,313	117,963

32 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Trade receivables	314,923	357,312	-	-
Less: Provision for impairment	(69,136)	(63,218)	-	-
	245,787	294,094	-	-
Less: Advanced billings	(6,473)	(7,726)	-	-
	239,314	286,368	-	-
Deposits	13,539	13,452	104	104
Prepayments	56,699	50,006	334	163
Other receivables	202,777	206,106	45	95
	273,015	269,564	483	362
Less: Provision for impairment of other receivables	(170,050)	(169,894)	-	-
	102,965	99,670	483	362
	342,279	386,038	483	362

All receivables are mostly due within 12 months from the end of the reporting period.

The fair values of trade and other receivables approximates the carrying value.

As of 31 December 2014, trade receivables that were past due but not impaired are as disclosed below. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

Group	Trade receivables	
	2014 RM'000	2013 RM'000
Ageing 3 to 6 months	61,211	75,285
Ageing 7 to 12 months	35,347	18,877
Over 12 months	6,662	7,334
	103,220	101,496

As of 31 December 2014, trade receivables of RM69,136,329 (2013: RM63,217,945) and other receivables of RM170,051,489 (2013: RM169,893,785) were impaired and provided for. The individually impaired receivables mainly relate to customers that defaulted in payment, which are in unexpectedly difficult financial position. It was assessed that an insignificant portion of the receivables is only expected to be recovered. The ageing of these receivables is as follows:

Group	Trade receivables		Other receivables	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Ageing 3 to 6 months	-	-	-	-
Ageing 7 to 12 months	43	51	-	-
Over 12 months	69,093	63,167	170,050	169,894
	69,136	63,218	170,050	169,894

32 TRADE AND OTHER RECEIVABLES (CONTINUED)

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

	Group	
	2014 RM'000	2013 RM'000
RM	**309,265**	353,086
USD	**1,734**	3,384
SGD	**3,740**	821
Others	**184**	21
	314,923	357,312

Movements on the Group's provision for impairment of receivables are as follows:

	Group			
	2014 Trade receivables RM'000	2014 Other receivables RM'000	2013 Trade receivables RM'000	2013 Other receivables RM'000
At 1 January	**63,218**	169,894	**60,604**	174,386
Impairment charge for the financial year	**6,964**	192	**3,862**	284
Unused amounts reversed	**(1,046)**	(36)	**(1,248)**	(4,768)
Receivables written off during the financial year as uncollectible	**-**	-	**-**	(8)
At 31 December	**69,136**	170,050	**63,218**	169,894

The creation and release of provision for impaired receivables have been included as a net amount in the profit and loss. Amounts charged as impairment are generally written off when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The Group holds bank guarantees and deposits amounting to RM43.5 million (2013: RM43.3 million) as collateral to reduce its credit risk.

33 AMOUNTS DUE FROM/TO SUBSIDIARIES

	Company	
	2014 RM'000	2013 RM'000
Current:		
Amounts due from subsidiaries	**25,403**	57,423
Less: Provision for impairment	**(20)**	(20)
	25,383	57,403
Intercompany loans (Note a)	**140,000**	120,000
	165,383	177,403
Amounts due to subsidiaries	**27,933**	18,264

(a) Intercompany loans to subsidiaries classified as current are denominated in Ringgit Malaysia, unsecured, repayable on demand and charged at prevailing market rate applicable on the day of the disbursement.

(b) The amounts due from subsidiaries classified as current are denominated in Ringgit Malaysia, unsecured and interest free. These balances are expected to be realisable within the next financial year.

34 DEPOSITS, CASH AND BANK BALANCES

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Cash and bank balances	**80,210**	99,709	**11,486**	7,474
Deposits with licensed banks	**484,780**	518,681	**271,672**	291,194
Deposits, cash and bank balances (Note 36)	**564,990**	618,390	**283,158**	298,668

The deposits, cash and bank balances are denominated in Ringgit Malaysia.

During the financial year, the interest rates for the deposits ranged from 3.00% to 4.00% (2013: 2.90% to 3.95%) per annum for the Group and for the Company. As at 31 December 2014, the effective interest rates for the deposits ranged from 3.00% to 4.00% (2013: 2.90% to 3.95%) per annum for the Group and for the Company.

Fixed deposits with licensed financial institutions have a maturity period ranging between 30 days to 365 days (2013: 30 days to 365 days).

Bank balances are deposits held at call with banks and earn no interest.

35 AMOUNT DUE TO AN ASSOCIATE

The amount due to an associate is denominated in Ringgit Malaysia, unsecured, interest free and repayable on demand.

36 CASH AND CASH EQUIVALENTS

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Deposits, cash and bank balances (Note 34)	**564,990**	618,390	**283,158**	298,668
Less:				
Restricted deposits:				
- Deposits with a licensed bank	**(13,538)**	(9,496)	**(10,117)**	(6,172)
	551,452	608,894	**273,041**	292,496

Bank balances at the end of the financial year include the following deposits which are not available for use by the Group and the Company:

(a) Deposits with a licensed bank, amounting to RM3,420,489 (2013: RM3,324,477), which have been placed with the licensed bank for bank guarantee facilities extended to a subsidiary company. These are long term restricted cash up to 2014.

(b) Deposits with licensed bank of RM5,046,154 (2013: RM4,610,308) which have been placed with the licensed bank for bond security. These are restricted cash up to 2015.

(c) Proceeds received from exercise of warrants amounting to RM5,070,896 (2013: RM1,561,781) have been placed under proceeds account in a licensed bank pursuant to the RFRB Deed Poll. These are restricted cash up to 2015.

37 CASH FLOWS GENERATED FROM OPERATIONS

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Net profit for the financial year	**76,622**	216,416	**103,283**	193,723
Adjustments for:				
Programmes, film rights and album production cost				
- Amortisation	**192,488**	197,592	**-**	-
- Write offs	**6**	190	**-**	-
Property, plant and equipment				
- Depreciation	**95,584**	95,943	**32**	36
- Gain on disposals	**(2,730)**	(459)	**-**	-
- Write offs	**7**	346	**-**	-
- Contra arrangements	**(706)**	(2,106)	**-**	-
Investment properties				
- Depreciation	**1,592**	1,631	**-**	-
- Gain on disposal	**(171)**	(640)	**-**	-
Non-current assets held for sale				
- Loss on disposal	**167**	-	**-**	-
Amortisation of acquired rights	**3,211**	3,593	**-**	-
Interest expenses	**22,901**	26,253	**21,871**	24,674
Provision for stock obsolescences	**582**	-	**-**	-
Share of results of an associate	**6,283**	(9,238)	**-**	-
Dividend income	**-**	(8,640)	**(141,640)**	(264,951)
Interest income	**(16,833)**	(15,322)	**(14,553)**	(12,139)
Taxation	**24,819**	73,565	**(6,791)**	29,632
Net provision for/(reversal of) impairment of trade and other receivables	**6,074**	(1,870)	**-**	-
	409,896	577,254	**(37,798)**	(29,025)
Changes in working capital:				
Inventories	**43,068**	(33,545)	**-**	-
Receivables	**37,968**	47,924	**(121)**	2,283
Payables	**(23,205)**	20,049	**2,694**	(3,141)
Intangible assets – acquisition of programme rights	**(196,802)**	(208,872)	**-**	-
Amounts due from subsidiaries	**-**	-	**10,573**	42,473
Amount due to an associate	**(1,360)**	(1,437)	**-**	-
Cash flows generated from/(used in) operations	**269,565**	401,373	**(24,652)**	12,590

38 NON-CURRENT ASSETS HELD FOR SALE

	Group	
	2014 RM'000	2013 RM'000
Net book value		
At 1 January	**2,024**	-
Transfer from investment properties (Note 25)	**1,562**	2,024
Disposals	**(887)**	-
At 31 December	**2,699**	2,024

During the previous financial year, one of the Group's subsidiaries entered into sale and purchase agreements for the proposed disposals of leasehold buildings for a total consideration of RM2.1 million. During the financial year, an additional investment property with net book value of RM1.6 million had been identified for disposal. Disposal of investment properties with carrying value of RM0.9 million had been completed during the financial year and the disposal of remaining assets are expected to be completed in 2015.

39 SIGNIFICANT NON-CASH TRANSACTIONS

The significant non-cash transactions during the financial year were as follows:

	Group	
	2014 RM'000	2013 RM'000
Property, plant and equipment obtained through:		
- contra arrangements with customers	**706**	2,106

40 SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

Key management personnel of the Company are the Executive Directors and the senior management of the Company. Key management compensation was as follows:

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Key management:				
- Basic salaries, bonus and other remunerations	**8,520**	9,037	**4,376**	4,111
- Allowance	**2,020**	858	**181**	393
- Defined contribution retirement plan	**1,690**	1,703	**784**	786
	12,230	11,598	**5,341**	5,290
Estimated monetary value of benefits-in-kind	**289**	308	**148**	88

Included in the key management compensation is Directors' remuneration as disclosed in Note 7 to the financial statements.

Key management personnel of the Group and of the Company have been granted options under the ESOS on the same terms and conditions as those offered to other employees of the Group (see Note 12) as follows:

			Number of options over ordinary shares of RM1.00 each			
	Grant date	Expiry date	Exercise price RM/share	At 1 January '000	Exercised '000	At 31 December '000
Financial year ended 31 December 2014	31 May 2010	13 May 2015	1.80	350	-	350
Financial year ended 31 December 2013	31 May 2010	13 May 2015	1.80	1,080*	(730)	350

* Exclude senior management who resigned during the financial year.

40 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

(b) Transactions between Group entities

Name of company	Relationship
The New Straits Times Press (Malaysia) Berhad ("NSTP")	A subsidiary of the Company
Sistem Televisyen Malaysia Berhad ("STMB")	A subsidiary of the Company
Metropolitan TV Sdn Bhd ("8TV")	A subsidiary of the Company
Natseven TV Sdn Bhd ("ntv7")	A subsidiary of the Company
Ch-9 Media Sdn Bhd ("Ch-9")	A subsidiary of the Company
Big Tree Outdoor Sdn Bhd	A subsidiary of the Company
Perintis Layar Sdn Bhd	A subsidiary of the Company
Synchrosound Studio Sdn Bhd	A subsidiary of the Company
One FM Radio Sdn Bhd	A subsidiary of the Company
Big Events Sdn Bhd	A subsidiary of the Company
Primeworks Distribution Sdn Bhd	A subsidiary of the Company
Alt Media Sdn Bhd	A subsidiary of the Company
Primeworks Studios Sdn Bhd	A subsidiary of the Company
Malaysian Newsprint Industries Sdn Bhd ("MNI")	An associate of the Group

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions:

Purchases of goods and services

	Group	
	2014 RM'000	2013 RM'000
Purchase of newsprints by NSTP from:		
- MNI	**59,948**	111,428

Sales and purchase of goods and services:

	Company	
	2014 RM'000	2013 RM'000
(i) Fees receivable in relation to provision of procurement services to:		
- STMB	-	1,828
- 8TV	-	464
- ntv7	-	1,119
- Ch-9	-	66

The Group entities have an arrangement whereby all sales and placement of advertisements between the Group entities are made in slots/space usually reserved for in-house advertisements and promotions. The fair values of these sales and placement of advertisements are not material in relation to the financial statements.

40 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

(b) Transactions between Group entities (continued)

Sales and purchase of goods and services (continued)

	Company 2014 RM'000	Company 2013 RM'000
(ii) Dividends received/receivable net of tax from:		
- STMB	**90,000**	100,000
- Big Tree Outdoor Sdn Bhd	**20,000**	25,000
- NSTP	**19,640**	95,963
- Synchrosound Studio Sdn Bhd	**12,000**	12,000
(iii) Intercompany loans		
- Disbursement to STMB	**-**	100,000
- Disbursement to NSTP	**20,000**	20,000
- Interest income on intercompany loans	**5,701**	2,025
(iv) Redemption on redeemable preference shares		
- Redemption of 50,000,000 RPS of RM0.01 per share at a premium of RM0.99 each by cash (Note 26)	**-**	50,000

(c) Significant related party balances

(i) Amounts due from/(to) subsidiaries

	Company 2014 RM'000	Company 2013 RM'000
ntv7	**1,615**	1,798
STMB	**(26,325)**	(16,691)
Primeworks Distribution Sdn Bhd	**(47)**	(1,216)
NSTP	**45,252**	36,035
Alt Media Sdn Bhd	**16,157**	16,214
Ch-9	**1,040**	752
Big Tree Outdoor Sdn Bhd	**(290)**	283
Synchrosound Studio Sdn Bhd	**(388)**	42
8TV	**799**	1,668
Primeworks Studios Sdn Bhd	**(69)**	26
Perintis Layar Sdn Bhd	**248**	248
One FM Radio Sdn Bhd	**(349)**	(7)
Big Events Sdn Bhd	**(262)**	(262)

(ii) Intercompany loans

	Company 2014 RM'000	Company 2013 RM'000
STMB	**100,000**	100,000
NSTP	**40,000**	20,000

40 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

(c) Significant related party balances (continued)

(iii) Amount due to an associate

	Group	
	2014 RM'000	2013 RM'000
MNI	**816**	2,176

41 COMMITMENTS

(a) Capital commitments

	Group	
	2014 RM'000	2013 RM'000
Capital commitments, approved but not contracted for		
- Property, plant and equipment	**98,848**	186,702
- Programmes and film rights	**207,315**	237,400
Capital commitments, approved and contracted for		
- Property, plant and equipment	**45,665**	29,349
	351,828	453,451
Share of an associate's capital commitments	**1,313**	2,475

(b) Operating lease commitments

The future minimum lease payments under non-cancellable operating leases are as follows:

	Group	
	2014 RM'000	2013 RM'000
- Not later than 1 year	**12,439**	12,215
- Later than 1 year and not later than 5 years	**55,441**	46,741
- Later than 5 years	**74,433**	96,950
	142,313	155,906

The Group leases premises for the use of offices and studios under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

42 CONTINGENT LIABILITIES

Material litigation

The Group is a defendant in 35 (2013: 44) legal suits with contingent liabilities amounting to approximately RM15.3 million (2013: RM620.8 million) as at 31 December 2014. Of the 35 (2013: 44) legal suits, 33 (2013: 42) suits are for alleged defamation (of which 24 (2013: 33) are against NSTP), 2 (2013: 2) are for alleged breaches of contracts.

In so far as the suits for the alleged copyright and breaches of contract are concerned, the Directors have been advised and are of the considered view that most are unsustainable against the Group.

It is noted that despite the amount claimed, the current trend of award for defamation are significantly lower. Hence, the likelihood of the amount claimed crystalling into the sum as claimed is highly unlikely. In addition, for the defamation suits against the Group, the Group continues to have in place insurance coverage against damages awarded against it.

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 as the Directors are of the opinion that most of the claims have no sustainable merit. The Directors do not therefore expect the outcome of the legal suits against the Group to have a material impact on the financial position of the Group.

43 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including:

(a) Market risks

(i) foreign currency exchange risk – risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates

(ii) fair value interest rate risk – risk that the value of a financial instrument will fluctuate due to changes in market interest rates

(iii) cash flow interest rate risk – risk that future cash flows associated with a financial instrument will fluctuate. In the case of a floating rate debt instrument, such fluctuations result in a change in the effective interest rate of the financial instrument, usually without a corresponding change in its fair value

(iv) price risk – risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instrument traded in the market

(b) credit risk – risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss

(c) liquidity risk (funding risk) – risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments

The Group's overall financial risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to the Group's financial risk management policies. The Board regularly reviews these risks and approves the treasury policies, which covers the management of these risks.

(a) Market risks

(i) Foreign currency exchange risk

The Group operates nationally but some of its cost is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar. The main costs with such exposure are programme rights and newsprint.

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.

43 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risks (continued)

(i) Foreign currency exchange risk (continued)

If the Ringgit Malaysia ("RM") had weakened or strengthened by 10% and 20% against the foreign currencies for which the financial instruments are denominated in, with all other variables remain unchanged, post tax profit for the year would have been higher or lower by the following amounts:

Foreign currency denominated financial instruments				Impact of changes in exchange rate to profit and loss (net of tax)			
	Trade receivables (Note 32)	Trade payables (Note 22)	Currency translation rate	RM weaken by		RM strengthen by	
Foreign currency	RM'000	RM'000	RM	-20% RM'000	-10% RM'000	10% RM'000	20% RM'000
As at 31 December 2014							
1USD	**1,734**	**(4,058)**	**3.4950**	**(349)**	**(174)**	**174**	**349**
1EUR	**-**	**(1)**	**4.2513**	**-**	**-**	**-**	**-**
1AUD	**-**	**(444)**	**2.8664**	**(67)**	**(33)**	**33**	**67**
1SGD	**3,740**	**-**	**2.6449**	**561**	**280**	**(280)**	**(561)**
1BND	**182**	**-**	**2.6451**	**27**	**14**	**(14)**	**(27)**
1PHP	**2**	**-**	**7.8066**	**-**	**-**	**-**	**-**
	5,658	**(4,503)**		**172**	**87**	**(87)**	**(172)**
As at 31 December 2013							
1USD	3,384	(348)	3.2755	455	228	(228)	(455)
1SGD	821	-	2.5895	123	62	(62)	(123)
1BND	16	-	2.5894	2	1	(1)	(2)
1PHP	5	-	7.3370	1	-	-	(1)
	4,226	(348)		581	291	(291)	(581)

* No sensitivity analysis is performed for Company level as it has no balance denominated in foreign currency.

(ii) Price risk

The Group is exposed to equity securities price risk because of investments held by the Group classified on the consolidated statement of financial position as available-for-sale and fair value through profit and loss. The Group is not exposed to commodity price risk. No financial instruments or derivatives have been employed to hedge this risk as the risk is deemed to be insignificant.

(iii) Cash flow and fair value interest rate risk

The Group's interest rate risk arises from long-term borrowings and debt instruments. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. The Group policy is to maintain appropriate level of borrowings in fixed rate instruments to ensure that some level of predictability in cash flows are preserved while ensuring that the Group maintains its cost of debt and gearing ratio at healthy levels within the limits of any covenants. During 2014 and 2013, the Group's borrowings at fixed rate were denominated in RM.

The Group analysed its interest rate exposure on a dynamic basis. Various scenarios were simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the Group calculated the impact on profit or loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios were run only for liabilities that represent the major interest-bearing positions.

43 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risks (continued)

(iii) Cash flow and fair value interest rate risk (continued)

Based on frequent simulations performed, for the which the Group assessed its interest rate risk exposure to be within tolerable limits, the impact on post tax profit rates shift for the previous financial year would be as disclosed below:

	Finance cost for the financial year ended 31 December 2013 (Note 4)	Interest rates for the financial year ended 31 December 2013	Impact of changes to interest rates to profit and loss (net of tax)			
			-0.50%	-0.25%	0.25%	0.50%
	RM'000	%	RM'000	RM'000	RM'000	RM'000
Banker's acceptance	(721)	3.35%	81	40	(40)	(81)
Revolving credit	(421)	3.80%	42	21	(21)	(42)
	(1,142)		123	61	(61)	(123)

The total bankers acceptance and revolving credit exposed the Group to interest rate risk, balances of which is as disclosed in Note 18. The above bankers acceptance and revolving credit were fully repaid during the financial year, hence no exposure for the financial year ended 31 December 2014.

(b) Credit risk

Credit risk arises when sales are made on deferred credit terms. The Group seeks to invest cash assets safely and profitably. It also seeks to control credit risk by setting counterparty limits and ensuring that sales of products and services are made to customers with an appropriate credit history. The Group considers the risk of material loss in the event of non-performance by a financial counterparty to be unlikely.

The Group has no significant concentration of credit risk except that the majority of its deposits are placed with major financial institutions in Malaysia.

The Group trades with a large number of customers who are nationally and internationally dispersed but within the commercial television, radio broadcasting, outdoor advertising, content production/provision and publishing/print industry. 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.

Credit risk is managed on a group basis, except for credit risk relating to accounts receivable balances. Each entity 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. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures on outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. Customer's credit quality is assessed, taking into account its financial position, past experience and other factors if no external credit ratings available for the customers. Individual risk limits are set based on internal or external ratings. The utilisation of credit limits is regularly monitored. The Group does not expect any losses from non-performance by these counterparties.

(c) Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group Treasury. Group Treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements – for example, currency restrictions.

43 FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group Treasury. Group Treasury invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned forecasts. The Group Treasury also considers the impact of discharging borrowings within the Group by relocating cash between subsidiaries whereby new borrowings are entered into whilst available cash is used to settle existing loans in a manner that reduces the Group's finance cost.

The table below analyses the Group's and Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the statements of financial position date to the contractual maturity date. As the amounts included in the table are contractual undiscounted cash flows, these amount will not reconcile to the amounts disclosed on the statement of financial position for borrowings, debt instruments and trade and other payables.

	Less than 3 months RM'000	Between 3 months and 1 year RM'000	Between 1 – 2 years RM'000	Between 2 – 5 years RM'000	Total RM'000
Group					
At 31 December 2014					
Trade and other payables	**300,823**	**31,630**	**-**	**-**	**332,453**
RFRB*	**153,713**	**-**	**-**	**-**	**153,713**
CPMTN*	**-**	**13,140**	**13,140**	**313,140**	**339,420**
Hire purchase	**596**	**731**	**-**	**-**	**1,327**
	455,132	**45,501**	**13,140**	**313,140**	**826,913**
Group					
At 31 December 2013					
Trade and other payables	355,476	-	-	-	355,476
RFRB*	3,713	3,713	153,713	-	161,139
CPMTN*	-	13,140	13,140	326,280	352,560
Hire purchase	545	2,174	1,327	-	4,046
Banker's acceptance	35,098	-	-	-	35,098
Revolving credit	10,000	-	-	-	10,000
	404,832	19,027	168,180	326,280	918,319

* These also apply to the Company level liquidity profile. All other non-derivative financial liabilities of the Company are less than 3 months.

Capital risk management

The Group'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.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as debt divided by total equity. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated statement of financial position). Total equity is calculated as 'equity' as shown in the consolidated statement of financial position.

During 2014, the Group's strategy was to maintain the gearing ratio within the limits allowed by covenants and an AA2 (CP) credit rating.

The Group and Company have complied with the capital requirement imposed by their borrowings.

43 FINANCIAL RISK MANAGEMENT (CONTINUED)

The AA1 (CP) credit rating has been rated by RAM Ratings during the financial year (AA2 (CP) credit rating was maintained throughout 2012 until 2013). The gearing ratios as at 31 December 2014 and 2013 were as follows:

	2014 RM'000	2013 RM'000
Debt instruments (Note 16)	**451,797**	450,454
Interest bearing bank borrowings (Note 18)	**-**	45,098
Hire purchase (Note 21)	**1,295**	3,814
Total debt	**453,092**	499,366
Total equity	**1,613,204**	1,676,329
Gearing ratio	**0.28**	0.30

The decrease in the gearing ratio during 2014 was partly due to the repayment of bank borrowings during the financial year (Note 18) and the result of share capital issuance arising from the exercise of ESOS and warrants (Note 11).

44 FAIR VALUE

(a) Fair value

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings approximate fair values due to the relatively short term nature of these financial instruments.

The fair values of other financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	2014		2013	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Group				
Investment in quoted shares^	**2**	**2**	2	2
Investment in unquoted shares**	**2,413**	**2,413**	2,413	2,413
Investment properties^^	**50,743**	**87,316**	54,722	62,700
Commercial paper medium term notes (non-current)*#	**300,108**	**298,456**	300,036	303,315
Redeemable fixed rate bonds (current)*#	**151,689**	**152,210**	150,418	151,120

* The fair value of these financial instruments has been estimated using future contractual cash flows discounted at current market interest rates available for similar financial instruments/loans.

^ The fair value of these items has been estimated using quoted market prices at financial position dates.

^^ The fair value of these items has been based on valuations by independent professional valuers as at financial position dates.

** The fair values of the unquoted shares are based on market value of the unlisted securities derived from arm's length transactions.

These also apply to the Company level financial liabilities.

44 FAIR VALUE (CONTINUED)

(b) Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Assets measured at fair value

Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2014				
Financial assets				
Investment in quoted shares	**2**	**-**	**-**	**2**
Investment in unquoted shares	**-**	**2,413**	**-**	**2,413**
	2	**2,413**	**-**	**2,415**
2013				
Financial assets				
Investment in quoted shares	2	-	-	2
Investment in unquoted shares	-	2,413	-	2,413
	2	2,413	-	2,415

Assets and liabilities with fair value disclosure

Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2014				
Assets				
Investment properties	**-**	**87,316**	**-**	**87,316**
Financial liabilities				
Commercial paper medium term notes (non-current)*	**-**	**298,456**	**-**	**298,456**
Redeemable fixed rate bonds*	**-**	**152,210**	**-**	**152,210**
	-	**450,666**	**-**	**450,666**
2013				
Assets				
Investment properties	-	62,700	-	62,700
Financial liabilities				
Commercial paper medium term notes (non-current)*	-	303,315	-	303,315
Redeemable fixed rate bonds*	-	151,120	-	151,120
	-	454,435	-	454,435

* These also apply to the Company level liabilities measured at fair value.

SUPPLEMENTARY INFORMATION DISCLOSED PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

The following analysis of realised and unrealised retained profits/(accumulated losses) at the legal entity level is prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants whilst the disclosure at the Group level is based on the prescribed format by the Bursa Malaysia Securities Berhad.

	2014 RM'000	2013 RM'000
Retained profit of MPB (Realised)	**104,295**	146,257
Total accumulated losses of subsidiaries		
- Realised	**(299,031)**	(279,331)
- Unrealised	**19,037**	18,318
	(279,994)	(261,013)
Total share of retained profits from associated companies		
- Realised	**9,107**	12,943
- Unrealised	**2,054**	4,385
	11,161	17,328
Total Group's accumulated losses (before consolidation adjustments)	**(164,538)**	(97,428)
Less: Consolidation adjustments	**227,975**	230,588
Total Group's retained earnings as per consolidated accounts	**63,437**	133,160

The disclosure of realised and unrealised profits/(losses) above is solely for compliance with the directive issued by the Bursa Malaysia Securities Berhad and should not be used for any other purpose.

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, Tan Sri Johan bin Jaaffar and Dato' Sri Amrin bin Awaluddin, 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 163 to 234 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2014 and of the results and cash flows of the Group and of the Company for the financial year ended on that date in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and comply with the provisions of the Companies Act, 1965.

The supplementary information set out in page 235 to the financial statements have been compiled in accordance with the Guidance on Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board of Directors in accordance with their resolution dated 25 February 2015.

TAN SRI JOHAN BIN JAAFFAR
CHAIRMAN

DATO' SRI AMRIN BIN AWALUDDIN
GROUP MANAGING DIRECTOR

STATUTORY DECLARATION
PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, Mohamad Ariff bin Ibrahim, 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 163 to 234 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.

MOHAMAD ARIFF BIN IBRAHIM
GROUP CHIEF FINANCIAL OFFICER

Subscribed and solemnly declared by the above named Mohamad Ariff bin Ibrahim, at Petaling Jaya, Malaysia on 25 February 2015, before me.

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MEDIA PRIMA BERHAD
(INCORPORATED IN MALAYSIA) (COMPANY NO: 532975 A)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Media Prima Berhad on pages 163 to 234 which comprise the statements of financial position as at 31 December 2014 of the Group and of the Company, and the statements of comprehensive income, changes in equity and cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on Notes 1 to 44.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 31 December 2014 and of their financial performance and 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, 1965 in Malaysia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(c) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out on page 235 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

AZIZAN BIN ZAKARIA
(No. 2930/05/16 (J))
Chartered Accountant

Kuala Lumpur
25 February 2015

ANALYSIS OF SHAREHOLDINGS

Authorised Share Capital	RM2,000,000,000 divided into 2,000,000,000 ordinary shares of RM1.00 each
Issued and Paid Up Share Capital	RM1,109,192,248 comprising 1,109,192,248 ordinary shares of RM1.00 each
Class of Share	Ordinary Shares of RM1.00 each
No. of Shareholders	22,962
Voting Rights	One (1) vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS
As At 27 February 2015

Size of Shareholdings	No. of Shareholders	% of Shareholdings	No. of Shares	% of Issued Share Capital
1 - 99	4,839	21.07	191,841	0.02
100 - 1,000	9,574	41.69	4,687,594	0.42
1,001 - 10,000	7,311	31.84	23,181,059	2.09
10,001 - 100,000	970	4.22	24,058,124	2.17
100,001 to less than 5% of issued shares	265	1.15	685,823,351	61.83
5% and above of issued shares	3	0.01	371,250,279	33.47
Total	**22,962**	**100.00**	**1,109,192,248**	**100.00**

DIRECTORS' SHAREHOLDING
As At 27 February 2015

No.	Name of Directors	Total Shares	%
1	Tan Sri Johan bin Jaaffar	-	-
2	Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	-	-
3	Dato' Sri Amrin bin Awaluddin	-	-
4	Datuk Shahril Ridza bin Ridzuan	-	-
5	Tan Sri Lee Lam Thye	-	-
6	Tan Sri Dato' Seri Mohamed Jawhar	-	-
7	Dato' Abdul Kadir bin Mohd Deen	-	-
8	Dato' Gumuri bin Hussain	-	-
9	Lydia Anne Abraham	-	-
	Total	-	-

SUBSTANTIAL SHAREHOLDERS
As At 27 February 2015

No.	Names	No. of Issued Shares	% of Issued Shares
1.	Employees Provident Fund Board	174,425,743	15.73
2.	KAF Trustee Berhad KIFB for Gabungan Kesturi Sdn Bhd	123,024,270	11.09
3.	Amanah Raya Berhad	*123,024,270	11.09
4.	KAF Trustee Berhad KIFB for Altima, Inc	88,291,671	7.96
	Total	**385,741,684**	**34.78**

**Deemed interested by virtue of its 100% equity interest in Gabungan Kesturi Sdn Bhd*

TOP 30 SECURITIES ACCOUNT HOLDERS
As At 27 February 2015

No.	Names	No. of Issued Shares	% of Issued Shares
1	Employees Provident Fund Board	174,425,743	15.73
2	KAF Trustee Berhad KIFB for Gabungan Kesturi Sdn Bhd	123,024,270	11.09
3	KAF Trustee Berhad KIFB for Altima, Inc	88,291,671	7.96
4	Amanahraya Trustees Berhad Skim Amanah Saham Bumiputera	54,410,627	4.91
5	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for Public Regular Saving Fund (N14011940100)	39,616,720	3.57
6	Kumpulan Wang Persaraan (Diperbadankan)	33,760,000	3.04
7	Citigroup Nominees (Tempatan) Sdn Bhd Exempt An for AIA Bhd	27,572,500	2.49
8	Malaysia Nominees (Tempatan) Sendirian Berhad Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)	25,946,980	2.34
9	HSBC Nominees (Asing) Sdn Bhd BBH And Co Boston For GMO Emerging Domestic Opportunities Fund	22,234,644	2.00
10	HSBC Nominees (Asing) Sdn Bhd TNTC For Edgbaston Asian Equity Trust	18,971,900	1.71
11	HSBC Nominees (Asing) Sdn Bhd TNTC For Somerset Emerging Markets Small Cap Fund LLC	17,772,548	1.60
12	Amanahraya Trustees Berhad Amanah Saham Malaysia	17,475,300	1.58
13	HSBC Nominees (Asing) Sdn Bhd BNY Brussels For Brooklawn House	16,349,357	1.47
14	HSBC Nominees (Asing) Sdn Bhd HSBC BK PLC for Saudi Arabian Monetary Agency	14,578,700	1.31
15	HSBC Nominees (Asing) Sdn Bhd Exempt AN for The Bank of New York Mellon (Mellon Acct)	14,364,301	1.30

TOP 30 SECURITIES ACCOUNT HOLDERS (CONTINUED)
As At 27 February 2015

No.	Names	No. of Issued Shares	% of Issued Shares
16	HSBC Nominees (Asing) Sdn Bhd Exempt An for J.P. Morgan Bank Luxembourg S.A.	14,250,700	1.28
17	HSBC Nominees (Asing) Sdn Bhd TNTC For Mondrian Emerging Markets Small Cap Equity Fund, L.P	13,166,700	1.19
18	Cartaban Nominees (Asing) Sdn Bhd GIC Private Limited for Government of Singapore (C)	8,569,400	0.77
19	HSBC Nominees (Asing) Sdn Bhd Exempt An For JPMorgan Chase Bank, National Association (U.S.A)	8,480,800	0.76
20	Hong Leong Assurance Berhad As Beneficial Owner (Life Par)	7,851,100	0.71
21	HSBC Nominees (Asing) Sdn Bhd BBH And Co Boston For GMO Emerging Markets Fund	7,135,314	0.64
22	Citigroup Nominees (Asing) Sdn Bhd CBNY For DFA Emerging Markets Small Cap Series	7,001,103	0.63
23	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT Fund NP9Q for Ontario Teachers' Pension Plan Board	6,914,814	0.62
24	HSBC Nominees (Asing) Sdn Bhd Exempt AN For JPMorgan Chase Bank, National Association (Norges BK)	6,879,200	0.62
25	CIMB Commerce Trustee Berhad Public Focus Select Fund	6,390,600	0.58
26	DB (Malaysia) Nominee (Asing) Sdn Bhd Exempt AN For Deutsche Bank AG London (Prime Brokerage)	6,354,700	0.57
27	HSBC Nominees (Asing) Sdn Bhd TNTC For LSV Emerging Markets Equity Fund L.P.	6,220,800	0.56
28	HSBC Nominees (Asing) Sdn Bhd BNY LUX For Invesco Funds	6,023,900	0.54
29	Amanahraya Trustees Berhad Public SmallCap Fund	5,830,120	0.53
30	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT Fund WTAU For Wisdomtree Emerging Markets Smallcap Dividend Fund	5,800,336	0.52
	Total	**805,664,848**	**72.64**

LIST OF PROPERTIES HELD BY THE GROUP AND USAGE OF PROPERTIES
AS AT 31 DECEMBER 2014

Location	Type	Tenure	Date of Acquisition	Area	Description	Age of buildings (Years)	Net Book Value (RM) 2014
Lot 2494 Mukim Peringat Daerah Peringat Kampung Parit Kota Bharu, Kelantan	Freehold	-	16 August 1987	0.7039 ha	Television transmission station	24	180,655
Lot 374, Block 12 Miri Concession Land District Km 3, Jalan Miri-Bintulu Miri, Sarawak	Leasehold	60 years Expiry : 2053	8 April 1993	0.4815 ha	Television transmission station	19	100,494
Commerce Square Batu 10 Jalan Kelang Lama SS8/1 Petaling Jaya Selatan Mukim Damansara Petaling, Selangor	Leasehold	99 years Expiry : 2091	30 May 2001	1 unit x 2,963 sq ft 1 unit x 3,130 sq ft	Commercial building Commercial building	13 13	1,198,803
Lembah Beringin P.T. No 2133 Mukim Sungai Gumut Daerah Hulu Selangor, Selangor	Freehold	-	27 July 1999	1 unit x 43,560 sq ft	Residential land	12	130,000
Lembah Beringin P.T. No 2134 Mukim Sungai Gumut Daerah Hulu Selangor, Selangor	Freehold	-	27 July 1999	1 unit x 53,561 sq ft	Residential land	12	149,721
Lembah Beringin Lot No. 60 Mukim Sungai Gumut Daerah Hulu Selangor, Selangor	Freehold	-	21 September 2004	1 unit x 10,934 sq ft	Residential land	7	112,142
Lembah Beringin Lot No. 61 Mukim Sungai Gumut Daerah Hulu Selangor, Selangor	Freehold	-	21 September 2004	1 unit x 10,955 sq ft	Residential land	7	112,415
Putrajaya Precinct 8 Phase 5A Unit C-3A-3A Level 4 (Tingkat 3), Block C Pusat Pentadbiran Kerajaan Persekutuan Putrajaya	Freehold	-	22 December 2000	1,351 sq ft	Commercial building	11	111,168
Summerset Resort Unit No : D120 Unit No : D124 Unit No : GS-01-11 Unit No : D108 Mukim Rompin Daerah Rompin Negeri Pahang	Leasehold	99 years Expiry : 2094	 12 December 2002 12 December 2002 12 December 2002 4 May 2004	 1,455 sq ft 1,455 sq ft 377 sq ft 1,500 sq ft	 Holiday Bungalow Holiday Bungalow Studio Holiday Bungalow	 9 9 9 7	 272,781 252,479 126,220 281,821

LIST OF PROPERTIES HELD BY THE GROUP AND USAGE OF PROPERTIES
AS AT 31 DECEMBER 2014

Location	Type	Tenure	Date of Acquisition	Area	Description	Age of buildings (Years)	Net Book Value (RM) 2014
Glomac City Sdn Bhd D-09-2 , Plaza Glomac No. 6 Jalan SS 7/19 Kelana Jaya 47301 PJ	Leasehold	99 years Expiry : 2103	1 June 2009	1,292 sq ft	1 unit shop office	5	390,633
Lot 2B-4-20 & 2B-4-21 Kompleks Tun Abdul Razak Geogetown, Penang	Leasehold	99 years Expiry : 2093	31 May 1995	7,316 sq ft	Cineplex	16	1
Damai Laut Holiday Apartments Lot F2-01-03A & Lot F2-GF-03A Jalan Titi Panjang 32200 Lumut Perak	Freehold	-	5 August 1997	2 lots x 981 sq ft	Apartment	13	2
Lot No. 2.30 Lot No. 2.31 Lot No. 2.32 Summit Centre Shopping Complex, Mines Wonderland, Seri Kembangan, Petaling, Selangor	Leasehold Leasehold Leasehold	99 years Expiry : 2093	15 September 2004 15 September 2004 15 September 2004	6,500 sq ft 6,500 sq ft 6,425 sq ft	Commercial building Commercial building Commercial building	7 7 7	1 1 1
Lot 159 & 160 Jalan Jurubina U1/18 Seksyen U1 Hicom Glenmarie Industrial Park 40150 Shah Alam, Selangor	Freehold	-	12 November 1996	80,063 sq ft	Commercial Land	-	7,093,700
Lot 7/9 Jalan Jurubina U1/18 Seksyen U1 Hicom Glenmarie Industrial Park 40150 Shah Alam, Selangor	Freehold	-	12 November 1996	7562 sq ft	Commercial Building	-	5,662,704
No. 9-2b, Jalan Desa 9/4 Bandar Country Homes 48000 Rawang, Selangor	Freehold	-	28 December 1998	695 sq ft	Office Unit	13	37,015
31, Jalan Riong Off Jalan Bangsar Kuala Lumpur	Freehold	–	1972	84,174 sq ft	Head Office and printing plant	41	5,799,562
9, Jalan Liku Kuala Lumpur	Freehold	–	1986	74,271 sq ft	Printing plant extension	22	50,191,872
Lot No. 323, 324 & 325 Jalan Bangsar Utama 1 Bangsar Utama 59000 Kuala Lumpur	Leasehold	99 years Expiry : 2085	1994	20,010 sq ft	5 - storey shop office	27	9,963,273

LIST OF PROPERTIES HELD BY THE GROUP AND USAGE OF PROPERTIES
AS AT 31 DECEMBER 2014

Location	Type	Tenure	Date of Acquisition	Area	Description	Age of buildings (Years)	Net Book Value (RM) 2014
No.16, Jalan U8/88 Bukit Jelutong Industrial Park, 40000 Shah Alam Selangor	Freehold	-	1995	1,525,149 sq ft	Regional printing plant	13	97,864,341
24, Jalan SS2/61 Petaling Jaya, Selangor	Freehold	-	1981	6,082 sq ft	3 1/2 - storey	32	3,220,000
Lot 33 Jalan Sultan Mohamed 1 Jalan Lebuh 1 Kawasan Perindustrian Bandar Sultan Sulaiman Pelabuhan Klang Utara Klang, Selangor	Leasehold	99 years Expiry : 2091	1991	137,197 sq ft	Warehouse	22	12,643,210
Leisure Commerce Square Blk B-3A-02, 04, 05, 06 07, 08, 10, 12 & 14 Jalan PJS 8/9 Petaling Jaya, Selangor	Leasehold	99 years Expiry : 2095	1999	7,696 sq ft	Office space	14	1,561,871
Leisure Commerce Square Blk A-04-01 & 02 Jalan PJS 8/9 Petaling Jaya, Selangor	Leasehold	99 years Expiry : 2095	1999	3,875 sq ft	Office space	14	737,576
Lot 322 & 323 Prai Industrial Estate Seberang Perai Tengah Pulau Pinang	Leasehold	99 years Expiry : 2039	1978	157,153 sq ft	Regional printing plant	35	1,325,191
Mukim 1 Kawasan Perusahaan Prai, Seberang Prai Pulau Pinang	Leasehold	99 years Expiry : 2035	1998	87,188 sq ft	Regional printing plant	13	16,000,010
No.33 Jalan Sultan Ahmad Shah Pulau Pinang	Freehold	–	1992	7,072 sq ft	2 1/2-detached office block	21	6,370,968
Lot T2 & T3 Kawasan Zon Perdagangan Bebas, Senai, Johor	Leasehold	99 years Expiry : 2043	1978	793,300 sq ft	Regional printing plant	34	3,891,423
Lot PL02 Kawasan Zon Perdagangan Bebas, Senai, Johor	Leasehold	99 years Expiry : 2043	1997	673,390 sq ft	Regional printing plant extension	16	18,405,575
Lot 11141 Tampoi Commercial Centre Johor Bahru, Johor	Leasehold	99 years Expiry : 2081	1990	8,934 sq ft	3-storey shophouse	23	920,070

LIST OF PROPERTIES HELD BY THE GROUP AND USAGE OF PROPERTIES
AS AT 31 DECEMBER 2014

Location	Type	Tenure	Date of Acquisition	Area	Description	Age of buildings (Years)	Net Book Value (RM) 2014
Kawasan Perindustrian Ajil Hulu Terengganu, Terengganu	Leasehold	60 years Expiry : 2057	1998	628,999 sq ft	Regional printing plant	13	24,975,223
No. 1107-U, Jalan Pejabat Kuala Terengganu Terengganu	Freehold	-	1981	4,865 sq ft	3-storey shophouse	32	1,224,000
235, Jalan Taman Taman Melaka Raya, Melaka	Leasehold	99 years Expiry : 2075	1981	4,101 sq ft	3-storey shophouse	32	891,538
No.89, Jalan Toman 5 Kemayan Square Off Jalan Sg.Ujong Seremban, Negeri Sembilan	Freehold	-	1997	7,524 sq ft	3-storey corner shophouse	16	533,333
Lot 1024, Mukim Sri Rusa Bt. 8 3/4, Jalan Pantai Teluk Kemang, Port Dickson Negeri Sembilan	Freehold	-	1990	64,304 sq ft	3 storey condominium with training and recreation facility	22	4,447,813
Lot G-14 Bangunan Sri Kinta Ipoh, Perak	Freehold	-	1982	4,520 sq ft	Ground floor, 13-storey complex	31	566,667
Lot No. 219, Muar Cottage Lady Maxwell Road Fraser's Hill, Pahang	Freehold	-	1979	28,535 sq ft	Holiday Bungalow	34	541,475
Lot 9, Taman Kayangan Fraser's Hill, Pahang	Leasehold	Expiry: 2051	1990	4,413 sq ft	Vacant land	-	89,743
Lot 78, Tingkat Bawah Kompleks Alor Setar Alor Setar, Kedah	Leasehold	99 years Expiry : 2083	1988	1,087 sq ft	Ground Floor, 3-storey shophouse	25	188,096
Lot 79, Kompleks Alor Setar Alor Setar, Kedah	Leasehold	99 years Expiry : 2083	1986	1,399 sq ft	3-storey shophouse	27	392,260
Lot 80, Kompleks Alor Setar Alor Setar, Kedah	Leasehold	Expiry : 2083	1986	5,371 sq ft	3-storey shophouse	27	623,836
Lot 184, Jln Kuala Krai Kota Bharu, Kelantan	Leasehold	Expiry : 2061	1995	5,597 sq ft	3 1/2-storey shop house	18	810,980
Lot 65, Block G, Asia City Kota Kinabalu, Sabah	Freehold	-	1996	4,801 sq ft	4-storey shophouse	17	1,195,714
Lok Kawi, District of Papar Kota Kinabalu, Sabah	Leasehold	Expiry : 2042	1996	112,063 sq ft	Vacant land – Proposed for printing plant	-	1,219,355
7, Wyndham Mews London W1	Freehold	-	1979	-	Residential house	34	3,919,116
108, Whitehall Court, London SW1	Leasehold	Expiry : 2086	1976	-	Apartment	37	3,481,282

BOARD OF DIRECTORS

Tan Sri Johan Bin Jaaffar*
Chairman

Datuk Seri Fateh Iskandar Bin Tan Sri Dato' Mohamed Mansor**
Deputy Chairman

Dato' Sri Amrin Bin Awaluddin
Group Managing Director

Datuk Shahril Ridza Bin Ridzuan***

Tan Sri Lee Lam Thye*

Tan Sri Dato' Seri Mohamed Jawhar*

Dato' Abdul Kadir Bin Mohd Deen*

Dato' Gumuri Bin Hussain*

Lydia Anne Abraham*

* *Independent Non-Executive Director*
** *Deputy Chairman and Senior Independent Non-Executive Director*
*** *Non-Independent Non-Executive Director*

GROUP COMPANY SECRETARY

Jessica Tan Say Choon
(MAICSA 7057849)

REGISTERED OFFICE

Media Prima Berhad
Balai Berita, Anjung Riong
No. 31, Jalan Riong, Bangsar
59100 Kuala Lumpur
Tel: 1300 300 672
Fax: 03 2282 0806

AUDIT COMMITTEE MEMBERS

Chairman
Dato' Gumuri Bin Hussain*

Members
Tan Sri Lee Lam Thye*
Tan Sri Dato' Seri Mohamed Jawhar*
Dato' Abdul Kadir Bin Mohd Deen*

* *Independent Non-Executive Director*

AUDITORS

PricewaterhouseCoopers
Level 10, 1 Sentral Jalan Travers Kuala Lumpur
Sentral P. O. Box 10192 50706 Kuala Lumpur
Tel: 03 2173 1188
Fax: 03 2173 1288

REGISTRAR

Symphony Share Registrars Sdn Bhd
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
Tel: 03 7841 8000/7849 0777
Fax: 03 7841 8151/8152

BANKER

Malayan Banking Berhad
No 2, Lorong Rahim Kajai 14
Taman Tun Dr Ismail
60000 Kuala Lumpur
Tel: 03 7727 9459
Fax: 03 7729 2770

SOLICITORS

M/s TH Liew & Partners
Advocates & Solicitors
Level 3, Block B, Plaza Damansara
No. 45, Medan Setia 1
Bukit Damansara
50490 Kuala Lumpur
Tel: 03 2089 5000
Fax: 03 2089 5001

M/s Raja Riza & Associates
Advocates & Solicitors
Suite 11-3A, Level 11
Wisma UOA II
No. 21, Jalan Pinang
50450 Kuala Lumpur
Tel: 03 2711 8118
Fax: 03 2163 3464

MEDIA PRIMA BERHAD

Tan Sri Johan Jaaffar
Chairman

Dato' Sri Amrin Awaluddin
Group Managing Director

Mohamad Ariff Ibrahim
Group Chief Financial Officer, MPB

Ahmad Izham Omar
Chief Executive Officer, Television Networks
Chief Executive Officer, Primeworks Studios Sdn Bhd

Seelan Paul
Chief Executive Officer, Radio Networks and Chief Operating Officer, Television Networks

Dato' Zainul Arifin Mohammed Isa
Chief Executive Officer, Media Prima Digital

Datuk Kamal Khalid
Chief Operating Officer, Group Shared Services, MPB

Shareen Ooi Bee Hong
Group Chief Marketing Officer, Integrated Marketing

Datuk Seri Mohd Ashraf Abdullah
Group Managing Editor, News & Current Affairs
Television Networks

Dato' Manja Ismail
Deputy Group Managing Editor, News & Current Affairs
Television Networks

Ahmad Kamaludin bin Zaba'ai
Group General Manager, News & Current Affairs,
Television Networks

Sofwan Mahmood
Group General Manager, News Operations
Television Networks

Dato' Goh Hin San
Advisor, Chairman's office

Zuraidah Atan
Group Chief Technology Officer, Group IT, MPB

Jessica Tan Say Choon
Group Company Secretary, MPB

Sere Mohammad Mohd Kasim
Group General Manager, Group Corporate Governance, MPB

Mohd Hisham Md Shazli
Group General Manager, Group Risk Management, MPB

Tuan Hj Zulkifli Hj Mohd Salleh
Group General Manager, Group Stakeholder Management & Regulatory Affairs, MPB
Group General Manager, Group Corporate Planning, MPB

Nor Arzlin Redzwan
Group General Manager, Group Human Resources, MPB

Azlan Abdul Aziz
Group General Manager, Group Corporate Communications, MPB

Abd Wahab Mohamad
Group General Manager, Group Management Services, MPB

Dr Ahmad Zaki Mohd Salleh
Group General Manager, Engineering
Television Networks

Abdul Rashid Malik Khushi Muhammad
Group General Manager, Airtime Management Group
Television Networks

Nini Yusof
Group General Manager,
Client Servicing Group,
Television Networks

Fatima Mustafa
General Manager, Client Services
Television Networks

Shariman Zainal Abidin
General Manager, Chairman's Office

Farnida Ngah
General Manager, Finance
Group Financial Reporting & Tax Planning, MPB

Rosli Sabarudin
General Manager, Finance
Treasury & Financial Operations, MPB

Cheah Cheng Imm
General Manager, Acquisition & Content Management Television Networks

Marzina Ahmad
General Manager, Research, MPB

Halim Mas'od
General Manager, Project Management,
Television Networks

Farah Shamsudin
General Manager, Creative Marketing,
Television Networks

Douglas Khoo Hong Seng
Creative Director, Creative Services,
Television Networks

SISTEM TELEVISYEN MALAYSIA BERHAD

Sherina Mohamad Nordin
Group General Manager, TV3/TV9

Siti Nurlisia Mohd Nadzri
General Manager, Brand Management & Programming

CH-9 MEDIA SDN BHD

Sherina Mohamad Nordin
Group General Manager, TV3/TV9

Zurina Othman
General Manager, Brand Management & Programming

NATSEVEN TV SDN BHD

Nur Airin Zainul
Group General Manager, ntv7 & 8TV

Emilya Suzana Ab. Rahim
General Manager, Brand Management & Programming

Lai Cheah Yee
Manager, Chinese Brand

METROPOLITAN TV SDN BHD

Nur Airin Zainul
Group General Manager, ntv7 & 8TV

Goh Ling Ling
General Manager, Brand Management & Programming

PRIMEWORKS STUDIOS SDN BHD

Ahmad Izham Omar
Chief Executive Officer

Azhar Borhan
Group General Manager, Production & Operations

Abdull Aziz Ismail
General Manager, Factual & Documentary

Tengku Iesta Tengku Alaudin
General Manager, Film Production & Corporate Affairs

Mas Ayu Ali
General Manager, Chinese Entertainment

Sunil Kumar
General Manager, Entertainment & Branded Content

Hemanathan Paul
General Manager, Entertainment, Drama & Sports

Datin Jacynta Au Yong Yim San
Manager Artistes & Talent Management

Nurin Marini Ramlan
General Manager, Content Innovation & Digital

Nor Shahila Harun Shah
Manager, Content Development

Azlinadia Mohd Nawawi
Manager, Operations

SYNCHROSOUND STUDIO SDN BHD / MAX-AIRPLAY SDN BHD/ ONE FM SDN BHD

Seelan Paul
Chief Executive Officer, Radio Networks

Anida Mohd Tahrim
Group General Manager, Radio Networks

Elaine Lee Yee Lim
Head of Marketing

THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD

Dato' Mohammad Azlan Abdullah
Chief Executive Officer, The New Straits Times Press (M) Berhad

Datuk Abdul Jalil Hamid
Group Managing Editor, The New Straits Times Press (M) Berhad

Datuk Mahfar Ali
Group Editor, Berita Harian

Datuk Mustapa Omar
Group Editor, Harian Metro

Aszman Kasmani
General Manager, Production

Abdul Hamid Abdullah
General Manager, Finance

Tasman Harith Ismail
General Manager, Newspaper Sales & Distribution

Jeannie Leong Lee Eu
General Manager, Advertisement

Putri Shireen Syed Othman
General Manager, Marketing

Mohd Najmuddin Abdul Razak
Head, Corporate Planning

MEDIA PRIMA DIGITAL

Dato' Zainul Arifin Mohammed Isa
Chief Executive Officer, Media Prima Digital

Paul Moss
General Manager, Product & Innovation, Media Prima Digital

BIG TREE OUTDOOR SDN BHD

Jeff Cheah See Heong
Chief Executive Officer

Mohamad Shukor Ariffin
General Manager, Operations

Alex Yew Wai Sung
Director of Development & Authority Management

Shirley Gan
General Manager, Procurement & Corporate Services

Ling Siew Lan
General Manager, Sales (Big Drive)

Gan Kai Wen
General Manager, Sales (Big Ride, Big Buy, Big Fly & Big Digital)

Nismanita Zulkifli
Head, Intergrated & Intelligence Marketing (IIM)

Mohd Asmidar Abdul Wahab
Manager, Big Drive Project

NOTICE IS HEREBY GIVEN that the

FOURTEENTH (14^{TH}) ANNUAL GENERAL MEETING OF MEDIA PRIMA BERHAD ("THE COMPANY")

will be held at the
Topaz Ballroom (Level G), One World Hotel, First Avenue, Bandar Utama City Centre, 47800 Petaling Jaya, Selangor, Malaysia on Thursday, 23 April 2015 at 10.00 a.m. for the transaction of the following business:-

AGENDA

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2014 and the Reports of the Directors and Auditors thereon. ***Please refer to Explanatory Note 1***

2. To approve the payment of final single-tier dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2014. **Resolution 1**

3. To re-elect the following Directors who retire in accordance with Article 100 of the Company's Articles of Association :-

   i. Tan Sri Johan bin Jaaffar **Resolution 2**
   ii. Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor **Resolution 3**
   iii. Dato' Sri Amrin bin Awaluddin **Resolution 4**

4. To consider and if thought fit, to pass the following resolutions in accordance with Section 129(6) of the Companies Act 1965 :-

   i. "That Dato' Abdul Kadir bin Mohd Deen who retires pursuant to Section 129(2) of the Companies Act, 1965 be and is hereby re-appointed as Director of the Company to hold office until the conclusion of the next annual general meeting of the Company". **Resolution 5**

   ii. "That Tan Sri Dato' Seri Mohamed Jawhar who retires pursuant to Section 129(2) of the Companies Act, 1965 be and is hereby re-appointed as Director of the Company to hold office until the conclusion of the next annual general meeting of the Company". **Resolution 6**

5. To approve the payment of Directors' fees of RM495,000.00 for the financial year ended 31 December 2014. **Resolution 7**

6. To re-appoint Messrs PricewaterhouseCoopers as Auditors of the Company and to authorise the Board of Directors to determine their remuneration. **Resolution 8**

SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolution with or without modifications: -

7. **Proposed Renewal of Share Buy-Back Authority** **Resolution 9**

"THAT, subject to the provisions of the Companies Act, 1965, the Articles of Association of the Company, Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements and the approvals of all relevant government and/or regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares of RM1.00 each of the Company ("Proposed Share Buy-back") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that the aggregate number of Shares to be purchased pursuant to this resolution does not exceed ten per cent (10%) of the total issued and paid-up share capital for the time being of the Company and an amount not exceeding the Company's retained profits and/or share premium of the Company be allocated by the Company for the Proposed Share Buy-Back;

THAT at the discretion of the Directors, upon such purchase by the Company of its own shares, the purchased shares will be cancelled and/or retained as treasury shares and subsequently be cancelled, distributed as dividends or resold on Bursa Securities;

THAT the directors be and are hereby empowered to do all acts and things and to enter into and execute all commitments, transactions, deeds, agreements, arrangements, undertakings, indemnities, transfers, assignments and/or guarantees as the Directors may deem fit and expedient in order to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments as may be required or imposed by any relevant authorities and/or any amendments, variations and/or modifications in the interest of the Company as may be approved by any relevant authorities if such approvals are required;

AND THAT the authority hereby given shall commence immediately upon the passing of this resolution and shall continue in force until: -

i. the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless the authority is renewed by ordinary resolution passed at that meeting, either unconditionally or subject to conditions; or
ii. the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
iii. revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first but not so as to prejudice the completion of the purchase of its own shares by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of Bursa Securities Main Market Listing Requirements or any other relevant authorities."

8. To transact any other business of which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN that a final single tier dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2014, if approved by the shareholders at the Fourteenth (14th) Annual General Meeting, will be paid on 26 June 2015 to Depositors whose names appear in the Record of Depositors at the close of business on 5 June 2015.

A Depositor shall qualify for entitlement to the dividend only in respect of: -

a. shares transferred into the Depositor's Securities Account before 4.00 p.m. on 5 June 2015 in respect of transfers;

b. shares deposited into the Depositor's Securities Account before 12.30 p.m. on 3 June 2015 in respect of shares exempted from mandatory deposit; and

c. shares bought on Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.

BY ORDER OF THE BOARD

TAN SAY CHOON (MAICSA 7057849)
Group Company Secretary

Kuala Lumpur
Date : 1 April 2015

Notes :-
Proxy

1. Only members whose names appear in the Record of Depositors on 16 April 2015 ("General Meeting Record of Depositors") shall be eligible to attend in person or appoint proxies to attend and/or vote on their behalf at the AGM.
2. 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 a proxy and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
3. 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.
4. 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.
5. 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.
6. Duly completed Proxy Form must be deposited at Symphony Share Registrars Sdn Bhd, Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor, Malaysia not less than 48 hours before the time set for holding the meeting or any adjournment thereof.

Explanatory Notes :-

1. Audited Financial Statements for financial year ended 31 December 2014

The Audited Financial Statements in Agenda 1 is meant for discussion only as it does not require shareholders' approval under the provision of Section 169(1) of the Companies Act, 1965. Hence, it will not be put for voting.

2. Resolution 5 and Resolution 6 : Proposed Re-appointment of Directors pursuant to Section 129(6) of the Companies Act 1965

The re-appointment of Dato' Abdul Kadir bin Mohd Deen and Tan Sri Dato' Seri Mohamed Jawhar, persons over the age of 70 years as Directors of the Company to hold office until the conclusion of the next annual general meeting of the Company shall take effect if the proposed Resolution 5 and 6 have been passed by a majority of not less than three-fourths (3/4) of such members as being entitled to vote in person, or where proxies are allowed, by proxy, at the 14^{th} AGM.

3. Resolution 9 : Proposed Renewal of Share Buy-Back Authority

Please refer to the Statement to Shareholders dated 1 April 2015 for further information.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Directors who are standing for re-election and re-appointment at the Fourteenth (14th) Annual General Meeting of Media Prima Berhad are: -

(i)	Tan Sri Johan bin Jaaffar	**Resolution 2**
(ii)	Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	**Resolution 3**
(iii)	Dato' Sri Amrin bin Awaluddin	**Resolution 4**
(iv)	Dato' Abdul Kadir bin Mohd Deen	**Resolution 5**
(v)	Tan Sri Dato' Seri Mohamed Jawhar	**Resolution 6**

The details of the above Directors who are seeking re-election and re-appointment are set out in the "Board of Directors Profiles" which appear from pages 118 to 126 of the Annual Report.

Pursuant to Recommendation 3.2 of the Malaysian Code on Corporate Governance 2012 which states that the tenure of an independent director should not exceed a cumulative term of nine years, Tan Sri Lee Lam Thye who retires in accordance with Article 100 of the Company's Articles of Association and has served the Company for more than nine years, has opted not to offer himself for re-election. Hence, he will retain office until the close of the 14th AGM.

The details of Directors' securities holdings in the Company are set out in the "Statement of Directors' Interests" which appear on pages 239 to 241 of the Annual Report.

2014

FEB 20

- Announcement of the unaudited consolidated results for the 4th quarter ended 31 December 2013.
- Announcement of a third interim single-tier dividend of 3.0 sen per ordinary share for the financial year ended 31 December 2013.

MAR 10

Date of entitlement to the third interim single-tier dividend of 3.0 sen per ordinary share for the financial year ended 31 December 2013.

28

Date of payment to the third interim single-tier dividend of 3.0 sen per ordinary share for the financial year ended 31 December 2013.

31

Announcement of a final single-tier dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2013.

APR 1

Issuance of the Notice of the 13th AGM of the Company together with the Annual Report for the financial year ended 31 December 2013 and Statement to Shareholders on renewal of Share Buy-Back Authority.

APR 23

13th AGM of the Company.

MAY 8

Announcement of the unaudited consolidated results for the 1st quarter ended 31 March 2014.

JUNE 6

Date of entitlement to the final single-tier dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2013.

JUNE 27

Date of payment to the final single-tier dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2013.

AUG 14

Announcement of the unaudited consolidated results for the 2nd quarter ended 30 June 2014 and declaration of a first interim single-tier dividend of 3.0 sen per ordinary share for the financial year ended 31 December 2014.

SEPT 12

Date of entitlement to the first interim single-tier dividend of 3.0 sen per ordinary share for the financial year ended 31 December 2014.

SEPT 30

Date of payment to the first interim single-tier dividend of 3.0 sen per ordinary share for the financial year ended 31 December 2014.

NOV 6

Announcement of the unaudited consolidated results for the 3rd quarter ended 30 September 2014 and declaration of a second interim single-tier dividend of 3.0 sen per ordinary share for the financial year ended 31 December 2014.

DEC 12

Date of entitlement to the second interim single-tier dividend of 3.0 sen per ordinary share for the financial year ended 31 December 2014.

DEC 30

Date of payment to the second interim single-tier dividend of 3.0 sen per ordinary share for the financial year ended 31 December 2014.

2015

FEB 25

Announcement of the unaudited consolidated results for the 4th quarter ended 31 December 2014.

MAR 31

Announcement of a final single-tier dividend of 5.0 sen per share for the financial year ended 31 December 2014.

APR 1

Issuance of the Notice of the 14th AGM of the Company together with the Annual Report for the financial year ended 31 December 2014 and Statement to Shareholders on renewal of Share Buy-Back Authority

23

14th AGM of the Company.

JUNE 5

Date of entitlement to the final single-tier dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2014,

26

Date of payment to the final single-tier dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2014.

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media prima

(Company No: 532975 A)
(Incorporated in Malaysia)

CDS Account No	
Number of Ordinary Share(s) held	

PROXY FORM

I/We ....

(FULL NAME OF SHAREHOLDER AS PER NRIC / CERTIFICATE OF INCORPORATION IN CAPITAL LETTERS)

NRIC No. / Company No. .... of ....

....

(FULL ADDRESS)

being a member of MEDIA PRIMA BERHAD hereby appoint :

First Proxy

Full Name of Proxy in capital letters		Proportion of shareholdings	
		Number of shares	Percentage (%)
NRIC Number			

and/or failing him/her,

Second Proxy

Full Name of Proxy in capital letters		Proportion of shareholdings	
		Number of shares	Percentage (%)
NRIC Number			

or failing him/her the Chairman of the Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the Fourteenth (14th) Annual General Meeting of the Company to be held at Topaz Ballroom (Level G), One World Hotel, First Avenue, Bandar Utama City Centre, 47800 Petaling Jaya, Selangor, Malaysia on Thursday, 23 April 2015 at 10.00 a.m. and at any adjournment thereof, on the following resolutions referred to in the Notice of 14th AGM. My/our proxy is to vote as indicated below :-

Resolution No	RESOLUTIONS	FOR	AGAINST
Resolution 1	To approve the payment of a final single-tier dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2014		
Resolution 2	To re-elect Tan Sri Johan bin Jaaffar pursuant to Article 100		
Resolution 3	To re-elect Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor pursuant to Article 100		
Resolution 4	To re-elect Dato' Sri Amrin bin Awaluddin pursuant to Article 100		
Resolution 5	To re-appoint Dato' Abdul Kadir bin Mohd Deen pursuant to Section 129(6) of the Companies Act 1965		
Resolution 6	To re-appoint Tan Sri Dato' Seri Mohamed Jawhar pursuant to Section 129(6) of the Companies Act 1965		
Resolution 7	To approve the payment of Directors' fees of RM495,000.00 for the financial year ended 31 December 2014.		
Resolution 8	To re-appoint Messrs PricewaterhouseCoopers as Auditors of the Company and to authorise the Directors to determine their remuneration.		
Resolution 9	To approve the proposed Renewal of Share Buy-Back Authority		

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 ______________ 2015

____
Signature of Member/Common Seal

Notes:

1. Only members whose names appear in the Record of Depositors on 16 April 2015 ("General Meeting Record of Depositors") shall be eligible to attend in person or appoint proxies to attend and/or vote on their behalf at the AGM.
2. 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 a proxy and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
3. 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.
4. Where a member of the company is an exempt authorized 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 authorized nominee may appoint in respect of each omnibus account it holds.
5. 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.
6. Duly completed Proxy Form must be deposited at Symphony Share Registrars Sdn Bhd, Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor, Malaysia not less than 48 hours before the time set for holding the meeting or any adjournment thereof.

STAMP

MEDIA PRIMA BERHAD

C/O REGISTRAR
SYMPHONY SHARE REGISTRARS SDN BHD

Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor, Malaysia

MEDIA PRIMA BERHAD (532975-A)
Balai Berita, Anjung Riong, 31, Jalan Riong, Bangsar, 59100 Kuala Lumpur, Malaysia
www.mediaprima.com.my