Guardian MEDIA LIMITED

UNAUDITED RESULTS FOR THE QUARTER ENDED 31 MARCH, 2019

Trinidad & Tobago Guardian | TBC RADIO NETWORK | Aakash Vani 106.5 FM | 95.1 REMIX | ViBe CT 105 | Sangeet 106.1 | SLAM 100.5 | SKY 99.5 | Mix 90.1 FM | CNC3 | the Big Board Company

CHAIRMAN'S STATEMENT

During the first quarter, the Company continued to make progress against its stated objective of transforming our business from a traditional media house to a multi-media house. Consistent with the industry, revenues continue to be affected by the challenging economic environment and changing business landscape. Revenues reported were $25 million ($29 million – 2018) and a before tax loss of $6.7 million ($2.6 million loss – 2018) was incurred. The year-over-year decline in quarter one revenues of $4 million or 14% was primarily due to shrinking Carnival budgets. I am pleased to note that despite this, operating expenses have declined year-over-year due to efficiency improvements and a continual concentration to reducing controllable expenses. We still maintain strong capital levels and our balance sheet remains healthy.

We continue to make investments that will support medium and long-term growth. In quarter one, we focused on delivering deeper and more engaging content in both entertainment and current affairs to our audiences. To enable the achievement of this strategy, we outsourced international expertise and filled key talent gaps. As well, the newsroom was fully integrated by the end of the first quarter with newspaper and television journalists now sharing the same space. We achieved a 37% increase in circulation in quarter one from maintaining the price of our newspaper and reminding our readers of our organizational record over the past century in providing outstanding journalism. Our focus as we move forward continues to be our relationships with our clients and audiences. In quarter one, we invested in the improvement of our sales and service capability and have a new energized salesforce.

We still have some work to do in 2019. I am confident that these early successes are positioning the business to turnaround revenues in the latter quarters of 2019. We again wish to thank our shareholders, customers and employees for their loyalty and continuing support during the first quarter of 2019.

Peter Clarke
Chairman

SUMMARY CONSOLIDATED STATEMENT OF INCOME

	$'000 Unaudited Qtr Ended 31-Mar-19	$'000 Unaudited Qtr Ended 31-Mar-18	$'000 Audited Year Ended 31-Dec-18
Third party revenue	25,048	28,997	128,256
Income/(loss) from operating activities	(6,555)	(2,395)	(347)
Finance costs	(169)	(171)	(615)
Income/(loss) before taxation	(6,724)	(2,566)	(962)
Taxation	1,371	554	(1,356)
Net income/(loss) for the period	(5,353)	(2,012)	(2,318)
Basic earnings/(loss) per share	(0.13)	(0.05)	(0.06)
Dividends paid per share	-	-	0.10

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	$'000 Unaudited Qtr Ended 31-Mar-19	$'000 Unaudited Qtr Ended 31-Mar-18	$'000 Audited Year Ended 31-Dec-18
Net (loss)/income for the period	(5,353)	(2,012)	(2,318)
Other comprehensive (loss)/income net of taxation	(37)	19	(586)
Total comprehensive loss for the period/year	(5,390)	(1,993)	(2,904)

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	$'000 Unaudited 31-Mar-19	$'000 Unaudited 31-Mar-18	$'000 Audited 31-Dec-18
ASSETS			
Fixed assets	97,300	105,186	98,996
Other long term assets	121,685	132,889	119,296
	218,985	238,075	218,292
Current assets	100,686	109,621	109,282
Total Assets	319,671	347,696	327,574
EQUITY AND LIABILITIES			
Stated capital	27,288	27,288	27,288
Reserves	217,946	228,224	223,336
Total equity	245,234	255,512	250,624
Non-current liabilities	49,725	48,996	50,683
Current liabilities	24,712	43,188	26,267
Total Equity and Liabilities	319,671	347,696	327,574

Peter Clarke
Chairman

Alain Nicholas Sabga
Managing Director

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	$'000 Stated Capital	$'000 Treasury Shares	$'000 Other Reserves	$'000 Retained Earnings	$'000 Total
Balance at 1 January, 2019	27,288	(1,554)	270	224,620	250,624
Net loss for the period	-	-	-	(5,353)	(5,353)
Other comprehensive loss	-	-	(37)	-	(37)
Transfers and other movements	-	-	-	-	-
Balance at 31 March, 2019 (Unaudited)	27,288	(1,554)	233	219,267	245,234
Balance at 1 January, 2018	27,288	(1,460)	776	251,514	278,118
Impact of implementation of IFRS 9	-	-	-	(488)	(488)
Balance at 1 January, 2018 (Restated)	27,288	(1,460)	776	251,026	277,630
Net loss for the year	-	-	-	(2,318)	(2,318)
Other comprehensive income/(loss)	-	-	(506)	(80)	(586)
Transfers and other movements	-	(94)	-	49	(45)
Dividends	-	-	-	(24,057)	(24,057)
Balance at 31 December, 2018 (Audited)	27,288	(1,554)	270	224,620	250,624

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

	$'000 Unaudited Qtr Ended 31-Mar-19	$'000 Unaudited Qtr Ended 31-Mar-18	$'000 Audited Year Ended 31-Dec-18
Cash flows from operating activities			
Loss before taxation	(6,724)	(2,566)	(962)
Adjustment for items not affecting working capital	3,267	2,975	13,278
Operating income/(loss) before working capital changes	(3,457)	409	12,316
Net change in working capital	5,793	(23)	(6,167)
Cash generated from operations	2,336	386	6,149
Net interest received/(paid)	-	300	1,007
Taxation paid	(235)	(261)	(1,246)
Net cash generated from operating activities	2,101	425	5,910
Net cash used in investing activities	(1,325)	908	(5,375)
Net cash used in financing activities	(18)	-	(24,512)
Net increase/(decrease) in cash and cash equivalents	758	1,333	(23,977)
Cash and cash equivalents at the beginning of the period/year	47,577	71,554	71,554
Cash and cash equivalents at the end of the period/year	48,335	72,887	47,577

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH, 2019

The accompanying notes form an integral part of these summary consolidated financial statements.

Note 1. Basis of preparation:
The summary consolidated financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary consolidated statement of financial position, summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows.

Note 2. Significant accounting policies:
These summary consolidated financial statements have been prepared in accordance with the accounting policies set out in "Note 2" of the 31 December 2018 audited consolidated financial statements consistently applied from period to period. The Group has adopted all the new and revised accounting standards and interpretations that are mandatory for annual accounting periods on or after 1 January 2018 and which are relevant to the Group's operations.

Note 3. Stated Currency:
Rounded to the nearest thousand Trinidad & Tobago Dollars.

Note 4. Segment information:
The Group's segments are organised and managed separately according to the nature of these services provided by each segment. The reportable segments are the Print and Multi-Media segments.The Print segment is mainly involved in newspaper circulation and other printing services for other publishers. The Multi-Media segment provides broadcasting services through its seven (7) radio stations as well as the live television station.

	Print Segment			Multi-media Segment			Total		
	Unaudited 3 Months Ended 31-Mar		Audited Year Ended 31-Dec	Unaudited 3 Months Ended 31-Mar		Audited Year Ended 31-Dec	Unaudited 3 Months Ended 31-Mar		Audited Year Ended 31-Dec
	2019	2018	2018	2019	2018	2018	2019	2018	2018
Revenue	12,314	14,697	58,123	12,734	14,300	70,133	25,048	28,997	128,256
Income/(loss) before taxation	(3,210)	294	(2,509)	(3,514)	(2,860)	1,547	(6,724)	(2,566)	(962)
Assets	175,819	211,179	169,977	143,852	136,517	157,597	319,671	347,696	327,574
Liabilities	40,940	43,327	34,628	33,497	48,857	42,322	74,437	92,184	76,950
Depreciation and amortisation	1,407	1,791	6,564	1,791	1,475	8,421	3,198	3,266	14,985
Capital expenditure	145	55	2,030	1,180	807	3,561	1,325	862	5,591

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