Guardian MEDIA LIMITED

AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER, 2020

Trinidad & Tobago Guardian | TBC Radio Network | Aakash Vapi 106.5 FM | 95.1 Remix | Vibe 91.05 | Sangeet 106.1 | Sham 100.5 | Sky 99.5 | Mix 90.1 FM | CNC3 | the BigBoard Company

CHAIRMAN'S STATEMENT

Whilst the pandemic brought unprecedented challenges to the media industry in 2020, it also provided opportunities from the resulting transformations in digital media and business processing. Against a backdrop of revenue challenges resulting from market disruptions, shrinking advertising budgets, economic uncertainties and COVID-19, management has worked diligently during the year to navigate the challenging market environment and mitigate pandemic effects through significantly reducing costs and launching innovative virtual media solutions designed to satisfy the new needs arising from the pandemic.

For the year ending December 31, 2020, Guardian Media reported a profit before taxation of $7 million compared to a $7.1 million loss in the prior year. Revenues reported for the year ending December 31, 2020 were $110.6 million ($120.3 million – 2019) reflecting a decline of $9.7 million or 8% in advertising revenues due to COVID-19 challenges offset by one-off election revenues. Expenses fell by 17% year over year.

We also report a strong fourth quarter performance. For the quarter ended December 31, 2020, Guardian Media reported profit before taxation of $9 million, up by $3 million or 51% from last year's quarterly results of $6 million. Whilst fourth quarter revenues trailed prior year revenues due to COVID-19, our results benefited from intensified costs cutting, efficiency improvements, robust credit management and net change in defined benefit pension plan. Balance sheet metrics remain healthy and our capital levels provide us with the strength to endure challenging times as well as to invest in the future.

Despite significant uncertainty in the current economic environment, we remain committed to enhancing shareholder value while exercising appropriate stewardship over its resources and reinforce our view that the future continues to be promising for our franchise. Based on this, the Board of Directors has approved final dividends of $0.05 per ordinary share (2019 - NIL) and 6% Preference Shareholders will receive a final dividend of 3%. Dividends will be paid on June 16, 2021.

In accordance with section 110(1)(a)(i) of the Companies Act 1995, the Directors have fixed May 25, 2021 as the Record Date for payment of this final dividend. The Register of Members will be closed on both May 27 and 28, 2021.

My sincere gratitude goes to our loyal management team and employees for their unrelenting commitment and dedication to Guardian Media. Special appreciation to our employees for their courageous and nonstop efforts in serving our communities during these unprecedented times. We look to all our shareholders to lend us their continuous support as we leverage on all opportunities and overcome all challenges to ensure a strong and sustainable future for all.

Peter Clarke
Chairman

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	$'000 Unaudited Qtr Ended 31-Dec-20	$'000 Unaudited Qtr Ended 31-Dec-19	$'000 Audited Year Ended 31-Dec-20	$'000 Audited Year Ended 31-Dec-19
Third party revenue	30,349	37,079	110,634	120,342
Profit/(loss) from operating activities	9,420	6,802	8,009	(5,842)
Finance costs	(352)	(795)	(1,010)	(1,263)
Profit/(loss) before taxation	9,068	6,007	6,999	(7,105)
Taxation (charge)/ credit	(2,447)	(1,052)	(2,306)	1,465
Profit/(loss) for the period	6,621	4,955	4,693	(5,640)
Other comprehensive (loss)/ income net of taxation	(11,292)	7,611	(11,147)	7,641
Total comprehensive (loss)/ income for the period	(4,671)	12,566	(6,454)	2,001
Basic earnings/ (loss) per share			0.12	(0.14)
Dividends paid per share			-	-

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	$'000 Audited Balance as at 31-Dec-20	$'000 Audited Balance as at 31-Dec-19
ASSETS		
Fixed assets	78,250	90,873
Other long term assets	120,145	142,715
	198,395	233,588
Current assets	121,115	106,027
Total Assets	319,510	339,615
EQUITY AND LIABILITIES		
Stated capital	27,288	27,288
Reserves	218,693	225,220
Total equity	245,981	252,508
Non-current liabilities	48,666	58,374
Current liabilities	24,863	28,733
Total Equity and Liabilities	319,510	339,615

Peter Clarke
Chairman

Brandon Khan
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, 2020	27,288	(1,554)	270	226,504	252,508
Profit for the period	-	-	-	4,693	4,693
Other comprehensive income/(loss)	-	-	145	(11,292)	(11,147)
Dividends	-	-	-	(73)	(73)
Balance at 31 December, 2020 (Audited)	27,288	(1,554)	415	219,832	245,981
Balance at 1 January, 2019	27,288	(1,554)	270	224,620	250,624
Loss for the year	-	-	-	(5,640)	(5,640)
Other comprehensive income	-	-	-	7,641	7,641
Dividends	-	-	-	(117)	(117)
Balance at 31 December, 2019 (Audited)	27,288	(1,554)	270	226,504	252,508

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

	$'000 Audited Year Ended 31-Dec-20	$'000 Audited Year Ended 31-Dec-19
Cash flows from operating activities		
Profit/ (loss) before taxation	6,999	(7,105)
Adjustment for items not affecting working capital	16,682	15,298
Operating income before working capital changes	23,681	8,193
Net change in working capital	(2,349)	3,694
Cash generated from operations	21,332	11,887
Interest received	738	671
Interest paid	(1,010)	(1,263)
Taxation refund	712	-
Taxation paid	(1,078)	(1,220)
Net cash generated from operating activities	20,694	10,075
Net cash used in investing activities	(8,744)	(28,302)
Net cash used in financing activities	(3,408)	(3,635)
Net increase/ (decrease) in cash and cash equivalents	8,542	(21,862)
Cash and cash equivalents at the beginning of the year	25,715	47,577
Cash and cash equivalents at the end of the year	34,257	25,715

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF GUARDIAN MEDIA LIMITED

Opinion
The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 31 December 2020, the summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows for the year then ended, and related notes, are derived from the complete audited consolidated financial statements of Guardian Media Limited and its subsidiaries (the "Group") for the year ended 31 December 2020.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, on the basis described in Note 2.

Summary Consolidated Financial Statements
The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards ("IFRSs"). Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and auditor's report thereon. The summary consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

The Audited Consolidated Financial Statements and Our Report Thereon
We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 19 March 2021. That report also includes the communication of Key Audit Matters. Key Audit Matters are those matters that, in our professional judgment, were most significant in our audit of the consolidated financial statements of the current period.

Responsibilities of Management for the Summary Consolidated Financial Statements
Management is responsible for the preparation of the summary consolidated financial statements in accordance with IFRSs.

Auditor's Responsibilities for the Audit of the Summary Consolidated Financial Statements
Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810 (Revised), "Engagements to Report on Summary Financial Statements".

EJ

Port of Spain,
TRINIDAD:
19 March 2021

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2020

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 comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows. These summary consolidated financial statements are derived from the audited consolidated financial statements of Guardian Media Limited and its subsidiaries for the year ended 31 December 2020, which are prepared in accordance with International Financial Reporting Standards.

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 2020 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 2020 and which are relevant to the Group's operations.

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

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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	Total
	Audited Year Ended 2020	Audited Year Ended 2019	Audited Year Ended 2020	Audited Year Ended 2019	Audited Year Ended 2020	Audited Year Ended 2019
Revenue	53,720	58,498	56,914	61,844	110,634	120,342
Profit/(loss) before taxation	169	(6,537)	6,830	(568)	6,999	(7,105)
Assets	164,221	175,630	155,289	163,985	319,510	339,615
Liabilities	33,088	39,198	40,441	47,909	73,529	87,107
Depreciation and amortisation	10,222	10,003	5,312	6,743	15,534	16,746
Capital expenditure	471	2,843	535	1,766	1,006	4,609