theSun
TELLING IT AS IT IS
ANNUAL REPORT 2017

BERJAYA
BERJAYA MEDIA BERHAD
(Company No. 290601-T)

EMBRACING CHANGES

AND EVOLVING

WITH MEDIA AND TECHNOLOGY

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Sri Robin Tan Yeong Ching
- Chairman, Non-Independent Non-Executive Director

Chan Kien Sing
- Non-Independent Executive Director

Loh Chen Peng
- Independent Non-Executive Director

Datuk Seri Azman Bin Ujang
- Independent Non-Executive Director

SECRETARIES

Tham Lai Heng Michelle
(MAICSA 7013702)

Wong Siew Guek
(MAICSA 7042922)

AUDIT AND RISK MANAGEMENT COMMITTEE

Loh Chen Peng (Chairman)
Datuk Seri Azman Bin Ujang
Dato' Sri Robin Tan Yeong Ching

NOMINATING COMMITTEE

Datuk Seri Azman Bin Ujang (Chairman)
Dato' Sri Robin Tan Yeong Ching
Loh Chen Peng

REMUNERATION COMMITTEE

Dato' Sri Robin Tan Yeong Ching (Chairman)
Loh Chen Peng
Datuk Seri Azman Bin Ujang

REGISTERED OFFICE

Lot 13-01A, Level 13 (East Wing)
Berjaya Times Square
No.1, Jalan Imbi
55100 Kuala Lumpur
Tel : 03-2149 1999
Fax: 03-2143 1685

SHARE REGISTRAR

Berjaya Registration Services Sdn Bhd
Lot 06-03, Level 6 (East Wing)
Berjaya Times Square
No.1, Jalan Imbi
55100 Kuala Lumpur
Tel: 03-2145 0533
Fax: 03-2145 9702

AUDITORS

Deloitte PLT
Chartered Accountants
Level 16 Menara LGB
1 Jalan Wan Kadir
Taman Tun Dr Ismail
60000 Kuala Lumpur
Tel: 03-7610 8888
Fax: 03-7726 8986

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Short Name: BJMEDIA
Stock Code: 6025

PROFILE OF DIRECTORS

DATO' SRI ROBIN TAN YEONG CHING

43 years of age, Malaysian, Male
Chairman
Non-Independent Non-Executive Director

He was appointed to the Board as Chairman and Non-Independent Non-Executive Director on 1 April 2010. He is also the Chairman of the Remuneration Committee and a member of the Nominating Committee and Audit and Risk Management Committee.

He graduated with a Bachelor of Social Science degree in Accounting/Law from the University of Southampton, United Kingdom, in 1995. He joined Berjaya Group Berhad in 1995 as an Executive and subsequently became the General Manager, Corporate Affairs in 1997.

Currently, he is the Chairman and Chief Executive Officer of Berjaya Corporation Berhad, the Chief Executive Officer of Berjaya Sports Toto Berhad and an Executive Director of Sports Toto Malaysia Sdn Bhd. He is also the Executive Chairman of Berjaya Food Berhad and the Chairman of Sun Media Corporation Sdn Bhd and Informatics Education Limited, Singapore. He is also a Director of Atlan Holdings Bhd, Berjaya Golf Resort Berhad and KDE Recreation Berhad. He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

His father, Tan Sri Dato' Seri Vincent Tan Chee Yioun, is a major shareholder of the Company.

CHAN KIEN SING

60 years of age, Malaysian, Male
Non-Independent Executive Director

He was appointed to the Board as an Executive Director on 26 February 2008.

He is a member of The Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants. Having articled with Messrs Peat Marwick Mitchell (now known as KPMG) from 1975 to 1981, he subsequently joined Arab-Malaysian Merchant Bank Berhad (now known as AmInvestment Bank Berhad) specialising in corporate finance until 1989 when he joined Berjaya Group Berhad.

Currently, he is a Director of Berjaya Corporation Berhad and Berjaya Sports Toto Berhad. He is also the Managing Director of Sun Media Corporation Sdn Bhd and a Director of Berjaya Assets Berhad, 7-Eleven Malaysia Holdings Berhad and International Lottery & Totalizator Systems, Inc. United States of America. He also holds directorships in several other private limited companies.

LOH CHEN PENG

63 years of age, Malaysian, Male
Independent Non-Executive Director

He was appointed to the Board as an Independent Non-Executive Director on 8 January 2003. He is the Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee and Nominating Committee.

He started his career in 1975 when he joined Deloitte and articled to complete the professional examinations of the Malaysian Institute of Certified Public Accountants ("MICPA"). He completed his professional examinations in 1980 and was admitted as a member of the MICPA in 1981.

He left Deloitte in 1980 and joined Arab-Malaysian Merchant Bank Berhad, a merchant banking group during which he held several senior management positions in the areas of corporate advisory and corporate banking. He left the bank in September 1993 and thereafter served as the Chief Operating Officer in the stockbroking firm of Inter-Pacific Securities Sdn Bhd for 4 months. In April 1994, he was involved in establishing Phileo Allied Bank Berhad, a commercial bank and served as an Executive Director until 2001. He was a Director of Tropicana Corporation Berhad until his resignation in February 2013. He had also served on the Boards of Director of AmBank (M) Berhad, AmInvestment Bank Berhad and AmIslamic Bank Berhad. He resigned from the boards of these banks in July 2014.

He is now involved in some private ventures and is an Independent Non-Executive Director of Bermaz Auto Berhad.

DATUK SERI AZMAN BIN UJANG

66 years of age, Malaysian, Male
Independent Non-Executive Director

He was appointed to the Board as an Independent Non-Executive Director on 21 July 2008. He is the Chairman of the Nominating Committee and a member of the Audit and Risk Management Committee and Remuneration Committee.

He began his 36 years career with Malaysian National News Agency ("BERNAMA") as a cadet reporter in 1971 and was promoted to various editorial positions before he rose to become Editor-in-Chief in 2004. He was made the General Manager of BERNAMA in March 2007 before retiring from BERNAMA in June 2008 and subsequently appointed as the Editorial Advisor of BERNAMA until June 2009. He is currently the Chairman of BERNAMA and also a Director of Perbadanan Usahawan Nasional Berhad.

Save as disclosed, none of the Directors have:-

1. any family relationship with any directors and/or major shareholders of the Company;
2. any conflict of interest with the Company;
3. any conviction for offences within the past 5 years other than traffic offences; and
4. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

KEY SENIOR MANAGEMENT

CHING CHUN KEAT

48 years of age, Malaysian, Male

Executive Director

He was appointed Executive Director of theSun in January 2017.

He is a member of Malaysian Institute of Accountants and Fellow Member of the Association of Chartered Certified Accountants. Prior to joining an investment bank specialising in corporate finance in 1993, he was attached to a medium-sized audit firm. He joined Berjaya Group Berhad in 1996. He is currently the Senior General Manager, Operations of Berjaya Group. He is a director of Berjaya Capital Berhad and also holds directorships in several other private limited companies.

FREDDIE NG

55 years of age, Malaysian, Male

Managing Editor

He was appointed Managing Editor of theSun in January 2012. He holds a London Chamber of Commerce and Industry (LCCI) higher level Certificate, majoring in Accounting, Economics, Commercial Law, Commerce and Finance. He also holds a Certificate in Legal Studies from the Council for National Academic Accreditation of the United Kingdom. He has more than 21 years of working experience in the media and publishing industry.

PRASHUN DUTT

60 years of age, Indian, Male

Chief Marketing Officer

He joined theSun in November 2012. He has 35 years working experience and is a recognised industry expert on media marketing techniques, media research, strategic analysis and integrated communications. He holds a Master of Arts from Calcutta University and is a Fellow of the Chartered Institute of Marketing (UK). Besides driving the advertising sales and marketing functions plus circulation strategy, he is also on the Editorial Board and represents the Company on industry bodies.

Save as disclosed, none of the Key Senior Management have :-
1. Any directorship in public companies and listed issuers;
2. Any family relationship with any Directors and/or major shareholders of the Company;
3. Any conflict of interest with the Company;
4. Any conviction for offences within the past 5 years other than traffic offences; and
5. Any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

MANAGEMENT TEAM

SUN MEDIA CORPORATION SDN BHD

CHAN KIEN SING
Managing Director

CHING CHUN KEAT
Executive Director

EDITORIAL

FREDDIE NG
Managing Editor

KONG SEE HOH
Production Editor

CHRISTOPHER NG
Deputy Production Editor / Chief Sub-Editor

VASUDEVAN A/L VAMADEVAN
Executive Editor (News)

PATRICK SENNYAH
Head of News Operations

EDDIE HOO
Executive Editor (News / Convergence)

PRESENNA NAMBIAR
Business Editor

NAVJEET SINGH
Sports Editor

SEBASTIAN LIM
Entertainment & Lifestyle Editor

RAJ KUMAR SOMAN
Photo Editor

PETER YAP
Supplement and Fashion & Beauty Editor

CHEN TEE KERK
Head, Graphic

JOHARISHAM
Head, Design

TEO KAH KEONG
Foreign Editor

AZLAN BIN MOHD RAMLI
Special Projects and Motoring Editor

ADVERTISING & MARKETING

PRASHUN DUTT
Chief Marketing Officer

ANAFIAH BINTI OMAR
Senior Manager

LEE SIEW SIEW
Senior Manager

MICHELE A/P EDWARD THESEIRA
Corporate Affairs & Special Features Editor

SHIRLEY ENG KIM FUNG
Head of Ad Traffic

KATHRINE AU YONG
Senior Manager, Marketing Support

RAMONA REVI PILLAI
Senior Manager, Marketing Studio

OPERATIONS

RICKY NG YOOI MENG
Financial Controller

JEREMY TAN TEIK BOON
Senior Manager, Production

GURUNATHAM A/L GOPAL
Senior Manager, Distribution Channels

SASEETHARAN A/L GOPAL
Senior Manager, Information Technology

MUHAMMAD RADZI SUHAIMI
HR & Admin Manager

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors, it is my pleasure to present the Annual Report and Financial Statements of Berjaya Media Berhad ("BMedia") for the financial year ended 30 April 2017.

FINANCIAL PERFORMANCE

For the financial year ended 30 April 2017, the Group reported a revenue of RM42.75 million and pre-tax loss of RM20.67 million as compared to revenue of RM44.53 million and pre-tax loss of RM15.13 million in the preceding year. The decrease in revenue for the financial year under review was mainly due to lower advertising income registered by Sun Media Corporation Sdn Bhd ("Sun Media"). The higher pre-tax loss was mainly due to higher impairment loss on publishing rights and quoted investments which amounted to a total of RM15.91 million.

DIVIDEND

The Board did not recommend the payment of dividends for the financial year ended 30 April 2017.

REVIEW OF OPERATIONS

SUN MEDIA CORPORATION SDN BHD

theSun remains the highest circulated English newspaper in Malaysia with 307,519 copies (audited by the Audit Bureau of Circulations, July – December 2016). This constitutes a dominating 52.4% share of the audited circulation of the national English dailies as compared to The Star (37.6%), New Straits Times (9.3%) and The Edge Financial Daily (0.7%).

During the financial year under review, the advertising and media industry was impacted by declining consumer demand resulting from prevailing economic conditions. Advertising agencies, which contribute nearly 75% of print media revenue, encountered challenges in sustaining clients and revenue accruals. Moreover, advertising expenditure for consumer products and services were being increasingly diverted to television and digital channels, events and activation programmes, substantially reducing the budget deployment in newspapers.

Print media, especially newspapers, were also challenged by declining circulation as demonstrated by the consistent decline in audited circulation of most major newspapers in Malaysia.

Facing these challenges, Sun Media will explore strategies and initiatives which could convince current and potential clients about the value and relevance of newspapers as a communication medium, particularly leveraging on *theSun*'s credibility value of balanced reporting for the educated, affluent urban white-collar and PMEB (professionals, managers, executives and businessmen) segments who have higher disposable incomes, social mobility and the ability to generate word-of-mouth ripples about news elements.

"Sun Media will also improve on *theSun*'s online platforms and digital channels, offering multimodal content to complement its print medium, and capitalise on the widespread use of digital technology among consumers."

To pursue potential clients who do not usually advertise in newspapers, *theSun* featured several special contents which generated sizeable revenue during the financial year under review. These included features on Kazakhstan, Bengali and Sindhi communities, and a Pregnancy Series. These initiatives added new content for loyal readers as well as garnered higher readership and visibility for *theSun* in affluent communities and their social circles, the diplomatic circuit and the healthcare community. They also played a vital role in distinguishing and consolidating *theSun*'s value in a highly competitive market and generated recognition in the wider community, including requests from media/blogsites to carry some of *theSun*'s special features.

Consequently, Sun Media will offer customised solutions, including advertorials, structured infomercials, country and economic reports besides various types of persuasive commercial and corporate communications to its existing and potential clients. Leveraging on its unique distribution mode, *theSun* will continue to offer product trials and test marketing options in targeted urban areas.

FUTURE OUTLOOK AND PROSPECTS

The Malaysian economy recorded a robust growth of 5.6% in the first quarter of the year boosted by strong domestic demand and private expenditure. Despite the growth in the economy, the rising cost of living and the weakened Malaysian Ringgit as well as the prevailing economic conditions may impact negatively on consumers.

The Group continues to operate in a difficult business environment and the Directors are of the view that the Group's business for the next financial year will be more challenging compared to the financial year under review due to the impacted advertising and promotion budgets of most corporate clients and advertisers.

Sun Media will continue its marketing efforts to expand its advertising revenue base in the forthcoming quarters to improve the Group's financial position and to preserve its shareholders' equity funds. Sun Media will continue to pursue and implement customised solutions to sustain revenue and grow its market share despite the challenging economic conditions and competitive market. Sun Media will also improve on *theSun*'s online platforms and digital channels, offering multimodal content to complement its print medium, and capitalise on the widespread use of digital technology among consumers.

On 21 June 2017, BMedia announced that it has triggered the Prescribed Criteria under Paragraph 2.1(a) of Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") as its unaudited shareholders' equity as at 30 April 2017 was less than RM40.0 million and below 25% of its issued capital. On the regularisation of BMedia's PN17 condition, the Board is exploring options, including diversifying into new businesses outside the media sector. The Board will release the requisite announcement to Bursa Malaysia when a viable proposal is found to strengthen the financial position of the Group.

ACKNOWLEDGEMENTS

On behalf of the Board, I would like to express our gratitude to the relevant authorities, business associates, advertisers, advertising agencies and readers for their continuous support.

I would also like to extend my sincere appreciation to my fellow members of the Board for your dedication and contributions to the Group.

To our management and staff, thank you for your hard work throughout the year. I look forward to your continued commitment and support as we weather the challenges in the financial year ahead.

DATO' SRI ROBIN TAN YEONG CHING
CHAIRMAN
2 AUGUST 2017

"To pursue potential clients who do not usually advertise in newspapers, *theSun* featured several special contents which generated sizeable revenue during the financial year under review."

MANAGEMENT DISCUSSION AND ANALYSIS

Berjaya Media Berhad ("BMedia") registered a revenue of RM42.75 million in the financial year ended 30 April 2017 as compared to revenue of RM44.53 million in the previous financial year, mainly due to lower advertising income recorded by its principal subsidiary, Sun Media Corporation Sdn Bhd ("Sun Media") as a result of the lower advertising spending by advertisers. The Group registered a pre-tax loss of RM20.67 million in the financial year under review as compared to the pre-tax loss of RM15.13 million in the preceding financial year. The higher loss before tax was mainly due to higher impairment loss on publishing rights and quoted investments which amounted to a total of RM15.91 million.

SUN MEDIA CORPORATION SDN BHD

NATURE OF BUSINESS AND OPERATIONS

Sun Media owns *theSun* newspaper which is the highest circulated urban English language newspaper in Malaysia. Armed with a strong average daily distribution (Mondays to Fridays) of 307,519 copies (audited by Audit Bureau of Circulations), *theSun* is widely recognised in the core cosmopolitan markets of Klang Valley, Penang, Perak and Johor.

theSun offers strong editorial content with unbiased and timely news features on politics and business, human interest and government, opinions and insights, entertainment, lifestyle and sports.

OVERVIEW

FINANCIAL SUMMARY

	Financial Year		
	2017 RM'000	2016 RM'000	+/(-) %
i. Revenue	42,821	44,573	(3.93)
ii. Gross profit	15,332	16,407	(6.55)
iii. Operating loss	(4,802)	(3,587)	33.87
iv. Loss before tax	(4,940)	(3,685)	34.06
v. Loss after tax	(5,365)	(4,421)	21.35
vi. Finance cost	138	98	40.82

REVENUE

Sun Media registered a revenue of RM42.82 million for the financial year ended 30 April 2017 compared to RM44.57 million in the preceding financial year. The lower revenue during the financial year under review was mainly due to lower advertising income as a result of a more competitive environment in the media industry.

GROSS PROFIT

Sun Media reported a lower gross profit of RM15.33 million in the financial year under review, a decrease of 6.55% from RM16.41 million in the preceding financial year, principally due to the lower revenue registered by the company.

OPERATING LOSS

Sun Media reported a higher operating loss of RM4.80 million for the financial year ended 30 April 2017 as compared to an operating loss of RM3.59 million in the preceding financial year, mainly due to lower revenue and higher administrative expenses and other operating costs for the financial year under review.

LOSS BEFORE TAX

Sun Media reported a loss before tax of RM4.94 million for the financial year under review compared to the loss before tax of RM3.69 million in the previous financial year. The higher loss before tax was mainly due to higher operating loss during the financial year under review.

LOSS AFTER TAX

Sun Media recorded a higher loss after tax of RM5.36 million for the financial year under review compared to RM4.42 million loss after tax in the previous financial year due to higher loss before tax.

FUTURE PROSPECTS

The Group is operating in a difficult business environment and will continue to focus on improving its advertising revenue. The Directors are of the view that the Group's business for the next financial year will be more challenging compared to the financial year under review due to the prevailing economic conditions that will certainly impact the advertising and promotions budgets of most corporate clients and advertisers.

In view of the Group's current financial condition, more marketing efforts will be initiated to improve the Group's financial position and to preserve the shareholders' equity funds. The Board will continue to explore other options (including diversifying into new businesses outside the media sector) to strengthen the financial position of the Group with the key objective of regularising its PN17 condition.

EVENTS, PROMOTIONS AND CORPORATE SOCIAL RESPONSIBILITY

AIRASIA: GREATER VALUE, BETTER TASTES

In true Malaysian spirit, AirAsia brought its brand new in-flight menu to *theSun* office, removing all traces of Monday blues.

GLORIOUS FOOD

The Santan food truck ferried along five meal choices for employees of theSun to try. These included Ashok's Butter Masala Chicken Biryani, Mac and Cheese with Chicken Meatballs, Potato and Chicken Curry Puff, Chicken Satay and the limited-time-only Nyonya Prawn Curry with Rice.

AirAsia Santan is the name of the F&B menu (named by Tan Sri Tony Fernandes himself) founded on the concept of bringing authentic tastes of Asia to the skies. It offers 15 choices of meals that include mouth-watering favourites like Pak Nasser's Nasi Lemak, Bukhara Chicken Biryani and Nasi Dagang with Chicken Curry.

GOOD TIMES, GREAT TASTES

The event at *theSun* office capped off with a round of trivia questions. Motivating rewards included AirAsia merchandise and photo opportunities with its cabin crew.

The affair was enlivened by the deejay and enticing music, facilitating a good time and mingling between staff of *theSun* and the visitors. Tea time never tasted this good, especially with free flow of delectable AirAsia meals.

CARLSBERG CROWING WITH THE ROOSTER

Carlsberg Malaysia and its auspicious 2017 Chinese New Year campaign icon made its annual visit to *theSun* recently to convey traditional greetings and initiate festivities for the Year of the Rooster.

This year's visit was kick-started with a skilled and captivating Yaping Diabolo dance performance orchestrated by the award-winning diabolo-crew from Zone D Studio.

This was followed by the traditional first toast, after which *theSun* management were invited to experience the virtual "Weather Vane" and "Somersby vending machine" from Carlsberg's "Probably the Best Chinese New Year Shopping Experience" campaign. Everyone walked away with a range of goodies from Carlsberg Malaysia.

Besides enlivening liquid cheer, Fok, Lok and Sau – the Gods of Wealth, Status and Longevity – handed out angpows and snacks to all those present.

Carlsberg Malaysia's Chinese New Year festive campaign this year included a festive consumer promotion that won many of its supporters prizes such as home theatre systems and hand-held massagers. An activation campaign held across two weekends also saw lucky participants having their grocery and shopping bills paid by the brewer.

The festive season was merrier, perhaps due to the "ong" from Carlsberg Malaysia's festive six-foot tall "Golden Rooster" display, formed by the four auspicious Chinese characters 处处生机 [chù chù sheng jī].

TIGER TOASTS TO YEAR OF PROSPERITY

The Heineken Malaysia team brought Tiger Beer offerings and goodies to *theSun* management and staff, kick-starting the much required festive cheer leading on to the Year of the Rooster.

Asia's iconic beer brand marked the visit by presenting a personalised gold coin (symbolising prosperity and good fortune) to *theSun* management team as a token of gratitude to its valued media partner. The gold coin is also featured in Heineken Malaysia's Tiger campaign special game "Rolling Board of Prosperity", which was available for participation at selected outlets, coffee shops, food courts and restaurants during the ensuing month, showering customers with an abundance of cash prizes, entertainment and promotions.

The gold coin presentation was followed by a lively lion dance, after which both Heineken and *theSun* management participated in festive *lou sang*, in conjunction with the Tiger STREATS campaign.

Heineken Malaysia managing director Hans Essaadi amplified the need and purpose of this visit, reiterating that it was "important for Heineken to keep up our tradition every year, to spread the joy and prosperity of the Chinese New Year to valued members of the media. It is not only an opportunity for us to meet and greet them personally, but we are also proud to kick-start the new lunar year in a prosperous way with them, while showing our appreciation for their support throughout the year and wish continued prosperity and good fortune in the Year of the Rooster."

EVENTS, PROMOTIONS AND CORPORATE SOCIAL RESPONSIBILITY *(CONTINUED)*

RECRUITING TALENT

Sun Media participated in the 19th Malaysia Career and Training Fair (MCTF 2017) held from 13 – 15 January. JobStreet reported that 112 companies participated this year, as compared with 123 last year.

At the fair, recruiters had the opportunity to interact with a large number of candidates as well as to promote their products/services. Sun Media communicated to the participants on the relevance and benefits of working in a news/media organisation, and was impressed with the resumes of some promising candidates.

PREGNANCY SERIES: EMPOWERING WOMEN WITH DECISION-MAKING INSIGHTS


theSun INSIGHTS
UNDERSTANDING AND MANAGING
Pregnancy PART 1
SPECIAL FOCUS
Planning Pregnancy: Ovulation and Conception


theSun INSIGHTS
UNDERSTANDING AND MANAGING
Pregnancy PART 2
SPECIAL FOCUS
The First Trimester

Motherhood remains the most vital facet of human society and our existence. Motherhood enables us to sustain human society, create descendants, lineage and scions who will continue our bloodline, thoughts, philosophies, ambitions and aspirations. Motherhood enables us to create and sustain nations.

Pursuing long hours of research, punctilious interviews plus in-depth conversations with prominent gynaecologists and specialists, *theSun* initiated a series of informative articles in simple language, detailing how women (and men) can understand, plan and manage pregnancy.

Besides enticing new, non-regular advertisers, this series also generated higher readership in the wider community, especially among women, simultaneously eliciting positive feedback from the medical and healthcare sector.

INTRODUCING NICHE COMMUNITIES IN MALAYSIA

Malaysia has several minority communities which often go unnoticed, even though many individuals from those sub-segments are prominent in society.

With the objective of introducing and familiarising the wider community with these sub-groups, *theSun* published articles on communities in Malaysia, detailing their traits, commitments and contributions to society and the nation.

Besides generating advertising revenue, these articles drew positive comments and recognition from others.


theSun PART 1
Bengalis in Malaysia
Malaysia's paradigm cache of educated, ambitious PMEBTs


theSun PART 2
Bengalis in Malaysia
Bengali Women
Silent motivators to parallel achievers and empowerment


theSun INSIGHTS
Sindhis IN MALAYSIA
DEMONSTRATION OF DETERMINED RESURGENCE BY ... CLASSICAL MASTERS OF INTERNATIONAL TRADING AND TEXTILE RETAIL

ENCOURAGING A HEALTHY WORK ENVIRONMENT

Pursuing its holistic employee engagement strategy with emphasis on their well-being, Sun Media organised two health-related talks – one on orthopaedics and the other on lifestyle diseases.

These talks were organised in collaboration with Taman Desa Medical Centre and the Qualitas Medical Group, which are on Sun Media's panel of hospitals/clinics.

Today, lifestyle or non-communicable diseases are the highest contributor to ailments. Early intervention, communications and frank discussions are the best means of addressing or reducing such ailments.

These talks fulfilled Sun Media's intention to facilitate informed understanding about how these diseases/ailments can be managed and minimised.

Sun Media intends to organise more informative discourses and activities which will improve the well-being of its employees and facilitate a healthier work environment. Plans include talks on other non-communicable diseases and disorders caused by depression.

STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors recognises the importance of adopting good corporate governance throughout the Group as a fundamental part of discharging its responsibilities to protect and enhance its shareholders' value and the financial performance of the Group. The Board is committed in ensuring that the Group carries out its business operations within the required standards of corporate governance as set out in the Malaysian Code of Corporate Governance 2012 ("MCCG 2012").

The new Malaysian Code of Corporate Governance ("new MCCG") came into force on 26 April 2017 and superseded the MCCG 2012. However, all companies will be required to report their application of the recommended practices of the new MCCG in their Annual Report with effect from the financial year ending 31 December 2017. Hence, the Group will only be required to report its application of the recommended practices of the new MCCG in the 2018 Annual Report.

The following sections explain how the Group has applied the principles of the MCCG 2012 and the extent in which it has applied the principles and complied with the recommendations as set out in the MCCG 2012 throughout the financial year ended 30 April 2017.

1. ROLES AND RESPONSIBILITIES OF THE BOARD

The Group is led and managed by an experienced Board with different expertise. The Board assumes the following responsibilities for the Group: determining strategic direction of the Group, overseeing the conduct of the business of the Group, formulation of policies, succession planning, corporate governance, identifying principal risks and ensuring the implementation of systems to manage risks. The roles and responsibilities of the Board is clearly set out in the Board Charter duly adopted by the Board.

The roles and responsibilities of the Board and management as well as the Chairman and the Executive Director are segregated to ensure smooth running of the Group's business and operations. The Chairman is responsible for ensuring Board effectiveness and standards of conduct. He has authority over the agenda for each Board meeting to ensure that all Directors are provided with relevant information on a timely basis. The general agenda may include minutes of previous meetings of the Board and the Board Committees, quarterly financial results of the Group, issues requiring the Board's deliberation and approval, reports or briefings on operational and financial issues of major subsidiary and other ad-hoc reporting.

The Board delegates the authority and responsibilities for managing the everyday affairs of the Group to the Executive Director and through him and subject to his oversight, to other senior management. He leads the senior management team in making and implementing the day-to-day decisions on the business operations and management, managing resources and risks in pursuing the corporate objectives of the Group. He brings material and other relevant matters to the Board, motivates employees, and drives change/innovation and growth within the Group. The role of the management, on the other hand, is to run the business operations and general activities and administration of financial matters of the Group.

The Board has delegated certain responsibilities to the Board Committees that operate within clearly defined terms of references. Currently, the Board Committees comprise Audit and Risk Management Committee, Nominating Committee and Remuneration Committee. The Board reviews the terms of reference of the Board Committees periodically to ensure their relevance. The ultimate responsibility for decision making, however, lies with the Board.

DIRECTORS' CODE OF CONDUCT/ETHICS

The Board is required to observe the Directors' Code of Ethics as stipulated in its Board Charter. The Directors' Code of Ethics was formulated to enhance the standard of corporate governance and promote ethical conduct of the Directors.

CORPORATE STRATEGY TO PROMOTE SUSTAINABILITY

The Board views the commitment to promote sustainability strategies in the environment, social and governance aspects as part of its broader responsibility to all its various stakeholders and the communities in which it operates.

The Group strives to achieve a sustainable long term balance between meeting its business goals, preserving the environment to sustain the ecosystem and improving the welfare of its employees and the communities in which it operates. The Group's efforts in this regard have been included in the Events, Promotions and Corporate Social Responsibility Statement as set out in the Annual Report.

ACCESS TO INFORMATION AND ADVICE

The Directors have full and timely access to information concerning the Company and the Group. Notices with relevant agenda and Board papers are provided in sufficient time prior to Board meetings to enable the Directors to have an overview of the matters to be discussed or reviewed at the meetings and to obtain further explanation or clarification, if any. The Board papers include reports on the Group's operations, finance and corporate developments. As part of the Group's green initiatives to create a paperless meeting environment, the Directors are provided with electronic devices to enable them to access meeting papers electronically, instead of receiving the conventional hard copy meeting papers prior to a meeting.

The Board is supported by suitably qualified, experienced and competent Company Secretaries who are members of a professional body. The Company Secretaries play an advisory role to the Board in relation to the Company's constitution and advises the Board on any updates relating to new statutory and relevant regulatory requirements pertaining to the duties and responsibilities of the Directors as and when necessary. The Company Secretaries are also responsible in ensuring that Board meeting procedures are followed and all the statutory records of the Company are properly maintained at the Registered Office of the Company.

In meeting with the above advisory role to the Board, the Company Secretaries will continuously attend the necessary training programmes, conferences, seminars and/or forums so as to keep themselves abreast with the current regulatory changes in laws and regulatory requirements that are relevant to their profession.

All Directors also have unrestricted access to the advice and services of the Senior Management staff in the Group to enable them to discharge their duties effectively. The Directors may also obtain independent professional advice, both inside and outside the Company, at the Company's expense if they deem it necessary in ensuring performance of their duties. During the year, no external expert was separately engaged by the Board for advice.

BOARD CHARTER

The Board has formally adopted a Board Charter which sets out the roles, duties and responsibilities as well as the composition and processes to enable all Board members, acting on behalf of the Company, to be aware of their duties and responsibilities at all times. The Board will review the Board Charter annually to ensure that it remains consistent with the Board's roles and objectives. A copy of the Board Charter is available on the Company's website.

2. BOARD COMPOSITION

The Board currently has four (4) members comprising:-

- The Chairman (who is Non-Independent Non-Executive);
- One (1) Executive Director; and
- Two (2) Independent Non-Executive Directors.

This composition fulfills the requirements as set out under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") which stipulates that at least two (2) Directors or one-third of the Board, whichever is higher, must be independent.

The Executive and Non-Executive Directors, with their different backgrounds and experiences in the field of finance, accounting, media and business development made up a balanced and effective Board. The Board is satisfied that the current size and composition of the Board is considered adequate to provide an optimum mix of skills and experience. A brief profile of each Director is contained on page 2 of the Annual Report.

NOMINATING COMMITTEE

The Nominating Committee of the Company comprises exclusively of Non-Executive Directors, a majority of whom are Independent Directors. The Nominating Committee currently comprises the following members:-

1. Datuk Seri Azman Bin Ujang - Chairman/Independent Non-Executive Director
2. Loh Chen Peng - Independent Non-Executive Director
3. Dato' Sri Robin Tan Yeong Ching - Non-Independent Non-Executive Director

The Board has entrusted specific terms of reference to the Nominating Committee, which cover, inter-alia, the following duties and responsibilities:-

- identifying, assessing and recommending the right candidates to the Board with the necessary skills, knowledge, experience and competency for new appointments;
- conducting an annual assessment on the effectiveness of the Board as a whole (inter-alia, the required mix of skills, size and composition, experience, core competencies and other qualities of the Board), the Board Committees and the contribution of every Director (including the assessment of independence of the Independent Directors);
- recommending retiring directors for re-election or re-appointment as directors;
- ensuring orderly succession at the Board level and boardroom diversity; and
- ensuring adequate training and orientation are provided for new members of the Board.

A copy of the terms of reference of the Nominating Committee is available on the Company's website.

APPOINTMENT TO THE BOARD

The Nominating Committee is responsible amongst others, for identifying and making recommendations for any appointments of Board members or Board Committee members. The process for the appointment of a new director is summarised in the sequence as follows:-

1. The candidate identified upon the recommendation by the existing Directors, senior Management staff, shareholders and/or other consultants;
2. In evaluating the suitability of candidates to the Board, the Nominating Committee considers, inter-alia, the competency, experience, commitment, contribution and integrity of the candidates, and in the case of candidates proposed for appointment as Independent Non-Executive Directors, the candidate's independence;
3. Recommendation to be made by Nominating Committee to the Board if the proposed candidate is found to be suitable. This also includes recommendation for appointment as a member of the various Board Committees, where necessary; and
4. Decision to be made by the Board on the proposed new appointment, including appointment to the various Board committees.

STATEMENT ON CORPORATE GOVERNANCE *(CONTINUED)*

RE-ELECTION AND RE-APPOINTMENT OF DIRECTOR

In accordance with the Company's Articles of Association, one-third (1/3) of the Directors shall retire from office at least once in every three (3) years. Retiring Directors can offer themselves for re-election.

Following the enforcement of the Companies Act, 2016 which came into force on 31 January 2017 repealing the Companies Act, 1965, there is no more age limit for a Director. Therefore, a Director of a public company of or over the age of seventy (70) is no longer subject to retirement at the Annual General Meeting ("AGM").

The Nominating Committee is responsible for recommending to the Board those Directors who are eligible to stand for re-election.

The Directors who will retire by rotation and eligible for re-election pursuant to Article 104(1) of the Company's Articles of Association at the forthcoming Twenty-Third AGM are Mr Loh Chen Peng and Datuk Seri Azman Bin Ujang. Their profiles are set out on page 2 of this Annual Report.

ANNUAL ASSESSMENT

The Nominating Committee is also responsible to carry out the necessary evaluation of the effectiveness of each Director, the Board and the Board Committees on an annual basis. During the financial year, the Committee had carried out an annual evaluation assessment as an effort to monitor the level of effectiveness of the Board, the Board Committees as well as the Board members. The evaluation involves individual Directors and Committee members completing separate evaluation questionnaires regarding the processes of the Board and its Committees, their effectiveness and where improvements could be considered. The criteria for the evaluation are guided by the Corporate Governance Guide – Towards Boardroom Excellence. The evaluation process also involved a peer and self-review assessment, where each Director will assess their own performance and that of their fellow Directors. The outcome of the assessments and comments by all the Directors were summarised and tabled at the Nominating Committee meeting for the Committee's review and were then reported to the Board at the Board meeting held thereafter. Based on the assessment conducted, the Nominating Committee and the Board indicated their satisfaction with the level of performance and effectiveness of the Board, the Board Committees and the Board Members.

ACTIVITIES OF THE NOMINATING COMMITTEE

During the meeting held in June 2017, the Nominating Committee carried out the following activities:

- reviewed and assessed the mix of skills, expertise, composition, size and experience of the Board;
- reviewed and assessed the performance of each individual Director; independence of the Independent Directors; effectiveness of the Board and the Board Committees;
- recommending Director who is retiring and being eligible, for re-election;
- recommended the retention of Independent Non-Executive Directors who have served on the Board for more than nine years; and
- reviewed the performance of the Audit and Risk Management Committee and its members.

BOARDROOM DIVERSITY

The Board acknowledges the importance of gender, age, nationality, ethnicity and socio-economic background diversity and recognises the benefits of this diversity.

The Board also recognises that having a range of different skills, backgrounds, experience and diversity is essential to ensure a broad range of viewpoints to facilitate optimal decision making and effective governance.

The Board is of the view that while promoting boardroom diversity is essential, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board should remain a priority. The Board does not set any specific target on gender, age, nationality or ethnicity composition but will actively work towards achieving the appropriate boardroom diversity. Currently, there is no female Director on the Board.

The Board has in place its Board Diversity Policy and a copy of the Policy is available on the Company's website.

REMUNERATION POLICIES AND PROCEDURES

The Remuneration Committee of the Company comprises a majority of Independent Directors and its composition is as follows:-

Dato' Sri Robin Tan Yeong Ching - Chairman/Non-Independent Non-Executive

Loh Chen Peng - Independent Non-Executive

Datuk Seri Azman Bin Ujang - Independent Non-Executive

The primary function of the Remuneration Committee is to set up the policy framework and to make recommendations to the Board on all elements of the remuneration and other terms of employment of the Executive Directors. The remuneration of Directors is determined at levels which enables the Company to attract and retain Directors with the relevant experience and expertise to manage the business of the Group effectively.

The Remuneration Committee is also responsible to review the remuneration packages for the Non-Executive Directors of the Company and thereafter recommended the same to the Board for their consideration with the Directors concerned abstaining from deliberations and voting on decisions in respect of his/her individual remuneration package. The Board will then recommend the Directors' fees and benefits payable to Non-Executive Directors on a yearly basis to the shareholders for approval at the AGM in accordance with Section 230(1) of the Companies Act, 2016.

During the meeting held in June 2017, the Remuneration Committee carried out the following activities:-

(a) reviewed the terms of reference of the Remuneration Committee;

(b) reviewed and recommended the proposed revision of the meeting allowances payable to the Non-Executive Directors;

(c) reviewed and recommended the payment of Directors' Fees for the financial year ended 30 April 2017; and

(d) reviewed and recommended the payment of Directors' remuneration (excluding Directors' Fees) for the period from 1 May 2017 until the next AGM of the Company.

The aggregate Directors' remuneration paid or payable to the Directors in office during the financial year by the Company and the Group categorised into appropriate components for the financial year ended 30 April 2017 were as follows:-

COMPANY	RM'000				
	Fees	Salaries and Other Emoluments	Bonus	Benefits-in-kind	Total
Executive	-	-	-	-	-
Non-Executive	60	4	-	-	64
	60	4	-	-	64

GROUP	RM'000				
	Fees	Salaries and Other Emoluments	Bonus	Benefits-in-kind	Total
Executive	-	179	26	-	205
Non-Executive	60	4	-	-	64
	60	183	26	-	269

The number of Directors of the Company as at the end of the financial year and their remuneration from the Group categorised in the various bands were as follows:-

RANGE OF REMUNERATION (RM)	NUMBER OF DIRECTORS	
	Executive Director(s)	Non-Executive Director(s)
1 - 50,000	-	2
200,001 - 250,000	1	-
TOTAL	1	2

The terms of reference of the Remuneration Committee is available at the Company's website.

3. INDEPENDENCE

ASSESSMENT OF INDEPENDENT DIRECTORS

The presence of Independent Directors provides objectivity to the Board's decisions, ensuring that all strategies proposed by the Management are fully discussed and examined, and take into account the long-term interests of stakeholders, including shareholders, employees, customers, suppliers and the various communities in which the Company conducts its business.

The Board through the Nominating Committee assessed the independence of the Independent Directors based on the criteria set out in the Listing Requirements on an annual basis. Based on the assessment conducted in year 2016, the Board is satisfied with the level of independence demonstrated by the independent directors and their ability to act in the best interests of the Company. The Independent Directors namely, Mr Loh Chen Peng and Datuk Seri Azman Bin Ujang had also provided the necessary confirmation of their independence to the Board based on the criteria as prescribed under the Listing Requirements.

TENURE OF INDEPENDENT DIRECTOR

Recommendation 3.2 of the MCCG 2012 recommends that the tenure of an Independent Director should not exceed a cumulative terms of nine (9) years. Upon completion of the nine years, an Independent Director may continue to serve on the Board subject to the Directors' redesignation as a Non-Independent Director. The MCCG 2012 also sets out a recommendation that the Board must justify and seek shareholders' approval in the event it retains an independent Director who has served in that capacity for more than nine years.

The Board does not have term limits for its independent Directors as it is of the view that the independence of the Independent Directors should not be determined solely by their tenure of service. The Board believes that continued contribution will provide stability and benefits to the Board and the Company as a whole especially their invaluable knowledge of the Group and its operations gained through the years. The calibre, qualification, experience and personal qualities, particularly of the Director's integrity and objectivity in discharging his responsibilities in the best interest of the Company predominantly determines the ability of a Director to serve effectively as an Independent Director.

STATEMENT ON CORPORATE GOVERNANCE *(CONTINUED)*

As at the date of this statement, Mr Loh Chen Peng has served the Board for more than nine years while Datuk Seri Azman Bin Ujang has exceeded his nine years as an Independent Director after 21 July 2017. The approval of the Company's shareholders was obtained at the last AGM held on 28 September 2016 for the retention of Mr Loh Chen Peng as an Independent Non-Executive Director of the Company notwithstanding that he had been on the Board of the Company for a cumulative term of more than 9 years. The Nominating Committee and the Board have upon their annual assessments conducted for the year 2017, concluded that Mr Loh Chen Peng and Datuk Seri Azman Bin Ujang have remained independent and recommended that the approval of the shareholders be sought at the Company's forthcoming AGM to retain Mr Loh Chen Peng and Datuk Seri Azman Bin Ujang as Independent Non-Executive Directors of the Company based on the following justifications:-

a) Mr Loh Chen Peng

i) he fulfilled the criteria under the definition of Independent Director as stated in the Listing Requirements, and thus, he would be able to function as a check and balance, bring an element of objectivity to the Board.

ii) he has been with the Company for more than 9 years and was familiar with the Company's business operations.

iii) he remains objective and independent in expressing his view and participating in deliberations and decision making process of the Board and Board Committees. The length of his services on the Board does not in any way interfere with his exercise of independent judgement and ability to act in the best interests of the Company.

iv) he has exercised his due care during his tenure as an Independent Non-Executive Director and as Chairman of the Audit and Risk Management Committee of the Company and carried out his professional duties in the interest of the Company and the shareholders.

b) Datuk Seri Azman Bin Ujang

i) he fulfilled the criteria under the definition of Independent Director as stated in the Listing Requirements, and thus, he would be able to function as a check and balance, bring an element of objectivity to the Board.

ii) he has been with the Company for more than 9 years and was familiar with the Company's business operations.

iii) he remains objective and independent in expressing his view and participating in deliberations and decision making process of the Board and Board Committees. The length of his services on the Board does not in any way interfere with his exercise of independent judgement and ability to act in the best interests of the Company.

iv) he has exercised his due care during his tenure as an Independent Non-Executive Director of the Company and carried out his professional duties in the interest of the Company and the shareholders.

Board must comprise a majority of Independent Directors
if the Chairman is not an Independent Director

The Board is mindful of the recommendation of the MCCG 2012 that the Board must comprise a majority of Independent Directors where the Chairman of the Board is not an Independent Director. Currently, the Chairman of the Company is Dato' Sri Robin Tan Yeong Ching, who is a Non-Executive Non-Independent Director. Compliance with Recommendation 3.5 would require an increase in the current size of the Board. The Nominating Committee has assessed the Board composition and is satisfied that the current size and composition of the Board is considered adequate to provide an optimum mix of skills and experience. The presence of the two (2) Independent Directors, though not forming a majority of the Board members, is sufficient to provide the required checks and balances on the decision making process of the Board. The significant contributions of the Independent Directors in the decision making process were evidenced by their participation as members of the various committees of the Board.

4. BOARD COMMITMENT

The Board meets regularly on a quarterly basis with additional meetings being convened when necessary. The meeting dates are planned ahead of schedule to ensure that each member of the Board is committed to meet when the time arises. During the financial year ended 30 April 2017, the Board met five (5) times and the record of attendance of each Director is set out below:-

Directors	No. Of Meetings Attended
Dato' Sri Robin Tan Yeong Ching	4/5
Chan Kien Sing	5/5
Loh Chen Peng #	5/5
Datuk Seri Azman Bin Ujang #	5/5

# Denotes Independent Non-Executive Directors

All the Directors have attended no less than 50% of the Board meetings held during the financial year ended 30 April 2017. During intervals between Board meetings, any matters requiring Board's decisions and approvals will be obtained through circular resolutions of the Directors. These circular resolutions will then be noted and ratified at the next Board meeting.

All Directors have complied with the restrictions on the number of directorships in public listed companies as prescribed under the Listing Requirements and hold not more than five directorships in listed issuer. Each Director is expected to commit time as and when required to discharge the relevant duties and responsibilities, besides attending meetings of the Board and Board Committees. All Board members are required to notify the Chairman of the Board before accepting new directorships outside the Group and indicating the time that will be spent on the new directorship. Similarly, the Chairman of the Board shall also do likewise before taking up any additional appointment of directorships. The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities.

DIRECTORS' TRAINING

The Board recognizes the importance of training as a continuous education process for the Directors in order to ensure that the Directors stay abreast of the latest developments and changes in laws and regulations, business environment and new challenges and to equip the Directors with the necessary knowledge and skills to enable them to fulfill their responsibilities and effectively discharge their duties.

All Directors have attended the Mandatory Accreditation Programme ("MAP") prescribed by the Bursa Malaysia Securities Berhad ("Bursa Securities"). Apart from the MAP, the Directors have also attended the Continuing Education Programme ("CEP") conducted by various course leaders. The Directors will continue to attend seminars and courses to keep themselves updated on regulatory and corporate governance developments, besides enhancing their professionalism and knowledge to effectively discharge their duties and obligations.

Details of the training programmes attended by the current Directors during the financial year ended 30 April 2017 were as follows:-

DIRECTORS	SEMINARS / CONFERENCES / FORUM
Dato' Sri Robin Tan Yeong Ching	- CG Breakfast Series with Directors: "The Cybersecurity Threat and How Board Should Mitigate the Risks" - FTSE4 Good Bursa Malaysia Index Briefing
Chan Kien Sing	- Sustainability Engagement Series for Directors/Chief Executive Officer - Directors as Gatekeepers of Market Participants - Business Challenges and Regulatory Expectations - Risk Oversight and Compliance – Action Plan for Board of Directors - Current and Emerging Regulatory Issues in the Capital Market - MIA Conference 2016 - FTSE4 Good Bursa Malaysia Index Briefing
Loh Chen Peng	- FTSE4 Good Bursa Malaysia Index Briefing - Audit Committee Institute (ACI) Breakfast Roundtable 2017
Datuk Seri Azman Bin Ujang	- Corporate Governance: Obligations of Directors from the Listing Requirements Perspective

The Board will, on a continuous basis, evaluate and determine the training needs of its members to assist them in the discharge of their duties as Directors.

5. INTEGRITY IN FINANCIAL REPORTING

DIRECTORS' RESPONSIBILITY STATEMENT IN RESPECT OF FINANCIAL STATEMENTS

The Directors are required to prepare the financial statements which give a true and fair view of the financial position of the Company and Group as at the end of each financial year and of their financial performance and cashflows for that financial year then ended.

The Directors, in preparing the financial statements for the financial year ended 30 April 2017, are satisfied that the Group has used appropriate accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent. All applicable financial reporting standards have also been followed in the preparation of the financial statements which have been prepared on a going-concern basis.

The Directors are responsible for ensuring that the Company and Group keep accounting records which disclosed with reasonable accuracy at any time, the financial position of the Company and Group and which enable them to ensure that the financial statements comply with the provisions of the Companies Act, 2016, and the applicable financial reporting standards in Malaysia.

The Directors are also responsible for safeguarding the assets of the Group and for taking reasonable steps to prevent and detect fraud and other irregularities.

COMPLIANCE WITH APPLICABLE FINANCIAL REPORTING STANDARDS

One of the key responsibilities of the Audit and Risk Management Committee is to review the financial statements and quarterly results of the Group and to ensure that such quarterly results and financial statements comply with the applicable financial reporting standards. The quarterly financial results and audited financial statements were reviewed by the Audit and Risk Management Committee and approved by the Board before they were released to Bursa Securities. The Audit and Risk Management Committee would meet with the External Auditors to review the scope and adequacy of the audit process, the annual financial statements and their audit findings. Furthermore, the Audit and Risk Management Committee is updated regularly by the External Auditors on the changes in financial reporting standards which are applicable to the Group.

STATEMENT ON CORPORATE GOVERNANCE *(CONTINUED)*

The Board maintains a transparent and professional relationship with the External Auditors through the Audit and Risk Management Committee. Under the existing practice, the Audit and Risk Management Committee invites the External Auditors to attend its meetings at least twice a year to discuss their audit plan and their audit findings on the Company's yearly financial statements. In addition, the Audit and Risk Management Committee will also have private meeting with the External Auditors without the presence of the Senior Management to enable exchange of views on issues requiring attention.

It is the policy of the Company to undertake an annual assessment of the quality of audit which encompassed the performance and quality of the External Auditors and their independence, objectivity and professionalism. This policy is delegated to the Audit and Risk Management Committee and the assessment process involves identifying the areas of assessment, setting the minimum standard and devising tools to obtain the relevant data. The areas of assessment include among others, the External Auditors' calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence as well as the audit fees. Assessment questionnaires were used as a tool to obtain input from the Company's personnel who had constant contact with the external audit team throughout the year.

To support the Audit and Risk Management Committee's assessment of their independence, the External Auditors will provide the Audit and Risk Management Committee with a written assurance confirming their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements. The External Auditors are required to declare their independence annually to the Audit and Risk Management Committee as specified by the By-Laws issued by the Malaysian Institute of Accountants. The External Auditors have provided the declaration in their annual audit plan presented to the Audit and Risk Management Committee.

The Audit and Risk Management Committee also ensures that the External Auditors are independent of the activities they audit and will review the contracts for provision of non-audit services by the External Auditors. The recurring non-audit services were in respect of tax compliance and the annual review of the Statement on Risk Management and Internal Control. The non-recurring non-audit services are acting as reporting accountants for any corporate exercises.

During the financial year, the amount of non-audit fees paid to the External Auditors by the Company and the Group respectively for the financial year ended 30 April 2017 were as follows:-

	COMPANY		GROUP	
	FYE 2017 RM'000	FYE 2016 RM'000	FYE 2017 RM'000	FYE 2016 RM'000
Statutory audit fees paid/payable to:-				
- Deloitte Malaysia	27	25	97	85
- Affiliates of Deloitte Malaysia	-	-	-	-
Total (a)	27	25	97	85
Non-audit fees paid to:-				
- Deloitte Malaysia	9	11	18	20
- Affiliates of Deloitte Malaysia	-	-	-	-
Total (b)	9	11	18	20
% of non-audit fees (b/a)	33.3	44	18.6	23.5

In considering the nature and scope of non-audit fees, the Audit and Risk Management Committee was satisfied that they were not likely to create any conflict or impair the independence and objectivity of the External Auditors.

Upon completion of the assessment, the Audit and Risk Management Committee will make recommendation for re-appointment of the External Auditors to the Board. The proposed re-appointment will be subject to shareholders' approval at the AGM.

6. RISKS MANAGEMENT

The Board of Directors acknowledges that risk management and internal controls is an integral part of the overall management process. It is an ongoing process to identify, evaluate, monitor and manage and mitigate the risks that may affect the achievement of its business and corporate objectives.

The Audit and Risk Management Committee is entrusted to provide advice and assistance to the Board in fulfilling its statutory and fiduciary responsibilities relating to the Company's internal and external audit functions, risk management and matters that may significantly impact the financial conditions or affairs of the business.

The internal audit function of the Group was outsourced to the internal auditors of Berjaya Corporation Berhad, an affiliated company, to assist the Audit and Risk Management Committee in discharging its duties and responsibilities. The internal auditors' responsibilities include providing independent and objective reports on the state of internal controls of the operating unit in the Group to the Audit and Risk Management Committee, with the necessary recommendations for improvement to the control procedures.

The details of the risk management and system of internal control of the Company are set out in the Statement on Risk Management and Internal Control in this Annual Report.

7. TIMELY DISCLOSURES

The Board will ensure that it adheres to and comply with the disclosure requirements of the Listing Requirements as well as the Corporate Disclosure Guide issued by Bursa Securities and to keep the shareholders well informed of all major developments in the Company on a timely basis.

The various disclosures and announcements made to Bursa Securities, inter alia the quarterly and yearly financial results and any corporate proposals or developments by the Company will facilitate the fair and timely dissemination of information to the shareholders and investors.

Apart from the announcements published through the website of Bursa Securities, the Company also published its latest corporate information via its website at www.berjaya.com/berjaya-media/index.html where shareholders as well as members of the public can access for the latest information on the Company and the Group.

8. RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

The Company provides a platform for dialogue and interaction with all shareholders through its general meetings. The Chairman of the meeting provided time for the shareholders to ask questions for each agenda in the notice of the general meetings. At each AGM, the Board presents the progress and performance of the Group's businesses and encourages shareholders to participate through a question and answer session. The Directors, Senior Management and/or External Auditors of the Company are in attendance to respond to shareholders' queries during the general meetings. The Notice of the AGM together with the annual report will be sent to shareholders at least 21 days before the date of the meeting. The shareholders are thus provided with ample time to review the annual report, to appoint proxy and to collate questions to be asked at the AGM.

In line with Recommendation 8.2 of the MCCG 2012, voting for all the resolutions at the last AGM of the Company held on 28 September 2016 was conducted by poll. The polling process was conducted after the completion of deliberation of all items to be transacted at the AGM and the shareholders were briefed on the voting procedures by the Share Registrar prior to the commencement of the voting process. The poll vote count was conducted by the Share Registrar and the results of the poll were then verified by the Scrutineers, Messrs L.T Lim & Associates. An announcement of the poll results showing the number of votes cast for and against each resolution was announced to Bursa Securities on the same day for the benefit of all shareholders.

Pursuant to Paragraph 8.29A(1) of the Listing Requirements, the Company is required to ensure that any resolution set out in the notice of general meetings is voted by poll.

The Corporate Communications division of Berjaya Corporation Berhad plays an active role in assisting the Company with regards to maintaining the Company's relations with its shareholders and investors, among others.

The Board has identified Datuk Seri Azman Bin Ujang as the Senior Independent Non-Executive Director of the Board to whom queries or concerns may be conveyed.

9. COMPLIANCE WITH THE MCCG 2012

Other than as disclosed and/or explained in the Corporate Governance Statement, the Board is satisfied that the Company has, in all material aspects, complied with the principles and recommendations of the MCCG 2012 during the financial year ended 30 April 2017.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance requires listed companies to maintain a sound system of internal control to safeguard shareholders' investments and the Group's assets. The Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements require Directors of listed companies to include a statement in annual reports on the state of their risk managements and internal controls. The Bursa Securities' Statement on Internal Control: Guidance for Directors of Public Listed Companies ("Guidance") provides guidance for compliance with these requirements. The Board's Risk Management and Internal Control Statement, which has been prepared in accordance with the Guidance, is set out below.

RESPONSIBILITY

The Board of Directors recognises the importance of sound internal controls and risk management practices to good corporate governance. The Board affirms its overall responsibility for the Group's systems of internal controls and risk management, and for reviewing the adequacy and integrity of those systems. It should be noted, however, that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives. In addition, it should be noted that any system could provide only reasonable, and not absolute assurance, against material misstatement or loss.

The Group had in place an ongoing process for identifying, evaluating, monitoring and managing the significant risks affecting the achievement of its business objectives throughout the period. This process is regularly reviewed by the Board, which dedicates time for discussion on this subject.

The Board has received assurance from the Executive Director that the Group's risk management and internal control system are operating adequately and effectively, in all material aspects.

RISK MANAGEMENT FRAMEWORK

The Board has established an organisation structure with clearly defined lines of accountability and delegated authority. It has extended the responsibilities of the Audit and Risk Management Committee ("ARMC") to include the work of monitoring all internal controls and risk management. Its review covers matters such as responses to significant risks identified, output from the monitoring process and changes made to the internal control systems.

ASSURANCE MECHANISM

The Board recognises that effective monitoring on a continuous basis is a vital component of a sound internal control system. In this respect, the ARMC carries out an internal audit function to monitor and assess the effectiveness of the internal control system. Observations from internal audits were presented to the ARMC together with management's response and proposed action plans for its review. The action plans were then followed up during subsequent internal audits with implementation status reported to the ARMC.

The internal audit function is outsourced to Group Internal Audit Division of Berjaya Corporation Berhad, which reports directly to the ARMC. The scope of work covered by the internal audit function is determined by the ARMC after careful consideration and discussion of the audit plan with the Board.

The Board through the ARMC regularly receives and reviews reports on internal control, which include highlights on significant risks affecting the Group, from its internal audit function.

The external auditors form an opinion on the financial statements of the Group based on their annual statutory audit. Any areas for improvement identified during the course of audit are highlighted to the attention of the ARMC through management letters, or are articulated at the ARMC meetings.

The ARMC also hold private meetings with the external auditors to have exchange of views on any areas that require their attention. Apart from the statutory audit, the external auditors also review the Statement of Risk Management and Internal Control ("SRMIC") in accordance with Paragraph 15.23 of the Main Market Listing Requirements of Bursa Securities. Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that the disclosures in SRMIC are not consistent with their understanding of the ongoing processes that the Board has in place for identifying, evaluating and managing the significant risks in achieving the objectives and strategies of the Group.

OTHER KEY ELEMENTS OF INTERNAL CONTROL

The other key elements of the Group's internal control systems are described below:-

- Clearly defined delegation of responsibilities to committees of the Board and to management of Head Office and operating units, including authorisation level for all aspects of the business which are set out in an authority matrix;
- Regular and comprehensive information provided to management, covering financial performance and key business indicators, such as cash flow performance; and
- Regular visits to operating units by senior management.

The system of internal control was satisfactory and has not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors of Berjaya Media Berhad ("BMedia" or "the Company") is pleased to present the report of the Audit and Risk Management Committee ("ARMC") for the financial year ended 30 April 2017.

MEMBERS AND MEETINGS ATTENDANCES

The members of the ARMC are as follows:-

Loh Chen Peng
- Chairman/Independent Non-Executive Director

Datuk Seri Azman Bin Ujang
- Independent Non-Executive Director

Dato' Sri Robin Tan Yeong Ching
- Non-Independent Non-Executive Director

The ARMC held five (5) meetings during the financial year ended 30 April 2017. The details of attendance of the ARMC members are as follows:-

Name	Attendance
Loh Chen Peng	5/5
Datuk Seri Azman Bin Ujang	5/5
Dato' Sri Robin Tan Yeong Ching	4/5

The ARMC meetings were convened with proper notices and agenda and these were distributed to all members of the ARMC with sufficient notification. The minutes of each of the ARMC meetings were recorded and tabled for confirmation at the next ARMC meeting and tabled at the Board Meeting for the Directors' review and notation.

The General Manager of Group Internal Audit, the Head of Group Accounts and Budgets of Berjaya Corporation Berhad as well as the Financial Controller of Sun Media Corporation Sdn Bhd were invited to attend the ARMC meetings. The external auditors were also invited to attend three (3) of these meetings.

SUMMARY OF ACTIVITIES AND WORK OF THE ARMC DURING THE FINANCIAL YEAR ENDED 30 APRIL 2017

During the financial year, the ARMC had discharged its duties and responsibilities by carrying out the following works and activities:-

FINANCIAL REPORTING

a. reviewed the quarterly financial statements including the draft announcements pertaining thereto and made recommendations to the Board for approval of the same as follows:-

DATE OF MEETINGS	QUARTERLY FINANCIAL STATEMENTS REVIEWED
21 June 2016	Fourth quarter results as well as the unaudited results of the Group for the financial year ended 30 April 2016
29 September 2016	First quarter results for the financial year ended 30 April 2017
9 December 2016	Second quarter results for the financial year ended 30 April 2017
14 March 2017	Third quarter results for the financial year ended 30 April 2017

The above review is to ensure that the Company's quarterly financial reporting and disclosures present a true and fair view of the Group's financial position and performance and are in compliance with the Malaysian Financial Reporting Standards ("MFRS") 134 - Interim Financial Reporting Standards in Malaysia and International Accounting Standards ("IAS") 34 - Interim Financial Reporting as well as the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT *(CONTINUED)*

b. reviewed the audited financial statements of the Company and the Group for the financial year ended 30 April 2016 together with the Management and the External Auditors at its meeting held on 22 July 2016 to ensure that it presented a true and fair view of the Company's financial position and performance for the year and is in compliance with all disclosure and regulatory requirements before recommending the audited financial statements to the Board for approval.

EXTERNAL AUDIT

a. discussed and considered the significant accounting and auditing issues arising from the interim audit as well as the final audit with the External Auditors. The ARMC also had a private discussion with the External Auditors on 22 July 2016 without the presence of Management during the review of the audited financial statements for the year ended 30 April 2016 to discuss any problems/issues arising from the audit review.

b. evaluated the performance of the External Auditors for the financial year ended 30 April 2016 covering areas such as calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence as well as the audit fees of the External Auditors. The ARMC, having been satisfied with the independence, suitability and performance of Messrs Deloitte ("Deloitte"), had recommended to the Board for approval of the re-appointment of Deloitte as External Auditors for the ensuing financial year end of 30 April 2017 at its meeting held on 22 July 2016.

c. reviewed with the External Auditors at the meeting held on 14 March 2017, their audit plan in respect of the financial year end of 30 April 2017, outlining the auditors' responsibilities, timing of audit, materiality, significant risks, areas of audit focus, fraud consideration, internal control plan, involvement of internal auditors and internal specialists, independence policies and procedures and also financial reporting updates.

INTERNAL AUDIT

a. reviewed the Internal Audit report on the Company's principal subsidiary namely, Sun Media Corporation Sdn Bhd at the ARMC meeting held on 29 September 2016 and considered the findings and recommendations made including the Management's responses thereto. The Internal Audit monitored the implementation of management's action plan on outstanding issues by reviewing the Follow-up Internal Audit Report at the ARMC meeting held on 14 March 2017 to ensure that all key risks and control weaknesses were being properly addressed.

b. reviewed and adopted the Internal Audit Plan for the financial year ending 30 April 2018 to ensure that the scope and coverage of the internal audit on the operation of the Group's operating subsidiary is adequate and comprehensive and that all the risk areas are audited annually.

RECURRENT RELATED PARTY TRANSACTIONS

a. reviewed the recurrent related party transactions of the Company on a half yearly basis at the ARMC meetings held on 21 June 2016 and 9 December 2016 respectively to ensure that the transactions were carried out on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the interests of the minority shareholders and also to ensure that the actual value transacted did not exceed the estimated value of the recurrent related party transactions duly approved by the shareholders at the Company's Annual General Meeting.

b. reviewed the Circular to Shareholders in connection with the recurrent related party transactions that arose within the Group at its meeting held on 22 July 2016 to ensure that the transactions are fair and reasonable to, and are not to the detriment of, the minority shareholders.

The framework set up for identifying and monitoring the recurrent related party transactions includes inter-alia, the following:-

(i) The transaction prices are based on prevailing market rates/prices that are agreed upon under similar commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms;

(ii) The Related Parties and interested Directors will be notified of the method and/or procedures of the BMedia Group;

(iii) Records of Recurrent Related Party Transactions will be retained and compiled by accountant for submission to the ARMC for review;

(iv) The ARMC is to provide a statement that it has reviewed the terms of the Recurrent Related Party Transactions to ensure that such transactions are undertaken based on terms not more favourable to the Related Party than those generally available to the public, are not detrimental to the minority shareholders and are in the best interest of the BMedia Group;

(v) Directors who have any interest in any Recurrent Related Party Transaction shall abstain from Board deliberations and voting and will ensure that they and any Person Connected with them will also abstain from voting on the resolution at the EGM or AGM to be convened for the purpose; and

(vi) Disclosures will be made in the annual report on the breakdown of the aggregate value of the Recurrent Related Party Transactions during the financial year, amongst others, based on the following information:-

  (a) the type of the Recurrent Related Party Transactions made; and

  (b) the names of the Related Parties involved in each type of the Recurrent Related Party Transactions made and their relationships with the BMedia Group.

RISK MANAGEMENT ACTIVITIES

a. reviewed the risk management activities on the Company's principal subsidiary namely Sun Media Corporation Sdn Bhd, including the risk descriptions, risk mitigation strategies and controls and its existing controls to ensure the business activities and risk areas are re-aligned and enhanced on an on-going basis.

b. reviewed the summary of the risk register covering areas such as the likelihood of occurrence, the impact of the risks, risk score, risk treatment, risk owner and control effectiveness to ensure that the management of the relevant risks is appropriately placed within the Group.

OTHER ACTIVITIES

a. reviewed and recommended to the Board for approval, the ARMC Report, Statement on Corporate Governance and Statement on Risk Management and Internal Control for inclusion in the 2016 Annual Report.

b. Reviewed and recommended to the Board for approval the revised terms of reference of ARMC following the amendments to the Listing Requirements of Bursa Malaysia Securities Berhad which took effect from 3 May 2016 as follows:

  (i) to make available the terms of reference of the ARMC on the Company's website; and

  (ii) to strengthen the role of the ARMC when reviewing financial statements by requesting the ARMC to also focus on amongst others, significant matters highlighted in the financial statements and significant judgements made by management.

SUMMARY OF THE WORK OF THE INTERNAL AUDITORS

The Company does not have its own in-house Internal Audit function. The internal audit function was outsourced to the Internal Audit Division of Berjaya Corporation Berhad, an affiliated company, to assist the ARMC in discharging its duties and responsibilities. Their role is to provide the Committee with independent and objective reports on the state of internal controls of the operating unit within the Group and the extent of compliance by such units with the Group's established policies and procedures.

The Internal Audit's activities are guided by Internal Audit Charter and the Internal Audit Division adopts a risk-based approach focusing on high risk areas. All high risk activities in each auditable area are audited annually.

The activities undertaken by the Internal Audit Division during the financial year ended 30 April 2017 included the following:

1. Tabled Internal Audit Plan for the ARMC's review and endorsement.
2. Reviewed the existing systems, controls and governance processes of the operating unit within the Group.
3. Conducted audit reviews and evaluated risk exposures relating to the Group's governance process and system of internal controls on reliability and integrity of financial and operational information, safeguarding of assets, efficiency of operations, compliance with established policies and procedures and statutory requirements.
4. Provided recommendations to assist the operating unit and the Group in accomplishing its internal control requirements by suggesting improvements to the control processes.
5. Issued internal audit reports incorporating audit recommendations and management's responses in relation to audit findings on weaknesses in the systems and controls to the ARMC and the respective operations management.
6. Presented internal audit reports to the ARMC for review.
7. Followed up review to ensure that the agreed internal audit recommendations are effectively implemented.

For the financial year under review, the Internal Audit Division conducted audit assignments on operating unit of the Group involved in publication, printing and distribution of daily newspapers.

The cost incurred for the Internal Audit function in respect of the financial year ended 30 April 2017 was approximately RM60,800.

TERMS OF REFERENCE OF THE ARMC

The terms of reference of the ARMC can be viewed on the Company's website at www.berjaya.com/berjaya-media/index.html.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

DIRECTORS' REPORT

DIRECTORS' REPORT

The Directors of Berjaya Media Berhad hereby submit their report and the audited financial statements of the Group and of the Company for the year ended 30 April 2017.

PRINCIPAL ACTIVITIES

The Company is principally involved in investment holding.

The information on the name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary company is as disclosed in Note 14 to the Financial Statements.

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	The Group RM'000	The Company RM'000
Loss before tax	20,666	20,850
Income tax expense	462	-
Loss for the year, attributable to the owners of the Company	21,128	20,850

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than (i) the impairment losses for the Group relating to the publishing rights and quoted investments amounting to RM13.50 million and RM2.41 million respectively; and (ii) the impairment loss for the Company amounting to RM18.85 million relating to investment in subsidiary companies, as disclosed in Note 9c to the Financial Statements.

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend any final dividend payment in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the Financial Statements.

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

SHARE OPTIONS

No options or warrants have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

At the beginning of the financial year, there was a total of 56,126,564 warrants outstanding. Each of the said warrant entitles the holder to subscribe for one ordinary share at an exercise price of RM0.87 per share. There was no warrant exercised during the year under review and all the outstanding warrants had lapsed and ceased to be valid following the expiry of the exercise period of the warrants on 18 December 2016.

DIRECTORS

The Directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Dato' Sri Robin Tan Yeong Ching
Chan Kien Sing
Datuk Seri Azman Bin Ujang
Loh Chen Peng

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors of the Company has received or becomes entitled to receive any benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by Directors as disclosed in the financial statements or the fixed salary of full-time employees of the related companies) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except for any benefits that may be deemed to have arisen by virtue of the transactions between the Company and certain companies in which certain Directors and/or shareholders of the Company are also Directors and/or shareholders as disclosed in Note 20 to the Financial Statements.

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby Directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS

The shareholdings in the Company and in the related companies of those who were Directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016, are as follows:

THE COMPANY

	Number of ordinary shares			
	At 01.05.2016	Bought	Sold	At 30.04.2017
Dato' Sri Robin Tan Yeong Ching	18,000	-	-	18,000
	17,017,200#	-	-	17,017,200#
	100*	-	-	100*
Chan Kien Sing	1,100	-	-	1,100

 # Denotes indirect interest pursuant to Section 8 of the Companies Act 2016.
** Denotes indirect interest pursuant to Section 59(11)(c) of the Companies Act 2016.*

Other than as disclosed above, none of the other Directors in office at the end of the financial year had any interest in shares of the Company and in shares of its related corporations during the financial year.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Company maintains Directors' liability insurance for purposes of Section 289(5) of the Companies Act 2016, throughout the year, which provides appropriate insurance cover for the Directors of the Company. The amount of insurance premium paid during the year amounted to RM28,206.

OTHER STATUTORY INFORMATION

Before the statements of profit or loss, statements of other 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 had satisfied themselves that there were no known bad debts to be written off and that adequate allowance for doubtful debts had been made; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

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

(a) which would render it necessary to write off any bad debts or the amount of 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 and render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

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

(a) any charge on the assets of the Group and 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 and of the Company which has arisen since the end of the financial year.

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 substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, no items, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made.

AUDITORS' REMUNERATION

The amount paid as remuneration of the auditors for the financial year ended 30 April 2017 is as disclosed in Note 9 to the Financial Statements.

SUBSEQUENT EVENT

Details of the event after the end of the financial year is disclosed in Note 31 to the Financial Statements.

AUDITORS

The auditors, Deloitte PLT, have indicated their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors,

DATO' SRI ROBIN TAN YEONG CHING

CHAN KIEN SING

2 August 2017

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

The Directors of BERJAYA MEDIA BERHAD state that, in their opinion, the accompanying financial statements set out on pages 17 to 29 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2017 and of the financial performance and the cash flows of the Group and of the Company for the year then ended.

The supplementary information set out in Note 32 on page 29, which is not part of the financial statements, is prepared in all materials respects, 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 and the directive of Bursa Malaysia Securities Berhad.

Signed on behalf of the Board in accordance with a resolution of the Directors,

DATO' SRI ROBIN TAN YEONG CHING

CHAN KIEN SING

2 August 2017

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, CHAN KIEN SING, the Director primarily responsible for the financial management of BERJAYA MEDIA BERHAD, do solemnly and sincerely declare that the accompanying financial statements set out on pages 17 to 29, 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.

Subscribed and solemnly declared by the abovenamed
CHAN KIEN SING at Kuala Lumpur on 2 August 2017.

CHAN KIEN SING

Before me,

COMMISSIONER FOR OATHS
YM TENGKU FARIDDUDIN BIN TENGKU SULAIMAN
(NO. W533)
KUALA LUMPUR

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BERJAYA MEDIA BERHAD (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Berjaya Media Berhad, which comprise the statements of financial position as at 30 April 2017, and the statements of profit or loss, statements of other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 17 to 29.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 April 2017, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

BASIS FOR OPINION

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE AND OTHER ETHICAL RESPONSIBILITIES

We are independent of the Group and of the Company in accordance with the By-Laws (*on Professional Ethics, Conduct and Practice*) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for *Accountants' Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

EMPHASIS OF MATTER

We draw attention to Note 31 of the Financial Statements, which indicates that the Company has triggered the Prescribed Criteria under Paragraph 2.1(a) of Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTERS	HOW THE MATTER WAS ADDRESSED IN THE AUDIT
Assessment of impairment of publishing rights	

The Group's publishing rights arose from the acquisition of its subsidiary company, Sun Media Corporation Sdn. Bhd. ("SunMedia") in prior year.
 	
SunMedia is principally involved in the publication, and printing and distribution of daily newspaper. SunMedia has incurred operating losses due to challenging market conditions.
 	
Determining whether the publishing rights are impaired requires an estimation of the recoverable amount of the Cash Generating Unit ("CGU"). The recoverable amount of the assets is determined based on Value-In-Use ("VIU") calculation, which is calculated based on the projected cash flows of the CGU.
 	
In making the estimate, the management relies on historical track record and expectation of future events that are believed to be reasonable under the current circumstances to assess future uncertain parameters. There is potential risk of material misstatement due to incorrect estimation of the recoverable amount of the publishing rights.
 	
We considered that the potential profit and loss impact of impairment of publishing rights to be material to the Group comparing to the Group's total assets and shareholders' fund.
 	
Therefore, this matter was determined to be a key audit matter.
	We performed the below procedures in respect of the impairment assessment:
	
	• Verified that management has appropriately considered the following factors, events or changes in circumstances to evaluate the indicators of impairment:
	  • A significant adverse change in newspaper industry or business climate that could affect the value of the publishing rights.
	  • A current-period operating or cash flow loss combined with a history of operating or cash flow losses or a projection or forecast that demonstrates continuing losses associated with the CGU.
	• Analysed the future projected cash flows used in the VIU computation to determine whether they are reasonable and supportable given the current economic climate and expected future performance of the CGU.
	• Subjected the key assumptions (discount rate and terminal growth rate) to sensitivity analysis.
	• Compared the projected cash flows, including the key assumptions used, against historical performance to test the accuracy of management's projections.
	
	We had involved our internal valuation specialist to review the reasonableness of the discount rate, terminal growth rate and projected cash flows of the CGU, and the appropriateness of the valuation model used.

KEY AUDIT MATTERS (CONTINUED)

KEY AUDIT MATTERS	HOW THE MATTER WAS ADDRESSED IN THE AUDIT
Assessment of impairment of investment in subsidiary companies	

The Company's investment in subsidiary companies with carrying amount of RM3.15 million are stated at costs of RM241.42 million, less accumulated impairment loss of RM238.27 million.
 	
The principal subsidiary of the Company, SunMedia is principally involved in the publication, and printing and distribution of daily newspaper. SunMedia has incurred operating losses due to challenging market conditions.
 	
Based on management's assessment, there are indications of impairment in relation to the cost of investment in SunMedia due to recurring losses. As a result, impairment assessment was carried out by the management.
 	
Determining whether the investment in subsidiary companies are impaired requires an estimation of the recoverable amounts of the CGU. The recoverable amount is determined based on VIU calculation, which is calculated based on the projected cash flow of the CGU.
 	
In making the estimate, the management relies on historical track record and expectation of future events that are believed to be reasonable under the current circumstances to assess future uncertain parameters. There is potential risk of material misstatement due to incorrect estimation of the recoverable amount of the assets.
 	
We considered that the potential profit and loss impact of impairment of investment in subsidiary companies to be material to the Company comparing to the Company's profit or loss and total assets.
 	
Therefore, this matter was determined to be a key audit matter.
	We performed the below procedures in respect of the impairment assessment:
	
	• Verified that management has appropriately considered the following factors, events or changes in circumstances to evaluate the indicators of impairment:
	  • A significant adverse change in newspaper industry or business climate that could affect the value of the publishing rights.
	  • A current-period operating or cash flow loss combined with a history of operating or cash flow losses or a projection or forecast that demonstrates continuing losses associated with the CGU.
	• Analysed the future projected cash flows used in the VIU computation to determine whether they are reasonable and supportable given the current economic climate and expected future performance of the CGU.
	• Subjected the key assumptions (discount rate and terminal growth rate) to sensitivity analysis.
	• Compared the projected cash flows, including the key assumptions used, against historical performance to test the accuracy of management's projections.
	
	We had involved our internal valuation specialist to review the reasonableness of the discount rate, terminal growth rate and projected cash flows of the CGU, and the appropriateness of the valuation model used.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal controls as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 32 on page 29 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 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

DELOITTE PLT (LLP0010145-LCA)

Chartered Accountants (AF 0080)

TEO SWEE CHUA

Partner - 2846/01/18 (J)

Chartered Accountant

2 August 2017

STATEMENTS OF PROFIT OR LOSS

STATEMENTS OF PROFIT OR LOSS FOR THE YEAR ENDED 30 APRIL 2017

		The Group		The Company	
	Note	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Revenue	5	42,753	44,527	21	22
Cost of sales		(27,489)	(28,165)	-	-
Gross profit		15,264	16,362	21	22
Other income	9b	2,004	1,133	47	52
Selling and distribution expenses		(1,099)	(1,200)	-	-
Administrative expenses		(20,791)	(19,664)	(500)	(494)
Other expenses		-	(14)	(1,487)	(2,456)
Impairment losses	9c	(15,906)	(11,653)	(18,931)	(16,941)
		(20,528)	(15,036)	(20,850)	(19,817)
Finance costs	8	(138)	(98)	-	-
LOSS BEFORE TAX	9	(20,666)	(15,134)	(20,850)	(19,817)
INCOME TAX EXPENSE	10	(462)	(773)	-	-
LOSS FOR THE YEAR, ATTRIBUTABLE TO THE OWNERS OF THE COMPANY		(21,128)	(15,907)	(20,850)	(19,817)
LOSS PER SHARE (SEN) ATTRIBUTABLE TO THE OWNERS OF THE COMPANY					
- Basic	11	(8.99)	(6.77)		
- Diluted	11	N/A	N/A		

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF OTHER COMPREHENSIVE INCOME

STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2017

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
LOSS FOR THE YEAR	(21,128)	(15,907)	(20,850)	(19,817)
OTHER COMPREHENSIVE INCOME/(LOSS):				
Items that may be reclassified subsequently to profit or loss:				
- Loss on changes in fair value of available-for-sale investment	(2,151)	(3,251)	(87)	(206)
- Cumulative impairment loss transferred to profit or loss	2,406	2,153	86	141
	255	(1,098)	(1)	(65)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(20,873)	(17,005)	(20,851)	(19,882)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:				
Owners of the Company	(20,873)	(17,005)	(20,851)	(19,882)

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF FINANCIAL POSITION

STATEMENTS OF FINANCIAL POSITION AS AT 30 APRIL 2017

		The Group		The Company	
	Note	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	12	2,469	2,769	2	4
Publishing rights	13	-	13,500	-	-
Investment in subsidiary companies	14	-	-	3,152	21,997
Other investments	15	19,797	21,454	819	885
Deferred tax assets	16	-	426	-	-
Amount owing by subsidiary companies	19	-	-	26,853	18,800
Total non-current assets		22,266	38,149	30,826	41,686
CURRENT ASSETS					
Inventories	17	5,409	6,402	-	-
Trade and other receivables	18	9,159	9,287	18	30
Amount owing by subsidiary companies	19	-	-	1,793	11,531
Tax recoverable		60	37	-	-
Cash and bank balances	26	5,669	8,031	1,330	1,575
Total current assets		20,297	23,757	3,141	13,136
TOTAL ASSETS		42,563	61,906	33,967	54,822
EQUITY AND LIABILITIES					
CAPITAL AND RESERVES					
Issued capital	21	191,538	188,068	191,538	188,068
Share premium	22	-	3,470	-	3,470
Fair value adjustment reserve	22	1,123	868	34	35
Accumulated losses	22	(160,661)	(139,533)	(159,568)	(138,718)
TOTAL EQUITY		32,000	52,873	32,004	52,855
CURRENT LIABILITIES					
Trade and other payables	24	6,926	7,123	172	175
Deferred income		613	1,057	-	-
Amount owing to a subsidiary company	19	-	-	1,791	1,792
Tax payable		5	-	-	-
Hire-purchase payables - current portion	23	-	31	-	-
Short term borrowing	25	3,019	822	-	-
Total current liabilities		10,563	9,033	1,963	1,967
TOTAL LIABILITIES		10,563	9,033	1,963	1,967
TOTAL EQUITY AND LIABILITIES		42,563	61,906	33,967	54,822

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF CHANGES IN EQUITY

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2017

	Note	Attributable to Owners of the Company				
		Non-distributable reserves				
		Ordinary shares RM'000	Share premium RM'000	Fair value adjustment reserve RM'000	Accumulated losses RM'000	Total equity RM'000
THE GROUP						
At 1 May 2015		188,068	3,470	1,966	(123,626)	69,878
Total comprehensive loss		-	-	(1,098)	(15,907)	(17,005)
At 30 April 2016		188,068	3,470	868	(139,533)	52,873
At 1 May 2016		188,068	3,470	868	(139,533)	52,873
Transfer pursuant to S618(2) of the Companies Act 2016	22	3,470	(3,470)	-	-	-
		191,538	-	868	(139,533)	52,873
Total comprehensive income/(loss)		-	-	255	(21,128)	(20,873)
At 30 April 2017		191,538	-	1,123	(160,661)	32,000

	Note	Attributable to Owners of the Company				
		Non-distributable reserves				
		Ordinary shares RM'000	Share premium RM'000	Fair value adjustment reserve RM'000	Accumulated losses RM'000	Total equity RM'000
THE COMPANY						
At 1 May 2015		188,068	3,470	100	(118,901)	72,737
Total comprehensive loss		-	-	(65)	(19,817)	(19,882)
At 30 April 2016		188,068	3,470	35	(138,718)	52,855
At 1 May 2016		188,068	3,470	35	(138,718)	52,855
Transfer pursuant to S618(2) of the Companies Act 2016	22	3,470	(3,470)	-	-	-
		191,538	-	35	(138,718)	52,855
Total comprehensive loss		-	-	(1)	(20,850)	(20,851)
At 30 April 2017		191,538	-	34	(159,568)	32,004

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF CASH FLOWS

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 APRIL 2017

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
OPERATING ACTIVITIES				
Receipts from customers	44,045	45,199	-	-
Payments to suppliers	(22,746)	(23,479)	-	-
Payments to operating expenses	(25,550)	(23,640)	(487)	(514)
Payments of taxes	(58)	(77)	-	-
Tax refunded	4	-	-	-
Net cash used in operating activities	(4,305)	(1,997)	(487)	(514)
INVESTING ACTIVITIES				
Interest received	287	353	45	50
Proceeds from disposal of property, plant and equipment	44	-	-	-
Purchase of property, plant and equipment	(415)	(358)	-	(6)
Dividends received	-	506	-	22
Net change in inter-company indebtedness	-	-	197	632
Net cash (used in)/generated from investing activities	(84)	501	242	698
FINANCING ACTIVITIES				
Drawdown of short term borrowing	8,482	4,714	-	-
Repayment of short term borrowing	(6,285)	(3,892)	-	-
Payment of hire-purchase payables	(31)	(93)	-	-
Finance costs paid	(139)	(98)	-	-
Net cash generated from financing activities	2,027	631	-	-
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(2,362)	(865)	(245)	184
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	8,031	8,896	1,575	1,391
CASH AND CASH EQUIVALENTS CARRIED FORWARD (Note 26)	5,669	8,031	1,330	1,575

The accompanying Notes form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The Company is principally involved in investment holding.

The information on the name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary company is as disclosed in Note 14.

The Company's registered office is located at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No.1, Jalan Imbi, 55100 Kuala Lumpur.

The Company's principal place of business is located at Level 12, Berjaya Times Square, No.1, Jalan Imbi, 55100 Kuala Lumpur.

The financial statements of the Group and of the Company were authorised by the Board of Directors for the issuance in accordance with a resolution of the Directors on 2 August 2017.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

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

2.1 ADOPTION OF NEW AND REVISED MALAYSIAN FINANCIAL REPORTING STANDARDS

In the current financial year, the Group and the Company adopted all the new and revised MFRSs and amendments to MFRSs issued by Malaysian Accounting Standards Board that are relevant to their operations and effective for annual financial periods beginning on or after 1 May 2016.

MFRS 10	Consolidated Financial Statements (Amendments relating to Investment Entities: Applying the Consolidation Exception)
MFRS 11	Joint Arrangements (Amendments relating to Accounting for Acquisitions of Interests in Joint Operations)
MFRS 12	Disclosure of Interests in Other Entities (Amendments relating to Investment Entities: Applying the Consolidation Exception)
MFRS 14	Regulatory Deferral Accounts
MFRS 101	Presentation of Financial Statements (Amendments relating to Disclosure Initiative)
MFRS 116	Property, Plant and Equipment (Amendments relating to Clarification of Acceptable Methods of Depreciation and Amortisation)
MFRS 127	Consolidated and Separate Financial Statements (Amendments relating to Equity Method in Separate Financial Statements)
MFRS 128	Investments in Associates (Amendments relating to Investment Entities: Applying the Consolidation Exception)
MFRS 138	Intangible Assets (Amendments relating to Clarification of Acceptable Methods of Depreciation and Amortisation)

Annual Improvements to MFRSs 2012 to 2014 cycle (issued in November 2014)

The adoption of these new and revised MFRSs and amendments to MFRSs did not result in significant changes in the accounting policies of the Group and of the Company and had no significant effect on the financial performance or position of the Group and of the Company.

2.2 MFRSS AND AMENDMENTS TO MFRSS ISSUED BUT NOT YET EFFECTIVE

At the date of authorisation for issue of these financial statements, the new and revised MFRSs and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group and by the Company are as listed below:

Effective for financial periods beginning on or after 1 January 2017

MFRS 107	Statement of Cash Flows (Amendments relating to Disclosure Initiative)
MFRS 112	Income Taxes (Amendments relating to Recognition of Deferred Tax Assets for Unrealised Losses)

Annual Improvements to MFRSs 2014 to 2016 cycle (issued in December 2016)

Effective for financial periods beginning on or after 1 January 2018

MFRS 2	Share-based Payment (Amendments relating to Classification and Measurement of Share-based Payment Transactions)
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)
MFRS 15	Revenue from Contracts with Customers

Clarifications
to MFRS 15 Revenue from Contracts with Customers

MFRS 140	Investment Property (Amendments relating to Transfer of Investment Property)

Annual Improvements to MFRSs 2014 to 2016 cycle (issued in December 2016)

Effective for financial periods beginning on or after 1 January 2019

MFRS 16	Leases

Effective date to be announced by IASB

MFRS 10	Consolidated Financial Statements (Amendments relating to Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)
MFRS 128	Investments in Associates (Amendments relating to Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)

Unless otherwise described below, the abovementioned MFRSs and amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

2.2 MFRSS AND AMENDMENTS TO MFRSS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

effective and that the adoption of these MFRSs and amendments to MFRSs will have no material impact on the financial statements of the Group and of the Company in the period of initial application, except for the changes in presentation and disclosures of financial information.

MFRS 107 - Statement of Cash Flows (Amendments relating to Disclosure Initiative)

The amendments to MFRS 107 require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including changes from both cash flows and non-cash changes.

The amendments should be applied prospectively and comparative information is not required for earlier periods presented. Except for providing the requisite disclosures, the Directors of the Group and the Company do not anticipate that the application of the amendments will have a material impact on the Group's and the Company's financial statements.

MFRS 112 - Income Taxes (Amendments relating to Recognition of Deferred Tax Assets for Unrealised Losses)

The amendments to MFRS 112 clarify that: (i) The estimate of probable future taxable profits may include recovery of some of an entity's assets for more than their carrying amounts if sufficient evidence exists that it is probable the entity will achieve this; and (ii) When comparing deductible temporary differences with future taxable profits, the future profits shall exclude tax deductions resulting from the reversal of those deductible temporary differences.

The amendments should be applied retrospectively with specific transitional relief. The Directors of the Group and the Company do not anticipate that the application of the amendments will have a material impact on the Group's and the Company's financial statements.

MFRS 9 - Financial Instruments

MFRS 9 (IFRS 9 issued by IASB in November 2009) introduced new requirements for the classification and measurement of financial assets. MFRS 9 (IFRS 9 issued by IASB in October 2010) include requirements for the classification and measurement of financial liabilities and for derecognition. In February 2014, the new requirements for general hedge accounting was issued by MASB. Another revised version of MFRS 9 was issued by MASB – MFRS 9 (IFRS 9 issued by IASB in July 2014) mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' ("FVTOCI") measurement category for certain simple debt instruments.

Key requirements of MFRS 9 are described as follows:

- All recognised financial assets that are within the scope of MFRS 139 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are (i) held within a business model whose objective is to collect the contractual cash flows, and (ii) that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are (i) held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and (ii) that have contractual terms of the financial asset that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value through profit or loss. In addition, under MFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, MFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under MFRS 139, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
- In relation to the impairment of financial assets, MFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under MFRS 139. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.
- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in MFRS 139. Under MFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The Directors anticipate that the application of MFRS 9 would not have significant impact on amounts reported in respect of the Group's and the Company's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of the effect of MFRS 9 until a detailed review has been completed.

MFRS 15 - Revenue from Contracts with Customers

In September 2014, MFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Subsequently, amendments to MFRS 15 were issued in June 2016 which provide clarifications on certain requirements of MFRS 15 and provide additional transitional relief upon implementing MFRS

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

2.2 MFRSS AND AMENDMENTS TO MFRSS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

MFRS 15 - Revenue from Contracts with Customers (CONTINUED)

15. MFRS 15 will supersede the current revenue recognition guidance including MFRS 118 Revenue, MFRS 111 Construction Contracts and the related Interpretations when it becomes effective.

The core principle of MFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

(a) Step 1: Identify the contract(s) with a customer.

(b) Step 2: Identify the performance obligations in the contract.

(c) Step 3: Determine the transaction price.

(d) Step 4: Allocate the transaction price to the performance obligations in the contract.

(e) Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in MFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by MFRS 15.

The Directors anticipate that the application of MFRS 15 would not have significant impact on the Group's and the Company's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of MFRS 15 until a detailed review has been completed.

MFRS 16 - Leases

MFRS 16 specifies how an MFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with MFRS 16's approach to lessor accounting substantially unchanged from its predecessor, MFRS 117.

At lease commencement, a lessee will recognise a right-of-use asset and a lease liability. The right-of-use asset is treated similarly to other non-financial assets and depreciated accordingly and the liability accrues interest. The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessees shall use their incremental borrowing rate.

The Directors of the Group and the Company do not anticipate that the application of the amendments will have a material impact on the Group's and the Company's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of MFRS 16 until a detailed review has been completed.

3. SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF ACCOUNTING

The financial statements of the Group and of the Company have been prepared under the historical cost basis unless otherwise indicated in the accounting policies stated below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of MFRS 2, leasing transactions that are within the scope of MFRS 117, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in MFRS 102 or value in use in MFRS 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

(B) BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiary companies, which are prepared up to the end of the same financial year.

Subsidiary companies are consolidated when the Company obtains control over the subsidiary company and ceases when the Company loses control of the subsidiary company.

The Company controls an investee if and only if the Company has all the following:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) Exposure, or rights, to variable returns from its investment with the investee; and

(iii) The ability to use its power over the investee to affect its returns.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Changes in the Group's ownership interests in subsidiary companies that do not result in the Group losing control over the subsidiary companies are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary companies. The resulting difference is recognised directly in equity and attributed to owner of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(B) BASIS OF CONSOLIDATION (CONTINUED)

When the Group loses control of a subsidiary company, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and (ii) the previous carrying amount of the assets and liabilities of the subsidiary company and any non-controlling interest, is recognised in profit or loss. The subsidiary company's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained profits. The fair value of any investment retained in the former subsidiary company at the date control is lost is regarded as the cost on initial recognition of the investment.

Business combinations

Acquisitions of subsidiary companies are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. The Group elects on a transaction-by-transaction basis whether to measure the non controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction costs incurred are expensed and included in administrative expenses.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with MFRS 139 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of MFRS 139, it is measured in accordance with the appropriate MFRS.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

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 through profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than fair value of the net assets of the subsidiary company acquired, the difference is recognised in profit or loss.

(C) REVENUE

Revenue is measured at the fair value of consideration received or receivable. Revenue of the Group represents advertising revenue which is recognised upon placement of the advertisement less agency discount. Revenue is deferred for fees that have been collected but advertisement not placed at the end of the reporting period.

Revenue of the Company represents gross dividend income received and receivable. Dividend income is recognised when the right to receive dividend is established.

(D) INCOME TAX

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year, calculated using tax rates that have been enacted or substantively enacted at the reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or recoverable).

Deferred tax is provided for, using the "liability" method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profits.

The carrying amount of the deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is measured at the tax rates that are expected to apply in the year when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in the statements of profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill.

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 they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

(E) FOREIGN CURRENCY CONVERSION

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia, which is also the Company's functional currency.

(ii) Foreign currency transactions

Transactions in foreign currencies are converted into Ringgit Malaysia at the approximate exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at reporting date. All foreign exchange gains and losses are taken up in the statements of profit or loss.

(F) EMPLOYEE BENEFITS

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(F) EMPLOYEE BENEFITS (CONTINUED)

The Group and the Company make statutory contributions to an approved provident fund and contributions are charged to the statements of profit or loss. Once the contributions have been paid, the Group and the Company have no further payment obligations. The approved provident fund is a defined contribution plan.

(G) IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amounts of property, plant and equipment, publishing rights and investment in subsidiary companies are reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statements of profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in the statements of profit or loss.

(H) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Depreciation of property, plant and equipment is computed on the straight-line method at the following annual rates based on the estimated useful lives of the various assets:

Plant and machinery	10% - 20%
Office, factory equipment and air-conditioning system	10% - 20%
Furniture, fittings and fixtures	10% - 25%
Computers	10% - 33%
Motor vehicles	20% - 25%
Renovations	20%

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimates accounted for prospectively.

Gain or loss arising from the disposal of an asset is determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset, and is recognised in the statements of profit or loss.

(I) PUBLISHING RIGHTS

Publishing rights are stated at cost less impairment losses.

For the purpose of impairment testing, publishing rights are allocated to the Group's CGU expected to benefit from the synergies of the combination. CGU to which the publishing rights have been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any publishing rights allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit. An impairment loss recognised for publishing rights is not reversed in the subsequent period.

On disposal of the CGU, the attributable amount of publishing rights is included in the determination of the gain or loss on disposal.

(J) LEASED ASSETS AND HIRE-PURCHASE ARRANGEMENTS

Assets under leases which in substance transfer the risks and benefits of ownership of the assets are capitalised under property, plant and equipment. The assets and the corresponding lease obligations are recorded at the fair value of the leased assets which approximates the present value of the minimum lease payments, at the beginning of the respective lease terms.

Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the statements of profit or loss over the term of the relevant lease period so as to give a constant periodic rate of charge on the remaining balance of the obligations for each accounting period. All other leases which do not meet such criteria are classified as operating leases and the related rentals are charged to the statements of profit or loss as incurred.

(K) INVESTMENT IN SUBSIDIARY COMPANIES

Investment in subsidiary companies, which is eliminated on consolidation, is stated at cost in the Company's financial statements less impairment losses.

(L) INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of inventories comprises the original purchase price plus cost incurred in bringing the inventories to their present location and condition. The cost of production materials comprises the cost of raw materials, direct labour and a proportion of production overheads. Net realisable value represents the estimated selling price in the ordinary course of business less selling and distribution costs and all other estimated costs to completion.

(M) PROVISIONS

Provisions are made when the Group and the Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of provision is the present value of the expenditure expected to be required to settle the obligation.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(N) STATEMENTS OF CASH FLOWS

The Group and the Company adopt the direct method in the preparation of the statements of cash flows.

Cash equivalents are short-term, highly liquid investments with maturities of three months or less from the date of acquisition and are readily convertible to cash with insignificant risk of change in value.

(O) EQUITY INSTRUMENTS

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are approved for payment.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

(P) FINANCIAL ASSETS

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include loans and receivables and available-for-sale financial assets.

(i) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

(ii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative that are designated as available-for-sale or are not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in statements of profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to statements of profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in statements of profit or loss. Dividends on an available-for-sale equity instrument are recognised in statements of profit or loss when the Group's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

(iii) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

a) Loans and receivables

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in statements of profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of receivables, where the carrying amount is reduced through the use of an allowance account. When a receivable becomes uncollectible, it is written off against the allowance account.

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, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in statements of profit or loss.

b) Available-for-sale financial assets

Significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired. A significant or prolonged decline in the fair value of investments in equity instruments below its cost is also an objective evidence of impairment.

If an available-for-sale financial asset is impaired, the difference between its cost (net of any principal payment and amortisation) and its current fair value less any impairment loss previously recognised in the statement of profit or loss, is transferred from equity to the statement of profit or loss.

Impairment losses on available-for-sale equity investments are not reversed in the statement of profit or loss in the subsequent periods. Increase in fair value of equity instruments, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(P) FINANCIAL ASSETS (CONTINUED)

(iii) Impairment of financial assets (CONTINUED)

b) Available-for-sale financial assets (CONTINUED)

sale debt investments, impairment losses are subsequently reversed in the statement of profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in the statement of profit or loss.

(iv) Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risk and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in statements of profit or loss.

(Q) FINANCIAL LIABILITIES

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of MFRS 139, are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. 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 reporting date.

Gains and losses are recognised in statements of profit or loss when the liabilities are derecognised, and through the amortisation process.

(i) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in statements of profit or loss.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(A) CRITICAL JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES

The following is the judgement made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(i) Impairment of available-for-sale investments

The Group reviews its other investments, which are classified as available-for-sale investments, at each reporting date to assess whether they are impaired. The Group records impairment charges when there has been a significant or prolonged decline in the fair value below their cost.

The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost.

During the current financial year, the Group impaired quoted equity investments with "significant" decline in the fair value greater than 20%, and "prolonged" period as greater than 12 months.

For the financial year ended 30 April 2017, the amount of impairment loss recognised for the available-for-sale investments was RM2.41 million (2016: RM2.15 million) for the Group and RM0.09 million (2016: RM0.14 million) for the Company as disclosed in Note 9c.

(B) KEY SOURCES OF ESTIMATION UNCERTAINTY

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year except for the following:

(i) Impairment of publishing rights

The Group determines whether an asset is impaired by evaluating the extent to which the recoverable amount of an asset is less than its carrying 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 5-year financial budgets derived from that asset discounted at an appropriate discount rate. The financial budgets are estimates made based on historical, sector and industry trends, general market and economic conditions and other available information.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(B) KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(i) Impairment of publishing rights (CONTINUED)

The financial budgets are based on the Group's judgement in terms of assessing future uncertain parameters such as estimated revenue growth, operating costs, margins, future inflationary figures and other available information. These judgements are based on the historical track record and expectations of future events that are believed to be reasonable under the current circumstances.

The carrying amount of publishing rights as at 30 April 2017 was RMNil (2016: RM13.50 million). The estimations made in relation to the review of impairment of publishing rights are disclosed in Note 13.

(ii) Impairment of investment in subsidiary companies

The Company carried out the impairment test based on the assessment of the fair value of the respective asset's or CGU's fair value less costs to sell or based on the estimation of the value-in-use ("VIU") of the CGUs to which the respective subsidiary companies are allocated. Estimating the VIU required the Company to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amount of the investments in subsidiary companies of the Company is disclosed in Note 14.

(iii) Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences, unused tax losses and unabsorbed capital allowances to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unabsorbed capital allowances can be utilised. Management judgement is required in determining the amount of deferred tax assets that can be recognised, based on the assessment of the probability of the future taxable profits.

Deferred tax assets recognised as at 30 April 2017 was RMNil (2016: RM426,000).

5. REVENUE

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Advertising revenue	42,753	44,527	-	-
Gross dividends from quoted investments	-	-	21	22
	42,753	44,527	21	22

6. SEGMENT INFORMATION

Segment information is presented in respect of the Group's business segments, which reflect the Group's internal reporting structure that are regularly reviewed by the Group's chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance.

The Group is organised into the following operating divisions:

- investment holding
- publishing
- others

The Group 2017	Investment holding RM'000	Publishing RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Revenue					
Total revenue	21	42,821	-	(89)	42,753
Results					
Loss from operations	(2,002)	(4,891)	(5)	1,494	(5,404)
Results arising from investing activities	693	89	-	-	782
Impairment losses (Note 9c)	(2,406)	(13,500)	-	-	(15,906)
Finance costs	-	(138)	-	-	(138)
Loss before tax					(20,666)
Income tax expense					(462)
Loss for the year					(21,128)
Other Information					
Capital expenditure	-	415	-	-	415
Depreciation of property, plant and equipment	2	713	-	-	715
Assets					
Segment assets	54,494	19,869	1,791	(33,591)	42,563
Liabilities					
Segment liabilities	30,685	18,507	180	(38,809)	10,563

6. SEGMENT INFORMATION (CONTINUED)

The Group 2016	Investment holding RM'000	Publishing RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Revenue					
Total revenue	22	44,573	-	(68)	44,527
Results					
Loss from operations	(2,958)	(3,735)	(5)	2,456	(4,242)
Results arising from investing activities	711	148	-	-	859
Impairment losses (Note 9c)	(2,153)	(9,500)	-	-	(11,653)
Finance costs	-	(98)	-	-	(98)
Loss before tax					(15,134)
Income tax expense					(773)
Loss for the year					(15,907)
Other Information					
Capital expenditure	6	352	-	-	358
Depreciation of property, plant and equipment	2	840	-	-	842
Assets					
Segment assets	54,996	37,280	1,793	(32,163)	61,906
Liabilities					
Segment liabilities	30,850	17,052	177	(39,046)	9,033

7. DIRECTORS' REMUNERATION

Directors' remuneration, which is included as part of the administrative expenses in the statements of profit or loss, is as follows:

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Executive director:				
- Emoluments	248	148	-	-
- Bonus	26	12	-	-
- Contributions to Employees Provident Fund	33	19	-	-
	307	179	-	-
Non-executive directors:				
- Fees	60	60	60	60
- Other emoluments	4	4	4	4
	371	243	64	64

8. FINANCE COSTS

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Interest expense:				
- hire-purchase	6	18	-	-
- bank overdraft	8	-	-	-
- bankers acceptance	94	50	-	-
Commitment fees	30	30	-	-
	138	98	-	-

9. LOSS BEFORE TAX

Loss before tax is stated after charging:

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Cost of newsprint consumed	14,929	14,490	-	-
Staff costs (Note a)	18,669	18,669	-	-
Depreciation of property, plant and equipment	715	842	2	2
Allowance for doubtful debts:				
- trade receivables	66	6	-	-
- amount owing by subsidiary companies	-	-	1,487	2,455
Operating leases:				
- minimum lease payment of premises	613	629	-	-
- minimum lease payment of equipment	254	253	-	-
Auditors' remuneration:				
Statutory audit:-				
- current year	97	85	27	25
- under/(over) provision in prior years	3	(6)	3	-
Fees for non audit services	18	20	9	11
Property, plant and equipment written off	-	8	-	-

9. LOSS BEFORE TAX (CONTINUED)

Note a: Staff costs

Staff costs (excluding executive director's remuneration) are as follows:

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Salaries and wages	14,659	14,322	-	-
Social security costs	197	138	-	-
Contributions to Employees Provident Fund	1,688	1,703	-	-
Other staff costs	2,125	2,506	-	-
	18,669	18,669	-	-

Note b: Other income

Other income includes mainly the following:

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Dividend income from quoted investments	493	506	-	-
Interest income:				
- fixed and other deposits	136	192	47	44
- quoted loan stocks	153	161	-	8
Gain on disposal of property, plant and equipment	44	-	-	-
Gain on foreign exchange	54	51	-	-
Allowance for doubtful debts no longer required:				
- trade receivables	-	11	-	-
- other receivables	-	5	-	-
- amount owing by related parties	1	10	-	-

Note c: Impairment losses

Impairment losses consist of the following:

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Impairment loss in:				
- publishing rights	13,500	9,500	-	-
- investment in subsidiary companies	-	-	18,845	16,800
- investment in quoted shares	2,012	2,012	76	76
- investment in quoted loan stocks	292	126	-	65
- investment in quoted warrants	102	15	10	-
	15,906	11,653	18,931	16,941

10. INCOME TAX EXPENSE

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Estimated tax expense:				
- Current year	(36)	(37)	-	-
- Underprovision in prior year	-	(38)	-	-
	(36)	(75)	-	-
Deferred tax (Note 16):				
- Relating to reversal of temporary differences	(426)	(698)	-	-
	(462)	(773)	-	-

A reconciliation of income tax expense applicable to loss before tax at the applicable statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Loss before tax	(20,666)	(15,134)	(20,850)	(19,817)
Tax expense at applicable statutory tax rate of 24% (2016: 24%)	4,960	3,632	5,004	4,756
Tax effects of:				
Expenses that are not deductible in determining taxable profit	(4,313)	(3,046)	(5,009)	(4,761)
Income that are not taxable in determining taxable profit	121	124	5	5
Underprovision in prior year	-	(38)	-	-
Deferred tax assets not recognised during the financial year	(804)	(747)	-	-
De-recognition of previously recognised deferred tax assets	(426)	(698)	-	-
Income tax expense for the year	(462)	(773)	-	-

11. LOSS PER SHARE

	The Group	
	2017	**2016**
BASIC		
Loss attributable to owners of the Company (RM'000)	(21,128)	(15,907)
Weighted average number of ordinary shares	235,085	235,085
Basic loss per share (sen)	(8.99)	(6.77)

FULLY DILUTED

In the previous financial year, the diluted loss per share is not presented as the warrants, if exercised, would have an anti-dilutive effect on the loss per share.

12. PROPERTY, PLANT AND EQUIPMENT

The Group	Plant and machinery RM'000	Office, factory equipment and air-conditioning system RM'000	Furniture, fittings and fixtures RM'000	Computers RM'000	Motor vehicles RM'000	Renovations RM'000	Total RM'000
Cost							
At 1 May 2015	20,958	1,714	58	8,867	1,459	936	33,992
Additions	-	69	4	85	190	10	358
Written off	(13)	-	-	(5)	-	-	(18)
At 30 April 2016/ 1 May 2016	20,945	1,783	62	8,947	1,649	946	34,332
Additions	48	208	1	113	-	45	415
Disposal	-	-	-	-	(494)	-	(494)
At 30 April 2017	20,993	1,991	63	9,060	1,155	991	34,253
Accumulated Depreciation							
At 1 May 2015	20,200	1,347	20	7,046	1,314	804	30,731
Charge for the year	166	114	6	376	137	43	842
Written off	(5)	-	-	(5)	-	-	(10)
At 30 April 2016/ 1 May 2016	20,361	1,461	26	7,417	1,451	847	31,563
Charge for the year	145	117	6	328	74	45	715
Disposal	-	-	-	-	(494)	-	(494)
At 30 April 2017	20,506	1,578	32	7,745	1,031	892	31,784
Net Book Value							
At 30 April 2017	487	413	31	1,315	124	99	2,469
At 30 April 2016	584	322	36	1,530	198	99	2,769

The Company	Office equipment RM'000
Cost	
At 1 May 2015	18
Addition	6
Written off	(6)
At 30 April 2016/1 May 2016/30 April 2017	18
Accumulated Depreciation	
At 1 May 2015	18
Charge for the year	2
Written off	(6)
At 30 April 2016/1 May 2016	14
Charge for the year	2
At 30 April 2017	16
Net Book Value	
At 30 April 2017	2
At 30 April 2016	4

Included in property, plant and equipment of the Group are motor vehicles with the carrying value of RMNil (2016: RM36,261) acquired under hire-purchase arrangements.

13. PUBLISHING RIGHTS

	The Group	
	2017 RM'000	**2016 RM'000**
Cost		
At 1 May/30 April	113,705	113,705
Accumulated Impairment Loss		
At 1 May	100,205	90,705
Recognised during the year	13,500	9,500
At 30 April	113,705	100,205
Net Carrying Amount	-	13,500

Publishing rights acquired in a business combination is allocated to the cash generating unit ("CGU") that is expected to benefit from the business combination.

The Group tests the CGU for impairment annually or more frequently if there are indications that CGU might be impaired.

During the financial year, the Group recognised an impairment in value of publishing rights amounting to RM13,500,000 (2016: RM9,500,000) due to revision in projected future cash flows from the CGU that showed no recoverable amount of publishing rights.

13. PUBLISHING RIGHTS (CONTINUED)

KEY ASSUMPTIONS USED IN VALUE-IN-USE ("VIU") CALCULATIONS

The recoverable amount of the CGU is determined based on VIU calculations. VIU is calculated based on financial budgets covering 5-year period. The following describes each key assumption on which management has based its cash flow projections for VIU calculations:

(i) Budgeted gross margin

The basis used to determine the value assigned to the budgeted gross margin is the average gross margin achieved in the year immediately before the budgeted year adjusted for expected efficiency improvements, market and economic conditions and internal resource efficiency, where applicable.

(ii) Growth rate

The long-term annual growth rate of 0.00% (2016: 1.50%) used is consistent with the average long-term annual growth rate for this similar industry.

(iii) Discount rate

The discount rate used for identified CGU is on a basis that reflect specific risks relating to the CGU. The discount rate applied to cash flows is 11.00% (2016: 12.00%).

SENSITIVITY TO CHANGES IN ASSUMPTIONS

With regard to the assessment of value-in-use of the CGU, no reasonable changes in the rate of discount and growth would have favourable effect on the carrying value of the publishing rights. Hence, the Directors are of the opinion that it would be prudent to provide for full impairment on the publishing rights.

14. INVESTMENT IN SUBSIDIARY COMPANIES

Investment in subsidiary companies consists of:

	The Company	
	2017 RM'000	**2016 RM'000**
Unquoted Shares at Cost		
At 1 May/30 April	241,420	241,420
Accumulated Impairment Loss		
At 1 May	219,423	202,623
Recognised during the year	18,845	16,800
At 30 April	238,268	219,423
Net Carrying Amount	3,152	21,997

The details of subsidiary companies, all incorporated in Malaysia, are as follows:

	Proportion of Ownership Interest		
Name of Company	2017 %	2016 %	Principal Activities
Sun Media Corporation Sdn. Bhd.	100	100	Publication, printing and distribution of daily newspaper.
Gemtech (M) Sdn. Bhd.	100	100	Investment holding.
Moves & Shakes Sdn. Bhd.	100	100	Promoters and organisers of events, seminars, workshops, concerts and others. Ceased operations.
Nexnews Channel Sdn. Bhd.	100	100	Property holding. Ceased operations.

COMPOSITION OF THE GROUP

Information about the composition of the Group at the end of the reporting period is as follows:

Principal Activities	Place of Incorporation and Operation	Number of Subsidiaries	
		2017	2016
Investment holding	Malaysia	1	1
Publishing	Malaysia	1	1
Others	Malaysia	2	2
		4	4

In view of the challenging market conditions in newspaper industry and the operating loss incurred by the principal subsidiary company, Sun Media Corporation Sdn Bhd, the Company has carried out an impairment test on the value of its investments. Based on the assumptions and calculations detailed in Note 13, the Company has recognised an impairment in value of investment in subsidiary company amounted to RM18,845,000 (2016: RM16,800,000).

15. OTHER INVESTMENTS

	The Group		The Company	
	2017 RM'000	**2016 RM'000**	**2017 RM'000**	**2016 RM'000**
Available-for-sale Financial Assets				
Quoted investment in Malaysia:				
Shares	17,987	19,234	788	842
Loan stock	1,472	1,763	-	-
Warrants	338	457	31	43
	19,797	21,454	819	885
Unquoted investment:				
Shares, at cost	4,200	4,200	-	-
Less: Impairment loss	(4,200)	(4,200)	-	-
	-	-	-	-
	19,797	21,454	819	885

15. OTHER INVESTMENTS (CONTINUED)

As at 30 April 2017, investment in quoted shares in Malaysia with carrying values of RM5,685,600 (2016: RM6,080,000) of the Group and RM355,350 (2016: RM380,000) of the Company are pledged to a financial institution for credit facility granted to a subsidiary company.

16. DEFERRED TAX ASSETS

	The Group	
	2017 RM'000	2016 RM'000
At 1 May	426	1,124
Recognised in statements of profit or loss (Note 10)		
- Unused tax losses	(424)	(732)
- Property, plant and equipment	(2)	34
	(426)	(698)
At 30 April	-	426

The following amounts, presented after appropriate offsetting, are shown in the statements of financial position:

	The Group	
	2017 RM'000	2016 RM'000
Deferred tax assets	338	762
Deferred tax liabilities	(338)	(336)
	-	426

The components and movements of deferred tax assets and liabilities during the financial year are as follows:

	Unused tax losses RM'000	Total RM'000
The Group		
Deferred Tax Assets		
At 1 May 2015	1,494	1,494
Recognised in statements of profit or loss	(732)	(732)
At 30 April 2016	762	762
Set-off against deferred tax liabilities		(336)
		426
At 1 May 2016	762	762
Recognised in statements of profit or loss	(424)	(424)
At 30 April 2017	338	338
Set-off against deferred tax liabilities		(338)
		-

	Property, plant and equipment RM'000	Total RM'000
The Group		
Deferred Tax Liabilities		
At 1 May 2015	370	370
Recognised in statements of profit or loss	(34)	(34)
At 30 April 2016	336	336
Set-off against deferred tax assets		(336)
		-
At 1 May 2016	336	336
Recognised in statements of profit or loss	2	2
At 30 April 2017	338	338
Set-off against deferred tax assets		(338)
		-

As mentioned in Note 3, the tax effects of deductible temporary differences, unused tax losses and unused tax credits which would give rise to deferred tax asset are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unabsorbed capital allowances can be utilised. As at 30 April 2017, the estimated amount of unused tax losses and unused tax credits of the Group, for which the deferred tax assets have not been recognised due to uncertainty of their realisation, are as follows:

	The Group	
	2017 RM'000	2016 RM'000
Unused tax losses	240,559	235,786
Unabsorbed capital allowances	1,199	847
	241,758	236,633

17. INVENTORIES

	The Group	
	2017 RM'000	2016 RM'000
At cost:		
Raw materials	4,834	5,835
Production materials	47	51
Consumables	528	516
	5,409	6,402

18. TRADE AND OTHER RECEIVABLES

Trade and other receivables consist of the following:

		The Group		The Company	
	Note	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Trade receivables	(a)				
Third parties		6,917	6,721	-	-
Less: Allowance for doubtful debts		(2,221)	(2,155)	-	-
Trade receivables, net		4,696	4,566	-	-
Other receivables	(b)				
Other receivables		4,746	4,562	4	2
Prepaid expenses		1,230	1,268	14	28
Refundable deposits		659	659	-	-
		6,635	6,489	18	30
Less: Allowance for doubtful debts		(3,064)	(3,064)	-	-
Other receivables, net		3,571	3,425	18	30
Amount owing by related parties	(c)	908	1,313	-	-
Less: Allowance for doubtful debts		(16)	(17)	-	-
Amount owing by related parties, net		892	1,296	-	-
		9,159	9,287	18	30

(A) TRADE RECEIVABLES

The credit period granted to customers ranges from 90 to 120 days (2016: 90 to 120 days).

The Group does not hold any collateral over these balances.

The Group has no significant concentration of credit risk that may arise from exposures to single receivable or to group or groups of receivables.

All trade receivables are denominated and receivable in Ringgit Malaysia.

Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	The Group	
	2017 RM'000	2016 RM'000
Neither past due nor impaired	4,675	4,387
1 to 30 days past due not impaired	13	133
31 to 60 past due not impaired	8	46
	21	179
Impaired	2,221	2,155
	6,917	6,721

Trade receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment track records with the Group. None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Trade receivables that are past due but not impaired

The Group's trade receivables include an aggregate amount of RM21,000 (2016: RM179,000) that are past due but not impaired as there is no concern on the creditworthiness of the counterparties and the recoverability of these debts.

Movement in allowance for doubtful debts:

	The Group	
	2017 RM'000	2016 RM'000
At 1 May	2,155	2,160
Allowance for doubtful debts	66	6
Allowance for doubtful debts no longer required	-	(11)
At 30 April	2,221	2,155

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

(B) OTHER RECEIVABLES

Movement in allowance for doubtful debts:

	The Group	
	2017 RM'000	2016 RM'000
At 1 May	3,064	3,069
Allowance for doubtful debts no longer required	-	(5)
At 30 April	3,064	3,064

All other receivables are denominated and receivable in Ringgit Malaysia.

Included in other receivables is amount owing by former affiliates for which the balance has been fully provided.

(C) AMOUNT OWING BY RELATED PARTIES

Movement in allowance for doubtful debts:

	The Group	
	2017 RM'000	2016 RM'000
At 1 May	17	27
Allowance for doubtful debts no longer required	(1)	(10)
At 30 April	16	17

Nature of relationship with related parties is disclosed in Note 20.

Amount owing by related parties, which arose from trade transactions, is unsecured and the credit period granted ranges from 90 to 120 days (2016: 90 to 120 days). The net amount owing by related parties at the reporting date is neither past due nor impaired.

19. AMOUNT OWING BY/(TO) SUBSIDIARY COMPANIES

	The Company	
	2017 RM'000	2016 RM'000
Amount owing by subsidiary companies	37,018	37,216
Less: Allowance for doubtful debts	(8,372)	(6,885)
	28,646	30,331
Analysed as follows:		
Included under current assets	1,793	11,531
Included under non-current assets	26,853	18,800
	28,646	30,331

Movement in allowance for doubtful debts:

	The Company	
	2017 RM'000	2016 RM'000
At 1 May	6,885	4,430
Allowance for doubtful debts	1,487	2,455
At 30 April	8,372	6,885

	The Company	
	2017 RM'000	2016 RM'000
Amount owing to a subsidiary company	1,791	1,792

Amount owing by/(to) subsidiary companies, which arose mainly from expenses paid on behalf and advances, is interest-free unsecured and repayable on demand, except for the non-current portion of amount owing by subsidiary companies, representing amount that will be capitalised within the next 12 months.

20. SIGNIFICANT RELATED PARTY TRANSACTIONS

Related parties are entities, excluding related companies, which have common directors and/or shareholders with the Company or its subsidiary companies and/or are related to certain directors of the Company.

20. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

During the financial year, significant transactions undertaken between the Group and the Company with related parties, which are negotiated on a basis determined between the said parties, are as follows:

		The Group	
		2017 RM'000	2016 RM'000
Advertising revenue received/receivable from:			
- a deemed substantial shareholder and its subsidiary companies	(a)	2,510	3,392
- companies related to a substantial shareholder	(b)	1,645	1,225
Purchase of goods and services from:			
- a subsidiary company of a deemed substantial shareholder	(a)	144	161
- companies related to a substantial shareholder	(b)	720	780
Rental paid/payable to:			
- a subsidiary company of a deemed substantial shareholder	(a)	573	594
- a company related to a substantial shareholder	(b)	16	15
Management fees payable to a deemed substantial shareholder	(a)	120	120
Share registration services rendered by a subsidiary company of a deemed substantial shareholder	(a)	64	61
Security charges paid/payable to a subsidiary company of a deemed substantial shareholder	(a)	52	40
Writer's fees payable to a related party	(c)	11	12

		The Company	
		2017 RM'000	2016 RM'000
Management fees payable to a deemed substantial shareholder	(a)	120	120
Share registration services rendered by a subsidiary company of a deemed substantial shareholder	(a)	64	61

Nature of Relationship

(a) These include a substantial shareholder, Berjaya Corporation Berhad ("BCorp") and its subsidiary companies. Dato' Sri Robin Tan Yeong Ching ("DSRT") is the Chairman and Chief Executive Officer and a substantial shareholder of BCorp.

(b) These companies are deemed related parties by virtue of the interests of Tan Sri Dato' Seri Vincent Tan Chee Yioun ("TSVT") in these companies. TSVT is a substantial shareholder of both the Company and BCorp and is the father of DSRT.

(c) Datuk Seri Azman Bin Ujang is a related party by virtue of his directorship in the Company.

The remunerations of the key management personnel are as follows:

	The Group	
	2017 RM'000	2016 RM'000
(a) Short-term employee benefits	1,352	809
(b) Post-employment benefits	102	35

All other significant related party balances have been disclosed under Notes 18 and 24.

21. SHARE CAPITAL

Share capital is represented by:

	The Group and The Company			
	Number of shares		Amount	
	2017 '000	2016 '000	2017 RM'000	2016 RM'000
Authorised:				
Ordinary shares	-	587,500	-	470,000
Irredeemable Convertible Preference Shares of RM0.10 each ("ICPS")	-	300,000	-	30,000
Total			-	500,000
Issued and Fully Paid:				
Ordinary Shares				
At 1 May/30 April	235,085	235,085	191,538	188,068

The Company's issued and fully paid-up share capital comprises ordinary shares with a par value of RM0.80 each. The new Companies Act 2016, which came into operation on 31 January 2017, introduces the "no par value" regime. Accordingly, the concepts of "authorised share capital" and "par value" have been abolished.

WARRANTS

	The Group and The Company	
	2017 Units	2016 Units
At 1 May and 30 April	-	56,126,564

21. SHARE CAPITAL (CONTINUED)

WARRANTS (CONTINUED)

The salient features of the Warrants are as follows:

(a) each Warrant carries the entitlement to subscribe for one (1) new ordinary share in the share capital of the Company at an exercise price of RM0.87 and is subject to any adjustments made in accordance with the provisions of the Deed Poll dated 19 October 2006 governing the Warrants; and

(b) the Warrants are exercisable commencing on and including the date of issuance of the Warrants. There was no Warrant exercised during the year under review and all the outstanding warrants had lapsed and ceased to be valid following the expiry of the exercise period of the Warrants on 18 December 2016.

22. RESERVES

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Non-distributable Reserve:				
Share premium	-	3,470	-	3,470
Fair value adjustment reserve	1,123	868	34	35
	1,123	4,338	34	3,505
Accumulated losses	(160,661)	(139,533)	(159,568)	(138,718)
	(159,538)	(135,195)	(159,534)	(135,213)

In accordance with the transitional provisions of the Companies Act 2016 ("Act"), the amount standing to the credit of the Company's share premium account has become part of the Company's share capital. These changes do not have any impact on the number of shares in issue or the relative entitlement of any of the shareholders.

However, the Company has a period of 24 months from the effective date of the Act to use the existing credit balance of the share premium account in a manner specified by the Act.

23. HIRE-PURCHASE PAYABLES

	The Group	
	2017 RM'000	2016 RM'000
Balance outstanding	-	37
Interest-in-suspense	-	(6)
Principal portion	-	31
Analysed as follows:		
Within the next 12 months (included under current liabilities)	-	31

The interest rate implicit in these hire-purchase obligations is Nil (2016: 3.88%) per annum.

24. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Financial liabilities				
Trade payables	2,384	2,198	-	-
Other payables	686	643	35	35
Accrued expenses	3,541	3,967	137	140
Amount owing to a former director	315	315	-	-
	6,926	7,123	172	175

The credit period granted to the Group for trade purchases ranges from 90 to 120 days (2016: 90 to 120 days).

Included in the trade payables is an amount of RM896,894 (2016: RM938,654) owing to a related party.

Amount owing to a former director, which arose mainly from unsecured advances, is interest-free and is repayable on demand.

All trade and other payables are denominated and payable in Ringgit Malaysia.

25. SHORT TERM BORROWING

	The Group	
	2017 RM'000	2016 RM'000
Secured		
Bankers acceptance	3,019	822

The bankers acceptance is secured by pledge of quoted investments of the Company and a subsidiary company and bears effective interest rate of 5.35% (2016: 5.35%) per annum.

26. CASH AND BANK BALANCES

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Fixed deposits with licensed banks	1,862	2,039	1,315	1,509
Cash on hand and at banks	3,807	5,992	15	66
	5,669	8,031	1,330	1,575

26. CASH AND BANK BALANCES (CONTINUED)

Fixed deposits with licensed banks earn interest at rates ranging from 1.75% to 3.40% (2016: 2.60% to 3.40%) per annum. Fixed deposits have an average maturity ranging from 2 to 92 days (2016: 7 to 92 days).

27. CONTINGENT LIABILITIES

	The Group	
	2017 RM'000	2016 RM'000
Legal claims	555,000	568,974

Ganad Media Sdn. Bhd. and Gan Kok Beng ("Ganad Plaintiffs") filed a Statement of Claim dated 8 June 2009 against Sun Media Corporation Sdn. Bhd. ("SunMedia"), the principal subsidiary company of the Company, its journalist and Editor-in-Chief (collectively referred to as "Defendants") alleging that they were defamed by reason of articles published in theSun. The Ganad Plaintiffs were claiming for damages of RM14.0 million together with interest and cost. The High Court dismissed the Ganad Plaintiffs' claim on 29 April 2014. The Ganad Plaintiffs filed an appeal on 30 October 2015 which was dismissed by Court of Appeal on 12 May 2016. The Ganad Plaintiffs subsequently applied to the Federal Court for leave to appeal against the Court of Appeal. However, the case was finally dismissed by the Federal Court on 30 November 2016.

Asia Pacific Higher Learning Sdn. Bhd. ("APHLSB") and Wan Mazlan Bin Mohamed Woojdy ("WMBMW") filed a Statement of Claim against SunMedia on 14 November 2013 and 15 November 2013 respectively for defamation by reason of articles published in theSun and its webpage. The cases were subsequently withdrawn by APHLSB on 30 December 2014 with liberty to file afresh. On 25 March 2015, APHLSB and WMBMW filed a fresh Statement of Claim against SunMedia and its journalists alleging that it was defamed by reason of certain articles published in theSun. APHLSB and WMBMW are seeking an unconditional written apology, an injunction restraining SunMedia, and/or its agents from giving comments, repeating and/or causing the publication or words and/or any statement that is defamatory in nature against APHLSB and WMBMW. APHLSB and WMBMW are claiming damages of RM550 million and RM5 million respectively, together with interest and cost. SunMedia filed in their Statement of Defence on 20 April 2015. The case is fixed for continue trial on 21 August 2017, 8 and 21 September 2017, 20 and 27 October 2017. Based on legal advice, the Directors do not expect the related claim of the case to crystallise.

During the financial year 2012, SunMedia took legal action against The Nielsen Company (Malaysia) Sdn. Bhd. ("Nielsen") for defamation arising out of readership data of theSun newspaper published in the Nielsen Media Index. SunMedia is seeking among other reliefs, general damages for defamation and special damages for loss of profits. Nielsen also made a counterclaim against SunMedia for allegedly publishing articles defamatory of Nielsen. Trial proceedings of the dispute commenced on 13 to 16 June 2016. The case was on trial during 25 to 29 July 2016, 18 to 22 August 2016, 5 to 8 September 2016 and 17 to 21 October 2016. The case was dismissed by the High Court with cost of RM600,000 awarded to Nielsen on 27 February 2017. Sun Media has appealed against the decision on 23 March 2017 and the case management has been fixed on 21 August 2017. Based on the legal advice, the Directors are of the opinion that there is a reasonable prospect of success in the claim against Nielsen and for SunMedia to defend against Nielsen's counterclaim.

28. LEASE COMMITMENTS

	The Group	
	2017 RM'000	2016 RM'000
Non-cancellable operating lease commitments as lessee		
- Not later than 1 year	48	28
- Later than 1 year and not later than 5 years	88	39
	136	67

The Group entered into operating leases which represent rental payable for use of premises and equipment.

29. FINANCIAL INSTRUMENTS

29.1 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The operations of the Group are subject to a variety of financial risks, including interest rate risk, credit risk, liquidity risk, cash flow risk and equity risk. The Group has taken measures to minimise its exposure to risks and/or costs associated with the financing, investing and operating activities of the Group.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Interest Rate Risk

The Group's and the Company's primary interest rate risks relate to interest bearing assets and interest bearing borrowings.

The Group's and the Company's interest bearing assets are mainly fixed deposits with licensed banks and financial institutions. The Group and the Company manage the interest rate risk of its deposits with licensed banks by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank. The interest bearing assets are not held for speculative purposes.

The Group's interest bearing borrowings are mainly bank overdraft, bankers acceptance and hire purchase facilities. Borrowings at floating rates expose the Group to cash flow interest rate risk. Borrowings at fixed rates expose the Group to fair value interest rate risk. The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate borrowings.

The carrying amounts, the range of applicable interest rates during the year and the remaining maturities of the Group's and the Company's financial instruments that are exposed to interest rate risk are disclosed in Notes 23, 25 and 26.

(b) Credit Risk

The Group is exposed to credit risk mainly from trade receivables. Trade receivables are monitored closely on an on-going basis through management reporting procedures.

The Group extends credit to its customers based upon careful evaluation of the customers' financial condition and credit history.

29. FINANCIAL INSTRUMENTS (CONTINUED)

29.1 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit Risk (CONTINUED)

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

The Group's credit risk on cash and bank balances is limited as the Group places its fund with reputable financial institutions with high credit ratings.

The Company provides secured financial guarantees to a financial institution and a hire- purchase financier for credit facilities granted to its subsidiary company. The Company monitors on an ongoing basis the financial results and repayments made by the subsidiary company.

The Company's maximum exposure to the aforesaid credit risk amounts to RM8,500,000 (2016: RM8,500,000), representing the total credit facilities granted to the subsidiary company.

The financial guarantees have not been recognised since the fair value on initial recognition is not material. As at the reporting date, there were no indications that the subsidiary company would default on repayment.

As at the reporting date, the Group's maximum exposure to credit risk are mainly trade receivables balances as reported in statements of financial position.

(c) Liquidity Risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group actively manages its operating cash flows and the availability of funding so as to ensure that all funding needs are met. As part of its overall prudent liquidity management, the Group maintains the availability of funding through adequate amount of committed credit facilities.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within 1 year RM'000	1 to 5 years RM'000	Total RM'000
2017			
The Group			
Financial liabilities			
Trade and other payables	6,926	-	6,926
Short term borrowing	3,019	-	3,019
Total undiscounted financial liabilities	9,945	-	9,945
The Company			
Financial liabilities			
Trade and other payables	172	-	172
Amount owing to a subsidiary company	1,791	-	1,791
Total undiscounted financial liabilities	1,963	-	1,963

	On demand or within 1 year RM'000	1 to 5 years RM'000	Total RM'000
2016			
The Group			
Financial liabilities			
Trade and other payables	7,123	-	7,123
Hire-purchase payables	37	-	37
Short term borrowing	822	-	822
Total undiscounted financial liabilities	7,982	-	7,982
The Company			
Financial liabilities			
Trade and other payables	175	-	175
Amount owing to a subsidiary company	1,792	-	1,792
Total undiscounted financial liabilities	1,967	-	1,967

(d) Cash Flows Risk

The Group reviews its cash flow position regularly to manage its exposure to fluctuations in future cash flows associated with its monetary financial instruments.

(e) Equity Risk

The Group and the Company are exposed to equity price risk arising from its investment in quoted equity instruments. The quoted equity investments are listed on the Bursa Malaysia and classified as available-for-sale financial assets based on the purpose for which the quoted equity investments were acquired.

Sensitivity analysis for equity price risk

As at the reporting date, if the price of the Group's and the Company's quoted equity investments in Bursa Malaysia had been 5% higher or lower, with all other variables held constant, the Group's and the Company's equity would have been RM990,000 (2016: RM1,073,000) and RM41,000 (2016: RM44,000) higher and lower respectively, arising as a result of an increase and decrease in the fair value of equity instruments classified as available-for-sale.

29.2 (A) SIGNIFICANT ACCOUNTING POLICIES

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the basis for recognition of income and expenses), for each class of financial asset, financial liability and equity instrument are disclosed in Note 3.

29. FINANCIAL INSTRUMENTS (CONTINUED)

29.2 (B) CLASSIFICATION OF FINANCIAL INSTRUMENTS

		The Group		The Company	
	Note	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Financial assets					
Loans and receivables					
Trade and other receivables	18	7,929	8,019	4	2
Amount owing by subsidiary companies	19	-	-	28,646	30,331
Cash and bank balances	26	5,669	8,031	1,330	1,575
		13,598	16,050	29,980	31,908
Available-for-sale					
Other investments	15	19,797	21,454	819	885
Financial liabilities					
Other financial liabilities					
Trade and other payables	24	6,926	7,123	172	175
Amount owing to a subsidiary company	19	-	-	1,791	1,792
Hire-purchase payables	23	-	31	-	-
Short term borrowing	25	3,019	822	-	-
		9,945	7,976	1,963	1,967

29.3 FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Fair value of financial assets that are measured at fair value on a recurring basis

As at the reporting date, the Group and the Company held the following financial instruments carried at fair values in the statements of financial position:

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Fair Value Hierarchy - Level 1				
Available-for-sale financial assets:				
Quoted investments	19,797	21,454	819	885

The fair value of the financial assets are based on quoted price listed in the Main Market of Bursa Malaysia Securities Berhad.

b) Fair value of financial assets and liabilities that are not measured at fair value on a recurring basis

Financial instruments that are recognised at amortised cost and whose carrying amounts are reasonable approximation of fair value are as follows:

	Note	
Trade and other receivables	18	*
Trade and other payables	24	*
Fixed deposits with licensed banks	26	*
Cash on hand and at banks	26	*
Hire purchase payables	23	@
Short term borrowing	25	^
Amount owing by subsidiary companies	19	#
Amount owing to a subsidiary company	19	#

* The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values as they are either within the normal credit terms or they have short maturity period.

@ The fair values of hire purchase payables are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowings or leasing arrangements at the reporting date.

^ The carrying amount of short term borrowing is reasonable approximation of fair value as it is a floating rate instrument that is re-priced to market interest rate on or near to the reporting date.

\# The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values as they are repayable on demand.

As at 30 April 2017, the Company provided corporate guarantee amounting to RM8,500,000 (2016: RM8,500,000) to a financial institution for credit facilities obtained by its subsidiary company. As at reporting date, the fair value of the corporate guarantee is immaterial. The fair value of the corporate guarantee is determined based on probability weighted discounted cash flow method. The probability has been estimated and assigned for the following key assumptions:

- the likelihood of the guaranteed party defaulting within the guaranteed period;
- the estimated loss exposure (after taking into consideration of the estimated value of asset pledged), if the party guaranteed was to default.

30. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholder, return capital to shareholder or issue new shares. No changes were made in the objectives, policies or processes during the years ended 30 April 2017 and 2016.

The Group monitors capital using a ratio, calculated based on net debt divided by total equity plus net debt (hereinafter referred to as "Debt Equity Ratio"). The Group's policy is to keep the Debt Equity Ratio of less than 0.5 time. The Group includes within net debt, loans and borrowings, trade and other payables, less cash and bank balances. Equity includes equity attributable to the shareholders of the Company.

30. CAPITAL MANAGEMENT (CONTINUED)

		The Group		The Company	
	Note	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Hire-purchase payables	23	-	31	-	-
Trade and other payables	24	6,926	7,123	172	175
Short term borrowing	25	3,019	822	-	-
Amount owing to a subsidiary company	19	-	-	1,791	1,792
Less: Cash and bank balances	26	(5,669)	(8,031)	(1,330)	(1,575)
Net debt		4,276	-	633	392
Equity attributable to the owners of the Company, representing total equity		32,000	52,873	32,004	52,855
Equity and net debt		36,276	52,873	32,637	53,247
Debt Equity Ratio		0.12	-	0.02	0.01

31. SUBSEQUENT EVENT

On 21 June 2017, the Company announced that it has triggered the Prescribed Criteria under Paragraph 2.1(a) of Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") as the shareholders' equity of the Group is less than RM40.0 million and is 25% or less of its total issued and paid-up capital.

Pursuant to PN17, the Company is required to comply with the following:

(i) Within 12 months from the date of this announcement ("First Announcement"):

(a) Submit a regularisation plan to the Securities Commission ("SC") if the plan will result in a significant change in the business direction or policy of the Company; or

(b) Submit a regularisation plan to Bursa Malaysia if the plan will not result in a significant change in the business direction or policy of the Company, and obtain Bursa Malaysia's approval to implement the plan;

(ii) Implement the regularisation plan within the timeframe stipulated by the SC or Bursa Malaysia, as the case may be;

(iii) Announce within 3 months from this First Announcement, on whether the regularisation plan will result in a significant change in the business direction or policy of the Company;

(iv) Announce the status of its regularisation plan and the number of months to the end of the relevant timeframe referred to in Paragraphs 5.1 and 5.2 of PN17, as may be applicable, on a monthly basis until further notice from Bursa Malaysia;

(v) Announce its compliance or non-compliance with a particular obligation imposed pursuant to PN17, on an immediate basis;

(vi) Announce the details of the regularisation plan ("Requisite Announcement") and sufficient information to demonstrate that the Company is able to comply with all the requirements set out in Paragraph 5.4 of PN17 after implementation of the regularisation plan, which include a timeline for the complete implementation of the regularisation plan. The Requisite Announcement must be made by the Company's Principal Adviser; and

(vii) Where the Company fails to regularise its condition, it will announce the dates of suspension and de-listing of its listed securities, immediate upon notification of suspension and de-listing by Bursa Malaysia.

32. SUPPLEMENTARY INFORMATION - DISCLOSURE ON REALISED AND UNREALISED PROFITS/LOSSES

The breakdown of the accumulated losses of the Group and of the Company as at 30 April 2017 into realised and unrealised profits or losses is presented in accordance with the directive issued by Bursa Malaysia dated 25 March 2010 and 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 Listing Requirements of Bursa Malaysia, as issued by the Malaysian Institute of Accountants.

	The Group		The Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Total accumulated losses of the Company and its subsidiaries:				
Realised losses	(466,079)	(438,545)	(159,568)	(138,718)
Unrealised profits	-	426	-	-
	(466,079)	(438,119)	(159,568)	(138,718)
Consolidation adjustments	305,418	298,586	-	-
Total accumulated losses as per statements of financial position	(160,661)	(139,533)	(159,568)	(138,718)

These supplementary information have been made solely for complying with the disclosure requirements as stipulated in the directive of Bursa Malaysia and is not made for any other purposes.

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE FOR THE FINANCIAL YEAR ENDED 30 APRIL 2017

Berjaya Media Berhad ("BMedia") Group with the following Related Parties	Nature of transactions	Amount transacted during the financial year (RM'000)
Berjaya Corporation Berhad ("BCorp") and its unlisted subsidiaries:- BCorp Berjaya Books Sdn Bhd Berjaya Higher Education Sdn Bhd Berjaya Papa John's Pizza Sdn Bhd Berjaya Krispy Kreme Doughnuts Sdn Bhd Berjaya Registration Services Sdn Bhd Wen Berjaya Sdn Bhd Berjaya Loyalty Card Sdn Bhd KUB Berjaya Enviro Sdn Bhd Cosway (M) Sdn Bhd Inter Pacific Securities Sdn Bhd	Placement of advertisement in theSun	543
Successline (M) Sdn Bhd	Distribution of theSun on behalf of Sun Media Corporation Sdn Bhd ("SMCSB")	140
Berjaya Education Sdn Bhd	Receipt of education and staff training services by SMCSB	3
Eva Management Sdn Bhd	HRMS system	1
Berjaya Registration Services Sdn Bhd	Receipt of share registration services and related expenses by BMedia	64
BCorp	Management fees payable by BMedia	120
Total		871
Berjaya Land Berhad ("BLand") and its unlisted subsidiaries:- BLand Berjaya Hotels & Resorts Berjaya Golf Resort Bhd KDE Recreation Bhd Berjaya Land Development Sdn Bhd	Placement of advertisement in theSun	67
Regnis Industries (Malaysia) Sdn Bhd ("Regnis")	Rental of office premises payable by SMCSB and provision of security services from Regnis	625
Total		692
Berjaya Sports Toto Berhad ("BToto") and its unlisted subsidiaries:- BToto Sports Toto Malaysia Sdn Bhd	Placement of advertisement in theSun	1,418
Total		1,418
Berjaya Food Berhad ("BFood") and its unlisted subsidiaries:- BFood Berjaya Roaster (M) Sdn Bhd Berjaya Starbucks Coffee Company Sdn Bhd	Placement of advertisement in theSun	287
Total		287
Bermaz Auto Berhad (formerly known as Berjaya Auto Berhad) ("BAuto") and its unlisted subsidiaries:- BAuto Bermaz Motor Sdn Bhd	Placement of advertisement in theSun	190
Total		190
REDtone International Berhad ("REDtone") and its unlisted subsidiaries:- REDtone International Berhad Redtone Telecommunication Sdn Bhd	Placement of advertisement in theSun	5
Total		5
Other related parties:- Berjaya Starbucks Coffee Company Sdn Bhd Berjaya Radioshack Sdn Bhd 7-Eleven Malaysia Sdn Bhd Singer (Malaysia) S/B U Mobile Sdn Bhd Tropicana Corporation Bhd Tropicana City Sdn Bhd Tropicana Medical Centre (M) Sdn Bhd Berjaya Sompo Insurance Bhd Caring Pharmacy Sdn Bhd	Placement of advertisement in theSun	1,645
7-Eleven Malaysia Sdn Bhd	Distribution of theSun on behalf of SMCSB	720
Singer (Malaysia) S/B	Rental of office premises payable by SMCSB	16
Datuk Seri Azman Bin Ujang	Writer's fees	11
Total		2,392
Grand total		**5,855**

STATISTICS ON SHARES AS AT 10 JULY 2017

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
less than 100	230	3.18	6,546	0.00
100 - 1,000	5,755	79.58	1,404,671	0.60
1,001 - 10,000	909	12.57	3,333,172	1.42
10,001 - 100,000	258	3.57	7,474,643	3.18
100,001 - 11,754,232	74	1.02	122,232,237	51.99
11,754,233* and above	6	0.08	100,633,390	42.81
Total	**7,232**	**100.00**	**235,084,659**	**100.00**

Note:
Each share entitles the holder to one vote.
* Denotes 5% of the total number of issued shares of the Company.

STATEMENT OF DIRECTORS' SHAREHOLDINGS AS AT 10 JULY 2017

	No. of Ordinary Shares			
Name of Directors	Direct Interest	%	Deemed Interest	%
Dato' Sri Robin Tan Yeong Ching	18,000	0.01	17,017,200 100*	7.24 0.00
Chan Kien Sing	1,100	0.00	-	-

* Denotes indirect interests pursuant to Section 59(11)(c) of the Companies Act 2016.

Save as disclosed, none of the other Directors of the Company had any interests in the shares of the Company or its related corporations as at 10 July 2017.

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

	NAME OF SHAREHOLDERS	No. of Shares	%
1	**ABB Nominee (Tempatan) Sdn Bhd** Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (OD Facility)	21,558,713	9.17
2	**Amsec Nominees (Tempatan) Sdn Bhd** Pledged Securities Account - Ambank (M) Berhad For Tan Sri Dato' Seri Vincent Tan Chee Yioun	20,414,069	8.68
3	**Prime Credit Leasing Sdn. Bhd.** (As Owner)	18,850,308	8.02
4	**Malaysia Nominees (Tempatan) Sendirian Berhad** Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (01-00856-003)	14,906,000	6.34
5	**Scotia Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun	12,904,300	5.49
6	**Amsec Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (MX3999)	12,000,000	5.10
7	**Berjaya Sompo Insurance Berhad**	11,269,238	4.79
8	**DB (Malaysia) Nominee (Asing) Sdn Bhd** Exempt An For Bank Of Singapore Limited	11,074,771	4.71
9	**Scotia Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Hotel Resort Enterprise Sdn Bhd	8,255,100	3.51
10	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Hotel Resort Enterprise Sdn Bhd	7,124,600	3.03
11	**Tan Sri Dato' Seri Vincent Tan Chee Yioun**	6,523,900	2.78
12	**Regnis Industries (Malaysia) Sdn Bhd**	5,478,451	2.33
13	**CIMB Group Nominees (Asing) Sdn. Bhd.** Exempt An For DBS Bank Ltd (SFS-PB)	4,876,000	2.07
14	**FEAB Properties Sdn Bhd**	4,724,409	2.01
15	**Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Pantai Cemerlang Sdn Bhd	4,000,000	1.70
16	**Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd** Arsam Bin Damis (IPM)	3,800,000	1.62
17	**Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Datuk Wira Lye Ek Seang (AL0101)	3,800,000	1.62
18	**Premier Merchandise Sdn Bhd**	3,675,000	1.56
19	**Scotia Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Superior Structure Sdn Bhd	3,652,400	1.55
20	**Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd** IPM For Datuk Wira Lye Ek Seang	3,200,000	1.36
21	**JF Apex Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (Margin)	3,197,900	1.36
22	**MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Pasti Eksklusif Sdn Bhd (MGN-IBO0001M)	3,002,200	1.28
23	**MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Pasti Eksklusif Sdn Bhd (MGN-LES0002M)	3,002,200	1.28
24	**Kenanga Nominees (Tempatan) Sdn Bhd** Derrick Kong Ying Kit (PCS)	2,802,200	1.20
25	**Yap Lim Sen**	2,473,000	1.05
26	**Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Fabulous Channel Sdn Bhd (AF0010)	2,300,000	0.98
27	**Berjaya Hills Resort Berhad (formerly known as Berjaya Hills Berhad)**	2,142,238	0.91
28	**Chan Lai Sheong**	1,626,400	0.70
29	**Tan Kok Ping**	1,584,603	0.67
30	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Hotel Resort Enterprise Sdn Bhd	1,512,500	0.64
		205,730,500	87.51

SUBSTANTIAL SHAREHOLDERS AS AT 10 JULY 2017

	No. of Ordinary Shares			
Name of Substantial Shareholders	Direct Interest	%	Deemed Interest	%
Tan Sri Dato' Seri Vincent Tan Chee Yioun	91,504,882	38.92	70,959,644 (a)	30.18
Berjaya Corporation Berhad	-	-	44,991,444 (b)	19.14
Berjaya Group Berhad	-	-	42,849,206 (c)	18.23
Juara Sejati Sdn Bhd	-	-	42,849,206 (d)	18.23
Bizurai Bijak (M) Sdn Bhd	-	-	30,119,546 (e)	12.81
Berjaya Capital Berhad	-	-	30,119,546 (f)	12.81
Prime Credit Leasing Sdn Bhd	18,850,308	8.02	-	-
Hotel Resort Enterprise Sdn Bhd	17,017,200	7.24	-	-
Dato' Sri Robin Tan Yeong Ching	18,000	0.01	17,017,200 (g)	7.24

Notes:

(a) Deemed interested by virtue of his interests in Berjaya Corporation Berhad, Hotel Resort Enterprise Sdn Bhd, Superior Structure Sdn Bhd, Berjaya Assets Berhad (the holding company of Berjaya Times Square Sdn Bhd and Sublime Cartel Sdn Bhd), B & B Enterprise Sdn Bhd (the holding company of Lengkap Bahagia Sdn Bhd and Nautilus Corporation Sdn Bhd) and HQZ Credit Sdn Bhd, the ultimate holding company of Desiran Unggul Sdn Bhd and Premier Merchandise Sdn Bhd.

(b) Deemed interested by virtue of its 100% interest in Berjaya Group Berhad and Berjaya Hills Resort Berhad (formerly known as Berjaya Hills Berhad).

(c) Deemed interested by virtue of its interests in Juara Sejati Sdn Bhd and Bizurai Bijak (M) Sdn Bhd.

(d) Deemed interested by virtue of its interest in Berjaya Capital Berhad and its deemed interest in Berjaya Assets Berhad (the holding company of Sublime Cartel Sdn Bhd and Berjaya Times Square Sdn Bhd) and its deemed interests in Regnis Industries (Malaysia) Sdn Bhd and FEAB Properties Sdn Bhd.

(e) Deemed interested by virtue of its interest in Berjaya Capital Berhad, the holding company of Prime Credit Leasing Sdn Bhd and its deemed interest in Berjaya Sompo Insurance Berhad.

(f) Deemed interested by virtue of its interest in Prime Credit Leasing Sdn Bhd and its associate company, Berjaya Sompo Insurance Berhad.

(g) Deemed interested by virtue of his interest in Hotel Resort Enterprise Sdn Bhd.

OTHER INFORMATION

1. **NON-AUDIT FEES**
   The amount of non-audit fees incurred for services rendered to the Group for the financial year ended 30 April 2017 amounted to RM17,500.

2. **MATERIAL CONTRACTS**
   Other than those disclosed in the financial statements, there were no material contracts including contracts relating to any loans entered into by the Company and its subsidiaries involving Directors' and major shareholders' interests.

3. **REVALUATION POLICY ON LANDED PROPERTIES**
   The Company does not own any landed properties as at 30 April 2017.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Third Annual General Meeting of the Company will be held at Perdana Ballroom, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Thursday, 28 September 2017 at 10.00 a.m. for the following purposes:-

AGENDA

1 To receive and adopt the audited financial statements of the Company for the financial year ended 30 April 2017 and the Directors' and Auditors' Reports thereon.

2 To approve the payment of Directors' fees amounting to RM60,000 to the Non-Executive Directors of the Company for the financial year ended 30 April 2017. *Resolution 1*

3 To approve the payment of Directors' Remuneration (excluding Directors' fees) to the Non-Executive Directors of the Company up to an amount of RM48,000 for the period from 31 January 2017 until the next Annual General Meeting of the Company to be held in 2018. *Resolution 2*

4 To re-elect Datuk Seri Azman Bin Ujang who retires by rotation pursuant to Article 104(1) of the Company's Articles of Association and who being eligible, offers himself for re-election. *Resolution 3*

5 To re-appoint Deloitte PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. *Resolution 4*

6 As special business:-

To consider and, if thought fit, pass the following Ordinary Resolutions:-

(i) Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016

"THAT, subject always to the Companies Act, 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Articles of Association of the Company and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act, 2016, to issue and allot shares in the Company from time to time at such price and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company." *Resolution 5*

(ii) Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with persons connected with Tan Sri Dato' Seri Vincent Tan Chee Yioun

"THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and its subsidiary companies, to enter into recurrent related party transactions of a revenue or trading nature with persons connected with Tan Sri Dato' Seri Vincent Tan Chee Yioun as specified in Section 2.3 of the Circular to Shareholders dated 17 August 2017 ("Proposed Mandate I") which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:-

(a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the AGM at which such ordinary resolution for the Proposed Mandate I was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed;

(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or

(c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

And Further That authority be and is hereby given to the Directors of the Company and its subsidiary companies to complete and do all such acts and things (including executing such documents as may be required) to give effect to such transactions as authorised by this Ordinary Resolution." *Resolution 6*

(iii) Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with Datuk Seri Azman Bin Ujang

"THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and its subsidiary companies, to enter into recurrent related party transactions of a revenue or trading nature with Datuk Seri Azman Bin Ujang as specified in Section 2.3 of the Circular to Shareholders dated 17 August 2017 ("Proposed Mandate II") which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:-

(a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the AGM at which such ordinary resolution for the Proposed Mandate II was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed;

(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or

(c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

And Further That authority be and is hereby given to the Directors of the Company and its subsidiary companies to complete and do all such acts and things (including executing such documents as may be required) to give effect to such transactions as authorised by this Ordinary Resolution." *Resolution 7*

(iv) Proposed Retention of Independent Non-Executive Director

"THAT Datuk Seri Azman Bin Ujang be and is hereby retained as an Independent Non-Executive Director of the Company and he shall continue to act as an Independent Non-Executive Director of the Company notwithstanding that he has been an Independent Director on the Board of the Company for a cumulative term of more than 9 years." *Resolution 8*

By Order of the Board

WONG SIEW GUEK
(MAICSA 7042922)
Secretary

Kuala Lumpur
17 August 2017

NOTICE OF ANNUAL GENERAL MEETING *(CONTINUED)*

NOTES

1. Audited Financial Statements

The Audited Financial Statements are meant for discussion only as it does not require shareholders' approval pursuant to the provisions of Section 340(1)(a) of the Companies Act, 2016 ("CA 2016"). Hence, this item on the Agenda is not put forward for voting.

2. Directors' Fees

The quantum of the Directors' Fees for each of the Non-Executive Directors is the same as the previous financial year ended 30 April 2016.

3. Directors' Remuneration (excluding Directors' Fees)

Section 230(1) of the CA 2016 provides that the "fees" of the Directors and "any benefits" payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. Accordingly, shareholders' approval shall be sought at this Annual General Meeting ("AGM") for the payment of Directors' Remuneration (excluding Directors' Fees) payable to the Non-Executive Directors of the company for the period from 31 January 2017 until the next AGM of the Company under Resolution 2.

The current Directors' Remuneration (excluding Directors' Fees) payable to the Non-Executive Directors for the Company includes meeting allowances.

In determining the estimated amount of remuneration payable to Non-Executive Directors, the Board considered various factors including the number of scheduled meetings for the Board of Directors ("Board"), Board Committees and general meetings of the Company as well as the number of Non-Executive Directors involved in these meetings.

In the event, where the payment of Directors' Remuneration (excluding Directors' fees) payable during the above period exceeded the estimated amount sought at this AGM, a shareholders' approval will be sought at the next AGM.

4. Re-election of Director

In accordance with Article 104(1) of the Company's Articles of Association, one-third (1/3) of the Directors shall retire from the office at least once in every three (3) years and the retiring Directors can offer themselves for re-election. Accordingly, Mr Loh Chen Peng and Datuk Seri Azman Bin Ujang shall retire by rotation at this Twenty-Third AGM. Datuk Seri Azman Bin Ujang, being eligible, has offered himself for re-election whilst Mr Loh Chen Peng, who has served the Board for more than 14 years, has given notice that he does not wish to seek re-election at this AGM. Hence, Mr Loh Chen Peng will retire from office at the conclusion of this Twenty-Third AGM.

5. Re-appointment of Auditors

Deloitte has converted its legal entity status from unlimited liability partnership under the Partnership Act 1961 to limited liability partnership under the Limited Liability Partnerships Act 2012 on 3 January 2017. Accordingly, the re-appointment of Deloitte as Auditors is to be made in the name of Deloitte PLT.

6. Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016

Resolution 5 is proposed for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to Sections 75 and 76 of the CA 2016, to issue and allot new shares in the Company from time to time at such price provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the issued share capital of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM held on 28 September 2016 and which will lapse at the conclusion of the Twenty-Third AGM.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

7. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with persons connected with Tan Sri Dato' Seri Vincent Tan Chee Yioun

Resolution 6 is in relation to the approval on the Shareholders' Mandate on Recurrent Related Party Transactions and if passed, will allow the Company and its subsidiaries to enter into Recurrent Related Party Transactions with persons connected with Tan Sri Dato' Seri Vincent Tan Chee Yioun in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The explanatory notes on Resolution 6 are set out in the Circular to Shareholders dated 17 August 2017 which is despatched together with the Company's 2017 Annual Report.

8. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with Datuk Seri Azman Bin Ujang

Resolution 7 is in relation to the approval on the Shareholders' Mandate on Recurrent Related Party Transactions and if passed, will allow the Company and its subsidiary companies to enter into Recurrent Related Party Transactions with Datuk Seri Azman Bin Ujang in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The explanatory notes on Resolution 7 are set out in the Circular to Shareholders dated 17 August 2017 which is despatched together with the Company's 2017 Annual Report.

9. Proposed Retention of Independent Non-Executive Director

Resolution 8 is proposed pursuant to Recommendation 3.3 of the Malaysian Code of Corporate Governance 2012 and if passed, will allow Datuk Seri Azman Bin Ujang to be retained and continue to act as an Independent Non-Executive Director of the Company. The full details of the Board's justifications for the retention of Datuk Seri Azman Bin Ujang is set out in the Statement on Corporate Governance in the Company's 2017 Annual Report.

10. Proxy and Entitlement of Attendance

i) A member of the Company who is entitled to attend, speak and vote at the meeting is entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member.

ii) A member, other than an authorised nominee or an exempt authorised nominee may appoint not more than two (2) proxies.

iii) An authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), may appoint at least one (1) proxy in respect of each securities account.

iv) An exempt authorised nominee, as defined under the SICDA, and holding ordinary shares in the Company for multiple beneficial owners in one securities account ('omnibus account'), may appoint multiple proxies in respect of each of its omnibus account.

v) Where more than one (1) proxy is appointed, the number of shares represented by each proxy must be clearly indicated in the Form of Proxy.

vi) An individual member who appoints a proxy must sign the Form of Proxy personally or by his attorney duly authorised in writing. A corporate member who appoints a proxy must execute the Form of Proxy under seal or under the hand of its officer or attorney duly authorised.

vii) The duly executed Form of Proxy must be deposited at the Company's Registered Office at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No 1, Jalan Imbi, 55100 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting.

viii) Only members whose names appear in the Record of Depositors as at 20 September 2017 shall be entitled to attend and vote at the meeting.

11. Poll Voting

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice will be put to vote by poll.

FORM OF PROXY

BERJAYA MEDIA BERHAD

(Company No.290601-T)

I/We, ____
(Name in full)

I.C. or Company No.: ____________________ CDS Account No.: ____________________
(New and Old I.C. Nos. or Company No.)

of ____
(Address)

being a member/members of BERJAYA MEDIA BERHAD hereby appoint:

1) ____________________ I.C. No.: ____________________
(Name in full) (New and Old I.C. Nos.)

of ____
(Address)

2) ____________________ I.C. No.: ____________________
(Name in full) (New and Old I.C. Nos.)

of ____
(Address)

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf, at the Twenty-Third Annual General Meeting of the Company to be held at Perdana Ballroom, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Thursday, 28 September 2017 at 10.00 a.m. or any adjournment thereof.

This proxy is to vote on the Resolutions set out in the Notice of the Meeting as indicated with an "X" in the appropriate spaces. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

		FOR	AGAINST
RESOLUTION 1 -	To approve payment of Directors' Fees.		
RESOLUTION 2 -	To approve payment of Directors' Remuneration (excluding Directors' fees) for the period from 31 January 2017 until the next Annual General Meeting of the Company.		
RESOLUTION 3 -	To re-elect Datuk Seri Azman Bin Ujang as Director.		
RESOLUTION 4 -	To re-appoint Auditors.		
RESOLUTION 5 -	To approve authority to issue and allot shares.		
RESOLUTION 6 -	To renew shareholders' mandate for Recurrent Related Party Transactions with persons connected with Tan Sri Dato' Seri Vincent Tan Chee Yioun.		
RESOLUTION 7 -	To renew shareholders' mandate for Recurrent Related Party Transactions with Datuk Seri Azman Bin Ujang.		
RESOLUTION 8 -	To approve the proposed retention of Datuk Seri Azman Bin Ujang as an Independent Non-Executive Director.		

Dated this ____________ day of ____________________, 2017

No. of shares held

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

	No. of shares	Percentage
Proxy 1		
Proxy 2		
Total		100%

____
Signature(s)/Common Seal of Member(s)

NOTES

i) A member of the Company who is entitled to attend and vote at the meeting is entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member.

ii) A member, other than an authorised nominee or an exempt authorised nominee may appoint not more than two (2) proxies.

iii) An authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), may appoint at least one (1) proxy in respect of each securities account.

iv) An exempt authorised nominee, as defined under the SICDA, and holding ordinary shares in the Company for multiple beneficial owners in one securities account ('omnibus account'), may appoint multiple proxies in respect of each of its omnibus account.

v) Where more than one (1) proxy is appointed, the number of shares represented by each proxy must be clearly indicated in the Form of Proxy.

vi) An individual member who appoints a proxy must sign the Form of Proxy personally or by his attorney duly authorised in writing. A corporate member who appoints a proxy must execute the Form of Proxy under seal or under the hand of its officer or attorney duly authorised.

vii) The duly executed Form of Proxy must be deposited at the Company's Registered Office at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No 1, Jalan Imbi, 55100 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting.

viii) Only members whose names appear in the Record of Depositors as at 20 September 2017 will be entitled to attend and vote at the meeting.

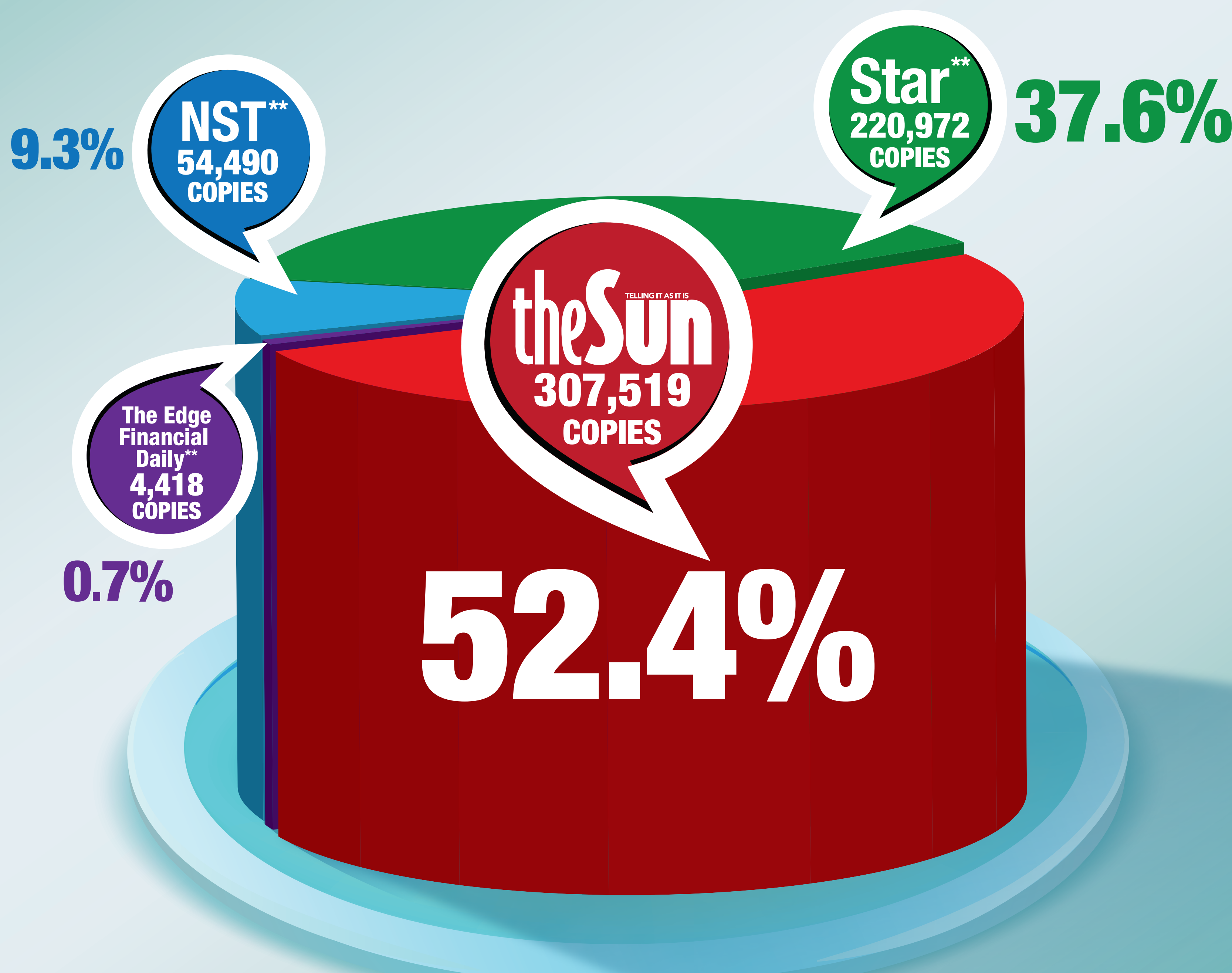
ix) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice will be put to vote by poll.

Stamp

The Company Secretary
BERJAYA MEDIA BERHAD (290601-T)
Lot 13-01A, Level 13 (East Wing)
Berjaya Times Square
No. 1, Jalan Imbi,
55100 Kuala Lumpur

Audit Bureau of Circulations (July - December 2016)

ENGLISH DAILIES IN MALAYSIA SHARE OF AUDITED CIRCULATION*



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