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CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Dato' Seri Vincent Tan Chee Yioun
Chairman, Non-Independent Non-Executive Director

Chan Kien Sing
Non-Independent Executive Director

Ng Seng Hin
Non-Independent Executive Director

Freddie Pang Hock Cheng
Non-Independent Non-Executive Director

Dato' Azlan Meah Bin Hj Ahmed Meah
Non-Independent Non-Executive Director

Mohd Zain Bin Ahmad
Non-Independent Non-Executive Director

Shamsul-Bahrain Bin Ibrahim
Independent Non-Executive Director

Loh Chen Peng
Independent Non-Executive Director

Lim Hooi Kiang
Independent Non-Executive Director

Alternate Director

Chan Kien Sing
(Alternate Director to Tan Sri Dato' Seri Vincent Tan Chee Yioun)

SECRETARIES

Su Swee Hong (MAICSA 0776729)
Gan Hui Hui (MAICSA 7022230)

AUDIT COMMITTEE/RISK MANAGEMENT COMMITTEE

Shamsul-Bahrain Bin Ibrahim
Lim Hooi Kiang
Loh Chen Peng

NOMINATING COMMITTEE

Shamsul-Bahrain Bin Ibrahim
Lim Hooi Kiang

REMUNERATION COMMITTEE

Tan Sri Dato' Seri Vincent Tan Chee Yioun
Loh Chen Peng

SHARE OPTION SCHEME COMMITTEE

Loh Chen Peng
Shamsul-Bahrain Bin Ibrahim
Ng Seng Hin

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 KassimChan
Chartered Accountants
Level 19, Uptown 1
No.1 Jalan SS21/58
Damansara Uptown
47400 Petaling Jaya
Selangor Darul Ehsan
Tel: 03-7726 1833, 03-7723 6500
Fax: 03-7726 3986, 03-7726 8986

STOCK EXCHANGE LISTING

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

PROFILE OF DIRECTORS

TAN SRI DATO' SERI VINCENT TAN CHEE YIOUN

56 years of age, Malaysian
Chairman
Non-Independent Non-Executive Director

He was appointed to the Board as Chairman and Non-Independent Non-Executive Director on 20 February 2002. He is also the Chairman of the Remuneration Committee.

He is a businessman and entrepreneur with varied interests in property development and investment, gaming, stockbroking, manufacturing, trading, hospitality, internet-related businesses, utilities, media, telecommunications, insurance and education through various public and private companies namely, the Berjaya Corporation group of companies, Matrix International Berhad, MOL.com Berhad, MOL AccessPortal Berhad, Intan Utilities Berhad, U Television Sdn Bhd (formerly known as U Telecom Media Holdings Sdn Bhd and MiTV Corporation Sdn Bhd) and Informatics Education Ltd.

He is currently the Chairman/Chief Executive Officer of Berjaya Corporation Berhad and the Managing Director/CEO of Sports Toto Malaysia Sdn Bhd. He is also the Chairman of Berjaya Times Square Sdn Bhd, 7-Eleven Malaysia Sdn Bhd (formerly known as Convenience Shopping Sdn Bhd), the owner of the 7-Eleven franchise in Malaysia and U Mobile Sdn Bhd (formerly known as MiTV Networks Sdn Bhd), a new 3G mobile operator in Malaysia.

He also holds directorships in Berjaya Hills Berhad, Berjaya Vacation Club Berhad, Berjaya Golf Resort Berhad, Bukit Kiara Resort Berhad as well as several other private limited companies including Sun Media Corporation Sdn Bhd.

CHAN KIEN SING

52 years of age, Malaysian
Non-Independent Executive Director
Alternate Director to Tan Sri Dato' Seri Vincent Tan Chee Yioun

He was appointed as Alternate Director to Tan Sri Dato' Seri Vincent Tan Chee Yioun on 26 February 2004 and was subsequently appointed as Executive Director on 26 February 2008. He is a member of The Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants. Having articulated with Messrs Peat Marwick Mitchell (now known as KPMG) from 1975 to 1981, he subsequently joined Arab-Malaysian Merchant Bank Berhad (now known as AmMerchant Bank Berhad) specialising in corporate

finance until 1989 when he joined Berjaya Group Berhad.

Currently, he is an Executive Director of Berjaya Corporation Berhad and Berjaya Sports Toto Berhad. He is also the Chairman of Matrix International Berhad and Berjaya Holdings (HK) Limited, the Chief Executive Officer of Berjaya Capital Berhad, the Managing Director of Sun Media Corporation Sdn Bhd, a Director of Intan Utilities Berhad, Berjaya Vacation Club Berhad, Berjaya Group Berhad and International Lottery & Totalizator Systems, Inc. United States of America. He also holds directorships in several other private limited companies.

NG SENG HIN

49 years of age, Malaysian
Non-Independent Executive Director

He was appointed to the Board as a Non-Independent Executive Director on 1 June 2000. He is a member of the Share Option Scheme Committee. He holds a Bachelor of Accounting (Hons) from University Kebangsaan Malaysia, a member of the Malaysian Institute of Accountants and a Fellow member of Certified Practising Accountant (Aust.)

He commenced his career in accounting and

auditing with an international accounting firm. He has held senior positions in auditing, finance and business operations in public listed companies.

He was a member of the Board of Directors of two public listed companies where he was involved in running the business and finance operations, and implementing the companies' policies and strategies.

PROFILE OF DIRECTORS

FREDDIE PANG HOCK CHENG

53 years of age, Malaysian
Non-Independent Non-Executive Director

He was appointed to the Board as a Non-Independent Non-Executive Director on 18 February 2004.

He began his career with a predecessor firm of Messrs Ernst & Young where he worked for seven years until 1982 during which he qualified for entry as a member of the Malaysian Institute of Certified Public Accountants. He is also a member of the Malaysian Institute of Accountants. Thereafter, he joined the Corporate Advisory Department of Malaysian International Merchant Bankers Berhad where he was actively involved in a wide variety of corporate exercises in an advisory capacity until his departure in 1990 to join Berjaya Group Berhad.

He is currently the Chairman of Intan Utilities Berhad, an Executive Director of Berjaya Corporation Berhad and Berjaya Sports Toto Berhad, a Director of Berjaya Group Berhad, MOL.com Berhad, Berjaya Vacation Club Berhad and Informatics Education Ltd, Singapore. He also holds directorships in several other private limited companies.

DATO' AZLAN MEAH BIN HAJI AHMED MEAH

52 years of age, Malaysian
Non-Independent Non-Executive Director

He was appointed to the Board as a Non-Independent Non-Executive Director on 26 February 2008.

He furthered his education at Bunker Hill Community College, Boston USA. He began his career in Berjaya Group of Companies ("the Group") in 1986 as Business Development Manager and was the Senior General Manager (Corporate Services & Information) prior to his current appointment as an Executive Director of Berjaya Corporation Berhad.

He has over 22 years of working experience in the Group and has played a major advisory role in the Group's projects in the field of privatisation, infrastructure, air transportation, recreational and hotel resort development. He also represented the Group effectively in corporate and governmental relations, negotiations and the Group's new business ventures.

Currently, he is also a Director of Berjaya Hills Berhad, Berjaya Group Berhad and Sun Media Corporation Sdn Bhd. He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

MOHD ZAIN BIN AHMAD

56 years of age, Malaysian
Non-Independent Non-Executive Director

He was appointed to the Board as a Non-Independent Non-Executive Director on 26 February 2008.

He holds a Bachelor of Laws degree from the University of Buckingham, England and a Certificate in Legal Practice. He also holds Diplomas in Syariah Law & Practice from International Islamic University Malaysia and Public Administration from Universiti Teknologi MARA.

He began his career with the Royal Malaysian Police Force as a police inspector in 1971. He was promoted to Assistant Superintendent of Police in 1980 and served until 1986. He was admitted as an Advocate and Solicitor of the High Court of Malaya on 25 October 1986 and is currently a practising solicitor.

He is also a Director of Berjaya Corporation Berhad and Sun Media Corporation Sdn Bhd.

SHAMSUL-BAHRIN BIN IBRAHIM

72 years of age, Malaysian
Independent Non-Executive Director

He was appointed to the Board as an Independent Non-Executive Director on 10 June 2000. He is the Chairman of the Audit Committee/Risk Management Committee. He is also a member of the Nominating Committee and a member of the Share Option Scheme Committee.

He was in the Royal Malaysian Air Force during the Indonesian confrontation against Malaysia and later served onboard the Royal Malaysian Navy ships mostly in mine-sweeping and patrol craft squadrons based in Woodlands, Singapore. He left the service in the rank of Lieutenant-Commander. In 1976 he was admitted to the Honourable Society of Inner Temple and was called to the Bar of England and Wales in 1979. On his return he was admitted to the Malaysian Bar and practised as an advocate and solicitor of the High Court in Malaya.

He served as honorary-secretary to the Kuala Lumpur and Selangor Bar for two terms and the Asean Law Association of Malaysia for three terms and in the same period he was also the editor of its newsletter. During the same period he was appointed by the Prime Minister's Department to sit on the Kuala Lumpur Rent Tribunal and by the Ministry of Trade and Industry on Asean Business Council. From 1995 until 2001 he was elected as the Secretary-General of Asean Law Association with its registered office in Manila.

He is currently a partner in one of the leading legal firms in the country and a committee member of the Association of Malay Journalists Malaysia. He is on the Board of Apex Unit Trusts Berhad.

LOH CHEN PENG

54 years of age, Malaysian
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 Share Option Scheme Committee and also a member of the Remuneration Committee and Audit Committee/Risk Management Committee.

He is an accountant by profession and a member of the Malaysian Institute of Certified Public Accountants (MICPA). He started his career with an international accounting firm in 1975 and gained membership to the MICPA. He then joined a merchant banking group in 1980 and for the next

thirteen years, held senior management positions in the areas of corporate finance and corporate banking. Thereafter, he had a short stint in a stockbroking group. In 1994, he helped establish a commercial bank and served on its Executive Committee of Directors until 2001.

He is now involved in some private ventures and is an Independent Non-Executive Director of Major Team Holdings Berhad and Dijaya Corporation Berhad.

LIM HOOI KIANG

47 years of age, Malaysian
Independent Non-Executive Director

He was appointed to the Board as an Independent Non-Executive Director on 21 December 2001. He is a member of the Audit Committee/Risk Management Committee and also a member of the Nominating Committee.

He holds a Bachelor of Arts degree from Monash University, Australia. He has been running his

own business in insurance, publishing, import and export since 1991. He holds directorships in several private limited companies. Earlier in his career, he worked in an architectural firm and a finance company.

Save as disclosed, none of the Directors have:-

1. any family relationship with any Director and/or major shareholder of the Company;
2. any conflict of interest with the Company; and
3. any convictions for offences within the past 10 years other than traffic offences.

STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors fully recognises the importance of establishing and maintaining high standards of corporate governance within the Group. In connection therewith, the Board has taken and is taking the necessary steps to implement the principles and best practices in Corporate Governance as set out in Parts 1 and 2 of the Malaysian Code on Corporate Governance ("the Code") in order to enhance shareholder value and the financial performance of the Group.

The Board is pleased to report below the manner in which the Group has applied the principles and the extent of compliance pursuant to Paragraph 15.26 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

A. DIRECTORS

I THE BOARD

Composition

The Board currently has nine (9) members, two (2) Executive Directors and seven (7) Non-Executive Directors of whom three (3) are Independent Directors. A brief profile of each Director is present on pages 2 and 3.

The Chairman of the Board is responsible for ensuring Board effectiveness and conduct, whilst the Executive Directors, ensure that strategies, policies and matters approved by the Board are effectively implemented. The Non-Executive Directors are not involved in the day-to-day running of the Group's business operations but have enhanced the Board's objectivity in discharging its responsibility effectively.

Board Responsibilities

In pursuing the objectives of the Company to enhance corporate profit and shareholder value, the Board is accountable for the success of the Company by taking the responsibilities to lead, control and manage the Company.

In order to further enhance business and operational efficiency, the Board has established sub-committees to assist the Board in certain areas of deliberation:

- Audit Committee/Risk Management Committee
- Nominating Committee
- Remuneration Committee
- Share Option Scheme Committee

These Committees have the authority to examine particular issues and report to the Board with their recommendations. The ultimate responsibilities for the final decision on all matters, however, lie with the entire Board.

Directors' Training

All Directors have attended the Bursa Securities Mandatory Accreditation Programme ("MAP") prescribed by the Bursa Securities. Apart from the MAP training, the Directors have also attended the Continuing Education Programme ("CEP") conducted by various course leaders. All Directors will continue to attend such further training from time to time to keep abreast of developments in the marketplace as well as the current changes in legislation and regulations. In line with the amendments to the Listing Requirements, the Directors shall be responsible for determining their training needs to aid them in discharging their duties and to enhance their skills and knowledge where relevant.

During the financial year ended 31 December 2007, the Directors had attended a special briefing on the Companies (Amendment) Act 2007 and the Capital Markets and Services Act 2007 conducted by Wong, Beh & Toh, Advocates & Solicitors.

Meetings of the Board

The Board meets on a quarterly basis with additional meetings held as and when necessary. During the year ended 31 December 2007, the Board met a total of four (4) times where it deliberated on and considered a variety of significant matters including the Group's strategic decisions and direction, corporate proposals and announcements of the quarterly financial results prior to releasing them to Bursa Securities.

The attendance record of each Director during the financial year ended 31 December 2007 is as follows:-

Directors	No. of Meetings Attended
Tan Sri Dato' Seri Vincent Tan Chee Yoon	2/4
Tong Kooi Ong#	4/4
Ho Kay Tat#	4/4
Ng Seng Hin	4/4
Tan Boon Kean#	4/4
Tong Kooi Soon#	4/4
Freddie Pang Hock Cheng	3/4
Lim Hooi Kiang	4/4
Loh Chen Peng	4/4
Shamsul-Bahrain Bin Ibrahim	3/4
Chan Kien Sing (Alternate Director to Tan Sri Dato' Seri Vincent Tan Chee Yoon)	1/4

Note:

Subsequent to the financial year ended 31 December 2007, Tong Kooi Soon resigned as a Director of the Company on 1 February 2008, Tong Kooi Ong resigned as a Director and Deputy Chairman of the Company on 26 February 2008 and Ho Kay Tat and Tan Boon Kean resigned as Directors of the Company on 26 February 2008.

II BOARD BALANCE

As at 31 December 2007, the Board consisted of ten (10) members, comprising the Chairman who is a non-independent Non-Executive Director, five (5) executive Directors including the Deputy Chairman, and four (4) Non-Executive Directors, of whom three (3) are Independent Directors.

The Executive and Non-Executive Directors, with their different backgrounds and experiences in the field of finance, accounting, media, business and law made up a balanced and effective Board. 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.

III SUPPLY OF INFORMATION

The Directors have access to all information within the Group whether in their individual capacity or through the Board, in furtherance of their duties. In addition, the Directors have access to the advice and services of the Company Secretaries as well as independent professional advice. The Minutes of each Board meeting are circulated to all Directors.

As a general rule, the agendas and issues discussed are prepared and circulated to all the Board members prior to the meeting. This is to give them sufficient time to be briefed on issues to be raised at the meeting for their active participation in Board decisions and enable them to discharge their duties effectively.

IV APPOINTMENTS TO THE BOARD

The Nominating Committee consists exclusively of independent Non-Executive Directors. Members of the Nominating Committee are stated on page 2. This Committee is responsible, among others, for recommending new Director nominees to the Board, for assessing Directors on an ongoing basis and to annually review the required skills and core competencies of Non-Executive Directors. Any new nominations received will be reviewed and put to the Board, which makes all decisions on such appointments.

V. RE-ELECTION

In accordance with the Company's Articles of Association, one-third (1/3) of the Directors shall retire from office, at least once in three (3) years. Retiring Directors can offer themselves for re-election. Directors who are appointed by the Board during the financial year are subject to retirement and also available to offer themselves for re-election by the shareholders at the Annual General Meeting ("AGM") held following their appointments.

Pursuant to Section 129(6) of the Companies Act, 1965, Directors who are over the age of seventy (70) years shall retire at every AGM, and may offer themselves for re-appointment to hold office until the next AGM. At present, there is one (1) Director of the Company, Shamsul-Bahrain bin Ibrahim, who is subject to such retirement and he does not offer himself for re-appointment.

B. DIRECTORS' REMUNERATION

The objective of the Group's policy on Directors' remuneration is to ensure that the Group attracts and retains Directors of the calibre needed to run the Group successfully. In the case of executive Directors, the components of remuneration are structured so as to link rewards to corporate and individual performances. In the case of Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the particular Non-Executive Director concerned.

The Remuneration Committee consists exclusively of Non-Executive Directors and the members of the Remuneration Committee are stated on page 2. This Committee is responsible for setting the policy framework and for making recommendations to the Board on all elements of the remuneration and other terms of employment of the executive Directors.

The executive Directors will abstain from the deliberations and voting on decisions in respect of their own remuneration. Save for Directors' fees, the remuneration of Non-Executive Directors is to be decided by the Board.

The aggregate Directors' fees for all Directors is approved by the shareholders at the annual general meeting.

The aggregate Directors' remuneration paid or payable to the Directors in office at the end of financial year by the Company and the Group categorised into appropriate components for the financial year ended 31 December 2007 are as follows:-

	RM			
	Fees	Salaries, Bonus and Other Emoluments	Benefits-in-kind	Total
Executive	-	1,982,400	69,215	2,051,615
Non-Executive	19,500	-	-	19,500
	19,500	1,982,400	69,215	2,071,115

The details of the Directors' remuneration for the financial year ended 31 December 2007, distinguishing between executive and Non-Executive Directors in aggregate, with categorisation into appropriate components and the number of Directors whose remuneration falls into each category, are set out below:

Range of Remuneration (RM)	Executive Director(s)	Non-Executive Director(s)
0 - 50,000	0	5
50,001 - 100,000	1	-
300,001 - 350,000	1	-
350,001 - 400,000	1	-
500,001 - 550,000	1	-
750,001 - 800,000	1	-

C. SHAREHOLDERS

I DIALOGUE BETWEEN THE COMPANY AND ITS INVESTORS

The Board recognises the importance to keep the shareholders well informed of all major developments in the Company on a timely basis. The Corporate Communications

division plays an active role in maintaining the Company's relations with shareholders and investors, among others.

The various disclosures and announcements made to Bursa Securities, inter alia the quarterly and annual results, and corporate developments facilitate the dissemination of information to the shareholders and investors.

II THE ANNUAL GENERAL MEETING

The Company provides a platform for dialogue and interaction with all shareholders through its AGM. 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 and external auditors of the Company are available to respond to shareholders' queries during the AGM.

D. ACCOUNTABILITY AND AUDIT

I FINANCIAL REPORTING

The Directors are responsible for ensuring that the financial statements prepared are drawn up in accordance with the provisions of the Companies Act, 1965, and applicable approved accounting standards in Malaysia. In presenting the financial statements, the Company has used appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates.

The quarterly financial results and audited financial statements were reviewed by the Audit Committee and approved by the Board before they are released to Bursa Securities. The details of the Company and Group's financial statements for the financial year ended 31 December 2007 are disclosed on pages 14 to 26.

II DIRECTORS' RESPONSIBILITY STATEMENT IN RESPECT OF FINANCIAL STATEMENTS

The Directors are required to prepare the financial statements for each financial year to give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year, and of the results and cashflows of the Group and the Company for the financial year then ended.

The Directors consider that, in preparing the financial statements for the financial year ended 31 December 2007, the Group has used appropriate accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent. The Directors also consider that all applicable approved accounting standards have been followed and confirm that the financial statements have been prepared on a going-concern basis.

The Directors are responsible for ensuring that the Group and the Company keep

accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the Company and which enable them to ensure that the financial statements comply with the provisions of the Companies Act, 1965, and the applicable approved accounting standards in Malaysia.

III INTERNAL CONTROL

The Board of Directors has overall responsibility for maintaining a system of internal control, which provides reasonable assessments of effective and efficient operations, internal controls and compliance with laws and regulations.

IV RELATIONSHIP WITH AUDITORS

The external auditors, Messrs Deloitte KassimChan, have continued to report to the members of the Company on their findings (which are included as part of the Company's financial reports) with respect to each financial year's audit on the statutory financial statements. In doing so, the Company has established a transparent arrangement with the auditors to meet their professional requirements. From time to time, the auditors highlighted to the Audit Committee and Board on matters that require the Board's attention.

OTHER INFORMATION

1. Sanctions and/or Penalties

The Company and its subsidiaries, Directors and management have not been imposed with any sanctions and/or penalties by any regulatory bodies.

2. Non-audit Fees

There was no non-audit fees paid to the external auditor by the Group for the financial year ended 31 December 2007.

3. 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.

4. Revaluation Policy on Landed Properties

The Company does not own any landed properties as at 31 December 2007.

5. Recurrent Related Party Transactions of a Revenue or Trading Nature

As disclosed on page 26.

The most notorious duo in the country

R. Nadeswaran is a very dangerous man to the privileged few.
When he writes, the high and mighty scramble.
He targets the corrupt, the insensitive and the arrogant.

Terence Fernandez will do anything for a story.
From cliffs in Nepal to corpses in Aceh to bullets in Baghdad,
nothing will keep him from the truth.

They are our Special Reporting Team.
They give them awards for being rather unpopular.

Joint Winners for News Journalism (English)
Malaysian Press Institute (MPI)-Petronas Malaysia Journalism 2006 Award

Joint Winners for Excellence in Public Service Journalism
Society of Publishers in Asia (SOPA) 2007 Award

R. Nadeswaran gets scary in the **Citizen Nades** column. Every Monday and Wednesday.
See what Terence Fernandez scoops in the **Down 2 Earth** column. Every Tuesday and Friday. Only in **theSun**

STATEMENT ON 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 Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") require directors of listed companies to include a statement in annual reports on the state of their 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 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.

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 Committee 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.

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 cashflow performance;
- An internal audit function which assesses the effectiveness of the internal control system and highlights significant risks affecting the Group; 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 COMMITTEE REPORT

AUDIT COMMITTEE

The Audit Committee was established in 1995.

COMPOSITION OF AUDIT COMMITTEE

Chairman : Shamsul-Bahrain bin Ibrahim
(Independent Non-Executive Director)

Members : Lim Hooi Kiang
(Independent Non-Executive Director)

Loh Chen Peng
(Independent Non-Executive Director)

TERMS OF REFERENCE

1. Objectives

The Audit Committee shall provide assistance to the Board of Directors in fulfilling its fiduciary responsibilities relating to internal control, corporate accounting and reporting practices of the Company and its subsidiaries ("Group"). The Audit Committee will endeavour to adopt certain practices aimed at maintaining appropriate standards of responsibility, integrity and accountability to the Company's shareholders, thereby strengthening the confidence of the public in the Group's reported results.

2. Membership

The Audit Committee shall be appointed by the Board of Directors from among its members and shall comprise at least three (3) Directors, all of whom shall be non-executive Directors. The majority of the members of the Audit Committee shall be Independent Directors.

At least one member of the Audit Committee shall be a member of the Malaysian Institute of Accountants or a person approved under Paragraph 15.10(1)(c) of the Listing Requirements of Bursa Malaysia Securities Berhad. No Alternate Director shall be appointed as a member of the Audit Committee.

The Chairman of the Audit Committee shall be elected from among the members and he shall be an Independent Director. If a member of the Audit Committee resigns or for any reason ceases to be a member resulting in the number of members being fewer than the required number of three (3), the Board shall, within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of members. All members of the Audit Committee including the Chairman shall hold office until otherwise determined by the Board or until they cease to be a Director of the Company.

The Company Secretary shall be the Secretary of the Audit Committee.

3. Duties and Responsibilities

The duties and responsibilities of the Audit Committee are as follows:-

- review the maintenance of an effective accounting and business controls system;
- review the Company's accounting policies and reporting requirements to ensure compliance with the relevant

laws and standards;

- review Company morality and compliance with relevant law and listing requirements;
- review any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- review the scope of the external audit to ensure no unjustified restrictions are imposed by management;
- liaise directly between the external auditors, the management and the Board as a whole, particularly with regard to the audit plan and audit report;
- review the findings of the external and internal auditors on internal controls and other audit comments;
- recommend the appointment and remuneration of external auditors;
- review the quarterly results and year-end financial statements, prior to the approval by the Board of Directors, focusing particularly on changes in or implementation of major accounting policy changes, significant and unusual events and compliance with accounting standards and other legal requirements;
- identify significant risks;
- review and approve the internal audit plan for the financial year and appraise the audit scope, reports and recommendations; and
- review the adequacy of scope, functions, competency and resources of the internal audit department and that it has the necessary authority to carry out its work.

4. Authority

The Audit Committee was given the authority to do the following:-

- investigate any matter within its terms of reference;
- obtain resources that are required to perform its duties;
- have full and unrestricted access to any information pertaining to the Group;
- have direct communication channels with the external auditors and persons carrying out the internal audit function;
- obtain independent professional and other advice and to secure the attendance of external professionals with relevant experience and expertise if it considers necessary; and
- convene meetings with the external auditors, the internal auditors, or both, excluding the attendance of other directors and employees of the Group, whenever deemed necessary.

MEETINGS

The Audit Committee shall meet at least four (4) times a year. Additional meetings may be called at any time upon the request of any member of the Audit Committee, the external auditors and at the Chairman's discretion. The quorum for each meeting shall be two (2) members, who must be Independent Directors. The agenda shall be sent to all members of the Audit Committee and any other persons who may be required to attend the meeting at least seven (7) days prior to the meeting unless such requirement is waived by the members in the meeting.

The decision of the Audit Committee shall be by a

majority of vote. In the case of equality of vote, the Chairman, or if he is absent, the Chairman of the meeting elected from among the members attending the meeting, shall have a second and casting vote. The Audit Committee may invite other Directors and employees of the Company and its subsidiaries to attend any meeting as it deems fit.

For the financial year ended 31 December 2007, the Committee held four (4) meetings. The number of meetings attended by each Committee Member is as follows:-

Members	No. of Meetings Attended
Shamsul-Bahrain bin Ibrahim	4/4
Lim Hooi Kiang	4/4
Ng Seng Hin (Resigned on 10.10.2007)	3/3*
Loh Chen Peng (Appointed on 10.10.2007)	1/1*

*Reflects the attendance and the number of meetings held during the period the Audit Committee member held office.

Representatives from the external auditors have attended all the four (4) meetings held during the financial year.

SUMMARY OF THE ACTIVITIES OF THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR

The activities were as follows:-

- recommended the appointment and the remuneration of the external auditors for the financial year ended 31 December 2007;
- reviewed the statutory audit plan and scope of the statutory audit for the financial year ended 31 December 2007;
- reviewed the unaudited quarterly financial statements and the audited accounts of the Company and the Group and recommending the same for approval by the Board, upon being satisfied that the financial reporting and disclosure requirements of the relevant authorities have been complied with. Any significant issues resulting from the audit of the financial statements by the external auditors were noted;
- reviewed and appraised the adequacy and effectiveness of management response in resolving the audit issues reported; and
- reviewed the recurrent related party transactions.

INTERNAL AUDIT FUNCTION

The function of Internal Audit is as follows:

- provide independent assessments for adequate, efficient and effective internal control systems to anticipate potential risk exposures over key business processes within the Group; and
- review and to appraise internal control procedures and reports from the external auditor.

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors, it is my pleasure to present the Annual Report and Financial Statements for the financial year ended 31 December 2007.

FINANCIAL PERFORMANCE

Berjaya Media Berhad ("Company") (formerly known as Nexnews Berhad) group recorded total revenue of RM105.6 million, an increase of 25.9% from RM85.9 million recorded in year 2006. The Group recorded a pre-tax profit of RM5.1 million against a pre-tax loss of RM0.5 million in 2006 mainly attributable to the significant growth in revenue.

DIVIDEND

The Board of Directors does not recommend the payment of any dividend in respect of the financial year ended 31 December 2007.

CORPORATE DEVELOPMENTS

1. The Company's equity interest in The Edge Communications Sdn Bhd ("TECSB") was diluted from 70% to 50% following the full exercise of 1.6 million new ordinary shares of RM1.00 each in TECSB on 29 January 2007 by The Edge Communications Network Sdn Bhd pursuant to the share options granted by TECSB on 4 March 2002.

2. On 16 February 2007, Gemtech (M) Sdn Bhd ("Gemtech"), the Company's wholly-owned subsidiary company, entered into a conditional share sale and subscription agreement with Ms. Jessie W Y Soon and Encik Bullu Anak Mapan for the acquisition of 650,000 ordinary shares of RM1.00 each for a cash consideration of RM3.1 million and subscription of 1.1 million new ordinary shares of RM1.00 each at RM1.00 each for a cash consideration of RM1.1 million in The Borneo Sun Sdn Bhd ("TBS"). The exercise which was completed on 14 June 2007 resulted in Gemtech holding 35% equity stake in TBS.

TBS publishes the weekly free English language tabloid, *Malaysian Today*, which covers fashion, entertainment, sports and social issues relating to youth.

3. On 9 May 2007, the Company announced that it had received a Notice of Take-Over Offer from CIMB Investment Bank Berhad on behalf of Net Edge Online Sdn Bhd ("NEOSB") and Tan Sri Dato' Seri Vincent Tan Chee Yioun ("TSVT") (collectively referred to as "Joint Offerors") to acquire all the remaining securities in Berjaya Media which consist of ordinary shares of RM1.00 each comprising 46,257,808 shares and such number of new shares that may be issued prior to the close of the Offer (as defined herein) pursuant to the exercise of any remaining warrants 2006/2016 in the Company; and the conversion of any remaining irredeemable convertible preference shares of RM0.10 each in Berjaya Media Berhad ("Berjaya Media ICPS"); all the remaining Berjaya Media Warrants ("Offer Warrants"); and all the remaining Berjaya ICPS ("Offer ICPS"), not already held by the Joint Offerors and their persons deemed acting in concert with them ("PACs") ("Offer").

As at 9 May 2007, the Joint Offerors and their PACs held approximately 59.98% of the issued and paid-up share capital of Berjaya Media. The consideration for the Offer, to be satisfied in cash, is RM1.27 for each Offer Share, RM0.27 for each Offer

Warrant and RM1.00 for each Offer ICPS.

The Joint Offerors together with their PACs held in aggregate 80.5% of the issued and paid-up share capital of the Company at the close of the Offer on 6 July 2007.

4. On 4 March 2008, Berjaya Corporation Berhad ("BCorporation") announced that it had completed the acquisition by its subsidiary companies from Net Edge Online Sdn Bhd and Mr. Tong Kooi Ong of all their 35.6% equity interest in the Company comprising 82,775,518 ordinary shares of RM1.00 each at RM1.60 per share, together with 16,198,080 Warrants at 42 sen per Warrant for a total consideration of RM139,244,022. Consequently, the Company became a 57%-owned subsidiary of BCorporation.

5. On 21 April 2008, the Company announced that Bursa Securities Malaysia Berhad ("Bursa Securities") via a letter dated 18 April 2008 granted an extension of time up to 5 July 2008 for the Company to comply with the public shareholding spread requirement ("PSSR") set out in paragraph 8.15 (1) of Bursa Securities' Listing Requirements. The Company is currently looking into plans to address the PSSR.

Based on the Company's Record of Depositors as at 18 March 2008, the percentage of public shareholding in the Company is about 11.35% whilst its number of public shareholders holding not less than 100 shares is 1,146.

6. The shareholders of the Company have approved the change of name of the Company from Nexnews Berhad to Berjaya Media Berhad at an extraordinary general meeting held on 17 April 2008. The change of name is to better reflect its principal activity as an investment holding company involved in the media business and its identity as a member company of Berjaya Corporation Berhad.

REVIEW OF OPERATIONS

SUN MEDIA CORPORATION SDN BHD

For the financial year under review, Sun Media Corporation's revenue grew 21% to RM57.7 million. Pre-tax loss decreased from RM6.9 million to RM5.5 million.

The increase in revenue was mainly attributed to the increase in advertising revenue following continuous efforts in increasing its readership and circulation.

theSun is Malaysia's first and only free national newspaper which is widely read in the Klang Valley, Penang, Ipoh, Seremban, Malacca and Johor Baru. It also reaches urban market readers in Alor Star, Batu Gajah, Bukit Mertajam, Butterworth, Genting Highlands, Kamunting, Kangar, Kepala Batas, Kota Baru, Kuala Terengganu, Kuantan, Kulim, Mentakab, Nibong Tebal, Raub, Seberang Jaya, Sungai Petani, Taiping and Teluk Intan. *theSun* is also available via digital version on sun2surf.com to capture readers worldwide.

theSun continues to be the choice of readers and advertisers as it delivers top quality news in an appealing, concise and easy-to-read format and

providing creative advertising solutions to marketers via targeted distribution and creative advertising. Its strong content, especially the **Telling It As It Is** style of journalism, delving into issues where others fear to tread, has won *theSun* a loyal and growing group of readers, especially among the younger generation and the working professionals. **news without borders**, *theSun*'s news pages package the latest and most interesting stories from home and abroad in a concise easy-to-read manner, augmented by attractive and appealing photos and graphics. The **FreeSpace** column where young Malaysians speak their mind has a big following with the young urban professionals who want to be heard. *theSun*'s **pullouts** offer marketers targeted audiences and the opportunity to select their preferred editorial section like education, wheels, U, Glow, eXtra and CityPlus. The **full jacket cover (4-page full wrap)** and the **half cover (2-page half wrap)** have been very popular among the advertisers and have become the most impactful and creative way to launch or brand a product/service.

2007 was *theSun*'s fifth anniversary as a free paper and marked another important milestone as two of its journalists from the Special Reporting and Investigations team, Editor R Nadeswaran and Deputy Editor Terence Fernandez won top award in Public Service Journalism by the Society of Publishers in Asia (SOPA) based in Hong Kong. A first-time entrant for *theSun* for the prestigious awards - Asia's equivalent of the Pulitzer prize, *theSun* came out top against major regional publications in the category for local newspapers or small magazines published in English. The duo bagged the award for the story, "Low Cost Palace", an exposé on a lavish mansion constructed without local authority permission.

The same report also won Nadeswaran and Fernandez the News Journalism (English) category award at the Malaysian Press Institute (MPI) - Petronas Malaysia Journalism Awards 2006.

theSun's Bismie S. also won an honorary mention in the Entertainment (English) category for his interview with film producer/director Yasmin Ahmad.

The awards are not only a credit to those who won but also recognition of the brand of journalism the paper stands for. This is a significant achievement for a free newspaper as our journalists are getting international recognition.

During the year, *theSun* also rolled out a marketing campaign featuring Nadeswaran and Fernandez as well as political editor, Zainon Ahmad and sports writer, Bob Holmes. The main objective of the campaign was to make *theSun* "personal" to its loyal readers and win more mindshare in the competitive newspaper industry. The campaign also helped amplify *theSun*'s mission to dismantle the perception that journalists in Malaysia merely report the facts when in reality, they are the heartbeat of a newspaper.

To meet the demand from readers and advertisers and to capture more readers and potential advertisers in other areas, *theSun* has increased its daily circulation from 265,000 copies in 2007 to 275,000 on 1 January 2008. Currently, *theSun* is distributed at approximately 2,600 drop-points nationwide - office buildings, condominiums, LRT stations, fast food outlets, convenience stores, universities and colleges, golf and recreation clubs, foreign missions, airline flights and airport terminals.

CHAIRMAN'S STATEMENT (continued)

Based on the recently completed Malaysia Prime survey (of Professionals, Managers, Executives and Businessmen/Other White Collar earning over RM2,500 monthly in KL/PJ/Klang Valley) commissioned by Berjaya Media Berhad and conducted by A.C Nielsen between January and March 2008, findings indicate that *theSun* has 2.9 readers per copy. This gives *theSun* an approximate issue readership of over 650,000 adults in the Klang Valley (based on a weekday distribution of 225,000 copies). Based on our nationwide weekday distribution of 275,000 copies in the key market centres, *theSun* is possibly read by about 750,000 urban adults, establishing *theSun* as a significant communication platform for advertisers.

With the increase in readership and distribution network, more people will get to read *theSun* and in return will give advertisers a bigger audience to market their products and services.

THE EDGE COMMUNICATIONS SDN BHD

The Edge Communications continued to show growth in revenue, registering 32% increase to RM47.4 million whilst pre-tax profit increased to RM9.7 million from RM6.6 million in the previous year.

Its flagship publication, *The Edge*, maintains its position as the country's most authoritative business weekly, with an audited circulation of 24,043 (ABC, 30 June 2007). It is the publication that the business fraternity relies on for in-depth local perspectives and analyses of business and financial developments in the corporate, property, technology and management sectors, as well as lifestyle and leisure updates.

The Edge Financial Daily ("TEFD"), a new business title which complements *The Edge* was launched on 22 May 2007. TEFD has been well received by

the business fraternity and is the first stand alone business daily in Malaysia since Business Times was merged with its sister publication New Straits Times in 2002. TEFD is also the first newspaper in Malaysia to be produced in the Berliner format, ensuring prominence and high visibility at news stands.

Published on weekdays and leveraging on The Edge's track record of editorial integrity, independence and credibility, TEFD provides an interesting mix of local and international business news, politics and policy, interviews and opinions, leisure, lifestyle and sports; all essential requirements of today's business people. The current print run is 10,000 copies per day. Distribution is nationwide but predominantly in the Klang Valley and key market centres include Penang, Ipoh, Melaka, Johor Bahru, Kuching and Kota Kinabalu. A minimum of 40 pages is maintained.

Personal Money, the highly regarded monthly personal finance magazine, is now an award-winning one as well. It received an award and special mention for the Economy & Finance Journalism (English) category at the Malaysian Press Institute (MPI) - Petronas Malaysia Journalism Awards 2006. Its February and September 2006 issues won the Bronze Award for Best Cover (Business, English) at the Magazine Publishers Association, Malaysia (MPA) Magazine Awards 2007. Audited circulation for *Personal Money* currently stands at 11,204 (ABC, 30 June 2007).

Finally, *Off The Edge* ("OTE"), the distinctive arts and culture magazine, also received accolades in the past year. It received an honourable mention for Excellence in Feature Photography at the Society of Publishers in Asia ("SOPA") 2007 Awards held in Hong Kong. The SOPA Award is Asia's equivalent of the Pulitzer Prize. OTE also garnered the Silver and Bronze Awards for Best Cover (General, English) at the Magazine Publishers Association, Malaysia

(MPA) Magazine Awards 2007. It also grabbed the Bronze Award for Magazine Cover Design at the Asia Media Awards 2007 held in Manila, the Philippines.

FUTURE OUTLOOK AND PROSPECTS

Brand name plays an important role in the media industry. Thus, the business of the Berjaya Media group is dependent on the goodwill associated with the brand name of its publications which in turn depends on the quality of the editorial contents and the perception of readers and advertisers. Readers will often prefer to read an established newspaper due to factors such as quality and reliability of editorial contents whilst advertisers place emphasis on factors such as quality and reliability of service, circulation or readership and competitive pricing.

Realizing the importance of these factors, the management has taken various steps and efforts in strengthening the position of its publication by continuously improving its editorial contents, layout and marketing strategies.

With a daily circulation of 275,000 copies nationwide, *theSun*'s well-received editorial content, unique distribution model and strong marketing, has gained substantial market share in both readership and advertising revenue. *theSun* will continue to deliver news, analyses and commentaries in a concise and easy-to-read format that appeals to busy and mobile readers. We will continue to work with our clients in creative marketing, improving the design, layout and content to capture a bigger audience and advertisers. Along with an innovative and entrepreneurial management team, we are committed to further improve the business and operations in the interest of the stakeholders.

We will continue to maintain *theSun*'s number one position in the Klang Valley with a daily circulation of 225,000 copies out of the total 275,000 copies nationwide.

With a strong foundation in place, Berjaya Media will continue to offer more value to our readers and advertisers, increase our market share of advertising expenditure and strengthen our circulation and readership figures.

With the recent increase purchase of strategic stake in the Company by BCorporation, an established conglomerate with diversified interests, Berjaya Media can look forward to synergize with BCorporation group of companies to tap on its expertise and skills and look forward to more new marketing and business opportunities.

ACKNOWLEDGEMENTS

Mr. Tong Kooi Ong, Mr. Ho Kay Tat, Mr. Tan Boon Kean and Mr. Tong Kooi Soon have resigned as Directors of the Company. On behalf of the Board, I would like to express our thanks and sincere appreciation to them for their past contributions and support.

I would also like to thank the relevant authorities, business associates, advertisers and advertising agencies for their continued support of our businesses, publications and projects.

To the management and staff of the Group, we appreciate them for their diligence, dedication and hard work and to our shareholders for their continued support to the Group.

**Tan Sri Dato' Seri Vincent
Tan Chee Yioun
Chairman
9 May 2008**

CORPORATE STRUCTURE OF OPERATING COMPANIES AS AT 30 APRIL 2008

