

theSun

TELLING IT AS IT IS

ANNUAL REPORT

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

THINKING OUT OF BOXES

Moving ahead with new innovations from theSun



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' 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

Datuk Zainun Aishah Binti Ahmad
- Independent Non-Executive Director

SECRETARIES

Su Swee Hong (MAICSA 0776729)

Wong Siew Guek (MAICSA 7042922)

AUDIT AND RISK MANAGEMENT COMMITTEE

Loh Chen Peng (Chairman)

Datuk Seri Azman Bin Ujang

Datuk Zainun Aishah Binti Ahmad

NOMINATING COMMITTEE

Datuk Seri Azman Bin Ujang (Chairman)

Datuk Zainun Aishah Binti Ahmad

Dato' Robin Tan Yeong Ching

Loh Chen Peng

REMUNERATION COMMITTEE

Dato' Robin Tan Yeong Ching (Chairman)

Loh Chen Peng

Datuk Zainun Aishah Binti Ahmad

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: 03-21450533

Fax: 03-21459702

AUDITORS

Deloitte KassimChan
Chartered Accountants
Level 19, Uptown 1
No.1, Jalan SS21/58
Damansara Uptown
47400 Petaling Jaya
Selangor Darul Ehsan

Tel: 03-77261833, 03-77236500

Fax: 03-77263986, 03-77268986

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad

Stock Short Name: BJMEDIA

Stock Code: 6025

PROFILE OF DIRECTORS



DATO' ROBIN TAN YEONG CHING

37 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 1 April 2010. He is also the Chairman of the Remuneration Committee and a member of the Nominating 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 Chief Executive Officer of Berjaya Corporation Berhad and 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 Berjaya Sampo Insurance Berhad, Berjaya Hills Berhad, 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

54 years of age, Malaysian

Non-Independent Executive Director

He was appointed 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 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 the Managing Director of Sun Media Corporation Sdn Bhd and the Chief Executive Officer of 7-Eleven Malaysia Sdn Bhd. He also sits on the Boards of Berjaya Capital Berhad, Berjaya Assets Berhad, Intan Utilities Berhad, Berjaya Vacation Club Berhad, Berjaya Group Berhad, Berjaya Retail Berhad, International Lottery & Totalizator Systems, Inc. United States of America and Cosway Corporation Limited, Hong Kong and holds directorships in several other private limited companies.



LOH CHEN PENG

57 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 Audit and Risk Management Committee and a member of the Remuneration Committee and Nominating 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 (13) 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 Dijaya Corporation Berhad and Berjaya Auto Berhad.

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.



DATUK SERI AZMAN BIN UJANG

60 years of age, Malaysian

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.

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.



DATUK ZAINUN AISHAH BINTI AHMAD

65 years of age, Malaysian

Independent Non-Executive Director

She was appointed to the Board as an Independent Non-Executive Director on 22 March 2010. She is a member of the Audit and Risk Management Committee, Nominating Committee and Remuneration Committee.

She graduated with a Bachelor of Economics degree from University Malaya. She began her career and worked with Malaysian Industrial Development Authority ("MIDA"), the Malaysian government's principal agency for the promotion and coordination of industrial development in the country for 35 years. In her 35 years of service, she has held various key positions in MIDA as well as in some of the country's strategic council, notably her pivotal role as the National Project Director in the formulation of the first Malaysian Industrial Master Plan. She was the Director-General of MIDA for 9 years and Deputy Director-General for 11 years. Whilst in MIDA, she also sat on various committees/authorities at national level, including being a member of the Industrial Coordination Act Advisory Council, Defence Industry Council and National Committee on Business Competitiveness Council, Malaysia Incorporated and the National Project for Majlis Penyalarsan Perindustrian ("ICC") before retiring in September 2004.

She was previously a Director of Tenaga Nasional Berhad and Malayan Banking Berhad and resigned on 7 June 2004 and 22 July 2009 respectively. Currently, she is a Director of Degem Berhad, Microlink Solutions Berhad, Scomi Engineering Berhad, Pernec Corporation Berhad, Shell Refining Company (Federation of Malaya) Berhad and Berjaya Food Berhad.

STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors of Berjaya Media Berhad is committed and continued to comply with the principles and best practices set out in the Malaysian Code on Corporate Governance ("the Code") to ensure that the highest standards of corporate governance are practised throughout the Group.

The statement below sets out how the Group has applied the key principles of the Code and the extent of its compliance with the best practices throughout the financial year ended 30 April 2011.

A) DIRECTORS

(i) The Board

The Group is led and managed by an experienced Board with a wide range of expertise which plays an important role in the stewardship of its direction and operations.

The Board meets regularly on a quarterly basis with additional meetings being convened as necessary. During the financial year ended 30 April 2011, the Board met four (4) times and the record of attendance of each Director is set out below:-

Directors	No. of Meetings Attended
Dato' Robin Tan Yeong Ching	4/4
Chan Kien Sing	4/4
Loh Chen Peng	4/4
Datuk Seri Azman Bin Ujang	4/4
Datuk Zainun Aishah Binti Ahmad	4/4

(ii) Board Composition

The Board currently has five (5) members comprising:-

- The Chairman (who is Non-Independent Non-Executive)
- One (1) Executive Director
- Three (3) Independent Non-Executive Directors.

A brief profile of each Director is contained in pages 2 and 3 of the Annual Report.

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 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 full and timely access to information concerning the Company and the Group. The Board papers which include reports on the Group's operations, finance and corporate development are distributed to the Directors prior to Board meetings. Notices with relevant agenda are provided in sufficient time prior to Board meetings to enable the Directors to obtain further explanation or clarification, if any.

All Directors have access to the advice and services of the Company Secretary and the senior Management staff in the Group and may obtain independent professional advice at the Company's expense in furtherance of their duties.

(iv) Appointment to the Board

The Nominating Committee currently comprises the following members:-

1. Datuk Seri Azman Bin Ujang – Chairman/Independent Non-Executive
2. Loh Chen Peng – Independent Non-Executive
3. Datuk Zainun Aishah Binti Ahmad – Independent Non-Executive
4. Dato' Robin Tan Yeong Ching – Non-Independent Non-Executive

The Nominating Committee is responsible amongst others, for identifying and making recommendations for any appointments and re-election of Board members or Board committee members.

(v) Directors' Training

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.

STATEMENT ON CORPORATE GOVERNANCE

(CONTINUED)

Details of the training programmes attended by the current Directors during the financial year ended 30 April 2011 were as follows:-

DIRECTOR	SEMINARS / CONFERENCES / FORUM
Dato' Robin Tan Yeong Ching	- Seminar on Recent Changes to Financial Reporting Standards
Chan Kien Sing	- Malaysian Media Conference 2010 - WAN – IFRA Asia Pacific Pte Ltd - Seminar on Recent Changes to Financial Reporting Standards - Sustainability Programme: Trading Services & Industrial Products
Loh Chen Peng	- Going Forward: Risk & Reform – Implications for Audit Committee Oversight - Key to High Performance Retailing - Seminar on Recent Changes to Financial Reporting Standards - Corporate Governance Guide for Directors - Sustainability Programme: Trading Services & Industrial Products
Datuk Seri Azman Bin Ujang	- Seminar on Recent Changes to Financial Reporting Standards - Sustainability Programme: Trading Services & Industrial Products - Assessing the Risk and Control Environment
Datuk Zainun Aishah Binti Ahmad	- 2nd Annual Corporate Governance Summit 2010 (Truth, Lies and Corporate Governance) - Directors' Continuing Education Programme 2010: Malaysian Competition Act, 2010, Managing Risk Across the Enterprise, updates on listing requirements and recent shareholders' issues and social media and impact on business. - Seminar on Recent Changes to Financial Reporting Standards - Sustainability Programme: Trading, Services & Industrial Products

(vi) Re-election of Directors

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. Directors who are appointed by the Board during the financial year will 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.

B) DIRECTORS' REMUNERATION

(i) Remuneration Committee

The Remuneration Committee currently comprises the following members:-

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

Loh Chen Peng – Independent Non-Executive

Datuk Zainun Aishah Binti Ahmad – 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 determination of the remuneration for the non-executive directors will be a matter to be decided by the Board as a whole with the Director concerned abstaining from deliberations and voting on decisions in respect of his individual remuneration package.

(ii) Details of the Directors' Remuneration

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 2011 are as follows:-

	FEES (RM)	SALARIES AND OTHER EMOLUMENTS (RM)	BONUS (RM)	BENEFITS-IN-KIND (RM)	TOTAL (RM)
Executive	-	90,200	5,000	-	95,200
Non-Executive	90,000	5,400	-	-	95,400
Total	90,000	95,600	5,000	-	190,600

The number of Directors of the Company who served during the financial year and whose total remuneration from the Group falling within the respective bands are as follows:-

RANGE OF REMUNERATION (RM)	NUMBER OF DIRECTORS	
	EXECUTIVE DIRECTOR	NON-EXECUTIVE DIRECTOR
1 - 50,000	-	3
50,001 – 100,000	1	-

C) RELATIONS WITH SHAREHOLDERS AND 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 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 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. The Company also maintains a website at www.berjaya.com where shareholders as well as members of the public can access for the latest information on the Company.

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 financial reporting 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 and Risk Management 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 30 April 2011 are disclosed on pages 13 to 29.

(ii) 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 state of affairs of the Group and the Company as at the end of each financial year and of their results and their cashflows for that financial year then ended.

The Directors consider that, in preparing the financial statements for the financial year ended 30 April 2011, 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 financial reporting 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 financial reporting standards in Malaysia.

The Directors are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

(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

Through the Audit and Risk Management Committee, the Company has established a transparent and appropriate relationship with auditors, both internal and external. From time to time, the auditors highlighted to the Audit and Risk Management Committee and Board on matters that require the Board's attention.

E) COMPLIANCE WITH THE CODE

The Board is satisfied that the Company has, in all material aspects, complied with the best practices of the Code during the financial year ended 30 April 2011.

Malaysia's No.1 urban English newspaper
More than 300,000 copies!

Compact.
Concise.
Complete.



With more than 300,000 copies every weekday, theSun is Malaysia's No.1 English language urban newspaper. It is significantly No.1 in the 3 richest market centres of Penang, Kuala Lumpur/Petaling Jaya (Klang Valley) and Johor Baru.

theSun delivers a complete mix of news, analyses and commentaries in a concise and easy-to-read format that appeals to the busy professionals (PMEBs), and young adults who are constantly mobile.

Study shows that theSun readers are urban, well-educated, successful professionals with high purchasing power. They are a discerning community with a sophisticated cosmopolitan world-view and demand straightforward journalism.

Our straight-talking "TELLING IT AS IT IS" columnists are especially popular with this readership segment.

A most powerful communication platform.

theSun
TELLING IT AS IT IS

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 2011.

FINANCIAL PERFORMANCE

For the financial year ended 30 April 2011, the Group registered a revenue of RM55.7 million, an increase of 18% from RM47.2 million in the preceding year. The Group recorded a pre-tax profit of RM9.5 million against a pre-tax loss of RM4.64 million in the preceding year. The turnaround in profitability was mainly attributed to the higher advertisement income recorded by its principal subsidiary, Sun Media Corporation Sdn Bhd, gain on disposal of certain quoted investments as well as the receipt of dividend income from its quoted investments during the financial year.

DIVIDEND

The Board does not recommend the payment of dividends for the financial year ended 30 April 2011.

REVIEW OF OPERATIONS

SUN MEDIA CORPORATION SDN BHD

For the financial year under review, Sun Media registered a revenue of RM55.7 million, an increase of 18% compared with the previous financial year. Pre-tax profit rose from RM1.3 million to RM8.1 million.

The increase in revenue was mainly attributed to the increase in advertisement income due to the continuous branding and marketing campaigns carried out by the company coupled with the newspaper's strong market appeal built by strong distribution reach.

theSun continues to be the preferred choice of readers and advertisers as it delivers top quality news in an appealing, concise and easy-to-read format as well as providing creative advertising solutions to marketers. Its strong content, especially the **Telling It As It Is** style of journalism, has won theSun a loyal and growing group of readers, particularly among the younger generation and working professionals. theSun continues to maintain its lead position with a distribution of more than 300,000 copies every weekday at 3,200 pick-up points, providing a mix of the latest news and current affairs, both from home and abroad, including news on politics and government, business and society, culture and lifestyle, entertainment and sports.

Over and above the regular content offerings, theSun also publishes special pullouts, offering advertisers opportunities to select their preferred editorial section namely, education (**Education Focus**), beauty and health (**Glow**), food & beverage (**Gourmet Guide**), youth (**U**), etc. The full jacket cover (4-page full wrap) and the half cover (2-page half wrap) have been highly popular with the advertisers and have become the most creative and impactful way to launch or brand a product or service.

During the year under review, theSun set up a full-fledged business desk bringing in a veteran business journalist who set up a team including three senior journalists and one junior reporter. The business pages doubled from two to four, giving comprehensive coverage of local and foreign economic news including

a page featuring images of the week's major events. The expansion of the business pages makes the newspaper more complete, catering to urban professionals.

In an effort to add value to the overall content of the paper, theSun launched two new supplements, **Urban Lifestyle** and **Digital Lifestyle**, during the year under review. It is envisaged that the new supplements will create new opportunities for advertisers, thus generating stronger revenue. **Urban Lifestyle** which includes topics on health and wellness, property, interior design, shopping and holidays, has proven to be popular among property developers.

A monthly section on education showcasing post-graduate courses has also been introduced to meet the growing demands of theSun's discerning readers, which has created yet another avenue for advertisers especially from the education sector.

Another prominent change that took place during the year under review was the revamping of the theSun's 11-year old website. The website's name was changed from sun2surf.com to theSundaily.my and it went live in June 2011. With a more breezy look and user-friendly features, the website is anticipated to attract more online readers as well as advertisers to utilize this website to connect with theSun's online audience.

During the year under review, the company acquired its second Krause CtP pre-press machine to meet the growing advertisement demand. Full transformation of pre-press from analogue to digital system took place in March 2011 and is expected to positively impact theSun's advertising business with better quality print productions, time savings, reduced equipment and material usage as well as reduced manpower and production cost.

FUTURE OUTLOOK AND PROSPECTS

The Malaysian economy achieved a healthy growth of 4.6% in the first quarter of 2011 and the growth momentum is expected to moderate in the second quarter due to supply disruptions from the Japan catastrophe, rising inflation fears and pullback in commodity prices. However, a rebound is anticipated in the Malaysian economy during the second half of the year spurred largely by supportive government policy measures and implementation of the Economic Transformation Programme, which augurs well for theSun's advertising business.

"theSun continues to be the preferred choice of readers and advertisers as it delivers top quality news in an appealing, concise and easy-to-read format as well as providing creative advertising solutions to marketers."

Editorially, theSun brand holds a strong position. The newspaper's popularity is founded on the strong market perception of its non-aligned independence. Its comprehensive content which includes investigative reporting and opinion writing is well accepted by the sophisticated and socially conscious urban readers. theSun will continue to build on this reputation by further enhancing the quality of its news and features, as well as the layout designs, to remain attractive and relevant to urban readers and advertisers.

Rapid advancement of the digital technology and the gaining popularity of the new media have created greater opportunities for theSun to promote online advertising to its customers. theSun's newly revamped website is an exciting avenue for the advertisers to target their message and interact with potential customers.

Armed with a weekday distribution of more than 300,000 copies nationwide and accompanied by well-received editorial content and strong marketing strategies, theSun has gained substantial market share in both readership and advertising revenue. In the interest of ensuring long term sustainability, the company is actively building relationships with advertisers and is generating relevant and effective print and digital marketing solutions that support advertisers' urban advertising objectives.

As theSun is driven predominantly by advertising for cash flow, it will continue to formulate strategies and initiatives to adapt to changes in customer demand as well as boost its advertising sales with innovative branding and marketing campaigns.

Barring any unforeseen circumstances and taking into account the prevailing economic conditions, the Board of Directors expects the Group to maintain its current level of operating performance for the financial year ending 30 April 2012.

Barring any unforeseen circumstances and taking into account the prevailing economic conditions, the Board of Directors expects the Group to maintain its current level of operating performance for the financial year ending 30 April 2012.

ACKNOWLEDGEMENTS

On behalf of the Board, I would like to thank the relevant authorities, business associates, advertisers and advertising agencies for their continued support.

To the management and staff, we appreciate them for their dedication, hard work and commitment and to our shareholders, we thank you for the confidence and support and look forward to your continued support and cooperation in the future.

DATO' ROBIN TAN YEONG CHING

Chairman
5 August 2011

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 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 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 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 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 AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors of Berjaya Media Berhad is pleased to present the report of the Audit and Risk Management Committee for the financial year ended 30 April 2011.

Members and Meetings Attendances

The members of the Audit and Risk Management Committee are as follows:-

Loh Chen Peng – Chairman/Independent Non-Executive Director

Datuk Seri Azman Bin Ujang – Independent Non-Executive Director

Datuk Zainun Aishah Binti Ahmad – Independent Non-Executive Director

The Audit and Risk Management Committee held five (5) meetings during the financial year ended 30 April 2011. The details of attendance of the Audit and Risk Management Committee members are as follows:-

NAME	ATTENDANCE
Loh Chen Peng	5/5
Datuk Seri Azman Bin Ujang	5/5
Datuk Zainun Aishah Binti Ahmad	5/5

The Deputy General Manager of Group Internal Audit and the Head of Group Accounts and Budgets of Berjaya Corporation Berhad were also invited to attend the Audit and Risk Management Committee meetings. The external auditors were also invited to attend all of these meetings. The Committee also met with the external auditors without the presence of executive Board members and the Management.

SUMMARY OF ACTIVITIES OF THE AUDIT AND RISK MANAGEMENT COMMITTEE DURING THE FINANCIAL YEAR ENDED 30 APRIL 2011

The activities were as follows:-

- reviewed the internal audit reports presented and considered the findings of internal audit in the Group's operating subsidiary and associated company through the review of internal audit reports tabled and management responses thereof;
- reviewed the external auditors' scope of work and audit plan for the year;
- reviewed the risk management reports of operating subsidiary;
- reviewed the unaudited quarterly financial statements and the year end financial statements 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 the Internal Audit Plan for year 2011;
- reviewed the related party transactions and the circular to shareholders in connection with the recurrent related party transactions.

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The Company does not have its own in-house Internal Audit function. The internal audit function was outsourced to the internal auditors of Berjaya Corporation Berhad, to assist the Audit and Risk Management Committee 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 units within the Group and the extent of compliance by such units with the Group's established policies and procedures.

The activities undertaken by the Internal Audit Division during the financial year ended 30 April 2011 included the following:

- Tabled Internal Audit Plan for the Audit and Risk Management Committee's review and endorsement.
- Reviewed the existing systems, controls and governance processes of various operating units within the Group.
- 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.
- Provided recommendations to assist the various operating units and the Group in accomplishing its internal control requirements by suggesting improvements to the control processes.
- 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 Audit and Risk Management Committee and the respective operations management.
- Followed up review to ensure that the agreed internal audit recommendations are effectively implemented.
- Presented internal audit reports to the Audit and Risk Management Committee for review.

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

The estimated cost for the Internal Audit function in respect of the financial year ended 30 April 2011 was approximately RM96,000.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONTINUED)

TERMS OF REFERENCE OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

1. MEMBERSHIP

The Audit and Risk Management Committee ("the Committee") shall be appointed by the Board from amongst the Directors and shall consist of not less than three members and all the Committee members must be non executive directors, with majority of them being independent directors and at least one member of the Committee must be a member of the Malaysian Institute of Accountants or such other qualifications and experience as approved by the Bursa Malaysia Securities Berhad ("Bursa Securities").

If a member of the Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced to below three, the board of directors shall, within three months of that event, appoint such number of new members as may be required to make up the minimum number of three members.

2. QUORUM

A quorum for the Committee shall consist of two members and a majority of the members present must be Independent Directors.

3. CHAIRMAN

The Chairman of the Committee shall be an Independent Director appointed by the Board. He shall report on each meeting of the Committee to the Board.

4. SECRETARY

The Company Secretary shall be the Secretary of the Committee and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to the Committee members prior to each meeting.

The Secretary shall also be responsible for keeping the minutes of meetings of the Committee and circulating them to the Committee members and to the other members of the Board of Directors.

5. FREQUENCY OF MEETINGS

Meetings shall be held not less than four times a year and will normally be attended by the Director charged with the responsibilities of the Group's finance and Head of Internal Audit. The presence of external auditors will be requested if required and the external auditors may also request a meeting if they consider it necessary.

6. AUTHORITY

The Committee is authorised by the Board to investigate any activity within its terms of reference and shall have unrestricted access to both the internal and external auditors and to all employees of the Group. The Committee is also authorised by the Board to obtain external legal or other independent professional advice as necessary.

The Committee is also authorised to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.

7. DUTIES

The duties of the Committee shall be:

- (a) To review and recommend the appointment of external auditors, the audit fee and any questions of resignation or dismissal including recommending the nomination of person or persons as external auditors;
- (b) To discuss with the external auditors where necessary, on the nature and scope of audit and to ensure coordination of audit where more than one audit firm is involved;
- (c) To review the quarterly results and year-end financial statements prior to the approval by the Board, focusing on:
 - going concern assumption
 - compliance with applicable financial reporting standards and regulatory requirements
 - any changes in accounting policies and practices
 - significant issues arising from the audit
 - major judgemental areas
- (d) To prepare Audit and Risk Management Committee Report at the end of each financial year;
- (e) To discuss problems and reservations arising from the interim and final external audits, and any matters the external auditors may wish to discuss (in the absence of management, where necessary);
- (f) To review the external auditors' management letter and management's response;
- (g) To 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;
- (h) To do the following in relation to internal audit function:-
 - 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;
 - review internal audit programme;
 - ensure coordination of external audit with internal audit;
 - consider the major findings of internal audit investigations and management's response, and ensure that appropriate actions are taken on the recommendations of the internal audit function;
 - review any appraisal or assessment of the performance of the staff of the internal audit function;
 - approve any appointment or termination of senior staff member of the internal audit function;
 - inform itself of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his/her reason for resignation;

- to monitor related party transactions entered into by the Company and its subsidiaries, and to ensure that the Directors report such transactions annually to shareholders via the annual report;

- to review and monitor the effectiveness of internal control systems and to evaluate the systems with the external auditors;

- (i) To carry out such other responsibilities, functions or assignments as may be defined jointly by the Committee and the Board of Directors from time to time;

- (j) In compliance with Paragraph 15.16 of the Main Market Listing Requirements, where the Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements, the Committee must promptly report such matter to Bursa Securities.

- (k) To undertake the following risk management activities:

Establishing Strategic Context – Ensuring that the strategic context of the risk management strategy is complete and takes into account the environment within which the Group operates and the requirements of all stakeholders and the Board.

Establishing Risk Management Processes – Determining the overall risk management processes that should be adopted by the business units and developing appropriate guidelines and policies for implementation.

Establishing Risk Management Structure – Ensuring a short and long term risk management strategy, framework and methodology have been implemented and consistently applied by all business units.

Embedding Risk Management Capability – Ensuring risk management processes are integrated into all core business processes and that the culture of the organisation reflects the risk consciousness of the Board.

Establishing Reporting Mechanism – Providing a consolidated risk and assurance report to the Board to support the statement relating to internal control in the company's annual report.

Integrating & coordinating assurance activity – Ensuring alignment and coordination of assurance activity across the organisation.

Establishing Business Benefits – Identifying opportunities to release potential business benefits through the enhancement of risk management capabilities within the Group.

Establishing Effectiveness of Risk Management Processes – Simplifying and improving the effectiveness of existing risk management structures.

Managing the Group Wide Risk Management Programme – Supporting the implementation of the risk management processes within the business. The Committee will act as steering committee for the Group Wide Risk Management Programme (GWRM).

SUPPLEMENTS, PROMOTIONS, EVENTS AND CORPORATE SOCIAL RESPONSIBILITY

Supplements

URBAN LIFESTYLE ▶
(every last Friday of the month)

The breezy, dynamic monthly section captures 21st century vibes with its light-hearted yet informative articles. Segments include property & interior design, digital, wellness, shopping, and leisure & recreation-content that highlights the things that make the discerning urbanite tick. The section is designed to provide a more meaningful and worthwhile experience to both readers and advertisers alike.



URBAN PARENTING
(every second Tuesday of the month)

The section highlights subjects and issues relevant to urban parents keen to ensure their children's growing years are as meaningful as possible. Some content may be more provocative and critical in tone (for example, articles that touch on the lack of safety culture among Malaysian parents) while others are simply inspiring (single parents sharing their thoughts about raising kids, for instance).

POSTGRADUATE FOCUS
(every last Tuesday of the month)

Highlighting subjects and issues relevant to the ever-growing postgraduate market. Articles not only highlight various institutions of higher learning that provide postgraduate programmes but also topical subjects that would interest the professional keen to remain upwardly mobile in the increasingly competitive world.

SME Solutions Expo

5 – 7 August 2010

theSun collaborated in Southeast Asia's largest gathering as a Media Partner. Themed "From StartUp to IPO" this SME Solutions Expo 2010 saw some 20,000 business owners and entrepreneurs converge in a 3-day event featuring 150 exhibitors from financial institutions, IT, business consultants to government agencies to name a few. This became an ideal platform for all to meet and network, exploring new markets and opportunities.



MANAGEMENT TEAM

- Chan Kien Sing *Managing Director*
- EDITORIAL**
- Chong Cheng Hai *Managing Editor*
- Zainon Ahmad *Consultant Editor cum Political Editor*
- Freddie Ng *Senior Editor (News)*
- Toh Lye Huat *Business Editor*
- Sebastian Lim *Entertainment & Lifestyle Editor*
- Peter Yap *Fashion & Beauty Editor*
- Navjeet Singh *Sports Editor*
- Irene Leong *Supplements Editor*
- Tan Pin Ping *Web Editor*
- Raj Kumar *Photo Editor*
- R. Nadeswaran *London Correspondent*
- PENANG BUREAU**
- Himanshu Bhatt *Bureau Chief, Penang*

- ADVERTISING & MARKETING**
- Chandran Ravi *Senior General Manager*
- Julian Oh *Head of Sales (Direct)*
- Vigneswar P. Krishnan *Manager, Ad Traffic & Classifieds*
- Eveline Hooi *Manager, Projects & Product Development*
- OPERATIONS**
- Gurunathan Gopal *Head, Distribution Channels*
- Ricky Ng *Financial Controller*
- Noor Azillah Sabar *Manager, Human Resources & Administration*
- Thomas Kang *Senior Manager, Production*
- Saseetharan Gopal *Manager, Information Technology*

theSun-MoneyTree Financial Literacy Camps

23 November – 9 December 2010

During the year-end term break, theSun collaborated with MoneyTree to organize a series of holiday camps to benefit our readers. This was to instill good money habits from an early age. About 200 excited participants were taught about financial literacy. Topics & games centred on teaching participants "how-to earn, spend, save and invest".



CLIENTS' VISITS TO theSun

Guinness Anchor Berhad

January 2011

Guinness Anchor Berhad brought early Chinese New Year cheer to theSun. To usher in the Year of the Rabbit, they treated theSun to a spectacular lion dance performance and brought goodies along to create an air of festivity – their way of bringing good tidings of fortune and good luck for the new year!



Ribena



January 2011

Ribena paid a visit to theSun, bringing festive cheer with "health & wealth in abundance" during the Chinese New Year period.

Astro

January 2011

Astro paid theSun a courtesy call prior to Chinese New Year. They brought along an entourage of dancers and singers, complete with God of Prosperity bearing angpows and "kum" to signify rolling good fortune for the forthcoming Rabbit year.



Resorts World



April 2011

Resorts World made their annual visit to theSun's office bearing cakes and goodies to share with everyone. This was to mark theSun's anniversary and also to foster better ties through the years.

JobsDB Fair

18 – 20 March 2011



This Expo attracted over 75,000 job applications nationwide.

theSun was happy to collaborate as Media Partner, for the 2nd consecutive year.

This fair provided theSun readers and participants with a paperless and seamless process, from registration to job application. Jobseekers were given bar-coded registration cards which they simply needed to scan when applying for a job vacancy. Needless to say, the Expo was a huge success. Jobseekers were impressed with participating companies and numerous job opportunities, while employers were happy with the quality of candidates and number of visitors.



Mid Valley Megamall

January 2011

Mid Valley Megamall's visit to theSun was a hive of activity. To usher in the year of the Rabbit, client brought in a Lion Dance troupe complete with "kum", good fortune goodies and Chinese New Year ornaments bearing good tidings for the new year. Client thanked theSun for its media support and was glad to maintain goodwill and rapport during such an auspicious occasion.



Carlsberg

January 2011



Carlsberg decided to celebrate Chinese New Year with grandeur at theSun's office. A float decorated with various symbols of good fortune and happiness themed up with lion dancers and 8 Gods of Prosperity was a sight to behold.



CORPORATE SOCIAL RESPONSIBILITY

theSun-MAPCU Scholarship Fund 2010

22 January – 24 August 2010

The first ever scholarship event held by theSun. Out of 740 applicants, 49 ecstatic candidates were awarded scholarships totalling RM1.5 million from theSun-Malaysian Association of Private Colleges and Universities (MAPCU) Scholarship Fund 2010. theSun was more than happy to partner MAPCU in its CSR effort, aimed at providing deserving students & the less fortunate, the opportunity to receive quality private education.



Everyone Can Retire Well Conference & Exhibition

13 – 14 October 2010



This initiative saw theSun and Financial Planning Association of Malaysia (FPAM) working together towards building a platform for theSun readers to learn how to improve their financial health status, options in retirement, enabling businesses to examine current trends and opportunities, simultaneously having the means to evaluate and compare business performances in the financial industry.

Topics covered included those related to healthcare and social issues.

MAPCU Higher Education Fair 2011

22 – 23 January 2011

theSun's participation in the MAPCU Higher Education Fair was a resounding success. The Fair saw a turnout of more than 20,000 visitors where top-notch educational institutes provided visitors with ample information on study options in the country and abroad.



