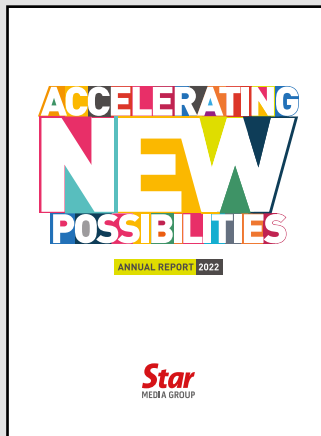


ACCELERATING NEW POSSIBILITIES

ANNUAL REPORT 2022

Star
MEDIA GROUP



RATIONALE

2022 marked a robust year for Star Media Group and the cover design of the annual report reflects the bold approach to the way the Group carries out its business. Having embarked on a number of new initiatives while strengthening its existing products, the Group is geared towards “accelerating new possibilities” and continuously pushing boundaries in the media industry.

The vibrant colours demonstrate the Group’s outlook and reflect an inherently dynamic, creative, and energetic culture. As we move forward, the Group will continue to provide innovative, value-added solutions and create meaningful impact in the communities we serve.



VISION

To be the leading and innovative media group with various touchpoints to connect with people.

SOAR TO GREATER HEIGHTS.

**MAKE A DIFFERENCE
ALWAYS.**

GROW THE RIGHT WAY.

MISSION

Our role as a media company is to keep people informed and inspired through our content and services. In order to continue offering our customers the best-in-class products and experiences, we will continue to innovate.

INFORM.

INSPIRE.

INNOVATE.

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifty-First (51st) Annual General Meeting ("AGM") of Star Media Group Berhad ("the Company") will be conducted through live streaming from the broadcast venue at Cyberhub, Level 2, Menara Star, 15, Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan ("Broadcast Venue") on **Monday, 22 May 2023 at 10.00 a.m.** for the following purposes:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2022 together with the Directors' and Auditors' Reports thereon
Refer to Explanatory Note 1
2. To approve the payment of a first and final single-tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 December 2022. **Ordinary Resolution 1**
Refer to Explanatory Note 2
3. To re-elect Madam Wong You Fong who retires by rotation pursuant to Clause 116 of the Company's Constitution and who being eligible, offers herself for re-election as a Director of the Company. **Ordinary Resolution 2**
Refer to Explanatory Note 3
Mr Choong Tuck Oon and Ms Christina Foo retire as Directors in accordance with Clause 116 and Clause 96(c) of the Company's Constitution respectively at the conclusion of this 51st AGM.
Refer to Explanatory Note 3
4. To approve the payment of Non-Executive Directors' fees based on the fee structure as disclosed in the Explanatory Note 4, from the 51st AGM until the next AGM of the Company. **Ordinary Resolution 3**
Refer to Explanatory Note 4
5. To approve the payment of benefits payable to the Non-Executive Directors (excluding Non-Executive Directors' fees) of up to RM550,000 from the 51st AGM until the next AGM of the Company. **Ordinary Resolution 4**
Refer to Explanatory Note 4
6. To re-appoint Messrs BDO PLT as Auditors of the Company, to hold office until the conclusion of the next AGM and to authorise the Directors of the Company to fix their remuneration. **Ordinary Resolution 5**
Refer to Explanatory Note 5

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following motions as resolutions:

ORDINARY RESOLUTION

7. AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 ("THE ACT")

"**THAT**, subject always to the Act, the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad and any other relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to the Act, to issue and allot shares in the capital of the Company from time to time and upon such terms and conditions, for such purposes and to such person or persons whomsoever, the Directors may, in their absolute discretion deemed fit, provided that the aggregate number of shares to be issued pursuant to this Resolution does not exceed ten percent (10%) of total number of issued shares of the Company for the time being, AND THAT, the Directors be and are empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation for the additional shares to be issued; AND FURTHER THAT, such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company."

Ordinary Resolution 6

Refer to Explanatory Note 6

ORDINARY RESOLUTION

8. PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

"**THAT**, subject always to the Companies Act 2016 ("the Act"), the provisions of the Company's Constitution, the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, guidelines, rules and regulations for the time being in force and the approvals of the relevant governmental and/or regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that:

- (a) the aggregate number of ordinary shares to be purchased and/or held by the Company as treasury shares shall not exceed ten percent (10%) of the total number of issued shares as quoted on Bursa Securities as at the point of purchase(s);
- (b) the maximum fund to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained earnings of the Company at the time of the said purchase(s); and
- (c) the authority shall commence upon the passing of this Resolution and continue to be in force until:
 - (i) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which this Resolution was passed, at which time it will lapse unless by an ordinary resolution passed at the next general meeting, the authority is renewed, either unconditionally or subject to conditions;
 - (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
 - (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,
 whichever is earlier.

THAT upon completion of the purchase by the Company of its own ordinary shares, the Directors of the Company be and are hereby authorised to deal with the shares purchased in their absolute discretion in the following manners:

- (aa) cancel all the ordinary shares so purchased; and/or
- (bb) retain the ordinary shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities; and/or transfer under an employees' share scheme (if any) and/or transfer as purchase consideration; and/or
- (cc) retain part thereof as treasury shares and cancel the remainder;

and/or in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Listing Requirements of Bursa Securities and any other relevant authority for the time being in force;

NOTICE OF ANNUAL GENERAL MEETING (CONT'D.)

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may consider expedient or necessary in the best interest of the Company to give full effect to the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps, and do all such acts and things as they may deem fit and expedient in the best interest of the Company."

Ordinary Resolution 7

Refer to Explanatory Note 7

9. To transact any other business for which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT, subject to approval of the shareholders at the 51st AGM to be held on Monday, 22 May 2023, a first and final single-tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 December 2022 will be payable on 6 June 2023 to shareholders whose names appear in the Record of Depositors at the close of business on 24 May 2023.

A depositor shall qualify for entitlement to the dividend only in respect of:

- Shares transferred into the Depositor's Securities account before 4.30 p.m. on 24 May 2023 in respect of transfers;
- Shares deposited into the Depositors' Securities account before 12.30 p.m. on 22 May 2023 in respect of securities exempted from mandatory deposit; and
- Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

HOH YIK SIEW
(MAICSA 7048586)
(SSM PC No.: 202008003427)
Company Secretary

Petaling Jaya
21 April 2023

Important Notice

Virtual AGM

- The 51st AGM of the Company will be conducted **on a virtual basis by way of live streaming and online remote voting** via the Remote Participation and Voting facilities ("RPV") which will be made available on the online portal of Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") at <https://tjih.online> or <https://tjih.com.my>.
- The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 ("the Act") which requires the Chairman of the meeting to be present at the main venue of the meeting. Members/Proxies/Corporate Representatives **will not be allowed to attend the 51st AGM in person** at the Broadcast Venue on the day of the meeting.

- Members are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the 51st AGM via RPV provided by Tricor. Please refer to the Administrative Guide for the 51st AGM for the procedures to register and participate in the meeting via RPV.

Entitlement to participate and vote

- For the purpose of determining who shall be entitled to participate in this AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the **Record of Depositors as at 15 May 2023**. Only members whose names appear in the General Meeting Record of Depositors shall be entitled to participate at the 51st AGM or appoint proxy(ies) to participate on his/her behalf.

Appointment of Proxy

- 5) A member who is entitled to participate in this AGM via RPV is entitled to appoint not more than two (2) proxies to participate on his/her behalf. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy. If a member is not able to participate in the AGM, he/she can appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Proxy Form.
- 6) A proxy may but need not be a member of the Company and there shall be no restrictions as to the qualification of the proxy. In the case of a corporation, the Proxy Form must be executed under seal or signed by an officer or attorney duly authorised.
- 7) If there is no indication as to how a member wishes his/her vote to be cast, the proxy will vote or abstain from voting at his/her discretion. In the event a member duly executes the Proxy Form but does not name any proxy, such member shall be deemed to have appointed the Chairman of the meeting as his/her proxy.
- 8) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- 9) The Proxy Form must be submitted in the following manner: In default, the Proxy Form shall not be treated as valid:

In hard copy form

The Proxy Form shall be deposited at the Share Registrar's Office, Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur; or

By electronic form

The Proxy Form can be electronically lodged via Tricor's TIH Online website at <https://tiah.online>. Please refer to the procedure for electronic lodgement of the Proxy Form via TIH Online in the Administrative Guide for the 51st AGM.

Last date and time for lodging the Proxy Form is **Saturday, 20 May 2023 at 10.00 a.m.** which is at least forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof.

Personal Data Privacy

- 10) By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the shareholder of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The shareholder agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

Explanatory Notes:

FOR ORDINARY BUSINESS

1. **Audited Financial Statements for the financial year ended 31 December 2022 ("FY2022")**
The Audited Financial Statements for FY2022 laid at this meeting pursuant to Section 340(1)(a) of the Companies Act 2016 are meant for discussion only under Agenda item no. 1. It does not require shareholders' formal approval, and therefore, is not put forward for voting.
2. **Ordinary Resolution 1
Declaration of a first and final single-tier dividend**
Pursuant to Paragraph 8.26(2) of the Listing Requirements of Bursa Securities, the first and final single-tier dividend, if approved, will be paid no later than three (3) months from the date of shareholders' approval.
3. **Ordinary Resolution 2
Re-election of Director**
Clause 116 of the Company's Constitution provided that an election of Directors shall take place each year at the AGM of the Company where one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest one-third (1/3), shall retire from office and shall be eligible for re-election PROVIDED ALWAYS THAT, all Directors shall retire from office once at least every three (3) years.

The following Directors are due for retirement in accordance with Clause 116 of the Company's Constitution:

- i) Madam Wong You Fong ("Madam Wong")
- ii) Mr Choong Tuck Oon ("Mr Choong")

Madam Wong, the Independent Non-Executive Director of the Company has offered herself for re-election at this 51st AGM. Please refer to pages 22 and 24 in the Annual Report for the profile of Director standing for re-election.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D.)

Mr Choong has been serving as the Independent Non-Executive Director of the Company since his appointment to the Board on 1 June 2017. Mr Choong who is due to retire by rotation pursuant to Clause 116 of Company's Constitution, did not offer himself for re-election. Hence, he will retain office until the close of the 51st AGM of the Company.

Ms Christina Foo was appointed as the Independent Non-Executive Director of the Company on 1 October 2022. According to Clause 96(c) of the Company's Constitution, new Director(s) appointed in the year is subject to retirement and re-election by shareholders at the next AGM after their appointment. Ms Christina Foo is to hold office until the 51st AGM and shall be eligible, for re-election, but she has expressed her intention not to seek re-election. Hence, she will retain office until the close of the 51st AGM of the Company.

For the purpose of determining the eligibility of the Director to stand for re-election at the 51st AGM, the Board through its Nomination Committee ("NC") had assessed the retiring Director, Madam Wong who has offered herself for re-election and considered the following:

- i) Madam Wong's performance and level of contribution to the Board through her skills, knowledge, experience and strength in qualities.
- ii) Fit and properness of Madam Wong to continue as a Director of the Company based on her declaration under the Directors' Fit and Proper Policy adopted by the Company. The Board agreed that Madam Wong has met the relevant criteria under the said policy.
- iii) The independence demonstrated by Madam Wong and her ability to continue to act in the best interests of the Company.

Based on the above, the Board concluded that Madam Wong has met the criteria on character, experience, integrity, competence and time to effectively discharge her role as Director and is satisfied that Madam Wong has met the criteria of independence as prescribed in the Listing Requirements of Bursa Securities. The Board approved the NC's recommendation that Madam Wong who retires pursuant to Clause 116 of the Company's Constitution, is eligible to stand for re-election at this 51st AGM. Madam Wong had abstained from deliberation and decision on her eligibility to stand for re-election as a Director of the Company.

4. Ordinary Resolutions 3 and 4 Payment of Non-Executive Directors' ("NEDs") Fees and Benefits

Section 230(1) of the Act provides that amongst others, the fees and benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval shall be sought at the 51st AGM for the payment of fees and benefits to the NEDs of the Company under Resolutions 3 and 4 as follows:

- i) **Ordinary Resolution 3** on payment of directors' fees to the NEDs from the 51st AGM until the next AGM of the Company.

The Remuneration Committee ("RC") had on 14 February 2023 reviewed the remuneration package for the NEDs. Subsequently, the Board approved the RC's recommendation for the Directors' remuneration including fees to remain unchanged, i.e., same as the fees approved in last AGM in 2022 as follows:

Board	Fees
Chairman	RM220,000 per annum
Member	RM82,500 per annum

- ii) **Ordinary Resolution 4** on the payment of benefits (excluding Directors' fees) to the NEDs of up to RM550,000 from the 51st AGM until the next AGM in 2024. At the last AGM, i.e., 50th AGM held on 23 May 2022, the Company had obtained shareholders' approval for the benefits payable to the NEDs of up to RM500,000.

The Directors' benefits mainly comprise Board Committee allowance and meeting allowance as stated below, golf membership, and other claimable benefits. The Directors' benefits remained unchanged as per the benefits approved at the last AGM held in 2022.

Description	Chairman	Member
Board Committee allowance (per annum)		
Audit Committee	RM30,000	RM23,000
Nomination Committee	RM18,000	RM13,000
Remuneration Committee	RM22,000	RM17,000
Strategy and Investment Committee	RM18,000	RM13,000
Meeting allowance (per attendance)		
Board	RM1,500	RM1,500
Board Committees	RM1,000	RM1,000

Note: The Group Chief Executive Officer does not receive any Directors' remuneration including the above allowances

The estimated amount of fees and benefits payable to the NEDs from the 51st AGM until the next AGM in 2024 is proposed, taking into account various factors including the same Board size, and the number of scheduled meetings for the Board of Directors and Board Committees. The estimated amount of remuneration also caters for unforeseen circumstances, for example, additional unscheduled Board and Board Committee meetings and allowance payable to the NED(s) for taking on additional responsibilities. The detailed remuneration paid to the NEDs in respect of the preceding financial year ended 31 December 2022 is set out in the Corporate Governance Overview Statement in this Annual Report.

The proposed Resolutions 3 and 4, if passed, is to facilitate the payment of Directors' fees and Board Committee allowance on a monthly basis and/or as and when incurred. The Board opined that it is just and equitable for the NEDs to be paid such payment on such basis upon them discharging their responsibilities and rendering their services to the Company. In the event that the amount proposed is insufficient, approval will be sought at the next AGM in 2024 for the shortfall. Any NED who is a shareholder of the Company will abstain from voting on Resolutions 3 and 4 at the 51st AGM.

5. Ordinary Resolution 5 Re-appointment of Auditors

The Audit Committee ("AC") had undertaken an annual review of the suitability, effectiveness of the external audit process, performance and independence of the External Auditors, BDO PLT as prescribed under Paragraph 15.21 of the Listing Requirements of Bursa Securities. The AC had also considered the Annual Transparency Report provided by BDO PLT in assessing its suitability as the Company's Auditors.

The Board, with the concurrence of the AC, is satisfied with the suitability of BDO PLT based on the quality of service, adequacy of resources provided, independence, objectivity and professionalism demonstrated by the External Auditors in carrying out their functions. The Board had at its meeting held on 21 February 2023 approved the recommendation of the AC to seek shareholders' approval on the re-appointment of BDO PLT as Auditors of the Company to hold office until the conclusion of the next AGM. The re-appointment of BDO PLT as the Auditors of the Company is subject to the approval of the shareholders at the 51st AGM.

FOR SPECIAL BUSINESS

6. Ordinary Resolution 6 Authority to Issue Shares

Ordinary Resolution 6 is for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to the Act, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares).

The General Mandate will provide flexibility to the Company for allotment of shares for any possible fundraising activities, funding the working capital or strategy development of the Group. The approval is sought to eliminate any delay arising from and cost involved in convening a separate general meeting to obtain shareholders' approval for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM. At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the General Mandate is sought, the Company will make an announcement in respect thereof.

The Company had during the 50th AGM held on 23 May 2022 obtained its shareholders' approval for the General Mandate. No share was issued pursuant to the General Mandate as at the date of this Notice.

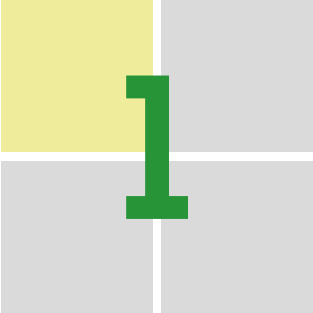
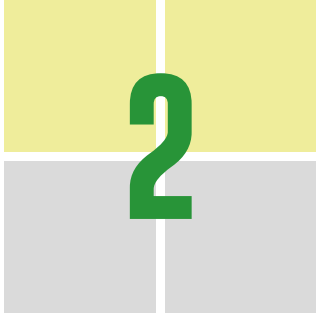
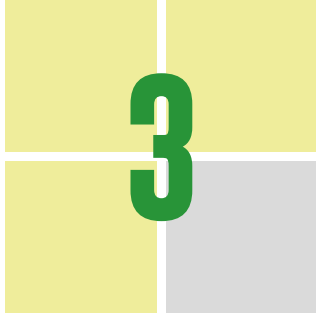

7. Ordinary Resolution 7 Renewal of Share Buy-Back Authority

Ordinary Resolution 7, if passed, will allow the Company to purchase its own shares through Bursa Securities of up to ten percent (10%) of the total number of issued shares of the Company. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next AGM of the Company.

Shareholders' approval for the proposed renewal does not impose an obligation on the Company to purchase its own shares. Rather, it will allow the Board to exercise the power of the Company to purchase its own shares at any time within the abovementioned period subject to the compliance with the provisions of the Act and the requirements of Bursa Securities and/or any other relevant authorities. Please refer to the Share Buy-Back Statement dated 21 April 2023 for further information.

FINANCIAL CALENDAR

FINANCIAL YEAR 1 JANUARY 2022 TO 31 DECEMBER 2022

			
FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Announced 24 May 2022	Announced 23 August 2022	Announced 22 November 2022	Announced 21 February 2023

ISSUE OF 2022 ANNUAL REPORT

21 APRIL 2023

ANNUAL GENERAL MEETING

22 MAY 2023

CORPORATE INFORMATION

AS OF 31 MARCH 2023

BOARD OF DIRECTORS

TAN SRI DATO' SERI CHOR CHEE HEUNG

Chairman, Independent Non-Executive Director

CHOONG TUCK OON

Independent Non-Executive Director

TAN SRI DATO' SRI KUAN PENG CHING @ KUAN PENG SOON

Deputy Chairman, Non-Independent Non-Executive Director

WONG YOU FONG

Independent Non-Executive Director

DATO' DR. MOHD AMINUDDIN BIN MOHD ROUSE

Non-Independent Non-Executive Director

LOH CHEE CAN

Independent Non-Executive Director

CHAN SENG FATT

Independent Non-Executive Director

CHRISTINA FOO

Independent Non-Executive Director

AUDIT COMMITTEE

Chan Seng Fatt
(Chairman)

Choong Tuck Oon

Dato' Dr. Mohd Aminuddin bin Mohd Rouse

Loh Chee Can

Christina Foo

NOMINATION COMMITTEE

Tan Sri Dato' Sri Kuan Peng Ching @

Kuan Peng Soon

(Chairman)

Wong You Fong

Chan Seng Fatt

REMUNERATION COMMITTEE

Tan Sri Dato' Seri Chor Chee Heung

(Chairman)

Tan Sri Dato' Sri Kuan Peng Ching @

Kuan Peng Soon

Dato' Dr. Mohd Aminuddin bin Mohd Rouse

Choong Tuck Oon

STRATEGY AND INVESTMENT COMMITTEE

Tan Sri Dato' Seri Chor Chee Heung

(Chairman)

Tan Sri Dato' Sri Kuan Peng Ching @

Kuan Peng Soon

Dato' Dr. Mohd Aminuddin bin Mohd Rouse

Chan Seng Fatt

Yeow Wai Siaw

COMPANY SECRETARY

Hoh Yik Siew

MAICSA 7048586

SSM Practicing Certificate No.

202008003427

REGISTERED OFFICE

Level 15, Menara Star

15, Jalan 16/11

46350 Petaling Jaya

Selangor Darul Ehsan

Tel : +603 – 7967 1388

Fax : +603 – 7954 6752

HEAD OFFICE

Menara Star

15, Jalan 16/11

46350 Petaling Jaya

Selangor Darul Ehsan

Tel : +603 – 7967 1388

Fax : +603 – 7954 6752

AUDITORS

Messrs BDO PLT

201906000013 (LLP0018825-LCA) & AF0206

Chartered Accountants

Level 8, BDO @ Menara CenTARA

360, Jalan Tuanku Abdul Rahman

50100 Kuala Lumpur

Tel : +603 – 2616 2888

Fax : +603 – 2616 3190

SHARE REGISTRAR

Tricor Investor & Issuing House Services
Sdn. Bhd.

Registration No. 197101000970 (11324-H)

Unit 32-01, Level 32, Tower A

Vertical Business Suite

Avenue 3, Bangsar South

No. 8, Jalan Kerinchi

59200 Kuala Lumpur

Tel : +603 – 2783 9299

Fax : +603 – 2783 9222

Email : is.enquiry@my.tricorglobal.com

PRINCIPAL BANKERS

- Public Bank Berhad
- Standard Chartered Bank Malaysia Berhad
- RHB Bank Berhad
- CIMB Bank Berhad

FORM OF LEGAL ENTITY

Incorporated on 23 July 1971 as a private company limited by shares under the Companies Act 1965 and converted into a public company limited by shares on 31 May 1972.

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia

Securities Berhad

Stock Name : STAR

Stock Code : 6084

Sector : Telecommunications & Media

INVESTOR RELATIONS

Vinita A/P Shanmugarajah

Assistant General Manager,

Group Financial Reporting

Tel : +603 – 7967 1388

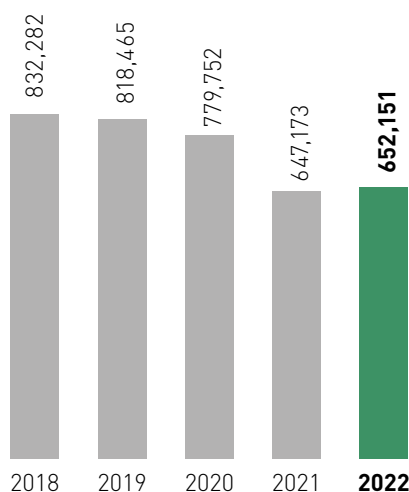
Email : investor-relations@thestar.com.my

CORPORATE WEBSITE

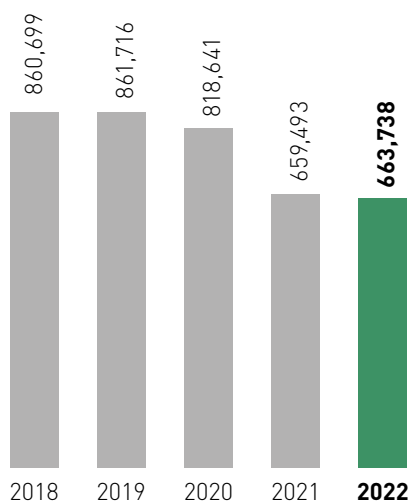
www.starmediagroup.my

FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

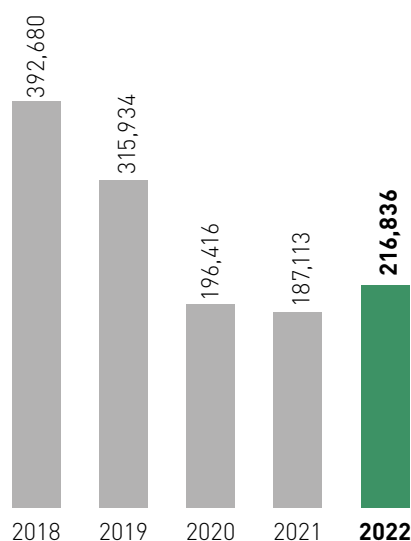
SHAREHOLDERS' FUNDS (RM'000)



TOTAL FUNDS EMPLOYED (RM'000)



REVENUE (RM'000)



AS AT 31 DECEMBER

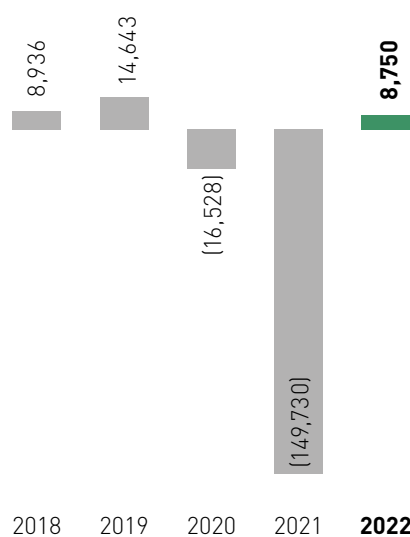
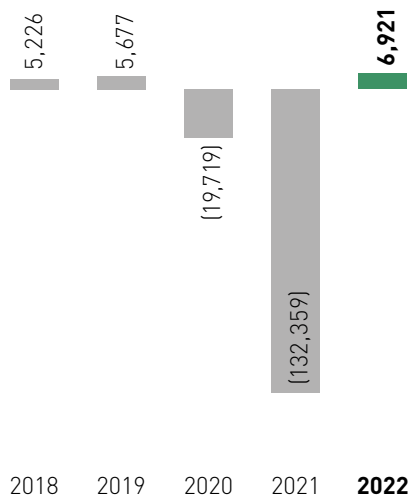
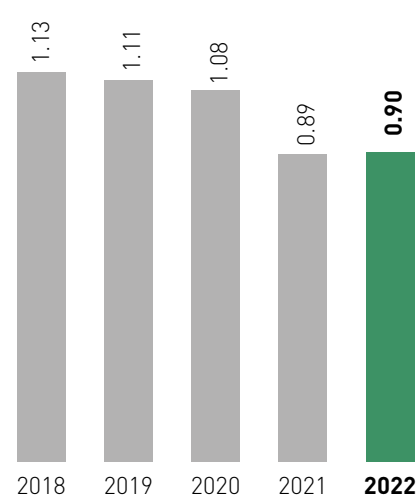
	2018 RM'000	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
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KEY BALANCE SHEET DATA

Total assets	946,699	973,590	927,998	762,425	775,338
Current liabilities	86,000	111,874	109,357	102,932	111,600
Total funds employed	860,699	861,716	818,641	659,493	663,738
Share capital	738,564	738,564	738,564	738,564	738,564
Shareholders' funds	832,282	818,465	779,752	647,173	652,151

OPERATING RESULT

Revenue	392,680 ^a	315,934 ^a	196,416	187,113	216,836
Profit/(Loss) before tax	8,936	14,643	(16,528)	(149,730)	8,750
Profit/(Loss) after tax attributable to shareholders	5,226	5,677	(19,719)	(132,359)	6,921


PROFIT/(LOSS) BEFORE TAX
 (RM'000)

PROFIT AFTER TAX ATTRIBUTABLE TO SHAREHOLDERS
 (RM'000)

NET ASSETS PER SHARE
 (RM)


		2018	2019	2020	2021	2022
FINANCIAL RATIOS						
Revenue growth	%	(16.3) ^a	(19.5) ^a	(37.8)	(4.7)	15.9
Net earnings per share [#]	sen	0.71	0.77	(2.71)	(18.26)	0.95
Return on shareholders' funds	%	0.6	0.7	(2.5)	(20.5)	1.1
Dividend per share - Gross	sen	3.0	2.0	-	-	-
Net assets per share [^]	RM	1.13	1.11	1.08	0.89	0.90

[#] Computed based on adjusted weighted average number of ordinary shares.

[^] Computed based on net number of outstanding paid-up capital.

[Ⓐ] nett of agency commission due to MFRS15.

CHAIRMAN'S STATEMENT

DEAR VALUED SHAREHOLDERS,

On behalf of the Board and Management, I am pleased to present the Annual Report and Audited Financial Statements of Star Media Group Berhad ("Star" or "the Company") and its subsidiaries ("SMG" or "the Group") for the financial year ended 31 December 2022 ("FY2022").

PERFORMANCE AND RESULTS FOR FY2022

FY2022 has been a year of opportunities and progress for the Group. In the post-pandemic environment, we capitalised on the growth in economic activities and continuous upbeat consumer spending which has resulted in an increase in advertising bookings as businesses resume operations at an improved rate compared to 2021. During the year, we also launched a number of new products and services to expand our reach and diversify revenue streams. To complement our growth, we have remained proactive in ensuring financial prudence and continue to improve on operational efficiencies and productivity.

Thanks to the remarkable efforts and strong drive by the management and SMG's workforce, the Group delivered a resilient financial performance whilst building strong commercial momentum for the year. I am pleased to share that the Group posted a 16% increase in revenue for FY2022 to RM216.84 million compared to RM187.11 million in the previous financial year. The increase was mainly attributable to an increase in revenue from the print and digital segment by 15% and radio segment by 31%. Revenue growth in the print and digital division of RM184 million was contributed by print advertising, digital advertorial and growth marketing whilst the growth in the radio broadcasting segment of RM33.6 million was supported by higher commercial airtime revenue.

The Group's pre-tax profit rose to RM8.75 million for FY2022 compared to a loss before tax of RM149.73 million in FY2021. The higher losses last year were due to the reversal of compensation income and impairment of property, plant and equipment which are non-recurring items. Coupled with the ongoing efforts and cost optimisation, the Group's profit after-tax had increased to RM6.88 million for the year under review compared to a net loss position in the preceding financial year. The year-on-year improvement in the Group's net profit excluding the amount of losses resulting from the reversal and impairment would be 121%.



In line with our positive performance for 2022, the Board has proposed a first and final single-tier dividend of 1.0 sen per ordinary share for FY2022, subject to the approval of the shareholders at the upcoming Annual General Meeting ("AGM").

A further review of the Group's financial performance is set out in the Financial Statements Sections within this Annual Report.

HARNESSING OPPORTUNITIES AND GROWTH

In 2022, we focused on accelerating new possibilities with the introduction of new products to meet market needs and demands while strengthening our existing offerings. Our continuous pursuit and investment in quality journalism and content saw our flagship product, The Star, maintain pole position as the top English daily for weekly offline and online reach. Staying true to its mandate of being a trusted and credible source of news, The Star earned a brand trust score of 56% according to The Reuters Institute Digital News Report 2022. Our numerous editorial award wins throughout the year also solidifies the quality of content that readers have come to expect of us.

We also expanded our offerings to the Malay market with the introduction of Malaysia's first premium Bahasa Malaysia weekender. Majoriti 7 is a weekly print publication focusing on an upmarket lifestyle for the urban Malay segment. Beyond the myriad of content available to fulfill the needs of readers, Majoriti 7 serves as an effective platform for businesses to promote their premium brands directly to their affluent target audiences.

Our continued investment in digital transformation initiatives and strategies have also allowed us to improve our products and services, enhance consumer experience, and streamline operations.

Our newest Bahasa Malaysia news portal, Majoriti, has established a strong presence garnering a monthly average of 3.17 million pageviews and 1.13 million unique visitors in 2022 (Source: Google Analytics, Jan - Dec 2022). It continues to embark on strategic partnerships to bring added value for its consumers and partners.

Our Bahasa Malaysia lifestyle and entertainment portal mStar remains a leading portal and we are thrilled to see its popularity soar, driven by its engaging and compelling content. Using the shifts in user preference to its advantage, mStar constantly evolves the way it engage its audiences. Testament to its dedication and commitment to its craft, mStar bagged the highly coveted YouTube Golden Creator Award after successfully reaching one million subscribers on its YouTube channel in August.

In the radio sphere, both 988 and Suria made big strides with positive growth in listenerships and expanded their reach through various campaigns and content broadcasts. According to the GfK Radio Audience Measurement (RAM) Survey for 2022, 988 recorded its highest-ever weekly cumulative audience at 2.18 million for Wave 1 and maintained the 2 million mark in Wave 2 2022. 988 continued to reign with the highest weekly listeners among Chinese radio stations in the northern region for both GfK survey waves. 988 also captured the highest exclusive audience among all radio stations in the southern region, as well as recorded the highest Time Spent Listening (TSL) among Chinese radio stations in Wave 2.

2022 was a milestone year for Suria as they celebrated their 15th anniversary. It made big waves, bringing its anniversary celebration aboard a cruise. This earned it a spot in the Malaysia Book of Records for being the first Malaysian radio station to broadcast live from a ship. Suria also proved its influence as a powerhouse in the radio industry after emerging as the third most popular radio station in Malaysia, with over 3.5 million weekly listeners.

CHAIRMAN'S STATEMENT (CONT'D.)

The Star

Top English-language news portal

in brand trust scores in Malaysia

Source: The Reuters Institute Digital News Report 2022

mStar
urban versatil

18.66 million

monthly average pageviews

5.77 million

monthly average unique visitors

Source: Google Analytics (Jan - Dec 2022)

SURIA

3.54 million

weekly listeners

Source: GfK Radio Audience Measurement Wave 2 2022

988

2.03 million

weekly listeners

Source: GfK Radio Audience Measurement Wave 2 2022

Committed to our mandate of informing and inspiring, SMG's various onground and online initiatives are specially curated to enrich the lives of Malaysians. From education fairs, career fairs, property showcases to engaging business conferences, workshops and award programmes, 2022 was definitely a robust and engaging year. Further details on the activities of the year can be found in the highlights section of the Annual Report.

As we continue to seek new opportunities and diversify revenue streams to maximise shareholder value, the Group's venture into property development has seen promising results with the secured sales of its maiden Star Business Hub project, consisting of offices, factories and warehouses in Bukit Jelutong, Shah Alam.

Other information of our performance is presented in the Management Discussion and Analysis Section of this Annual Report.

ADVANCING THE SUSTAINABILITY AGENDA

As we remain confident in our business fundamentals, we believe in synergising our growth alongside the global call for sustainability. Anchoring ourselves to that belief, we strive to continually improve our economic, environment and social impact through various initiatives and best practices across our operations. In line with this, we continue to be a humble constituent of FTSE4Good Bursa Malaysia Index (F4GBM) since 2020, and a member of the CEO Action Network.

Through our charity arm Star Foundation, we amplified our social impact efforts by supporting impact-driven and sustainable social projects, and funding medical surgeries for needy and ill children.

As one of Malaysia's leading media organisations, we recognise our role as an important enabler in the ESG agenda and our ability to create a paradigm shift towards ESG. Along that line, we have dedicated significant resources to



communicate the importance of ESG to help raise awareness and understanding of the topic, ultimately leading to its adoption in everyday businesses and lives. The three (3) core pillars detailing our efforts in pushing the sustainability agenda alongside our other ESG strategies and initiatives are outlined in the Sustainability Statement in this Annual Report.

ACCELERATING AHEAD

Moving forward, we will continue to improve on operational efficiencies and reinforce our financial foundation to ensure future readiness and sustainability of our business. While our focus on revenue-driven initiatives have translated into growth in our financial performance, we will remain vigilant and resilient in the face of rising recession risk brought on by the uncertain global economic outlook.

Innovation and transformation will continue to be the order of the day as we adapt to industry changes and harness the untapped potential of our brands, products and offerings. With our

talented and dedicated management team and SMG colleagues, I strongly believe that the Group will continue to accelerate ahead and become a stronger business bringing positive value to our stakeholders.

APPRECIATION

As part of its determination to create long-term sustainable value for the stakeholders, the Group will continue to strengthen its sustainability governance and take the necessary measures to safeguard the interests of its employees and business operations.

I would like to take this opportunity to thank our two (2) fellow Independent Non-Executive Directors namely Mr Choong Tuck Oon and Ms Christina Foo who did not offer themselves for re-election at the forthcoming 51st AGM of the Company. Their tenure of office will end at the close of the AGM. They have been valuable members of the team as each of them complements our diverse strengths and expertise.

On behalf of the Board, I would like to express our sincere appreciation to our readers, subscribers, customers, partners and business associates, our shareholders and all other stakeholders for your continued confidence and support.

My greatest gratitude and thanks also go out to the management team and staff for your hard work and commitment. We can only go far as long as we go together, and I look forward to more of what we'll achieve as a team. Last but not least, I would like to thank my fellow Directors for your unswerving dedication, solid professionalism and shared wisdom.

TAN SRI DATO' SERI CHOR CHEE HEUNG

Chairman

MANAGEMENT DISCUSSION AND ANALYSIS



REVIEW OF FINANCIAL PERFORMANCE

The Group's revenue for the financial year ended 31 December 2022 was RM216.84 million, an increase of 16% from RM187.11 million in the previous year. This was mainly contributed by the revenue focused initiatives undertaken by the Group which has led to the continuous improvement in its financial performance. As Malaysia transitioned into the endemic phase on 1 April 2022, tractions were seen in market sentiments and this had translated into growth especially in our Print and Radio segments, which grew double-digit compared to FY2021.

The Group made a turnaround and recorded a profit after tax of RM6.88 million in FY2022 as compared to a loss after tax of RM132.43 million in FY2021. This was driven by the Group's efforts on cost optimisation strategies. In previous year, the higher loss was mainly due to one-off items which include the reversal of compensation income of RM50.54 million as well as impairment of RM71.63 million.

The continuous upbeat consumer spending as businesses operate at its pre-pandemic level was reflected in our Print segment with revenue growth of 20% from FY2021. The Group's digital segment remains to be on a steady pace as the Group leverages digitalisation to reach our audiences across all stages of life.

The Group's radio segment revenue has increased to RM33.60 million from RM25.69 million a year ago which is in line with the Group's digital transformation.

DIVIDEND

The Company is appreciative of the support and loyalty of our shareholders. We remain committed to growing our shareholder's value and rewarding our shareholders in tandem with the performance of our Group. On this note, the Board of Directors recommended a first and final single-tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 December 2022 subject to the shareholders' approval at the forthcoming Annual General Meeting of the Company.

REVIEW OF OPERATIONS

PRINT

The Star

The Star continued to be the top English language publication for both weekly offline and online reach according to The Reuters Institute Digital News Report 2022. This achievement is proof of the strong support from our readers and is made possible as we continue to deliver speedy and credible content.

As the Group strengthens its business operations, The Star's cover price was increased from RM1.60 (weekday) and RM1.80 (weekends) to RM2.00 daily. The increase in price was reflective of market conditions and is expected to safeguard the revenue contribution from our flagship brand. The Group with its continuous efforts to optimise cost reviewed its distribution logistic chain and that initiative resulted in 13% cost savings.

The Group's revenue for the financial year ended 31 December 2022 was RM216.84 million, an increase of 16% from RM187.11 million in the previous year.

DIGITAL

As the digital landscape transcended, the Group continues to solidify its presence as TheStar.com.my recorded an all-time high number of pageviews with 66.1 million views and 8.5 million users in November 2022 during the Malaysian 15th General Election ("GE 15").

Majoriti has garnered a strong presence since launch in December 2021 with a record high of 6.84 million pageviews and 2.02 million users in October 2022.

Whilst the Majoriti news portal provides purposeful content, its strategic corporate partnerships enable its partners to reach out to its targeted audiences.

mStar

The Group's lifestyle and entertainment portal snagged the Silver award for the Best Digital Publisher of The Year category at the D Awards by Malaysian Digital Association ("MDA") and the Best Media Coverage by an Online Portal: Lifestyle Portal at the Tourism Selangor Media Appreciation Night 2022.

mStar soared to greater heights as it reached one million subscribers on its YouTube channel and earned the coveted Golden Creator Award.

mStar amassed 4.4 million followers across its social media platform and this augments the monthly average pageviews at 18.7 million views and 5.8 million users.

MAJORITI 7

The Group introduced Majoriti 7, the premium Bahasa Malaysia weekender print publication. With the tagline of "Adrenalin Metropolitan", Majoriti 7, reflects the heart and soul of our city with unparalleled reporting and commentary on current issues. Majoriti 7 is the new voice of the modern and progressive Malay society. Majoriti 7 is expanded far beyond its pages as it showcases a world of exceptional people, style, and exclusive places, celebrating cultures and accomplishments that shape the city in which we live.

With a distinct vision, Majoriti 7 provides a new platform for premium advertisers and targeted affluent audiences. Majoriti 7 is available every Thursday at selected Starbucks outlets and De.Wan 1958 restaurants for their customers while members of the public can purchase a copy at selected 7-Eleven outlets and PETRONAS Mesra in the Klang Valley.

RADIO

988

988 continues to reign in its position as Malaysia's top Chinese language radio station with a weekly cumulative audience of over 2 million listeners according to GfK Radio Audience Measurement ("RAM") Survey 2022.

988 achieved the highest number of weekly listeners in the northern region amongst Chinese radio stations and the highest exclusive listeners in the southern region.

Its weekend segments "Non-Stop Cantopop" and "Cassey Beauty Gallery" achieved their highest-ever weekly cumulative audiences and exclusive audiences.

988's DJ Cynthia Tan acclaimed the Best Radio News Announcer award by Seri Angkasa Award 2022, a television and radio awards show organised by the Communications and Multimedia Ministry.

With an increasing number of digital streams at an average of 1.7 million streams monthly, 988 digital presence remained strong with an upward trajectory.

Suria

To commemorate Suria's 15th anniversary in 2022, Suria made history by winning Best Creative Tourism Media Award at the 2022 Malaysia Tourism Industry Awards. Suria gained its rank as a top three Malay radio stations in Malaysia, according to GfK RAM Survey Wave 2 2022 survey. Suria's significant milestone achievement includes:

- Highest ever weekly listenership with 3.54 million listeners
- Highest time spent listening ("TSL") among top three Malay stations

On the road, Jelajah Suria returns after a long hiatus and took place across four different states with the theme of the 1990s that garnered a great turnout of audiences.

DJ Lin, the station's favourite show host added yet another accolade in her illustrious career when she bagged the Most Trusted Radio Presenter award by Reader's Digest Trusted Brand and People Awards 2022.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D.)

With the financial performance achieved in 2022, the Group is gearing towards a steady growth in the coming years and will continue its efforts in retaining and sustaining its investment in the digital space.

EVENTS AND EXHIBITIONS

With the positive sentiments and re-opening of the economy, Star Media Group took the opportunity to kickstart once again a couple of its signature exhibitions, Star Education Fair, myStarjob fair and Carsifu Auto Show.

Star Education Fair kicked off with a great start in Penang and had five fairs running throughout the year with four MyStarJob Fairs running concurrently.

The latest hot wheels in the market were on full display at the CarSifu Auto Show 2022 the first in three years and not just in Klang Valley but for the very first time down south in Johor Bahru. Each venue featured popular brands from Malaysia and beyond.

Perfect Livin expo continued to offer complete home solutions for homeowners all under one roof and successfully ran two home shows in Klang Valley. Perfect Livin riding on the festive season with attractive ground activations, continued to remain competitive and resonate well in the Home Exhibition sphere.

In the digital sphere, leveraging on our in-house live broadcast studio, Studio Maya, Star Media Group continued to host live virtual events and thrive in running over 50 digital and hybrid knowledge exchange events with both global and local thought expert leaders and speakers featuring topics that addressed consumers' concerns regarding general wellness, digitalisation, cybersecurity, and entrepreneurial topics for those looking to start their own or pivot their business during these trying times.

Some of the notable virtual events that were carried out include:

- #MARCOM Tech, a two-day virtual conference dedicated to creating an avenue for businesses and organisations to learn and discuss the industry outlook, market forecasts of 2022 and how technology empowers various industries' PR, Branding and MarComm Functions. The Conference delved deep into how the pandemic and digital marketing landscape has dramatically changed the ways consumers are engaged, the cutting-edge MarTech and robust data ecosystem needed to drive conversions, and the cross-function collaboration within an organisation that is required to ensure seamless and targeted marketing and communication efforts that are sustainable to the business growth. The conference was very well received and garnered a total of 20,000 accumulated views across two days.
- Circular Economy conference, a two-day virtual conference aimed at sharing how businesses can innovate while creating efficiencies and value through adopting a circular economy model and educating how to build a business that generates profit without waste.

The Star Outstanding Business Awards ("SOBA") 2021 culminated with resounding success at its Gala Night, as it unveiled Malaysia's top-performing non-listed companies. While strictly adhering to the Covid-19 standard operating procedures, over 800 aspiring and inspiring entrepreneurs attended the event dressed to their finest. Soon after, SOBA 2022 was then launched via a ground event. Complementing the awards programme, the Group also carried out several capacity-building initiatives for small and medium enterprises ("SMEs") through five SOBA LAB (Learn-Aspire-Build) sessions, with topics ranging from digitalisation, cash flow management, supply chain management, reinventing the digital workspace, business sustainability and how one can boost economic resilience and what SMEs can expect from Budget 2023.

Star Media Group launched the inaugural ESG Positive Impact Awards to accelerate the ESG momentum and inspire greater adoption among companies to drive lasting change and positive impact for a sustainable tomorrow. As one of Malaysia's leading media organisations, we recognise our role as an important enabler in the ESG agenda and our ability to create a paradigm shift towards ESG.

Held for the first time in 2019, Export Excellence Awards ("EEA") was created to celebrate "the best of the best" in the export world and honour the achievements of local businesses in the export sector. For 2022, we celebrated EEA Gala Night, awarding deserving Malaysian exporters that not only have exhibited great resilience throughout these uncertain economic times that brought about extensive supply chain disruptions, but also grew their respective businesses while emerging from the Covid-19 pandemic.

As part of the education arm of the awards, EEA also organised a series of roadshows in Kuala Lumpur, Penang and Johor Bahru with themes such as "Transport as the Pivotal Lifeline of Trade", "Accelerating Trade Through Digital Technologies" and "Halal



Export Opportunities". These sessions allow EEA to tap on industry experts' knowledge to provide insights and ideas for fellow exporters.

Honouring outstanding cars for advancements and innovations in design, features and green technology, the CarSifu Editors' Choice Awards 2022 also appraised the cars features in safety, performance, comfort, fuel economy, handling, styling as well as their individual "wow" factor. Some 50 vehicles have been shortlisted for the 28 categories which includes three main categories of Local Car of the Year, Asian Car of the Year and Continental Car of the Year. And for 2022, there was also Special Recognition Award aside from the 28 categories.

The year 2022 proved to be even more challenging but there were many moments of brilliance as StarProperty pulled through the year with the introduction of a highly cherished new award, the return of the physically held StarProperty Awards Real Estate Developer and a bigger and better StarProperty Awards Realtor Edition ("SREA").

Introduced on February 21, 2022 through the partnership of FIABCI-Malaysia and Star Media Group, who collaborated together to introduce a new real estate award with the vision to be the most outstanding Malaysian accolade. The collaboration began in 2021 and after nine months of deliberations and fine-tuning the criteria, the Malaysia Developer Awards ("MDA") was launched.

Due to the continued hiccups caused by the prolonged pandemic measures, the MDA gala dinner was held in October, a month after the StarProperty Awards Real Estate Developer event, followed by the SREA in November.

StarProperty organised eight successful ground fairs and one award virtual showcase in 2022, attracting nearly 80,000 visitors in total, a strong indication that we are shifting back to pre-pandemic numbers. The physical fairs were held within Greater Kuala Lumpur.

The virtual fair also underwent a revamp with a more interactive interface to allow for better client-visitor interaction on a real-time basis.

MOVING FORWARD

With the financial performance achieved in 2022, the Group is gearing towards a steady growth in the coming years and will continue its efforts in retaining and sustaining its investment in the digital space. This will enable the Group to monetise its assets and to drive new revenue streams beyond the traditional print. The Group will continuously introduce new products and revitalise existing ones to keep abreast with the fast pace and ever-changing market and consumer needs.

As part of the Group's diversification strategies, the Group will be launching its maiden foray property development project, Star Business Hub, an industrial freehold development. With a strong and healthy financial position, the Group is on the lookout for merger and acquisition opportunities including penetrating into new businesses that have a promising outlook. Amid challenges in the media industry landscape, the Board is confident the Group will achieve a satisfactory performance in 2023.

PROFILES OF DIRECTORS



TAN SRI DATO' SERI CHOR CHEE HEUNG

Chairman, Independent
Non-Executive Director

Nationality	Age	Gender
Malaysian	68	Male

Date of First Appointment as a Director

15 March 2021
(Chairman since 15 March 2021)

Date of Last Re-election as a Director

24 May 2021

Membership of Committee(s)

- Remuneration Committee (*Chairman*)
- Strategy and Investment Committee (*Chairman*)

Academic/Professional Qualification(s)

- Honourable Society of Lincoln's Inn – Barrister at Law
- Master of Arts in Business Law, University of Metropolitan London, United Kingdom

Directorship in Other Public Companies/ Organisations in Malaysia

Listed Issuer

- Carlsberg Brewery Malaysia Berhad

Public Company

- Star Foundation (non-profit organisation)

Working Experience

Tan Sri Chor has had a distinguished career with the Government of Malaysia where he held several senior ministerial positions since 2000. He was made the Minister of Housing and Local Government (2010-2013) and a Member of Parliament (1990-2013). Prior to that, he served as

the Deputy Minister of Home Affairs and Deputy Minister of Finance (2000-2009) as well as Parliamentary Secretary for Ministry of Transport (1995-2000). Before entering the political arena, Tan Sri Chor practiced law since 1981 until 1992.

His other positions while being a Member of Parliament was being appointed as the Chairman of Commonwealth Parliamentary Association, Malaysian Parliament (2000-2002) and a Permanent Member of Asean Inter Parliamentary Organisation Conference Representing Malaysian Parliament (1990-2000). After leaving his political career, Tan Sri Chor entered the corporate world where he was appointed Commissioner of Malaysian Aviation Commission (MAVCOM) and advisor in Melati Ehsan Holdings Bhd. He also sat on the board of various public listed companies including Tenaga Nasional Berhad between 2015 and 2018. Tan Sri Chor is currently a council member of University of Tunku Abdul Rahman.



TAN SRI DATO' SRI KUAN PENG CHING @ KUAN PENG SOON

Deputy Chairman, Non-Independent
Non Executive Director

Nationality	Age	Gender
Malaysian	77	Male

Date of First Appointment as a Director

27 February 2014

Date of Last Re-election as a Director

23 May 2022

Membership of Committee(s)

- Nomination Committee (*Chairman*)
- Remuneration Committee (*Member*)
- Strategy and Investment Committee (*Member*)

Academic/Professional Qualification(s)

- Bachelor of Engineering in Electrical Engineering, University of Adelaide, South Australia
- Member of The Institution of Engineers, Malaysia

Directorship in Other Public Companies/ Organisations in Malaysia

Listed Issuer

- Fajarbaru Builder Group Berhad

Public Companies

- Star Foundation (non-profit organisation)
- Kojadi Skill Development Foundation (non-profit organisation)

Working Experience

Tan Sri Kuan sits on the board of several public and private companies.



DATO' DR. MOHD AMINUDDIN BIN MOHD ROUSE

Non-Independent
Non-Executive Director

Nationality	Age	Gender
Malaysian	77	Male

Date of First Appointment as a Director
23 July 1997

Date of Last Re-election as a Director
24 May 2021

Membership of Committee(s)

- Audit Committee (*Member*)
- Remuneration Committee (*Member*)
- Strategy and Investment Committee (*Member*)

Academic/Professional Qualification(s)

- Bachelor of Science (Hons) in Biochemistry, University of Malaya
- PhD in Agricultural Chemistry, University of Adelaide, South Australia

Directorship in Other Public Companies/ Organisations in Malaysia

Listed Issuer

- Tanco Holdings Berhad
- ManagePay Systems Berhad

Public Company

- Star Foundation (non-profit organisation)

Working Experience

Dato' Dr. Mohd Aminuddin began his career as the Head and lecturer at the Department of Biochemistry and Microbiology before becoming the professor of Biochemistry and Deputy

Dean at Universiti Pertanian Malaysia (now known as Universiti Putra Malaysia) in 1977.

Prior to joining Berjaya Group Berhad as the Group Director in 1994, he was the Director of Manufacturing and Agribusiness for Guthrie Berhad Group. He was the Group Chief Executive Officer of Konsortium Perkapalan Berhad cum President and Chief Executive Officer of PSNL Berhad. In November 1997, he assumed the position of Executive Chairman, Indah Water Konsortium Sdn. Bhd. and was the President and Chief Executive Officer of Malaysian Technology Development Corporation Sdn. Bhd. He retired as a director from Konsortium Logistics Bhd in 2007. In 2015, he was appointed as the director of Trustgate Berhad and Group, and subsequently resigned on 31 July 2019.



MR CHOONG TUCK OON

Independent Non-Executive Director

Nationality	Age	Gender
Malaysian	64	Male

Date of First Appointment as a Director
1 June 2017

Date of Last Re-election as a Director
Re-elected 24 May 2021

Membership of Committee(s)

- Audit Committee (*Member*)
- Remuneration Committee (*Member*)

Academic/Professional Qualification(s)

- Bachelor of Science (First Class) in Mathematics, University of Malaya
- Masters of Science in Computer Applications, Asian Institute of Technology
- Executive Diploma in Directorship, Singapore Management University

Directorship in Other Public Companies/ Organisations in Malaysia

Listed Issuer

- Nil

Public Company

- Credit Guarantee Corporation Malaysia Berhad
- FIDE (Financial Institutions Directors' Education) Forum
- Generali Life Insurance Malaysia Berhad (formerly known as AXA Affin Life Insurance Berhad)

Working Experience

Mr Choong specialises in technology, strategy and digital transformation and is currently active with digital ventures in ASEAN. His current and past Boards include financial institutions, Private Equity/Venture Capital and speciality advisory firms, across Malaysia, Singapore, Thailand, Indo-China, Netherlands and US.

Prior to serving on Boards, Mr Choong was with Accenture for more than two (2) decades. He retired as Senior Partner in the Financial Services Asia-Pacific practice and has led technology transformations for domestic and global financial institutions across Asia; including national payments and various NGO initiatives. Prior to Accenture, he was with Petronas where he held different positions in various upstream and downstream functions.

PROFILES OF DIRECTORS (CONT'D.)



MADAM WONG YOU FONG

Independent Non-Executive Director

Nationality	Age	Gender
Malaysian	51	Female

Date of First Appointment as a Director

1 June 2017

Date of Last Re-election as a Director

22 June 2020

Membership of Committee(s)

- Nomination Committee (*Member*)

Academic/Professional Qualification(s)

- LLB (Hons) Law (London)
- Certificate in Legal Practice (CLP)

Directorship in Other Public Companies/ Organisations in Malaysia

Listed Issuer

- Nil

Public Company

- Nil

Working Experience

Madam Wong is a practicing lawyer with more than twenty-seven (27) years' experience. She is currently practicing under firm of Messrs. Wong You Fong & Associates.



MR CHAN SENG FATT

Independent Non-Executive Director

Nationality	Age	Gender
Malaysian	59	Male

Date of First Appointment as a Director

11 August 2018

Date of Last Re-election as a Director

23 May 2022

Membership of Committee(s)

- Audit Committee (*Chairman*)
- Nomination Committee (*Member*)
- Strategy and Investment Committee (*Member*)

Academic/Professional Qualification(s)

- Chartered Accountant of the Malaysian Institute of Accountants

Directorship in Other Public Companies/ Organisations in Malaysia

Listed Issuer

- Salcon Berhad

Public Company

- Skyworld Development Berhad
- OMS Group Berhad

Working Experience

Mr Chan brings with him an extensive career exposure spanning more than thirty (30) years covering various aspects of experience namely external and management auditing, financial management, corporate finance, stockbroking and senior level operation and general management.

Mr Chan's last posting before his retirement was with Tradewinds Plantation Berhad as the Chief Executive Officer, a position which he held for five (5) years from 2007 to 2012. Prior to joining Tradewinds Group, he had held several senior positions in various public and private companies.

Currently, Mr Chan also sits on the board of Wakomas Chemical Sdn. Bhd.



MR LOH CHEE CAN

Independent Non-Executive Director

Nationality	Age	Gender
Malaysian	54	Male

Date of First Appointment as a Director

3 January 2019

Date of Last Re-election as a Director

23 May 2022

Membership of Committee(s)

- Audit Committee (*Member*)

Academic/Professional Qualification(s)

- Master of Business Administration, Multimedia University
- Class 1 Marine Engineer Officer, Marine Engineer Officer Unlimited (Foreign Going, Motor) Malaysia
- Jurutera Kelas Satu, Jabatan Kilang Dan Jentera Malaysia
- Diploma in Marine Engineering, Ungku Omar Polytechnic, Malaysia

Directorship in Other Public Companies/ Organisations in Malaysia

Listed Issuer

- Nil

Public Company

- Nil

Working Experience

In 1992 to 2002, Mr Loh began his career in Singapore as a Junior Engineer. He was subsequently promoted to Chief Engineer, served on board ocean-going vessels trading worldwide with Ship Management companies in Singapore and Malaysia.

From 2003 to 2018, he started ashore as an Engineer Superintendent and progressed to Senior Engineer Superintendent, Senior Manager and Engineering Project Head in a leading Shipping Conglomerate in Malaysia. During this period, he served at different units in Fleet Management Services handling Liquefied Natural Gas (LNG)/ Liquefied Petroleum Gas (LPG) and Crude Tankers, Operations and Performance Improvement, Maritime Education/ Training and Project Management. Mr Loh also covered functional roles of top management during his employment. Mr Loh was the Chief Executive Officer of Port Klang Free Zone from 2020 to 2022.



MS CHRISTINA FOO

Independent Non-Executive Director

Nationality	Age	Gender
Malaysian	61	Female

Date of First Appointment as a Director

1 October 2022

Date of Last Re-election as a Director

Not Applicable

Membership of Committee(s)

- Audit Committee (*Member*)

Academic/Professional Qualification(s)

- Chartered Accountant of the Malaysian Institute of Accountants
- Fellow of the CPA Australia
- Fellow of the Malaysian Institute of Management
- Fellow of the Institute of Corporate Directors Malaysia
- Member of the ASEAN Chartered Professional Accountant
- Member of the Malaysian Institute of Corporate Governance
- Qualified Risk Director of the Institute of Enterprise Risk Practitioners
- Bachelor of Business Studies (Accounting), Deakin University, Australia.

Directorship in Other Public Companies/ Organisations in Malaysia

Listed Issuer

- UEM Sunrise Berhad
- Ancom Nylex Berhad

Public Company

- Nil

Working Experience

Ms Christina Foo started her career in Ernst & Young (EY) Malaysia in 1985. During this period until 2001, she served in various capacities in EY LLP based in Atlanta, EY International in London and EY Asia Pacific Consulting. Her last position in EY Malaysia was Director, Business Development. In 2001, she co-founded Priority One Consultancy Services Sdn. Bhd. and later Priority One Tax Services Sdn. Bhd. and was a director of both firms until August 2022.

From 2018 to 2019, she was appointed as a Senior Practice Fellow of Sunway Business School, Sunway University, Malaysia.

Previously from March 2018 to June 2021, Ms Christina Foo had served as a board member of KPJ Healthcare Berhad. She was also the chairperson of the Members Liaison Committee at the Mines Resort & Golf Club from November 2014 to October 2022.

She currently sits on the board of Malaysian Technology Development Corporation Sdn. Bhd. She also chairs the Industry Advisory Board, Sunway Business School, Sunway University.

PROFILES OF DIRECTORS (CONT'D.)

Other information on Directors:

1. None of the Directors have any family relationship with any other Director and/or major shareholder of the Company.
2. None of the Directors have any conflict of interest with the Company.
3. None of the Directors have any conviction for offences within the past five (5) years and any public sanctions or penalty by the relevant regulatory bodies during the financial year apart from traffic offences, if any.
4. Details of the Directors' attendance at Board meetings are set out in the Corporate Governance Overview Statement on page 30 of this Annual Report.

PROFILES OF KEY MANAGEMENT



MR YEOW WAI SIAW

Group Chief Executive Officer

Nationality
Malaysian

Age
58

Gender
Male

Date of First Appointment to Current Role

1 March 2021

Academic/Professional Qualification(s)

- Master in Business Administration (MBA) in Finance (Distinction), University of Hull, United Kingdom
- Bachelor of Industrial and Mechanical Engineering (First Class Honour), Universiti Teknologi Malaysia

Directorship in Other Public Companies/Organisations in Malaysia

Listed Issuer

- UEM Sunrise Berhad

Public Company

- Nil

Working Experience

Mr Yeow has significant professional and management experience across a wide spectrum of industries. His notable working experience covered senior management roles in multinational and conglomerates such as Malayan Cement Berhad, Hong Leong Group and Hap Seng Consolidated Berhad.

Mr Yeow was a consultant in McKinsey & Company which set the ground for his early involvement in the corporate world serving top management of various corporate clients as well as Government Link Companies in Malaysia, Indonesia and Singapore.

Mr Yeow has served as director in a few public listed companies including the roles as the Group Chief Executive Officer and Executive Director of Tropicana Corporation Berhad, Non-Executive Director of Hafary Holdings Limited, Managing Director and Executive Director of Guocoland (Malaysia) Berhad and Executive Director of Tower Real Estate Investment Trust.



MS ESTHER NG SEK YEE

Chief Content Officer

Nationality
Malaysian

Age
54

Gender
Female

Date of First Appointment to Current Role

1 May 2018

Academic/Professional Qualification(s)

- Bachelor of Arts (Honours), Universiti Kebangsaan Malaysia

Directorship in Other Public Companies/Organisations in Malaysia

Listed Issuer

- Nil

Public Company

- Nil

Working Experience

Ms Esther Ng joined the Company as a news reporter in June 1992, a few months before formally graduating from Universiti Kebangsaan Malaysia. She was a court reporter, covering the Legal Affairs beat for a number of years before joining the Parliament beat, reporting on current news and happenings, and writing about the goings-on in the August House. She rejoined the general news team after leaving courts, covering government and ministerial leaders, elections, among other news stories.

She was made News Editor in 2010, co-leading the main desk of the Editorial Department before being made Sunday Star Editor five (5) years later, taking charge of the weekend edition, focusing on news issues, weekend cover stories and profile pieces.

Ms Esther was promoted to Executive Editor in 2017 before being made Star Media Group's first ever Chief Content Officer in June 2018, taking charge of the Group's Content in the print, online and video platforms.

PROFILES OF KEY MANAGEMENT (CONT'D.)



MS WANG CHEN CHOO

Chief Revenue Officer

Nationality	Age	Gender
Malaysian	51	Female

Date of First Appointment to Current Role

1 May 2018

Academic/Professional Qualification(s)

- Bachelor of Science in Resource Economics, Universiti Pertanian Malaysia

Directorship in Other Public Companies/Organisations in Malaysia

Listed Issuer

- Nil

Public Company

- Nil

Working Experience

Ms Wang joined the Company in 2014 as a general manager in charge of direct clients. In May 2018, she was promoted to the Chief Revenue Officer. Since then, she has been instrumental in the transformation journey for Star Media Group, changing the sales approach of product based quotations to platform agnostics business solutions that cut across online to offline (O2O). In addition to Star Media Group, her portfolio has expanded to include subsidiaries such as StarProperty and iStar Ideas Factory since 2021.

Ms Wang is a dedicated Sales and Marketing strategist with over twenty-seven (27) years of experience in various industries spanning Fast-Moving Consumer Goods (FMCG), Finance, Retail, Telecommunications, Education and Media.

She has vast experience in leading multiple business units and large teams. She has a proven track record of introducing many successful first and business growth initiatives. Some of her notable achievements include works in product development, such as Malaysia's first multi-party loyalty programme – BonusLink and brand development in various companies. Other accomplishments include turnarounds such as Parkson and Taylor's Education Group, and the successful introduction of a new business vertical – SMG Brand Studio.



MR TERENCE RAJ

Senior General Manager, Group People

Nationality	Age	Gender
Malaysian	49	Male

Date of First Appointment to Current Role

1 April 2021

Academic/Professional Qualification(s)

- Bachelor of Arts, University of Malaya

Directorship in Other Public Companies/Organisations in Malaysia

Listed Issuer

- Nil

Public Company

- Nil

Working Experience

Mr Terence is responsible for the overall Human Resources function of the Group. He has had over twenty-six (26) years of experience in Human Resources of the media industry.

Prior to assuming this role, he served as Manager, Compensation & Benefits of the Company. He also currently serves on the employers' panel of the Industrial Court of Malaysia as well as the SOCSO Appellate Board.



MS CHAI MING JYE

General Manager, Internal Audit

Nationality
Malaysian

Age
45

Gender
Female

Date of First Appointment to Current Role

1 April 2021

Academic/Professional Qualification(s)

- Fellow of the Association of Chartered Certified Accountants
- Member of the Malaysian Institute of Accountants
- Professional Member of the Institute of Internal Auditors Malaysia

Directorship in Other Public Companies/Organisations in Malaysia

Listed Issuer

- Nil

Public Company

- Nil

Working Experience

Ms Chai began her career with an established audit firm, Messrs BDO, where she honed her technical skills. During her stint with the firm, she was involved in audit and various corporate exercises of public listed and private companies in varied industries. She was holding a managerial post before moved on to join the finance department of an international oil major and subsequently to a local media conglomerate. She was responsible for the financial and reporting functions of these companies.

Her career with Star Media Group began in year 2008 with Finance Department where she directly reported to the Head of Finance. In year 2012, she was promoted to assume the role as Head of Internal Audit Department.

Given her twenty-two (22) years of experience, she brings forth extensive knowledge and experience which contributed to her current role in leading the department and strengthening the controls of the Group.

Other information on Key Management:

1. None of the Key Management have any family relationship with any other Director and/or major shareholder of the Company.
2. None of the Key Management have any conflict of interest with the Company.
3. None of the Key Management have any conviction for offences within the past five (5) years and any public sanctions or penalty by the relevant regulatory bodies during the financial year apart from traffic offences, if any.
4. The Group Chief Executive Officer does not hold any shares in the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) and Management of Star Media Group Berhad (“Star” or “the Company”) are committed to continually enhancing shareholder value by maintaining high standards of corporate governance, professionalism, integrity and commitment at all levels, underpinned by strong internal controls and risk management systems.

The Board is pleased to present this Corporate Governance Overview Statement (“CG Statement”) pursuant to Paragraph 15.25 of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the financial year ended 31 December 2022 (“FY2022”) in respect of the following principles which are stipulated in the Malaysian Code on Corporate Governance 2021 (“MCCG”):

Principle A	Board Leadership and Effectiveness
Principle B	Effective Audit and Risk Management
Principle C	Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

The CG Statement shall be read together with the Corporate Governance Report (“CG Report”) 2022 which describes how the Company has applied the Corporate Governance practices during the year under review.

The Company’s corporate governance processes and activities have complied in all material aspects with the principles and provisions of MCCG with the exception of the following:

Recommended Corporate Governance Practices in MCCG	
Practice 1.4	The Chairman of the board should not be a member of the Audit Committee (“AC”), Nomination Committee (“NC”) or Remuneration Committee (“RC”)
Practice 5.8	The NC is chaired by an Independent Director or the Senior Independent Director
Practice 5.9	The board comprises at least 30% women directors
Practice 8.2	The board discloses on a named basis the top five (5) senior management’s remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000

Explanation on the departure from the said practices are provided in the CG Report 2022 which is available on the Company’s website at www.starmediagroup.my/investors-relations.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

The Board oversees the business performance and affairs of the Company and provides general guidance to Management for the long-term success of the Company and its subsidiaries (“the Group”). The Board is collectively responsible for charting the strategic direction and overseeing the conduct of the businesses of the Group. Board Directors lead Management, regarding themselves as fiduciaries who act objectively in the best interests of the Company thereby setting the appropriate tone-from-the-top. In this regard, the Board’s duties include reviewing the appropriateness of the risk management and compliance framework as part of ensuring the Group’s compliance with all laws and regulations as may be relevant to the business.

Board Charter

The Board is guided by its Charter which clearly sets out the purpose, composition, key roles and principal responsibilities as well as the internal procedural matters for the Board. The principal responsibilities of the Board are in line with that provided in the MCCG.

The Board Charter is reviewed periodically and updated in accordance with the needs of the Company to ensure its effectiveness and consistency with the Board’s objectives and corporate vision.

The Board Charter was last reviewed and updated in November 2022 to ensure that it continues to remain relevant and appropriate for the Board in discharging its fiduciary duties. The Board Charter is available on the Company’s website at www.starmediagroup.my/investors-relations.

Board Committees

In the discharge of its functions, the Board is supported by four (4) Committees, namely AC, NC, RC and Strategic and Investment Committee ("SIC") to which it delegates specific areas of responsibilities for reviewing and/or decision making. All Committees assist the Board in the discharge of its oversight function and are actively engaged, with the Chairmen of each Committee reporting key/significant matters discussed by the Committees regularly to the Board. SIC comprises four (4) members of the Board and Group Chief Executive Officer ("Group CEO") which is formed to assist the Board to review the potential investments proposed by Management in line with the overall strategy, policies directions and guidelines set by the Board. All the Committees have been constituted with written Terms of Reference ("TOR") which clearly provide the relevant Committee's authorities, duties and operating procedures. The TORs of the Committee are reviewed periodically by the respective Committee prior to adoption by the Board for approval.

The Chairman of the respective Committee reports on the matters deliberated and recommendations made for the Board's consideration and final approval as the ultimate decision lies with the Board.

Chairman and Group CEO

The roles of the Chairman and the Group CEO are distinct and separate with a clear division of responsibilities to ensure a balance of power and authority to facilitate an accountable and high performing Board to ensure that no one has unfettered powers of decision. The respective functions and responsibilities of the Chairman and Group CEO are reflected in the Board Charter.

The Chairman of the Company is an Independent Non-Executive Director. The Chairman leads the Board and is responsible for its workings and proceedings. He is also leading the Board in its collective oversight of Management and ensure it functions effectively to meet the corporate objectives. The Chairman plays a crucial role in fostering constructive dialogue amongst shareholders, the Board and Management. He leads the Company's drive to achieve and maintain a high standard of corporate governance with the full support of the Directors, Management and Company Secretary.

The Group CEO is appointed by the Board to implement the policies and strategies approved by the Board for the purposes of running the business and the day-to-day management of the Group. The Group CEO, assisted by the Management Committee and Key Management Personnel makes strategic proposals to the Board and oversees the execution of the Board's decisions. He also oversees the execution of the Company's corporate and business strategies and policies and the conduct of its business.

Board Meetings

Board meetings are held at least five (5) times annually to discuss the overall strategies, receive management updates, approve business plans as well as quarterly and annual financial results and to consider other relevant matters. It will hold ad-hoc meetings as and when warranted by particular circumstances. At these meetings, Group CEO, Group Chief Financial Officer ("Group CFO") and Senior Management also provide regular updates to the Board with respect to the Group's business activities and development of the Group together with regulatory and policy updates. The annual Board meeting calendar is circulated to the Board prior to the commencement of each new financial year to allow the Directors to plan ahead for their attendance.

There is a schedule of key matters reserved specifically for the Board deliberation and decision to ensure the direction and control of the Group are in its hands. The list of matters is provided in the Board Charter approved by the Board.

Directors are allowed to participate in Board and Board Committees meetings via video and tele-conferencing in accordance with the Constitution of the Company. All Board Committee meetings are conducted separately from the Board meeting to enable objective and independent discussion during the meeting. Proceedings of all meetings, including issues discussed, decisions and conclusions including dissenting views made and whether any Director abstained from voting or deliberating on a particular matter at the Board/Board Committee meeting with required actions to be taken by responsible parties raised are documented in the minutes of meetings by the Company Secretary. Where appropriate, decisions may be taken by way of circular resolutions for matters which are administrative in nature.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D.)

During the financial year under review, a total of six (6) Board meetings were held. The details of the attendance of the Directors for FY2022 are set out below:

Directors	Number of Board Meetings attended/held	Percentage of attendance (%)
Tan Sri Dato' Seri Chor Chee Heung <i>Chairman, Independent Non-Executive Director</i>	6/6	100
Tan Sri Dato' Sri Kuan Peng Soon <i>Deputy Chairman, Non-Independent Non-Executive Director</i>	6/6	100
Dato' Dr. Mohd Aminuddin bin Mohd Rouse <i>Non-Independent Non-Executive Director</i>	6/6	100
Mr Choong Tuck Oon <i>Independent Non-Executive Director</i>	5/6	83
Madam Wong You Fong <i>Independent Non-Executive Director</i>	6/6	100
Mr Chan Seng Fatt <i>Independent Non-Executive Director</i>	6/6	100
Mr Loh Chee Can <i>Independent Non-Executive Director</i>	6/6	100
Ms Christina Foo <i>Independent Non-Executive Director</i> <i>(Appointed on 1 October 2022)</i>	2/2	100

Access to Information

The Board emphasises on provision of timely and quality information by Management to facilitate effective deliberation and decision-making process. Board of Directors are provided with a structured agenda two (2) weeks in advance of the Board meeting with an indication to guide the Directors as to whether the matters are for approval, discussion or for notation purpose. Agenda papers will be furnished to the Directors at least five (5) business days before each meeting to enable them to be properly informed of matters to be discussed/approved. Board and Board Committee papers are provided electronically and can be accessed via tablet devices. Board and Board Committee papers contain both regular items such as reports of the Group, updates on business developments as well as matters for the decision or information of the Board.

All Directors have always separate and independent access to Management at all times. The Board also has access to information and the advice and services of the Company Secretary who is a Chartered Secretary and is qualified under the Companies Act 2016 ("CA 2016"). The Company Secretary attends the Board meetings and prepares minutes of the Board proceedings. She assists with the proper functioning of the Board, including compliance with the Company's Constitution, CA 2016 and the Listing Requirements of Bursa Securities. She ensures that the material information is provided to the Board in a timely manner. The appointment and removal of the Company Secretary is subject to the Board's approval.

Directors can seek independent professional advice, if required on specific issues to assist them in discharging their duties effectively. The cost of such advice will be borne by the Company. The procedure for Directors seeking independent advice is provided in the Board Charter and TOR of each Committee.

Training and Professional Development of Directors

Under its Charter, the NC 's responsibilities include reviewing the training and professional development programmes for the Directors. They are provided with opportunities to develop and maintain their skills and knowledge at the Company's expense. In this regard, the Directors attend continuous training and education programmes from time to time to stay abreast with the relevant business development and outlook in the industry, as well as changes to the statutory and regulatory requirements to enhance their ability in discharging their duties and responsibilities more effectively. During FY2022, the Directors had attended various training and professional development programmes such as in the areas of digital banking, budget, financial, technology and risk as well as governance related matters. Details of the training attended by the Directors are provided in the CG Report 2022.

Newly Appointed Directors

Management briefs newly appointed Directors on the Company's business and strategic directions, as well as governance practices. The Company conducts orientation programmes for new Board Directors, including site visits to the Group's main centres of operations such as the printing hub and radio stations. New Board Directors are also updated on the organisation structure and corporate policies. Formal letters are issued to new Board Directors upon their appointment, including details of their duties and obligations as Directors.

A Director without prior experience as a director of an issuer listed on Bursa Securities is required to attend the Mandatory Accreditation Programme ("MAP") within four (4) months from the date of appointment.

Code of Conduct and Ethics

The Company has in place the Code of Conduct and Ethics ("Code") for Directors and employees that reflects the Company's core values and culture. The Code set forth the relevant guidelines in dealing with employees, customers and business associates, work environment, Company assets, conflict of interest, and other practices to ensure compliance with applicable laws. Besides, the relevant policies guiding the practices and governance are updated whenever necessary to ensure they remain relevant to the Group processes and comply to regulations.

Anti-Corruption Policy

The Group is committed to conduct business dealings with the highest standard of integrity and ethics to ensure that its activities and transactions are open, transparent and are conducted in accordance with its policy, the applicable laws and regulatory requirements on anti-corruption. The Anti-Corruption Policy which applies to all Directors, employees, business partners and persons associated with Star Media Group is available on the Company's website at www.starmediagroup.my/investors-relations.

Whistleblowing Policy

The Company has in place a Whistleblowing Policy to provide an avenue for all employees to raise or report legitimate concerns about any actual or suspected unethical conduct at the earliest opportunity for investigation. The Company ensures that whistleblowers are protected from reprisals or victimisation as a result of making the information known in good faith.

The details of the Whistleblowing Policy are published on the Company's website at www.starmediagroup.my/investors-relations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D.)

II. BOARD COMPOSITION

As at 31 December 2022, the Board comprised eight (8) members out of which, six (6) members were Independent Non-Executive Directors ("INEDs"), including the Chairman and two (2) Non-Independent Non-Executive Directors. The size and composition of the Board are reviewed by the NC periodically, taking into account the scope of the business and nature of operations of the Company. In its review, NC seeks to ensure that the Board size is adequate to provide for a diversity of views and facilitate effective decision making.

There is also a strong element of objectivity on the Board, considering the number of INEDs represents 75% of the Board. The INEDs are considered by the Board to be independent of Management and free of any business or other relationship or circumstance that could materially interfere with the exercise of objective or independent judgement. The primary responsibility of Independent Directors is to protect the interests of minority shareholders and other stakeholders. They play a key role in providing independent views and advice and their effective participation serves to promote greater accountability and balance in the Board's decision-making process.

The Board believes that it presently has an appropriate balance of skills, experience, knowledge and independence to deliver the Group's strategy, to enable the Directors to effectively challenge the views of Management and to satisfy the requirements of good governance.

The profile of each member of the Board is presented on pages 20 to 24 of this Annual Report.

Board Effectiveness Evaluation

The Board, through its NC, evaluates the Board's collective performance by examining the effectiveness of the structure and activities of the Board and Board Committees as well as the contribution of individual Directors on an annual basis.

For FY2022, the NC had commissioned a formal evaluation of the effectiveness of the Board and Board Committees and the performance and contribution of each individual Director. The evaluation process was conducted by way of internal assessment facilitated by the Company Secretary. The process involved sending questionnaires for feedback from Directors based on the following parameters/criteria. The questionnaires are drawn up with reference to the Corporate Governance Guide by Bursa Malaysia Berhad and other observable practices and required duties and responsibilities of Directors. The questions are annually reviewed and renewed, where appropriate to continuously engage the Directors' perspectives on the relevant areas.

No.	Evaluation	Assessment criteria
1.	Board	Board structure/size, composition and mix of skills, operations and its roles and responsibilities
2.	Board Committees	Board Committees' composition, relevant expertise and support and communication to the Board
3.	Individual Director	Individual Director's knowledge and experience, character and integrity, competency and capability, as well as commitment to serve the Company and participation in Board activities

NC has implemented the following two-step approach on the assessment of the Board, Board Committees and individual Director. The first stage required each Director to rate his/her skills, competencies and performance via self-assessment based on the 5-point ratings, from strong to limited (where relevant) before the Company Secretary tabled the summary results to the NC for further evaluation. The NC also assessed the independence of each INED annually in accordance with the Listing Requirements of Bursa Securities and relevant guidelines/practices.

The assessment report with recommendations from NC, was then tabled to the Board for further discussion on the potential areas for improvement. The Board believes that the process of implementing the outcomes is a crucial step in the entire evaluation process and should deserve the full attention of the Board. The evaluation confirmed that the Board and its Committees were generally functioning effectively and performing well within a challenging environment.

Tenure of INEDs

The Board is guided by the recommended approach under the MCCG for retention of Independent Directors beyond the cumulative term limit of nine (9) years. Independent Directors who exceed the cumulative term limit of nine (9) years shall be re-designated as Non-Independent Director, unless shareholder approval is sought for him/her to remain as Independent Director providing justification. Meanwhile, none of the INEDs are allowed to serve as an independent director by the automatic operation of the cumulative “12-year” rule under the enhanced Listing Requirements of Bursa Securities which takes effect from 1 June 2023. The long-serving independent directors impacted by this enhancement will be redesignated as non-independent directors should he/she wish to continue to serve the Board. As of 31 December 2022, none of the INEDs of the Company has served on the Board beyond nine (9) years from the date of his/her first appointment. The longest-serving Independent Directors have been on the Board for an average of nearly six (6) years are two (2) directors, namely Mr Choong Tuck Oon and Madam Wong You Fong. All Independent Directors have demonstrated objectivity in their deliberations in the best interest of the Company.

Board Diversity

The Board is committed towards building diversity amongst its members, including gender, ethnicity, age and professional diversity to maintain the right balance for effective functioning of the Board. The Board currently comprises of individuals from diverse backgrounds with varied expertise in finance, legal, business, risk management, technology, and management fields. Their profiles are found on pages 20 to 24 of this Annual Report.

In terms of gender diversity, the Board decided not to set specific targets just to fill the quota of women representation on board. The Board is of the view that the selection criteria of a director based on effective blend of competencies, skills, experience and knowledge in areas identified by the Board, should remain a priority, not compromising on qualification, experience and capabilities to support long term success of the Company. The main objective of the Board’s stance on diversity is to continue to maintain the appropriate balance of perspectives, experience and expertise on the Board to support the long-term success of the Company.

To ensure the Board continues to provide the necessary range of perspectives, experience and expertise for the Company, the NC considers diversity criteria, amongst other relevant criteria as part of its director candidate selection and nomination. Specifically in support of gender diversity, the NC ensures that appropriate efforts are made to include suitably qualified women in the list of director candidates, when reviewing the optimum composition and balance of the Board. Further, the Board has appointed a female Director during the FY2022 as part of its diversity initiatives. The Board will continue to build on the element of diversity, recognising the importance of having an effective and diverse Board.

The Board also values diversity not only at the Board level but also at the Management/operational level throughout the Group for better decision making and competitive advantage. Women representation in the Senior Management positions as of 31 December 2022 was 45% with a balanced workforce ethnicity composition, the required skillsets, expertise and experience. The strong female representation at the Management level serves to form the pipeline of candidates potentially available for directorships for the subsidiaries’ boards.

Board Appointment Process

The Company is committed to maintaining a transparent process for the appointment of new Directors. The NC leads the process for Board appointments and re-election. It is responsible for shortlisting and assessing the potential candidate for a proposed directorship which is obtained from internal as well as external independent sources before submitting its recommendation to the Board for decision. The NC’s recommendations are based on a review of range of expertise, skills and attributes of current Board members and the needs of the Board, taking into account the Company’s future business direction, the tenure of service, contribution and commitment of each Board member. Board rejuvenation is the guiding principle in determining the need for new appointees to the Board.

With regard to the selection of new Directors, the NC evaluates the balance of skills, knowledge and experience on the Board and arising from the evaluation, determines the desirable competencies for appointment to enhance the existing Board composition, taking into account diversity criteria.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D.)

The table below demonstrates the procedures on appointing a new director:

STEP 1	Proposed Board Candidate Candidate is identified on the recommendation of the Directors, Senior Management, major shareholders, third-party referrals or from executive searches.	
STEP 2	Assessment and evaluation to be conducted by the NC The assessment would be conducted based on the following criteria: (i) Character and integrity (ii) Time and commitment (iii) Skills, knowledge and expertise (iv) Diversity (gender, age and ethnicity for the purpose of boardroom diversity) (v) Independent judgement (vi) Professionalism (vii) Experience and accomplishments (viii) Any other criteria deemed fit For an Independent Director position, the candidate's ability to discharge such responsibilities is also evaluated. In addition to the selection criteria, the NC would also consider the size and composition of the Board to facilitate informed decision making and to comply with the Listing Requirements of Bursa Securities and for good corporate governance practice.	
STEP 3	Recommendation is made by NC to the Board for approval upon evaluation of the candidate's suitability	
STEP 4	Board deliberates and decides on the proposed new appointment	
STEP 5	If the proposed appointment is approved: Invitation or offer is made to the potential candidate to join the Board.	If the proposed appointment is rejected: The whole process to be re-commenced
STEP 6	Orientation/Induction is conducted by the Group CEO and Senior Management of the Company	
STEP 7	Continuous Training and Annual Performance Assessment	

Additionally, the Board had on 24 May 2022 adopted the Directors' Fit and Proper Policy which serves as a guide to the NC and the Board in their review and assessment of the potential candidates for appointment to the Board as well as the retiring Directors who are seeking re-election at the Annual General Meeting ("AGM"). The re-election is conditional upon the satisfactory performance and contribution based on the Directors' and Board's annual effectiveness evaluation. The Directors' Fit and Proper Policy is available on the Company's website at www.starmediagroup.my/investors-relations.

During the financial year under review, the NC had assessed a candidate for new appointment as a Director of the Company based on the candidate's professional qualification, knowledge as well as criteria set in the Fit and Proper Policy, i.e. character and integrity, experience and competence, time and commitment. Pursuant to the said Policy, the candidate has completed the Candidate for Directorship and Declaration Form and authorised the Company to conduct background check, if necessary. Based on the assessment and declaration made, the NC satisfied that the candidate met the fit and proper criteria and subsequently made recommendation to the Board for the appointment as a new Director of the Company.

NC

As at 31 December 2022, the NC comprised three (3) Non-Executive Directors with a majority being Independent Director. The NC is chaired by a Non-Independent Non-Executive Director, Tan Sri Dato' Sri Kuan Peng Soon, and the two (2) members are Madam Wong You Fong and Mr Chan Seng Fatt.

The TOR of NC is available on the Company's website at www.starmediagroup.my/investors-relations.

The NC meets at least once a year and as and when required. During the FY2022, the NC met twice, and the meeting attendance is as follows:

Directors	Number of Meetings attended/held	Percentage of attendance (%)
Tan Sri Dato' Sri Kuan Peng Soon <i>Chairman, Non-Independent Non-Executive Director</i>	2/2	100
Madam Wong You Fong <i>Independent Non-Executive Director</i>	2/2	100
Mr Chan Seng Fatt <i>Independent Non-Executive Director</i>	2/2	100

The NC Meeting is normally held before the Board Meeting. When necessary, decisions can also be made via circular resolutions. At the Board Meeting, the Chairman of the NC reports to the Board on matters deliberated at the NC Meeting.

A summary of activities undertaken by the NC in the discharge of its duties for the FY2022 is set out below:

- i) Evaluated the performance and contribution of the Directors and the Board as a whole.
- ii) Evaluated the effectiveness, composition and term of office of the Board Committees including the contribution and performance of the AC members in discharging their duties and responsibilities in accordance with its TOR.
- iii) Reviewed the re-election of Directors who were due for re-election at the AGM based on the adopted Board Evaluation Forms. Based on the summary results of assessment, the NC is satisfied that the Directors had performed effectively and demonstrated commitment in discharging their duties during the year under review. The Board and NC collectively resolved to recommend the re-election of the Director who is retiring at the forthcoming 51st AGM of the Company.
- iv) Reviewed the performance of Group CEO in line with the requirements as set out in Paragraph 2.20A of the Listing Requirements of Bursa Securities to ensure the Group CEO possess the required qualifications, experience, capabilities and attributes to discharge his role effectively.
- v) Reviewed the training and professional development programmes for the Board.
- vi) Reviewed and recommended to the Board for approval, the appointment of new Director.
- vii) Reviewed and recommended to the Board for approval, the adoption of the Directors' Fit and Proper Policy.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D.)

III. REMUNERATION

The Board through RC has established a formal and transparent remuneration policy and procedure to determine the remuneration of the Directors and Senior Management, which takes into accounts the demands, complexities and performance of the Company as well as skills and experience required. The remuneration package should reflect performance, complexity and responsibility with a view to attract, motivate and retain high performance individuals and promote the enhancement of the value of the Company to its shareholders.

The remuneration policy of Senior Management is guided by the formal Remuneration Policy of Star Media Group which is built and guided upon the principles of providing equitable and market-competitive remuneration package that support the performance culture and enable the achievement of strategic business goals. The Group's remuneration system is aimed at being competitive relative to the appropriate talent markets; sound and structured to ensure affordability and cost effectiveness as well as it should be perceived as fair and appropriate across the Group, i.e., the pay is aligned with the Company and individual performance. The remuneration mix for Senior Management comprises salary, variable components (e.g. performance bonus) and benefits which are benchmarked to comparable positions in the market or against the similar industry.

The remuneration for the Non-Executive Directors shall be commensurate with their experience, skills and responsibilities. It is based on a standard fixed fee with the Chairman of the Board and the Board Committees receiving additional allowance for additional responsibilities and commitment required. A meeting allowance is paid for attendance at meetings of the Board and Board Committees. The composition of the remuneration package for the Non-Executive Directors includes fixed annual Directors' fees and Board Committee allowances and meeting attendance allowance. The Directors are also reimbursed reasonable expenses incurred by them in the course of carrying out their duties on behalf of the Company.

The Board, collectively, determines the remuneration of the Non-Executive Directors based on the recommendation of the RC. The Non-Executive Directors shall abstain from deliberating and voting on decisions in respect of their own remuneration package. The Non-Executive Directors' fees and benefits will only be paid upon approval by the shareholders at the AGM.

The details of aggregate remuneration of Directors for the FY2022 are as follows:

Directors	Company			Subsidiaries	Group
	Fees	Benefits-in-kind and Allowances	Company Total	Allowances	Total
	RM	RM	RM	RM	RM
Tan Sri Dato' Seri Chor Chee Heung	220,000	83,610	303,610	-	303,610
Tan Sri Dato' Sri Kuan Peng Soon	82,500	62,000	144,500	-	144,500
Dato' Dr Mohd Aminuddin bin Mohd Rouse	82,500	91,355	173,855	84,000	257,855
Mr Choong Tuck Oon	82,500	54,500	137,000	-	137,000
Madam Wong You Fong	82,500	24,000	106,500	-	106,500
Mr Chan Seng Fatt	82,500	75,367	157,867	-	157,867
Mr Loh Chee Can	82,500	38,500	121,000	-	121,000
Ms Christina Foo <i>(Appointed on 1 October 2022)</i>	20,625	10,750	31,375	-	31,375
Total	735,625	440,082	1,175,707	84,000	1,259,707

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AC

As at 31 December 2022, the AC comprised five (5) members with a majority of INEDs, namely Mr Chan Seng Fatt (Chairman), Mr Choong Tuck Oon, Dato' Dr Mohd Aminuddin bin Mohd Rouse, Mr Loh Chee Can and Ms Christina Foo. Ms Christina Foo was appointed as an additional member of AC on 1 October 2022.

The Chairman of the AC is not the Chairman of the Board. The members of the AC are financially literate and have sufficient understanding of the Group's business. Details of the composition and responsibilities of the AC are set out in the AC Report in this Annual Report. Annually, the Board, via the NC evaluates the composition, performance and effectiveness of the AC. The Board is satisfied that the AC and its members discharged their functions, duties and responsibilities in accordance with its TOR.

The AC also provides oversight for and management of the relationship with the External Auditors of the Group, including reviewing and monitoring the External Auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards.

On an annual basis, AC will review the service levels of the External Auditors, agree on their scope of works and recommend their appointment/re-appointment to the Board. Non-audit services proposed by the External Auditors were presented to the AC to determine if auditors' independence will be compromised. The non-audit fees did not exceed 50% of the total audit fees for the financial year under review.

In November 2022, the Company's External Auditors presented the Audit Planning Memorandum which outlined amongst others, the areas of audit emphasis, its engagement team and proposed audit timeline. This forms part of the basis, when AC reviews the suitability, objectivity and independence of the External Auditors for recommendation to the Board for re-appointment. The annual evaluation form of the External Auditors is completed by each AC member before tabling the results for discussion. The evaluated areas include objectivity and independence, audit scope and planning, technical competence, and ability. Based on the annual evaluation of the External Auditors for the FY2022, the AC recommended the re-appointment of BDO PLT for shareholders' approval at the forthcoming AGM.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board is committed to maintain a sound system and framework of risk management and internal controls. The Board, through the AC is responsible to review the adequacy of the Group's risk management framework to ensure viable and robust risk management and internal controls are in place. The Board retains overall responsibility for oversight of the Group's risk management activities. In this regard, the Board sets the risk appetite and monitors material Group-wide risks. In fulfilling these responsibilities, the Board is supported and advised by the AC. The Board does not establish a Board Risk Management Committee as the Board believes the current AC is able to contribute to the Group's risk management framework and policies without significantly impairing their other responsibilities.

The Board is of the view that the system of internal control and risk management in place during the FY2022 is sound and sufficient to safeguard the Group's assets and shareholders' investments as well as the interests of stakeholders.

The Statement on Risk Management and Internal Control set out on pages 40 to 43 of this Annual Report provides an overview of the state of risk management and internal controls within the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D.)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIPS WITH STAKEHOLDERS

I. ENGAGEMENT WITH STAKEHOLDERS

The Board recognises the importance of effective and timely communication with the Company's shareholders and other stakeholders to keep them informed of the Group's latest financial performance and business matters. The Board is committed to provide information that accurately and fairly represents the Group to ensure our stakeholders have clear and factual insights into the Group's strategy and financial performance through general meetings, press releases, announcements and corporate communications such as the annual report, quarterly report and circular. In order to ensure a level playing field and provide confidence to shareholders, unpublished price sensitive information about the Group will not be disclosed on an individual or selective basis to any person unless otherwise required by law.

The Investor Relation function oversees the Company's engagement with investors. The Board welcomes views, questions and concerns from the shareholders and other stakeholders. The contact details are set out in our Company's website.

II. CONDUCT OF GENERAL MEETINGS

The AGM is the principal forum for dialogue and interaction with the shareholders of the Company to enable shareholders to develop more informed views on matters affecting the Company. The Board encourages shareholders' active participation at the Company's AGM and ensures the Board members, Senior Management and External Auditors are in attendance to respond to shareholders' queries and comments. The Board ensures that shareholders are given sufficient notice and time to consider the proposed resolutions that will be discussed and decided at the AGM. Hence, the Company's notice of AGM together with the Proxy Form are given to shareholders at least twenty-eight (28) days prior to the meeting. The AGM notice also includes explanatory notes that contain further information on the proposed resolutions.

Due to the COVID-19 pandemic in Malaysia, the AGMs for the financial years ended 31 December 2020 and 31 December 2021 were convened and held fully by way of electronic means in accordance with the Guidance Note on the Conduct of General Meetings for Listed Issuers (Guidance Note). Shareholders participated in the virtual meetings by observing to the proceedings of the meeting via live webcast. Shareholders are given the opportunity to raise questions prior to, and at the AGM. They can send their questions by email to the Company's Investor Relations or the Company Secretary as well as via the share registrar's dedicated website link, or "live" at the meeting. All relevant questions are addressed during the meeting. Where it is not possible to provide immediate answers to shareholders' queries, the Board will undertake to provide the answers after the AGM.

Shareholders are also informed of the voting procedures in advance. To enhance transparency in the voting process, the Company has implemented full poll voting for all the resolutions tabled at the shareholders' meeting in accordance with Paragraph 8.29A of the Listing Requirements of Bursa Securities. The electronic poll voting system and results are reviewed by the independent external scrutineer engaged by the Company. The poll voting results, including the number and percentage of votes cast for and against each of the resolutions tabled at the AGM, are presented to the shareholders after verification by the independent scrutineer. The poll voting results are also announced to Bursa Securities on the same day for the benefit of all shareholders. The minutes of the AGM including all the key matters discussed/questions raised for the meeting and the answers thereto are made available on the Company's website within one (1) month of the date of such meeting. In addition, as and when necessary, a press conference is held immediately following the conclusion of the AGM where the Chairman and Group CEO together with other relevant key management brief the press and answer relevant questions on the Group's operations and financial performance.

DIRECTORS' RESPONSIBILITY STATEMENT IN RESPECT OF FINANCIAL STATEMENTS

The Directors are required by the CA 2016 to prepare the financial statements for each financial year which have been made out in accordance with the applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the CA 2016 in Malaysia.

The Directors consider that in preparing the financial statements, the Group and the Company have used the appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates. The Directors are satisfied that the information contained in the financial statements 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 of and cash flows of the Group and the Company for the financial year.

The Directors are responsible for ensuring that the accounting and other records and registers required by the CA 2016 to be retained by the Group and the Company have been properly kept in accordance with the provisions of the said CA 2016.

The Directors are also responsible for taking such steps that are reasonably available to them to safeguard the assets of the Group and of the Company, and to detect and prevent fraud and other irregularities.

COMPLIANCE STATEMENT

The Board has deliberated, reviewed and approved this statement and is satisfied that the Group has fulfilled its obligations under the relevant paragraphs of the Listing Requirements of Bursa Securities and in line with the practices and guidance of the MCCG.

This CG Statement was approved by the Board on 21 February 2023.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

During the financial year under review, Star Media Group Berhad (“Star” or “Company”) and its subsidiaries (“Group”) continued to enhance its system of internal control and risk management, to comply with the applicable provision of the Malaysian Code on Corporate Governance and the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

Paragraph 15.26(b) of the Listing Requirements of Bursa Securities requires the Board of Directors of a public listed company to include in its annual report a statement on the state of internal control of the listed issuer as a group. The Bursa Securities’ *Statement on Risk Management & Internal Control (Guidelines for Directors of Listed Issuers)* provides guidance for compliance with these requirements.

Internal control is broadly defined as a process, effected by an entity’s Board of Directors, Management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations.
- Safeguarding of assets.
- Reliability and integrity of financial and operational information.
- Compliance with applicable laws, regulations and contracts.

Set out below is the Board’s Statement on Internal Control and Risk Management Practices.

BOARD RESPONSIBILITY

The Board acknowledges the importance of sound internal controls and risk management practices to safeguard various stakeholders’ interest and to address all key risks which the Board considers relevant and material to its operations. The Board affirms its overall responsibility for the Group’s systems of internal controls which includes the establishment of an appropriate control environment and framework. The Board is also responsible for reviewing the effectiveness, adequacy and integrity of those systems. These systems are designed to manage rather than to eliminate, the risk that may impact the Group arising from non-achievement of the Group’s policies, goals and objectives. Such system provides reasonable but not absolute, assurance against material misstatement of management and financial information, financial losses, fraud and breaches of laws or regulations.

At the helm of the Group, the Board is ultimately responsible for the overall management of the risks and internal controls. The Audit Committee (“AC”), under the purview of the Board, maintains the responsibility for risk and control oversight within the Group.

While the Board and AC provide oversight, the responsibility for managing risks and internal controls appropriately lies with Senior Management through the following activities:

- Providing leadership and direction to departments and business units;
- Providing oversight responsibilities of reviewing financial information and assessing the effectiveness of the Group’s internal control environment;
- Understanding and providing feedback on the risk and internal control issues;
- Understanding the inherent risks in each business platform;
- Implementing Risk Management Framework by understanding the risk measurement, monitoring and mitigation strategy adopted, as well as the impact of on-going action plans to meet objectives; and
- Assessing the performance and level of internal controls of operating companies within the Group.

RISK MANAGEMENT FRAMEWORK

A formal risk management framework has been established to set clear guidelines in relation to the risk management methodology of the Group and it is designed to put in place proper management of risks. In accordance to the Risk Management Framework, the risk rating and risk mitigating actions are reviewed on a regular basis by the risk owners to identify and evaluate emerging new risks, update the risk profiles and continuous follow-up on the implementation of proposed plans.

The Group has in place an ongoing process to identify, evaluate and manage significant risks that may impede the achievement of the Group's goals and business objectives. The risk management process includes identifying principal business risks in critical areas, assessing the likelihood and impact of material exposures, determining the corresponding risk mitigation and remedial measures, ensuring appropriate mitigating plans have been implemented and presenting key matters to the AC for review and deliberation. Periodically, all key risks together with their corrective measures will be summarised and compiled for review of the AC and subsequent presentation and update to the Board.

When managing risks, the following will be used as a guide:

- Risks are accepted and managed to a certain extent, but cannot be eliminated;
- Risks should be aligned with, and driven by business values and objectives;
- Risks ownership lies with the respective Chiefs of the business platforms and Heads of Department of the Business Departments/ Units; and
- Material risks must be with highlighted with the view of developing the necessary risks controls and mitigation processes.

STRUCTURE AND APPROACH

The Group adopted a decentralised approach in risk management, whereby each function would be responsible to identify, assess and report its risk. The respective Heads of Department and Chiefs of business platforms took the onus and responsibility to identify, assess, rate and mitigate the risk relating to their departments and businesses. Key management personnel and Chiefs of business platforms are part of the Risk Management Committee ("RMC"). They are to provide updates on the risk, status of the mitigation plan and discuss on emerging risk via an established reporting methodology and platform. The Head of Internal Audit, being part of the RMC, coordinated the correspondence, updates and ongoing risk management processes of the Heads of Department and Chiefs of business platforms and tabled the risk management reporting to the AC. The AC reports to the Board the risk management updates and alerts the Board of Directors as and when there are significant changes in the key risks and operating environment with anticipated impact to the business of the Group.

RISK MANAGEMENT PROCESS

The Board is committed to maintaining a strong control structure and environment for the proper conduct of the Group's business operations.

There is a structured risk management process in placed, ensuring that significant risks are identified and treated accordingly. Potential risks were identified by the respective business functions based knowledge and expertise, advice from experts and from publicly available information. The risks were then raised, shared and deliberated on a periodic basis via a structured reporting platform. Throughout the year, the risk register was updated based on the information provided by the risk owners.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D.)

The key elements of the Group's risk management process are as follows:

- Heads of Department and Chiefs of business platforms entrusted with the responsibility to identify the key risks the Group faces, their changes, and the management actions and plans to manage the risks.
- A Risk Management Framework, which outlines the corporate policy and framework on risk management for the Group and offers practical guidance on risk management issues.
- A database of identified risks and controls in the form of a Risk Register, which is periodically reviewed and reported to the Board. The Risk Register is reviewed from time to time or as and when necessary. The identified risks are appropriately communicated to Management, Heads of Department and Chiefs of business platforms.
- Ownership of the Risk Register also lies with the Heads of Department and Chiefs of business platforms to constantly manage the risks and to highlight any concerns or new risks.

To embed the risk management process within the culture of the Group, the following steps are incorporated in the risk management process:

- Embedding internal control further into the operations of the business through the installation of a process of risk and control self-assessment.
- Regular updates on risk management from the Heads of Department, Chiefs of business platforms and supporting function to the RMC.
- Drive a proactive risk management culture and ensure that the Group's employees have a good understanding and application of risk management principles towards cultivating a sustainable risk management culture.
- Quarterly review by the AC on the adequacy and integrity of the system of internal control and risk management process.

INTERNAL AUDIT FUNCTION

The Internal Audit Department operates within the framework stated in its Internal Audit Charter which is approved by the AC. The Internal Audit Department provides the Board with independent opinions of processes, risk exposures and systems of internal controls of the Group.

Internal Audit Department independently reviews the risk identification procedures and control processes, and reports to the AC on a quarterly basis. The AC reviews and evaluates the key concerns raised by Internal Audit Department and ensures that appropriate and prompt remedial action is taken by management.

Internal Audit Department also reviews the internal controls in the key activities of the Group's business and a detailed annual internal audit plan is presented to the AC for approval. Internal Audit Department adopts a risk-based approach and prepares its audit strategy and plan based on the risk profiles of the major business functions of the Group.

The AC reviews the risk monitoring and compliance procedures to obtain the level of assurance required by the Board. The AC presents its findings to the Board on a quarterly basis or earlier as appropriate. Further details on the activities of the Internal Audit Department are set out in the AC Report.

OTHER KEY ELEMENTS OF INTERNAL CONTROLS

Apart from the above, the other key elements of the Group's internal control systems include:

(a) Policies, Procedures and Limits of Authority

- Clearly documented internal policies, standards and procedures are in place and regularly updated to reflect and enhance operational efficiency. Cases of non-compliance to policies and procedures are reported to the Board and AC.
- Clearly defined delegation of responsibilities to Committees of the Board and Management including organisation structures and appropriate authority levels.

(b) Strategic Business Planning, Budgeting and Reporting

- Regular and comprehensive information provided to Management for monitoring of performance against strategic plans covering all key financial and operational indicators.
- Detailed budgeting process requiring all business units to review their budgets periodically. The budgets are discussed and approved by the top Management headed by the Group Chief Executive Officer ("GCEO").
- The Group Chief Financial Officer ("GCFO") provides the Board with quarterly financial information. Effective reporting system exposes significant variances against budget. Key variances are followed up by Management and reported to the Board.

(c) Risk Assessment

- There was process in place to review the Group's risk profile which is affected by significant changes in internal and external environment.

There were no material losses incurred during the current financial year as a result of weaknesses in internal control. Management continues to take measures to strengthen the control environment.

During the financial year ended 31 December 2022, based on the internal controls established and maintained by the Group, work performed by the Internal and External Auditors and reviews performed by Management and various Board Committees and assurance from the GCEO and GCFO, the Board, with the concurrence of the AC, is of the opinion that the Group's risk management and internal control systems were adequate and effective to address financial, operational and compliance risks, which are relevant and material to the Group's operations. The Group will carry out continuous reviews on the control procedures to ensure that effective and adequate system of internal control is consistently in place to safeguard shareholders' investment and Group's assets.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the Listing Requirements of Bursa Securities, the External Auditors have reviewed this Statement for inclusion in the Annual Report of the Group for the financial year ended 31 December 2022. Their review is performed in accordance with Audit Assurance and Practice Guide 3 ("AAPG 3") issued by the Malaysian Institute of Accountants. The External Auditors' procedures have been conducted to assess whether the Statement on Risk Management and Internal Control is supported by the documentation prepared by or for the Directors and that it is an appropriate reflection of the process adopted by the Directors in reviewing the adequacy and integrity of the system of internal control for the Group.

AAPG 3 does not require the External Auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk and control procedures. Based on their procedures performed, the External Auditors have reported to the Board that nothing has come to their attention which causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the *Statement on Risk Management & Internal Control (Guidelines for Directors of Listed Issuers)*, nor is factually inaccurate.

This Statement was approved by the Board on 21 February 2023.

AUDIT COMMITTEE REPORT

The primary role of the AC is to assist the Board in fulfilling its fiduciary responsibilities in ensuring the accuracy and integrity of the Group's financial reporting including the adequacy of related disclosures, the effectiveness of the Group's internal control framework and the robustness of its risk management framework, the independence and effectiveness of both the internal audit function and the External Auditors as well as consideration of governance and compliance matters of the Group.

TERMS OF REFERENCE ("TOR") OF THE AC

The AC is guided by its own written TOR which clearly set out its authorities, duties and operating procedures. The TOR of AC were reviewed and revised on 22 November 2022, to include the relevant process and criteria set for the appointment of advisers for corporate proposals to be undertaken by the Group. The latest TOR of the AC is available for reference at the Company's website at <https://www.starmediagroup.my/terms-of-reference/>.

COMPOSITION

The Company has complied with Paragraph 15.09 of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") which requires all members of the AC to be Non-Executive Directors, with a majority of them being Independent Directors. All members of the Committee are financially literate and are considered by the Board to have relevant experience and competence in financial matters and internal control, to discharge their duties as members of the Committee.

The AC is led by the Independent Non-Executive Director who is not the Chairman of the Board. As at 31 December 2022, AC comprised five (5) members of the Board, four (4) of whom are Independent Non-Executive Directors. The membership of AC is set out below.

MEETINGS

The AC has held six (6) meetings attended by all members during the financial year under review, details as set out below:

Directors	Designation	Total Meetings Attended
Mr Chan Seng Fatt <i>Chairman</i>	Independent Non-Executive Director	6/6
Mr Choong Tuck Oon <i>Member</i>	Independent Non-Executive Director	6/6
Dato' Dr. Mohd Aminuddin bin Mohd Rouse <i>Member</i>	Non-Independent Non-Executive Director	6/6
Mr Loh Chee Can <i>Member</i>	Independent Non-Executive Director	6/6
Ms Christina Foo <i>Member</i> <i>(Appointed on 1 October 2022)</i>	Independent Non-Executive Director	2/2

The AC meetings are normally held every quarter and more frequently as necessary. Schedule of AC meetings is circulated to the Directors prior to the start of the financial year to allow them to plan ahead for their attendance. The AC meetings were attended by the Group CEO, Group CFO, Head of Internal Audit together with other key management and the External Auditors upon invitation. The AC leverages on technology for dissemination of agenda papers which can be accessed via tablet devices. Besides physical meeting, AC is also allowed to conduct its meeting via video conferencing in accordance with the Company's Constitution and the best practices.

The Company Secretary acts as the Secretary of the Committee, who is in attendance at all the meetings and records the proceedings of the meetings. The Committee has access to any form of independent professional advice and the services of the Company Secretary as and when required. All Committee meeting minutes, including meeting papers, on matters deliberated by the Committee in the discharge of its functions are properly documented. At the Board meetings, the AC Chairman would report to the Board on the pertinent issues, significant points of decisions and its recommendations for the Board's consideration and/or approval.

No member of the Committee has a connection with the current External Auditors and no Director of the Board is involved in any deliberations or decisions with regard to matters that they have an interest in.

ANNUAL PERFORMANCE ASSESSMENT

During the financial year under review, the annual performance of the AC was evaluated by the Nomination Committee. The evaluation confirmed that the AC was functioning effectively and performing well in accordance with its TOR. It was also concluded that each AC member possess the appropriate and relevant skills, knowledge, and experience and attributes required to fulfil his duties effectively during the year under review.

Each AC member has also participated in the relevant training during the FY2022 as set out in the Corporate Governance Report.

SUMMARY OF KEY ACTIVITIES OF AC FOR THE FY2022

The AC's activities for FY2022, in accordance with its responsibilities and duties under its TOR are set out below. To discharge its responsibilities and duties, the AC has full access to, and the co-operation of the Management and has been given adequate resources to discharge its functions effectively:

(i) Financial Reporting

- (a) Reviewed the unaudited quarterly financial results of the Group and announcements relating to financial performance of the Group and the Company, and significant financial reporting issues prior to their submissions to the Board for adoption.
- (b) Reviewed the audited financial statements for the year under review prior to the approval by the Board to ensure it presented a true and fair view of the Company's financial position and performance for the year and is in compliance with the relevant regulatory requirements.

The review focused on changes in accounting policies and practices, major judgemental and risk areas, significant adjustments resulting from the audit, the going concern assumption, compliance with accounting standards, compliance with the Listing Requirements of Bursa Securities and other related matters that arise from the audited financial statements. The AC keeps itself apprised of changes in accounting policies and guidelines through regular updates by the External Auditors.

(ii) External Audit

- (a) Discussed with the External Auditors, the audit plan, outlining among others, the audit approach, materiality and performance materiality and areas of significant auditors' attention and the report on the audit of the year-end financial statements which include the key audit matters and Management's responses thereto.
- (b) Reviewed the audit fees of the External Auditors for recommendation to the Board for approval.
- (c) Reviewed the External Auditor's objectivity and independence from Management and the Company. In assessing independence, the AC reviewed the fees paid to the External Auditors including fees paid for the non-audit services during the year. In regard to non-audit services, the AC would take into consideration the nature and extent of the services and the appropriateness of the level of fees before approving the non-audit services rendered by the External Auditor and its affiliates. The AC is of the opinion that the External Auditor's independence has not been compromised.

AUDIT COMMITTEE REPORT (CONT'D.)

- (d) Met with the External Auditors twice without the presence of the Management on 21 February 2022 and 21 November 2022 to discuss any issues arising from the audit and the assistance given by Management during the course of audit. There were no significant issues highlighted by External Auditors and they had unrestricted access to Management in the performance of the audit. There was neither material disagreement nor significant difficulties encountered while performing the audit works.
- (e) Recommended to the Board for the re-appointment of External Auditors to be put to the Company's shareholders for approval at the forthcoming Annual General Meeting ("AGM"). In appointing our auditors for the Company, the AC also took into consideration the Annual Transparency Report 2021 provided by the External Auditors which covers the auditor's legal and governance structure, measures to uphold audit quality and manage risks as well as the measurements of audit quality indicators as a basis.

Having taken all appropriate factors into consideration and being satisfied with the suitability, performance, technical competency and audit independence of the External Auditors, the AC recommended to the Board for approval the re-appointment of Messrs BDO PLT as the Group's External Auditors. The re-appointment of the External Auditors is subject to the approval of the Company's shareholders at its forthcoming AGM.

(iii) Risk Management

- (a) To support the Board, the AC looks into and oversees the Group's Risk Management Framework including reviewing key risks and controls put in place by management. The AC also exercises oversight as well as provides advice and guidance on the overall sustainability matters of the Group. During the year under review, the AC reviewed the adequacy and effectiveness of the risk management processes periodically.

(iv) Internal Audit

- (a) The AC reviewed the adequacy and effectiveness of the Group's internal controls (including financial, compliance, operational and information technology controls). It reviewed and approved the risk-based Internal Audit Plan, reviewed the major findings and Management's responses thereto as well as their recommendations. Where appropriate, the AC advised Management on the proposed remedial plans to ensure adequate actions were taken in addressing the issues raised. The AC also monitored the timely and proper implementation of any required corrective or improvement measures via the progress reports submitted by internal auditors to the AC every quarter.
- (b) The AC met with the Head of Internal Audit on 21 November 2022, without the presence of the Management to obtain feedback on the internal audit activities, audit findings and any other related matters.
- (c) Evaluated the adequacy of the internal audit resources and effectiveness of the internal audit function during the FY2022. AC is of the view that the internal audit function is independent, effective and adequately resourced. The scope and areas of coverage were also adequate to meet the Group's requirements.

(v) Other Activities

- (a) Reviewed the related party transactions ("RPT") and recurrent RPT quarterly during the year under review. The AC had also assessed and reviewed a RPT involving the proposed disposal of assets by the Company's wholly owned subsidiary to a related party and had sought an independent advice in forming its views with regard to the proposed transaction as well as to ensure the relevant processes are in place which complied with the applicable laws, regulations, guidelines and best practices.
- (b) Reviewed the progress report of the implementation of action or remedial plans following the Company's Cybersecurity Maturity Assessment conducted by Deloitte Risk Advisory Sdn. Bhd. to improve the cyber maturity and identify the gaps that exist between the present and ideal future state of cybersecurity for the Company. The quarterly report includes updates on the status of deliverables and milestone reached were tabled to the AC for review.

- (c) Received written assurances from the Group CEO and Group CFO, during the year under review that the Group's risk management system and internal control systems were generally adequate and effective to address financial, operational, information technology and compliance risks which the Group considers relevant and material to its operations.
- (d) Reviewed a whistle-blowing incident to ensure independent assessment, investigation and adequate resolution.
- (e) Reviewed and recommended to the Board for approval, the Corporate Governance Overview Statement, Corporate Governance Report, AC Report, Statement on Risk Management and Internal Control and Sustainability Statement for inclusion in the Annual Report.
- (f) Reviewed and recommended to the Board for approval, the revisions to the TOR of AC to tighten up the processes for appointment of advisers required for corporate proposals, particularly relating to RPT.

INTERNAL AUDIT FUNCTION

The internal audit function is under the responsibility of the in-house Internal Audit Department ("IAD") led by the Head of Internal Audit. Head of Internal Audit is independent and reports directly to the AC.

The Group's IAD supports the AC and the Board in discharging their duties and responsibilities by providing an independent and objective assessment on the adequacy and effectiveness of internal control and governance processes/framework of the Group. The internal audit function is guided by the Group Internal Audit Charter, which sets out its purpose, authority, scope, independence and responsibilities.

IAD is given access to the Group's documents, records and personnel in carrying out the audit assessment in accordance with the approved audit plan and had unfettered access to the AC, the Board and the Management. The AC also has full access to internal audit and holds periodic private session with the Head of Internal Audit without the Management presence to allow internal audit to give unreserved comments or opinions on issues arising from the audit.

The principal role of the Department is to undertake independent regular and systematic reviews of the systems of internal controls to provide reasonable assurance that such systems continue to operate satisfactorily and effectively. It is the responsibility of the IAD to provide the AC with independent and objective reports on the state of internal controls of the various operating units within the Group and the extent of compliance of the units with the Group's established policies and procedures.

The internal auditors perform independent audits on diverse areas within the Group. During the FY2022, the internal audit works covered operational and ad-hoc audits which include the overall governance, operational controls, financial related activities and other auditable areas in accordance with the risk profile of the Group. The IAD also performed analysis of data periodically on selected areas. The IAD also conducted follow-up audit periodically to ensure that the agreed audit recommendations were implemented appropriately. Review of the RPT and recurrent RPT were also carried out yearly by IA to provide assurance to the Board and AC that the transactions carried out between the related parties (if any) adhered to the policies and procedures and conformed to the requirements of Bursa Securities. The reports and summary of key findings are presented to the AC for deliberation to ensure that Management undertakes to carry out the agreed remedial actions.

The total costs incurred for the in-house internal audit function for FY2022 was RM830,875.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

On 12 July 2017, Laviani Pte Ltd, a wholly-owned subsidiary of Star Media Group Berhad had disposed 128,458,590 ordinary shares in Cityneon Holdings Limited ("Cityneon"), representing approximately 52.51% equity interest in Cityneon to Lucrum 1 Investment Limited for a total consideration of SGD115,612,731 (equivalent to approximately RM360,179,902).

On 1 August 2019, the Company announced to vary the proposed utilisation of the remaining balance of RM152.5 million by reallocating RM86.0 million for working capital purposes and the remaining of RM66.5 million for future investments requirement.

As at 31 December 2022, the details of utilisation of proceeds are as follows:

Purposes	Proposed Utilisation RM'000	Actual Utilisation RM'000	Remaining Balance RM'000	Expected Timeframe for Utilisation
Future investments	66,500	-	66,500	Within 24 months
General working capital	86,000	(86,000)	-	Fully utilised
Total	152,500	(86,000)	66,500	

2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid or payable to External Auditors, BDO PLT and its affiliated companies by the Company and Group respectively for the financial year ended 31 December 2022 are as follows:

	Group RM'000	Company RM'000
Audit fees	371	244
Non-audit fees	149	112
Total	520	356

3. MATERIAL CONTRACTS

There were no material contracts entered into by the Company and/or its subsidiaries involving the interests of the Directors, Group Chief Executive Officer and major shareholders, either still subsisting at the end of the financial year ended 31 December 2022 or entered into since the end of the previous financial year.

4. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("RRPT")

The Company did not seek approval from its shareholders in respect of the renewal and/or new mandate for any of its RRPT during the financial year ended 31 December 2022 as there was no RRPT pursuant to Paragraph 10.09(1), Chapter 10 of the Listing Requirements of Bursa Securities. The Company will continue to monitor its RRPT (if any) and make appropriate announcement(s) to Bursa Securities of such transaction(s) where required in accordance with the requirements under Chapter 10 of the Listing Requirements of Bursa Securities.

FY2022 AWARDS

MALAYSIAN PRESS INSTITUTE (MPI)- PETRONAS MALAYSIAN JOURNALISM AWARDS 2022

- Outstanding Multimedia Journalism - The Star (Gold)
- Outstanding News Report - Bavani Mahalingam & Aida Ahmad (Bronze)
- Outstanding Photojournalism - Chen Soon Ling (Bronze)
- Outstanding Photo Essay - Azhar Mahfod (Bronze)
- Special Award - Datuk Seri Wong Chun Wai



KINABALU PRESS AWARDS 2022

- Business & Economic Reporting Award (English) - Stephanie Lee (Gold)
- Entertainment, Culture and Arts Reporting Award - Kristy Inus (Merit)



KHAZANAH – WOLFSON PRESS FELLOWSHIP

- Jade Chan, Metro



TOURISM SELANGOR MEDIA APPRECIATION NIGHT 2022

- Best Media Coverage - The Star (English Category)
- Best Media Coverage by an Online Portal: Lifestyle Portal - mStar



WAN-IFRA ASIAN MEDIA AWARDS (AMA)

- Best in Community Service - Star Golden Hearts Award (Silver)

FY2022 AWARDS (CONT'D.)

YOUTUBE CREATOR AWARDS

- Gold - mStar



WOMEN OF EXCELLENCE AWARDS 2021/22

- Influential Radio Announcer - DJ Lin



2022 SERI ANGKASA AWARD

- Best Radio News Announcer - Cynthia Tan



READER'S DIGEST ANNUAL TRUSTED BRANDS AWARDS

- Most Trusted Radio Presenter - DJ Lin

MDA D AWARDS

- Best Digital Publisher of the Year - mStar (Silver)



SPORTSWRITERS ASSOCIATION OF MALAYSIA (SAM) 2020-2021

- Best Commentary Award (Print) - Lim Teik Huat
- Best Picture Award (Print) - Ahmad Izzrafiq

WORLD WOMEN ECONOMIC AND BUSINESS SUMMIT 2022 - KSI STRATEGIC INSTITUTE FOR ASIA PACIFIC (KSI)

- World Women Media Leadership Award - Lydia Wang

2022 PUTRA BRAND AWARDS

- Media Networks - The Star (Bronze)

HR EXCELLENCE AWARDS 2022

- Excellence in Crisis Management & Recovery - Star Media Group (Gold)
- HR Young Talent of the Year - Sandra Khoo Huiyong (Gold)



GLOBAL BUSINESS ICON MEDIA LEADERSHIP AWARD

- Star Media Group



2022 GLOBAL CHINESE ECONOMIC & TECHNOLOGY (GCET) SUMMIT - KSI STRATEGIC INSTITUTE FOR ASIA PACIFIC (KSI)

- World Chinese Outstanding Woman Business Leader Award - Lydia Wang



FY2022 HIGHLIGHTS



CHAMPIONING THE ESG AGENDA

The adoption of Environmental, Social & Governance (ESG) principles is vital in driving sustainable growth for businesses and the nation. In pushing forth the ESG agenda, Star Media Group launched three core pillars of initiatives to accelerate the ESG momentum and inspire greater adoption among companies to be part of this movement.



Leveraging on our reach and ability to influence all levels of society, we actively draw wider public awareness through the StarESG monthly pullout. This pullout is dedicated to ESG topics, trends and insights from the government, corporate leaders and ESG experts. Through greater awareness, we hope that communities and businesses will be encouraged to adopt a sustainability mindset and collectively bring about positive impact. Since 2022, ten issues of the StarESG pullout have been published and featured key contributors such as Tan Sri Dr Jeffrey Cheah and Minister of Natural Resources, Environment and Climate Change Nik Nazmi Nik Ahmad, among others.



A series of awareness and educational programmes that champion thought leadership and knowledge-sharing. To date, three sessions featuring industry experts have been held with the topics revolving around optimising supply chains, solar technology advancement as a sustainable source of energy, and the importance of diversity, equity and inclusion.



In recent years, the shift towards becoming a more socially-conscious and responsible society has become a worldwide movement. Corporations have been diligently doing their part as responsible corporate citizens by pushing for stronger ESG adoption within their organisations. In recognition of exemplary ESG efforts by organisations of all sizes, Star Media Group and OCBC Bank (Malaysia) Berhad have come together to introduce the inaugural ESG Positive Impact Awards.

Endorsed by the Ministry of Natural Resources, Environment and Climate Change, the ESG Positive Impact Awards aims to not only showcase ESG excellence, but to also foster a like-minded business community to advance the ESG cause. It also aims to build capacity for SMEs starting out on their ESG adoption journey.

The Awards comprises 15 categories covering various aspects of environment, social and governance. Each award will recognise successful campaigns and initiatives, where an organisation has innovatively and inventively executed evidence-based results across the three main ESG pillars. The ESG Positive Impact Awards will culminate with an awards ceremony to acknowledge and celebrate the deserving winners.

Majoriti7

Refleksi Tanpa Prejudis



MALAYSIA'S FIRST PREMIUM BAHASA MALAYSIA WEEKENDER MAKES ITS MARK

With a vision to redefine modern cultural storytelling and commentary, Star Media Group introduced Majoriti 7, a weekly Bahasa Malaysia print publication. Focusing on special reports on current happenings, Majoriti 7 features articles on a variety of topics from finance and businesses to a broad spectrum of lifestyle pieces.

Beyond its engaging content, Majoriti 7 provides a new and effective platform for premium brands to connect with premium audiences.

Majoriti 7 is available every Thursday at selected Starbucks outlets and De.Wan1958 by Chef Wan restaurants for their customers while members of the public can purchase a copy at selected 7-Eleven outlets and PETRONAS Mesra around the Klang Valley.

mStar

urban versatil

GROWING FROM STRENGTH TO STRENGTH

2022 was a major milestone for mStar as they bagged three significant awards throughout the year.

They started off the year by clinching the Silver award for the Best Digital Publisher of the Year category at the D Awards by Malaysian Digital Association (MDA) in May 2022. mStar also won the Best Media Coverage by an Online Portal: Lifestyle Portal at the Tourism Selangor Media Appreciation Night 2022.

mStar's hard work and dedication in creating high-quality and engaging content earned them the coveted Golden Creator Award after it reached one million subscribers on its YouTube channel.

Majoriti

Refleksi Tanpa Prejudis



STRATEGIC PARTNERSHIPS TO CONNECT WITH AUDIENCES

Since its launch in December 2021, Majoriti has established a strong online presence, raking in a monthly average of 3.17 million pageviews and 1.13 million users in 2022.

Besides bringing news to the masses, Majoriti also entered into strategic partnerships to enable partners to effectively reach targeted audiences. Some partners include Social Security Organisation, Aeon Co (M) Bhd, Malaysia Airlines Bhd, Secret Recipe Cakes and Cafe Sdn. Bhd., Yoodo, Petronas Dagangan Bhd, Samsonite (M) Sdn. Bhd., hotels under IOI Properties Group Bhd, and more in the pipeline.

FY2022 HIGHLIGHTS (CONT'D.)



FIRMLY ON THE TOP SPOT FOR TRUSTED AND RELIABLE NEWS

The annual worldwide study of news trends has shown that Malaysians have continued to turn to The Star for credible, up-to-date news and happenings.

According to The Reuters Institute Digital News Report 2022, The Star was the top English daily for weekly offline reach among TV, radio and print, and was also the top English language portal in weekly online reach, with a brand trust score of 56%.



CAR MAKERS AWARDED FOR THEIR DRIVE FOR EXCELLENCE

It was a celebration of the finest cars and the brilliant people driving the automotive industry forward at the 2022 CarSifu Editors' Choice Awards.

To loud cheers and a sea of waving light sticks, winners received their awards in November 2022.

This year, 28 categories were up for grabs for 50 cars shortlisted from brands such as BMW, Ferrari, Ford, Honda, Hyundai, Isuzu, Jaguar, Kia, Lexus, Maserati, Mazda, Mercedes-Benz, Nissan, Perodua, Peugeot, Porsche, Proton, Subaru, Suzuki, Toyota, Volkswagen and Volvo.



MALAYSIA DEVELOPER AWARDS SET A NEW BENCHMARK FOR EXCELLENCE

With a distinct aim of elevating the standards of Malaysian developers, Star Media Group, in collaboration with FIABCI-Malaysia, introduced the inaugural Malaysia Developer Awards (MDA).

With the combined expertise and insights of both SMG and FIABCI Malaysia, the MDA incorporates global standards of development excellence and is meticulously crafted to set a new distinguished standard in the industry.

The prestigious award ceremony held in October 2022 saw 28 trophies awarded to the most prominent and deserving players in the property industry.



9

On-ground and virtual fairs

Close to

80,000

visitors

STARPROPERTY FAIRS SHOWCASE THE BEST OFFERINGS IN THE MARKET

StarProperty organised eight successful on ground fairs and one virtual award showcase, attracting close to 80,000 visitors. The virtual showcase featured an improved interface for better real-time engagement between visitors and exhibitors.

Visitors and buyers to the fairs were spoilt for choice with a vast catalogue of properties, from landed to high-rise properties and commercial lots, offered by a curated list of distinguished property developers.



PROPERTY PLAYERS SCALE NEW HEIGHTS

The StarProperty Awards 2022: Real Estate Developer culminated in a night of glitz and glamour at the awards ceremony in August 2022 as outstanding winners were recognised for their achievements.

Receiving a total of 110 entries across 30 categories from real estate developers, the awards programme paid homage to their contribution to the growth of the nation's real estate industry.

Three new categories were introduced this year – the Digital Strategist Award, the Highlander Award, and the Placemaker Award.



CELEBRATING MALAYSIA'S FIRST-CLASS TALENTS IN THE REAL ESTATE INDUSTRY

Held in November 2022, the StarProperty Awards 2022 Realtors Edition welcomed the nation's premier real estate agents and negotiators to the gala night. This year's awards featured 23 categories, including five new categories, and 31 sub-categories involving 87 of the highest performing achievers from 15 real estate agencies.

Five new categories were introduced, namely the Developer Preferred Award, the Subsale Award, the Regional Award, the Key Personality Award and the Most Transacted Rental Award.

FY2022 HIGHLIGHTS (CONT'D.)



HONOURING THE BEST IN MALAYSIAN BUSINESS

The Star Outstanding Business Awards (SOBA) marks its 13th year of recognising the nation's up-and-coming local, non-listed companies and small and medium enterprises (SMEs) striving to carve a niche for themselves in the world of business. The theme for this year was SOAR, where it encouraged businesses to SUSTAIN their businesses, OPTIMISE the resources they have on hand to ACCELERATE their growth with RESILIENCE.

Five SOBA LABs were carried out to complement the awards programme. The capacity-building initiatives brought SMEs through a wide range of topics ranging from digitalisation, cash flow management, supply chain management, reinventing the digital workspace, business sustainability and how one can boost economic resilience and what SMEs can expect from Budget 2023.



DEVELOPING AN ECOSYSTEM OF WORLD-CLASS EXPORTERS

The nation's leading exporters were given their turn in the spotlight at the Export Excellence Awards 2022 Gala Night.

Aimed at celebrating the achievements of Malaysia's top exporters, the awards ceremony recognised excellence across different sectors and geographical regions. This year's awards rose to new heights with the introduction of two new categories which are the Woman Exporter of the Year award and the Rising Star award.

As part of the education aspect of the awards, a series of specially curated roadshows were carried out to develop a holistic roadmap for participants to keep pace with the ever-changing business landscape. The roadshows were held in Kuala Lumpur, Penang and Johor Bahru with themes such as "Transport as the Pivotal Lifeline of Trade", "Accelerating Trade Through Digital Technologies" and "Halal Export Opportunities".



LEVERAGING DIGITALISATION TO REACH OUR AUDIENCES

In the digital sphere, leveraging on its in-house live broadcast studio Studio Maya, Star Media Group continued to host live virtual events, running over 50 digital and hybrid knowledge exchange events. Featuring global and local experts and thought-leaders, topics covered include general wellness, digitalisation, cybersecurity, and entrepreneurial topics for those looking to start their own or pivot their business, and more.

One notable virtual event was the #MARCOM Tech, a two-day virtual conference dedicated to creating an avenue for businesses and organisations to learn and discuss the industry outlook, market forecasts and how technology empowers various industry's PR, branding and marcomm functions. The conference was very well received and garnered a total of 20,000 accumulated views.

The Circular Economy Conference also made a comeback with a two-day virtual conference aimed at sharing how businesses can innovate while creating efficiencies and value through adopting a circular economy model.

SMGLand

LAYING THE FOUNDATION FOR BUSINESS OPERATIONS EXCELLENCE

Business owners seeking their next operations base need look no further than the Star Business Hub, an industrial freehold development project by SMG Land Sdn. Bhd.

Star Business Hub is the maiden project under SMG's new area of business that offers detached and semi-detached units serving as multi-functional warehouses, factories and offices. The business hub allows for centralised operations within a single building and is strategically located within the heart of Klang Valley.

SURIA



SURIA MAKES WAVES FOR 15 YEARS

Suria made waves as they celebrated their 15th anniversary aboard the luxurious Genting Dream cruise ship in December 2022, making them the first Malaysian radio station to broadcast live from a ship. In their ever continuous effort to connect personally with their readers, five lucky listeners joined the Suria team as they sailed the high seas.

The four-day cruise featured performances by top local artistes such as Siti Nordiana, Andi Bernadee, Amir Masdi and more, alongside a slew of exciting activities including bowling, rock climbing, mini golf and karaoke.

988



GETTING UP CLOSE AND PERSONAL

To connect with their listeners more personally, 988 organised a series of roadshows throughout 2022 across five different locations nationwide.

The 988 Northern Appreciation Trip to Penang celebrated and showed their appreciation to 988 listeners in the north. For the first time after 12 years, the City Heartbeat segment met its listeners in Ipoh through the We Meet Again Trip. In addition to live broadcasts, the 988 announcers also hosted live shows. Close to 5,000 visitors visited the three-day event that featured more than 20 businesses stalls from all over Malaysia.

From there 988 made their way to Seremban and Melaka where they gave away exclusive goodies and treated 30 lucky fans to a cozy lunch gathering with their favourite announcers.

They also paid a visit to Foon Yew High School in Johor where they shared what it's like as a radio announcer. The JB Campus Tour was attended by close to 500 students.

988 remains one of Malaysia's top Chinese language radio stations according to the 2022 GfK Radio Audience Measurement Survey (RAM), with a weekly cumulative audience of over two million listeners.

UNEARTHING TALENTS WITH SUPER TRAINEE 988

The Super Trainee 988 announcer apprenticeship has become part of 988's mission to nurture great talent while entertaining their listeners.

The recruitment drive was targeted at college students, where selected candidates participated in a three day radio training camp facilitated by 988's senior announcers and engineers. From there on, ten finalists endured a series of knock out sessions for a period of one month.

The candidates were then narrowed down to five winners based on combined votes from listeners and judges. The newly minted Trainee Announcers finally assumed their daily duties, entertaining listeners in their assigned program or segment.

FY2022 HIGHLIGHTS (CONT'D.)



KINDNESS TAKES CENTRE STAGE

For the eighth year running, Star Golden Hearts Award (SGHA) shone the spotlight on ten deserving winners with hearts of gold. The annual award by The Star and Yayasan Gamuda recognises and celebrates everyday Malaysians who demonstrate extraordinary commitment to social work while also promoting national unity.

Receiving a record high of 770 nominations nationwide, the winners represented a diverse range of social efforts including quality education for stateless children, social awareness of people with disabilities, livelihood, economic and health empowerment for vulnerable communities, environment and wildlife, among others. This year, the ten winners received a cumulative RM249,000 cash award on top of publicity exposure to further support their good work.

Winners of SGHA 2022 were Iskul Sama diLaut Omadal, Serena Zara Taufiq, Mariani 'Bam' Ramli, Edwin Nathaniel, Native Discovery, TONIBUNG, Dignity for Children Foundation, SEAD Industries, Explore Gaia and DRsforALL.

Star Social Impact Grant



WORKING WITH CHANGEMAKERS TO MAKE A DIFFERENCE

In tandem with Star Foundation's ongoing efforts in supporting deserving social organisations, four NGOs were awarded a total of RM180,000 worth of project grants under the second iteration of the Star Social Impact Grant.

The recipients were Lightup Borneo, Association of Social Services and Community Development of Gombak District Selangor, Food Aid Foundation and Kelab Bolasepak Pan-Disability in aid of their impactful social projects to serve the underserved.



OPENING DOORS TO A FUTURE OF OPPORTUNITIES

The 29th iteration of the Star Education Fund saw 76 deserving young Malaysians receiving scholarships valued at RM5.9mil at an awards presentation ceremony held in January 2023. This was the first time the annual ceremony was held after a two-year hiatus due to the Covid-19 pandemic.

At the ceremony, the new logo of the Star Education Fund was also unveiled in conjunction with the soft launch of the scholarship awards for 2023.

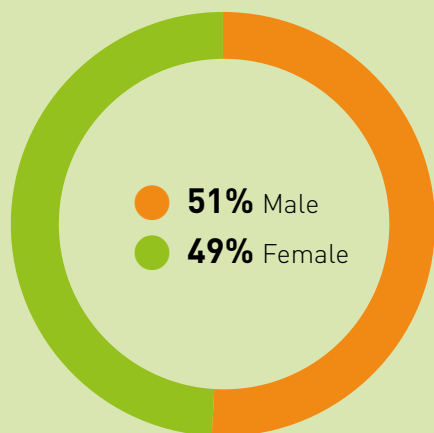
2023 also marks the 30th year that the Fund has been running. Since its inception, the Star Education Fund has benefited 4,361 scholarship recipients with a value of over RM158.5mil.

SUSTAINABILITY STATEMENT

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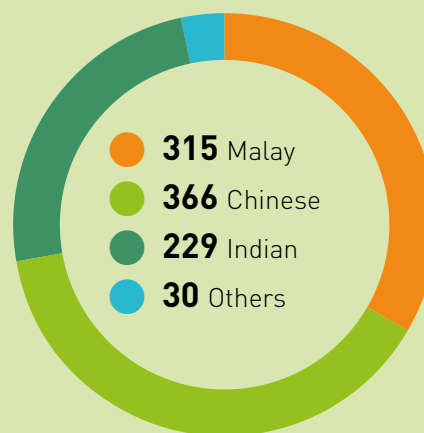
SUSTAINABILITY HIGHLIGHTS 2022

OUR PEOPLE



940 Employees

OUR DIVERSITY



42% women in Senior Management

OUR COMMUNITY



Donated **RM230,000**
to 12 Malaysian social changemakers
nationwide



Awarded grants totaling up to
RM180,000 to support
impact-driven social projects



76 scholarships worth over
RM5.94 million
awarded via Star Education Fund

OUR PRODUCTS AND SERVICES



100% of newsprint for
The Star is 'FSC' certified or equivalent



The Star newspaper **100%**
printed on recycled newsprint paper



3,338 tonnes total
reduction of CO₂ emissions



4,504,928 kWh
of solar energy generated from the
Rooftop Solar Generation project
since 2014

SUSTAINABLE DEVELOPMENT GOALS

ECONOMIC



**CONTENT
CREATION,
SOURCING AND
MANAGEMENT**



**ECONOMIC
PERFORMANCE**



**PROCUREMENT
PRACTICES**



ANTI-CORRUPTION



MATERIALS



ENERGY



ENVIRONMENTAL



WATER



EMISSIONS



WASTE



EMPLOYMENT



**OCCUPATIONAL
HEALTH AND
SAFETY**



**DIVERSITY
AND EQUAL
OPPORTUNITY**



**LOCAL
COMMUNITIES
– Community
Investment**



**LOCAL
COMMUNITIES
– Quality Education**



SOCIAL



SUSTAINABILITY STATEMENT (CONT'D.)

REPORTING PRACTICE

OUR REPORTING

APPROACH

ABOUT THIS REPORT

This report has been produced in accordance with Bursa Malaysia Securities Berhad Main Market Listing Requirements, as well as the Global Reporting Initiative (GRI) Standards. As per GRI Standards, the report covers the following principles:

- Stakeholder inclusiveness – Capturing stakeholders' expectations and concerns;
- Sustainability performance – Presenting key performance indicators within the wider context of sustainability;
- Material matters – Prioritising the key sustainability issues most relevant to our business;
- Completeness – Reporting on all sustainability topics that are relevant to our Group and in alignment with content requirements.

SCOPE & BOUNDARIES

This report is principally focused on disclosing matters related to Star Media Group Berhad and its print operations, which is a significant part of the Group's business. Unless otherwise specified, this report does not comprehensively cover other operating companies within the Group, such as digital, radio, events and exhibition segments. Our intention is to provide insights into our principal business operations as we seek to present a more comprehensive view of our Economic, Environmental and Social (EES) related matters moving forward.

Within this report, references to 'Star Media Group', 'the Company', 'the Group' and 'we' refer to Star Media Group Berhad and its subsidiaries.

REPORTING PERIOD




In accordance with an annual reporting cycle, the reporting period for this report is from 1 January 2022 to 31 December 2022.

OUR SUSTAINABILITY TOPICS

This report leverages upon GRI standards as guidance to disclose on the Group's identified material matters. Within the current reporting year, Water has been added to our list of existing disclosures. With this addition, this report covers a total of 13 sustainability topics. In terms of exceptions, it should be noted that disclosures within "Content Creation, Sourcing and Management" will be progressively improved over time to ensure adherence to GRI standards.

1. Content Creation, Sourcing and Management
2. GRI 201 Economic Performance
3. GRI 204 Procurement Practices
4. GRI 205 Anti-Corruption
5. GRI 301 Materials
6. GRI 302 Energy
7. GRI 303 Water
8. GRI 305 Emissions
9. GRI 306 Waste
10. GRI 401 Employment
11. GRI 403 Occupational Health and Safety
12. GRI 405 Diversity and Equal Opportunity
13. GRI 413 Local Communities

Further, the aforementioned disclosure topics are mapped against the following United Nations Sustainable Development Goals (UN SDGs):

ECONOMIC	ENVIRONMENTAL	SOCIAL
		
<ol style="list-style-type: none"> 1. Content Creation, Sourcing and Management – SDGs 8, 12 and 16 2. Economic Performance – SDG 8 3. Procurement Practices – SDG 12 4. Anti-Corruption – SDG 16 	<ol style="list-style-type: none"> 1. Materials – SDGs 12 and 15 2. Energy – SDGs 7, 8, 12 and 13 3. Water – SDG 12 4. Emissions – SDGs 12 and 13 5. Waste – SDGs 3, 6 and 12 	<ol style="list-style-type: none"> 1. Employment – SDGs 1, 4, 5 and 8 2. Occupational Health and Safety – SDGs 3 and 8 3. Diversity and Equal Opportunity – SDGs 5 and 8 4. Local Communities – SDGs 1, 3, 4, 8, 10 and 11

SUSTAINABILITY ACROSS THE SUPPLY CHAIN

As a Group, we recognise the salience of promoting sustainable practices across our supply chain. As such, we consistently seek to align with prevailing best practices to provide value to our stakeholders whilst continuously improving our sustainability performance within our business operations and overall supply chain.

MEMBERSHIPS & ASSOCIATIONS

1. Member of Malaysian Newspaper Publishers Association ("MNPA")
2. Member of Asia News Network ("ANN")
3. Member of World Association of Newspapers and News Publishers ("WAN-IFRA")
4. Member of Malaysian Press Institute ("MPI")
5. Member of Malaysian Retail Chain Association ("MRCA")
6. Member of Malaysian Advertisers Association ("MAA")
7. Member of Malaysian Digital Association ("MDA")
8. Member of Commercial Radio Malaysia ("CRM")
9. Council member of Communications and Multimedia Content Forum of Malaysia ("CMCF")
10. Council member of Belt and Road News Network ("BRNN")

AVAILABILITY

This report is accessible to the public via our website - www.starmediagroup.my

EXTERNAL ASSURANCE

This report has undergone an internal assurance process in alignment with our existing approach. Moving forward, we will consider the use of external assurance for our sustainability disclosures in order to enhance our sustainability reporting.

FEEDBACK

We welcome your comments, thoughts and remarks, which may be directed to our headquarters:

Level 15, Menara Star, 15, Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan
 Tel : +603 -7967 1388
 Fax : +603 -7954 6752
 Email: investor-relations@thestar.com.my

SUSTAINABILITY STATEMENT (CONT'D.)

ADVANCING THE SUSTAINABILITY AGENDA

Dear stakeholders,

We are pleased to disclose Star Media Group's sixth sustainability report, which has been prepared in accordance with the Main Market Listing Requirements established by Bursa Malaysia. For the current reporting year, we have continued to utilise the widely recognised sustainability reporting framework of GRI Standards. We are also working towards ensuring full compliance with Bursa Malaysia's Enhanced Sustainability Reporting Requirements, which requires further disclosures in relation to sustainability in the near future.



In FY2022, we have built upon our strengths to ensure that our business remains resilient as Malaysia transitions beyond the COVID-19 pandemic. While challenges and unpredictability remain, we are confident in our ability to deliver value as one of Malaysia's leading news and media organisations. This confidence is supported by our steadfast aspiration to being a sustainable and responsible organisation, and hence our deeply held commitment to our sustainability agenda.

At Star Media Group, we take seriously our responsibility to empower local communities by providing accurate and timely content that allows the public to stay in the know and make informed decisions. We are also humbled to be able to offer continued support to bring meaningful social impact to vulnerable groups within Malaysia. In addition to providing financial contributions, we leverage on our platforms to provide resources and assistance to nurture and empower our communities, thereby contributing to the progress and sustainability of the nation as a whole.

With commitments across the EES spectrum, we remain dedicated to ensuring that our approach and actions in relation to our material sustainability matters are effective and impactful, thus generating value for our people, stakeholders and communities.

SHARING GREATER ECONOMIC VALUE

As a Group, we continually seek to preserve and enhance the value we deliver to our stakeholders. In this regard, we consistently work to strengthen our core business through regular reviews and refinement of our strategic objectives, practices and offerings.

In FY2022, we have continued to focus on evolving new and relevant products to meet market needs. Some of the major initiatives being the introduction of Majoriti 7, a new Malay language weekly focusing on an upmarket lifestyle for the urban Malay segment. This new offering allows us to expand our foray into the Malay market and also serve as an effective platform for businesses to promote their brands directly to their target audiences.

Recognising the growing importance of the ESG agenda globally, the Group has also put in concerted effort to accelerate the ESG momentum amongst businesses and the general public. The three core pillars introduced include a monthly ESG pullout, the ESG Positive Impact Awards, as well as the StarESG Academy offering thought leadership and knowledge sharing programmes.

The Group through its property development subsidiary SMG Land, has also made good progress with an encouraging take-up rate of Star Business Hub units, our maiden industrial freehold project in Bukit Jelutong. With efforts such as these, we are on track in expanding our reach and diversifying our revenue streams.

Beyond our new developments, we continue to maintain and refine our practices to ensure that we act with the utmost integrity and adherence to best practices in our role as the leading source of news in Malaysia. Additionally, we are always keen to ensure that our business considers the needs of our stakeholders by engaging closely with our stakeholders, customers, suppliers and industry peers.

COMMITMENT TO EMPOWERING COMMUNITIES

At Star Media Group, we recognise our ability to generate a positive impact on society and the nation. From our employees to our local communities, we are staunchly focused on creating opportunities where people feel empowered to reach their full potential.

As a responsible employer who values the wellbeing of our employees, we stay committed to creating a safe and nurturing work environment for all our people. This includes upholding high standards in relation to employee rights and benefits, occupational health and safety, workplace diversity, and new flexible working arrangements to ensure our workforce remains competitive, agile and fulfilled.



Beyond our own people, we are also deeply dedicated to creating positive value for our wider community. In FY2022, we have continued our efforts to open up education opportunities for talented underserved youths through the longstanding Star Education Fund and other programmes to enhance English language education and training the next generation of journalists.

In tune with the needs of vulnerable communities, the Group continues to carry out meaningful social initiatives to provide tangible support to those in need. Through Star Foundation, we work hand-in-hand with NGOs and social enterprises to carry out impact-driven and sustainable social projects while also supporting underprivileged children undergo life-changing medical procedures.

OPERATING WITH ENVIRONMENTAL CONSCIOUSNESS

Across our operations, we seek to be responsible stewards of the environment. Our approach to environmental matters is defined by our utmost adherence to all applicable laws and regulations, as well as efforts to ensure that we minimise our environmental impact where possible.

In 2022, we have continued to closely manage and monitor various aspects of our environmental footprint, including our energy consumption, emissions, waste and material usage. Through our approach, we have been able to gain vital insights into our environmental impact whilst continuing to improve our efficiency in terms of the resources we consume. Moving forward, we will seek to improve our data collection and monitoring practices in relation to other environmental metrics, such as those related to our water consumption. By doing this, we aim to ensure that we can identify opportunities for improvement and provide our stakeholders with a more holistic picture of our environmental impact.

IN CONCLUSION

The Group's steadfast commitment towards the sustainability agenda is aptly reflected through our continued inclusion as a constituent of FTSE4Good Bursa Malaysia Index (F4GBM) for the reporting year, following our admission in FY2020. Aside from that, leveraging on the importance of peer-to-peer support and learning, the Group continues to be an active member of the CEO Action Network, a coalition of Malaysian business leaders focused on sustainability advocacy, capacity building, action and performance.

As we move forward in our sustainability journey, we will continue to enhance our existing initiatives whilst adapting to the rapidly evolving EES landscape. Our objective is to ensure that our sustainability-related efforts generate a positive impact on our people and stakeholders, and so we remain dedicated to adapting our approach and practices as and where necessary.

We hope that this Sustainability Report provides you with insights into our sustainability efforts, including our progress and impact for the year.

SUSTAINABILITY STATEMENT (CONT'D.)

SUSTAINABILITY GOVERNANCE

GOVERNANCE &

FRAMEWORK

ON SUSTAINABILITY



At Star Media Group, we have a multilateral sustainability governance structure led by our leaders. This structure provides overall leadership, management and oversight on all sustainability matters. Within this context, our sustainability agenda is led by our Group Chief Executive Officer (GCEO), with guidance provided by our Board of Directors (Board). Our GCEO works closely with key members of our management team to identify gaps and opportunities to address our material sustainability issues.

The GCEO is also responsible for managing and monitoring sustainability-related matters across the organisation, and supports the Board in ensuring that our initiatives are effectively implemented. This includes reviewing and deliberating on sustainability issues, assessing relevant risks that may impact our sustainability performance and reviewing our reporting practices in relation to sustainability.

CODE OF CONDUCT AND ETHICS

The Group adheres to a Code of Conduct and Ethics (Code) that reflects our core values and culture as a company. The Code is applicable to all directors, top management and employees to ensure the professional conduct of our people across all operations.

The Code entails all relevant guidelines in dealing with employees, customers and business associates. It also provides guidance for responsible business conduct and ethics in relation to work environments, company assets, conflicts of interest and other related matters. Policies and relevant governance structures have also been established to support the values and practices promoted by the Code, with relevant documentation updated as and when necessary to ensure that it is fit for purpose and compliant with all applicable laws and regulations.

WHISTLEBLOWING POLICY

In order to promote responsible business conduct and transparency, we provide a fair and objective platform where any party can confidentially and safely disclose matters pertaining to improper conduct. This platform is aided by our Whistleblowing Policy, which outlines the relevant procedures in dealing with any submissions received.

All concerns disclosed in good faith through our anonymous and highly confidential whistleblowing platforms are taken seriously and will be escalated if a resolution cannot be found through our normal reporting procedures. Our Head of Internal Audit or Chairman of the Audit Committee will handle any escalation of concerns. In order to encourage the reporting of any such incidences, the identities of whistleblowing individuals are kept highly confidential, and they are also afforded protection against any form of reprisal or retaliation.

Our full Whistleblowing Policy is available on the Star Media Group website at starmediagroup.my

ANTI-CORRUPTION POLICY

The Group recognises the salience of ensuring lawful and ethical behaviour across our activities and operations. As such, we adopt a zero-tolerance stance against all forms of bribery and corruption. Our approach is supported by our Anti-Corruption Policy, which complies with all applicable laws and regulations, including Section 17A of the Malaysian Anti-Corruption Commission Act 2009.

Our full Anti-Corruption Policy is available on the Star Media Group website at starmediagroup.my

STAKEHOLDER ENGAGEMENT

PRIORITISING THE INTERESTS OF OUR STAKEHOLDERS

We regularly engage our stakeholders to understand their perspectives on economic, environmental and social issues. Feedback gathered from such engagements enriches our approach to sustainability and ensures that we – as a Group – are addressing sustainability issues that matter to our stakeholders. When and where necessary, we also adapt our stakeholder engagement model to ensure that we can best address our stakeholders' needs whilst maximising their involvement in the formulation of our strategies.

Stakeholder	Engagement Platforms	Frequency	Key Interests	How Star Media Group Addresses
Shareholders/ Analysts	<ul style="list-style-type: none"> Regular shareholder communications/ announcements on Bursa Malaysia including quarterly financial result Annual general meetings/ extraordinary general meetings Star Media Group's website updates Annual report and circular/ statement to shareholders 	<ul style="list-style-type: none"> Ongoing Annually Ongoing Annually 	<ul style="list-style-type: none"> Economic performance Group's business direction/strategy 	<ul style="list-style-type: none"> Disclosure in reports and announcements released to Bursa On-demand response to inquiries and meeting requests
Government/ Regulators and Policy Makers	<ul style="list-style-type: none"> Attendance/participation in the Group's events Meetings/discussions News/information content dissemination platform (through Ministries) 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Business ethics (regulation and compliance) Public-private/ partnerships Strong relationships 	<ul style="list-style-type: none"> Public-private partnerships
Customers (Business)	<ul style="list-style-type: none"> Meetings/discussions Town hall sessions Roadshows/ product presentations Attendance/participation in the Group's events Customer service channels (email and call centre) Social media (Facebook, Instagram, LinkedIn, Twitter, TikTok, YouTube) Regular communications via email blasts and monthly newsletter Sponsorships/donations Networking lunches/ dinners/gatherings Customer satisfaction surveys Supplier registration Training programmes and workshops 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Occupational health and safety Procurement Group's business direction/strategy Knowledge sharing Business ethics Anti-competitive practices Corruption and instability Diversity and equality Product innovation Privacy and data security 	<ul style="list-style-type: none"> Data-driven solutioning Refer Material Topics 'Procurement Practices' and 'Occupational Health and Safety'

SUSTAINABILITY STATEMENT (CONT'D.)

Stakeholder	Engagement Platforms	Frequency	Key Interests	How Star Media Group Addresses
Customers (Consumer)	<ul style="list-style-type: none"> • Loyalty programme (for those who subscribe to SMG services) • Reader feedback system (to improve quality of article) • Star daily news email alerts • Networking lunches/dinners/gatherings • Customer service channels (email and call centre) • Social media (Facebook, Instagram, LinkedIn, Twitter, TikTok, YouTube) • Regular communications via email blasts and monthly newsletter • Customer satisfaction surveys • Attendance/participation in the Group's events • Meetings/discussions • Network gatherings • Media engagements (press conference) • Training programmes and workshops • Sponsorships/donations 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • The Star cover price cost vs no. of pages (content) • Content direction/balanced reporting • Subscription packages • Product safety and quality • Business ethics • Product innovation • Privacy and data security • Access to finance • Opportunities in nutrition and health • Community investment 	<ul style="list-style-type: none"> • Stringent fact checking processes • Refreshed editorial system • Responsive editorial direction
Suppliers and Industry Peers/Partners	<ul style="list-style-type: none"> • Visit to supplier for due diligence • Meetings/discussions • Networking lunches/dinners/gatherings • Supplier assessment • Supplier registration • On-site visit to office/plants/sites etc. (visiting SMG office and vice versa) • Attendance/participation in the Group's events 	<ul style="list-style-type: none"> • Annually • Ongoing • Ongoing • Bi-annually • Ongoing • Ongoing • Ongoing 	<ul style="list-style-type: none"> • Group's business direction/strategy • Procurement • Knowledge sharing • Electronic waste • Environmental compliance • Occupational health and safety • Opportunities in renewable energy • Supply chain labour standards and environmental commitments • Economic performance • Business ethics • Anti-competitive practices • Corruption and instability • Financial system instability • Product innovation 	<ul style="list-style-type: none"> • On-site visit to HQ and printing plant • Refer Material Topics 'Procurement Practices' and 'Occupational Health and Safety'

Stakeholder	Engagement Platforms	Frequency	Key Interests	How Star Media Group Addresses
Employees	<ul style="list-style-type: none"> • Performance appraisals • Staff engagement communications • Town hall sessions • Union meetings • COVID-19 alerts and updates • Regular communications via email blasts and monthly newsletter • Training programmes and workshops • Employee feedback forms • Attendance/participation in the Group's events 	<ul style="list-style-type: none"> • Annually • Ongoing • Periodic • At least twice a year • Ongoing • Ongoing • Ongoing • Ongoing • Ongoing 	<ul style="list-style-type: none"> • Human capital development • Equal employment opportunities • Employment benefits and welfare • Business ethics/governance • Diversity and equality • Occupational health and safety • Corporate development 	<ul style="list-style-type: none"> • Diverse workforce • Training and development programmes • Career planning and development • Code of Ethics • Refer Material Topic 'Occupational Health and Safety', 'Diversity and Equal Opportunity' and 'Employment'
Local Communities	<ul style="list-style-type: none"> • Regular communications via email blasts and monthly newsletter • Customer service channels (email and call centre) • Social media (Facebook, Instagram, LinkedIn, Twitter, TikTok, YouTube) • Community-focused initiatives organised by the Company including site visits to NGOs • Sponsorships/donations • Media engagements (press conference) • Attendance/participation in the Group's events 	<ul style="list-style-type: none"> • Ongoing • Ongoing • Ongoing • Ongoing • Ongoing • Ongoing • Ongoing 	<ul style="list-style-type: none"> • Education • Social assistance • Funding • Publicity • Business ethics • Community investment 	<ul style="list-style-type: none"> • Education workshops and activities • Star Education Fund scholarships • Funding support via Star Foundation • Medical Fund Programme • Awareness building through editorial campaigns • Refer Material Topic 'Local Community'

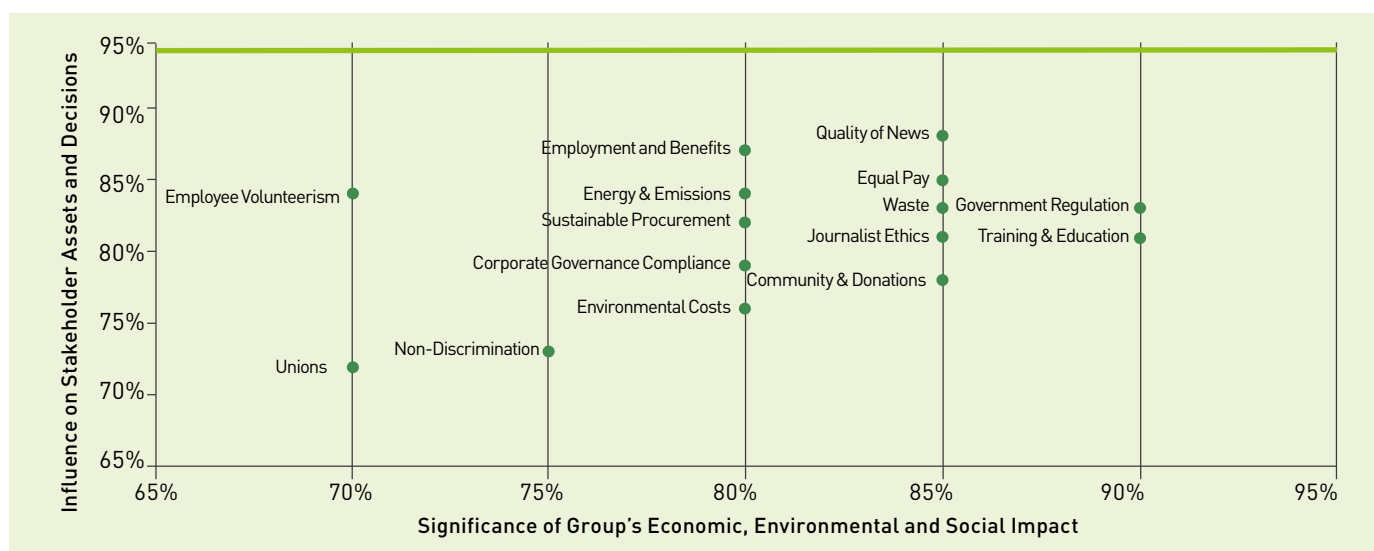
SUSTAINABILITY STATEMENT (CONT'D.)

MATERIALITY MATRIX

REINFORCING OUR COMMITMENTS ON
MATERIAL ISSUES

With reference to the GRI Standards and materiality assessments conducted in prior years, Star Media Group performed a general review on its Materiality Matrix for the current reporting year. Stakeholder feedback and updated regulatory requirements helped us identify sustainability issues that are presently material to our business, alongside the consideration of any additional disclosures which may be of priority during the current year. The outcome of our latest materiality assessment is displayed in the following matrix, which highlights the importance of sustainability issues based on its significance to stakeholders and impact to the Group from an EES perspective.

MATERIALITY MATRIX





OUR SUSTAINABILITY TOPICS AND THEIR RELEVANT GRI TOPIC-LEVEL STANDARDS

Our report provides insights into the initiatives and progress made in relation to our key sustainability matters. The topics covered are summarised in the table below:

Category	GRI Standards	Topic	Overview of Each Topic
ECONOMIC	-	Content Creation, Sourcing and Management	Approach and measures in place within the Group which facilitate its duty in producing accurate and reliable content.
	GRI 201	Economic Performance	Strategies in place to ensure the achievement of business sustainability whilst ensuring sustainable value creation for our stakeholders through a well-governed structure.
	GRI 204	Procurement Practices	Key activities in ensuring a fair, transparent and efficient means of procurement, with the main focus on supporting local businesses (i.e., suppliers) around our operations.
	GRI 205	Anti-Corruption	Policies and measures adopted within the Group which uphold our zero-tolerance stance towards corruption and bribery.



Category	GRI Standards	Topic	Overview of Each Topic
ENVIRONMENTAL 	GRI 301	Materials	Key practices in place at managing our approach towards responsible material sourcing and consumption.
	GRI 302 and GRI 305	Energy and Emissions	Our approach at managing energy consumption which includes implementing energy efficient initiatives, embracing renewable energy and acknowledging our carbon emissions.
	GRI 303	Water	Our efforts and approach in managing our water usage, including relevant initiatives and data to reflect our present consumption of water.
	GRI 306	Waste	Efforts on ensuring compliance with relevant environmental laws regarding waste management and adoption of recycling practices in our operations.
SOCIAL 	GRI 401	Employment	Initiatives and measures in place to safeguard the well-being and welfare of our people.
	GRI 403	Occupational Health and Safety	Key implementation of industry leading health and safety measures in ensuring a safe and hazard-free working environment.
	GRI 405	Diversity and Equal Opportunity	Practices guided by our policies and guidelines in ensuring diversity and equal opportunities within the Group.
	GRI 413	Local Communities - Community Investment	Efforts at helping the underprivileged community through our social initiatives spearheaded by Star Foundation.
		Local Communities - Quality Education	Programmes that advocate and support the provision of quality education for the society.

SUSTAINABILITY STATEMENT (CONT'D.)

CONTENT CREATION, SOURCING AND MANAGEMENT UPHOLDING THE PEOPLE'S TRUST



WHY IT MATTERS

Our ascension to becoming the leading provider of English news in Malaysia was built upon a robust reputation for delivering trustworthy and accurate information, news and content to our readers. Consequently, the sustainability of our media organisation's success is predominantly reliant on the continued reliability of our content.

At the same time, our vast reach and ability to shape national conversation through our news reporting gives us the added moral obligation of ensuring the accuracy of our content and credibility of our sources at all times. Immense emphasis is therefore placed on ensuring that content sourcing, management and creation is undertaken conscientiously and with the highest standards of journalistic integrity.

OUR APPROACH

Guidelines for content teams

Delivering accurate and credible news content every day requires a comprehensive guiding framework. This includes strict and clear guidelines, along with well-defined standard operating procedures (SOPs) for our content teams to diligently follow. These include:



Guidelines on house style, columnist and contributor selection and remuneration.



Adherence to core journalistic principles of double (or more) verification, fact-checking and the right of response.



At least two layers of copy-clearing and scrutiny before a piece is published, whether online or in print.



A senior team dedicated to the approval and extra vetting of sensitive stories.



Consultation with either the internal legal team or a retainer law firm for potential defamation lawsuits with relevant stories.



Strict guidelines for content on vulnerable audiences, especially children, which includes maintaining anonymity to protect their identity.

We complement these guidelines with the additional ethical obligations of responsible journalism, upholding definitive principles such as the protection of sources and withholding of private identities in news reports. We simultaneously adhere strictly to laws governing personal privacy, such as the Child Act, and often consult with civil society to avoid the use of potentially offensive terms and phrases.

We have implemented measures to handle sensitivities surrounding the '3Rs', which are race, religion, and royalty. We also have a consultant with the expertise in analysing content related to these three topics to provide an additional level of review. Potentially controversial content is also reviewed by our most experienced editors before publication.

Engaging readers to stay relevant

In a bid to continually improve our content and adapt to the evolving needs of society and our readers, we place importance on obtaining feedback from our readers, viewers and followers. A variety of channels are utilised to accrue comments, opinions, suggestions, including via letters to the editor, email, panel discussions, forums, conferences, market research and direct feedback during roadshows.

In this digital era, social media channels have become an important platform to engage with consumers. Our dedicated teams managing our presence on Facebook, TikTok, Instagram and other social media platforms actively use these channels to gauge readers' feedback in real time on top of daily engagement. All content related feedback is handled by the relevant desk head, while our customer support channels are dedicated to resolving technical or other issues via phone or email.

Further underscoring our responsibilities

We have implemented various other guidelines and policies to further bolster our commitment towards providing media content that is responsible for not only our readers, but society as a whole.

One example is our initiative to contribute positively to the nation's social growth and progress via numerous and consistent stories about women empowerment. Spearheaded by SMG's Chief Content Officer Esther Ng, who is the chairman of the World Editors Forum (Asian Chapter) in 2022, we had the privilege of publishing more than 50 articles throughout the year, which we trust would have brought about positive influence in the lives of Malaysian women. In a similar vein, we always seize the opportunity to run stories that serve public interest and benefit readers, such as exposes on the modus operandi of con artists, scams, dangerous malwares, and the like.

On a more general note, we remain guided by our policy to refrain from naming minors and victims of sexual abuse in our written or visual content so as to protect such vulnerable segments. Likewise, we are ever mindful about the sensitivities when reporting on suicide cases, and will dedicate paragraphs on mental support organisations in any such story.

In upholding our role as the Fourth Estate, we remain steadfast in our commitment in providing in-depth and objective content. To that end, the Media in Arms alliance formed in early 2022 with Sin Chew Daily, Sinar Harian and Astro Awani is further strengthened with Tamil newspaper Malaysia Nanban coming on board to share resources and collaborate on diversified news content. In the year, the alliance leveraged on their respective audience reach and carried out an online survey aimed at uncovering sentiments of the people regarding the performance and popularity of the unity government.



SUSTAINABILITY STATEMENT (CONT'D.)

ECONOMIC PERFORMANCE

GENERATING ROBUST ECONOMIC VALUE



WHY IT MATTERS

To maintain the profitability and long-term viability of our business, we recognise the importance of carefully monitoring the diverse range of internal and external factors that may influence our potential to generate sustainable economic value. By proactively identifying operational, technological, social and marketplace developments, we are empowered to adopt the right business strategies to prosper in the current environment and ensure future readiness.

Holding true to this principle, we continue to focus on digital and innovative transformation, revenue diversification and the safeguarding of our content quality and credibility. By enhancing our capabilities and performance across these three areas, we are able to drive positive evolution within our organisation, enhance our revenue streams and ensure the long-term sustainability of our economic performance.

OUR APPROACH

Performance monitoring against strategic KPIs

At the fundamental level, we want to keep a close eye on our operational and financial performance so we may react swiftly and with agility to mitigate rising challenges and seize emerging opportunities. To this end, management reports are evaluated by the GCEO and submitted for review to the Board on a monthly basis. This allows for meaningful discussion and deliberation of key operational and financial related matters during our quarterly Audit Committee and Board meetings.

We have also set performance benchmarks across a wide spectrum of Key Performance Indicators (KPIs), which helps us closely monitor our ongoing results and gauge whether adjustments to our strategies are required.

KPIs for our Print and Digital business include:

Circulation of our printed newspaper and ePaper



Comparison of monthly revenue against budget



Monthly pageviews (PV) and unique visitors (UV) to our digital portals

KPIs for our Radio business include:

Comparison of monthly revenue against budget



Ranking of our radio stations within the Malaysian industry



Growth of listenership in Sweep 1 and 2 each year

Strategic diversification of content platforms

In 2022, we directed our focus to monetisation strategies to diversify our revenue streams while enhancing the quality and effectiveness of our current range of offerings. To that end, we continue to launch a variety of products to meet the evolving needs of our consumers.

A key development was the launch of our new Malay language online news portal Majoriti in 2021, which was an important step forward for the Group to grow its readership amongst the Malay speaking community. Following the success of this initiative, we seized the opportunity to further strengthen our market share last year with the introduction of Majoriti 7, Malaysia's first premium weekly Bahasa Malaysia newspaper. With the tagline of 'Adrenalin Metropolitan', its content is specially curated to meet the needs and interests of market segments in metropolitan communities and help us increase our influence amongst urban Malays. Leveraging on its unique distribution channels, Majoriti 7 also effectively connects premium brands directly with their affluent target audiences.

The Group continued to harness growth opportunities with a foray into property development through our wholly-owned subsidiary SMG Land Sdn. Bhd. This new business venture has yielded a promising outlook with secured sales for its maiden Star Business Hub project, consisting of factories and warehouses.

Digitally progressing our people

As the Group adapts to the shifting industry landscape and begins to adopt and provide a wider array of digital tools, products and services, we recognise the importance of ensuring our workforce is equipped with the competencies of the modern age.

We thus continue to employ numerous educational and training platforms to upskill and 'future-ready' our employees. These include self-learning e-Modules that empower independent learning amongst workers, as well as through virtual or in-person classroom-oriented sessions.

Better understanding of our readers

The success of our content delivery platforms relies on our ability to consistently meet our audiences' expectations. We therefore place emphasis on establishing convenient and accessible lines of communication that allow us to receive crucial feedback from our subscribers and customers.

One of our established channels for gaining such responses are via our regular audience surveys, which gauges customer preferences on a wide variety of topics, from content preferences, likelihood to subscribe and their impression towards the pricing of our packages.

In addition to this, we utilise our social media platforms to engage with our readers on a day-to-day basis, while also welcoming their feedback through our call centres, email and Live Chat functionality on WhatsApp.

OUR PERFORMANCE

For the financial year ended 31 December 2022, the Group recorded a total revenue of RM216.84 million, a 16% increase from the previous year. For further details on our economic performance, please refer to the Financial Highlights section of our Annual Report.



SUSTAINABILITY STATEMENT (CONT'D.)

PROCUREMENT PRACTICES

INCULCATING SUSTAINABLE PRACTICES AND PRIORITISING THE LOCAL ECOSYSTEM



WHY IT MATTERS

As a Malaysian media organisation, we are proud to maintain a nationalistic 'Made in Malaysia' mentality in our procurement practices. We are committed to preferentially engaging local suppliers to support our business operations. This is an important strategy to develop and contribute towards a sustainable supply chain within the media and content creation ecosystem.

As a core component of our business operations consist of engaging suppliers for the purchase of raw materials, production of marketing collaterals and undertaking of consultancy services, we believe that our contribution in this area carries significant weight. On top of our commitment to prioritise local procurement, it is important that our suppliers are similarly responsible, committed and aligned to our goals for sustainable quality improvement for the entire value chain.

OUR APPROACH

Prioritising responsible and certified suppliers

To enable our procurement teams to achieve the highest ethical and progressive standards that we have set for the Group, we established a Procurement Policy with distinct parameters and comprehensive guidelines. The primary suppliers engaged during the course of our business operations are for printing materials, delivering off-line events and providing digital marketing services.

Our biggest suppliers are naturally those that provide materials for the printing of newspapers, namely newsprint suppliers and printing ink vendors. We place extra emphasis on gaining these materials from responsible sources, utilising global and local certification bodies as a key selection criterion.

For newsprint, we emphasise on engaging suppliers certified by the Forest Stewardship Council (FSC). The FSC label is the world's most dependable indicator for the sustainable management of forests and mills, with FSC certified products and suppliers promoting zero deforestation, fair wage and work environments, animal and plant conservation, and community rights.

At the same time, we engage printing ink suppliers that are ISO 14001 certified, which denote their commitment towards minimising the environmental impact of their ink production. We also rely on the government's MyHijau initiative and seek out suppliers that are certified in compliance with Green Label Certification (ISO 14024 Type I Eco-Labels).

Digitising our procurement processes

Our automated procurement system has continued to enhance and simplify our procurement practices, allowing us to increase efficiency, carry out paperless operations and provide easy access to statuses, purchase orders and approvals for respective departments.

This has been most beneficial as remote working practices become the norm, and secure access to such information from non-office locations become increasingly vital for efficient operations.

Prioritising local vendors

Star Media Group has continued to provide preferential opportunities to local vendors, with our definition of local vendors being Malaysian suppliers. We only resort to engaging non-local suppliers if and when there is an absence or a lack of qualified suppliers for the material or service needed.

Based on the total purchase orders issued in 2022, a total of 93.28% of all procurement was through local vendors, while overseas vendors made up the remaining 6.72%.

Decentralised procurement

While procurement processes are decentralised to empower efficiency for time-sensitive operations of various departments, the Group Procurement Department maintains a catalogue of suppliers (Approved Suppliers List) to ease the procurement process. In this way, the Group Procurement Department is able to maintain oversight and facilitate support via full visibility provided within our procurement automation (ESKER) system.

The process of sourcing suppliers is usually commenced by department heads initiating a request for quotations ("RFQ"), but an open tender procedure may instead be undertaken for larger projects. A stringent approval process has been established, with varying levels of approval being required for the procurement of different goods or services.

Stringent assessments and reviews

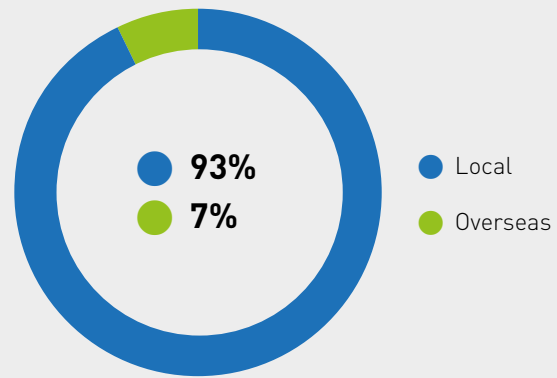
To ensure all practices surrounding procurement adhere to the stipulations of our guiding policy, the Group's Procurement Department periodically carries out assessments and reviews on major vendors such as newsprint suppliers and warehouses that store our newsprint. Some assessment criteria include pricing, quality, relevant certifications, sustainability policies and track record among others.

Assessments are undertaken twice a year while internal reviews are carried out quarterly for strategic or critical suppliers. Meetings to discuss and review our procurement processes are also carried out regularly and conducted by our Group Procurement Department at our headquarters.

OUR PERFORMANCE

In FY2022, we engaged a total of 640 active vendors, with 597 of these vendors being local and the remaining 43 suppliers based outside of Malaysia. We are pleased to have increased our ratio of local suppliers for the second consecutive year, with 93.28% of the current year's suppliers being local, as compared to 89% local suppliers last year.

Breakdown of Supplier by Origin



SUSTAINABILITY STATEMENT (CONT'D.)

ANTI-CORRUPTION

ENSURING RESPONSIBLE BUSINESS CONDUCT



WHY IT MATTERS

Responsible business conduct plays an important role in the sustainability of our organisation for a variety of reasons. As a leading media organisation, we recognise our duty to set an exemplary role as any impingement upon our integrity will significantly impact our credibility with our readers, clients and stakeholders.

We uphold a stringent zero-tolerance approach against any and all forms of bribery and corruption and consistently encourage our employees to maintain a high level of ethical conduct in all their business undertakings. Consequently, any suspected non-compliance amongst staff is investigated thoroughly with stern repercussions exercised to deter future offences. By preserving a strong track record of responsible behaviour, we are empowered to develop strong, trusting and sustainable relationships with our stakeholders.

OUR APPROACH

A robust policy to guide our approach

At the fundamental level, our efforts to prevent corruption at all levels is guided by a Group-wide Anti-Corruption Policy that ensures our regulatory compliance while expounding upon the job or industry-specific responsibilities assumed by our employees.

We recognise the importance of employee awareness and compliance, and we require all employees to sign a declaration form upon completing a training on the Company's Anti-Corruption Policy and measures. Our Group People department is tasked with tracking and maintaining a record of pledges signed. As a constant reminder, an abbreviated Anti-Corruption Policy statement is posted around our premises, while the policy itself is readily available on our corporate website as well as our internal portal.

Raising internal and external awareness

Since 2021, we have commenced on our mission to provide training on anti-corruption to all employees. Due to the limitations imposed by lockdowns and other Covid-19 restrictions, we have proceeded with the provision of virtual trainings to employees with access to online communication tools, followed by physical trainings.

Prior to the commencement of trainings, we had conducted a risk assessment for employees and areas of operation via a collective liaison with department heads. As it stands, the employees yet to undergo the anti-corruption training also happen to have the lowest risks and exposure with regards to their potential for corruption.

We also expect the same high levels of ethical responsibility from our third-party suppliers, and have included clauses to protect the Company's corporate liability in all third-party contracts. Any updates to our policy are immediately reflected on our corporate website and internal portals.

Empowering effective whistleblowing

We also carry out briefings on the Company's whistleblowing policy and procedures alongside our Anti-Corruption training activities to familiarise employees with the channels and procedures for reporting any and all instances of unethical business conduct.

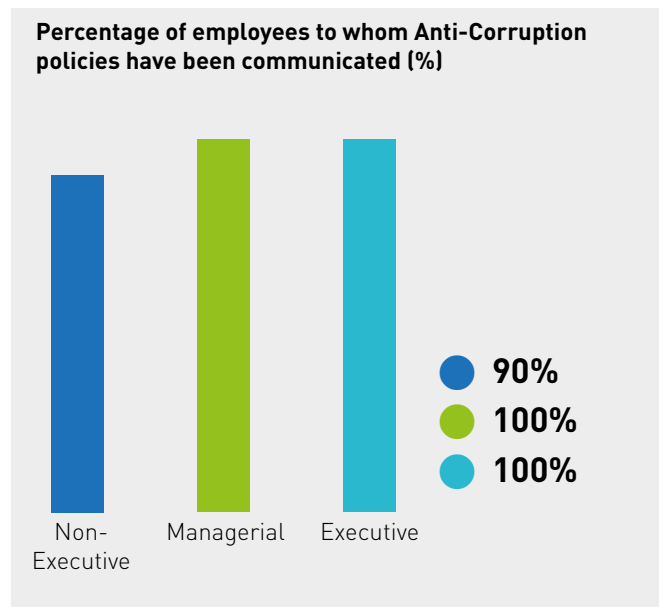
Our Internal Audit Department/Audit Committee is currently responsible for attending to whistle-blower reports that are lodged, with the Group People Department tasked with ensuring truthfulness and accuracy of the report. However, if the complaint involves a member of the Group People Department, an alternative department will be tasked to conduct the investigation. The findings of such investigations are reported back to the Internal Audit Department/Audit Committee for their review and decision on subsequent actions to be undertaken.

OUR PERFORMANCE

During FY2022, the company has continued to uphold the highest standards of integrity and business conduct. We are pleased to report that there were zero incidents relating to bribery or corruption across the entire business operations of the Group. Meanwhile, we have continued to provide Anti-Corruption training to our entire workforce to ensure that they are kept informed of their duties and obligations.

ZERO	confirmed incidents of corruption
	action taken for the confirmed incidents of corruption
	incidents in which employees were dismissed or disciplined for corruption
	incidents when contracts with business partners were terminated or not renewed due to violations related to corruption
	public legal cases regarding corruption brought against the organisation or its employees during the reporting period

Our performance is indicated by the percentage of employees whom anti-corruption policies have been communicated to, by employee category:



Efforts are currently underway to communicate the policy to remaining employees within the non-executive category, which will be completed in 2023.

SUSTAINABILITY STATEMENT (CONT'D.)

MATERIALS

CONSUMING MATERIALS CONSCIENTIOUSLY



WHY IT MATTERS

Our role as the publisher of Malaysia's top English daily and other printed media makes it especially important for us to pay close attention to the utilisation of our raw materials. We are committed to reducing the potential environmental impact caused by material consumption and have implemented rigorous policies to ensure the procurement and utilisation of materials are carried out in an environmentally-conscious manner.

Steered by these guidelines, we are able to maintain full adherence to all applicable regulatory laws and regulations while playing our role in preserving our planet's health. At the same time, we endeavour to play our part as a responsible corporate citizen and strengthen our relations with government regulators, our customers and stakeholders.

OUR APPROACH

Using recycled materials in accordance with global standards

With newsprint being our most utilised material, we maintain a strict policy of only using 100% recycled newsprint in all of our newspaper printing activities. We further ensure that the quality of recycled newsprint we procure are in compliance to the ISO 12647-3 standard that provides us with valuable process controls and technical advantage for the production of half-tone colour separations, proofs and production prints, while allowing us to maintain a high level of quality through the mindful utilisation of recycled newsprint materials.

Utilising environmentally-friendly ink

With ink being another primary resource utilised during our printing activities, we place emphasis on ensuring the ink we use is environmentally-friendly and of high quality. To this end, we work closely with our ink suppliers to ensure they remain compliant with the guidelines and the inks we procure meet our precise specifications as set forth within the ISO 2846-2 standard.

Aside from that, we also stay abreast of the latest developments in the industry and new ink formulations through our ink suppliers.

Minimising press run wastage

With printing activities held daily as part of our business operations, we prioritise efficient use of materials during our print runs to minimise wastage as much as possible. One of our key efforts in this area is to work closely with newsprint manufacturers to acquire materials that meet our precise requirements. This allows us to maximise usage and reduce waste during press runs.

We have also set annual KPIs to measure, monitor and seek to enhance our year-on-year performance. Should serious newsprint quality issues arise and cause downtime or affect the quality of our printed materials, the Production Department will escalate the issue to our Procurement Department, so they may raise and resolve the matter with the respective manufacturer.

Keeping a close eye on efficiency

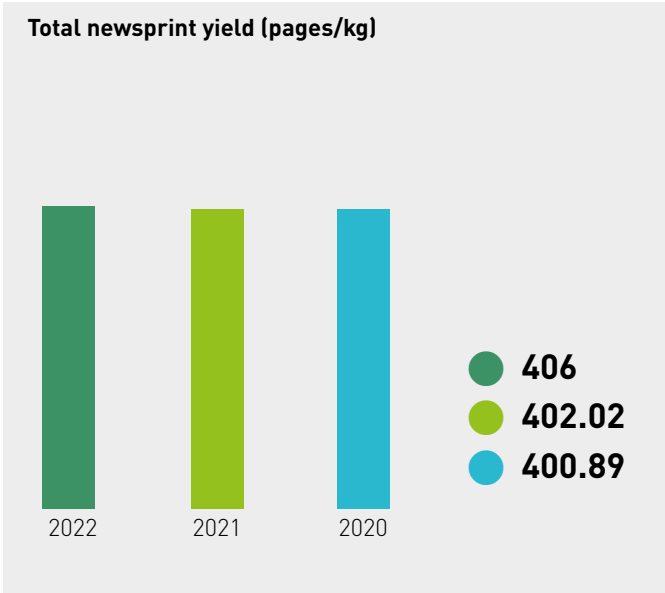
Monitoring and management of the responsible utilisation of raw materials is overseen by the Print Department, with rigorous efforts being undertaken to track and monitor the efficiency of our raw materials utilisation.

Our overall efficiency in material utilisation is gauged across a variety of metrics, including comparing the volume of input versus end product, measuring waste produced during the process and examining the prevalence of defects or irregularities. This has permitted us to calculate our yield per kilogram of raw material, which is the metric we employ to compare our annual performance.

OUR PERFORMANCE

In FY2022, we improved our newsprint yield per kg, from 402.02 last year to 406 pages per kg in the current year under review. We have also maintained our track record of only utilising 100% recycled newsprint paper in our production activities.

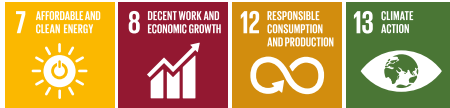
The representation of total newsprint yield pages/kg between 2020 to 2022 is as follows:



SUSTAINABILITY STATEMENT (CONT'D.)

ENERGY

REDUCING CONSUMPTION WHILE OPTIMISING OUTPUT



WHY IT MATTERS

In recent years, corporate entities have taken proactive measures to do their part in elevating energy security concerns. We have taken a stringent approach on this matter, with our energy conservation framework embedding mindful energy consumption and management practices into our day-to-day operations.

We recognise that the printing of our daily newspaper uses a significant amount of energy each day. As such, we have proactively sought to balance this consumption by generating our own renewable energy. Our innovative rooftop solar energy generation project plays an important role in enabling us to offset the use of fossil fuels and electricity with clean and sustainable solar power. We also strive to enhance our performance year-on-year by monitoring our carbon emissions and reducing our consumption where possible.

We are committed to safeguarding people and planet, and will continue playing our part in positively impacting the communities we operate in.

OUR APPROACH

Our rooftop solar project

Our 500kWp rooftop solar plant, which was installed in 2013, is a manifestation of our advocacy for the use of renewable energy and exemplifies our unwavering commitment to advancing energy sustainability within our organisation. We strongly believe that increased adoption of renewable energy sources in the corporate sector can play a vital role in decreasing our dependence on fossil fuels.

Our Facilities Department is charged with ensuring the smooth operations of our solar plant and is supported by a solar chargeman who is assigned to manage and monitor the systems. The energy we produce contributes to our revenue as it is entirely sold back to the grid, with Tenaga Nasional Berhad compensating us at 100% of the market energy rate.

Our energy initiatives

We have put into place various green initiatives to holistically enhance and optimise our energy consumption across our operations and are constantly on the lookout for new methods to further our energy conservation commitments.

Some of the general initiatives undertaken during the year include upgrading our traditional fluorescent tube lighting to energy efficient LED lighting and substituting older and unrepairable air-conditioner units with upgraded inverted models that consume less energy. We have also installed Digital Power Meters (DPMs) at all locations to enhance our ability to monitor energy consumption.

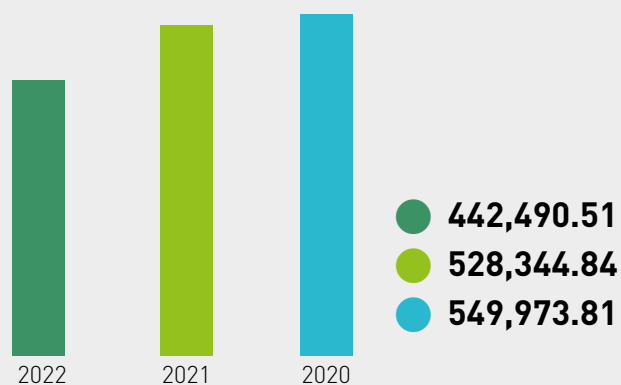
A dedicated team to drive progress

In seeking continual improvement of our practices, we have established an Energy Management team that bears responsibility for monitoring and assessing our overall energy utilisation and proposing additional energy conservation initiatives wherever possible. By leveraging a dedicated team, we are able to uncover small yet meaningful initiatives to enhance our energy efficiency.

OUR PERFORMANCE

To monitor the efficiency and performance of our energy initiatives, we take into account a number of factors, including the amount of electricity consumed during the year, the amount of solar energy we generated and sold, and our contribution towards the reduction in CO₂ emissions from the TNB grid. Our performance for FY2022 is indicated below.

Solar Yield 2020-2022 (RM)



Solar initiative gross revenue:

RM442,490.51

Total reduction of CO₂ emissions from TNB grid system:

277.59 tonne

Total kWh solar energy generated:

374,611kWh

Total energy saved from energy conservation initiatives:

972kWh/month



SUSTAINABILITY STATEMENT (CONT'D.)

WATER

PLAYING OUR PART IN WATER STEWARDSHIP



WHY IT MATTERS

Just like many other natural resources, water is an indispensable and precious commodity that should be utilised responsibly. Good stewardship of water is crucial for maintaining our supply of this resource, which is especially important given that it contributes fundamentally to the planet's environmental and economic sustainability.

At Star Media Group, the water we consume is primarily utilised in our printing processes and also to meet the domestic needs of our employees and operations. To this end, we have begun to place greater emphasis on contributing to the preservation and management of this resource, with this being our first year of disclosing water management as a standalone sustainability topic.

OUR APPROACH

Developing a stronger water management framework

Currently, all the water we receive and utilise in the course of our business operations is supplied to us via the infrastructure developed by Air Selangor, which is the state's water department. We do not operate in any water-stressed regions, nor do we obtain any water from natural sources such as rivers or lakes.

We presently only monitor our consumption by utilising the data provided within monthly water bills from Air Selangor. As we move forward, we strive to enhance our water management framework by improving our data collection and providing more detailed disclosures surrounding this sustainability topic.

OUR PERFORMANCE

While we aim to expand our efforts in the realm of water management, we have commenced our efforts by monitoring our annual water consumption to set a baseline from which we can improve upon.

In 2022, water consumption in Star Media Hub:

9.798 megalitres

EMISSIONS

PROGRESSING TOWARDS REDUCED

EMISSIONS



WHY IT MATTERS

As the fight against climate change gains increasing global attention, corporate citizens and the private sector play a critical role in reducing carbon emission. We acknowledge our responsibility in this aspect and are committed to bring about positive impact through our efforts.

We have therefore continued to adopt a variety of measures to help minimise our consumption of energy, while paying closer attention to the calculations of our overall carbon emissions to gradually enhance our performance.

OUR APPROACH

Bolstering our energy management

To maintain robust energy oversight, we have established an Energy Management Team that bears the duty of monitoring and assessing our energy practices across the Group. In reviewing the impact and progress of our established practices, the team will also recommend additional conservation initiatives that we may adopt to further enhance our performance.

One of the more recent enhancements made to our energy management framework was the installation of Digital Power Meters (DPM) throughout all of the Group's premises to monitor electricity usage, enabling us to gain higher quality consumption data.

Computing our GHG emissions

With GHG emissions being a clear indicator of our carbon footprint, we began diligently computing our Scope 1 and Scope 2 emissions since FY2021.

Scope 1 emissions are primarily from our consumption of petrol-powered company vehicles and diesel generator sets and is calculated based on emission factor published by Intergovernmental Panel on Climate Change (IPCC) 2007 and IPCC AR5.

Meanwhile, Scope 2 emissions are the incidental emissions from our consumption of electricity and are computed in accordance with the emission factor published by Institute for Global Environmental Strategies 2021 List of Grid Emissions Factor.

OUR PERFORMANCE

In FY22, we witnessed an increase in our fuel consumption as activities across the Group's operations returned to pre-pandemic levels. A breakdown of our energy performance over the last two years is presented below. We will continue to enhance our efforts in the coming years to achieve further reductions in our overall carbon emissions.

Scope 1 emissions

Year	2021		2022	
Unit of measurement	Litres (L)	Tonnes of CO ₂ (tCO ₂ e)	Litres (L)	Tonnes of CO ₂ (tCO ₂ e)
Petrol	36,438.57	88.57	55,346.33	128.64
Diesel	2,229.71	5.68	3,520.30	9.69
Total	38,668.28	94.25	58,866.63	135.16

Scope 2 emissions

Year	2021		2022	
Unit of measurement	mWh	Tonnes of CO ₂ (tCO ₂ e)	mWh	Tonnes of CO ₂ (tCO ₂ e)
Electricity	6,724.723	3,933.96	4,423.03	2,587.47

SUSTAINABILITY STATEMENT (CONT'D.)

WASTE

MANAGING OUR WASTE RESPONSIBLY



WHY IT MATTERS

Proper management and disposal of waste is a key component of our sustainability framework, as it can mitigate negative impacts on the environment. We pay close attention to ensuring that we adopt best practices in waste management across the Group and have developed a comprehensive guide.

Our three key objectives are to reduce the waste we produce, increase or enhance our recycling practices and minimise the environmental impact of any non-recyclable waste. We remain committed to playing our role in protecting the health of our planet and will actively seek new practices and opportunities to further enhance our approach in the future.

OUR APPROACH

Responsible recycling and reusing efforts

With daily newspaper printing being one of our key activities that generate waste by-products, we place great emphasis on responsible reusing and recycling efforts at our printing plant. General waste produced, such as printing plates, press spoilage, newsprint brown wrapper/side covers, end cores, paper stripping and test run spoilage, are collected and sent to appointed contractors to be recycled. Our recyclables are stored separately, and weighed during storage, upon collection and reweighed prior to disposal for effective monitoring and to ensure that all recyclable waste is accounted for.

We have also adopted the practice of recycling and reusing internally. For instance, at our printing plants, cloths that are tainted with ink or chemicals are deep cleaned by an appointed contractor before being reused, significantly extending the lifetime usage of each cloth and minimising waste sent to the landfill.

Responsible and timely waste disposal

Stringent guidelines and protocols have been established to ensure that proper disposal of our general and scheduled waste is carried out across our operations.

As per the requirements of the Environment Act, all of our scheduled waste is stored securely before being collected and disposed by Department of Environment ("DOE") licensed contractors within 180 days from when it was generated. Meanwhile, our general waste is properly disposed of in line with accepted best practices in waste management by licensed and experienced contractors.

A committee to drive compliance

We have underscored our dedication to adopt responsible environmental practices through the formation of our Environment Performance Monitoring Committee ("EPMC"), which was established in compliance with the Guidelines for Self-Regulation as mandated by the DOE.

The EPMC supports our efforts to achieve compliance with all applicable regulations, and maintains responsibility for managing all waste-related matters across the Group's operations. The committee holds meetings on a quarterly basis, or as and when needed to discuss waste-related and other environmental issues.

OUR PERFORMANCE

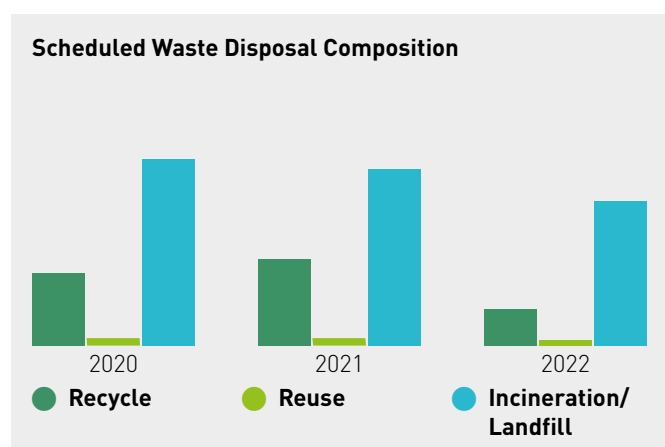
In FY2022, we had zero incidents or accidents related to scheduled waste. We have continued to achieve improvements in minimising and reducing the waste we produce, with our performance for the year presented below.

Total Waste by Scheduled Waste Categories

Waste Category	Metric Tonnes (Mt)		
	2020	2021	2022
Waste containing mercury compounds	-	0.19	0.03
E-Waste	-	0.01	0.00
Sludge from WWTP	-	2.93	0.93
Spent Lubricating Oil	0.19	1.71	0.00
Spent Non-Halogenated Organic Solvents	5.44	3.20	3.12
Container contaminated with schedule waste	0.39	0.39	0.31
Used rags	3.63	2.86	1.83
Contaminated Plastics & filters with SW	-	-	0.92
Spent activated carbon	1.66	1.59	1.66
Ink Waste	2.78	1.43	1.03
Total	14.09	14.31	9.83

Total Scheduled Waste Disposal Composition (i.e., Recycle, Reuse, Incineration/Landfill)

Disposal Composition	Metric Tonnes (Mt)		
	2020	2021	2022
Recycle	3.82	4.57	1.83
Reuse	0.39	0.39	0.31
Incineration/Landfill	9.88	9.35	7.69



SUSTAINABILITY STATEMENT (CONT'D.)

EMPLOYMENT

EMPOWERING OUR HUMAN CAPITAL



WHY IT MATTERS

The high standards of content, offerings and services that Star Media Group is known for producing is put together by the collective efforts of our employees. Our people are the fundamental driving force behind our success, and vital assets to the sustainability of our organisation.

It is therefore an utmost priority for us to provide our employees with a working environment that they find to be stimulating, inclusive and rewarding alongside competitive remuneration and valuable personal and professional development opportunities. By inculcating a driven, harmonious and supportive working culture across the Group, we position ourselves as an attractive employer to be able to attract and retain the best talents to drive us forward towards long-term and sustainable success.

OUR APPROACH

Robust benefits and incentives

Our hiring gained momentum in FY2022 and we continued to enhance the competitiveness of our suite of rewards and benefits to spur loyalty and dedication amongst our workforce.

We increased annual leave entitlement for our employees, with executives, managers and senior managers now entitled to 21, 23 and 25 days respectively. In line with the Employment Act, our employees are entitled to 98 days maternity leave and seven days paternity leave. New mothers who have completed one year of service also receive added financial support of RM1,200, with those who underwent Caesarean births given an additional RM500. Additionally, there is a special nursing room in the office to provide privacy for nursing mothers.

We also provide extended medical care to employees on a case-to-case basis, with the Company covering additional costs over the insurance cap to assist employees facing difficult health prognoses, such as for more critical illnesses.

Our executive level employees and above continue to avail a flexible benefits package, which allows them to choose the benefits they want from options such as health screenings, optical wear, travel packages or electronic devices.

The COVID-19 pandemic had given rise to many new norms and the way we work is no exception. After balancing employees preferences with operational productivity and effectiveness, the Company introduced a hybrid work from

home scheme called WorkFlex whereby employees may opt to work from home for a maximum of three days per week. Through this new working arrangement, we hope to cultivate a culture of self-accountability, sense of belonging, and a team environment built on mutual trust and support. The purpose of this hybrid work arrangement is also to broaden the company's reach and ability to attract and retain talents, ultimately translating into better business performance.

Meaningful engagement and appreciation

As pandemic restrictions progressively lifted in FY2022, we are thrilled to have restarted a variety of exciting initiatives and activities for employees. These included our Starlympics badminton tournament, which saw 52 participants competing in various categories, as well as our StarHobbies and StarTalk sessions, in which various activities such as hiking, futsal, Zumba and hobby sharing sessions were conducted with a total of 169 employees.

A key highlight of the year was a special two-day employee engagement initiative entitled Star Employee Enrichment Day (SEED) 2022. The highly anticipated internal event saw the participation of various government agencies, healthcare institutions, and other organisations that set up booths and undertook fun activities with employees while simultaneously promoting their products and services.

We also continued to carry out reward programmes to celebrate the achievements of our people, such as the long service awards to honour our long-serving employees.



Growing human capital through training and development

Helping our employees grow their professional competencies and progress their career within the Group is a key priority in our talent retention strategy. To achieve this, we provide customised training and development opportunities to all employees that are relevant to the demands of their role and to acquire new skill sets. Our Group People department conducts training needs analysis with department heads, through feedback from performance appraisals and ad hoc training requests in order to identify and plan programmes for employees.

At the end of each training, evaluation exercises are carried out to collate feedback on training efficacy and quality so that we can ensure continuous improvement. In FY2022, our training initiatives were focused on four core areas, namely personal, technical, functional, and leadership development.

Maintaining ethical and employee empowering practices

The Group maintains a strict stance in enforcing ethical labour practices, with our internal policies and procedures governing our proper conduct on this matter. We are strongly against the employment of underaged workers or engagement in forced or unpaid labour and any other form of coercion to work, including but not limited to harassment or bullying. This commitment towards human rights is guided by the International Bill of Human Rights.

At the same time, we want our employees to possess a platform that protects their rights and enables their voices to be heard, and have thus maintained our long-term collaboration with the National Union of Journalists Malaysia (NUJM) and the National Union of Newspaper Workers (NUNW).

In fostering a working environment that contributes to the collective progress of employees in tandem with the Group's success, we have maintained the minimum wage for SMG workers, including non-unionised office helpers, at RM1,500 in line with the regulatory requirement.

In encouraging open communication on issues pertinent to our employees, we continue to maintain our grievance procedure that empowers employees to lodge complaints related to promotions or salary increments where it will be addressed in a sensitive, confidential and timely manner. This is further supported by our whistleblowing procedures and channel which provide a means to submit a complaint or grievance anonymously.

OUR PERFORMANCE

We value the contributions of our employees during FY2022, and continued to provide them with a working environment that reflects our values of work-life balance and consistent professional development. Through our efforts, we strive to ensure the wellbeing of our employees are well taken care of while sustaining business prosperity. Our performance data is detailed below.

Number of trainings (internal and external) conducted:

106 sessions

Number of learning hours across training initiatives:

10,667 hours

Employee participation for trainings:

721 pax

Total number of recipients of long service award (15years/25years):

15 years: 22 pax

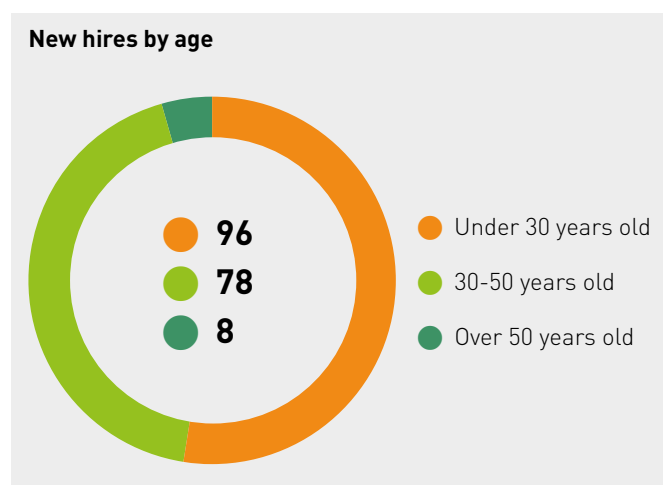
25 years: 26 pax

SUSTAINABILITY STATEMENT (CONT'D.)

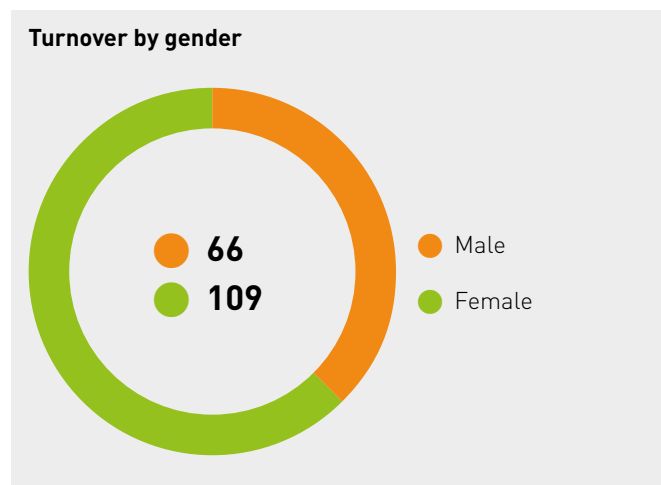
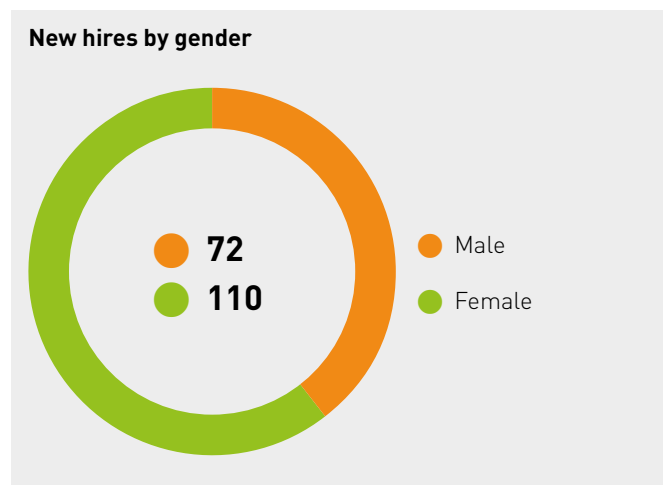
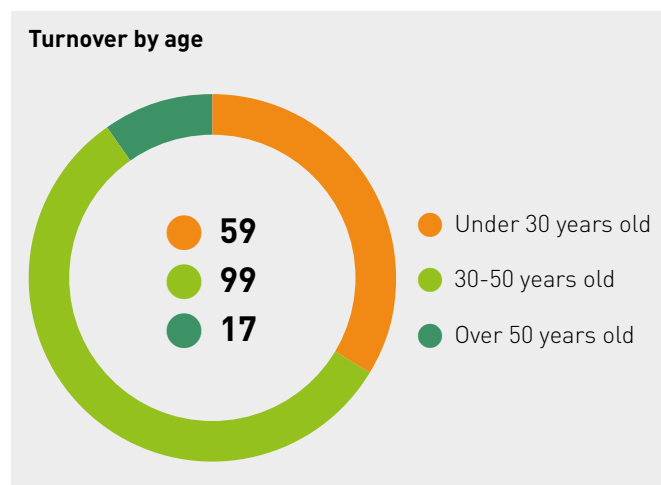
Total Workforce by Entity	
Entity	Number of People
Star Media Group Berhad	679
SMG Business Services Sdn. Bhd.	114
I Star Ideas Factory Sdn. Bhd.	3
Impian Ikon (M) Sdn. Bhd.	8
Magnet Bizz Sdn. Bhd.	22
Star Property Sdn. Bhd.	14
Star Media Radio Group Sdn. Bhd.	17
Star Rfm Sdn. Bhd.	47
Rimakmur Sdn. Bhd.	36



Total new hires in 2022



Total employee turnover in 2022



OCCUPATIONAL HEALTH AND SAFETY

SAFEGUARDING OUR PEOPLE



WHY IT MATTERS

Our commitment towards high health and safety standards forms a core component of our sustainability framework. By providing a safe, secure and nurturing working environment, we are better equipped to develop a workforce that feels empowered to undertake their duties efficiently and without distractions from potential hazards or wellbeing concerns.

Recognising the potential impact that health and safety violations may have on our operations and reputation, we ensure we remain in full compliance with all governing regulations and consistently seek opportunities to expand our adoption of best practices that safeguard the wellbeing of our employees.

OUR APPROACH

A framework to drive excellence in compliance

Across Star Media Group, occupational health and safety has been established as a key priority at the workplace based on collective effort. We encourage all employees and contractors to report any infringements they encounter, be it unsafe acts, unsafe conditions or accidents that may occur on company property.

To enhance our performance to the highest levels, we have established three focus areas namely ensuring compliance with leading industry standards, adopting stringent control measures and procedures, and establishing strong governance structures. With COVID-19 restrictions relaxing during 2022, we were able to slowly undertake an increasing number of safety and health activities during the year.

Strict adherence to top standards

At the fundamental level, our efforts revolve around firstly ensuring our full compliance with all rules, regulations and guidelines required by law, including but not limited to the following Malaysian acts:

1. Occupational Safety and Health Act 1994 (OSHA)
2. Environmental Quality (EQ) Act 1974 and its regulations
3. Fire Services Act 1988
4. Factories and Machinery Act 1967

Our approach has been further strengthened via the implementation of various internal policies and procedures that were developed in accordance with MS 1722:2011 Occupational Safety and Health Management Systems standard. These guiding documents, such as Safety Manuals and Work Instructions, provide instructions specific to our own operations and work environments and are periodically reviewed and updated when required.

Conscientiously mitigating risks and enhancing safety

The company has established stringent Standard Operating Procedures (SOPs) that must be adhered to when undertaking tasks that have been identified as high-risk based on our Hazard Identification, Risk Assessment and Risk Control (HIRARC) assessment exercises.

In accordance with the Fire Services Act, we ensure our premises obtain and maintain a valid Fire Certificate, with the latest annual renewal having been successfully achieved at all premises during the year. All our premises have put into place general fire safety precautionary measures such as fire hydrants, water sprinklers, water tankers, fire extinguishers and fire alarm systems. Fire extinguishers are maintained and replaced (on an annual basis) by a third-party vendor while the fire system is inspected by their respective original equipment manufacturer on a quarterly basis. In addition to the annual inspection by the Fire Department, scheduled fire system maintenance and service is carried out regularly without fail, while Local Exhaust Ventilation tests are annually conducted as per the requirements set forth in OSHA 1994 and EQ Act 1974.

We also consider risks to our employees who are exposed to loud noise, and once again conducted a noise risk assessment during FY2022 with the assistance of a third-party consultant. This initiative is complemented by annual hearing conservation training and audiometric tests for our Star Media Hub employees, with any employees found with hearing impairment being referred to the Group People department for follow-up medical inspection by an occupational doctor.

To assist us in the proper maintenance of heavy machineries such as our hoisting systems and pressurised vessels, we have appointed an external consultant to monitor our ongoing

SUSTAINABILITY STATEMENT (CONT'D.)

compliance with Department of Safety and Health (DOSH) regulations and act as a liaison during the inspection and the annual certificate renewal process. Internally, this protocol is managed and overseen by the Facilities Department and Engineering Department at Star Media Hub and assisted by the Building and Property Services team.

The following represent the health and safety training initiatives conducted during the year:

- Annual Audiometric Test;
- Chemical safety (undertaken once every 2 years);
- Scheduled waste;
- Safety induction for new employees and third parties, such as contractors, in which a permit to work will only be issued upon completion of the briefing; and
- Hearing conservation (specifically for Star Media Hub).

We have also taken steps to enhance access and safety for any differently-abled individuals via the installation and maintenance of ramps, chair lifts in auditoriums and accessible toilets at our business premises.

Stringent governance of health and safety initiatives

To ensure effective governance, we have established Occupational Safety and Health ("OSH") committees at all outfits with 40 employees or more, giving us three major committees at Menara Star, Star Media Hub and Star Pitt Street. Our mission is to establish an equally balanced 50/50 composition of employee and management representatives within each OSH committee.

We have also established Emergency Response Teams ("ERT") in two locations, namely Menara Star and Star Media Hub, which are separate entities to monitor, manage and act upon all emergency health and safety matters on site. Representatives of this response team will participate at all OSH committee meetings. Recognising the specific needs of our printing facility in Star Media Hub, we have additionally formed an Environmental Performance Monitoring and Compliance Committee (EPMC) to enhance our governance practices.

To facilitate the delineation of responsibilities, the Group has developed an organisational chart that establishes the specific roles of the OSH Committees and ERTs. The OSH team is tasked with keeping a close eye on our performance, with all incidents, accidents, near misses and property damage being recorded, monitored and assessed to minimise or eradicate future such occurrences.

OUR PERFORMANCE

In FY2022, we have continued our efforts to ensure the maintenance of a safe work environment. We are pleased to report that we have successfully reduced the number of incidents occurred and kept lost time in injuries to a minimum.

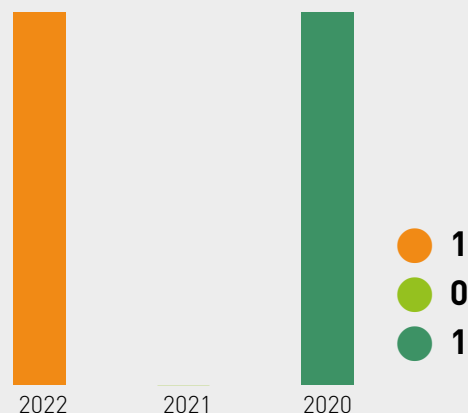
Management representation within OSH committee

50%

Number of incidents



Total lost time in injuries/man days



DIVERSITY AND EQUAL OPPORTUNITY

NURTURING AN INCLUSIVE WORKPLACE



WHY IT MATTERS

Star Media Group strongly believes in practising and promoting the principles of diversity and equal opportunity amongst our workforce and recognise this as a fundamental strategy for bolstering our sustainability and performance. With a diverse group of employees, we are able to gain access to a wider range of viewpoints and experiences that will unlock better-informed and more inclusive decision-making processes.

This is further strengthened by an inherent culture of providing equal opportunities for all employees. No matter their background, we want all talents to be recognised and fairly remunerated based on their merits and contributions to the company. We strongly believe our efforts to inculcate a truly unbiased and meritocratic working culture will enrich and enhance the value we provide to our readers and stakeholders.

OUR APPROACH

A guiding framework to embed fair practices

To embed fairness and equity at the very core of our practices, we have cemented our approach within our Group Recruitment Policy, which was first established in December 2014. This internal doctrine dictates in no uncertain terms that all employees should be treated without bias and that discrimination on any basis, including age group, gender, race, religion or other distinguishing characteristics, is strongly prohibited.

Simultaneously, this even-handed approach is extended to the provision of opportunities for promotion and career advancement without preferential treatment. Congruent with our non-discriminatory practices, we have successfully achieved representational diversity within our workforce and governing body.

Equal opportunities for young talents to progress

With the competency of our workforce playing a crucial role in determining the success and sustainability of our business, we have placed great emphasis on providing equal opportunities for younger talents to fast-track their career progression within the Group, such as our StarTrack graduate trainee programme and Star Young Talent Programme.

For our StarTrack initiative in 2022, we hired eight top performing graduates to gain valuable working experience through a two-year programme that includes departmental rotations, classroom learning, business project presentations and networking with senior leadership, before being absorbed into their department of choice at the end of the programme.

Meanwhile, our Star Young Talent Programme placed a total of 14 top performing executives into a six-month long accelerated learning programme, where classroom learning, networking sessions and business ideation project presentations were conducted to prepare them for success in their future promoted roles.

Protection against discrimination

The establishment of appropriate grievance procedures and a Whistleblowing Policy is a key component to ensuring diversity and inclusivity is maintained throughout our operations. This helps to protect against potential acts of discrimination and provides employees with a safe avenue to highlight practices that may be against our code of conduct.

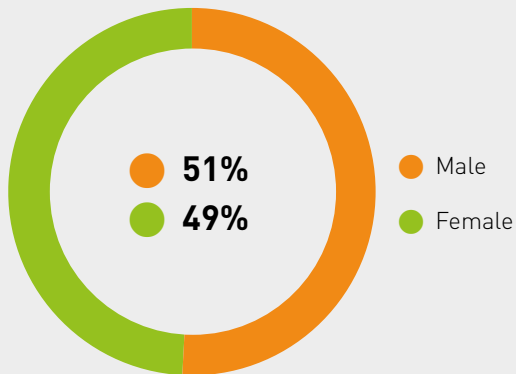
All incidents or issues pertaining to unfair treatment or discriminatory actions are recorded and investigated as a matter of high priority by the Group People Department, and may be escalated to any other relevant governance body within the Company, such as the Audit Committee if necessary.

SUSTAINABILITY STATEMENT (CONT'D.)

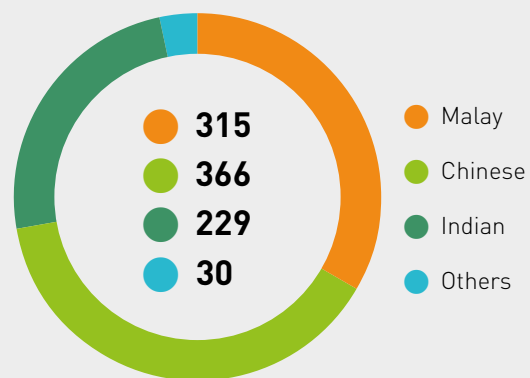
OUR PERFORMANCE

The Group continues to strive for the highest standards of fair and impartial treatment of employees, and leans on our annual performance to identify areas of improvement. In FY2022, we are proud to have maintained a diverse and balanced workforce in terms of age, gender and race, as detailed below.

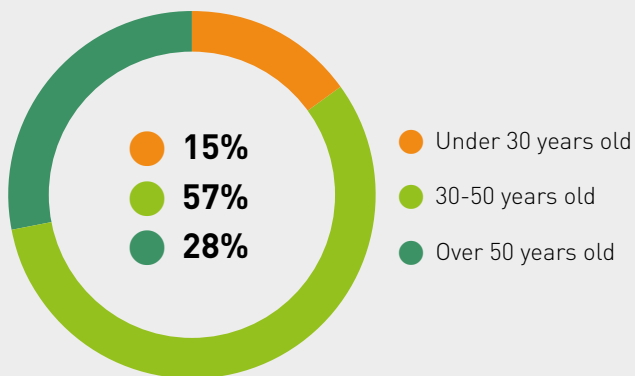
Employee by gender



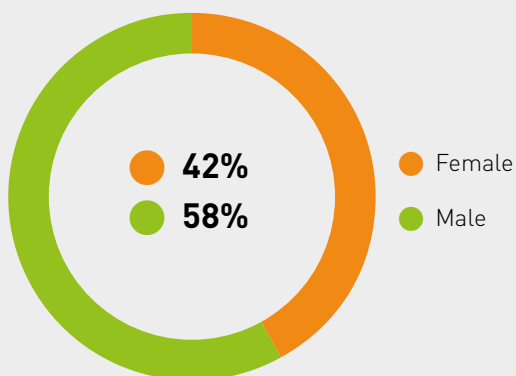
Workforce ethnicity composition



Employee by age



Senior management by gender



COMMUNITY INVESTMENT

BRINGING POSITIVE IMPACT TO COMMUNITIES



WHY IT MATTERS

As a media organisation, we often have first-hand information of the plight and struggles of vulnerable individuals and communities across Malaysia. This has placed us in an influential position to raise awareness and direct the attention of the public towards worthwhile causes.

At the same time, we consider it our duty to provide more tangible support towards needy causes, be it in the form of financial assistance, publicity support or strategic collaborations. We also continue to strengthen our relationships with a variety of non-governmental organisation (NGOs) to amplify the impact of our support. Our collective actions continue to provide far-reaching benefits to many segments of society, while at the same time bolstering the reputation of our organisation and the sustainability of the charitable bodies we support.

OUR APPROACH AND PERFORMANCE

Our social impact efforts are spearheaded by the Group's charitable arm Star Foundation. Governed by a Board of Trustees, the foundation manages both public donations as well as contributions from Star Media Group on top of planning and implementing our social initiatives. Some key community investment activities carried out in the year are as follows.

Star Social Impact Grant

The Star Social Impact Grant is one of our newer initiatives launched in 2021 to support impact-driven and sustainable projects by local NGOs and social enterprises. With sustainability principles becoming increasingly important, we are committed to supporting projects related to sustainable development with grants of up to RM50,000 each for projects not exceeding one year in duration.

Part of our evaluation criteria is to focus on projects that may achieve impactful outcomes in the focus areas of community development, education, access to basic needs and infrastructure, environmental protection, and health and wellbeing.

In FY2022, Star Foundation selected the following four organisations from over 100 applications received and granted a combined RM180,000 to support their social impact projects.



Lightup Borneo for "Kampung Pa Kemadang & Kampung Rafayang Hydroelectric" project



Food Aid Foundation for "Gerak-Rezeki F&B Entrepreneur Development (GFED)" project



Kelab Bolasepak Pan-Disability for "Football as a Social Development Tool for People With Disabilities" project



Association of Social Services and Community Development of Gombak District, Selangor (PSPK) for "Bakery Skill Training & Entrepreneurship for Women & Youths" project

This brings our overall grant amount to a total of RM380,000 disbursed to eight deserving social organisations for the last two years. Their completed and ongoing projects have brought about life-changing impacts to the communities involved, uplifting individual livelihoods and income generation through economic empowerment and upskilling programmes.

SUSTAINABILITY STATEMENT (CONT'D.)

Medical Fund Programme

The Medical Fund Programme is aimed at providing support to underprivileged individuals aged 21 years and below suffering from chronic illnesses. With cases brought to our attention through hospitals or by patients themselves, the Star Foundation team conducts necessary due diligence followed by consultations by our panel of doctors and a final review by the Board of Trustees. Once approved, a pre-surgery story will be published on our various platforms to raise funds to cover surgery costs and provide a small donation to support the patient's convalescence.

Thanks to generous public donations, in FY2022 Star Foundation was able to support life-changing treatments for six young children suffering from different illnesses with a total contribution of RM222,991. The unifying intention to save lives has made impactful differences in the health and future of these children.

Supporting and contributing to NGOs

During the year under review, Star Foundation has continued to provide financial assistance to a wide variety of Malaysian NGOs in order to assist in their operating expenses, upgrading of facilities and running of existing programmes.

In 2022, Star Foundation donated a total of RM230,000 to 12 NGOs nationwide in support of the following categories:

- Health and wellbeing
- Community welfare and development
- Education

The following is a list of NGOs that we provided assistance and support to during the year:

1. Persatuan Sosial U Turn, Johor Bahru, Johor
2. Persatuan Jagaan Orang-Orang Kurang Upaya dan Terbiar Lovely Petaling Jaya Selangor
3. Persatuan Insan Istimewa IMC Selangor
4. Persatuan Kebajikan Sri Eden Selangor dan Kuala Lumpur
5. Persatuan Kanak-kanak Istimewa Kajang Selangor
6. Persatuan Advokasi Diri Orang Bermasalah Pembelajaran Selangor dan Kuala Lumpur (United Voice)
7. Persatuan Kesihatan Jiwa Pulau Pinang
8. Persatuan Angin Ahmar Kebangsaan Malaysia
9. Persatuan Kebajikan Amitabha Malaysia
10. UTAR Education Foundation
11. Montfort Youth Centre Melaka
12. Pertubuhan Kebajikan dan Penjagaan Kanak-Kanak Kurang Upaya Negeri Johor

Wheelchair Programme

Since its inception in 2017, our wheelchair programme has provided much-needed mobility support for the underprivileged. Applications were carefully screened by our team before being recommended to the Board of Trustees for approval.

In FY2022, a total of seven wheelchairs were given to eligible applicants, which brings our all-time total to 234 wheelchairs. This also brings the programme to a close as the foundation seeks to serve the needy through its other social initiatives.

Star Golden Hearts Award

In partnership with Yayasan Gamuda, the Star Golden Hearts Award (SGHA) recognises selfless individuals and organisations that are dedicated to making Malaysia a better place. Anyone is able to nominate exemplary individuals or organisations that have gone above and beyond to make meaningful contributions to society, with all nominations being carefully vetted and reviewed by a panel of judges.

FY2022 was our eighth consecutive year of running this flagship initiative and we continued to receive strong public response with over 770 nominations pouring in. Ten deserving winners were selected to receive prize money and publicity support to help further their good work. Three individual winners received RM8,000 each while seven organisation winners received RM15,000 each.

Star Volunteer Programme

In FY2022, we resumed our Star Volunteer Programme after a hiatus during the pandemic years. This time, we carried out employee volunteer activities with past Star Golden Hearts Award winners in the areas of environmental protection, social welfare and education.

The programme saw 30 employees volunteering their time and energy over three weekends. We also leveraged on our media strength to highlight and publicise the good work done by these past winners, helping them to garner greater community support to further their cause.

Our Star Volunteer Programme partners and activities conducted were as follows:

Kennedy Michael (SGHA 2020 winner)	Great Vision Charity Association (Sister organisation of SGHA 2020 winner Great Heart Charity Association)	Suriana Welfare Society (SGHA 2021 winner)
Cleaning up a river trail, tree planting and learning about environmental sustainability	Grocery shopping for the needy	Play and learn session with rural schoolchildren

Other initiatives

In addition to our primary community outreach channels, we take the opportunity to contribute to society in other ways. In FY2022, this included the Kotak Infak Suria initiative, whereby Suria managed to sell 262 boxes of items of which 160 were distributed to muallaf/beneficiaries under Pertubuhan Kebajikan Islam Malaysia (PERKIM). Monetary contributions were also provided to 100 recipients and RM5,000 worth of donations provided to PERKIM as well.

988 also used its extensive reach and influence to garner greater support for a number of social impact projects. In support of Homeless & Orphan Pets Exist (H.O.P.E.)'s donation drive, our 988 DJs helped to raise funds for the cause. On top of that, they also donated their pre-loved clothes for charity

sale at Huazong Culture and Creative Carnival. 988 amplified the environmental sustainability organisation, EcoKnight's "Old Soles New Life" campaign, where they managed to collect close to 100 pairs of shoes. In support of Rainbow of Life Forces (ROLF) Gold Ribbon campaign of fulfilling wishes of children who were underprivileged, marginalised or with disabilities, 988 sponsored promotional airtime and committed their DJs as event hosts. They also continued their promotion and support for Life Line Association Malaysia.

In line with our mission to keep people informed, we also provide complimentary subscriptions of The Star newspaper and The Star ePaper to social organisations within the Star Foundation network and to Star Education Fund scholars.



SUSTAINABILITY STATEMENT (CONT'D.)

QUALITY EDUCATION

INSPIRING LIVES THROUGH EDUCATION



WHY IT MATTERS

As a leading media company, we have made it our intrinsic responsibility to promote educational advancement and English language literacy within our communities. With education being the most crucial stepping stone to unlock opportunities and better futures, our initiatives aspire to make a positive and lasting impact in the lives of all who participate.

Our efforts are mostly centred around the themes of providing greater accessibility to quality education, advocating English literacy and promoting journalism as a career path. As we help to raise English language standards within society and promote quality journalistic skills and capacities amongst Malaysians, we believe this will also benefit the long-term relevancy and sustainability of our news and media platforms.

OUR APPROACH AND PERFORMANCE

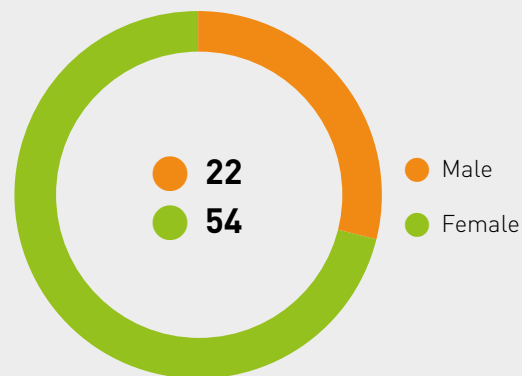
Star Education Fund

Established in 1994, the Star Education Fund has grown in stature into becoming one of Malaysia's most prominent and recognisable scholarship programmes. A collaborative sponsorship effort between us and private tertiary institutions, the fund provides valuable assistance to students aged 17 to 25 that require financial support to further their studies from pre-university up to undergraduate degrees.

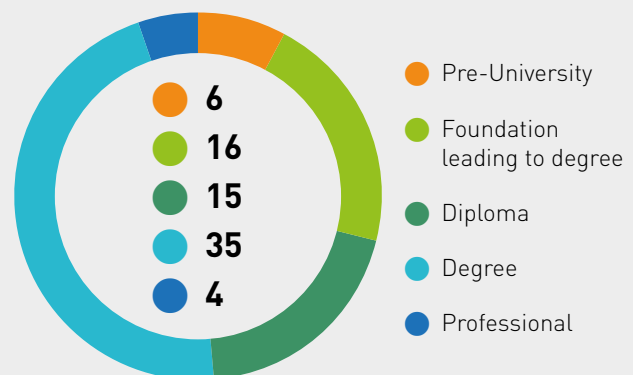
A dedicated unit manages the day-to-day operations of the fund to ensure fair and transparent reviews of each application, with guidelines being set to ensure funds are distributed in an objective and transparent manner. The unit also maintains strong working relationships with a variety of credible higher education institutions to enable a comprehensive range of courses to be made available through this fund.

In FY2022, we partnered with 25 institutions and provided scholarships to 76 deserving students with a total combined value of over RM5.94 million.

Scholarships by gender



Scholarships by level of studies



Newspaper-in-Education (“NiE”) programme

Under the auspices of our Newspaper-in-Education (“NiE”) programme, we have supported English language teaching and learning in primary and secondary schools nationwide since 1997. As disclosed last year, we have transitioned our NiE offerings from the previous pullout format to a weekly activity page integrated into our Sunday Star education pullout entitled StarEdu. The NiE activity page can also be found within the StarLifestyle pullout on Tuesdays and Fridays.

Designed for learners of elementary, intermediate and advanced proficiency levels, the NiE section will continue to provide stimulating content that is suitable for individual study or group work, with parents and teachers encouraged to work on the activities with their children or students. The activity page aims to develop the four skills of the English language – reading, listening, writing and speaking, and raise awareness of current affairs through authentic examples in the newspaper.

Nurturing the next generation of journalists

As a media company, we are in an ideal position to offer tangible support to young aspiring journalists and we have been doing so via our Bright Roving Ambitious Talents (BRATs) Young

Journalist Programme. Run as part of the NiE programme, the BRATs programme provides a writing and training platform for participants aged 14 to 22 to hone and showcase their English language skills, as well as develop their journalistic interests and instincts.

Through the year-long programme, participants are given the opportunity to experience the full suite of being a journalist through learning to identify potential news and feature angles, pitch them to the editors, and produce content in various formats including conducting interviews like real-life journalists. Selected articles will be published in the StarEdu pullout with the writers’ bylines as a form of recognition. This process allows us to discover young writing talents and give them the opportunity of participating in a month-long editorial internship programme, where they will shadow our journalists and acquire behind-the-scenes experience of working in a newsroom.

Due to COVID-19 restrictions, the one-month internship programme for top performers of the BRATs programme has been put on hold since 2020. However, the annual BRATs programme is still ongoing.



SUSTAINABILITY STATEMENT (CONT'D.)

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GRI 102: GENERAL DISCLOSURES		
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GRI 102-23	Chair of the highest governance body	28 - 29, 66
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GRI 102-49	Changes in reporting	62
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SUSTAINABILITY STATEMENT (CONT'D.)

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CORPORATE INFORMATION

BOARD OF DIRECTORS:

Tan Sri Dato' Seri Chor Chee Heung (Chairman)*
 Tan Sri Dato' Sri Kuan Peng Ching @ Kuan Peng Soon
 (Deputy Chairman)
 Dato' Dr. Mohd Aminuddin bin Mohd Rouse
 Mr. Choong Tuck Oon*
 Madam Wong You Fong*
 Mr. Chan Seng Fatt*
 Mr. Loh Chee Can*
 Ms. Christina Foo*

* Independent Non-Executive Director

AUDIT COMMITTEE:

Mr. Chan Seng Fatt* (Chairman)
 Dato' Dr. Mohd Aminuddin bin Mohd Rouse (Member)
 Mr. Loh Chee Can* (Member)
 Mr. Choong Tuck Oon* (Member)
 Ms. Christina Foo* (Member)

* Independent Non-Executive Director

SECRETARY:

Hoh Yik Siew
 (MAICSA 7048586)

AUDITORS:

BDO PLT
 (201906000013 (LLP0018825-LCA) & AF 0206)
 Chartered Accountants

Level 8
 BDO @ Menara Centara
 360 Jalan Tuanku Abdul Rahman
 50100 Kuala Lumpur
 Malaysia
 Tel : 03 - 2616 2888
 Fax : 03 - 2616 3190

REGISTERED OFFICE:

Level 15, Menara Star
 15, Jalan 16/11
 46350 Petaling Jaya
 Selangor Darul Ehsan

Tel : 03 - 7967 1388
 Fax : 03 - 7954 6752

PRINCIPAL BANKERS:

Public Bank Berhad
 Standard Chartered Bank Malaysia Berhad
 RHB Bank Berhad
 CIMB Bank Berhad

REGISTRAR:

Tricor Investor & Issuing House Services Sdn. Bhd.
 Unit 32-01, Level 32, Tower A
 Vertical Business Suite
 Avenue 3, Bangsar South
 No. 8, Jalan Kerinchi
 59200 Kuala Lumpur
 Tel : 03 - 2783 9299
 Fax : 03 - 2783 9222

STOCK EXCHANGE LISTING:

Main Market of Bursa Malaysia Securities Berhad

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2022.

PRINCIPAL ACTIVITIES

The principal activities of the Company are publication, printing, distribution of newspapers and magazines, digital content services and managers, promoters and organisers of events. The principal activities of the subsidiaries are mainly operating wireless radio broadcasting station, provision of events management and related business and activities. The principal activities and details of the subsidiaries are set out in Note 10 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	6,884	8,640
Attributable to:		
Owners of the parent	6,921	8,640
Non-controlling interests	[37]	-
	6,884	8,640

DIVIDEND

No dividend has been paid, declared and proposed by the Company since the end of the previous financial year.

On 21 March 2023, the Directors recommended a first and final single tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 December 2022 subject to the shareholders' approval at the forthcoming Annual General Meeting of the Company.

The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity in the financial year ending 31 December 2023.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued ordinary shares of the Company during the financial year.

SHARE BUY-BACK

The shareholders of the Company, at an Extraordinary General Meeting held on 18 May 2005, approved the proposal to repurchase up to 10% of its own shares ("Share Buy-Back") of the Company. The authority granted by the shareholders has been renewed at each subsequent Annual General Meeting. The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the Share Buy-Back is in the best interest of the Company and its shareholders. The Company did not repurchase any shares from the open market during the financial year.

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Star Media Group Berhad

Tan Sri Dato' Seri Chor Chee Heung	(Chairman, Independent Non-Executive Director)
Tan Sri Dato' Sri Kuan Peng Ching @ Kuan Peng Soon	(Deputy Chairman, Non-Independent Non-Executive Director)
Dato' Dr. Mohd Aminuddin bin Mohd Rouse	(Non-Independent Non-Executive Director)
Mr. Choong Tuck Oon	(Independent Non-Executive Director)
Madam Wong You Fong	(Independent Non-Executive Director)
Mr. Chan Seng Fatt	(Independent Non-Executive Director)
Mr. Loh Chee Can	(Independent Non-Executive Director)
Ms. Christina Foo	(Independent Non-Executive Director)
[Appointed with effect from 1 October 2022]	

Subsidiaries of Star Media Group Berhad

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the list of Directors of the subsidiaries during the financial year and up to the date of this report (not including those Directors listed above) is as follows:

Mr. Terence Raj A/L John Jaganathan	
Ms. Wang Chen Choo	
Ms. Esther Ng Sek Yee	
Ms. Soh Sze Jean	
Ms. Chua Yi Xuan Patria	
Ms. Lee Yoe Kong	
Ms. Hoh Yik Siew	[Appointed with effect from 30 January 2023]
Ms. Lee Chen Yee	[Appointed with effect from 24 February 2023]
Mr. Au Chen Sum	[Resigned with effect from 31 January 2023]

DIRECTORS' REPORT (CONT'D.)

DIRECTORS' INTERESTS

The Director holding office at the end of the financial year and his beneficial interest in the ordinary shares of the Company and of its related corporations during the financial year ended 31 December 2022 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia was as follows:

	Number of ordinary shares			
	Balance as at 1.1.2022	Bought	Sold	Balance as at 31.12.2022
Shares in the Company				
Direct interest				
Tan Sri Dato' Seri Chor Chee Heung	750,000	-	-	750,000

None of the other Directors holding office at the end of the financial year held any interest in the ordinary shares of the Company and of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than the following:

- (a) remuneration received by certain Directors as Directors of the subsidiaries; and
- (b) certain Directors who may be deemed to derive benefits by virtue of trade transactions entered into with companies in which these Directors have substantial financial interests as disclosed in Note 28 to the financial statements.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

Directors' remuneration of the Group and of the Company for the financial year ended 31 December 2022 was as follows:

	Group 2022 RM'000	Company 2022 RM'000
Fees	736	736
Short term employee benefits	524	440
	1,260	1,176

INDEMNITY AND INSURANCE FOR OFFICERS AND AUDITORS

The Group and the Company effected Directors' liability insurance during the financial year to protect the Directors of the Group and of the Company against potential costs and liabilities arising from claims brought against the Directors. The amount of insurance premium paid by the Group and the Company for the financial year 2022 was RM42,049.

There were no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that there are no known bad debts to be written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
 - (i) which would necessitate the writing off of bad debts or render the amount of provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
 - (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made; and
 - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

DIRECTORS' REPORT (CONT'D.)

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (cont'd.)

(III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 31 December 2022 were as follows:

	Group RM'000	Company RM'000
Statutory audit	404	244
Other services	23	14
	427	258

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

.....
Tan Sri Dato' Seri Chor Chee Heung
Director

Petaling Jaya
21 March 2023

.....
Dato' Dr. Mohd Aminuddin bin Mohd Rouse
Director

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 117 to 187 have been drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

.....
Tan Sri Dato' Seri Chor Chee Heung

Director

Petaling Jaya
21 March 2023

.....
Dato' Dr. Mohd Aminuddin bin Mohd Rouse

Director

STATUTORY DECLARATION

I, Vinita A/P Shanmugarajah (CA 37016), being the officer primarily responsible for the financial management of Star Media Group Berhad, do solemnly and sincerely declare that the financial statements set out on pages 117 to 187 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly)
declared by the abovenamed at)
Petaling Jaya in the state of)
Selangor Darul Ehsan this)
21 March 2023)

Before me:

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF STAR MEDIA GROUP BERHAD
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Star Media Group Berhad, which comprise the statements of financial position as at 31 December 2022 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 117 to 187.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

a) Impairment assessment of the carrying amount of goodwill on consolidation

Goodwill on consolidation of the Group is allocated to one (1) cash generating unit ("CGU"), which is radio broadcasting with a net carrying amount of RM21,932,000 as disclosed in Note 7 to the financial statements. In relation to this, management is required to perform impairment assessment on an annual basis.

We determined this to be a key audit matter because it requires management to exercise significant judgements and estimates about the future results and key assumptions applied to the probability weighted expected cash flows of the CGU in determining the recoverable amount. These key assumptions include forecast growth in future revenues, operating profit margins and terminal value, as well as determining an appropriate pre-tax discount rate.

Key Audit Matters (cont'd.)

a) Impairment assessment of the carrying amount of goodwill on consolidation (cont'd.)

Audit response

Our audit procedures included the following:

- (i) challenged the identification and determination of CGU based on our understanding of the nature of business segments of the Group to ascertain that goodwill is appropriately allocated to the CGU;
- (ii) compared prior period projection to actual outcome to assess reliability of management forecasting process;
- (iii) compared cash flow projection against recent performance, and assessed and challenged the key assumptions in projection to available external industry sources of data;
- (iv) verified operating profit margins, growth rates and terminal value, by assessing evidence available to support the key assumptions in projection;
- (v) verified pre-tax discount rate for the CGU by comparing to the weighted average cost of capital of the Group and relevant risk factors; and
- (vi) performed sensitivity analysis of our own to stress test the key assumptions in the impairment model.

b) Impairment of trade receivables

As at 31 December 2022, trade receivables of the Group and the Company were RM26,646,000 and RM21,939,000 respectively, as disclosed in Note 13 to the financial statements.

The Group and the Company have further impaired trade receivables amounted to RM430,000 and RM125,000 respectively during the financial year.

We determined this to be a key audit matter because it requires management to exercise significant judgements in determining the probability of default by trade receivables and appropriate forward-looking information.

Audit response

Our audit procedures included the following:

- (i) recomputed the probability of default using historical data and forward-looking information adjustment, applied by the Group and the Company;
- (ii) recomputed the correlation coefficient between forward-looking information used by the Group and the Company and historical losses to determine the appropriateness of the forward-looking information used; and
- (iii) inquiries of management to assess the rationale underlying the relationship between the forward-looking information (i.e. advertising expenditure ("ADEX")) and expected credit losses.

INDEPENDENT AUDITORS' REPORT (CONT'D.)

TO THE MEMBERS OF STAR MEDIA GROUP BERHAD (Incorporated in Malaysia)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd.)

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also (cont'd.):

- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 10 to the financial statements.

INDEPENDENT AUDITORS' REPORT (CONT'D.)

TO THE MEMBERS OF STAR MEDIA GROUP BERHAD
(Incorporated in Malaysia)

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

BDO PLT

201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Kuala Lumpur
21 March 2023

Tan Seong Yuh

03314/07/2023 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	155,372	160,735	150,491	156,474
Investment properties	6	143,056	146,226	143,056	146,226
Intangible assets	7	23,503	24,020	203	607
Inventories	8	-	8,823	-	-
Right-of-use assets	9	12,728	15,032	874	858
Investments in subsidiaries	10	-	-	89,004	87,994
Investment in an associate	11	-	-	-	-
Other investments	12	109	94	109	94
Deferred tax assets	14	1,221	2,350	-	-
Total non-current assets		335,989	357,280	383,737	392,253
Current assets					
Inventories	8	18,599	5,959	8,943	5,831
Trade and other receivables	13	46,574	46,528	59,811	61,123
Current tax assets		9,351	9,573	8,240	8,481
Cash and bank balances	15	364,825	343,085	312,904	289,884
Total current assets		439,349	405,145	389,898	365,319
TOTAL ASSETS		775,338	762,425	773,635	757,572

STATEMENTS OF FINANCIAL POSITION (CONT'D.)

AS AT 31 DECEMBER 2022

		Group		Company	
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	16	738,564	738,564	738,564	738,564
Treasury shares	16	(6,124)	(6,124)	(6,124)	(6,124)
Net accumulated losses	17	(80,289)	(85,267)	(62,208)	(70,848)
		652,151	647,173	670,232	661,592
Non-controlling interests	10	-	(1,947)	-	-
TOTAL EQUITY		652,151	645,226	670,232	661,592
LIABILITIES					
Non-current liabilities					
Lease liabilities	9	11,534	14,241	59	756
Deferred tax liabilities	14	53	26	-	-
Total non-current liabilities		11,587	14,267	59	756
Current liabilities					
Trade and other payables	18	108,891	100,680	102,655	95,116
Lease liabilities	9	2,699	2,188	689	108
Current tax liabilities		10	64	-	-
Total current liabilities		111,600	102,932	103,344	95,224
TOTAL LIABILITIES		123,187	117,199	103,403	95,980
TOTAL EQUITY AND LIABILITIES		775,338	762,425	773,635	757,572

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue	19	216,836	187,113	149,046	126,233
Cost of sales and services	20	(83,293)	(85,403)	(83,567)	(83,190)
Gross profit		133,543	101,710	65,479	43,043
Other income		15,903	14,582	50,747	78,446
Distribution costs		(43,397)	(41,058)	(40,245)	(37,847)
Administrative and other expenses		(96,775)	(223,820)	(68,602)	(198,965)
Finance costs	21	(901)	(1,095)	(6)	(9)
Net gains/(losses) on impairment of financial assets	22	377	(49)	1,807	(9,058)
Profit/(Loss) before tax	23	8,750	(149,730)	9,180	(124,390)
Taxation	24	(1,866)	17,300	(540)	19,266
Profit/(Loss) for the financial year		6,884	(132,430)	8,640	(105,124)
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Foreign currency translations	24	41	(220)	-	-
Total comprehensive income/(loss), net of tax		6,925	(132,650)	8,640	(105,124)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D.)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit/(Loss) attributable to:					
Owners of the parent		6,921	(132,359)	8,640	(105,124)
Non-controlling interests	10	(37)	(71)	-	-
		6,884	(132,430)	8,640	(105,124)
Total comprehensive income/(loss) attributable to:					
Owners of the parent		6,962	(132,579)	8,640	(105,124)
Non-controlling interests	10	(37)	(71)	-	-
		6,925	(132,650)	8,640	(105,124)
Earnings/(Loss) per ordinary share attributable to equity holders of the Company (sen):					
Basic and diluted	25	0.95	(18.26)		

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Group	← Attributable to equity holders of the Company →					Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Foreign exchange translation reserve RM'000	Retained earnings/ (Accumulated losses) RM'000	Total attributable to owners of the parent RM'000		
Balance as at 1 January 2021	738,564	(6,124)	2,830	44,482	779,752	(1,876)	777,876
Loss for the financial year	-	-	-	(132,359)	(132,359)	(71)	(132,430)
Foreign currency translations, net of tax	-	-	(220)	-	(220)	-	(220)
Total comprehensive loss	-	-	(220)	(132,359)	(132,579)	(71)	(132,650)
Balance as at 31 December 2021	738,564	(6,124)	2,610	(87,877)	647,173	(1,947)	645,226

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D.)**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

Group	Note	Attributable to equity holders of the Company					Non-controlling interests RM'000	Total equity RM'000
		Share capital RM'000	Treasury shares RM'000	Foreign exchange translation reserve RM'000	Accumulated losses RM'000	Total attributable to owners of the parent RM'000		
Balance as at 1 January 2022		738,564	(6,124)	2,610	(87,877)	647,173	(1,947)	645,226
Profit/(Loss) for the financial year		-	-	-	6,921	6,921	(37)	6,884
Foreign currency translations, net of tax		-	-	41	-	41	-	41
Total comprehensive income		-	-	41	6,921	6,962	(37)	6,925
Transactions with owners								
Accretion of equity interest in a subsidiary	10(f)	-	-	-	(1,984)	(1,984)	1,984	-
Balance as at 31 December 2022		738,564	(6,124)	2,651	(82,940)	652,151	-	652,151

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Company	Share capital RM'000	Treasury shares RM'000	Retained earnings/ [Accumulated losses] RM'000	Total RM'000
Balance as at 1 January 2021	738,564	(6,124)	34,276	766,716
Loss for the financial year, representing total comprehensive loss	-	-	(105,124)	(105,124)
Balance as at 31 December 2021	738,564	(6,124)	(70,848)	661,592
Profit for the financial year, representing total comprehensive income	-	-	8,640	8,640
Balance as at 31 December 2022	738,564	(6,124)	(62,208)	670,232

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before tax		8,750	(149,730)	9,180	(124,390)
Adjustments for:					
Amortisation of intangible assets		1,149	1,271	421	573
Bad debts written off	23	-	97	-	97
Dividend income	23	-	-	(10,000)	-
Depreciation of:					
- investment properties	6	3,170	1,826	3,170	1,826
- property, plant and equipment	5	8,945	18,670	8,044	17,946
- right-of-use assets	9	2,489	3,481	169	391
Fair value (gain)/loss on other investments	23	(15)	24	(15)	24
Gain on disposal of property, plant and equipment	23	(716)	(236)	(709)	(33,047)
Gain on disposal of intangible asset	23	-	(1,800)	-	-
Impairment losses on:					
- amounts owing by subsidiaries	13(k)	-	-	334	856
- equity loans	10(d)	-	-	-	8,597
- intangible assets		-	5	-	-
- investment in subsidiaries	10(b)	-	-	-	3,405
- other receivables	13(j)	-	3	-	-
- property, plant and equipment	5	-	71,632	-	71,531
- trade receivables	13(h)	430	599	125	514
Intangible assets written off	7	13	122	11	-
Interest expense	21	901	1,095	6	9
Interest income	23	(303)	(770)	(306)	(1,257)
Investment income	23	(7,577)	(5,623)	(6,667)	(5,234)
Property, plant and equipment written off	23	10	690	6	132
Reversal of impairment losses on:					
- amounts owing by subsidiaries	13(k)	-	-	-	(556)
- equity loans	10(d)	-	-	(1,564)	-
- trade receivables	13(h)	(807)	(548)	(702)	(348)
- other receivables	13(j)	-	(5)	-	(5)
Unrealised loss/(gain) on foreign exchange	23	299	(48)	295	(8)
Waiver of debt owed to a subsidiary	23	-	-	-	(3,425)

Operating profit/(loss) before working capital changes		16,738	(59,245)	1,798	(62,369)
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	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (cont'd.)					
Changes in working capital:					
Inventories		(3,817)	9,770	(3,112)	9,898
Trade and other receivables		331	53,417	2,512	51,360
Trade and other payables		8,201	(5,496)	4,797	(1,454)
Cash from/(used in) operations		21,453	(1,554)	5,995	(2,565)
Tax paid		(795)	(7,836)	(299)	(7,505)
Tax refunded		253	115	-	-
Net cash from/(used in) operating activities		20,911	(9,275)	5,696	(10,070)
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividend received		-	-	11,485	3,865
Interest received		303	775	306	1,262
Investment income received		7,577	5,623	6,667	5,234
Net advances from subsidiaries		-	-	864	11,163
Proceeds from disposals of:					
- intangible asset	7	-	1,800	-	-
- property, plant and equipment		1,355	565	1,339	293
Purchases of:					
- intangible assets		(645)	(280)	(28)	(6)
- property, plant and equipment	5	(4,231)	(5,450)	(2,697)	(2,085)
Subscription of ordinary shares in a subsidiary	10(e)	-	-	(10)	(3,000)
Withdrawals of deposits with licensed banks with original maturity of more than three (3) months		-	632	-	-
Net cash from investing activities		4,359	3,665	17,926	16,726

STATEMENTS OF CASH FLOWS (CONT'D.)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
Interest expense paid on lease liabilities		(901)	(1,053)	(6)	(9)
Payments of lease liabilities		(2,381)	(2,910)	(301)	(298)
Net cash used in financing activities		(3,282)	(3,963)	(307)	(307)
Net increase/(decrease) in cash and cash equivalents		21,988	(9,573)	23,315	6,349
Effects of exchange rate changes on cash and cash equivalents		(248)	54	(295)	8
Cash and cash equivalents at beginning of financial year		343,085	352,604	289,884	283,527
Cash and cash equivalents at end of financial year	15	364,825	343,085	312,904	289,884

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Lease liabilities	
	Group RM'000	Company RM'000
At 1 January 2021	19,208	1,031
Cash flows:		
- Payments of lease liabilities	(2,910)	(298)
- Interest expense paid on lease liabilities	(1,053)	(9)
Non-cash flows:		
- Additions of lease liabilities	131	131
- Interest expense on lease liabilities	1,053	9
At 31 December 2021	16,429	864
Cash flows:		
- Payments of lease liabilities	(2,381)	(301)
- Interest expense paid on lease liabilities	(901)	(6)
Non-cash flows:		
- Additions of lease liabilities	185	185
- Interest expense on lease liabilities	901	6
At 31 December 2022	14,233	748

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022

1. CORPORATE INFORMATION

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

The registered office and principal place of business of the Company is located at Level 15, Menara Star, 15, Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan.

The consolidated financial statements for the financial year ended 31 December 2022 comprise the Company and its subsidiaries and the interest of the Group in an associate. These financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issuance in accordance with a resolution by the Board of Directors on 21 March 2023.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are the publication, printing, distribution of newspapers and magazines, digital content services and managers, promoters and organisers of events. The principal activities and details of the subsidiaries are set out in Note 10 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

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

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 32.1 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

4. OPERATING SEGMENTS

Star Media Group Berhad and its subsidiaries in Malaysia are principally engaged in publication of print, digital and broadcasting. One (1) of its subsidiary in Malaysia are principally engaged in the provision of event organising management and provision of design, build and construction of exhibition related services. The Group has arrived at three (3) reportable segments that are organised and managed separately according to the nature of products and services, specific expertise and technologies requirements, which requires different business and marketing strategies. The reportable segments are summarised as follows:

(i) Print and digital

Publication, printing and distribution of newspapers and magazines and advertising in print and electronic media and online portal.

(ii) Broadcasting

Operations of wireless broadcasting stations.

(iii) Event and exhibition

Provision of event organising management.

Other operating segments comprise operations related to investment holding, property development and provision of shared services.

The management evaluates performance of the operating segments on the basis of profit or loss from operations before tax not including non-recurring transactions, such as gain on disposal of property, plant and equipment.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements. These policies have been applied consistently throughout the current and previous financial years.

Segment results, assets and liabilities include items directly attributable to a segment. Segment capital expenditure is the total costs incurred during the period to acquire segment assets that are expected to be used for more than one year.

4. OPERATING SEGMENTS (cont'd.)

The following table provides an analysis of the revenue, results, assets, liabilities and other information by business segments of the Group:

2022	Print and digital RM'000	Broadcasting RM'000	Event and exhibition RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue						
Sales to external customers	182,590	33,429	817	-	-	216,836
Inter-segment sales	1,453	166	-	27,903	(29,522)	-
Total revenue	184,043	33,595	817	27,903	(29,522)	216,836
Results						
Segment results	(5,988)	7,295	(825)	1,325	(36)	1,771
Finance costs	(6)	(895)	-	-	-	(901)
Interest income	199	68	12	24	-	303
Investment income	6,842	735	-	-	-	7,577
Profit/(Loss) before tax	1,047	7,203	(813)	1,349	(36)	8,750
Taxation						(1,866)
Profit for the financial year						6,884
Assets						
Segment assets	679,129	77,566	2,238	16,405	-	775,338
Liabilities						
Segment liabilities	99,140	18,665	613	4,769	-	123,187
Other segment information						
Capital expenditure	2,737	1,569	-	570	-	4,876
Depreciation	11,395	3,036	-	173	-	14,604
Amortisation	686	344	-	119	-	1,149
Non-cash (income)/ expenses other than depreciation	(650)	299	(27)	-	-	(378)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

4. OPERATING SEGMENTS (cont'd.)

The following table provides an analysis of the revenue, results, assets, liabilities and other information by business segments of the Group (cont'd.):

2021	Print and digital RM'000	Broadcasting RM'000	Event and exhibition RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue						
Sales to external customers	158,671	25,661	2,781	-	-	187,113
Inter-segment sales	841	33	-	29,117	(29,991)	-
Total revenue	159,512	25,694	2,781	29,117	(29,991)	187,113
Results						
Segment results	(156,827)	1,559	(843)	1,174	(91)	(155,028)
Finance costs	(9)	(1,086)	-	-	-	(1,095)
Interest income	233	468	31	38	-	770
Investment income	5,334	258	-	31	-	5,623
(Loss)/Profit before tax	(151,269)	1,199	(812)	1,243	(91)	(149,730)
Taxation						17,300
Loss for the financial year						(132,430)
Assets						
Segment assets	657,882	83,538	4,579	16,426	-	762,425
Liabilities						
Segment liabilities	91,543	21,189	637	3,830	-	117,199
Other segment information						
Capital expenditure	2,370	3,304	9	47	-	5,730
Depreciation	20,188	3,541	22	226	-	23,977
Amortisation	839	320	1	111	-	1,271
Impairment losses on intangible assets	-	-	5	-	-	5
Impairment losses on property, plant and equipment	71,531	91	10	-	-	71,632
Non-cash expenses/ (income) other than depreciation	130	72	(56)	-	-	146

4. OPERATING SEGMENTS (cont'd.)

Geographical information

The Group operates mainly in Malaysia. In presenting information on the basis of geographical areas, segment revenue is based on the geographical location from which the sales transactions originated.

Segment assets are based on the geographical location of the assets of the Group. The amounts of non-current assets do not include financial instruments and deferred tax assets.

Segment revenue and segment assets information based on geographical information are as follows:

	Revenue		Non-current assets	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Malaysia	216,768	185,907	334,659	354,836
Singapore	-	476	-	-
China	-	222	-	-
Others	68	508	-	-
	216,836	187,113	334,659	354,836

Major customers

There are no major customers with revenue equal or more than ten percent (10%) of the Group revenue. As such, information on major customers is not presented.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

5. PROPERTY, PLANT AND EQUIPMENT

Group 2022	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Furniture, fittings and equipment, renovations and motor vehicles RM'000	Capital work-in- progress RM'000	Total RM'000
<u>Cost</u>						
At 1 January	38,790	139,076	399,334	122,139	3,028	702,367
Additions	-	-	361	3,870	-	4,231
Disposals	-	(847)	-	(2,084)	-	(2,931)
Written off	-	-	(6,005)	(1,596)	-	(7,601)
Reclassifications	-	-	746	2,282	(3,028)	-
At 31 December	38,790	138,229	394,436	124,611	-	696,066
<u>Accumulated depreciation</u>						
At 1 January	-	54,810	298,557	115,000	-	468,367
Charge for the year	-	2,778	3,803	2,364	-	8,945
Disposals	-	(247)	-	(1,818)	-	(2,065)
Written off	-	-	(5,917)	(1,315)	-	(7,232)
At 31 December	-	57,341	296,443	114,231	-	468,015
<u>Accumulated impairment</u>						
At 1 January	-	-	72,494	771	-	73,265
Disposals	-	-	-	(227)	-	(227)
Written off	-	-	(85)	(274)	-	(359)
At 31 December	-	-	72,409	270	-	72,679
<u>Carrying amount</u>						
At 31 December	38,790	80,888	25,584	10,110	-	155,372

5. PROPERTY, PLANT AND EQUIPMENT (cont'd.)

Group 2021	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Furniture, fittings and equipment, renovations and motor vehicles RM'000	Capital work-in- progress RM'000	Total RM'000
<u>Cost</u>						
At 1 January	47,775	139,076	400,357	124,027	16	711,251
Additions	-	-	287	2,135	3,028	5,450
Disposals	(162)	-	(97)	(1,304)	-	(1,563)
Written off	-	-	(1,213)	(2,719)	-	(3,932)
Reclassification to intangible assets (Note 7)	-	-	-	-	(16)	(16)
Reclassification to inventories (Note 8)	(8,823)	-	-	-	-	(8,823)
At 31 December	38,790	139,076	399,334	122,139	3,028	702,367
<u>Accumulated depreciation</u>						
At 1 January	-	52,028	285,548	115,611	-	453,187
Charge for the year	-	2,782	13,274	2,614	-	18,670
Disposals	-	-	(38)	(1,196)	-	(1,234)
Written off	-	-	(227)	(2,029)	-	(2,256)
At 31 December	-	54,810	298,557	115,000	-	468,367
<u>Accumulated impairment</u>						
At 1 January	-	-	1,864	755	16	2,635
Charge for the year	-	-	71,616	16	-	71,632
Written off	-	-	(986)	-	-	(986)
Reclassification to intangible assets (Note 7)	-	-	-	-	(16)	(16)
At 31 December	-	-	72,494	771	-	73,265
<u>Carrying amount</u>						
At 31 December	38,790	84,266	28,283	6,368	3,028	160,735

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

5. PROPERTY, PLANT AND EQUIPMENT (cont'd.)

Company 2022	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Furniture, fittings and equipment, renovations and motor vehicles RM'000	Total RM'000
<u>Cost</u>					
At 1 January	38,790	139,076	373,620	99,789	651,275
Additions	-	-	-	2,697	2,697
Disposals	-	(847)	-	(1,021)	(1,868)
Written off	-	-	-	(734)	(734)
At 31 December	38,790	138,229	373,620	100,731	651,370
<u>Accumulated depreciation</u>					
At 1 January	-	54,811	274,480	93,979	423,270
Charge for the year	-	2,779	3,475	1,790	8,044
Disposals	-	(247)	-	(991)	(1,238)
Written off	-	-	-	(728)	(728)
At 31 December	-	57,343	277,955	94,050	429,348
<u>Accumulated impairment</u>					
At 1 January/31 December	-	-	71,531	-	71,531
<u>Carrying amount</u>					
At 31 December	38,790	80,886	24,134	6,681	150,491

5. PROPERTY, PLANT AND EQUIPMENT (cont'd.)

Company 2021	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Furniture, fittings and equipment, renovations and motor vehicles RM'000	Total RM'000
<u>Cost</u>					
At 1 January	47,775	139,076	374,695	99,346	660,892
Additions	-	-	132	1,953	2,085
Disposals	(8,985)	-	-	(699)	(9,684)
Written off	-	-	(1,207)	(811)	(2,018)
At 31 December	38,790	139,076	373,620	99,789	651,275
<u>Accumulated depreciation</u>					
At 1 January	-	52,028	261,740	93,094	406,862
Charge for the year	-	2,783	12,961	2,202	17,946
Disposals	-	-	-	(638)	(638)
Written off	-	-	(221)	(679)	(900)
At 31 December	-	54,811	274,480	93,979	423,270
<u>Accumulated impairment</u>					
At 1 January	-	-	986	-	986
Charge for the year	-	-	71,531	-	71,531
Written off	-	-	(986)	-	(986)
At 31 December	-	-	71,531	-	71,531
<u>Carrying amount</u>					
At 31 December	38,790	84,265	27,609	5,810	156,474

- (a) All items of property, plant and equipment are initially recorded at cost. After initial recognition, property, plant and equipment except for freehold land are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated to write off the cost of the assets to their residual values on a straight line basis over their estimated useful lives. The estimated useful lives represent common life expectancies applied in the industry within which the Group operates. The principal depreciation periods and annual rates are as follows:

Buildings	30 years to 50 years
Plant and machinery	5.56% - 25%
Furniture, fittings and equipment, renovations and motor vehicles	10% - 50%

Freehold land has unlimited useful life and is not depreciated. Capital work-in-progress are stated at cost and are not depreciated until such time when the assets are available for use.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

5. PROPERTY, PLANT AND EQUIPMENT (cont'd.)

(b) Impairment assessment

In the previous financial year, the Group and the Company had performed impairment assessment of property, plant and equipment. Management considers the loss making Cash Generating Units ("CGUs") as impairment indications.

A CGU's recoverable amount was determined as being the higher of the CGU's fair value less costs of disposal and its value-in-use. Where the value-in-use model was used, management had made estimates about the future results and key assumptions applied to cash flow projections of the CGUs. These key assumptions were applied to cash flow projections of the CGUs and included forecast growth in future revenues and operating profit margins, as well as determining an appropriate pre-tax discount rate and growth rates.

In the previous financial year, value-in-use was determined by discounting the future cash flows to be generated from the continuing use of the CGU under the expected cash flow approach. Management had determined that the recoverable amounts of certain property, plant and equipment in the CGUs were lower than their carrying amounts. Accordingly, impairment losses on property, plant and equipment of the Group and of the Company amounted to RM71,632,000 and RM71,531,000 respectively were recognised within administrative and other expenses in the statements of profit or loss and other comprehensive income in the previous financial year. The pre-tax discount rate applied on the cash flow projections in determining the recoverable amounts was 10.80%.

6. INVESTMENT PROPERTIES

	Group and Company	
	2022 RM'000	2021 RM'000
Investment properties		
Cost		
Balance as at 1 January	156,432	21,895
Reclassification from investment property under construction	-	134,537
Balance as at 31 December	156,432	156,432
Accumulated depreciation		
Balance as at 1 January	(10,206)	(8,380)
Depreciation charge for the year	(3,170)	(1,826)
Balance as at 31 December	(13,376)	(10,206)
	143,056	146,226
Investment property under construction		
Cost		
Balance as at 1 January	-	134,537
Reclassification to investment properties	-	(134,537)
Balance as at 31 December	-	-
Carrying amount	143,056	146,226

6. INVESTMENT PROPERTIES (cont'd.)

- (a) Investment properties are initially measured at cost, which include transaction costs. After initial recognition, investment properties are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost of the investment properties to their residual values on a straight line basis over their estimated useful lives. The estimated useful lives represent common life expectancies applied in the industry within which the Group operates. The principal depreciation period for the investment properties ranges between thirty (30) and sixty-two (62) years (2021: thirty (30) and sixty-two (62) years).

- (b) Investment properties of the Group and of the Company comprise land and buildings.
- (c) The Level 3 fair value of investment properties is RM204,630,000 (2021: RM206,430,000). During the financial year, the fair value is determined by the Directors based on market values for similar properties in the same vicinity obtained from property agencies on a price per square foot basis, except for an investment property with fair value of RM150,000,000 (2021: RM150,000,000) was based on the valuation exercise carried out by an independent firm of professional valuers in the previous financial year.

The independent professional valuers had adopted the comparison method, making reference to the relevant comparable transactions in the market. In arriving at the valuation, the independent professional valuers had made adjustments for factors, which would affect the market value of the investment property, including but not limited to location, plot size, improvements made if any, surrounding developments, facilities and amenities available.

There is no transfer between levels in the hierarchy during the financial year.

- (d) The following are recognised in the statements of profit or loss and other comprehensive income in respect of investment properties:

	Group and Company	
	2022 RM'000	2021 RM'000
Rental income	1,855	1,472
Direct operating expenses incurred on:		
- income generating investment properties	677	153
- non-income generating investment properties	-	552
	677	705

- (e) Investment properties of the Group are mainly used to generate rental income. However, the fair value of the investment properties reflects the highest and best use of the said properties should the investment properties be disposed. Currently, management does not intend to dispose off the investment properties and the existing use of the investment properties remains for rental purposes.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

7. INTANGIBLE ASSETS

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Goodwill on consolidation	a	21,932	21,932	-	-
Radio licences	b	-	-	-	-
Programmes rights	c	-	-	-	-
Computer software	d	1,561	2,011	193	530
Film rights	e	10	77	10	77
Internet portal	f	-	-	-	-
		23,503	24,020	203	607

Intangible assets are initially measured at cost. After initial recognition, intangible assets, excluding goodwill are carried at cost less accumulated amortisation and accumulated impairment losses.

Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost. After initial recognition, goodwill is measured at cost less accumulated impairment losses.

In the previous financial year, the Group disposed an intangible asset, which was previously written off for cash consideration of RM1,800,000.

(a) Goodwill on consolidation

The carrying amounts of goodwill allocated to the cash-generating unit ("CGU") of the Group are as follows:

	Group	
	2022 RM'000	2021 RM'000

Cost

Balance as at 1 January/31 December

- Radio broadcasting - CGU 1	21,932	21,932
- Television channel - CGU 5	24,355	24,355
- Exhibition services (Malaysia subsidiary) - CGU 7	42,871	42,871
- Online portal - CGU 8	9,833	9,833
	98,991	98,991

Accumulated impairment losses

Balance as at 1 January/31 December

- Television channel - CGU 5	24,355	24,355
- Exhibition services (Malaysia subsidiary) - CGU 7	42,871	42,871
- Online portal - CGU 8	9,833	9,833
	77,059	77,059

7. INTANGIBLE ASSETS (cont'd.)

(a) Goodwill on consolidation (cont'd.)

	Group	
	2022 RM'000	2021 RM'000
Carrying amount	21,932	21,932
Carrying amount as at 31 December represents		
- Radio broadcasting - CGU 1	21,932	21,932

Goodwill is tested for impairment on an annual basis by comparing the carrying amount with the recoverable amount of the CGU based on value-in-use. Value-in-use is determined by discounting the future cash flows to be generated from the continuing use of the CGU based on the following assumptions:

Key assumptions

2022

Cash flow projections period	5 years
Average revenue growth rates	15%
Average operating profit margins	40%
Discount rate	10.92%

- (i) The value-in-use calculations apply discounted cash flow projections prepared and approved by management, covering a 5-year period.
- (ii) Cash flows are projected based on management's expectations of revenue growth, operating cost and margins based on their recent experience.
- (iii) The forecasted growth rates are based on published industry data and do not exceed the sustainable long-term average growth rate for the relevant industries.
- (iv) Discount rates used for cash flows discounting purpose is the pre-tax discount rate of the Group adjusted for specific risks relating to the CGU. The average discount rate applied on the cash flow projections is 10.92% (2021: 10.80%).

Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the subsidiaries and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Based on the annual impairment assessment undertaken by the Group, no impairment loss is required for the carrying amount of the remaining goodwill as at 31 December 2022 as the recoverable amount is in excess of the carrying amount.

The management is not aware of any reasonably possible change in the above key assumptions that would cause the carrying amounts of the CGU to materially exceed their recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

7. INTANGIBLE ASSETS (cont'd.)

(b) Radio licences

	Group	
	2022 RM'000	2021 RM'000
Cost		
Balance as at 1 January/31 December	7,483	7,483
Accumulated amortisation		
Balance as at 1 January/31 December	7,483	7,483
Carrying amount	-	-

Amortisation of radio licences is calculated using the straight-line method to allocate the cost of the licences over their estimated useful lives of five (5) years. The estimated useful lives represent common life expectancies applied in the industry within which the Group operates.

(c) Programmes rights

	Group	
	2022 RM'000	2021 RM'000
Cost		
Balance as at 1 January	53,020	53,899
Additions	-	122
Written off	-	(1,001)
Balance as at 31 December	53,020	53,020
Accumulated amortisation		
Balance as at 1 January/31 December	42,719	42,719
Accumulated impairment losses		
Balance as at 1 January	10,301	11,180
Written off	-	(879)
Balance as at 31 December	10,301	10,301
Carrying amount	-	-

7. INTANGIBLE ASSETS (cont'd.)

(c) Programmes rights (cont'd.)

Amortisation of programmes rights is calculated using the straight-line method to allocate the cost of programmes rights over their estimated useful lives of one (1) to five (5) years. The estimated useful lives represent common life expectancies applied in the industry within which the Group operates.

(d) Computer software

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Cost				
Balance as at 1 January	19,922	19,748	13,764	13,758
Additions	645	158	28	6
Disposals	(6)	-	-	-
Written off	(3,215)	-	(259)	-
Reclassification from property, plant and equipment (Note 5)	-	16	-	-
Balance as at 31 December	17,346	19,922	13,533	13,764
Accumulated amortisation				
Balance as at 1 January	17,861	16,755	13,234	12,826
Charge for the year	1,082	1,106	354	408
Disposals	(6)	-	-	-
Written off	(3,193)	-	(248)	-
Balance as at 31 December	15,744	17,861	13,340	13,234
Accumulated impairment losses				
Balance as at 1 January	50	29	-	-
Charge for the year	-	5	-	-
Written off	(9)	-	-	-
Reclassification from property, plant and equipment (Note 5)	-	16	-	-
Balance as at 31 December	41	50	-	-
Carrying amount	1,561	2,011	193	530

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

7. INTANGIBLE ASSETS (cont'd.)

(d) Computer software (cont'd.)

Computer software that does not form an integral part of the related hardware is treated as intangible assets with finite useful lives and is amortised over its estimated useful life of three (3) to five (5) years. The estimated useful lives represent common life expectancies applied in the industry within which the Group operates.

In the previous financial year, management had determined that the recoverable amounts of computer software were lower than their carrying amounts. Accordingly, impairment losses amounted to RM5,000 was recognised in the previous financial year.

(e) Film rights

	Group and Company	
	2022 RM'000	2021 RM'000
Cost		
Balance as at 1 January/31 December	4,129	4,129
Accumulated amortisation		
Balance as at 1 January	1,755	1,590
Charge for the year	67	165
Balance as at 31 December	1,822	1,755
Accumulated impairment losses		
Balance as at 1 January/31 December	2,297	2,297
Carrying amount	10	77

Film rights are recognised after approvals are obtained from the censorship authority. Cost of film rights comprises contracted cost of production and direct expenditure. Amortisation is calculated so as to write off the relevant portion of the film rights, which fairly represents the usage of its relevant attached rights.

The estimated useful lives represent common life expectancies applied in the industry within which the Group operates. The amortisation rates are as follows:

Upon first year from theatrical release	70%
Upon second year from theatrical release	20%
Upon third year from theatrical release	10%

7. INTANGIBLE ASSETS (cont'd.)

(f) Internet portal

	Group	
	2022 RM'000	2021 RM'000
Cost		
Balance as at 1 January/31 December	2,417	2,417
Accumulated amortisation		
Balance as at 1 January/31 December	2,417	2,417
Carrying amount	-	-

Amortisation of internet portal is calculated using the straight-line method to allocate the cost of the internet portal over its estimated useful life of four (4) years. The estimated useful life represents common life expectancy applied in the industry within which the Group operates.

8. INVENTORIES

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-current					
Land held for property development	(a)	-	8,823	-	-
Current					
Property development costs	(b)	9,656	128	-	-
Newsprint	(c)	8,669	5,792	8,669	5,701
Other raw materials and consumables	(c)	274	39	274	130
		18,599	5,959	8,943	5,831

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

8. INVENTORIES (cont'd.)

- (a) Land held for property development

	Group	
	2022 RM'000	2021 RM'000
Freehold land at cost		
At beginning of the year	8,823	-
Transfer to property development costs	(8,823)	-
Reclassification from property, plant and equipment (Note 5)	-	8,823
At end of the year	-	8,823

Land held for property development is classified within non-current assets and is stated at lower of cost and net realisable value. In the previous financial year, the Company disposed two (2) plots of land to a subsidiary for property development activities for RM41,800,000, which resulted in real property gain tax paid by the Company amounting to RM3,293,000 as disclosed in Note 24 to the financial statements.

- (b) Property development costs

	Group	
	2022 RM'000	2021 RM'000
Development expenditure at cost		
At beginning of the year	128	-
Transfer from land held for property development	8,823	-
Cost incurred during the year	705	128
At end of the year	9,656	128

Property development costs not recognised as an expense are recognised as an asset measured at lower of cost and net realisable value. The asset is subsequently credited over to profit or loss and recognised as an expense when the control of the asset is transferred to the customers.

- (c) Newsprint, other raw materials and consumables

Cost of newsprint of the Group and of the Company is determined on a weighted average basis while cost of other raw materials and consumables of the Group and of the Company is determined on a first-in-first-out basis.

- (d) During the financial year, inventories of the Group and of the Company recognised as cost of sales amounted to RM14,500,000 (2021: RM12,645,000).

9. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group and the Company as lessee

	Long term leasehold land RM'000	Plant and machinery RM'000	Premises RM'000	Total RM'000
Right-of-use assets				
2022				
Group				
Cost				
Balance as at 1 January	1,600	21,576	4,347	27,523
Additions	-	-	185	185
Termination of lease contracts	-	-	(3,914)	(3,914)
Balance as at 31 December	1,600	21,576	618	23,794
Accumulated depreciation				
Balance as at 1 January	854	7,657	3,980	12,491
Charge for the year	22	2,064	403	2,489
Termination of lease contracts	-	-	(3,914)	(3,914)
Balance as at 31 December	876	9,721	469	11,066
Carrying amount	724	11,855	149	12,728
Company				
Cost				
Balance as at 1 January	1,600	1,116	435	3,151
Additions	-	-	185	185
Balance as at 31 December	1,600	1,116	620	3,336
Accumulated depreciation				
Balance as at 1 January	854	1,116	323	2,293
Charge for the year	22	-	147	169
Balance as at 31 December	876	1,116	470	2,462
Carrying amount	724	-	150	874

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

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9. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (cont'd.)

The Group and the Company as lessee (cont'd.)

Right-of-use assets (cont'd.)	Long term leasehold land RM'000	Plant and machinery RM'000	Premises RM'000	Total RM'000
2021				
Group				
Cost				
Balance as at 1 January	1,600	21,576	4,362	27,538
Additions	-	-	197	197
Termination of lease contracts	-	-	(212)	(212)
Balance as at 31 December	1,600	21,576	4,347	27,523
Accumulated depreciation				
Balance as at 1 January	832	5,370	3,020	9,222
Charge for the year	22	2,287	1,172	3,481
Termination of lease contracts	-	-	(212)	(212)
Balance as at 31 December	854	7,657	3,980	12,491
Carrying amount	746	13,919	367	15,032
Company				
Cost				
Balance as at 1 January	1,600	1,116	304	3,020
Additions	-	-	131	131
Balance as at 31 December	1,600	1,116	435	3,151
Accumulated depreciation				
Balance as at 1 January	832	892	178	1,902
Charge for the year	22	224	145	391
Balance as at 31 December	854	1,116	323	2,293
Carrying amount	746	-	112	858

9. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (cont'd.)

The Group and the Company as lessee (cont'd.)

Lease liabilities	Plant and machinery RM'000	Premises RM'000	Total RM'000
2022			
Group			
Balance as at 1 January	16,117	312	16,429
Additions	-	185	185
Lease payments	(2,931)	(351)	(3,282)
Interest expense	895	6	901
Balance as at 31 December	14,081	152	14,233
Company			
Balance as at 1 January	746	118	864
Additions	-	185	185
Lease payments	(149)	(158)	(307)
Interest expense	-	6	6
Balance as at 31 December	597	151	748
2021			
Group			
Balance as at 1 January	18,042	1,166	19,208
Additions	-	131	131
Lease payments	(2,936)	(1,027)	(3,963)
Interest expense	1,011	42	1,053
Balance as at 31 December	16,117	312	16,429
Company			
Balance as at 1 January	901	130	1,031
Additions	-	131	131
Lease payments	(155)	(152)	(307)
Interest expense	-	9	9
Balance as at 31 December	746	118	864

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

9. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (cont'd.)

The Group and the Company as lessee (cont'd.)

Lease liabilities (cont'd.)	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Represented by:				
Non-current	11,534	14,241	59	756
Current	2,699	2,188	689	108
Total lease liabilities	14,233	16,429	748	864

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Lease liabilities owing to non-financial institutions	14,233	16,429	748	864

- (a) The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any, and adjusted for any re-measurement of the lease liabilities.

The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The principal depreciation periods are as follows:

Long term leasehold land	72 years
Plant and machinery*	over the lease period from 4 to 10 years
Premises	over the lease period from 2 to 3 years

* Plant and machinery mainly relate to FM transmitters under finance lease arrangements (2022: RM4,042,000; 2021: RM4,723,000) and their related equipment (2022: RM7,813,000; 2021: RM9,186,000).

- (b) The Group and the Company have certain leases of premises with lease term of 12 months or less, and low value leases of office equipment of RM20,000 and below. The Group applies the "short-term lease" and "lease of low-value assets" exemptions for these leases.

9. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (cont'd.)

The Group and the Company as lessee (cont'd.)

(c) The following are the amounts recognised in profit or loss:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Depreciation charge of right-of-use assets (included in administrative and other expenses)	2,489	3,481	169	391
Interest expense on lease liabilities (included in finance costs)	901	1,053	6	9
Expense relating to short-term leases (included in administrative and other expenses)	79	68	74	68
Expense relating to leases of low-value assets (included in administrative and other expenses)	156	206	150	201
	3,625	4,808	399	669

(d) The following are total cash outflows for leases as a lessee:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Included in net cash from/(used in) operating activities:				
Payments relating to short-term leases and low-value assets	235	274	224	269
Balance brought forward	235	274	224	269
Included in net cash used in financing activities:				
Interest expense paid on lease liabilities	901	1,053	6	9
Payment of lease liabilities	2,381	2,910	301	298
Total cash outflow for leases	3,517	4,237	531	576

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

9. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (cont'd.)

The Group and the Company as lessee (cont'd.)

- (e) The Group and the Company lease several lease contracts that include extension and termination options. These are used to maximise operational flexibility in terms of managing the assets used in the operations of the Group and of the Company. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The following are the undiscounted potential future rental payments that are not included in the lease term:

2022	Within five years RM'000	Total RM'000
Group		
Extension options expected not to be exercised	65	65
Company		
Extension options expected not to be exercised	65	65

2021	Within five years RM'000	Total RM'000
Group		
Extension options expected not to be exercised	24	24
Company		
Extension options expected not to be exercised	24	24

- (f) The following table sets out the carrying amounts, the weighted average incremental borrowing rates and the remaining maturities of the lease liabilities of the Group and the Company that are exposed to interest rate risk:

	Weighted average incremental borrowing rates %	Total RM'000	Within 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	Over 5 years RM'000
Group						
2022						
Lease liabilities						
Fixed rates	3.60% - 6.90%	14,233	2,699	2,201	7,306	2,027
2021						
Lease liabilities						
Fixed rates	3.60% - 6.90%	16,429	2,188	2,766	6,856	4,619

9. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (cont'd.)

The Group and the Company as lessee (cont'd.)

- (f) The following table sets out the carrying amounts, the weighted average incremental borrowing rates and the remaining maturities of the lease liabilities of the Group and the Company that are exposed to interest rate risk: (cont'd.)

Company	Weighted average incremental borrowing rates %	Total RM'000	Within 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	Over 5 years RM'000
2022						
Lease liabilities						
Fixed rates	3.60% - 6.40%	748	689	59	-	-
2021						
Lease liabilities						
Fixed rates	3.60% - 6.40%	864	108	756	-	-

- (g) Sensitivity analysis for lease liabilities as at the end of the reporting period is not presented as fixed rate instruments are not affected by changes in interest rates.
- (h) The table below summarises the maturity profile of the lease liabilities of the Group and of the Company at the end of each reporting period based on contractual undiscounted repayment obligations as follows:

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
2022				
Lease liabilities	3,524	11,185	2,080	16,789
2021				
Lease liabilities	3,083	11,893	4,860	19,836
Company				
2022				
Lease liabilities	744	60	-	804
2021				
Lease liabilities	111	768	-	879

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

9. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (cont'd.)

The Group and the Company as lessee (cont'd.)

- (i) The Group and the Company have entered into non-cancellable lease arrangements on properties for terms of between one (1) to three (3) years and renewable at the end of the lease period.

The Group and the Company have aggregate future minimum lease receivables as at the end of each reporting period as follows:

	Group and Company	
	2022 RM'000	2021 RM'000
Not later than one (1) year	4,483	1,737
One (1) to two (2) years	2,986	546
Two (2) to three (3) years	1,204	260
	8,673	2,543

10. INVESTMENTS IN SUBSIDIARIES

	Company	
	2022 RM'000	2021 RM'000
Unquoted shares - at cost	120,470	120,460
Equity loans	209,781	210,345
	330,251	330,805
Less: Accumulated impairment losses		
- Unquoted shares	(105,628)	(105,628)
- Equity loans	(135,619)	(137,183)
	(241,247)	(242,811)
	89,004	87,994

The Directors of the Company have reassessed the nature of the amounts owing by subsidiaries and determined that the outstanding balance net of impairment amounting to RM74,162,000 (2021: RM73,162,000) shall constitute equity loans to the subsidiaries, which are unsecured, interest free and the subsidiaries have the unconditional right to avoid settlement of the loan in cash, and are considered to be part of the investments of the Company in providing the subsidiaries with a long term source of additional capital.

- (a) Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

All components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

10. INVESTMENTS IN SUBSIDIARIES (cont'd.)

- (b) The Company has assessed whether there are any indications of impairment during the financial year. In doing this, management considered the current environments and performance of the Cash Generating Units ("CGUs"). Management has considered the losses in certain subsidiaries in the current financial year as impairment indications.

Impairment losses on investments in subsidiaries amounted to RM3,405,000 had been recognised within administrative and other expenses in the statements of profit or loss and other comprehensive income in the previous financial year in respect of certain subsidiaries that had ceased business operations.

- (c) The details of the subsidiaries are as follows:

Name of company	Country of incorporation/ Principal place of business	Interest in equity held by				Principal activities
		Company		Subsidiary		
		2022	2021	2022	2021	
Star Papyrus Printing Sdn. Bhd. ^[2]	Malaysia	99%	99%	-	-	Inactive
Star Publications (Singapore) Pte. Ltd. ^[1]	Singapore	100%	100%	-	-	Inactive
Star Media Radio Group Sdn. Bhd.	Malaysia	100%	100%	-	-	Investment holding
Impian Ikon (M) Sdn. Bhd.	Malaysia	100%	100%	-	-	Publications and distribution of magazines
SMG Business Services Sdn. Bhd.	Malaysia	100%	100%	-	-	Provision of shared services
SMG Land Sdn. Bhd.	Malaysia	100%	100%	-	-	Property development
Star MediaWorks Sdn. Bhd.	Malaysia	100%	100%	-	-	Investment holding
Li TV Holdings Limited ^[1]	Hong Kong	100%	100%	-	-	Investment holding
I.Star Ideas Factory Sdn. Bhd.	Malaysia	100%	90%	-	-	Home & lifestyle exhibition including rental of booth and storage
Eighth Power Sdn. Bhd.	Malaysia	100%	100%	-	-	Invest in high growth technology based start-ups
Magnet Bizz Sdn. Bhd.	Malaysia	100%	100%	-	-	Online advertising and publicity agents, publishers of magazines and books
I. Star Events Sdn. Bhd.	Malaysia	100%	100%	-	-	Inactive
Star Publications Sdn.Bhd.	Malaysia	100%	100%	-	-	Publishing of newspapers, journals, magazines and periodicals in print or electronic form

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

10. INVESTMENTS IN SUBSIDIARIES (cont'd.)

(c) The details of the subsidiaries are as follows: (cont'd.)

Name of company	Country of incorporation/ Principal place of business	Interest in equity held by				Principal activities
		Company		Subsidiary		
		2022	2021	2022	2021	
Subsidiaries of Star MediaWorks Sdn. Bhd.						
StarProperty Sdn. Bhd.	Malaysia	-	-	100%	100%	Online advertising and provision of property exhibitions services
I. Star Sdn. Bhd.	Malaysia	-	-	100%	100%	Inactive
MyStarJob Network Sdn. Bhd.	Malaysia	-	-	100%	100%	Inactive
Ocision Sdn. Bhd.	Malaysia	-	-	100%	100%	Investment holding
Subsidiaries of Ocision Sdn. Bhd.						
Prado Sdn. Bhd.	Malaysia	-	-	100%	100%	Inactive
Propwall Sdn. Bhd.	Malaysia	-	-	100%	100%	Inactive
Carsifu Sdn. Bhd.	Malaysia	-	-	100%	100%	Inactive
Ocision Pte. Ltd. ⁽¹⁾	Singapore	-	-	100%	100%	Inactive
Subsidiaries of Star Media Radio Group Sdn. Bhd.						
Star Rfm Sdn. Bhd.	Malaysia	-	-	100%	100%	Operating a wireless radio broadcasting station
Rimakmur Sdn. Bhd.	Malaysia	-	-	100%	100%	Operating a wireless radio broadcasting station
Subsidiaries of Li TV Holdings Limited						
Li TV Asia Sdn. Bhd.	Malaysia	-	-	100%	100%	Inactive
Li TV International Limited ⁽¹⁾	Hong Kong	-	-	100%	100%	Inactive
Subsidiary of SMG Land Sdn. Bhd.						
SMG Production and Distribution Sdn. Bhd.	Malaysia	-	-	100%	100%	Inactive

⁽¹⁾ Not audited by BDO PLT or member firms of BDO International.

⁽²⁾ In the midst of striking off pursuant to Section 550 of the Companies Act 2016.

10. INVESTMENTS IN SUBSIDIARIES (cont'd.)

- (d) Impairment for equity loans is recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 13(i) to the financial statements. Movements in the impairment allowance for equity loans are as follows:

	12-month ECL RM'000	Lifetime ECL - not credit impaired RM'000	Lifetime ECL - credit impaired RM'000	Total RM'000
2022				
Company				
At 1 January	83	17,250	119,850	137,183
Reversal of impairment losses	-	-	(1,564)	(1,564)
At 31 December	83	17,250	118,286	135,619
2021				
Company				
At 1 January	-	3,497	52,376	55,873
Charge for the year	-	8,570	27	8,597
Reclassifications from impairment allowance for amounts owing by subsidiaries	83	5,183	67,447	72,713
At 31 December	83	17,250	119,850	137,183

Impairment losses on equity loans amounted to RM1,564,000 has been reversed during the financial year due to settlement made by a subsidiary.

- (e) On 11 May 2022, the Company subscribed additional 9,998 ordinary shares in Magnet Bizz Sdn. Bhd. at RM1 per ordinary share.
- (f) On 28 June 2022, the Company acquired additional 300,000 ordinary shares in I.Star Ideas Factory Sdn. Bhd. at total purchase consideration of RM1 from the non-controlling interests ("NCI"). Upon completion of the acquisition, I.Star Ideas Factory Sdn. Bhd. became a wholly-owned subsidiary of the Company.
- (g) In the previous financial year, the Company had incorporated a new subsidiary known as Star Publications Sdn. Bhd. with a paid up share capital of RM1 comprising 1 ordinary share. On 29 October 2021, the Company subscribed additional 2,999,999 ordinary shares in Star Publications Sdn. Bhd. at RM1 per ordinary share.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

10. INVESTMENTS IN SUBSIDIARIES (cont'd.)

- (h) The Group does not have any subsidiary that has NCI, which is individually material to the Group for the financial year ended 31 December 2022. The subsidiaries of the Group that have NCI are as follows:

	Individually immaterial subsidiaries	
	2022 RM'000	2021 RM'000
Carrying amount of NCI	-	(1,947)
Loss allocated to NCI	(37)	(71)
Total comprehensive loss allocated to NCI	(37)	(71)

11. INVESTMENT IN AN ASSOCIATE

	Group	
	2022 RM'000	2021 RM'000
At cost:		
- Unquoted equity shares	1,300	1,300
- Share of post-acquisition losses, net of dividends received	(583)	(583)
Less: Impairment loss	(717)	(717)
	-	-

- (a) Investment in an associate is measured at cost less impairment loss and accounted for using the equity method in the consolidated financial statements.
- (b) The details of the associate are as follows:

Name of company	Country of incorporation/ Principal place of business	Interest in equity held by subsidiary		Principal activities
		2022	2021	
H&H Connection Sdn. Bhd. ⁽¹⁾	Malaysia	30%	30%	Online retailer

⁽¹⁾ Not audited by BDO PLT or member firms of BDO International.

The above associate is accounted for using the equity method in the consolidated financial statements.

- (c) The Group does not have any associate, which is individually material to the Group for the financial years ended 31 December 2022 and 31 December 2021.

12. OTHER INVESTMENTS

	Group and Company	
	2022 RM'000	2021 RM'000
Non-current		
Equity securities		
- Quoted equity investments in Malaysia	109	94

- (a) Other investments are classified as financial assets at fair value through profit or loss.
- (b) The fair values of quoted investments in Malaysia are determined by reference to the exchange quoted market bid prices at the close of the business at the end of each reporting period.
- (c) The fair value of other investments of the Group and of the Company are categorised as follows:

Group and Company	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2022				
Other investments				
- Quoted equity investments	109	-	-	109
2021				
Other investments				
- Quoted equity investments	94	-	-	94

Sensitivity analysis of quoted equity investments

As the Group and the Company neither have the intention, nor historical trend of active trading in these financial instruments, the Directors are of the opinion that the Group and the Company are not subject to significant exposure to price risk and accordingly, no sensitivity analysis is being presented at the end of each reporting period.

There is no transfer between levels in the hierarchy during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

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13. TRADE AND OTHER RECEIVABLES

		Group		Company	
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Trade					
Third parties		29,200	33,710	23,911	29,233
Less: Impairment losses		(2,554)	(4,047)	(1,972)	(3,226)
Trade receivables, net	(b)	26,646	29,663	21,939	26,007
Non-trade					
Third parties		8,890	5,896	5,335	4,599
Subsidiaries	(d)	-	-	28,771	27,814
		8,890	5,896	34,106	32,413
Less: Impairment losses					
- Third parties		(3,466)	(3,466)	(3,456)	(3,456)
- Subsidiaries		-	-	(3,107)	(2,773)
		5,424	2,430	27,543	26,184
Deposits and other receivables		1,684	2,035	1,246	1,120
Total trade and other receivables, excluding prepayments					
		33,754	34,128	50,728	53,311
Prepayments					
Prepayments		12,820	12,400	9,083	7,812
Total trade and other receivables					
		46,574	46,528	59,811	61,123

- (a) Total trade and other receivables (excluding prepayments) are classified as financial assets measured at amortised cost.
- (b) Trade receivables are non-interest bearing and the normal credit terms granted by the Group and the Company range from payment in advance to credit period of 90 days (2021: payment in advance to credit period of 90 days) from date of invoices. They are recognised at their original invoice amounts, which represent their fair values on initial recognition.
- (c) In the previous financial year, the Company reclassified amounts owing by subsidiaries together with their impairment losses amounting to RM73,347,000 and RM72,713,000 respectively to equity loans due to the reassessment of nature of amounts owing by these subsidiaries.
- (d) Amounts owing by subsidiaries are in respect of advances, which are unsecured, interest free and payable within next twelve (12) months in cash and cash equivalents. Included in the current amounts owing by subsidiaries is dividend receivable amounting to RM22,829,000 (2021: RM24,314,000).

13. TRADE AND OTHER RECEIVABLES (cont'd.)

- (e) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the twelve (12) months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers. Expected loss rates are calculated using the roll rate method separately for exposures in different segments based on the following common credit risk characteristics - type of services purchased.

The expected loss rates are based on the historical credit losses of the Group experienced over the three-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the customers of the Group. The Group has identified the advertising expenditure ("ADEX") as the key macroeconomic factor.

For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

It requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

- (f) Lifetime expected loss on provision for trade receivables as at the end of the reporting period are as follows:

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 120 days past due	More than 180 days past due	Total RM'000
2022							
Group							
Expected loss rate	1.2%	2.4%	4.1%	8.3%	18.4%	100%	
Gross carrying amount (RM'000)	14,437	6,154	3,127	1,855	2,057	1,570	29,200
Impairment losses (RM'000)	175	149	127	154	379	1,570	2,554

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

13. TRADE AND OTHER RECEIVABLES (cont'd.)

- (f) Lifetime expected loss on provision for trade receivables as at the end of the reporting period are as follows (cont'd.):

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 120 days past due	More than 180 days past due	Total RM'000
2022							
Company							
Expected loss rate	1.2%	2.2%	3.8%	7.0%	7.3%	100%	
Gross carrying amount (RM'000)	11,197	5,322	2,504	1,710	1,801	1,377	23,911
Impairment losses (RM'000)	130	117	96	120	132	1,377	1,972
2021							
Group							
Expected loss rate	0.9%	1.8%	2.6%	10.5%	29.7%	100%	
Gross carrying amount (RM'000)	15,539	7,584	3,134	2,446	2,245	2,762	33,710
Impairment losses (RM'000)	143	137	81	258	666	2,762	4,047
Company							
Expected loss rate	0.9%	1.7%	2.4%	10.9%	19.0%	100%	
Gross carrying amount (RM'000)	13,682	6,406	2,619	2,270	1,937	2,319	29,233
Impairment losses (RM'000)	121	107	63	247	369	2,319	3,226

- (g) As at the end of each reporting period, the credit risks exposures and concentration relating to trade receivables of the Group are summarised in the table below:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Maximum exposure	29,200	33,710	23,911	29,233
Collateral obtained	(11,553)	(10,968)	(11,553)	(10,968)
Net exposure to credit risk	17,647	22,742	12,358	18,265

The above collaterals are bank guarantees obtained by entities incorporated in Malaysia.

During the financial year, the Group did not renegotiate the terms of any trade receivables.

13. TRADE AND OTHER RECEIVABLES (cont'd.)

- (h) The reconciliation of movements in the impairment losses on trade receivables is as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At 1 January	4,047	4,003	3,226	3,067
Charge for the year	430	599	125	514
Written off	(1,116)	(7)	(677)	(7)
Reversal of impairment losses	(807)	(548)	(702)	(348)
At 31 December	2,554	4,047	1,972	3,226

- (i) Impairment for other receivables, amounts owing by subsidiaries and equity loans to subsidiaries are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss ("ECL") model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. As at the end of the reporting period, the Group and the Company assess whether there has been a significant increase in credit risk for financial assets by comparing the risk for default occurring over the expected life with the risk of default since initial recognition. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Credit impaired refers to debtors who are in significant financial difficulties as at the end of the reporting period. The Group defined significant increase in credit risk based on past due information, i.e. overdue amounts more than 120 days.

The probability of non-payment by other receivables and subsidiaries is adjusted by forward-looking information and multiplied by the amount of the expected loss arising from default to determine the twelve month or lifetime expected credit loss for other receivables and subsidiaries. The Group has identified Gross Domestic Product ("GDP") and advertising expenditure ("ADEX") as the key macroeconomic factors.

It requires management to exercise significant judgement in determining the probabilities of default by other receivables and subsidiaries, appropriate forward-looking information and significant increase in credit risk.

- (j) Movements in the impairment allowance for other receivables are as follows:

	12-month ECL RM'000	Lifetime ECL-not credit impaired RM'000	Lifetime ECL-credit impaired RM'000	Total RM'000
2022				
Group				
At 1 January/31 December	-	-	3,466	3,466

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

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13. TRADE AND OTHER RECEIVABLES (cont'd.)

(j) Movements in the impairment allowance for other receivables are as follows: (cont'd.)

	12-month ECL RM'000	Lifetime ECL-not credit impaired RM'000	Lifetime ECL-credit impaired RM'000	Total RM'000
2022				

Company

At 1 January/31 December	-	-	3,456	3,456
--------------------------	---	---	-------	-------

	12-month ECL RM'000	Lifetime ECL-not credit impaired RM'000	Lifetime ECL-credit impaired RM'000	Total RM'000
2021				

Group

At 1 January	5	-	3,463	3,468
Charge for the year	-	-	3	3
Reversal of impairment losses	(5)	-	-	(5)
At 31 December	-	-	3,466	3,466

	12-month ECL RM'000	Lifetime ECL-not credit impaired RM'000	Lifetime ECL-credit impaired RM'000	Total RM'000
2021				

Company

At 1 January	5	-	3,456	3,461
Charge for the year	-	-	-	-
Reversal of impairment losses	(5)	-	-	(5)
At 31 December	-	-	3,456	3,456

(k) Movements in the impairment allowance for amounts owing by subsidiaries are as follows:

	12-month ECL RM'000	Lifetime ECL-not credit impaired RM'000	Lifetime ECL-credit impaired RM'000	Total RM'000
2022				

Company

At 1 January	-	2,773	-	2,773
Charge for the year	-	334	-	334
At 31 December	-	3,107	-	3,107

13. TRADE AND OTHER RECEIVABLES (cont'd.)

(k) Movements in the impairment allowance for amounts owing by subsidiaries are as follows: (cont'd.)

	12-month ECL RM'000	Lifetime ECL-not credit impaired RM'000	Lifetime ECL-credit impaired RM'000	Total RM'000
2021				
Company				
At 1 January	579	7,100	67,507	75,186
Charge for the year	-	856	-	856
Reversal of impairment losses	(496)	-	(60)	(556)
Reclassifications to impairment allowance for equity loans	(83)	(5,183)	(67,447)	(72,713)
At 31 December	-	2,773	-	2,773

(l) The currency exposure profiles of trade and other receivables (excluding prepayments) are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Ringgit Malaysia	33,703	34,091	50,728	53,311
Singapore Dollar	38	31	-	-
United States Dollar	13	6	-	-
	33,754	34,128	50,728	53,311

(m) Sensitivity analysis of RM against foreign currencies at the end of the reporting period is not presented as the effects are immaterial to the Group.

(n) The Group determines concentration of credit risk by monitoring the country and industry sector profiles of its trade receivables on an ongoing basis. The credit risk concentration profile of the trade receivables of the Group at the end of each reporting period are as follows:

	Group			
	2022		2021	
	RM'000	% of total	RM'000	% of total
By country				
Malaysia	26,646	100%	29,663	100%

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

13. TRADE AND OTHER RECEIVABLES (cont'd.)

- (n) The Group determines concentration of credit risk by monitoring the country and industry sector profiles of its trade receivables on an ongoing basis. The credit risk concentration profile of the trade receivables of the Group at the end of each reporting period are as follows (cont'd.):

	Group			
	2022		2021	
	RM'000	% of total	RM'000	% of total
By industry sectors				
Print and digital	23,086	87%	26,685	90%
Broadcasting	2,922	11%	2,624	9%
Event and exhibition	638	2%	354	1%
	26,646	100%	29,663	100%

The Company does not have any significant concentration of credit risk other than the amounts owing by subsidiaries constituting 51% (2021: 47%) of total receivables of the Company. The Company does not anticipate the carrying amounts recorded at the end of the reporting period to be significantly different from the values that would eventually be received.

14. DEFERRED TAX

- (a) The deferred tax assets and liabilities are made up of the following:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Balance as at 1 January	(2,324)	21,171	-	24,981
Recognised in profit or loss (Note 24)	1,156	(23,495)	-	(24,981)
Balance as at 31 December	(1,168)	(2,324)	-	-
Presented after appropriate offsetting:				
Deferred tax assets, net	(1,221)	(2,350)	-	-
Deferred tax liabilities, net	53	26	-	-
	(1,168)	(2,324)	-	-

14. DEFERRED TAX (cont'd.)

- (b) The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Deferred tax assets of the Group

	Unused tax losses and unabsorbed capital allowances RM'000	Accrual for staff costs RM'000	Other temporary differences RM'000	Set-off of tax RM'000	Total RM'000
At 1 January 2022	(1,642)	(645)	(549)	486	(2,350)
Recognised in profit or loss	714	227	670	(482)	1,129
At 31 December 2022	(928)	(418)	121	4	(1,221)
At 1 January 2021	(1,106)	(1,328)	(6,722)	5,275	(3,881)
Recognised in profit or loss	(536)	683	6,173	(4,789)	1,531
At 31 December 2021	(1,642)	(645)	(549)	486	(2,350)

Deferred tax liabilities of the Group

	Property, plant and equipment RM'000	Other temporary differences RM'000	Set-off of tax RM'000	Total RM'000
At 1 January 2022	110	402	(486)	26
Recognised in profit or loss	(19)	(436)	482	27
At 31 December 2022	91	(34)	(4)	53
At 1 January 2021	29,827	500	(5,275)	25,052
Recognised in profit or loss	(29,717)	(98)	4,789	(25,026)
At 31 December 2021	110	402	(486)	26

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

14. DEFERRED TAX (cont'd.)

- (b) The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows: (cont'd.)

Deferred tax liabilities of the Company

	Property, plant and equipment RM'000	Accrual for staff costs RM'000	Other temporary differences RM'000	Total RM'000
At 1 January 2021	29,773	(952)	(3,840)	24,981
Recognised in profit or loss	(29,773)	952	3,840	(24,981)
At 31 December 2021	-	-	-	-

- (c) The amounts of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Unabsorbed capital allowances	27,092	26,372	23,862	22,287
Other temporary differences	26,259	26,670	22,364	23,228
Unused tax losses				
- No expiry date	2,602	2,602	-	-
- Expires by 31 December 2028	53,717	57,579	-	-
- Expires by 31 December 2029	10,624	12,444	-	-
- Expires by 31 December 2030	16,912	18,653	-	-
- Expires by 31 December 2031	9,997	9,568	-	-
- Expires by 31 December 2032	746	-	-	-
	147,949	153,888	46,226	45,515

The Group and the Company have assessed the likelihood of sufficient future profits available to recover the amounts of deductible temporary differences. Deferred tax assets of the Company and certain subsidiaries have not been recognised in respect of these items as it is not probable that taxable profits of the Company and certain subsidiaries would be available against which the temporary differences could be utilised.

The amount and availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of the respective local tax authorities. Unutilised tax losses of the holding company and subsidiaries incorporated in Malaysia can be carried forward up to 10 consecutive years of assessment immediately following the year of assessment under the tax legislation of Inland Revenue Board.

15. CASH AND BANK BALANCES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Cash and bank balances	13,095	17,775	3,670	7,636
Deposits placed with licensed banks	351,730	325,310	309,234	282,248
	364,825	343,085	312,904	289,884

- (a) The weighted average effective interest rates of deposits of the Group and of the Company at the end of each reporting period are as follows:

	Group		Company	
	2022	2021	2022	2021
Weighted average effective interest rates				
- Fixed rates	3.43%	1.79%	3.46%	1.79%

Sensitivity analysis for fixed rate deposits at the end of the reporting period is not presented as fixed rate instruments is not affected by changes in interest rates.

- (b) Deposits of the Group and of the Company have a maturity period of 1 day (2021: 1 day) and 1 day (2021: 1 day) respectively.
- (c) The currency exposure profiles of cash and bank balances are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Ringgit Malaysia	363,669	341,705	312,224	289,683
Singapore Dollar	746	441	654	181
United States Dollar	403	938	19	19
Pound Sterling	1	1	1	1
Chinese Renminbi	6	-	6	-
	364,825	343,085	312,904	289,884

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

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15. CASH AND BANK BALANCES (cont'd.)

- (d) Sensitivity analysis of RM against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Effects of 3% changes to RM against foreign currencies				
Profit after tax				
- Singapore Dollar	17	10	15	4
- United States Dollar	9	21	_*	_*

The exposures of other currencies are not significant, hence the effects of the changes in the exchange rates are not presented.

* Amount is immaterial to disclose

- (e) No expected credit loss is recognised arising from the cash and bank balances and deposits placed with licensed banks because the probability of default by these financial institutions is negligible.

16. SHARE CAPITAL AND TREASURY SHARES

	Company			
	2022		2021	
	Number of shares '000	RM'000	Number of shares '000	RM'000
Issued and fully paid up ordinary shares with no par value	738,564	738,564	738,564	738,564

- (a) The owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regards to the residual assets of the Company.

- (b) Treasury shares

At an Extraordinary General Meeting held on 18 May 2005, the shareholders of the Company approved the proposal to repurchase up to 10% of its own shares ("Share Buy-Back") of the Company. The authority granted by the shareholders has been renewed at each subsequent Annual General Meeting. The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the Share Buy-Back is in the best interest of the Company and its shareholders.

16. SHARE CAPITAL AND TREASURY SHARES (cont'd.)

(b) Treasury shares (cont'd.)

The details of the treasury shares are as follows:

Year	Number of shares re-purchased '000	Total consideration paid RM'000	Transaction costs RM'000	Average price per share RM
2009	70	225	1	3.18
2012	125	358	2	2.86
2013	412	1,050	5	2.54
2017	80	136	—*	1.69
2020	13,112	4,355	6	0.33
	13,799	6,124	14	0.44

* Amount was immaterial to disclose

The repurchase transactions were financed by internally generated funds and the shares repurchased were retained as treasury shares.

Of the total 738,563,602 issued and fully paid ordinary shares as at 31 December 2022, there are 13,798,700 (2021: 13,798,700) ordinary shares with a cumulative total consideration amounting to RM6,124,601 (2021: RM6,124,601) held as treasury shares by the Company. The number of outstanding shares in issue after the Share Buy-Back is 724,764,902 (2021: 724,764,902) ordinary shares as at 31 December 2022.

None of the treasury shares held were resold or cancelled during the financial year. Treasury shares have no rights to voting, dividends or participation in other distributions.

17. NET ACCUMULATED LOSSES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-distributable:				
Foreign exchange translation reserve	2,651	2,610	-	-
Accumulated losses	(82,940)	(87,877)	(62,208)	(70,848)
	(80,289)	(85,267)	(62,208)	(70,848)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

17. NET ACCUMULATED LOSSES (cont'd.)

Foreign exchange translation reserve

The foreign exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items which form part of the net investment of the Group in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

18. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Trade payables	(b)				
Third parties		594	268	117	157
Subsidiaries		-	-	1,348	1,311
		594	268	1,465	1,468
Other payables					
Subsidiaries	(c)	-	-	7,006	4,264
Other payables	(d)	56,270	58,117	53,455	53,966
Accruals	(e)	35,535	28,273	25,461	21,987
Provision for restoration cost	(f)	-	356	-	-
Deferred income	(g)	12,696	9,966	11,472	9,731
Deposits from agents, subscribers and customers		3,796	3,700	3,796	3,700
		108,297	100,412	101,190	93,648
		108,891	100,680	102,655	95,116

- (a) Trade and other payables (excluding deferred income) are classified as financial liabilities measured at amortised cost.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and the Company range from one (1) month to four (4) months (2021: 1 to 4 months).
- (c) Amounts owing to subsidiaries represent payments made on behalf, which are unsecured, interest-free and payable within next twelve (12) months in cash and cash equivalents.
- (d) Other payables of the Group and of the Company included an amount of RM50,000,000 (2021: RM50,000,000) in relation to the bank guarantees received as disclosed in Note 29(c) to the financial statements.
- (e) Included in the accruals of the Group and of the Company are payroll related accruals amounting to RM19,918,000 (2021: RM18,432,000) and RM16,124,000 (2021: RM14,985,000) respectively.

18. TRADE AND OTHER PAYABLES (cont'd.)

- (f) Provision for restoration cost comprises estimate of reinstatement cost for a premise upon termination of tenancy. A reconciliation of the provision for restoration cost is as follows:

	Group	
	2022 RM'000	2021 RM'000
Balance as at 1 January	356	292
Recognised in right-of-use assets	-	66
Payment of restoration cost	-	(44)
Recognised in profit or loss	-	42
Reversals	(356)	-
Balance as at 31 December	-	356

The Group estimates provision for restoration cost based on historical cost incurred per square feet of rent area. The estimated provision for restoration cost is reviewed periodically and is updated if expectations differ from previous estimates due to changes in cost factors. Where expectations differ from the original estimate, the differences would impact the carrying amount of provision for restoration cost of the Group.

- (g) A reconciliation of the deferred income is as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Balance as at 1 January	9,966	11,906	9,731	10,550
Additions during the year	19,186	25,145	13,801	23,897
Recognised as revenue during the year	(16,456)	(27,085)	(12,060)	(24,716)
Balance as at 31 December	12,696	9,966	11,472	9,731

Deferred income comprises consideration received in advance from customers for advertisement and exhibition services as well as subscription of newspapers and magazines by the customers.

- (h) The currency exposure profiles of trade and other payables (net of deferred income) are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Ringgit Malaysia	95,360	89,857	90,646	85,115
United States Dollar	657	542	384	228
British Pound	8	42	8	42
Euro	-	259	-	-
Chinese Renminbi	33	1	33	-
Singapore Dollar	137	13	112	-
	96,195	90,714	91,183	85,385

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

18. TRADE AND OTHER PAYABLES (cont'd.)

- (i) Sensitivity analysis of RM against foreign currencies at the end of each reporting period, assuming that all other variables remain constant are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Effects of 3% changes to RM against foreign currencies				
Profit after tax				
- United States Dollar	15	12	9	5
- British Pound	-*	1	-*	1
- Euro	-	6	-	-
- Chinese Renminbi	1	-*	1	-
- Singapore Dollar	3	-*	3	-

* Amount was immaterial to disclose

- (j) The maturity profile of the trade and other payables (excluding deferred income) of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations is repayable within one year.

19. REVENUE

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<i>Revenue from contracts with customers</i>				
Publication, printing, distribution of newspapers and magazines and digital	171,473	152,948	141,922	123,515
Event management and exhibition	11,833	6,940	7,124	2,718
Broadcasting	33,429	25,661	-	-
Subscription and distribution	101	1,564	-	-
	216,836	187,113	149,046	126,233

- (a) Sales of goods

Revenue from sales of goods represents the invoiced value arising from the publication, printing, distribution of newspapers, magazines and online advertisements (net of returns and sales and service tax).

Revenue from sale of goods is recognised at a point in time when the goods have been transferred to the customers and coincides with the delivery of goods and acceptance by customers.

19. REVENUE (cont'd.)

(a) Sales of goods (cont'd.)

There is no significant financing component in the revenue arising from sale of goods as the sales are made on the normal credit terms not exceeding twelve (12) months.

(b) Services

Revenue from services represents the invoiced value arising from the broadcasting of commercials on radio (net of sales and services tax). Revenue is recognised at a point in time when services have been rendered to the customers and coincides with the delivery of services and acceptance by customers.

Revenue from events and exhibitions, which consists of rental of booth and storage for home and lifestyle exhibitions are recognised at a point in time based on the occurrence of the events.

(c) Disaggregation of revenue from contracts with customers has been presented in the operating segments, Note 4 to the financial statements, which has been presented based on major product and service line and geographical location from which the sale transactions originated. No revenue was recognised over time.

20. COST OF SALES AND SERVICES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Publication, printing, distribution of newspapers and magazines and digital	73,937	78,713	80,387	82,115
Event management and exhibition	7,052	4,518	3,180	1,075
Broadcasting	2,286	1,568	-	-
Subscription and distribution	18	604	-	-
	83,293	85,403	83,567	83,190

21. FINANCE COSTS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Interest expenses on:				
- lease liabilities	901	1,053	6	9
- unwinding of discount on provision for restoration cost	-	42	-	-
	901	1,095	6	9

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

22. NET (GAINS)/LOSSES ON IMPAIRMENT OF FINANCIAL ASSETS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Impairment losses on:				
- amounts owing by subsidiaries	-	-	334	856
- equity loans	-	-	-	8,597
- other receivables	-	3	-	-
- trade receivables	430	599	125	514
Reversal of impairment losses on:				
- amounts owing by subsidiaries	-	-	-	(556)
- equity loans	-	-	(1,564)	-
- other receivables	-	(5)	-	(5)
- trade receivables	(807)	(548)	(702)	(348)
Net (gains)/losses on impairment of financial assets	(377)	49	(1,807)	9,058

23. PROFIT/(LOSS) BEFORE TAX

Other than those disclosed elsewhere in the financial statements, profit/(loss) before tax is arrived at:

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
After charging:					
Auditors' remuneration:					
BDO Malaysia					
- Statutory		371	371	244	244
- Non-statutory		23	11	14	11
Other auditors					
- Statutory		33	36	-	-
Bad debts written off		-	97	-	97
Directors' remuneration payable to:					
- Directors of the Company					
- fees		736	651	736	651
- other emoluments		472	483	388	411

23. PROFIT/(LOSS) BEFORE TAX (cont'd.)

Other than those disclosed elsewhere in the financial statements, profit/(loss) before tax is arrived at: (cont'd.)

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
After charging:					
Fair value loss on other investments		-	24	-	24
Foreign exchange loss:					
- realised		-	144	-	49
- unrealised		299	-	295	-
Operating lease rental		151	201	150	201
Rental of equipment		5	5	-	-
Rental of premises		79	68	74	68
Property, plant and equipment written off		10	690	6	132
And crediting:					
Reversal of compensation income	29(c)	-	50,542	-	50,542
Dividend income		-	-	10,000	-
Fair value gain on other investments		15	-	15	-
Unrealised foreign exchange gain		-	48	-	8
Gain on disposal of property, plant and equipment		716	236	709	33,047
Gain on disposal of intangible assets		-	1,800	-	-
Interest income		303	770	306	1,257
Investment income		7,577	5,623	6,667	5,234
Rental income:					
- investment properties	6(d)	1,855	1,472	1,855	1,472
- others		1,247	1,085	2,427	1,691
Waiver of debt owed to a subsidiary		-	-	-	3,425

The estimated monetary value of benefits-in-kind received by Directors of the Group and of the Company not included above was RM52,000 (2021: RM117,000).

(a) Other income**(i) Interest income**

Interest income is recognised as it accrues, using the effective interest method.

(iii) Dividend income

Dividend income is recognised when the rights to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

23. PROFIT/(LOSS) BEFORE TAX (cont'd.)

(a) Other income (cont'd.)

(iii) Rental income (cont'd.)

Rental income is accounted for on a straight line basis over the lease term of an ongoing lease. The aggregate cost of incentives provided to the lessee is recognised as a reduction of rental income over the lease term on a straight line basis.

24. TAXATION

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Current year tax expense based on profit/(loss) for the financial year				
- Malaysian income tax	503	451	321	18
Under provision in prior years				
- Malaysian income tax	193	2,451	205	2,404
	696	2,902	526	2,422
Deferred tax (Note 14)				
- Relating to origination and reversal of temporary differences	1,354	(22,050)	-	(22,997)
- Over provision in prior years	(198)	(1,445)	-	(1,984)
	1,156	(23,495)	-	(24,981)
Income tax	1,852	(20,593)	526	(22,559)
Real property gain tax	14	3,293	14	3,293
	1,866	(17,300)	540	(19,266)

(a) The Malaysian income tax is calculated at the statutory tax rate of 24% (2021: 24%) of the estimated taxable profits for the fiscal year.

(b) Tax expenses for other taxation authorities are calculated at the rates prevailing in those respective jurisdictions.

24. TAXATION (cont'd.)

- (c) The numerical reconciliation between taxation and accounting profit/(loss) multiplied by the applicable tax rates of the Group and of the Company as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit/(Loss) before tax	8,750	(149,730)	9,180	(124,390)
Taxation at Malaysian statutory rate of 24% (2021: 24%)	2,100	(35,935)	2,203	(29,854)
Expenses not deductible for tax purposes	2,678	6,509	1,903	8,476
Income not subject to tax	(1,500)	(3,146)	(3,956)	(10,235)
Deferred tax assets not recognised	-	10,970	171	8,634
Utilisation of deferred tax assets previously not recognised	(1,425)	-	-	-
Difference in tax rates in foreign jurisdiction	4	3	-	-
	1,857	(21,599)	321	(22,979)
Under/(Over) provision in prior years				
- corporate tax	193	2,451	205	2,404
- deferred tax	(198)	(1,445)	-	(1,984)
	1,852	(20,593)	526	(22,559)

- (d) Tax on each component of other comprehensive income is as follows:

	Group					
	2022			2021		
	Before tax RM'000	Tax effect RM'000	After tax RM'000	Before tax RM'000	Tax effect RM'000	After tax RM'000
Items that may be reclassified subsequently to profit or loss						
Foreign currency translations	41	-	41	(220)	-	(220)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

25. EARNINGS/(LOSS) PER ORDINARY SHARE

(a) Basic earnings/(loss) per ordinary share

Basic earnings/(loss) per ordinary share for the financial year is calculated by dividing the earnings/(loss) for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	2022	2021
In RM'000		
Profit/(Loss) attributable to equity holders of the parent	6,921	(132,359)
In '000		
Weighted average number of ordinary shares in issue	738,564	738,564
Weighted average number of treasury shares held	(13,799)	(13,799)
Adjusted weighted average number of ordinary shares applicable to basic earnings per ordinary share	724,765	724,765
In sen		
Basic earnings/(loss) per ordinary share	0.95	(18.26)

(b) Diluted earnings/(loss) per ordinary share

The diluted earnings/(loss) per ordinary share equal basic earnings/(loss) per ordinary share because there were no potential dilutive ordinary shares as at the end of the reporting period.

26. DIVIDEND

On 21 March 2023, the Directors recommended a first and final single tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 December 2022 subject to the shareholders' approval at the forthcoming Annual General Meeting of the Company.

The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity in the financial year ending 31 December 2023.

27. EMPLOYEE BENEFITS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Salaries and wages	103,586	100,538	77,763	74,495
Defined contribution retirement plans	15,376	14,856	11,605	11,004
Others	2,508	2,412	860	893
	121,470	117,806	90,228	86,392

28. RELATED PARTIES DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other parties.

The Company has controlling related party relationship with its direct and indirect subsidiaries.

Related parties of the Group include:

- (i) Direct and indirect subsidiaries as disclosed in Note 10 to the financial statements;
 - (ii) Associate as disclosed in Note 11 to the financial statements;
 - (iii) Companies in which certain Directors of the Company have financial interests;
 - (iv) Companies in which a Director of the subsidiaries has financial interests; and
 - (v) Key management personnel who are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Company, and certain members of the senior management of the Group.
- (b) In addition to the transactions and balances disclosed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Company	
	2022 RM'000	2021 RM'000
Subsidiaries		
Dividend income	10,000	-
Disposal of land	-	41,800
Interest income	163	1,185
Jobbing income	300	107
Printing and distribution services	82,374	70,599
Shared service income	25,296	29,219
Agency fee on advertising income	14,636	12,339
Purchase of advertisement space	5,556	2,599
Purchase of airtime	1,769	704
Rental income	1,180	764
Sales of advertisement space	35	149
Shared services cost	24,065	24,235
Waiver of debt owed to a subsidiary	-	3,425

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

28. RELATED PARTIES DISCLOSURES (cont'd.)

- (b) In addition to the transactions and balances disclosed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year (cont'd.):

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000

Companies in which certain Directors of the Company deemed to have financial interests

Sales of advertisement space	1,924	590	1,924	590
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The related party transactions described above were carried out on terms and conditions not materially different from those obtainable with unrelated parties.

Information regarding outstanding balances arising from related party transactions as at 31 December 2022 is disclosed in Notes 13 and 18 to the financial statements.

- (c) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Director (whether executive or otherwise) of the Group and the Company.

The remuneration of the Directors and other member of key management during the financial year as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000

Directors

Fees	736	651	736	651
Short term employee benefits	524	600	440	528
	1,260	1,251	1,176	1,179

Other member of key management

Short term employee benefits	1,865	1,202	1,865	1,202
Contributions to defined contribution plans	223	144	223	144
	2,088	1,346	2,088	1,346

Total compensation of key management personnel	3,348	2,597	3,264	2,525
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29. CONTINGENT LIABILITIES

- (a) There are several libel suits, which involve claims against the Group and the Company of which the outcome and probable compensation, if any, are currently indeterminable. However, after consulting with their legal counsel for litigation cases and internal and external experts to the Group and the Company for matters in the ordinary course of business, the Directors and management do not expect the amounts of liabilities, if any, to be material to the financial statements.
- (b) Contingent liabilities that are not carried at fair values and whose carrying amounts are not reasonable approximation of fair values, are as follows:

	2022		2021	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Group and Company				
Unrecognised financial liabilities				
- Contingent liabilities				
- Litigations	-	842	-	706

The fair value of contingent liabilities is categorised as Level 3 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.

- (c) Outstanding litigation with JAKS Island Circle Sdn. Bhd. ("JIC") and JAKS Resources Berhad ("JRB") on delay of delivery of vacant possession of Tower A at Section 13

On the sale and purchase agreement dated 19 August 2011 made between the Company and JIC ("SPA") for the delivery of vacant possession of its investment property under construction ("Tower A"), the Company had on 15 February 2018 called on the two (2) bank guarantees issued by United Overseas Bank (Malaysia) Berhad and AmBank (M) Berhad respectively (collectively, "Banks") amounting to RM50.0 million pledged as security by JIC under the SPA.

After numerous rounds of court hearings and appeals in financial year 2018, the Company had received the latest update on 7 January 2019 where the Federal Court had unanimously dismissed JIC's Federal Court's Leave Applications with costs awarded to the Company. In relation to this, the Company received the bank guarantees on 9 January 2019.

The Company had on 19 April 2019 filed a Writ and Statement of Claim against JRB for inter alia:

- (a) specific relief for JRB to complete or cause to be completed JIC's obligations under the SPA, namely the completion and delivery of the Tower A and the separate issue document of title to Tower A ("Vendor's Entitlement") by 31 October 2019 in full and proper compliance with the terms of the SPA; and
- (b) damages being late payment interest calculated at the rate of 8% per annum on the balance purchase price of RM134,500,000 from 25 October 2015 until the completion and delivery of the Vendor's Entitlement ("Corporate Guarantee Claim").

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

29. CONTINGENT LIABILITIES (cont'd.)

- (c) Outstanding litigation with JAKS Island Circle Sdn. Bhd. ("JIC") and JAKS Resources Berhad ("JRB") on delay of delivery of vacant possession of Tower A at Section 13 (cont'd.)

JRB had on 28 May 2019 filed its defence and counterclaim against the Corporate Guarantee Claim. On 31 May 2019, the Company announced that it had been served by both JRB and JIC with a Writ of Summons and Statement of Claim both dated 30 May 2019, which amounted to RM595.3 million in addition to exemplary damages, interest, costs and such further relief that may be just. Among the reliefs sought were the refund of RM50.0 million bank guarantees together with all interests and related costs incurred thereto.

On 1 August 2019, the Company filed:

- i. an application for summary relief in respect of the Company's Corporate Guarantee claim against JRB; and
- ii. an application to strike out the JIC's and JRB's claim against the Company.

The hearing on the Company's application for summary relief in respect of the Company's Corporate Guarantee Claim against JRB had been adjourned from 14 October 2019 to 14 November 2019 and subsequently to 21 April 2020, 18 June 2020 and 7 August 2020 in light of the extension of the Movement Control Order by the Government of Malaysia.

On 7 August 2020, the High Court had partly allowed the Company's application for summary relief in respect of the Company's Corporate Guarantee Claim. The High Court had amongst others, ruled that the Company be compensated by JRB at the rate of 8% per annum on the balance purchase price of RM134,500,000 from 25 October 2015 to 6 July 2020 (amounting to RM50.5 million), which would continue to run from 6 July 2020 to the date JRB completes or cause to be completed JIC's obligations under the SPA namely the full and complete delivery of the Vendor's Entitlement in full and proper compliance with the terms of the SPA. Therefore, the Company had recognised the compensation for the late delivery of vacant possession in the previous financial year as it deemed the realisation was virtually certain. This was also based on a legal opinion obtained on 24 August 2020 that the Company was entitled to utilise the compensation in partial satisfaction of the bank guarantees received.

On 25 August 2020, the Company was informed by its solicitors that JRB had appealed against the High Court's decision ("Appeal 1122") and had also applied for a Stay of Execution of the High Court's Order dated 7 August 2020. The High Court had on 24 March 2021 dismissed JRB's application for the Stay of Execution of the High Court's Order dated 7 August 2020 with costs of RM3,000 awarded to the Company.

On 1 September 2020, the Company appealed to the Court of Appeal against part of the High Court's decision made on 7 August 2020 that it is not necessary and incumbent on JRB and/or JIC, having regard to the provisions of Clause 18(a)(i) of the SPA as well as general construction industry practice, to provide the full set construction drawings, details and specifications requested by the Company vide letter dated 1 July 2020 in order to carry out proper and meaningful joint inspection under Clause 4B.4 of the SPA ("Appeal 1188").

On 28 September 2020, the High Court dismissed the Company's application to strike off the JAKS' Claim. The Company had appealed to the Court of Appeal against the decision of the High Court ("Appeal 1435").

During the case management before the Court of Appeal on 4 March 2021, the Deputy Registrar of the Court of Appeal directed for Appeals 1122, 1188 and 1435 to be heard together on 27 July 2021.

29. CONTINGENT LIABILITIES (cont'd.)

- (c) Outstanding litigation with JAKS Island Circle Sdn. Bhd. ("JIC") and JAKS Resources Berhad ("JRB") on delay of delivery of vacant possession of Tower A at Section 13 (cont'd.)

On 27 July 2021, the Court of Appeal had unanimously decided that there were various disputes of fact and/or law which necessitates a trial and therefore had allowed Appeal 1122 and dismissed Appeals 1188 and 1435.

On 26 August 2021 the Company had filed three (3) motions for leave to the Federal Court to appeal against the decisions of the Court of Appeal. JIC has been put into creditors' voluntary winding-up, any legal proceedings against a company in liquidation shall obtain leave from the High Court. The Company filed an Originating Summon for leave which the Company was granted leave by the High Court on 6 October 2022 to continue the Appeals against JIC.

On 23 February 2023, the Federal Court had unanimously allowed the Company's motions for leave to appeal the Court of Appeal's decisions to the Federal Court.

Accordingly, the Company had on 6 March 2023 filed and served the notices of appeal to the Federal Court ("Federal Court's Appeals"). The Federal Court Appeals have been registered and the case management is fixed on 25 April 2023.

In respect of both the Corporate Guarantee Claim and JAKS' Claim, which are to be heard together, the High Court had fixed five (5) tentative days for trial from 4 March 2024 to 8 March 2024. During the case management on 15 March 2023, the Judicial Commissioner directed the Company to file a stay application to stay the trial pending the outcome of the Federal Court Appeals. The hearing for the stay applications is fixed on 22 May 2023.

In the previous financial year, uncertainty over the recognition of the compensation income awarded by the High Court on 7 August 2020 arose as a result of the decision by the Court of Appeal to allow JAKS's appeal against the High Court's decision. Therefore, the Company had recognised a reversal of compensation income awarded amounted to RM50.5 million in the previous financial year.

The Company is of the view that it has merits to oppose the abovementioned claims against the Company based on information provided by the external solicitors. Hence, the Company is of the view that no provision is necessary at this juncture.

30. CAPITAL COMMITMENTS

	Group and Company	
	2022 RM'000	2021 RM'000
Authorised capital expenditure not provided for in the financial statements		
- contracted	1,156	2,963
- not contracted	3,435	5,157
	4,591	8,120
Analysed as follows:		
- Property, plant and equipment	4,591	8,120

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

31. CAPITAL AND FINANCIAL RISK MANAGEMENT

(a) Capital management

The primary objective of the capital management of the Group is to ensure that the Group would be able to continue as a going concern whilst maximising return to shareholders through the optimisation of the debt and equity ratios. The overall strategy of the Group remains unchanged from that in financial year ended 31 December 2021.

The Group reviews its capital structure on an annual basis and the Directors consider the cost of capital and the risks associated with each class of the capital. The Group manages its capital structure and makes adjustments to address changes in economic environment, regulatory requirements and risk characteristics in the business operations of the Group. These initiatives include dividend payments, share buy-back, issuance of new debts, redemption of debts and other adjustments in light of economic conditions.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital. The Group includes within net debt, loans and borrowings, less cash and bank balances. Capital represents equity attributable to the owners of the parent.

There are no changes made on the capital management, policies and procedures of the Group and the Company during the financial years ended 31 December 2022 and 31 December 2021.

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Lease liabilities	14,233	16,429	748	864
Less: Cash and bank balances (Note 15)	(364,825)	(343,085)	(312,904)	(289,884)
Net cash	(350,592)	(326,656)	(312,156)	(289,020)
Total capital	652,151	647,173	670,232	661,592
Gearing ratio	-*	-*	-*	-*

* The gearing ratios for the Group and for the Company are not presented as the Group and the Company are in net cash position.

Pursuant to the requirements of Practice Note No. 17/2005 of the Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity of more than twenty-five percent (25%) of the issued and paid-up capital and such shareholders' equity is not less than RM40.0 million. The Group has complied with this requirement for the financial year ended 31 December 2022.

The Group is not subject to any other externally imposed capital requirements.

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (cont'd.)

(b) Financial risk management

The financial risk management objective of the Group is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from foreign currency risk, liquidity and cash flow risk, interest rate risk, credit risk and market risk.

The Group operates within an established risk management framework and clearly defined guidelines that are regularly reviewed by the Board of Directors and does not trade in derivative financial instruments. Financial risk management is carried out through risk review programmes, internal control systems, insurance programmes and adherence to the Group financial risk management policies. The Group is exposed mainly to foreign currency risk, liquidity and cash flow risk, interest rate risk, credit risk and market risk. Information on the management of the related exposures as detailed below.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rate.

The Group and the Company are exposed to foreign currency risk on transactions that are denominated in currencies other than the functional currencies of the operating entities.

The Group and the Company also hold cash and bank balances denominated in foreign currencies for working capital purposes. At the end of each reporting period, such foreign currency balances amounted to RM1,156,000 (2021: RM1,380,000) for the Group and RM680,000 (2021: RM201,000) for the Company.

The Group maintains a natural hedge, where possible, by borrowing in the currency of the country in which the investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

The sensitivity analysis for foreign currency risk has been disclosed in Notes 13, 15 and 18 to the financial statements respectively.

(ii) Liquidity and cash flow risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

The Group is actively managing its operating cash flows to ensure all commitments and funding needs are met. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group aims at maintaining flexibility in funding by keeping committed credit lines available.

The analysis of financial instruments by remaining contractual maturities has been disclosed in Notes 9 and 18 to the financial statements respectively.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 DECEMBER 2022

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (cont'd.)

(b) Financial risk management (cont'd.)

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group and of the Company would fluctuate because of changes in market interest rates.

The primary interest rate risk of the Group and of the Company relates to interest-earning deposits and lease liabilities. The fixed-rate deposits and lease liabilities of the Group are not exposed to a risk of changes in their fair values due to changes in interest rates. The Group does not use derivative financial instruments to hedge its risk. The Group borrows in the desired currencies at both fixed and floating rates of interest.

The interest rate profile and sensitivity analysis of interest rate risk have been disclosed in Notes 9 and 15 to the financial statements respectively.

(iv) Credit risk

Cash deposits and trade receivables could give rise to credit risk, which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are reputable institutions and organisations. It is the policy of the Group to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The primary exposure of the Group to credit risk arises through its trade receivables. The trading terms of the Group with its customers are mainly on credit, except for new customers, where deposits in advance are normally required. The credit period is generally for a period of one (1) month, extending up to three (3) months for major customers. Each customer has a maximum credit limit and the Group seeks to maintain strict control over its outstanding receivables via a credit control section to minimise credit risk. Overdue balances are reviewed regularly by senior management.

The credit risk profile has been disclosed in Note 13 to the financial statements.

(v) Market risk

Market risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risks arising from quoted investments held by the Group. They are held for strategic rather than trading purposes. The Group does not actively trade these investments. These instruments are classified as financial assets designated at fair value through profit or loss.

To manage its price risk arising from investments in shares, funds and bonds, the Group diversifies its portfolio in accordance with the limits set by the Group.

The sensitivity analysis of market risk has been disclosed in Note 12 to the financial statements.

32. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

32.1 New MFRSs adopted during the financial year

The Group and the Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group and of the Company.

32.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2023

The following are Standards of the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group and the Company:

Title	Effective Date
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 16 <i>Lease liability in a sale and leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.

LIST OF PROPERTIES

AS AT 31 DECEMBER 2022

Location	Tenure	Size	Description	Approximate Age of Buildings (years)	Net Book Value RM'000	Year of Acquisition/ Last Revaluation#
No.15-19, Jalan Masjid Kapitan Keling 10200 Pulau Pinang	Leasehold Expiry: 2055	23,372 sq. ft.	Office block and creative & events hub	Pre-war	724	1983#
No. 26A, Randolph Avenue London W9 1BL United Kingdom	Leasehold Expiry: 2086	1,481 sq. ft.	2-storey semi-detached house	62	604	1995
735, Lorong Perindustrian Bukit Minyak 7 Taman Perindustrian Bukit Minyak	Leasehold Expiry: 2056	172,644 sq. ft.	Industrial land warehouse	25	6,769	1995
14100 Simpang Ampat Pulau Pinang		39,528 sq. ft.	Warehouse 1			1998
		39,600 sq. ft.	Warehouse 2			2004
Menara Star 15, Jalan 16/11 46350 Petaling Jaya Selangor Darul Ehsan	Freehold	165,000 sq. ft.	17-storey tower block	22	31,480	2001
No. 2, Jalan Astaka U8/88 Section U8 Bukit Jelutong Industrial Park	Freehold	405,979 sq. ft.	Industrial land	N/A	22,495	1997
40150 Shah Alam Selangor Darul Ehsan		205,117 sq. ft.	Printing plant	22	26,090	2001
202, Jalan Sultan Azlan Shah 11900 Bayan Lepas Pulau Pinang	Freehold	7,204 sq. metres	Industrial land	N/A	11,954	1997
		19,472 sq. metres	Office building and plant	21	15,582	2002
Lot 9, First Floor Block B, Lintas Square, Luyang 88300 Kota Kinabalu Sabah	Leasehold Expiry: 2996	1,210 sq. ft.	1 st floor of an office block	24	146	1999
GM 4148 Lot 26198 (GM 613 Lot 6037) Mukim Bentong Pahang Darul Makmur	Freehold	3.632 hectare	Vacant agriculture land	N/A	2,096	1999
GM 4147 Lot 26197 (GM 612 Lot 6036) Mukim Bentong Pahang Darul Makmur	Freehold	0.3676 hectare	Vacant agriculture land	N/A	870	2000
Lot No. 60 Mukim Tanah Rata Bintang Cottage A38 Jalan Pekeliling Padang Golf, Tanah Rata 39000 Cameron Highlands Pahang Darul Makmur	Leasehold Expiry: 2118	60,386 sq. ft.	Land with a single storey detached house	Pre-war	1,101	2002

Location	Tenure	Size	Description	Approximate Age of Buildings (years)	Net Book Value RM'000	Year of Acquisition/ Last Revaluation#
Unit A 4103 SOHO Xian Dai Cheng No. 88, Jian Guo Road Chao Yang District Beijing 100022 People's Republic of China	Leasehold Expiry: 2070	386 sq. metres	Top floor of a 42-storey building	19	1,533	2004
No. 7, Jalan Tiang U8/93 Section U8 Bukit Jelutong Industrial Park 40150 Shah Alam Selangor Darul Ehsan	Freehold	108,900 sq. ft.	Industrial land	N/A	4,380	2004
No. 9, Jalan Tiang U8/93 Section U8 Bukit Jelutong Industrial Park 40150 Shah Alam Selangor Darul Ehsan	Freehold	111,078 sq. ft.	Industrial land	N/A	4,443	2004
10 Anson Road #19-14 International Plaza Singapore 079903	Leasehold Expiry: 2070	219 sq. metres	19 th floor on a 50-storey building	47	1,471	2005
Neighbourhood Commercial Centre GF to 3F, U6 Jalan P9E/1, Presint 9 62250 Putrajaya	Freehold	1,691 sq. metres	4-storey shop office	18	2,914	2004
No. 8 & 10 Lorong Chung Thye Phin 30250 Ipoh Perak Darul Ridzuan	Freehold	1,622 sq. metres	Commercial land	N/A	1,375	2005
	Freehold	1,972 sq. metres	Office building	12	3,690	2011
No. 37 Jalan USJ Sentral 3 USJ Sentral, Persiaran Subang 1 47600 Subang Jaya Selangor Darul Ehsan	Freehold	10,080 sq. ft.	5-storey shop office & 1 lower ground car park	14	2,060	2009
Jalan 13/6 Petaling Jaya 46200, Selangor	Leasehold Expiry: 2112	297,981 sq. ft.	14-storey office building	2	130,501	2020

ANALYSIS OF SHAREHOLDINGS

AS AT 31 MARCH 2023

SHARE CAPITAL

Total Number of Issued Shares	:	738,563,602
Class of Share	:	Ordinary Share
Voting Rights	:	One (1) vote per ordinary share
Number of Shareholders	:	10,263

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares Held	% of Issued Shares
Less than 100	81	0.789	1,716	0.000
100 - 1,000	1,539	14.996	1,257,331	0.174
1,001 - 10,000	5,286	51.505	25,954,586	3.581
10,001 - 100,000	2,806	27.341	97,340,265	13.431
100,001 - 36,238,244 *	549	5.349	246,595,244	34.024
36,238,245 and above **	2	0.020	353,615,760	48.790
Total	10,263	100.000	724,764,902[^]	100.000

Notes:

* Less than 5% of issued share

** 5% and above of issued share

[^] Excludes 13,798,700 Ordinary Shares bought back by the Company and held as treasury shares

SUBSTANTIAL SHAREHOLDERS (HOLDING 5% AND ABOVE)

(As per Register of Substantial Shareholders as at 31 March 2023)

No.	Name	Direct Interest		Indirect Interest	
		No. of Shares Held	% of Issued Shares*	No. of Shares Held	% of Issued Shares*
1.	AMSEC Nominees (Tempatan) Sdn. Bhd. Malaysian Chinese Association	313,315,760	43.230	15,625,300 ⁱ	2.156
2.	AmanahRaya Trustees Bhd Amanah Saham Bumiputera	40,600,000	5.602	–	–

Notes:

i Held via Huaren Holdings Sdn. Bhd. (15,425,300 shares) and Huaren Management Sdn. Bhd. (200,000 shares), which are deemed interested pursuant to Section 8 of the Companies Act 2016

DIRECTORS' DIRECT AND INDIRECT INTEREST IN THE COMPANY

(As per Register of Directors' Shareholdings as at 31 March 2023)

No.	Name	Direct Interest		Indirect Interest	
		No. of Shares Held	% of Issued Shares*	No. of Shares Held	% of Issued Shares*
1.	Tan Sri Dato' Seri Chor Chee Heung	750,000	0.103	–	–
2.	Tan Sri Dato' Sri Kuan Peng Soon	–	–	–	–
3.	Dato' Dr Mohd Aminuddin bin Mohd Rouse	–	–	–	–
4.	Mr Choong Tuck Oon	–	–	–	–
5.	Madam Wong You Fong	–	–	–	–
6.	Mr Chan Seng Fatt	–	–	–	–
7.	Mr Loh Chee Can	–	–	–	–
8.	Ms Christina Foo	–	–	–	–

TOP THIRTY (30) LARGEST SHAREHOLDERS

(without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name	No. of Shares Held	% of Issued Shares*
1.	AMSEC Nominees (Tempatan) Sdn. Bhd. Malaysian Chinese Association	313,315,760	43.230
2.	AmanahRaya Trustees Berhad Amanah Saham Bumiputera	40,300,000	5.560
3.	Huaren Holdings Sdn. Bhd.	15,425,300	2.128
4.	Wong Soo Chai @ Wong Chick Wai	5,277,100	0.728
5.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tan Gaik Suan	4,865,100	0.671
6.	Maybank Nominees (Tempatan) Sdn. Bhd. Kong Yee Wong	3,910,000	0.539
7.	Cheah Fook Ling	3,628,700	0.501
8.	Mercsec Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Siow Wong Yen @ Siow Kwang Hwa	3,450,000	0.476
9.	Chua Lee Seng	3,356,100	0.463
10.	Tok Heng Hwa	2,877,200	0.397
11.	CGS-CIMB Nominees (Asing) Sdn. Bhd. Exempt An for CGS-CIMB Securities (Singapore) Pte Ltd (Retail Clients)	2,632,100	0.363
12.	Inter-Pacific Equity Nominees (Tempatan) Sdn. Bhd. Exempt An for Inter-Pacific Asset Management Sdn. Bhd.	2,500,000	0.345
13.	Koperasi Jayadiri Malaysia Berhad	2,334,000	0.322
14.	HSBC Nominees (Asing) Sdn. Bhd. Exempt An for Bank Julius Baer & Co. Ltd. (Singapore BCH)	2,305,200	0.318
15.	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Bernadette Jeanne De Souza (003)	2,267,100	0.313
16.	Citigroup Nominees (Asing) Sdn. Bhd. Exempt An for OCBC Securities Private Limited (Client A/C-NR)	2,173,800	0.300
17.	Palaniappan @ Mohan A/L PL Chockalingam	2,020,000	0.279
18.	Eng Keat Ho	1,975,000	0.273
19.	Oh Thiam Chai	1,801,400	0.249
20.	Malacca Equity Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ho Kok Kiang	1,798,800	0.248
21.	Thang Guan Chung	1,750,000	0.241
22.	LGB Engineering Sdn. Bhd.	1,683,600	0.232
23.	Lai Tek Kean	1,660,000	0.229
24.	Phoon Onn Leong	1,630,000	0.225
25.	Lee Pui Seng	1,570,000	0.217
26.	CGS-CIMB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Goh Ching Chee (MY0605)	1,500,000	0.207
27.	CGS-CIMB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Kalaiyarasi A/P R Veerappan (MY3132)	1,500,000	0.207
28.	Chan Sun Leong	1,500,000	0.207
29.	CIMB Group Nominees (Asing) Sdn. Bhd. Exempt An for DBS Bank Ltd (SFS)	1,480,400	0.204
30.	Tengku Nerang Putra	1,466,144	0.202
Total		433,952,804	59.874

* Excludes 13,798,700 Ordinary Shares bought back by the Company and held as treasury shares

CORPORATE DIRECTORY

1. Menara Star

15, Jalan 16/11
46350 Petaling Jaya
Selangor Darul Ehsan
Tel : +603 7967 1388
Fax : +603 7954 1606
Customer Service Hotline:
1-300-88-7827

2. Star Media Hub

Lot 2, Jalan Astaka U8/88
Section U8, Bukit Jelutong
40150 Shah Alam
Selangor Darul Ehsan
Tel : +603 7967 1388

BUREAUS

3. George Town

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4. Ipoh

Menara Majestic
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5. Johor Bahru

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6. Kuantan

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Fax : +609 514 6276

7. Melaka

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Fax : +606 283 5352

8. Putrajaya

T.01-U.03-1, Jalan P9 E/1
Presint 9
62250 W.P. Putrajaya
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Fax : +603 8889 5516

9. Seremban

41, 1st Floor, Jalan Yam Tuan
70000 Seremban
Negeri Sembilan Darul Khusus
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Fax : +606 761 2577

10. Sabah

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Luyang,
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Sabah
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Fax : +6088 237 380

11. Sarawak

1st Floor, Lot 12158,
Jalan Song, Song Plaza,
93350 Kuching,
Sarawak
Tel : +6082 457 888
Fax : +6082 459 457



No. of shares held :
CDS Accounts no. :
Contact No. :

PROXY FORM 51st Annual General Meeting

I/We _____
(full name of shareholder as per NRIC/Passport/Certificate of Incorporation in capital letters)
(NRIC/Passport/Company Registration No. _____) of _____

_____ (full address)
being a member of STAR MEDIA GROUP BERHAD ("the Company") hereby appoint _____
(full name of proxy as per NRIC/Passport in capital letters)
(NRIC/Passport No. _____) of _____

_____ (full address)
and/or, _____ (NRIC/Passport No. _____)
(full name of proxy as per NRIC/Passport in capital letters)
of _____ (full address)

or failing him/her, THE CHAIRMAN OF THE MEETING as my/our proxy/proxies to vote for me/us on my/our behalf at the 51st Annual General Meeting ("AGM") of the Company to be conducted through live streaming from the Broadcast Venue at Cyberhub, Level 2, Menara Star, 15, Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan on **Monday, 22 May 2023 at 10.00 a.m.** and at any adjournment thereof.

Please indicate with an "X" in the spaces below as to how you wish your votes to be cast in respect of each resolution. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her discretion.

No.	Resolutions	FOR	AGAINST
1.	Payment of first and final single-tier dividend of 1.0 sen per ordinary share		
2.	Re-election of Madam Wong You Fong		
3.	Approval of the payment of Non-Executive Directors' fees from the 51 st AGM until the next AGM of the Company		
4.	Approval of the payment of Non-Executive Directors' benefits from the 51 st AGM until the next AGM of the Company		
5.	Re-appointment of Messrs BDO PLT as Auditors and to authorise the Directors to fix their remuneration		
6.	Authority to allot shares pursuant to the Companies Act 2016		
7.	Approval of the proposed renewal of share buy-back authority		

For appointment of two (2) proxies, percentage of shareholdings to be represented by the proxies:		
	No. of Shares	Percentage (%)
Proxy 1		
Proxy 2		
Total		100%

Dated this _____ day _____ 2023

Signature/Common Seal of Member

Important Notice

Virtual AGM

- The 51st AGM of the Company will be conducted **on a virtual basis by way of live streaming and online remote voting** via the Remote Participation and Voting facilities ("RPV") which will be made available on the online portal of Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") at <https://tiuh.online> or <https://tiuh.com.my>.
- The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 ("the Act") which requires the Chairman of the meeting to be present at the main venue of the meeting. Members/Proxies/Corporate Representatives **will not be allowed to attend the 51st AGM in person** at the Broadcast Venue on the day of the meeting.
- Members are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the 51st AGM via RPV provided by Tricor. Please refer to the Administrative Guide for the 51st AGM for the procedures to register and participate in the meeting via RPV.

Entitlement to participate and vote

- For the purpose of determining who shall be entitled participate in this AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the **Record of Depositors as at 15 May 2023**. Only members whose names appear in the General Meeting Record of Depositors shall be entitled to participate at the 51st AGM or appoint proxy(ies) to participate on his/her behalf.

Appointment of Proxy

- A member who is entitled to participate in this AGM via RPV is entitled to appoint not more than two (2) proxies to participate on his/her behalf. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy. If a member is not able to participate in the AGM, he/she can appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Proxy Form.

Important Notice (cont'd.)

- 6) A proxy may but need not be a member of the Company and there shall be no restrictions as to the qualification of the proxy. In the case of a corporation, the Proxy Form must be executed under seal or signed by an officer or attorney duly authorised.
- 7) If there is no indication as to how a member wishes his/her vote to be cast, the proxy will vote or abstain from voting at his/her discretion. In the event a member duly executes the Proxy Form but does not name any proxy, such member shall be deemed to have appointed the Chairman of the meeting as his/her proxy.
- 8) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- 9) The Proxy Form must be submitted in the following manner. In default, the Proxy Form shall not be treated as valid:

In hard copy form

The Proxy Form shall be deposited at the Share Registrar's Office, Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur; or

By electronic form

The Proxy Form can be electronically lodged via Tricor's TIH Online website at <https://tjih.online>. Please refer to the procedure for electronic lodgement of the Proxy Form via TIH Online in the Administrative Guide for the 51st AGM.

Last date and time for lodging the Proxy Form is **Saturday, 20 May 2023 at 10.00 a.m.** which is at least forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof.

Personal Data Privacy

- 10) By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the shareholder of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The shareholder agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

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Affix stamp
here

**THE SHARE REGISTRAR
STAR MEDIA GROUP BERHAD
Registration No. 197101000523(10894-D)**

c/o Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Malaysia

fold here

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197101000523 (10894-D)

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