

Registration No.

196101000449 (4485 H)

THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
(Incorporated in Malaysia)

STATUTORY FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

Registered office:

Balai Berita, Anjung Riong,
No. 31, Jalan Riong, Bangsar,
59100, Kuala Lumpur.

Principal place of business:

Balai Berita, Anjung Riong,
No. 31, Jalan Riong, Bangsar,
59100, Kuala Lumpur.

2153A4/nor

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STATUTORY FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

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THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
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DIRECTORS' REPORT

The Directors hereby submit their report to the members together with the audited financial statements of the Group and the Company for the financial year ended 30 June 2024.

PRINCIPAL ACTIVITIES

The principal activities of the Group and the Company consist of the publishing and sale of newspapers and books, advertisements, provision of internet based online services, property management services, printing and transportation.

The principal activities and details of the subsidiaries are set out in Note 31 to the financial statements.

FINANCIAL RESULTS

	<u>Group</u> RM'000	<u>Company</u> RM'000
Net profit for the financial year	22,932	21,906

DIVIDENDS

The amount of dividend declared and paid by the Company since the end of the previous financial period were as follows:

	RM'000
Final single tier dividend of 4.6 sen per ordinary share in respect of the financial period ended 30 June 2023, paid on 27 October 2023	9,992
First interim dividend of 4.6 sen per ordinary share in respect of the financial year ended 30 June 2024, paid on 28 June 2024	9,993

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

DIRECTORS

The Directors who have held office during the financial year and during the year from the end of the financial year to the date of the report are:

Mohd Rafiq bin Mat Razali #
Datuk Seri (Dr) Syed Hussian bin Syed Junid #
Datuk Ahmad Zaini bin Kamaruzzaman #

Directors who are also Directors of certain subsidiaries

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THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
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DIRECTORS' REPORT (CONTINUED)

DIRECTORS (CONTINUED)

The Directors of subsidiaries of the Company (excluding Directors who are also Directors of the Company) in office during the financial year and during the period from the end of the financial year to the date of the report are:

Rosli bin Sabarudin

Pursuant to Section 253 of the Companies Act 2016, the names of Directors of subsidiaries are set out in the respective subsidiaries financial statements and the said information is deemed incorporated herein by such reference and made part thereof.

DIRECTORS' BENEFITS

Since the end of the previous financial period, no Director has received or become entitled to receive a benefit (other than Directors' remuneration) 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 after the Directors' remuneration.

Neither during nor at the end of the financial year was the Company and any of its subsidiaries a party to any arrangements whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' shareholdings required to be kept under Section 59 of the Companies Act 2016, none of the Directors who held office at the end of the financial year held any interest in shares or debentures in the Company or its subsidiaries during the financial year except as follows:

	<u>Number of ordinary shares</u>		
	<u>At</u> <u>1.7.2023</u>	<u>Additions</u>	<u>At</u> <u>30.6.2024</u>
<u>Shares in the Company</u>			
Direct interests:			
Datuk Seri (Dr) Syed Hussian bin Syed Junid	6,099,995	-	6,099,995
Mohd Rafiq bin Mat Razali	300,000	-	300,000
Indirect interests:			
Datuk Seri (Dr) Syed Hussian bin Syed Junid #	100,000	-	100,000

Deemed interest in ordinary shares of the Company held through persons connected with the Director.

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THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
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DIRECTORS' REPORT (CONTINUED)

INDEMNITY AND INSURANCE COSTS

The Group and the Company have Directors and Officers Liability Insurance at a premium of RM67,600 for the financial year ended 30 June 2024 on a group basis under its ultimate holding company, to cover the liability of Directors and Officers in discharging their duties.

DIRECTORS' REMUNERATION

The aggregate amounts of emoluments received by the Directors of the Group and the Company during the financial year were as follows:

	<u>Group and Company</u> <u>2024</u> RM'000
Salaries and bonus	351
Defined contribution plan	48
Other emoluments	48
	<hr/> 447 <hr/>
Estimated monetary value of benefits-in-kind	7
	<hr/> 454 <hr/> <hr/>

OTHER STATUTORY INFORMATION

- (a) Before the financial statements 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 allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets, which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Company had been written down to an amount which the current assets might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
- (i) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts inadequate to any substantial extent; or
 - (ii) which would render the values attributed to current assets in the financial statements of the Company misleading; or
 - (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.

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THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
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DIRECTORS' REPORT (CONTINUED)

OTHER STATUTORY INFORMATION (CONTINUED)

- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liability of any other person; and
 - (ii) any contingent liability in the Company which has arisen since the end of the financial year.
- (d) No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Company to meet its obligations when they fall due.
- (e) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Company which would render any amount stated in the financial statements misleading.
- (f) In the opinion of the Directors:
- (i) the results of the operations of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
 - (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the Company for the financial year in which this report is made.

ULTIMATE HOLDING COMPANY

The Directors regard Media Prima Berhad, a company incorporated in Malaysia, as the Company's ultimate holding company.

AUDITORS' REMUNERATION

The auditors' remuneration of the Group and the Company for the financial year ended 30 June 2024 amounted to RM 180,000 and RM 145,000 respectively.

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THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
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DIRECTORS' REPORT (CONTINUED)

AUDITORS

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

Signed on behalf of the Board of Directors in accordance with a resolution dated 23 September 2024.



MOHD RAFIQ BIN MAT RAZALI
DIRECTOR



DATUK AHMAD ZAINI BIN KAMARUZZAMAN
DIRECTOR

Petaling Jaya
23 September 2024

THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
(Incorporated in Malaysia)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Group		Company	
		1.7.2023 to 30.6.2024 RM'000	1.1.2022 to 30.6.2023 RM'000	1.7.2023 to 30.6.2024 RM'000	1.1.2022 to 30.6.2023 RM'000
Revenue	4	120,791	181,209	104,457	159,974
Other operating income		8,014	19,561	9,465	16,634
Newsprint and newspaper production costs		(17,006)	(23,134)	(17,419)	(30,758)
Distribution costs		(9,370)	(19,397)	(6,642)	(13,280)
Employee benefits costs	5	(51,933)	(87,737)	(45,328)	(72,817)
Occupancy costs		(6,025)	(9,975)	(3,382)	(6,098)
Depreciation and amortisation		(4,234)	(16,462)	(4,024)	(16,146)
Net reversal of impairment of financial instruments		(289)	1,822	(719)	1,822
Other operating costs		(22,155)	(39,036)	(18,390)	(33,267)
Profit from operations		17,793	6,851	18,018	6,064
Finance income	7	5,226	7,076	5,164	6,999
Finance costs	7	(116)	(1,390)	(116)	(1,390)
Profit before taxation	8	22,903	12,537	23,066	11,673
Taxation	9	29	(4,083)	(1,160)	(1,595)
Net profit and total comprehensive income for the financial year		22,932	8,454	21,906	10,078
Profit attributable to:					
- Owners of the Company		22,932	8,454		
- Non-controlling interests		-	-		
		22,932	8,454		
Total comprehensive income attributed to:					
- Owners of the Company		22,932	8,454		
- Non-controlling interests		-	-		
		22,932	8,454		

The notes on pages 13 to 87 form an integral part of these financial statements.

THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	Group		Company	
		As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	10	15,243	30,211	7,929	30,211
Right-of-use ('ROU') assets	11	5,432	8,337	2,712	8,337
Finance lease receivables	12	-	-	-	-
Investment properties	13	25,849	14,171	24,163	2,242
Subsidiaries	14	-	-	14,108	14,108
Amount due from ultimate holding company	15	88,600	98,400	88,600	98,400
Financial assets at fair value through other comprehensive income	16	688	688	688	688
Intangible assets	18	942	456	942	456
Deposits	20	3,357	3,362	3,311	3,316
		<u>140,111</u>	<u>155,625</u>	<u>142,453</u>	<u>157,758</u>
CURRENT ASSETS					
Amount due from ultimate holding company	15	34,576	33,086	34,481	33,086
Amounts due from subsidiaries	15	-	-	9,343	16,315
Amounts due from fellow subsidiaries	15	13,891	9,313	13,772	9,313
Inventories	19	9,543	7,783	73	120
Receivables	20	19,236	10,711	11,375	6,385
Finance lease receivables	12	-	-	-	-
Tax recoverable		347	145	-	-
Deposits, bank and cash balances	21	31,887	46,595	26,002	30,618
		<u>109,480</u>	<u>107,633</u>	<u>95,046</u>	<u>95,837</u>
Non-current assets held for sale		-	-	-	-
		<u>109,480</u>	<u>107,633</u>	<u>95,046</u>	<u>95,837</u>

The notes on pages 13 to 87 form an integral part of these financial statements.

THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2024 (CONTINUED)

		Group		Company	
	Note	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
LESS: CURRENT LIABILITIES					
Trade and other payables	22	38,509	44,247	28,247	34,109
Lease liabilities	11	-	-	-	-
Amount due to ultimate holding company	15	2,209	1,923	-	-
Amounts due to subsidiaries	15	-	-	1,006	1,997
Amounts due to fellow subsidiaries	15	7,086	16,523	6,589	16,028
Current tax liabilities		283	183	283	183
Borrowings	23	2,811	4,636	2,811	4,636
		<u>50,898</u>	<u>67,512</u>	<u>38,936</u>	<u>56,953</u>
NET CURRENT ASSETS		<u>58,582</u>	<u>40,121</u>	<u>56,110</u>	<u>38,884</u>
NON-CURRENT LIABILITIES					
Lease liabilities	11	-	-	-	-
Deferred tax liabilities	17	227	227	-	-
		<u>227</u>	<u>227</u>	<u>-</u>	<u>-</u>
		<u>198,466</u>	<u>195,519</u>	<u>198,563</u>	<u>196,642</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY					
Share capital	24	400,310	400,310	400,310	400,310
Other reserves	24	5	5	5	5
Accumulated losses		(201,849)	(204,796)	(201,752)	(203,673)
TOTAL EQUITY		<u>198,466</u>	<u>195,519</u>	<u>198,563</u>	<u>196,642</u>

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THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Share capital RM'000	Other reserves RM'000	Accumulated losses RM'000	Total RM'000
GROUP				
<u>30 June 2024</u>				
As at 1 July 2023	400,310	5	(204,796)	195,519
Net profit and total comprehensive income for the financial year	-	-	22,932	22,932
Dividend paid	-	-	(19,985)	(19,985)
At 30 June 2024	<u>400,310</u>	<u>5</u>	<u>(201,849)</u>	<u>198,466</u>
<u>30 June 2023</u>				
As at 1 January 2022	400,310	5	(213,250)	187,065
Net profit and total comprehensive income for the financial period	-	-	8,454	8,454
At 30 June 2023	<u>400,310</u>	<u>5</u>	<u>(204,796)</u>	<u>195,519</u>

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THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
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COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Share capital RM'000	Other reserves RM'000	Accumulated losses RM'000	Total RM'000
COMPANY				
<u>30 June 2024</u>				
As at 1 July 2023	400,310	5	(203,673)	196,642
Net profit and total comprehensive income for the financial year	-	-	21,906	21,906
Dividend paid	-	-	(19,985)	(19,985)
At 30 June 2024	<u>400,310</u>	<u>5</u>	<u>(201,752)</u>	<u>198,563</u>
<u>30 June 2023</u>				
As at 1 January 2022	400,310	5	(213,751)	186,564
Net profit and total comprehensive income for the financial period	-	-	10,078	10,078
At 30 June 2023	<u>400,310</u>	<u>5</u>	<u>(203,673)</u>	<u>196,642</u>

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THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Group		Company		
	Note	1.7.2023 to 30.6.2024 RM'000	1.1.2022 to 30.6.2023 RM'000	1.7.2023 to 30.6.2024 RM'000	1.1.2022 to 30.6.2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit for the financial year:		22,932	8,454	21,906	10,078
Adjustments for:					
Property, plant and equipment:					
- depreciation		3,036	8,197	2,493	8,197
- gain on disposals		-	(1,556)	-	(1,556)
- write-off		-	229	-	229
- impairment		3,266	-	1,107	-
Investment properties:					
- depreciation		434	534	958	218
- gain on disposal		(3,734)	-	(3,734)	-
- impairment		250	-	250	-
Amortisation of intangible assets		402	79	402	79
Depreciation of ROU assets		362	7,651	171	7,651
Net loss/(gain) on impairment of financial instruments					
- trade receivables		(956)	(3,286)	(957)	(3,286)
- other receivables		366	350	365	350
- intercompany – Omnia		(258)	(1,209)	(258)	(1,209)
- intercompany – Other fellow subsidiaries		1,381	2,323	1,381	2,323
- intercompany – Subsidiaries		-	-	430	-
Gain on disposal of non-current assets held for sale		-	(13,424)	-	-
Interest expense		116	1,390	116	1,390
Interest income		(5,226)	(7,076)	(5,164)	(6,999)
Taxation		(29)	4,083	1,160	1,595
Provision for inventory obsolescence		215	-	-	-
Provision for termination benefits		-	6,270	-	6,070
Gain on retirement of leases		-	(3,906)	-	(2,024)
		22,557	9,103	20,626	23,106
Changes in working capital:					
Inventories		(4,135)	6,534	47	(120)
Receivables		(8,162)	10,069	(4,627)	6,692
Trade and other payables		(5,739)	(6,803)	(5,862)	(4,782)
Ultimate holding company		3,012	(518)	2,821	(1,081)
Subsidiaries		-	-	5,552	(6,661)
Fellow subsidiaries		(15,436)	(7,628)	(15,319)	(7,628)
Cash flows (used in)/generated from operations		(7,903)	10,757	3,238	9,526
Taxation paid		(1,487)	(4,351)	(1,060)	(1,744)
Taxation refund		1,414	-	-	-
Net cash flows (used in)/generated from operating activities		(7,976)	6,406	2,178	7,782

The notes on pages 13 to 87 form an integral part of these financial statements

THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
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STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

	Note	Group		Company	
		1.7.2023 to 30.6.2024 RM'000	1.1.2022 to 30.6.2023 RM'000	1.7.2023 to 30.6.2024 RM'000	1.1.2022 to 30.6.2023 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Property, plant and equipment:					
- Additions		(681)	(1,328)	(681)	(1,328)
- Proceeds from disposals		-	2,567	-	2,567
Additions in intangible assets		(888)	(529)	(888)	(529)
Proceeds from sale of assets-held-for sales		-	25,000	-	-
Proceeds from sale of investment properties		5,953	-	5,953	-
Dividends received from a subsidiary		-	-	-	10,149
Repayment of lease receivables		-	592	-	592
Finance income received		1,010	878	948	801
Interest received from lease receivables		-	200	-	200
		<u>5,394</u>	<u>27,380</u>	<u>5,332</u>	<u>12,452</u>
Net cash flows generated from investing activities					
CASH FLOWS FROM FINANCING ACTIVITIES					
Drawdown of borrowings		6,596	6,274	6,596	6,274
Repayment of bank borrowings		(8,421)	(2,699)	(8,421)	(2,699)
Interest paid on bank borrowings		(116)	(123)	(116)	(123)
Repayment of lease financing		-	(9,486)	-	(9,486)
Repayment of loan from ultimate holding company		9,800	-	9,800	-
Dividend paid to ultimate holding company		(19,985)	-	(19,985)	-
		<u>(12,126)</u>	<u>(6,034)</u>	<u>(12,126)</u>	<u>(6,034)</u>
Net cash flows used in financing activities					
NET MOVEMENT IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR/PERIOD					
		(14,708)	27,752	(4,616)	14,200
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR/PERIOD					
		<u>46,595</u>	<u>18,843</u>	<u>30,618</u>	<u>16,418</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR/PERIOD					
	21	<u>31,887</u>	<u>46,595</u>	<u>26,002</u>	<u>30,618</u>

The notes on pages 13 to 87 form an integral part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

1 PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

The principal activities of the Group and the Company consist of the publishing and sale of newspapers and books, advertisements, provision of internet based online services, property management services, printing and transportation.

The Company is a public limited liability company, incorporated and domiciled in Malaysia.

The Directors regard Media Prima Berhad, a company incorporated in Malaysia, as the Company's ultimate holding company.

The address of the registered office and the principal place of business of the Company are as follows:

Balai Berita, Anjung Riong
No. 31, Jalan Riong
59100 Bangsar
Kuala Lumpur

2 MATERIAL ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements.

(a) **Basis of preparation**

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

The financial statements have been prepared under the historical cost convention, except as disclosed in this summary of material accounting policies.

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

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires the Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

- (i) Amendments to published standards that are effective and applicable to the Group and the Company.

The Group and the Company have applied the following amendments for the first time for the financial period beginning on 1 July 2023:

- Amendments to MFRS 101 and MFRS Practice Statement 2 'Disclosure of Accounting Policies'
- Amendments to MFRS 108 'Definition of Accounting Estimates'
- Amendments to MFRS 112 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction'

The adoption of the above amendments to published standards did not result in any impact to the Group and the Company for the financial year ended 30 June 2024, except as mentioned below:

Amendments to MFRS 101 and MFRS Practice Statement 2 'Disclosure of Accounting Policies'

These amendments provide guidance and examples to help entities applying materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful, by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies.

The amendments had a minor impact on the financial statements of the Group and the Company. The Group and Company has performed a reassessment of its accounting policy disclosures against the amended guidance, which resulted in minor changes to the section on accounting policies.

- (ii) Standards and amendments to published standards that are applicable to the Group and the Company but not yet effective

Effective for the financial year beginning on 1 July 2024

- Amendments to MFRS 16 'Lease Liability in a Sale and Leaseback'
- Amendments to MFRS 101 'Classification of Liabilities as Current or Non-current'
- Amendments to MFRS 101 'Non-current Liabilities with Covenants'
- Amendments to MFRS 107 and MFRS 7 'Supplier Finance Arrangements'

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NOTES TO THE FINANCIAL STATEMENTS
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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

- (ii) Standards and amendments to published standards that are applicable to the Group and the Company but not yet effective (continued)

Effective for the financial year beginning on 1 July 2025

- Amendments to MFRS 121 'Lack of Exchangeability'

Effective for the financial year beginning on 1 July 2026

- Amendments to MFRS 7 and 9 'Amendments to the Classification and Measurement of Financial Instruments'
- Annual Improvements to MFRSs (Amendments to MFRS 1 'First-time Adoption of Malaysian Financial Reporting Standards', Amendments to MFRS 7 'Financial Instruments: Disclosures', Amendments to MFRS 9 'Financial Instruments', Amendments to MFRS 10 'Consolidated Financial Statements' and Amendments to MFRS 107 'Statement of Cash Flows')

Effective for the financial year beginning on 1 July 2027

- MFRS 18 'Presentation and Disclosure in Financial Statements'
- MFRS 19 'Subsidiaries without Public Accountability: Disclosures'

The Directors are currently assessing the financial impact that may arise from the adoption of the above standard and amendments to published standards that are not yet effective.

(b) Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The existence and effect of potential voting rights are considered only when such rights are substantive when assessing control.

The amount due from subsidiaries of which the Company does not expect repayment in the foreseeable future are considered as part of the Company's investment in subsidiaries.

(ii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Basis of consolidation (continued)

(ii) Basis of consolidation (continued)

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances

NCI is the equity in a subsidiary not attributable, directly or indirectly, to a parent. At the end of reporting period, NCI consists of amount calculated on the date of combinations and its share of changes in the subsidiary's equity since the date of combination.

All earnings and losses of the subsidiary are attributed to the parent and the NCI, even if the attribution of losses to the NCI results in a debit balance in the shareholders' equity.

(c) Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are stated at cost less accumulated impairment losses. On disposal of an investment, the difference between disposal proceeds and its carrying amount is recognised profit or loss.

The amounts due from subsidiaries of which the Company does not expect repayment in the foreseeable future are considered as part of the Company's investments in the subsidiaries.

Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 2(g) on impairment of non-financial assets.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as expenses in profit or loss during the financial year in which they are incurred.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Property, plant and equipment (continued)

Freehold land is not depreciated as it has an infinite life. Depreciation on assets under construction commences when the assets are ready for their intended use.

Other property, plant and equipment are depreciated on the straight line method to allocate the cost to their residual values over their estimated useful lives, summarised as follows:

• Buildings	20 to 50 years
• Plant and machinery	4 to 25 years
• Motor vehicles	5 years
• Furniture, computers, equipment and office renovation	3 to 10 years

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each financial position date.

At each financial position date, the Group and the Company assess whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 2(g) on impairment of non-financial assets.

Gains or losses on disposals are determined by comparing proceeds with carrying amounts and are included in statement of comprehensive income.

(e) Investment properties

Investment properties, comprising principally land and buildings, are held for long term rental yields or for capital appreciation or both.

Investment properties are stated at cost less any accumulated depreciation and accumulated impairment losses. Investment property is depreciated on the straight line basis to allocate the cost to their residual values over their estimated useful lives of 20 to 99 years.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property is derecognised either when it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are included in statement of comprehensive income.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Intangible assets

Computer software

Costs that are directly associated with identifiable and unique software products controlled by the Company and that will probably generally economic benefits exceeding costs beyond one year, are recognised as intangible assets. Computer software recognised are amortised from the point at which asset is ready for use over their estimated useful lives, which does not exceed 3 years.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note 2(g) on impairment of non-financial assets.

(g) Impairment of non-financial assets

Assets that have an indefinite useful life, for example intangible assets not ready to use, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

The impairment loss is charged to profit or loss and any subsequent increase in recoverable amount is recognised in statement of comprehensive income.

(h) Financial assets

(i) Classification

The Group and the Company classify their financial assets in the following categories: at amortised cost ('AC'), and at fair value through other comprehensive income ('FVOCI'). The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group and the Company classify their financial assets as AC only if both of the following criteria are met:

- (i) the asset is held within a business model whose objective is to collect the contractual cash flows; and
- (ii) the contractual terms give rise to cash flows that are solely payments of principal and interest.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets (continued)

(i) Classification (continued)

Financial assets at FVOCI comprise:

- (i) equity securities which are not held for trading, and which the Group and the Company have irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group and the Company consider this classification to be more relevant; and
- (ii) debt securities where the contractual cash flows are solely principal and interest and the objective of the Group and the Company's business model is achieved both by collecting cash flows and selling financial assets.

The Group and the Company reclassify debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Group and the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

(a) Initial recognition

At initial recognition, the Group and the Company measure a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in comprehensive income.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest ('SPPI').

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets (continued)

(iii) Measurement (continued)

(b) Subsequent measurement

• Debt instruments

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. The Group and the Company reclassify debt investments when and only when its business model for managing those assets changes. The debt instruments in the Group and the Company are categorised as follows:

- AC: Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at AC. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statements of comprehensive income.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other operating income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statements of comprehensive income.

• Equity instruments

The Group and the Company subsequently measures all equity investments at fair value. Where the Group's and the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment. Dividends from such investments continue to be recognised in profit or loss as revenue when the Group's and the Company's right to receive payments is established.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets (continued)

(iii) Measurement (continued)

(b) Subsequent measurement (continued)

- Equity instruments (continued)

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

Impairment for debt instruments

The Group and the Company assess on a forward looking basis the expected credit loss ('ECL') associated with its debt instruments carried at AC and at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The following financial instruments are subject to the ECL model:

- Trade receivables
- Contract asset
- Non-trade receivables
 - intercompany balances
 - deposits and other receivables

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

ECL represent a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Group and the Company expect to receive, over the remaining life of the financial instrument.

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

(i) General 3-stage approach for non-trade receivables

At each reporting date, the Group and the Company measure ECL through loss allowance at an amount equal to 12 month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition. For all other financial instruments, a loss allowance at an amount equal to lifetime ECL is required.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets (continued)

(iv) Impairment (continued)

(ii) Simplified approach for trade receivables and contract assets.

The Group and the Company apply the MFRS 9 simplified approach to measure ECL which uses a lifetime ECL for all trade receivables and contract assets.

Significant increase in credit risk

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

The following indicators are incorporated:

- internal credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if the financial asset is past due in making a contractual payment.

Definition of default and credit-impaired financial assets

The Group and the Company define a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

- Quantitative criteria: The Group and the Company define a financial instrument as default, when the counterparty fails to make contractual payment when they fall due.
- Qualitative criteria: The debtor meets unlikelihood to pay criteria, which indicates the debtor is in significant financial difficulty. The Group and the Company consider the following instances:
 - the debtor is in breach of financial covenants
 - concessions have been made by the lender relating to the debtors financial difficulty
 - it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
 - the debtor is insolvent

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets (continued)

(iv) Impairment (continued)

Financial instruments that are credit-impaired are assessed on individual basis.

Groupings of instruments for ECL measured on collective basis

(a) Collective assessment

To measure ECL, trade-related receivables have been grouped based on shared credit risk characteristics of customer's behaviour and the days past due.

(b) Individual assessment

Trade receivables, contract assets and non-trade receivables, that are in default or credit-impaired are assessed individually.

Trade-related intercompany balances are assessed on individual basis for ECL measurement. The credit risk information used to measure ECL is the credit risk characteristics of the intercompany's customers which are assessed on a collective basis.

Non-trade related intercompany balances are assessed on individual basis for ECL measurement, as credit risk information is obtained and monitored based on each related intercompany.

(v) Write-off

Trade receivables and contract assets

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and the Company, and a failure to make contractual payment. Nevertheless, trade receivables and contract assets that are written-off could still be subject to enforcement activities.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Non-trade receivables

The Group and the Company write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group and Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Financial liabilities

Financial liabilities are recognised initially at fair value plus or minus, any directly attributable transaction costs incurred at the acquisition or issuance of financial instrument.

Subsequent to initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method.

For financial liabilities other than derivatives, gains and losses are recognised in the profit or loss when the liabilities are derecognised as well as through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in the statements of comprehensive income. Net gains or losses on derivatives include exchange differences.

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

(j) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred with any difference between the initial fair value and proceeds (net of transaction costs) being charged to statement of comprehensive income at initial recognition. In subsequent periods, borrowings are stated at amortised cost using the effective interest method with the difference between the initial fair value and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facilities will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Interest, dividends, losses and gains relating to a financial instrument, or a component part, classified as a liability is reported within finance cost in the statement of comprehensive income.

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NOTES TO THE FINANCIAL STATEMENTS
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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Borrowings (continued)

When borrowings measured at amortised cost is modified without the resulting in de-recognition, any gain or loss, being the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate, shall be recognised immediately within finance cost in the statement of comprehensive income.

Borrowings are classified as current liabilities unless the Group and the Company have an unconditional right to defer settlement of the liability for at least 12 months after the financial position date.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(k) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs.

Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and the estimated costs necessary to make the sale.

(l) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held at call with financial institutions, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(m) Share capital

Ordinary shares are classified as equity.

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders. However, in the case of interim dividends, it is recognised as liability upon approval by the Board of Directors of the Company.

(n) Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the net profit for the financial year except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting date in the countries where the Group's subsidiaries operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction occurring, it affects neither accounting nor taxable profit nor loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statements of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax liability is recognised for all taxable temporary differences associated with investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and the Company and it is probable that the temporary difference will not reverse in the foreseeable future

Deferred and income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax assets (including tax benefit from reinvestment allowances) are recognised only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) Provisions

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

Where the Group and the Company expect a provision to be reimbursed by another party, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost expense.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(p) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities.

Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group and the Company expect to be entitled in exchange for transferring promised goods or services to a customer, net of estimated returns, discounts, commissions, rebates and taxes. Discounts and rebates are measured using the most likely amount method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. Depending on the substances of the respective contract with the customer, revenue is recognised when the performance obligation is satisfied, which may be at point in time or over time.

The Group and the Company do not expect any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group and the Company do not adjust any of the transaction prices for the time value of money.

No element of financing is deemed present as the sales are made with a credit term of 0 to 120 days, which is consistent with market practice.

(i) Sale of products

Revenue from the sale of product pertaining to sale of newspapers.

Revenue from the sale of goods is recognised at a point in time when the control of the product is transferred to the customer.

It is the Group's policy to sell their products to the agents and vendors with a right of return. A contract liability (refund liability) is recognised for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level (expected value method). The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(p) Revenue recognition (continued)

(ii) Rendering of services

Revenue from the rendering of services includes advertising services, commercial newspaper printing and distribution services, digital newspaper and seminar services.

Revenue from rendering of services are recognised at a point in time upon the delivery of services or ready to be displayed except for digital newspaper which are recognised over time as and when the services are rendered.

(iii) License income

License income from brand license arrangements is recognised based on a right to access the license, which in practice means over the contract period based on a fixed amount or reliable estimate of sales made by a licensee which are recognised at a point in time upon the delivery of services.

(iv) Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(v) Other revenue

Rental income from rental of investment properties, and rental related services is recognised on a straight-line basis over the period of the lease or usage.

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NOTES TO THE FINANCIAL STATEMENTS
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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(q) Contract balances

(i) Contract assets

A contract asset is recognised when the Group's and the Company's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to MFRS 9 (see Note 29). Typically, the amount will be billed within 30 days and payment is expected within 30 days.

(ii) Contract liabilities

Contract liabilities of the Group and the Company represent advance receipts from customers on sales and services that have yet to be rendered or completed as at financial position date.

All other contract liabilities are expected to be recognised as revenue over the next 12 months.

(r) Employee benefits

(i) Short-term employee benefits

Wages, salaries, sick leave, paid annual leave, bonuses and non-monetary employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The Group and the Company recognise a liability and an expense for bonuses based on a formula that takes into consideration the net profit/(loss) for the financial year after certain adjustments. The Group recognises a provision where there is a contractual obligation or where there is a past practice that has created a constructive obligation.

(ii) Post-employment benefits - Defined contribution plan

A defined contribution plan is a pension plan under which the Group and the Company pay fixed contributions into a separate entity (a fund) on a mandatory basis and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to the employee service in the current and prior periods.

The Group's and the Company's contributions to defined contribution plans, including the national defined contribution plan, the Employees' Provident Fund ("EPF"), are charged to the profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(r) Employee benefits (continued)

(iii) Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group and the Company recognise termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without the possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits which are due more than 12 months after the financial position date are discounted to present value.

(s) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is the Group and the Company's functional and presentation currency.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(t) Leases

(i) The Group and the Company as a lessee

Leases are recognised as ROU asset and a corresponding liability at the date on which the leased asset is available for use by the Group and the Company (i.e. the commencement date).

Lease term

In determining the lease term, the Group and the Company consider all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The Group and the Company reassess the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and the Company and affects whether the Group and the Company are reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities.

ROU assets

The Group and the Company apply the cost model to ROU assets that meet the definition of investment property of MFRS 140 consistent with those investment property owned by the Group and the Company. Refer to accounting policy Note 2(e) on investment property.

The Group and the Company present ROU assets that meet the definition of investment property in the statement of financial position as investment property. ROU assets that are not investment properties are presented as a separate line item in the statement of financial position.

Short term leases and leases of low value assets

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT and office equipment. Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised as an expense in profit or loss.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(t) Leases (continued)

(i) The Group and the Company as a lessor

As a lessor, the Group and the Company determine at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group and the Company make an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee. As part of this assessment, the Group and the Company consider certain indicators such as whether the lease is for the major part of the economic life of the asset.

(a) Operating leases

The Group classifies a lease as an operating lease if the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group recognises lease payments received under operating lease as lease income on a straight-line basis over the lease term.

(u) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

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3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group and the Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have a material impact to the Group's results and financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

(i) **Assessment of impairment of non-financial assets**

The Group and the Company assess impairment of the non-financial assets whenever the events or changes in circumstances indicate that the carrying amount may not be recoverable (i.e. the carrying amount is more than the recoverable amount).

Recoverable amount of an asset is measured at the higher of the fair value less cost to sell ("FVLCS") for that asset and its value-in-use ("VIU"). The VIU is the net present value of the projected future cash flows derived from the cash generating units discounted at an appropriate discount rate. Projected future cash flows are estimates made based on historical, sector and industry trends, general market and economic conditions, changes in technology and other available information. For recoverable amount that is based on FVLCS which include fair value of assets or properties, the Group engaged independent valuers to assess the fair value of the assets.

(ii) **Measurement of ECL allowance for financial assets**

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgements in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of key assumptions and inputs used are disclosed in Note 29.

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4 REVENUE

	<u>Group</u>		<u>Company</u>	
	<u>1.7.2023 to 30.6.2024</u>	<u>1.1.2022 to 30.6.2023</u>	<u>1.7.2023 to 30.6.2024</u>	<u>1.1.2022 to 30.6.2023</u>
	RM'000	RM'000	RM'000	RM'000
Revenue from contracts with customers:				
Sale of products	26,276	44,375	26,276	44,375
Rendering of services				
- Advertising	75,681	111,849	75,681	111,849
- Printing	11,562	13,463	-	-
- Distribution services	4,446	6,345	-	-
License income	2,500	3,750	2,500	3,750
	<u>120,465</u>	<u>179,782</u>	<u>104,457</u>	<u>159,974</u>
Revenue from other sources:				
Rental income from investment properties	326	1,427	-	-
	<u>120,791</u>	<u>181,209</u>	<u>104,457</u>	<u>159,974</u>
Timing of revenue recognition:				
At point in time	120,211	179,515	104,203	159,707
Over time	254	267	254	267
Revenue from contracts with customers	120,465	179,782	104,457	159,974
Revenue from other sources	326	1,427	-	-
	<u>120,791</u>	<u>181,209</u>	<u>104,457</u>	<u>159,974</u>

5 EMPLOYEE BENEFITS COSTS

	<u>Group</u>		<u>Company</u>	
	<u>1.7.2023 to 30.6.2024</u>	<u>1.1.2022 to 30.6.2023</u>	<u>1.7.2023 to 30.6.2024</u>	<u>1.1.2022 to 30.6.2023</u>
	RM'000	RM'000	RM'000	RM'000
Wages, salaries and bonuses	40,429	67,084	35,044	54,973
Defined contribution plan	6,232	9,737	5,476	8,074
Addition of termination benefits	-	4,646	-	3,700
Other employee benefits	5,272	6,270	4,808	6,070
	<u>51,933</u>	<u>87,737</u>	<u>45,328</u>	<u>72,817</u>

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6 DIRECTORS' REMUNERATION

	Group and Company	
	1.7.2023 to 30.6.2024 RM'000	1.1.2022 to 30.6.2023 RM'000
Salaries and bonus	351	878
Defined contribution plan	48	123
Other emoluments	48	494
	<u>447</u>	<u>1,495</u>
Estimated monetary value of benefits-in-kind	<u>7</u>	<u>11</u>

7 FINANCE INCOME/(COSTS)

	Group		Company	
	1.7.2023 to 30.6.2024 RM'000	1.1.2022 to 30.6.2023 RM'000	1.7.2023 to 30.6.2024 RM'000	1.1.2022 to 30.6.2023 RM'000
<u>Finance income</u>				
- from deposits	1,010	878	948	801
- from intercompany loan	4,216	5,998	4,216	5,998
- from unwinding of interest of lease receivables	-	200	-	200
	<u>5,226</u>	<u>7,076</u>	<u>5,164</u>	<u>6,999</u>
<u>Finance costs</u>				
- on borrowings	(116)	(123)	(116)	(123)
- on lease liabilities	-	(1,267)	-	(1,267)
	<u>(116)</u>	<u>(1,390)</u>	<u>(116)</u>	<u>(1,390)</u>

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8 PROFIT BEFORE TAXATION

	<u>Group</u>		<u>Company</u>	
	<u>1.7.2023 to</u> <u>30.6.2024</u>	<u>1.1.2022 to</u> <u>30.6.2023</u>	<u>1.7.2023 to</u> <u>30.6.2024</u>	<u>1.1.2022 to</u> <u>30.6.2023</u>
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting):				
Auditors' remuneration	180	270	145	218
Tax service fee	53	80	32	49
Depreciation and amortisation:				
- Property, plant and equipment	3,036	8,197	2,493	8,197
- Investment properties	434	534	958	218
- ROU assets	362	7,651	171	7,651
- Intangible asset	402	79	402	79
Impairment of :				
- Property, plant and equipment	3,266	-	1,107	-
- Investment properties	250	-	250	-
Inventories charged as cost of sales	12,427	19,702	-	-
Net loss/(gain) on impairment of financial instruments:				
- Trade receivables	(956)	(3,286)	(957)	(3,286)
- Other receivables	366	350	365	350
- Intercompany – Omnia	(258)	(1,209)	(258)	(1,209)
- Intercompany – other fellow subsidiaries	1,381	2,323	1,381	2,323
- Intercompany – subsidiaries	-	-	430	-
Foreign exchange loss/(gain):				
- realised	13	(7)	12	-
Gain on disposal of:				
- Property, plant and equipment	-	(1,556)	-	(1,556)
- Investment properties	(3,734)	-	(3,734)	-
- Non-current assets held for sale	-	(13,424)	-	-
Loss on Property, plant and equipment written-off	-	229	-	229
Gain on termination of lease	-	(3,906)	-	(2,024)
Rental income	(639)	(1,535)	(1,513)	(2,805)
Dividend income	-	-	-	(10,049)
Net income from sale of old newspaper and newsprint	(321)	(757)	-	-
Management fees charged by:				
- ultimate holding company	1,434	759	1,252	481

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9 TAXATION

	Group		Company	
	1.7.2023 to 30.6.2024 RM'000	1.1.2022 to 30.6.2023 RM'000	1.7.2023 to 30.6.2024 RM'000	1.1.2022 to 30.6.2023 RM'000
Current tax:				
- Malaysian tax	(29)	4,083	1,160	1,595
Deferred tax (Note 17)	-	-	-	-
	(29)	4,083	1,160	1,595
<u>Current tax</u>				
Current financial year	1,120	4,099	1,120	1,611
(Over)/Under provision in prior financial years	(1,149)	(16)	40	(16)
	(29)	4,083	1,160	1,595
<u>Deferred tax</u>				
Origination and reversal of temporary differences	-	-	-	-
	(29)	4,083	1,160	1,595
Tax expense	(29)	4,083	1,160	1,595

The explanation of the relationship between taxation and profit before taxation is as follows:

	Group		Company	
	1.7.2023 to 30.6.2024 RM'000	1.1.2022 to 30.6.2023 RM'000	1.7.2023 to 30.6.2024 RM'000	1.1.2022 to 30.6.2023 RM'000
Profit before taxation	22,903	12,537	23,066	11,673
Tax calculated at the Malaysian tax rate of 24% (2023: 24%)	5,497	3,009	5,536	2,802
Tax effects of:				
- expenses not deductible for tax purposes	666	208	600	30
- income not subject to tax	(69)	-	(1)	(2,438)
- (under)/over provision of taxation in prior financial years (net)	(1,149)	(16)	40	(16)
- effect of difference in Real Property Gain Tax ("RPGT") rate	-	(963)	-	-
- utilisation of previously unrecognised deductible temporary differences,	(4,974)	-	(5,015)	-
- deferred tax assets not recognised in respect of temporary differences, allowances and unused tax losses	-	1,845	-	1,217
	(29)	4,083	1,160	1,595
Tax expense	(29)	4,083	1,160	1,595

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**NOTES TO THE FINANCIAL STATEMENTS
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10 **PROPERTY, PLANT AND EQUIPMENT**

<u>Group</u>	<u>Freehold land</u> RM'000	<u>Buildings</u> RM'000	<u>Plant and machinery</u> RM'000	<u>Motor vehicles</u> RM'000	<u>Furniture, computers, equipment and renovation</u> RM'000	<u>Total</u> RM'000
<u>Cost</u>						
At 1 July 2023	2,570	64,195	404,544	3,890	98,437	573,636
Additions	-	-	-	-	681	681
Transfers from inventories	-	-	2,159	-	-	2,159
Transfers to investment properties	-	(21,740)	-	-	-	(21,740)
At 30 June 2024	2,570	42,455	406,703	3,890	99,118	554,736
<u>Accumulated depreciation</u>						
At 1 July 2023	-	(23,317)	(241,376)	(3,505)	(82,245)	(350,443)
Charge for the financial year	-	(930)	(581)	(55)	(1,470)	(3,036)
Transfers to investment properties	-	10,234	-	-	-	10,234
At 30 June 2024	-	(14,013)	(241,957)	(3,560)	(83,715)	(343,245)

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10	PROPERTY, PLANT AND EQUIPMENT (CONTINUED)	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Furniture, computers, equipment and renovation RM'000	Total RM'000
	<u>Group</u>						
	<u>Accumulated impairment loss</u>						
	At 1 July 2023	-	(20,206)	(159,323)	(147)	(13,306)	(192,982)
	Additions	-	-	(2,677)	-	(589)	(3,266)
	30 June 2024	-	(20,206)	(162,000)	(147)	(13,895)	(196,248)
	<u>Net book value</u>						
	At 30 June 2024	2,570	8,236	2,746	183	1,508	15,243

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10 **PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

<u>Group</u>	<u>Freehold land</u> RM'000	<u>Buildings</u> RM'000	<u>Plant and machinery</u> RM'000	<u>Motor vehicles</u> RM'000	<u>Furniture, computers, equipment and renovation</u> RM'000	<u>Total</u> RM'000
<u>Cost</u>						
At 1 January 2022	2,570	64,195	560,763	4,642	115,855	748,025
Additions	-	-	755	273	300	1,328
Disposals	-	-	(1,044)	-	(380)	(1,424)
Write-off	-	-	(155,930)	(1,025)	(17,338)	(174,293)
At 30 June 2023	<u>2,570</u>	<u>64,195</u>	<u>404,544</u>	<u>3,890</u>	<u>98,437</u>	<u>573,636</u>
<u>Accumulated depreciation</u>						
At 1 January 2022	-	(21,569)	(395,804)	(4,457)	(94,818)	(516,648)
Charge for the financial period	-	(1,748)	(1,628)	(55)	(4,766)	(8,197)
Disposals	-	-	257	-	81	338
Write-off	-	-	155,799	1,007	17,258	174,064
At 30 June 2023	<u>-</u>	<u>(23,317)</u>	<u>(241,376)</u>	<u>(3,505)</u>	<u>(82,245)</u>	<u>(350,443)</u>

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10	PROPERTY, PLANT AND EQUIPMENT (CONTINUED)	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Furniture, computers, equipment and renovation RM'000	Total RM'000
	<u>Group</u>						
	<u>Accumulated impairment loss</u>						
	At 1 January 2022	-	(20,206)	(159,323)	(147)	(13,381)	(193,057)
	Disposals	-	-	-	-	75	75
	30 June 2023	-	(20,206)	(159,323)	(147)	(13,306)	(192,982)
	<u>Net book value</u>						
	At 30 June 2023	2,570	20,672	3,845	238	2,886	30,211

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10 **PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

<u>Company</u>	<u>Freehold land</u> RM'000	<u>Buildings</u> RM'000	<u>Plant and machinery</u> RM'000	<u>Motor vehicles</u> RM'000	<u>Furniture, computers, equipment and renovation</u> RM'000	<u>Total</u> RM'000
<u>Cost</u>						
At 1 July 2023	2,570	64,195	387,786	3,890	97,522	555,963
Additions	-	-	-	-	681	681
Transfers to investment properties	-	(36,940)	-	-	-	(36,940)
At 30 June 2024	2,570	27,255	387,786	3,890	98,203	519,704
<u>Accumulated depreciation</u>						
At 1 July 2023	-	(23,317)	(241,350)	(3,505)	(81,330)	(349,502)
Charge for the financial year	-	(387)	(581)	(55)	(1,470)	(2,493)
Transfers to investment properties	-	17,577	-	-	-	17,577
At 30 June 2024	-	(6,127)	(241,931)	(3,560)	(82,800)	(334,418)

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10	PROPERTY, PLANT AND EQUIPMENT (CONTINUED)	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Furniture, computers, equipment and renovation RM'000	Total RM'000
	<u>Company</u>						
	<u>Accumulated impairment loss</u>						
	At 1 July 2023	-	(20,206)	(142,591)	(147)	(13,306)	(176,250)
	Additions	-	-	(518)	-	(589)	(1,107)
	At 30 June 2024	-	(20,206)	(143,109)	(147)	(13,895)	(177,357)
	<u>Net book value</u>						
	At 30 June 2024	2,570	922	2,746	183	1,508	7,929

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10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

<u>Company</u>	<u>Freehold land</u> RM'000	<u>Buildings</u> RM'000	<u>Plant and machinery</u> RM'000	<u>Motor vehicles</u> RM'000	<u>Furniture, computers, equipment and renovation</u> RM'000	<u>Total</u> RM'000
<u>Cost</u>						
At 1 January 2022	2,570	64,195	544,005	4,642	114,940	730,352
Additions	-	-	755	273	300	1,328
Disposals	-	-	(1,044)	-	(380)	(1,424)
Write-off	-	-	(155,930)	(1,025)	(17,338)	(174,293)
At 30 June 2023	2,570	64,195	387,786	3,890	97,522	555,963
<u>Accumulated depreciation</u>						
At 1 January 2022	-	(21,569)	(395,778)	(4,457)	(93,903)	(515,707)
Charge for the financial period	-	(1,748)	(1,628)	(55)	(4,766)	(8,197)
Disposals	-	-	257	-	81	338
Write-off	-	-	155,799	1,007	17,258	174,064
At 30 June 2023	-	(23,317)	(241,350)	(3,505)	(81,330)	(349,502)

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10 **PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

<u>Company</u>	<u>Freehold land</u> RM'000	<u>Buildings</u> RM'000	<u>Plant and machinery</u> RM'000	<u>Motor vehicles</u> RM'000	<u>Furniture, computers, equipment and renovation</u> RM'000	<u>Total</u> RM'000
<u>Accumulated impairment loss</u>						
At 1 January 2022	-	(20,206)	(142,591)	(147)	(13,381)	(176,325)
Disposals	-	-	-	-	75	75
At 30 June 2023	-	(20,206)	(142,591)	(147)	(13,306)	(176,250)
<u>Net book value</u>						
At 30 June 2023	<u>2,570</u>	<u>20,672</u>	<u>3,845</u>	<u>238</u>	<u>2,886</u>	<u>30,211</u>

Property, plant and equipment pledged as security

As at 30 June 2024, certain land and buildings of the Group and the Company with an aggregate carrying amount NIL (2023: RM11.8 million) were pledged to a licensed bank as security for a borrowing facility granted to the ultimate holding company.

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11 LEASES

ROU

Leasehold land
RM'000

Group

Cost

As at 1 July 2023	14,964
Transfers to investment properties	(4,480)
	<hr/>
As at 30 June 2024	10,484
	<hr/>

Accumulated depreciation

As at 1 July 2023	(6,627)
Charge for the financial year	(362)
Transfers to investment properties	1,937
	<hr/>
As at 30 June 2024	(5,052)
	<hr/>

Net book value

As at 30 June 2024	5,432
	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

11 LEASES (CONTINUED)

ROU (continued)

	<u>Leasehold land</u> RM'000	<u>Buildings</u> RM'000	<u>Total</u> RM'000
<u>Group</u>			
<u>Cost</u>			
As at 1 January 2022	14,964	42,165	57,129
Termination (Note a)	-	(42,165)	(42,165)
As at 30 June 2023	<u>14,964</u>	<u>-</u>	<u>14,964</u>
<u>Accumulated depreciation</u>			
As at 1 January 2022	(6,010)	(21,092)	(27,102)
Charge for the financial period	(617)	(7,034)	(7,651)
Termination (Note a)	-	28,126	28,126
As at 30 June 2023	<u>(6,627)</u>	<u>-</u>	<u>(6,627)</u>
<u>Net book value</u>			
As at 30 June 2023	<u>8,337</u>	<u>-</u>	<u>8,337</u>
<u>Company</u>			
<u>Cost</u>			
As at 1 July 2023	14,964	-	14,964
Transfers to investment properties	(9,780)	-	(9,780)
As at 30 June 2024	<u>5,184</u>	<u>-</u>	<u>5,184</u>
<u>Accumulated depreciation</u>			
As at 1 July 2023	(6,627)	-	(6,627)
Charge for the financial year	(171)	-	(171)
Transfers to investment properties	4,326	-	4,326
As at 30 June 2024	<u>(2,472)</u>	<u>-</u>	<u>(2,472)</u>
<u>Net book value</u>			
As at 30 June 2024	<u>2,712</u>	<u>-</u>	<u>2,712</u>

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11 LEASES (CONTINUED)

ROU (continued)

<u>Company</u>	<u>Leasehold land</u> RM'000	<u>Buildings</u> RM'000	<u>Total</u> RM'000
<u>Cost</u>			
As at 1 January 2022	14,964	12,567	27,531
Transfer from finance lease receivables (Note a)	-	13,540	13,540
Termination (Note a)	-	(26,107)	(26,107)
As at 30 June 2023	<u>14,964</u>	<u>-</u>	<u>14,964</u>
<u>Accumulated depreciation</u>			
As at 1 January 2022	(6,010)	(3,152)	(9,162)
Charge for the financial period	(617)	(7,034)	(7,651)
Termination (Note a)	-	10,186	10,186
As at 30 June 2023	<u>(6,627)</u>	<u>-</u>	<u>(6,627)</u>
<u>Net book value</u>			
As at 30 June 2023	<u><u>8,337</u></u>	<u><u>-</u></u>	<u><u>8,337</u></u>

(a) In the previous financial year, the Company terminated the lease of Balai Berita Bangsar ("BBKL") from PNB Development Sdn. Bhd. ("PNBD") on 20 January 2022 via a deed of termination pursuant to the completion of the acquisition of the BBKL by STMB Properties Sdn. Bhd. The sub-lease arrangement with Print Tower Sdn Bhd ("PTSB") for the lease of Balai Berita Shah Alam ("BBSA") terminated on 1 January 2022 pursuant to the termination of lease with PNBD via a deed of termination with effective date of 31 December 2022.

(b) Right of use pledged as security

As at 30 June 2024, certain land and buildings of the Group and the Company with an aggregate carrying amount of RM2.6 million (2023: RM2.7 million) were pledged to a licensed bank as security for a borrowing facility granted to the ultimate holding company.

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11 LEASES (CONTINUED)

ROU (continued)

(c) Amount recognised in the statement of comprehensive income

The statement of comprehensive income shows the following amounts relating to leases:

	Group		Company	
	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
Expenses relating to short-term leases	(3,163)	(5,051)	(3,163)	(5,413)
Expenses relating to leases of low-value assets other than short-term leases	(331)	(209)	-	-
	(3,494)	(5,260)	(3,163)	(5,413)

(d) Leasing activities of the Group and the Company

The Group and the Company have leasehold land which generally have lease tenures ranging from 50 and 99 years (2023: 50 and 99 years).

LEASE LIABILITIES

(a) Reconciliation of financial liabilities arising from financing activities in relation to leases

The table below details changes in the Group's and the Company's liabilities arising from financing activities in relation to lease liabilities including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statement of cash flows as cash flows from financing activities.

	Group		Company	
	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
At 1 July/January	-	50,317	-	50,317
Cash flows	-	(9,486)	-	(9,486)
Non-cash movements:				
- Interest accretion	-	1,267	-	1,267
- Termination	-	(42,098)	-	(42,098)
	-	-	-	-
At 30 June	-	-	-	-

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12 FINANCE LEASE RECEIVABLES

The effective interest rate implicit in the finance lease in the previous period is 10.02%. The carrying amount of the finance lease receivables approximate their fair value.

The movement of finance lease receivables in the previous financial period are due to the following reasons:

	Group		Company	
	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
As at 1 July/January	-	24,745	-	38,285
Transfer from ROU	-	-	-	-
Non cash – Fixed monthly capacity charges	-	(792)	-	(792)
Finance lease income	-	200	-	200
Transfer to ROU	-	-	-	(13,540)
Termination	-	(24,153)	-	(24,153)
As at 30 June	-	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

13 INVESTMENT PROPERTIES

<u>Group</u>	<u>Freehold</u>	<u>Leasehold</u>	<u>Building</u>	<u>Total</u>
	<u>Land</u>	<u>Land</u>		
	RM'000	RM'000	RM'000	RM'000
<u>Cost</u>				
As at 1 July 2023	6,300	-	19,257	25,557
Additions	-	116	415	531
Disposals	-	-	(4,065)	(4,065)
Transfer from property, plant and Equipment	-	-	21,740	21,740
Transfer from right of use	-	4,480	-	4,480
As at 30 June 2024	<u>6,300</u>	<u>4,596</u>	<u>37,347</u>	<u>48,243</u>
<u>Accumulated depreciation</u>				
As at 1 July 2023	-	-	(11,386)	(11,386)
Depreciation charge	-	(51)	(383)	(434)
Disposals	-	-	1,847	1,847
Transfer from property, plant and equipment	-	-	(10,234)	(10,234)
Transfer from right of use	-	(1,937)	-	(1,937)
As at 30 June 2024	<u>-</u>	<u>(1,988)</u>	<u>(20,156)</u>	<u>(22,144)</u>
<u>Impairment</u>				
As at 1 July 2023	-	-	-	-
Impairment charge	-	-	(250)	(250)
As at 30 June 2024	<u>-</u>	<u>-</u>	<u>(250)</u>	<u>(250)</u>
<u>Net book value</u>				
As at 30 June 2024	<u>6,300</u>	<u>2,608</u>	<u>16,941</u>	<u>25,849</u>

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NOTES TO THE FINANCIAL STATEMENTS
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13 INVESTMENT PROPERTIES (CONTINUED)

<u>Group</u>	<u>Freehold</u>	<u>Building</u>	<u>Total</u>
	<u>Land</u> RM'000	<u>RM'000</u>	<u>RM'000</u>
<u>Cost</u>			
As at 1 January 2022	6,300	19,257	25,557
Additions	-	-	-
Disposals	-	-	-
As at 30 June 2023	<u>6,300</u>	<u>19,257</u>	<u>25,557</u>
<u>Accumulated depreciation</u>			
As at 1 January 2022	-	(10,852)	(11,386)
Depreciation charge	-	(534)	(534)
As at 30 June 2023	<u>-</u>	<u>(11,386)</u>	<u>(11,386)</u>
<u>Net book value</u>			
As at 30 June 2023	<u>6,300</u>	<u>7,871</u>	<u>14,171</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

13 INVESTMENT PROPERTIES (CONTINUED)

<u>Company</u>	<u>Leasehold</u>	<u>Building</u>	<u>Total</u>
	<u>Land</u> RM'000	RM'000	RM'000
<u>Cost</u>			
As at 1 July 2023	-	10,998	10,998
Additions	116	415	531
Disposals	-	(4,065)	(4,065)
Transfer from property, plant and Equipment	-	36,940	36,940
Transfer from right of use	9,780	-	9,780
As at 30 June 2024	9,896	44,288	54,184
<u>Accumulated depreciation</u>			
As at 1 July 2023	-	(8,756)	(8,756)
Depreciation charge	(242)	(716)	(958)
Disposals	-	1,847	1,846
Transfer from property, plant and equipment	-	(17,577)	(17,577)
Transfer from right of use	(4,327)	-	(4,326)
As at 30 June 2024	(4,569)	(25,202)	(29,771)
<u>Impairment</u>			
As at 1 July 2023	-	-	-
Impairment charge	-	(250)	(250)
As at 30 June 2024	-	(250)	(250)
<u>Net book value</u>			
As at 30 June 2024	5,327	18,836	24,163

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13 INVESTMENT PROPERTIES (CONTINUED)

	<u>Building</u> RM'000
<u>Company</u>	
<u>Cost</u>	
As at 1 January 2022	10,998
Additions	-
Disposals	-
As at 30 June 2023	<u>10,998</u>
<u>Accumulated depreciation</u>	
As at 1 January 2022	(8,538)
Depreciation charge	(218)
As at 30 June 2023	<u>(8,756)</u>
<u>Net book value</u>	
As at 30 June 2023	<u>2,242</u>

The following amounts have been recognised in profit or loss in respect of investment properties:

	<u>Group</u>		<u>Company</u>	
	As at <u>30.6.2024</u> RM'000	As at <u>30.6.2023</u> RM'000	As at <u>30.6.2024</u> RM'000	As at <u>30.6.2023</u> RM'000
Direct operating expenses incurred from investment properties that generate rental income	1,694	768	1,408	-
Direct operating expenses incurred from investment properties that did not generate rental income	<u>536</u>	<u>394</u>	<u>404</u>	<u>373</u>

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NOTES TO THE FINANCIAL STATEMENTS
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13 INVESTMENT PROPERTIES (CONTINUED)

(a) Fair value of investment properties

The fair value of the properties is as follows:

	<u>As at 30.6.2024</u>		<u>As at 30.6.2023</u>	
	<u>Carrying amount</u> RM'000	<u>Fair value</u> RM'000	<u>Carrying amount</u> RM'000	<u>Fair value</u> RM'000
<u>Group</u>				
Investment properties	25,849	53,552	14,171	39,358
<u>Company</u>				
Investment properties	24,163	56,672	2,242	16,478

The fair value of the properties of the Group and the Company have been determined based on inputs other than quoted prices included within active markets that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) which is within Level 2 of the fair value hierarchy.

(b) Leasing arrangements

The investment properties are leased to tenants under operating leases with rentals payables monthly. The Group and the Company classify these leases as operating lease, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The following table sets out the maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	<u>Group</u>		<u>Company</u>	
	<u>As at 30.6.2024</u> RM'000	<u>As at 30.6.2023</u> RM'000	<u>As at 30.6.2024</u> RM'000	<u>As at 30.6.2023</u> RM'000
Within 3 months	270	149	183	-
Between 3 months and 1 year	941	446	822	-
More than 1 year	1,149	71	1,096	-

(c) Investment properties pledged as securities

As at 30 June 2024, certain investment properties of the Group and the Company with an aggregate carrying amount of RM6.1 million (2023: RM6.1 million) were pledged to a licensed bank as security for a borrowing facility granted to the ultimate holding company. The Group and the Company are required to assign any rental income and proceeds of disposal of the pledged investment properties to the licensed bank.

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FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

14	SUBSIDIARIES	Company	
		As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
	Unquoted shares, at cost	11,746	11,746
	Less: Accumulated impairment losses	(8,915)	(8,915)
		2,831	2,831
	Amount due from a subsidiary	11,277	11,277
		14,108	14,108

The Group's equity interests in the subsidiaries, their respective principal activities and countries of incorporation are shown in Note 31 to the financial statements.

The amount due from a subsidiary is unsecured, interest free and it is repayable on demand. The Directors consider the amount as part of the Company's investment in the subsidiary.

15	AMOUNTS DUE FROM/(TO) ULTIMATE HOLDING COMPANY, SUBSIDIARIES AND FELLOW SUBSIDIARIES	Group		Company	
		As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
	<u>Non-current assets</u>				
	Amount due from ultimate holding Company (Note a)	88,600	98,400	88,600	98,400
	<u>Current assets</u>				
	Amounts due from ultimate holding company	34,576	33,086	34,481	33,086
	Amounts due from subsidiaries	-	-	41,026	47,568
	Less: Loss allowances	-	-	(31,683)	(31,253)
		-	-	9,343	16,315
		34,576	33,086	43,824	49,401
	Amounts due from fellow subsidiaries	22,551	16,850	22,432	16,850
	Less: Loss allowances	(8,660)	(7,537)	(8,660)	(7,537)
		13,891	9,313	13,772	9,313

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15 AMOUNTS DUE FROM/(TO) ULTIMATE HOLDING COMPANY, SUBSIDIARIES AND FELLOW SUBSIDIARIES (CONTINUED)

	Group		Company	
	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
<u>Current liabilities</u>				
Amounts due to subsidiaries	-	-	(1,006)	(1,997)
Amounts due to fellow subsidiaries	(7,086)	(16,523)	(6,589)	(16,028)
Amount due to ultimate holding company	(2,209)	(1,923)	-	-

The current portion of amounts due from/(to) ultimate holding company, subsidiaries and fellow subsidiaries are denominated in Ringgit Malaysia, unsecured and repayable on demand.

- (a) On 28 December 2018, the Company provided a RM204.0 million unsecured loan to the ultimate holding company for working capital purposes. On 1 October 2022, the tenure of the loan was extended and is repayable in entirety on its maturity date of 30 September 2027. The effective interest rate of the term loan is 4.32% per annum. The loan contains an option for early repayment. As at 30 June 2024, the ultimate holding company has settled RM115.4 million (2023: RM105.6 million) of the loan.

The amount due from a subsidiary is unsecured, interest free and it is repayable on demand.

The movement on loss allowance for amount due from ultimate holding company, subsidiaries and fellow subsidiaries is detailed in Note 29(b).

16 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

	Group and Company	
	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
At beginning/end of financial year/period	688	688

The Group and the Company have irrevocably elected the non-trading equity securities above to present its fair value changes in OCI. The Group and the Company consider this classification to be more relevant as these instruments are not held for trading purposes.

	Group and Company	
	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
Tropicana Golf & Country Resort	440	440
Saujana Resort (M) Berhad	248	248

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17 DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

The following amounts, determined after appropriate offsetting, are shown in the statement of financial position:

	Group		Company	
	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
Deferred tax liabilities				
- To be settled after more than 12 months	(227)	(227)	-	-
At 1 January	(227)	(227)	-	-
Credited/(Charged) to profit or loss (Note 9):				
- property, plant and equipment	141	123	141	123
- provisions	(1,491)	14	(1,491)	357
- ROU assets	1,350	3,029	1,350	2,408
- lease liabilities	-	(12,354)	-	(12,076)
- lease receivables	-	9,188	-	9,188
At 30 June/31 December	(227)	(227)	-	-
Deferred tax assets				
Provision	7,957	9,448	7,925	9,416
Offsetting	(7,957)	(9,448)	(7,925)	(9,416)
Deferred tax assets (after offsetting)	-	-	-	-
Deferred tax liabilities				
Property, plant and equipment	(7,533)	(7,674)	(7,274)	(7,415)
ROU assets	(651)	(2,001)	(651)	(2,001)
Offsetting	(8,184)	(9,675)	(7,925)	(9,416)
Deferred tax liabilities (after offsetting)	(227)	(227)	-	-

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17 DEFERRED TAXATION (CONTINUED)

The amount of allowances, deductible temporary differences and unused tax losses (which have 10 years of expiry period) for which no deferred tax asset is recognised in the statements of financial position is as follows:

	Group		Company	
	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
Unused tax losses	161,257	167,073	149,284	157,292
Unabsorbed reinvestment allowance	209,679	228,362	209,679	228,362
Deductible temporary differences	27,474	23,698	23,465	17,668
	<u>398,410</u>	<u>419,133</u>	<u>382,428</u>	<u>403,322</u>
Deferred tax assets not recognised at 24% (2023: 24%)	<u>95,618</u>	<u>100,592</u>	<u>91,783</u>	<u>96,797</u>

The expiry of the Group and the Company's tax losses according to year of assessment ("YA") is summarised below:

	Group		Company	
	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
- 2028	55,579	63,587	55,579	63,587
- 2029	91,198	91,198	91,198	91,198
- 2030	6,325	6,325	2,507	2,507
- 2031	5,167	5,167	-	-
- 2032	402	402	-	-
- 2033	394	394	-	-
- 2034	2,192	-	-	-
	<u>161,257</u>	<u>167,073</u>	<u>149,284</u>	<u>157,292</u>

No deferred tax assets are recognised from the above due to uncertainty of their recoverability.

The unabsorbed reinvestment allowances are allowed to be carried forward for utilisation up to seven (7) consecutive YAs from the first year after the end of the incentive period. If the incentive period has expired prior to YA 2019, accumulated unabsorbed reinvestment allowances brought forward from YA 2018 shall be allowed to be utilised for another seven (7) consecutive YAs i.e. from YA 2019 to YA 2025. Any amount which remains unutilised by YA 2025 shall be disregarded from YA 2026.

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18 INTANGIBLE ASSETS

		<u>Group and Company</u>	
		<u>As at</u>	<u>As at</u>
		<u>30.6.2024</u>	<u>30.6.2023</u>
		<u>RM'000</u>	<u>RM'000</u>
<u>Computer software</u>			
<u>Cost</u>			
At 1 July/January		2,244	1,715
Additions		888	529
At 30 June		<u>3,132</u>	<u>2,244</u>
<u>Accumulated amortisation</u>			
At 1 July/January		(1,788)	(1,709)
Charge for the financial year		(402)	(79)
At 30 June		<u>(2,190)</u>	<u>(1,788)</u>
<u>Net book value</u>			
At 30 June		<u>942</u>	<u>456</u>

19 INVENTORIES

	<u>Group</u>		<u>Company</u>	
	<u>As at</u>	<u>As at</u>	<u>As at</u>	<u>As at</u>
	<u>30.6.2024</u>	<u>30.6.2023</u>	<u>30.6.2024</u>	<u>30.6.2023</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Raw materials	<u>9,543</u>	<u>7,783</u>	<u>73</u>	<u>120</u>

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20 RECEIVABLES	Group		Company	
	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
<u>Non-current:</u>				
Deposits (Note a)	3,357	3,362	3,311	3,316
<u>Current:</u>				
Trade receivables	36,076	34,935	28,212	28,117
Less: Loss allowance	(27,656)	(29,681)	(22,176)	(24,202)
	8,420	5,254	6,036	3,915
Other receivables	6,966	4,176	6,477	3,735
Less: Loss allowance	(2,456)	(2,090)	(2,331)	(1,966)
	4,510	2,086	4,146	1,769
Amount due from related party	3,220	889	-	-
Contract assets (Note b)	2,162	1,732	320	-
Prepayments	924	750	873	701
	10,816	5,457	5,339	2,470
	19,236	10,711	11,375	6,385
Total	22,593	14,073	14,686	9,701

Credit terms of trade receivables and amount due from related party range from 0 to 120 days (2023: 0 to 120 days). Analysis of the credit risk and receivables are disclosed in Note 29(b).

(a) Non-current deposits

Included in the non-current deposits of the Group and the Company are deposits for the rental and utilities of premises and employee medical insurance facilities that are expected to be recovered within a period exceeding one (1) year.

The carrying amount of non-current deposits approximate their fair value.

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20 RECEIVABLES (CONTINUED)

(b) Movement of contract assets net of loss allowances charged during the financial year were as follows:

	Group		Company	
	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
As at 1 July/ 1 January	1,732	853	-	-
Increases as a result of service performed and goods delivered but yet to be billed	2,162	1,732	320	-
Transfer to receivables	(1,732)	(853)	-	-
As at 30 June	<u>2,162</u>	<u>1,732</u>	<u>320</u>	<u>-</u>

21 DEPOSITS, BANK AND CASH BALANCES

	Group		Company	
	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
Deposits with licensed banks	15,327	35,471	9,776	19,815
Cash and bank balances	16,560	11,124	16,226	10,803
	<u>31,887</u>	<u>46,595</u>	<u>26,002</u>	<u>30,618</u>

Deposits, cash and bank balances placed with a related party, which is a licensed Islamic bank, are as follows:

	Group		Company	
	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
Cash and bank balances	<u>15,236</u>	<u>10,004</u>	<u>15,236</u>	<u>10,004</u>

The licensed Islamic bank is a related party by virtue of the relationship as disclosed in Note 27(a)(iii) to the financial statements.

The deposits, cash and bank balances of the Group and the Company are denominated in Ringgit Malaysia.

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22 TRADE AND OTHER PAYABLES

	Group		Company	
	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
Trade payables	3,286	886	-	30
Accrued expenses	21,161	26,297	15,097	18,166
Other payables	7,678	6,722	6,766	5,771
Provision for termination benefits (Note a)	506	6,270	506	6,070
Contract liabilities (Note b)	5,878	4,072	5,878	4,072
	<u>38,509</u>	<u>44,247</u>	<u>28,247</u>	<u>34,109</u>

Credit terms of trade payables normally range from no credit to 90 days (2023: no credit to 90 days)

(a) Provision for termination benefits

Movement of provision for termination benefits during the financial year were as follows:

	Group		Company	
	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000	As at 30.6.2024 RM'000	As at 30.6.2023 RM'000
At 1 July/January	6,270	-	6,070	-
Charge for the financial year/period	-	6,270	-	6,070
Payment during the financial year	(5,764)	-	(5,564)	-
At 30 June	<u>506</u>	<u>6,270</u>	<u>506</u>	<u>6,070</u>

The provision for termination benefits is in respect of manpower rationalisation arising from an exercise undertaken to rescale operations across the Group and the Company. The provision is expected to be utilised within the next twelve months.

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22 TRADE AND OTHER PAYABLES (CONTINUED)

(b) Contract liabilities

Contract liabilities are in relation to advance receipts from customers and provision for product returns, previously presented as deferred income and accrued expenses respectively. The services are expected to be rendered to the customers within the next twelve months.

Movement of contract liabilities during the financial year/period were as follows:

	Group		Company	
	As at <u>30.6.2024</u> RM'000	As at <u>30.6.2023</u> RM'000	As at <u>30.6.2024</u> RM'000	As at <u>30.6.2023</u> RM'000
At 1 July/January	4,072	5,196	4,072	4,696
Contract liabilities including revenue (net) recognised during the financial year/period	5,878	4,072	5,878	4,072
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	(4,072)	(5,196)	(4,072)	(4,696)
At 30 June	<u>5,878</u>	<u>4,072</u>	<u>5,878</u>	<u>4,072</u>

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23 BORROWINGS

	<u>Group and Company</u>	
	As at	As at
	<u>30.6.2024</u>	<u>30.6.2023</u>
	RM'000	RM'000
Bankers' acceptance	2,811	4,636

During the financial year, the Group and the Company obtained a bankers' acceptance facility with a term of 3 months (2023: 3 months). The facility's effective interest rate is 4.06% (2023: 3.33%) per annum and is repayable in entirety on its maturity date.

Credit facilities as at 30 June 2024 available to the Group and the Company amounts to RM2.2 million (2023: RM0.4 million).

The table below details changes in the Group's and the Company's liabilities arising from financing activities including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group and the Company's statement of cash flows as cash flows from financing activities.

	At 1	Cash	Non-cash	At 30
	<u>July/January</u>	<u>flows</u>	<u>movement</u>	<u>June</u>
	RM'000	RM'000	Accretion of interest RM'000	RM'000
<u>Group and Company</u>				
<u>30 June 2024</u>				
Borrowings	4,636	(1,941)	116	2,811
<u>30 June 2023</u>				
Borrowings	1,061	3,452	123	4,636

24 SHARE CAPITAL AND OTHER RESERVES

	<u>Group and Company</u>			
	<u>As at 30.6.2024</u>		<u>As at 30.6.2023</u>	
	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>
	<u>of shares</u>	<u>RM'000</u>	<u>of shares</u>	<u>RM'000</u>
	'000	RM'000	'000	RM'000
<u>Ordinary shares</u>				
<u>Issued and fully paid</u>				
At beginning/end of financial year/period	217,228	400,310	217,228	400,310

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24 SHARE CAPITAL AND OTHER RESERVES (CONTINUED)

Other reserves

The other reserves comprises the cumulative net change in the fair value of financial assets designated at FVOCI until the assets are derecognised or impaired.

	<u>Group and Company</u>	
	<u>As at</u> <u>30.6.2024</u> RM'000	<u>As at</u> <u>30.6.2023</u> RM'000
At beginning/end of financial year/period	<u>5</u>	<u>5</u>

25 CAPITAL COMMITMENTS

	<u>Group and Company</u>	
	<u>As at</u> <u>30.6.2024</u> RM'000	<u>As at</u> <u>30.6.2023</u> RM'000
Property, plant and equipment:		
- approved and contracted	92	930
- approved and not contracted	<u>1,786</u>	<u>320</u>
	<u>1,878</u>	<u>1,250</u>

26 CONTINGENT LIABILITIES

The Company is a defendant in 5 (2023: 9) legal suits with contingent liabilities amounting to approximately RM0.8 million (2023: RM1.8 million) as at 30 June 2024. Of the 5 legal suits, 3 (2023: 7) suits are for alleged defamation, 2 (2023: 2) suits are for breach of contract.

Based on the above and after taking appropriate legal advice, no provision was provided for the contingent liabilities in the financial statements of the Company. The Directors are of the opinion that the outcome of the legal suits against the Company will not have a material impact on the financial position of the Company.

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27 SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Identities of related parties

For purposes of these financial statements, parties are considered to be related to the Group and the Company if the Group and the Company 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 Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties include:

- i) Direct and indirect subsidiaries of the Company as disclosed in Note 31;
- ii) Key management personnel which are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Group; and
- iii) Parties related by virtue of common major shareholders with deemed significant influence over the Company ("Other related parties").

(b) Key management compensation

Key management personnel of the Group and the Company are the Executive Directors, Non-Executive Directors and the senior management of the Group and the Company. Summary of the key management compensation is set out below:

	<u>Group and Company</u>	
	<u>1.7.2023 to</u> <u>30.6.2024</u>	<u>1.1.2022 to</u> <u>30.6.2023</u>
	RM'000	RM'000
Basic salary and bonuses	351	878
Fees and other allowances	48	123
Defined contribution plan	48	494
Benefits-in-kind	7	11
	<u>454</u>	<u>1,506</u>

Included in the key management compensation is Directors' remuneration as disclosed in Note 6 to the financial statements.

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27 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

(c) Significant transactions between related parties

In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had undertaken the following transactions with related parties during the financial year/period:

	<u>Group</u>		<u>Company</u>	
	<u>1.7.2023 to 30.6.2024</u>	<u>1.1.2022 to 30.6.2023</u>	<u>1.7.2023 to 30.6.2024</u>	<u>1.1.2022 to 30.6.2023</u>
	RM'000	RM'000	RM'000	RM'000
<u>Ultimate holding</u>				
Management fee	(1,434)	(759)	(1,252)	(481)
Interest income	4,216	5,998	4,216	5,998
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Subsidiaries</u>				
Management Fee	-	-	76	263
Rental expense	-	-	(241)	(362)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Fellow subsidiaries</u>				
Rental expense	3,140	792	3,140	792
Rental income	280	177	-	-
Digital Royalty	2,500	3,750	2,500	3,750
News gathering	1,500	2,250	1,500	2,250
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Other related parties</u>				
Sale of advertisements	1,443	3,086	1,443	3,086
Sale of newspapers	138	-	138	-
Newspaper printing and and distribution services	10,002	14,309	-	-
Finance income on bank deposits	432	-	432	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

(d) Significant related party balances

Significant related party balances of the Group and Company are disclosed in Note 15 and 20 to the financial statements.

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28 FINANCIAL INSTRUMENTS BY CATEGORY

The table below provides an analysis of financial instruments categorised as follows:

	Amortised cost <u>RM'000</u>	Financial assets at FVOCI <u>RM'000</u>	<u>Total RM'000</u>
<u>As at 30 June 2024</u>			
<u>Financial assets</u>			
<u>Group</u>			
Financial assets at FVOCI	-	688	688
Receivables excluding prepayments, statutory refundable and contract assets	19,279	-	19,279
Deposits, bank and cash balances	31,887	-	31,887
Amount due from ultimate holding company	123,176	-	123,176
Amounts due from fellow subsidiaries	13,891	-	13,891
Total	<u>188,233</u>	<u>688</u>	<u>188,921</u>
<u>Company</u>			
Financial assets at FVOCI	-	688	688
Receivables excluding prepayments, statutory refundable and contract assets	13,493	-	13,493
Deposits, bank and cash balances	26,002	-	26,002
Amount due from ultimate holding company	123,081	-	123,081
Amounts due from fellow subsidiaries	13,772	-	13,772
Amount due from subsidiaries	9,343	-	9,343
Total	<u>185,691</u>	<u>688</u>	<u>186,379</u>
<u>As at 30 June 2023</u>			
<u>Financial assets</u>			
<u>Group</u>			
Financial assets at FVOCI	-	688	688
Receivables excluding prepayments, statutory refundable and contract assets	11,591	-	11,591
Deposits, bank and cash balances	46,595	-	46,595
Amount due from ultimate holding company	131,486	-	131,486
Amounts due from fellow subsidiaries	9,313	-	9,313
Total	<u>198,985</u>	<u>688</u>	<u>199,673</u>

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28 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

The table below provides an analysis of financial instruments categorised as follows (continued):

	Amortised cost RM'000	Financial assets at FVOCI RM'000	Total RM'000
<u>As at 30 June 2023 (continued)</u>			
<u>Company</u>			
Financial assets at FVOCI	-	688	688
Receivables excluding prepayments, statutory refundable and contract assets	9,000	-	9,000
Deposits, bank and cash balances	30,618	-	30,618
Amount due from ultimate holding company	131,486	-	131,486
Amounts due from fellow subsidiaries	9,313	-	9,313
Amount due from subsidiaries	16,315	-	16,315
Total	<u>196,732</u>	<u>688</u>	<u>197,420</u>

Other financial liabilities at amortised cost

	<u>Group</u>		<u>Company</u>	
	<u>1.7.2023 to 30.6.2024 RM'000</u>	<u>1.1.2022 to 30.6.2023 RM'000</u>	<u>1.7.2023 to 30.6.2024 RM'000</u>	<u>1.1.2022 to 30.6.2023 RM'000</u>
Trade and other payables excluding statutory liabilities, provisions and contract liabilities	31,664	30,866	21,381	22,408
Amount due to ultimate holding company	2,209	1,923	-	-
Amounts due to subsidiaries	-	-	1,006	1,997
Amount due to fellow subsidiaries	7,086	16,523	6,589	16,028
Borrowings	2,811	4,636	2,811	4,636
Total	<u>43,770</u>	<u>53,948</u>	<u>31,787</u>	<u>45,069</u>

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29 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures, where required.

Risk management is carried out by a central treasury department (Group treasury) under policies approved by the board of directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, price risk, interest rate risk, credit risk and investment of excess liquidity.

(a) Market risk

(i) Foreign currency exchange risk

The Group is exposed to currency risk as a result of the foreign currency transactions entered into currencies other than Ringgit Malaysia.

The currency exposure of financial liabilities of the Group that are not denominated in the functional currency of the respective companies is not material.

(ii) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises from the Group's borrowings from licensed banks and loan to ultimate holding company.

The Group does not enter into any financial instruments to hedge movements in interest rate unless the risk is deemed to be significant.

(b) Credit risk

Credit risk arises from deposits with banks and financial institutions, financial assets carried at amortised cost and at fair value through other comprehensive income (FVOCI).

Trade receivables and contract assets

Credit risk for trade receivables and contract assets is managed by analysing the credit risk for each of the Group and the Company's new clients before standard payment and delivery terms and conditions are offered. The exposure to credit risk is monitored on an ongoing basis.

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29 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Trade receivables and contract assets (continued)

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statement of financial position. The Group and the Company hold bank guarantees and deposits placed by customers as collateral to reduce its credit risk.

The Group and the Company have no significant concentration of credit risk as it trades with large number of customers. Due to these factors, the Group and Company believe that no additional credit risk beyond amounts allowed for collection losses is inherent in the Group and the Company's trade receivables and contract assets.

The Group and the Company apply MFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 1 year before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group and the Company has identified the financial institutions' average lending rate and inflation as the most relevant factor, and accordingly, adjust the historical loss rates based on expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and the Company, and a failure to make contractual payments. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

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29 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

On that basis, the loss allowance was determined as follows for trade receivables and contract assets:

	Gross RM'000	Average expected loss rate %	Collective impairment RM'000	Net RM'000
<u>As at 30 June 2024</u>				
<u>Group</u>				
Not past due	4,157	4.3	181	3,976
Past due 1-3 months	3,310	9.0	301	3,009
Past due 4-6 months	964	5.4	52	912
Past due 7-12 months	29	6.8	2	27
Past due more than 12 months	27,616	98.2	27,120	496
	<u>36,076</u>		<u>27,656</u>	<u>8,420</u>
Contract assets	2,162		-	2,162
	<u>38,238</u>		<u>27,656</u>	<u>10,582</u>
<u>Company</u>				
Not past due	3,866	4.6	181	3,685
Past due 1-3 months	2,195	13.7	301	1,894
Past due 4-6 months	121	42.9	52	69
Past due 7-12 months	3	66.6	2	1
Past due more than 12 months	22,027	98.2	21,640	387
	<u>28,212</u>		<u>22,176</u>	<u>6,036</u>
Contract assets	320		-	320
	<u>28,532</u>		<u>22,176</u>	<u>6,356</u>

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29 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

On that basis, the loss allowance was determined as follows for trade receivables and contract assets:

	Gross RM'000	Average expected loss rate %	Collective impairment RM'000	Net RM'000
<u>As at 30 June 2023</u>				
<u>Group</u>				
Not past due	3,273	3.4	111	3,162
Past due 1-3 months	2,100	8.8	185	1,915
Past due 4-6 months	249	29.3	73	176
Past due 7-12 months	4	75.0	3	1
Past due more than 12 months	29,309	100.0	29,309	-
	<u>34,935</u>		<u>29,681</u>	<u>5,254</u>
Contract assets	1,732		-	1,732
	<u>36,667</u>		<u>29,681</u>	<u>6,986</u>
<u>Company</u>				
Not past due	2,602	6.3	163	2,439
Past due 1-3 months	1,494	12.3	184	1,310
Past due 4-6 months	237	30.4	72	165
Past due 7-12 months	4	75.0	3	1
Past due more than 12 months	23,780	100.0	23,780	-
	<u>28,117</u>		<u>24,202</u>	<u>3,915</u>

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29 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Trade receivables and contract assets (continued)

The closing allowances for trade receivables reconcile to the opening loss allowances as follows:

	Group		Company	
	1.7.2023 to 30.6.2023 RM'000	1.1.2022 to 30.6.2023 RM'000	1.7.2023 to 30.6.2024 RM'000	1.1.2022 to 30.6.2023 RM'000
At 1 July/January	29,681	34,452	24,202	28,973
Reversal in loss allowance	(996)	(3,286)	(997)	(3,286)
Write off	(1,029)	(1,485)	(1,029)	(1,485)
At 30 June	<u>27,656</u>	<u>29,681</u>	<u>22,176</u>	<u>24,202</u>

Deposits and other receivables

Credit risk for deposits and other receivables are mainly arising from rental deposits and staff advances. The Group and the Company manage the credit risk of rental deposits together with the specific leasing arrangements. Staff advances have low credit risks as these are mostly provided to existing staffs. These are managed on a monthly basis.

Deposits and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments or refunds. Nevertheless, deposits and other receivables that are written off could still be subject to enforcement activities.

As at the end of the reporting period, the maximum exposure to credit risk arising from deposits and other receivables are represented by the carrying amounts in the statement of financial position.

Deposits and other receivables provided are not secured by any collateral or supported by any other credit enhancements.

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29 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Deposits and other receivables (continued)

The Group and the Company use the three stages approach for deposits and other receivables which reflect their credit risk and how the loss allowances are determined for each of those stages. The Group and the Company determine the probability of default for these deposits and other receivables considering historical data and macroeconomic information (such as market interest rates). Refer to Note 2(h)(iv) for accounting policy on impairment on financial assets.

<u>Internal credit rating</u>	<u>ECL rate</u>	<u>Basis for recognition of ECL provision</u>	<u>Estimated gross carrying amount at default</u> RM'000	<u>Loss allowance</u> RM'000	<u>Carrying amount (net of ECL provision)</u> RM'000
<u>Group</u>					
<u>As at 30 June 2024</u>					
Performing	0%	12 month ECL	7,867	-	7,867
Non-performing	100%	Lifetime ECL	2,456	(2,456)	-
Total			<u>10,323</u>	<u>(2,456)</u>	<u>7,867</u>
<u>As at 30 June 2023</u>					
Performing	0%	12 month ECL	5,448	-	5,448
Non-performing	100%	Lifetime ECL	2,090	(2,090)	-
Total			<u>7,538</u>	<u>(2,090)</u>	<u>5,448</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

29 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Deposits and other receivables (continued)

<u>Internal credit rating</u>	<u>ECL rate</u>	<u>Basis for recognition of ECL provision</u>	<u>Estimated gross carrying amount at default</u> RM'000	<u>Loss allowance</u> RM'000	<u>Carrying amount (net of ECL provision)</u> RM'000
<u>Company</u>					
<u>As at 30 June 2024</u>					
Performing	0%	12 month ECL	7,457	-	7,457
Non-performing	100%	Lifetime ECL	2,331	(2,331)	-
Total			<u>9,788</u>	<u>(2,331)</u>	<u>7,457</u>
<u>As at 30 June 2023</u>					
Performing	0%	12 month ECL	5,085	-	5,085
Non-performing	100%	Lifetime ECL	1,966	(1,966)	-
Total			<u>7,051</u>	<u>(1,966)</u>	<u>5,085</u>

The closing allowances for other receivables reconcile to the opening loss allowances as follows:

	<u>Group</u>		<u>Company</u>	
	<u>1.7.2023 to 30.6.2024</u> RM'000	<u>1.1.2022 to 30.6.2023</u> RM'000	<u>1.7.2023 to 30.6.2024</u> RM'000	<u>1.1.2022 to 30.6.2023</u> RM'000
At 1 January/July	2,090	1,740	1,966	1,616
Increase in loss allowance	366	350	365	350
At 30 June	<u>2,456</u>	<u>2,090</u>	<u>2,331</u>	<u>1,966</u>

As at the end of the reporting year, the Group and the Company did not recognise any allowance for impairment losses for deposits as the impact is immaterial.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

29 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Amounts due from other related parties

The Group and the Company provide rental of space and printing services to its related parties.

As at the end of the reporting period, the maximum exposure to credit risk arising from amounts due from related parties are represented by the carrying amounts in the statement of financial position.

The Group and the Company use the three stages approach for amounts due from related parties which reflect their credit risk and how the loss allowances are determined for each of those stages. The Group and the Company determine the probability of default for these amounts due from related parties individually using internal information available. Refer to Note 2(h)(iv) for accounting policy on impairment on financial assets.

As at the end of the reporting period, the Group and the Company did not recognise any allowance for impairment losses for amount due from other related parties as the impact is immaterial.

Amounts due from intercompanies

The Group and the Company have intercompany transaction with ultimate holding companies, subsidiaries and fellow subsidiaries.

The Group and the Company provide advertising services to Omnia while amount due from ultimate holding company, subsidiaries and fellow subsidiaries mainly comprises loans given to ultimate holding company, advances and payment of behalf.

In measuring expected credit losses for amounts due from Omnia, the Group and the Company apply MFRS 9 simplified approach which uses a lifetime expected loss allowance due to the trade nature of these amounts.

For amount due from Omnia, the expected loss rates are based on the payment profiles of sales over a period of 1 year before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of Omnia's customers to settle the receivables. The Group and the Company has identified the financial institutions' average lending rate and inflation as the most relevant factor, and accordingly, adjust the historical loss rates based on expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

The Group and the Company use the three stages approach for amounts due from ultimate holding companies, subsidiaries and fellow subsidiaries (other than Omnia) which reflect their credit risk and how the loss allowances are determined for each of those stages. The Company determines the probability of default for these amounts individually using internal information available. Refer to Note 2(h)(iv) for accounting policy on impairment on financial assets.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

29 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Amounts due from intercompanies (continued)

The Group and the Company monitor the results of the intercompanies regularly. As at the end of the financial year, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Advances provided are not secured by any collateral or supported by any other credit enhancements.

As at 30 June 2024, there was no indication that the amount due from ultimate holding company and from fellow subsidiaries other than Omnia are not recoverable. As such, the Group and the Company did not recognise any allowance for impairment as the impact is immaterial.

Amount due from Omnia

On that basis, the loss allowance was determined as follows:

	<u>Gross</u> RM'000	<u>Average</u> <u>expected</u> <u>loss rate</u> %	<u>Collective</u> <u>impairment</u> RM'000	<u>Net</u> RM'000
<u>As at 30 June 2024</u>				
<u>Group and Company</u>				
Not past due	7,122	0.8	(54)	7,068
Past due 1-3 months	3,522	3.5	(123)	3,399
Past due 4-6 months	347	25.4	(88)	259
Past due 7-12 months	113	51.3	(58)	55
Past due more than 12 months	4,332	100.0	(4,332)	-
	<u>15,436</u>		<u>(4,655)</u>	<u>10,781</u>

THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
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FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

29 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Amounts due from intercompanies (continued)

Amount due from Omnia (continued)

As at 30 June 2023

Group and Company

Not past due	5,829	0.4	(22)	5,807
Past due 1-3 months	861	3.1	(27)	834
Past due 4-6 months	462	14.7	(68)	394
Past due 7-12 months	325	57.5	(187)	138
Past due more than 12 months	4,609	100.0	(4,609)	-
	<u>12,086</u>		<u>(4,913)</u>	<u>7,173</u>

The closing loss allowances for amounts due from Omnia reconcile to the opening loss allowance as follows:

	<u>Group and Company</u>	
	<u>1.7.2023 to</u>	<u>1.1.2022 to</u>
	<u>30.6.2024</u>	<u>30.6.2023</u>
	RM'000	RM'000
As at beginning of financial year/period	4,913	6,122
Decrease in loss allowance	(258)	(1,209)
As at the end of the financial year/period	<u>4,655</u>	<u>4,913</u>

The creation and release of provision for impaired receivables have been included as a net loss on impairment in the consolidated statements of comprehensive income. Subsequent recoveries of amounts previously written off are credited against the same line item.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

29 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Amounts due from intercompanies (continued)

Amount due from fellow subsidiaries

The following table contains an analysis of the credit risk exposure of amounts due from subsidiaries for which an ECL allowance is recognised. The gross carrying amount of amounts due from subsidiaries disclosed below also represents the Company's maximum exposure to credit risk on these assets:

<u>internal credit rating</u>	<u>ECL rate</u>	<u>Basis for recognition of ECL provision</u>	<u>Estimated gross carrying amount at default</u> RM'000	<u>Loss allowance</u> RM'000	<u>Carrying amount (net of ECL provision)</u> RM'000
<u>As at 30 June 2024</u>					
<u>Group</u>					
Performing	0%	12 month ECL	3,110	-	3,110
Non-performing	100%	Lifetime ECL	4,005	(4,005)	-
Total			<u>7,115</u>	<u>(4,005)</u>	<u>3,110</u>
<u>Company</u>					
Performing	0%	12 month ECL	2,991	-	2,991
Non-performing	100%	Lifetime ECL	4,005	(4,005)	-
Total			<u>6,996</u>	<u>(4,005)</u>	<u>6,996</u>
<u>As at 30 June 2023</u>					
<u>Group and Company</u>					
Performing	0%	12 month ECL	2,140	-	2,140
Non-performing	100%	Lifetime ECL	2,624	(2,624)	-
Total			<u>4,764</u>	<u>(2,624)</u>	<u>2,140</u>

The closing loss allowances for amounts due from fellow subsidiaries reconcile to the opening loss allowance as follows:

	<u>Group and Company</u>	
	<u>1.7.2023 to 30.6.2024</u> RM'000	<u>1.1.2022 to 30.6.2023</u> RM'000
As at beginning of financial period	2,624	301
Increase in loss allowance	1,381	2,323
As at the end of the financial year/period	<u>4,005</u>	<u>2,624</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

29 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Amounts due from intercompanies (continued)

Amounts due from subsidiaries

The Group and the Company use the three stages approach for amount due from subsidiaries which reflect their credit risk and how the loss allowances are determined for each of those stages. The Group and the Company determine the probability of default for these amounts individually using internal information available. Refer to Note 2(h)(iv) for accounting policy on impairment on financial assets.

The following table contains an analysis of the credit risk exposure of amounts due from subsidiaries for which an ECL allowance is recognised. The gross carrying amount of amounts due from subsidiaries disclosed below also represents the Company's maximum exposure to credit risk on these assets:

<u>Company internal credit rating</u>	<u>ECL rate</u>	<u>Basis for recognition of ECL provision</u>	<u>Estimated gross carrying amount at default RM'000</u>	<u>Loss allowance RM'000</u>	<u>Carrying amount (net of ECL provision) RM'000</u>
<u>As at 30 June 2024</u>					
Performing	0%	12 month ECL	9,343	-	9,343
Non-performing	100%	Lifetime ECL	31,683	(31,683)	-
Total			<u>41,026</u>	<u>(31,683)</u>	<u>9,343</u>

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NOTES TO THE FINANCIAL STATEMENTS
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29 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Amounts due from intercompanies (continued)

Amounts due from subsidiaries (continued)

Company <u>internal credit rating</u>	ECL <u>rate</u>	Basis for recognition of ECL <u>provision</u>	Estimated gross carrying amount at <u>default</u> RM'000	Loss <u>allowance</u> RM'000	Carrying amount (net of ECL <u>provision</u>) RM'000
<u>As at 30 June 2023</u>					
Performing	0%	12 month ECL	16,315	-	16,315
Non-performing	100%	Lifetime ECL	31,253	(31,253)	-
Total			<u>47,568</u>	<u>(31,253)</u>	<u>16,315</u>

The loss allowance for amount due from subsidiaries reconciles to the opening loss allowance as follows:

<u>Company</u>	1.7.2023 to <u>30.6.2024</u> RM'000	1.1.2022 to <u>30.6.2023</u> RM'000
<u>Non-performing</u>		
At 1 July/January	31,253	31,253
Increase in loss allowance	430	-
30 June	<u>31,683</u>	<u>31,253</u>

THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

29 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Amounts due from intercompanies (continued)

Amounts due from subsidiaries (continued)

Cash and cash equivalents

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk arising from is represented by the carrying amounts in the statement of financial position.

For banks and financial institutions, only independently rated parties with a minimum rating of "A" are accepted. The Group seeks to invest cash assets safely and profitably. The Group and the Company consider the risk of material loss in the event of non-performance by a financial counterparty to be unlikely as these financial institutions have low credit risks. In addition, the company has no significant concentration of credit risk except that the majority of its deposits are placed with major financial institution in Malaysia. As such, the Group and the Company did not recognise any allowance for impairment as the impact is immaterial.

(c) Liquidity risk

Cash flow forecasting is performed by the Company and aggregated by the Media Prima Group Treasury ("Group Treasury"). The Group Treasury monitors rolling forecasts of the entire Media Prima Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Media Prima Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements; for example, currency restrictions.

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group Treasury. The Group Treasury invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts. The Group Treasury also considers the impact of discharging borrowings within the Media Prima Group by relocating cash between subsidiaries whereby new borrowings are entered into whilst available cash is used to settle existing loans in a manners that reduces the Media Prima Group's finance cost.

The Group and the Company's financial liabilities are all repayable within one year.

(d) Capital risk management

The Group's and the Company's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

For the purposes of sustaining or changing the capital structure, the Group may adjust the amount of dividends paid to shareholders of the Company.

THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

30 FAIR VALUE

(a) Fair value

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings approximate fair values due to the relatively short term nature of these financial instruments.

The fair values of non-current receivables categorised as level 2 in the fair value hierarchy, together with the carrying amounts shown in the statement of financial position, are as follows:

	<u>30.06.2024</u>		<u>30.06.2023</u>	
	<u>Carrying amount</u> RM'000	<u>Fair value</u> RM'000	<u>Carrying amount</u> RM'000	<u>Fair value</u> RM'000
<u>Group and Company</u>				
Intercompany loan receivable	88,600	88,634	98,400	98,763

(b) Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Assets measured at fair value

Group and Company

	<u>Level 2</u>	
	<u>1.7.2023 to</u> <u>30.6.2024</u> RM'000	<u>1.1.2022 to</u> <u>30.6.2023</u> RM'000
<u>Financial asset</u>		
Financial assets at FVOCI	688	688

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THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

31 SUBSIDIARIES

The Group's equity interests in subsidiaries, their respective principal activities and countries of incorporation are as follows:

<u>Name of company</u>	<u>Principal activities</u>	<u>Country of incorporation</u>	<u>Group's interest</u>	
			<u>30.6.2024</u>	<u>30.6.2023</u>
			%	%
Print Towers Sdn. Bhd.	Newspaper printing and distribution	Malaysia	100	100
Business Times (Malaysia) Sdn. Bhd.	Dormant	Malaysia	100	100
Marican Sdn. Bhd.	Dormant	Malaysia	92.5	92.5
New Straits Times Sdn. Bhd.	Dormant	Malaysia	100	100
NSTP e-Media Sdn. Bhd.	Dormant	Malaysia	100	100
Shin Min Publishing (Malaysia) Sdn. Bhd.	Dormant	Malaysia	89.6	89.6
The New Straits Times Properties Sdn. Bhd.	Property management services	Malaysia	100	100

32 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 23 September 2024.

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THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
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**STATEMENT BY DIRECTORS PURSUANT TO
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016**

We, Mohd Rafiq bin Mat Razali and Datuk Ahmad Zaini bin Kamaruzzaman, two of the Directors of The New Straits Times Press (Malaysia) Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 6 to 87 are drawn up so as to give a true and fair view of the state of the financial position of the Group and Company as at 30 June 2024 and financial performance of the Group and of the Company for the financial year ended 30 June 2024 in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with their resolution dated 23 September 2024.



MOHD RAFIQ BIN MAT RAZALI
DIRECTOR



DATUK AHMAD ZAINI BIN KAMARUZZAMAN
DIRECTOR

Petaling Jaya

**STATUTORY DECLARATION
PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016**

I, Muhamad Fadzli bin Mustapha, the officer primarily responsible for the financial management of The New Straits Times Press (Malaysia) Berhad, do solemnly and sincerely declare that the financial statements set out on pages 6 to 87 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.



MUHAMAD FADZLI BIN MUSTAPHA
GENERAL MANAGER, FINANCE

Subscribed and solemnly declared by the above named at Petaling Jaya, Selangor Darul Ehsan, Malaysia on 23 September 2024 before me.



COMMISSIONER FOR OATHS

3 Damansara Shopping Mall
3, Jalan SS20/27
47400 Petaling Jaya
Selangor Darul Ehsan



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD**
(Incorporated in Malaysia)
Registration No. 196101000449 (4485 H)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of The New Straits Times Press (Malaysia) Berhad (“the Company”) and its subsidiaries (“the Group”) give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 30 June 2024 of the Group and of the Company, and the statements of 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 material accounting policies, as set out on pages 6 to 87.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the “Auditors’ responsibilities for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (“By-Laws”) and the International Ethics Standards Board for Accountants’ 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.

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 Directors’ Report, but does not include the financial statements of the Group and of the Company and our auditors’ report thereon.

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia
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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
(CONTINUED)
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REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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 the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal 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 Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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



INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
(CONTINUED)
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REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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



INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE NEW STRAITS TIMES PRESS (MALAYSIA) BERHAD
(CONTINUED)
(Incorporated in Malaysia)
Registration No. 196101000449 (4485 H)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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.

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.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

MOHAMED ZHARIF BIN MD AGIL
03795/10/2025 J
Chartered Accountant

Kuala Lumpur
23 September 2024