

Your Ref : -to be advised-
Our Ref : GEN/16/11/17//L/MN/LR
Date : 18th November 2016

STAR MEDIA GROUP BERHAD (10894-D)



Level 15, Menara Star,
15 Jalan 16/11,
Petaling Jaya,
Selangor.

BY COURIER

DAVID TAN

(As the employee of STAR MEDIA GROUP BERHAD)
Level 15, Menara Star,
15 Jalan 16/11,
Petaling Jaya,
Selangor.

BY COURIER

CRYSTAL CHIAM SHIYING

(As the employee of STAR MEDIA GROUP BERHAD)
Level 15, Menara Star,
15 Jalan 16/11,
Petaling Jaya,
Selangor.

BY COURIER

Dear Sirs,

NOTICE OF ACTION FOR DEFAMATION

**IN RESPECT OF ARTICLE ENTITLED "PULAU JEREJAK LAND
SALE QUESTIONED" PUBLISHED IN THE STAR NEWSPAPER AND THE
STAR ONLINE (www.thestar.com.my) ON 16TH NOVEMBER 2016**

1. We refer to the above matter wherein we act for and on behalf of the Right Honorable Chief Minister of Penang, YAB Lim Guan Eng ("Our Client").

2. Our Client instructs us that –
- (a) you, **STAR MEDIA GROUP BERHAD** (10894-D) ("**Star Media Group**") are at all material times –
- (i) the owner and publisher of the daily newspaper known as "The Star" ("**The Star**"); and
- (ii) the owner, publisher and operator of the online news portal known as "The Star Online" [www.thestar.com.my] ("**Online News Portal**"); and
- (b) you, **DAVID TAN** and **CRYSTAL CHIAM SHIYING** are the employees of Star Media Group Berhad wherefore Star Media Group Berhad as your employer is vicariously liable and responsible for all acts and/or misfeasance of yours.
3. We are further instructed that Star Media Group had published and/or caused to be published an article entitled "**Pulau Jerejak land sale questioned**" ("**Article**") on 16th November 2016 –
- (a) at page 8 Nation of The Star; and
- (b) in the Online News Portal which can be accessed from the uniform resource locator (URL),

<http://www.thestar.com.my/news/nation/2016/11/16/pulau-jerejak-land-sale-questioned-gerakan-wants-lim-to-explain-decision-to-sell-property-despite-ea/>

The Article's by-line as printed in The Star showed the names of David Tan and Crystal Chiam Shiyong whereas the Article's byline in the Online News Portal only showed as David Tan.

4. It is further noted that the Article contains various statements made by an individual identified as Penang Gerakan Chairman, Teng Chang Yeow ("**TCY**").

5. It is also to be noted that Star Media Group publishes and continues to publish the Article continuously as at the time of issuance of this notice herein ("**Notice**").
6. In the foregoing, we are instructed by Our Client to state as follows:-
- a) the Article contains statements that are false and defamatory to Our Client in its natural and ordinary meaning and/or by innuendos understandable by any ordinary reasonable person;
 - b) excerpts of the said defamatory statements made by TCY and subsequently published and/or caused to be published in The Star and the Online News Portal by way of the Article are as follows in ad verbatim ("**Defamatory Statements**"):-
 - i) *'Penang Gerakan Chairman Teng Chang Yeow questioned the sale to Q Islands Development Sdn Bhd, a subsidiary of Ideal Property Group, when Penang Chief Minister Lim Guan Eng rejected the deal in 2013'*;
 - ii) *"**The rejection of the joint-venture agreement caused PDC to lose about RM220mil in profit guarantee and also the authority over its land on Pulau Jerejak**" said Teng'* (emphasis added);
 - iii) *'Quoting "reliable" PDC sources, he said the agreement inked in December 2013 had a potential profit guarantee of up to RM450mil based on a gross development value of RM1.5bil'*;
 - iv) *'He said the Chief Minister, who is also PDC Chairman, had, however, rejected the 2013 agreement between TIRSB and Ideal Property'*;
 - v) *"Why did Lim keep silent over his rejection of the joint-venture agreement but decided to sell PDC's 49% stake in Pulau Jerejak to Ideal Property's subsidiary?"*; and

- vi) "Why has his initial rejection become a successful deal three years later?" he asked at a press conference at the state Gerakan headquarters here yesterday';
 - c) the Defamatory Statements and content of the Article, especially TCY's allegation as emphasised in sub-paragraph 6(b)(ii), cast severe aspersions against Our Client's character and reputation which has been brought into contempt and public odium *in personam*, as senior politician, statesman, Member of Parliament and as the Right Honourable Chief Minister of Penang;
 - d) the Article is false and was published by Star Media Group recklessly and/or malicious and/or in absolute bad faith, calculated to embarrass Our Client and cause damage and irreparable harm to Our Client's reputation;
 - e) Our Client has since suffered damage and ridicule due to the defamatory libel in the Article which was published in The Star and continues to be published in the Online News Portal; and
 - f) the Article, taken in isolation, considered in whole or *in toto*, is hatched and motivated by bad faith, ground in malice and peppered with spite and ill intent by you, whether jointly and/or severally so that Our Client will be viewed and/or taken in contempt and scorn in the eyes of members of the public.
7. The Article was authored and subsequently published by Star Media Group recklessly and/or maliciously and/or in absolute bad faith, calculated to embarrass Our Client and cause damage and harm to our Client's reputation.
8. In the circumstances, we are instructed by Our Client to give you notice, which we hereby do, that Star Media Group is to:
- (a) prove the authenticity of the quotes/statements by TCY as published in the Article;

- (b) inform us of the full identity, particulars and address of the person(s) referred to in the Article as "reliable PDC sources"
- within **FORTY-EIGHT (48) HOURS** from the date of receipt of this Notice;
- (c) publish and/or cause to be published in a prominent manner, in The Star and the Online News Portal, a full and unequivocal retraction of the Article and an apology to Our Client in respect of the damage and harm caused by the Article ("**Retraction and Apology**"). The draft contents, including but not limited to, the size and page of the Retraction and Apology, must first be sent to us as Our Client's solicitors for our written approval before the same is published; and
- (d) inform us as to the sum you are prepared to pay to Our Client as damages for the injury caused to his reputation and for the embarrassment, harm and distress caused to Our Client **within SEVEN (7) DAYS** from the receipt of this Notice.

9. **TAKE NOTICE** that if you, Star Media Group fail to comply with Our Client's demands herein, we have strict instructions to commence legal proceedings for the same without further reference to you in which event you shall be liable for all arising costs and damages thereof.

10. Kindly acknowledge receipt by signing and returning the duplicate letter attached herewith.

Yours faithfully,

A large, stylized handwritten signature in black ink, consisting of a long horizontal stroke followed by a loop and a final downward stroke.

cc. Client