ASIA MEDIA GROUP BERHAD

(Company No. 813137-V)
(Incorporated in Malaysia under the Companies Act, 1965)

ANNUAL 2015 REPORT

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CORPORATE PHILOSOPHY

We, Asia Media Group Berhad and our subsidiaries, contribute to the sustainable development of society through our business activities that we carry out in the country and region based on our Corporate Philosophy.

Based on our philosophy of "Customer Centric", we develop and provide innovative and high-quality products and services that meet a wide variety of customers' demands in order to build a reputable presence in the country's digital out-of-home industry.

Forerunner

To be a forerunner in digital transit media advertising and provide innovative advertising solutions for our clients.

Pacesetter

To set a challenging employee goal, building on previous years' success and to make a strong corporate commitment and enhance corporate value while achieving stable and long-term growth for the benefit of our shareholders.

Customer Centric

To forge partnerships with our customers and strive to exceed their expectations.

Human Capital

To emphasize on human capital value and foster corporate culture and policies to enhance our team strength.

Social Responsibility

To promote and engage both individually and with partners in social contribution activities that help strengthen communities and contribute to the enrichment of society.

In order to contribute to sustainable development, we believe that Management interaction with its stakeholders is of considerable importance and we will endeavor to build and maintain good relationships with our stakeholder.

CORPORATE STRUCTURE

ASIA MEDIA GROUP BERHAD
("AMGB" or "Company")
(Company No.813137-V)
(Incorporated in Malaysia under the Companies Act, 1965)

100%
Asia Media Sdn Bhd
("AMSB" or "Asia Media")

100%
Asia Media Marketing Sdn Bhd
("AMMSB")
(Disposal on 8 April 2016)

100%
Transnet Express Sdn Bhd
("TESB")

100%
Asia Media Interactive Sdn Bhd
("AMISB")
(Disposal on 8 April 2016)

70%
Asia Media Broadcasting Sdn Bhd
("AMBSB")

100%
DPO Plantations Sdn Bhd
(Acquired on 20 January 2015)

60%
DPO Pelita Bintangor Sdn Bhd
(Incorporate on 4 March 2016)

CORPORATE **INFORMATION**

BOARD OF DIRECTORS

Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee
(Independent Non-Executive Chairman)

Dato' Wong Shee Kai
(Executive Director and Chief Executive Officer)

Yeong Siew Lee
(Senior Independent Non-Executive Director)

Paul Jong Jun Hian
(Independent Non-Executive Director)

Audit Committee

Yeong Siew Lee
Chairperson

Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee
Member

Paul Jong Jun Hian
Member

Remuneration Committee

Yeong Siew Lee
Chairperson

Dato' Wong Shee Kai
Member

Paul Jong Jun Hian
Member

Nomination Committee

Yeong Siew Lee
Chairperson

Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee
Member

Paul Jong Jun Hian
Member

Option Committee

Yeong Siew Lee
Chairperson

Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee
Member

Paul Jong Jun Hian
Member

Company Secretaries

Leong Shiak Wan
(MAICSA 7012855)

Zuriati Binti Yaacob
(LS0009971)

Auditors

ECOVIS AHL PLT
(AF 001825)
No. 9-3, Jalan 109F,
Plaza Danau 2,
Taman Danau Desa,
58100 Kuala Lumpur
T : 03-7981 1699
F : 03-7980 4796

Registered Office

Level 8, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
T : 03-7841 8000
F : 03-7841 8199

Principal Place Of Business

No. 35, First Floor
Jalan Bandar 16
Pusat Bandar Puchong
47100 Puchong
Selangor Darul Ehsan
T : 03-5882 7788
F : 03-5882 6622
W : www.asiamedia.net.my

Principal Bankers

- AmBank (M) Berhad
- HSBC Amanah Malaysia Berhad
- RHB Asset Management Sdn Bhd
- Malayan Banking Berhad

Share Registrar

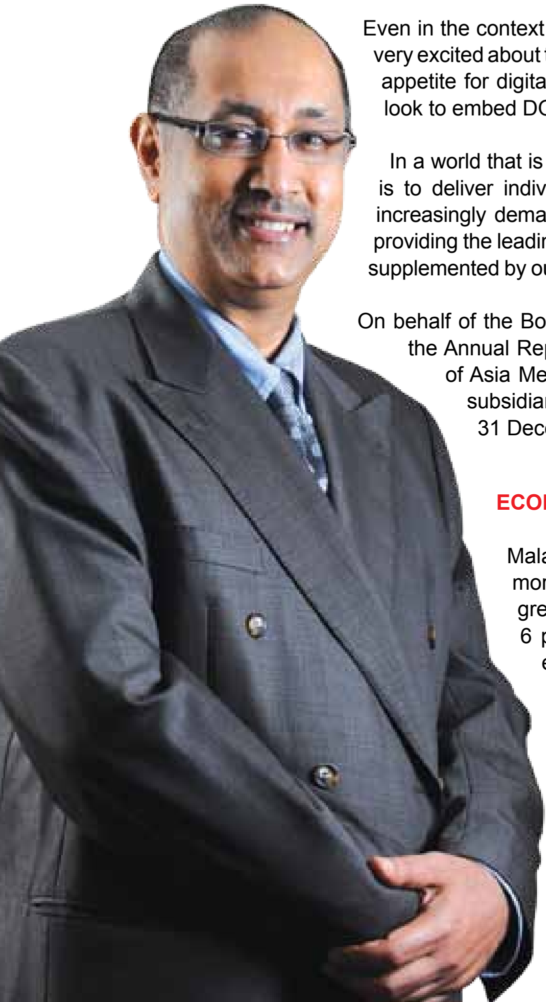
Tricor Investor Services Sdn Bhd
Unit 32-01,
Level 32, Tower A,
Vertical Business Suite,
Avenue 3,
Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur
T : 03-2783 9299
F : 03-2783 9222

Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad
Stock Name : AMEDIA
Stock Code : 0159

CHAIRMAN'S **STATEMENT**

Datuk Seri Syed Ali bin Tan Sri Abbas Alhabshee, Chairman of Asia Media Group, here he gives his perspectives on Asia Media's strategy and our approach to management and shareholders and Asia Media's role in society.



Even in the context of a tough year and regulatory conditions, I remain very excited about the longer-term prospects for the Group, as customer appetite for digital outdoor advertising grows rapidly and companies look to embed DOOH into their corporate marketing strategies.

In a world that is becoming increasingly digital, Asia Media's strategy is to deliver individuals and companies media experience they will increasingly demand irrespective of the medium. Our commitment to providing the leading platform in each of our market is strong and will be supplemented by our live digital broadcasting which we rolled out earlier.

On behalf of the Board of Directors ("Board"), I am pleased to present the Annual Report and Audited Consolidated Financial Statement of Asia Media Group Berhad ("AMGB" or "Company") and its subsidiary companies ("Group") for the financial year ended 31 December 2015 ("FYE 2015").

ECONOMIC REVIEW

Malaysia's economy finished the year solidly and grew more than expected in 2015. Gross domestic product grew at a 5 per cent annual rate in 2015, down from 6 per cent in 2014, but better than the 4.9 per cent economists expected. While Malaysia grew by 6 per cent in 2014, the International Monetary Fund anticipated that growth last year would be dampened by lower energy export prices.

Malaysia's future economic growth will hinge on its choice of fiscal discipline and dependency on oil prices.

Chairman's Statement (continued)

FINANCIAL PERFORMANCE

The year 2015 was a challenging year, due to weakening customers demand and uncertainty in the local economy. The Group reported its Revenue at RM11.12 million in FYE 2015, which fell short of expectations as compare to last year. However, we are upbeat heading into 2016. We employ a prudent financial management strategy: as of 31 Dec 2015, the Group's debt-to-equity ratio was near zero. On the same date, the cash balance was RM13.43 million. Such a strong and healthy balance sheet will enable the Group to enhance market opportunity even further in the near future.

LIVE DIGITAL BROADCASTING

The Group successfully completing the trial of live television and radio broadcasting in Klang Valley. Real-time broadcasting will reduce on-going maintenance costs in the long run, thus eliminating the need for regular manual updating of contents, lowering future expenditure. The Group's Digital Terrestrial Television Broadcasting ("DTTB") will link up with the LCD-TV screens installed on public transport and receive contents over the airwaves through real-time programming transmissions. We are focusing on Gap Fillers deployment in Klang Valley to further enhance our signal strength and covering blind-spot.

BOOST FROM BROADCASTING LICENSE

AMGB is one of the few companies in Malaysia permitted to offer broadcasting services and facilities. A full Content Application Service Provider ("CASP") license allows the Group to operate 24-hour non-subscription broadcasting, subscription broadcasting and terrestrial radio broadcasting services nationwide.

The Group is the only DOOH Transit Media operator in Malaysia to have a fully-fledged Content Application Service Provider Individual License ("CASP-i"), Network Facilities Provider Individual License ("NFP-i"), Network Service Provider Individual License ("NSP-i") and Application Service Provider ("ASP") Class License. Apart from its improved margins, the Group's license to provide Free-to-Air ("FTA") broadcasting services offers an avenue for bigger media players eyeing a piece of the electronic media market.

Our DTTB infrastructure will create new territories for media and advertisers, allowing instantaneous measuring of market response. The possibility of swiftly delivering messages makes it ideal for time- and location-sensitive advertising, such as customer loyalty offers at shopping centres and event promotions. In order to leverage the strength of short messaging advertising, the timely and reliable delivery of messages is paramount.

In addition, our live digital broadcasting network will enhance existing programme sponsorships as it will enable the provision of additional services such as ringtone downloads, mobile games and subscription to content aside from the generic contests and voting activities.

Chairman's Statement
(continued)

CORPORATE ACHIEVEMENTS AND DIVERSIFICATION

The Group is diversifying into agricultural businesses, particularly in green field oil palm cultivation in Sarawak. The Group has also formed a Joint Venture Company with the Sarawak state Government agency Land Custody Development Authority ("Pelita") for the said development.

The first phase of the plantation shall involve about 2,000 hectares of Native Customary Right ("NCR") which shall take about three years to cultivate and the Group is in the midst of finalising another 8,000 hectares of NCR Land to be jointly develop with Pelita.

The Group has also successfully completed its par value reduction and share consolidation exercise in 2015 that allow us to have a better capital structure to undertake the diversification of businesses.

The Group is also in the midst of executing a Right Issue to raise the necessary funding to support its investment in the oil palm cultivation businesses.

CORPORATE GOVERNANCE

AMGB believes in adhering to the best practices of corporate governance to sustain business efficiency and sustainability in the long term. Evidence for this can be found in the fact that the Group has consistently upheld the integrity of business practices as a pivotal part of ensuring consistent growth in its core business. The Group's measures towards this objective are highlighted in the Corporate Governance Statement in this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

The Group believes that effective corporate responsibility can deliver benefits to its business and, in turn, to its shareholders by enhancing reputation and business trust, staff motivation and retention, customer loyalty and long-term shareholder value.

APPRECIATION

I would like to take this opportunity to thank everyone, especially the shareholders, investors, customers, business associates and the regulatory authorities, for their continuous support. I would also like to extend my gratitude to the staff, management and the Board members for their dedication and commitment to the Group.

DATUK SERI SYED ALI
BIN TAN SRI ABBAS ALHABSHEE
CHAIRMAN

NEWS & ARTICLES

EVENT **HIGHLIGHT**

MANAGEMENT DISCUSSION AND ANALYSIS

Overview of the Group's Business and Operations

Asia Media Group Berhad ('Asia Media'), is Malaysia's leading, digital out-of-home Transit TV company.

We are a media provider, offering high-quality infotainment and targeted advertising through the use of digital electronic displays installed in various outdoor premises. Recognised as the 'Largest Transit-TV Network' in Malaysia, as awarded by The Malaysia Book of Records. Asia Media has 3,993 LCD screens installed in 1,800 buses travelling in the market centric hubs of Klang Valley and Johor Bahru.

We communicate to over 500,000 viewers daily, travelling in the market-centric hubs of Klang Valley and Johor Bahru. Asia Media partners up with strategic bus network partners includes city buses & express coaches.

Our Capabilities

Our unique insight allows us to easily customize campaigns to ensure the greatest impact on the audience, unleashing the potential of our highly targeted and effective medium.

Our fresh, professional thinking, teamed up with our collaborative working attitudes and industry expertise ensures an effective successful delivery of our client's vision.

Our national presence and passionate team make for a truly unique Out of Home experience.

Our Values

At Asia Media, we believe in integrity and trust. Both these values form the foundations and pillars of our organization and form the DNA of our relationships with all of our stakeholders which include our valued customers, our communities in which we operates, our investors as well as our greatest assets, our people.

The company has experienced rapid growth and expansion since its inception, is continuing to build a reputable presence in the country's digital out-of-home industry.

Our Objectives

Our wide commitment to progress and improvement extends to all levels of the company.

Our objectives include, amongst many:

- Delighting our customers with exceptional service quality, going beyond their expectations
- Continuing to invest to support growth and expansion, bringing in highly motivated, skilled Out-of-Home industry professionals from all backgrounds
- Ensuring that we achieve to be the leading transit-TV network in the country whilst maintaining integrity, honesty and trust in all of our processes and decisions.

Diversification

In view of the increasingly competitive market in the digital-out-of-home transit media industry in which our Group operates, our Group has identified our venture into the oil palm plantation business as a new business opportunity which meets our Group's intention to diversify our Existing Business. The oil palm plantation business is expected to provide an additional source of income for our Group after taking into consideration the prospects and outlook of the palm oil industry.

Considering the above and based on the sustained growth in the palm oil industry, our Group believes that our diversification is expected to provide a growth prospect and will be beneficial to our Group's future earnings, in addition to reducing our Group's dependence on our Existing Business.

Our Board expects the oil palm plantation business to potentially contribute at least twenty-five percent (25%) to the future net profits of our Group and/or diversion of twenty-five percent (25%) or more of our Group's Net Asset to the oil palm plantation business.

The Ministry of Land Development, Sarawak on September 2015, has approved the appointment of our Group to invest and develop oil palm plantation in Sarawak.

Management Discussion and Analysis (continued)

INDUSTRY OUTLOOK AND FUTURE PROSPECTS OF OUR GROUP

I. Overview of the Malaysian economy

The Malaysian economy registered a growth of 4.5% in the fourth (4th) quarter of 2015 (3Q 2015: 4.7%), supported mainly by the private sector demand. On the supply side, growth was underpinned by the major economic sectors. On a quarter-on-quarter seasonally adjusted basis, the economy grew by 1.5% (3Q 2015: 0.7%). For the year 2015, the Malaysian economy expanded by 5.0%.

Despite the challenging economic environment during the quarter, the private sector continued to be the key driver of growth. Private consumption grew by 4.9% (3Q 2015: 4.1%), supported by stable wage growth and labour market conditions. Private investment expanded by 5.0% (3Q 2015: 5.5%), driven by capital spending in the manufacturing and services sectors. Public investment growth moderated in the fourth quarter (0.4%; 3Q 2015: 1.8%), following lower growth in fixed assets spending by the Federal Government. Meanwhile, public consumption growth registered sustained growth of 3.3% (3Q 2015: 3.5%) as the stronger growth in emoluments was offset by slower growth in supplies and services expenditure.

On the supply side, growth in the fourth (4th) quarter was supported by the major economic sectors. Growth in the services sector was underpinned by the consumption- and trade-related activities. The manufacturing sector recorded a marginally higher growth, supported mainly by domestic-oriented industries. In the construction sector, growth was supported by the civil engineering and residential subsectors. Meanwhile, growth in the agriculture sector moderated, reflecting lower production of palm oil. The mining sector, however, registered a contraction arising from the lower production of both crude oil and natural gas.

(Source: Economic and Financial Developments in the Malaysian Economy in the Fourth Quarter of 2015, Bank Negara Malaysia)

The Malaysian economy is expected to remain steady in 2016, with real gross domestic product growth between 4% - 5% led by domestic demand. Private sector expenditure will remain the main driver of growth with private consumption and investment expected to grow by 6.4% and 6.7%, respectively. Meanwhile, Government expenditure is forecast to expand, albeit at a moderate pace, in line with efforts to strengthen the fiscal position. On the supply side, growth is expected to be broad-based, with all the sectors registered positive growth. Malaysia’s external position is forecast to remain positive supported by better prospects for global growth and trade.

(Source: Economic Report 2015/2016, Ministry of Finance Malaysia)

II. Overview and outlook of DOOH transit media industry

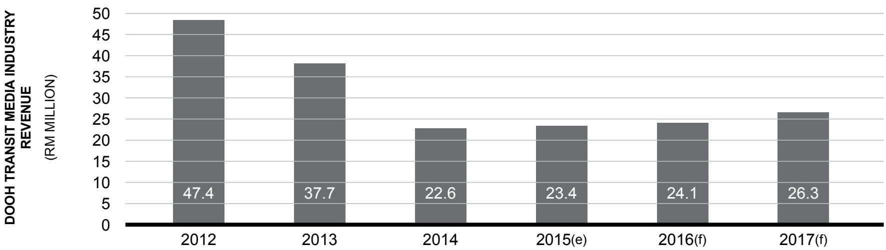
Historically, billboards and print wraps have been the predominant form of out of home media in Malaysia as it was the easiest and most cost-efficient way of reaching out to mass audience, due to its size and location. Over the years, as technology evolved and quality of digital content improved, out of home media gradually transitioned from printed media to digital media. This is attributable to the effectiveness of digital media in engaging mass audiences due to its dynamic nature of allowing for more attractive and/or interesting contents.

The DOOH transit media industry in Malaysia, based on the revenue of DOOH transit media industry players, registered an industry size of RM22.6 million in 2014. In the last three (3) years, the DOOH transit media industry in Malaysia registered a decline, from RM47.4 million in 2012.

The DOOH transit media industry size in Malaysia was exceptionally high in 2012, largely owing to an increase in advertising expenditure in the year due to the Union of European Football Associations (UEFA) EURO 2012 and the London Olympics, coupled with Government initiatives to upgrade and rehabilitate existing public transportation infrastructure through the 10th Malaysia Plan (2011-2015), with an aim to increase public transport modal share from 12% in 2009 to 30% in 2015. Some of the initiatives highlighted included 470 new buses for Rapid KL, Rapid Kuantan and Rapid Penang, nine (9) bus express transit corridors for Greater Kuala Lumpur/ Klang Valley, 35 four (4)-car sets for Light Rail Transit (Kelana Jaya line), 38 six (6)-car sets for Keretapi Tanah Melayu (KTM) Komuter, twelve (12) four (4)-car sets for Kuala Lumpur Monorail (KL Monorail), as well as establishing a command and control centre and a Performance Monitoring Hub System to monitor performance of all bus operators in Greater Kuala Lumpur/ Klang Valley. The DOOH transit media industry in Malaysia entered into a correction phase in 2013 and 2014, registering an industry size of RM37.7 million in 2013 and RM22.6 million in 2014.

Moving forward, the DOOH transit media industry in Malaysia is projected to grow from an estimated RM23.4 million in 2015 to reach RM26.3 million in 2017, at a CAGR of 6.0%.

DOOH Transit Media Industry (Malaysia), 2012 – 2017(f)



Source: Surahanjaya Syarikat Malaysia

Management Discussion and Analysis (continued)

While the DOOH transit media industry have illustrated a downtrend in 2014 due to lower advertising expenditure as a result of the anticipation of a slower economic growth in Malaysia in 2015, the DOOH transit media is expected to recover and project healthy growth rates in the long-term.

Smith Zander International Sdn Bhd forecasts the DOOH transit media industry to grow moderately at a CAGR of 6.0% between 2015 and 2017. This growth is expected to be driven by the continuous decline in digital screen prices and increasing acceptance of audio/visual transit media advertising as a medium that can effectively attract and retain viewer's attention, as well as the implementation of Government initiatives through the National Land Public Transport Master Plan (2012-2030) that aims to further increase public transport modal share for urban areas to 40% by 2030. As such, the DOOH transit media industry size is projected to grow from an estimated RM23.4 million in 2015 to reach RM26.3 million in 2017. Higher growth is anticipated in 2017, in light of improving economic conditions in Malaysia.

DOOH Transit Media Industry (Malaysia), 2015(e)– 2017(f)

Year	DOOH Transit Media Industry Size (RM million)	Growth Rate (%)
2015(e)	23.4	
2016(f)	24.1	3.0%
2017(f)	26.3	9.1%
CAGR (2015(e)-2017(f))	**6.0%**	

Source: Surahanjaya Syarikat Malaysia

(Source: Overview and Outlook of the DOOH Transit Media Industry in Malaysia, 2016, Smith Zander International Sdn Bhd)

III. OVERVIEW AND OUTLOOK OF THE PALM OIL INDUSTRY

The upstream palm oil industry in Malaysia is mature owing to its long history of cultivation and processing of palm oil and Palm kernel oil ("PKO"). Nevertheless, growth opportunities are present as replanting is regularly carried out to replace mature crops to ensure the sustainability of supply of palm oil and PKO to the refineries. The downstream segment of the palm oil industry is robust as a result of the constant supply of oilseeds from the plantation sector and strong consumer demand. This strong demand from retail and industrial consumers is expected to secure the sustainability of Malaysia's palm oil industry over the long term.

The palm oil industry in Malaysia has performed positively over the years between 2000 and 2014. Total planted area in Malaysia, comprising both mature and immature planted area, grew at a CAGR of 3.4% between 2000 and 2014, total planted area in Malaysia was 5.4 million Ha. Mature oil palm plantations in Malaysia are located both in Peninsular Malaysia and East Malaysia. Mature oil palm plantations grew at a faster pace in East Malaysia (CAGR 5.7%) compared to Peninsular Malaysia (CAGR 1.6%) between the years 2000 and 2014 as a result of the higher availability of arable land for agricultural purposes in the East Malaysia states of Sabah and Sarawak. As at end December 2014, Malaysia had a total of 4.7 million Ha of mature oil palm plantations, of which 2.3 million Ha were located in Peninsular Malaysia.

In line with the growth in mature plantation area leading to higher fresh fruit bunches (“FFB”) yield, crude palm oil (“CPO”) production in Malaysia grew at a CAGR of 4.4% from 10.8 million MT in 2000 to 19.7 million MT in 2014. CPO production volume is cyclical and correlates closely to the volumes of FFB received by mills as a result of factors such as replanting cycles, weather conditions and market forces, specifically pricing and availability of other vegetable oils. Malaysia is the world’s second largest producer of CPO after Indonesia, with 19.7 million MT produced in 2014, compared to Indonesia’s production approximately 30 million MT in the same year.

Malaysia’s exports of palm oil stood at 17.3 million MT in 2014, with the top three importing countries India (3.3 million MT, 18.8%), China (2.8 million MT, 16.4%) and Netherlands (1.6 million MT, 9.2%) accounting for approximately 44.4% of total export volume. Palm oil export volumes stood at 9.1 million MT in 2000, with top three importers India (2 million MT, 22.4%), Pakistan (1.1 million MT, 12.1%) and China (1 million MT, 11.3%) accounting for 45.8% of total export volume.

The demand for palm oil is driven by the following key factors:

- **Growing demand for food**

  The demand for palm oil is directly driven by the growing demand for food as a result of the overall global population and economic growth.

- **Population growth**

  World population in 2014 was approximately 7.2 billion, having grown by 35.9% from 5.3 billion in 1990. Higher population growth rates were especially witnessed in developing countries, pressuring the agricultural industry to produce sufficient food and fibres to feed and clothe an increasing world population, as well as to increase the daily food intake of the existing undernourished population in underdeveloped countries. As a result, the agricultural industry has seen a general uptrend in all major crop production within the last decade, and demand for food will increase significantly over the long term despite the slower population growth rate in order to meet this demand.

Management Discussion and Analysis (continued)

- **Economic growth**

  The global economy has continually witnessed positive growth trends in recent decades, with the exception of the periods of economic slowdown in 1997/98 and 2008/09. In line with global economic growth, there continues to be strong demand and higher prices for energy, primary commodities and food. The growth in per capita income worldwide has led to a shift in dietary intake, which has moved away from staple products such as cereals, roots and tubers and pulses towards livestock, vegetable oils, fruits and vegetables.

  In 2014, the average world urbanisation rate, which is used here as an indicator for wealth, was estimated to be approximately 54%. The forecast average world urbanisation rate in 2050 is 66%, an increase of approximately 12 percentage points from 2014.

- **Wide range of applications of palm oil and its derivatives**

  The versatility and fat content in palm oil which extends shelf life, shortens cooking time, and contributes to texture as well as flavor makes it a popular base ingredient that is utilised in a wide range of food and non-food applications. Palm oil can be used for a multitude of food applications, including the production of cooking oil, margarine, bakery shortening and confectionery fats, as well as non-food applications such as soaps, detergents, toiletries and cosmetics.

  The application of palm oil in the production of polyols has also recently been discovered. Polyols is used to make polyurethane, a plastic material with multiple applications in various industries such as building and construction, automotive, furniture and electrical and electronics. Additionally, palm oil is also used as a feedstock in the generation of renewable energy such as biofuels (biodiesel) and biomass, which are increasingly gaining popularity as they are renewable and widely available, with environmentally friendly processing techniques which do not emit large amounts of greenhouse gases.

- **Strong government support to strengthen the palm oil industry**

  As the second largest producer of CPO and crude palm kernel oil globally, Malaysia's palm oil industry has great economic potential and reach globally, contributing to fulfilling the growing global demand for palm oil and its derivatives as well as employing a large number of workers in plantations locally. Malaysia's competitiveness in the palm oil industry is evident as the country has a long history of experience and strong market leadership in terms of productivity and research and development.

The Government of Malaysia, via the Economic Transformation Programme aims to increase the gross national income contribution of the palm oil industry from RM52.7 billion in 2009 to RM178 billion by 2020. This will be made possible through a series of concentrated efforts spanning across the palm oil industry's value chain which are aimed at capturing the growing demand for palm oil. Efforts to improve upstream productivity include accelerating the replanting of oil palm, improving FFB yield and worker productivity, increasing oil extraction rate and developing biogas at palm oil mills. Downstream expansion of the palm oil industry will focus on developing oleo derivatives, commercialising second generation biofuels and expediting growth in food and health-based downstream segments.

- **Increasing demand from China and India as the two largest consumer markets**

  China is also the largest importer of edible oils and fats, including soybean oil, palm oil and rapeseed oil, and these imports have increased from 9.5 million MT in 2008 to an estimated 10.4 million MT in 2012 at a CAGR of 2.3%. India's imports have grown steadily over the same period, increasing from 6.9 million MT in 2008 to an estimated 10.4 million MT in 2012 at a CAGR of 11.2%. India's jump in imports over recent years can be attributed to rising income levels and various government schemes that encourage demand, such as the Public Distribution System which provides edible oils, including imported oils, at a subsidised price. In 2012, China and India's total imports of edible oils and fats accounted for 14.5% of global imports.

  The increasing demand from China and India, in terms of both volume and growth rates, are the key factors driving the growth of the global edible oils and fats markets

- **Emergence of Africa and Middle East as a key consuming region**

  Between the years 2000 and 2012, the regions of Africa and Middle East have emerged as key consuming regions of vegetable oils. While Africa's consumption of vegetable oils grew at a CAGR of 3.5% during this period, imports grew at a higher rate of 5.5%. Key vegetable oils consumed in Africa are palm oil and PKO. Meanwhile, consumption of vegetable oils in the Middle East countries grew at a CAGR of 0.5% during this period compared to the higher CAGR of 6% in imports. Key vegetable oils consumed in Middle East countries are sunflower oil and palm oil.

  The popularity of palm oil in the region of Africa stems from the region's familiarity with oil palm crops, which are cultivated in countries such as Nigeria, Cote d'Ivoire (Ivory Coast), Cameroon and Ghana. Palm oil is also the most cost effective vegetable oil, thereby proving its affordability for the larger segment of middle and lower income population in this region.

Management Discussion and Analysis (continued)

- **Increase in use of biodiesel**

  Depleting crude oil reserves have spurred the use of biodiesel as a source of energy in various parts of the world. As biodiesel is derived from edible oils and fats, it possesses several benefits over fossil fuel such as it being renewable, less harmful to the environment and biodegradable. Thus, many governments have legislated the use of biodiesel in vehicles, usually in a blend with diesel, to reduce dependence on crude oil as well as to reduce carbon emissions. The United States of America, member countries of the European Union, Australia and Brazil as well as countries in Asia including Malaysia, Indonesia, Philippines and Thailand have introduced legislations regarding biodiesel. These legislations mandate a minimum percentage of biodiesel to replace diesel or petroleum for use in automobiles.

  Biodiesel reduces the release of harmful emissions such as unburned hydrocarbons, carbon monoxide and particulate matter into the air and contains almost no amount of sulphur or aromatics. Furthermore, biodiesel yields a positive energy balance ratio of 4.5 to 1, in which for every unit of energy required in its production, 4.5 units of biodiesel energy points are gained. This is due to the fact that plants are efficient carriers of solar energy.

  (Source: The Palm Oil Industry in Malaysia and the Global Edible Oils and Fats Market, 2016, Smith Zander International Sdn Bhd)

IV. PROSPECTS AND FUTURE PLANS OF OUR GROUP

Our Group is principally involved in the existing business by delivering information and entertainment programs, advertisements, community-driven messages and public bulletins in public transport via our Transit-TV Network System, installed in major city buses serving Klang Valley and Johor Bharu, as well as luxury long haul express buses serving peninsular.

The Joint Venture and Diversification will result in the diversification of our Group's core business to include the oil palm plantation business.

Edible oils and fats are some of the most crucial cooking ingredients in the world and are more sought after now than before. These oils form the basis for food, energy, oleo chemicals and fuel. Demand is growing steadily and will continue to do so, matching the growth in population and rising living standards in emerging markets. Global demand for edible oils and fats grew from 114.9 million MT in 2000 to 191.5 million MT in 2013 at a CAGR of 3.8%. Edible oils and fats demand is expected to grow to 209.7 million MT by 2015, registering a CAGR of 3.9% between the years 2000 and 2015.

Management Discussion and Analysis (continued)

The strong consumption growth in edible oils and fats over the forecast period is projected to be supported by strong production growth, particularly for palm oil, which is the most produced and consumed of the edible oils and fats. Growth in the palm oil industry is expected to be driven by a number of factors. Among them include the increasing demand for food as a result of the growing population and economic development of key consuming markets such as China and India as well as regions such as Africa and Middle East. Other regions globally such as East Asia, the Pacific, Europe, Central Asia, Latin America, the Caribbean and South Asia have also registered healthy population increases, along with growth in gross domestic product. Growth in these markets is expected to boost growth in the demand for palm oil and palm oil related products, thereby driving production and consumption worldwide. Furthermore, palm oil's versatility and fat content have positioned it as a key sustainable global commodity. Hence, palm oil is increasingly used in a wide range of food and non-food applications, and this bodes well to the continued demand for palm oil products.

Specifically in Malaysia, the edible oils and fats market is represented by the nation's vibrant palm oil industry. Malaysia has consistently been among the top two (2) producers of CPO and CPKO globally as a result of the nation's focus on this oilcrop as an economic sector. The palm oil industry is the nation's fourth (4th) largest economic contributor and accounted for a gross national income of RM53 billion. Palm oil and palm oil-based products are the largest export income generator in the agricultural products segment. In 2014, the exports of palm oil and PKO totalled an estimated RM48.7 billion, with India, China and Netherlands emerging as principal importers of Malaysia's palm oil.

The significance of this industry and its growth potential is a matter of national interest in Malaysia. The Government has identified the palm oil sector as a NKEA in the Economic Transformation Programme (ETP), which is aimed at reaching a gross national income of RM178 billion in 2020 while creating an additional 41,000 jobs during this period. The eight EPPs that span across the palm oil value chain targets developing oil palm cultivation, productivity and sustainability, and ensuring expansion and sustainability of mill and refinery operations. Collectively, these EPPs aim to achieve an increase in the supply of palm oil for domestic and export consumption, and generate higher revenues for the industry.

As a result of these EPPs, Malaysia expects to witness growth in total planted area, thereby providing impetus for the nation to achieve greater export revenue resulting from higher FFB yields and increased production of CPO as well as refined palm products. Malaysia's total planted area grew from 3.4 million Ha in 2000 to 5.4 million Ha in 2014 at a CAGR of 3.4%, whereby mature planted area increased from 2.9 million Ha to 4.7 million Ha during the said years at a CAGR of 3.4%. The growth in mature planted area over this period likewise influenced FFB growth which also registered a CAGR of 3.7% between 2000 and 2014. CPO production also registered positive growth from 10.8 million MT in 2000 to 19.7 million MT in 2014 at a CAGR of 4.4%.

Management Discussion and Analysis (continued)

With the growing demand for edible oils and fats globally, especially for palm-based oils and fats, Asia Media Group Berhad's planned expansion into oil palm plantation appears to be a justified growth strategy for the Company. Such an expansion shall be made possible as the strong market drivers are expected to provide long term sustainability to the oil palm industry.

Taking into account of the growth prospects of the DOOH transit media industry and the current efforts undertaken by our Group on palm oil venture, our Board is of the view that the prospects of our Group are expected to be positive in the future.

BOARD OF **DIRECTORS' PROFILE**

Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee
(Independent Non-Executive Chairman)

Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee, a Malaysian, age 54, is the Independent Non-Executive Chairman of the Company and he was appointed to the Board on 5 May 2010. He is a member of Audit, Nomination and Option Committees of the Company. He has great knowledge and executive experience in leading private, public and government controlled organisations from a broad range of industries. Datuk Seri ventured into business in the early 1980s and currently sits on the board of several private and public corporations involved in a diverse range of businesses such as Bright Packaging Industry Berhad, UZMA Berhad and Redtone International Berhad. He was appointed as a member of the Malaysian Senate (Dewan Negara) on 21 April 2003 until April 2009. Datuk Seri obtained his Professional Diploma in Leadership and Management from the New Zealand Institute of Management in 2003. He is currently involved in the business and strategies development of the Company.

Datuk Seri does not have any family relationship with any Directors and/or major shareholders of the Company or any conflict of interest in any business arrangement involving the Company. He has had no conviction for any offences within the past ten (10) years. His details of attendance at the Board of Directors' Meeting are set out in the Statements on Corporate Governance.

Dato' Wong Shee Kai
(Executive Director and Chief Executive Officer)

Dato' Wong Shee Kai, a Malaysian, age 35, is the Executive Director and Chief Executive Officer of the Company and he was appointed to the Board on 6 October 2009. He is a member of the Remuneration Committee of the Company. He is also the founder of the Company. He has contributed significantly to the growth and development of the Company and has successfully led the Company to become an established and reputable player in the DOOH transit media industry in Malaysia. Dato' Wong Shee Kai has achieved several recognitions and awards personally and has also led the Company to a string of accolades and rewards. The recognitions and awards received by Dato' Wong Shee Kai include Junior Chamber International ("JCI") Creative Young Entrepreneur Award from Junior Chamber International Group in 2008; Excellence Leadership under the 8th Asia Pacific International Entrepreneur Excellence Award in 2009; the 2009 Top 10 JCI Creative Young Entrepreneur Award (Malaysia) from JCI in 2009; the Most Promising Entrepreneur Award by Asia Pacific Entrepreneurship Awards in 2010 and Young Global Leader by World Economic Forum in 2014. He is mainly responsible for the Company overall strategy and development of the overall vision of the Company. He began his career with Ford Motor Company (UK) as an Account Analyst from 2002 to 2003. Subsequently, he joined Major Fibre SdnBhd in Malaysia as Finance Manager and his last position with the Company being the General Manager in overseeing manufacturing process, sales, marketing and materials sourcing, where he observed and discovered arbitrage media advertising opportunity in Malaysia and subsequently founded the Company. Dato' Wong Shee Kai obtained his Bachelor Degree in Accounting and Finance with First Class Honours from Lancaster University, United Kingdom in 2003. He is currently responsible in leading the business direction and strategies development of the Company.

Dato' Wong is a Director and shareholder of Wong SK Holdings Sdn Bhd, a major shareholder of the Company. He does not have any family relationship with any other Directors or any conflict of interest in any business arrangement involving the Company. He has had no conviction for any offences within the past ten (10) years. His details of attendance at the Board of Directors' Meeting are set out in the Statements on Corporate Governance.

Board of Directors' Profile (continued)

Paul Jong Jun Hian
(Independent Non-Executive Director)

Paul Jong Jun Hian, a Malaysia, age 46, is the Independent Non-Executive Director of the company and he was appointed to the Board on 10 February 2015. He is a member of the Audit, Nomination, Remuneration and Option Committees of the Company. He obtained his Bachelor of Accountings (Honours) from Universiti Utara Malaysia. He is a chartered accountant and is currently a member of the Malaysian Institute of Accountants (MIA). He has more than 20 years of experience in corporate financial management, accounting, audit, tax advisory and business management matters. He has extensive working experience in bank, audit firm, multinational company, public listed company and privately held group of companies. These companies are mainly involved in the banking, audit & tax services, manufacturing, engineering & construction, plantation and logistic services. Among the companies are Public Bank Berhad, Arthur Anderson, Komag USA, Weida (M) Bhd& Air-Marine Group. Mr Paul Jong is currently holding directorships in several privately held companies which involved in engineering & construction, marine transportation & trading services.

Mr Paul Jong does not have any family relationship with any Directors and/or major shareholders of the Company or any conflict of interest in any business arrangement involving the Company. He has had no conviction for any offences within the past ten (10) years. His details of attendance at the Board of Directors' Meeting are set out in the Statements on Corporate Governance.

Yeong Siew Lee
(Senior Independent Non-Executive Director)

Yeong Siew Lee, a Malaysian, age 38, is the Independent Non-Executive Director of the Company and she was appointed to the Board on 5 May 2010. She was re-designated as the Chairman of the Audit, Nomination, Remuneration and Option Committees of the Company on 10 February 2015. Subsequently, she was re-designated Senior Independent Non-Executive Director on 13 February 2015. She obtained her Bachelor of Science (Honours) degree in Accounting and Finance from University of Wales College, Newport, United Kingdom in 2001 and obtained her professional degree in Association of Chartered Certified Accountants, United Kingdom in 2004. She is a chartered accountant and is currently a member of the Malaysian Institute of Accountants (MIA). She began her career with GHL Systems Berhad ("GHL"), a company listed on the Main Market of Bursa Securities, as an Assistant Accountant in 2003 and moved up the ranks and become Head/ Assistant General Manager of Finance in 2008 to supervise the company's local and overseas accounting teams. She left GHL in August 2009 to venture into business in the consumer industry and was working as a finance adviser for SMR HR Group Sdn Bhd. Besides that Ms Yeong is recently sit on the board of Bright Packaging Industry Berhad and Sersol Berhad.

Ms Yeong does not have any family relationship with any Directors and/or major shareholders of the Company or any conflict of interest in any business arrangement involving the Company. She has had no conviction for any offences within the past ten (10) years. Her details of attendance at the Board of Directors' Meeting are set out in the Statements on Corporate Governance.

CORPORATE SUSTAINABILITY **STATEMENT**

Our Commitment

We perceived corporate sustainability as our commitment to create long term value for our shareholders, environment and society through innovation and overall operational Excellency.

We understand our choices today have an impact on our customers and suppliers and the success of their businesses in the future. Our business imperative is to carry out our activities responsibly and with integrity. Our people are expected to behave in an honest and ethical manner in accordance with our policies, business rules and guidelines.

Our Corporate Sustainability Commitment

Within this context we have defined our commitment to Corporate Sustainability across five impact areas:

1. We will be a good employer, treating our people fairly and with respect, and valuing their diversity. We are committed to creating a workplace that makes people want to join, stay and enables them to work to their full potential. Our commitment to the safety and wellbeing of our people is a priority;

2. We will deliver to our customers what we have promised; we will listen to them and involve them in our solutions and innovations;

3. We will work with our suppliers to develop long term partnerships based on best practice procurement methods which reflect mutually agreeable codes of conduct and respect basic human rights;

4. We will consider the impacts of our business on the communities in which we operate, and we will engage with our community stakeholders. We will find opportunities to use our capabilities to add value to communities where they need it; and

5. We will help to protect the environment by better understanding, managing and measuring our environmental impacts while continuing the sustainable growth of our operations. Further, we will review our environmental practices to ensure their continued relevance.

Moving Forward

We are committed to promote good corporate governance standards and building sustainability.

STATEMENT OF
DIRECTORS' RESPONSIBILITIES

The directors are required by the Companies Act, 1965 to prepare financial statements which give a true and fair view of the state of affairs of the Group and of the Company as at the end of each financial year and of the results and cash flows of the Group and of the Company for the financial year then ended. The directors ensure that suitable accounting policies have been used and applied consistently, and that reasonable and prudent judgments and estimates have been made, in the preparation of the financial statements. The directors also ensure that applicable approved accounting standards have been followed. The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy the financial position of the Group and of the Company and to enable them to ensure that the financial statements comply with the Companies Act, 1965.

CORPORATE GOVERNANCE **STATEMENT**

Asia Media Group Berhad ("AMEDIA" or "the Company") and its group of companies ("Asia Media Group" or "the Group") practice high standards of corporate governance and operate within a governance framework that is formulated based on the recommendations of the Malaysian Code on Corporate Governance 2012 ("the Code") issued by the Securities Commission of Malaysia.

The Board believes that maintaining such level of corporate governance with the concepts of integrity, transparency, accountability and professionalism, is a fundamental part of its responsibilities in managing the business and affairs of BPI Group and discharging its responsibilities to the Shareholders.

The disclosure statement below sets out the manner which the Company has applied the principles of the Code and the extent of compliance with Best Practices advocated therein pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") throughout the twelve months ended 31 December 2015.

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

1.1. Clear functions of the Board and Management

The Group recognizes the importance of having an effective and dynamic Board to lead and control Asia Media Group in enhancing long term shareholder value and the interests of other stakeholders. To that end, Asia Media Group maintains its current mix of Board Members who have a wealth of experience, skills and expertise in areas relevant to steering Asia Media Group's businesses to the next level.

The Executive Director's duties include the implementation of the Board's decisions and policies, overseeing the operations and also coordinating business and strategic decisions. The Non-Executive Directors provide effective and independent judgement and constructive opinions to the deliberation and decision-making of the Board thereby fulfill a crucial role in corporate accountability.

There is a division of responsibility at the control of the Board to ensure an appropriate balance of power and authority, with greater ability to make independent decision. The Board is chaired by the Non-Executive Chairman who is responsible for effective and efficient functioning of the Board and ensuring that all Directors receive relevant information on all matters to enable them to participate actively in the Board's decisions. He always provides constructive and pertinent advice to Board's matters.

The Board takes into consideration the interests of all stakeholders in their decision making so as to ensure the Group's objectives of creating long term shareholder value are met. The key matters reserved specifically for the Board's deliberation and decision to ensure the direction and control of the Group would include reports and financial statements, business strategy formulation and planning, business issues, regulatory changes, material transactions, investments, major acquisitions or disposal of a business or assets, appointment of Board / Board Committee Members, declaration of dividends, recurring related party transactions of the Group. The Board also reviews issues and matters that have significant impact to the Group's operation.

1.2. Clear Roles and Responsibilities of the Board

The Board has the overall responsibility in leading and determining the Group's strategic direction. It provides an effective oversight of the conduct of the Group's business, ensuring an appropriate risk management and internal control system is in place as well as regularly reviewing such system to ensure its adequacy and integrity.

The Board assumes that following principal responsibilities in discharging its fiduciary and leadership functions:

- Reviewing and adopting a strategic plan for the Company;
- Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;
- Identifying principal risks and ensure the implementation of appropriate systems to manage these risks;
- Succession planning, including appointing, training, fixing of compensation and where appropriate, replacing Senior Management;
- Developing and implementing an investor relations programme or shareholder communications policy for the Company; and
- Reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board has delegated specific responsibilities to Board Committees as well as various sub-committees to assist the Board in the running of the Group. The functions and terms of reference of the Board Committees as well as authority delegated by the Board to these Committees have been clearly defined by the Board. The Board reviews the Board Committee's authority and terms of reference from time to time to ensure their relevance.

There are four (4) Board Committees namely the Nomination Committee, Remuneration Committee, Audit Committee and the Option Committee setup up by the Board of Directors.

These Committees examine specific issues and report to the Board with their recommendations. The ultimate responsibility for decision-making lies with the Board.

1.3. Ethical Standards and Code of Conduct

The Board has in place a Code of Conduct for the Directors and employees. The Code of Conduct includes amongst others the respect for the individual, create a culture of open and honest communication, set tone at the top, uphold the law, avoids conflicts of interest, set metrics and reports results accurately.

The Board will be formalising a whistleblower policy to provide a safe mechanism for whomever to come forward and raise any concerns about the actual or potential fraud or breach of trust involving employees, Management and the Directors of the Group.

It allows the whistleblower the opportunity to raise concerns outside the Management line. The identity of the whistleblower will be kept confidential and protection is accorded to the whistleblower against any form of reprisal or retribution.

1.4. Strategies Promoting Sustainability

The Board promotes good corporate governance in the application of sustainability practices throughout the Company, the benefits of which are believed to translate into better corporate performance and its growing impact to the Group including emphasis in the social and environment impact of its business operations.

Asia Media Group is committed to the continuous efforts in maintaining a delicate balance between its sustainability agenda and the shareholders' interest.

The details of the sustainability efforts are set out in the Corporate Sustainability Statement in this Annual Report.

Corporate Governance Statement
(continued)

1.5. Access to Information and Advice

The Board recognized that the decision making process is highly contingent on the quality of information furnished. As such, all Directors have unrestricted access to any information pertaining to the Company and the Group. All the Directors have full and timely access to information with the advance distribution of Board Papers prior to Meetings. The Board is regularly updated on new statutory and regulatory requirements relating to the duties and responsibilities of Directors.

The Board may seek independent professional advice at the Company's expense on specific issue to enable it to discharge its duties in relation to matters being deliberated. Individual Directors may also obtain independent professional or other advice in furtherance of their duties, subject to the approval of the Board, depending on the quantum of the fees involved.

1.6. Company Secretaries

The Company Secretaries of the Company are qualified to act as Company Secretaries per Section 139A of the Companies Act, 1965. The Company Secretaries play an advisory role to the Board, in relation to the Group's constitution, Board's policies and procedures and compliance with the relevant regulatory requirements, codes, guidelines and legislations.

The Board has unrestricted access to the advice and services of the Company Secretaries, who are considered capable of carrying out the duties to which the post entails.

2. STRENGTHEN COMPOSITION OF THE BOARD

During the financial year under review, the Board consisted of four (4) Board Members with various experience and expertise. The composition of the Board Members comprising of one (1) Independent Non Executive Chairman, one (1) Executive Director and two (2) Independent Non-Executive Directors. The composition fulfils the Main Market Listing Requirements of Bursa Securities, which stated that at least two (2) or one-third (1/3) of the Board, whichever is higher, must be Independent Directors. The profile of each Director is set out under the Board of Directors' profile in this Annual Report.

2.1. Nomination Committee

The Nomination Committee is responsible to recommend appointment of new candidates to the Board of Directors, reviews the effectiveness and its performance assessment of the Board of Directors and the Board Committees.

The current Nomination Committee comprises entirely of Independent Non-Executive Directors. The following is the Members of the Nomination Committee:

Name	Designation	Directorship
Ms. Yeong Siew Lee	Chairperson	Senior Independent Non-Executive Director
Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	Member	Independent Non-Executive Director
Mr. Paul Jong Jun Hian	Member	Independent Non-Executive Director

The Board has stipulated specific Terms of Reference for the Nomination Committee, which covers following salient functions:

- To consider and recommend to the Board , candidate for directorship of the Board and membership of the various Committees;
- To ensuring that the Company recruits and retains the best available Executive and Non-Executive Directors;
- To facilitate an annual assessment of the required mix of skills and experience of the individual Board Members and the Board Committees; and
- To recommend the appropriate Board Balance and its size, including non-executive participation.

For the financial year ended 31 December 2015, the Nomination Committee has met once with full attendance of its Members and has carried out the following key activities:

- Proposed re-election of Members of the Board at the AGM for the Shareholders' approval, pursuant to Article 70 of the Articles of Association of the Company.
- Review the evaluation on company's directors and board members.

The Company Secretaries ensure that all appointments are properly made and that all necessary information is obtained from the Directors, both for the Company's records and meeting the statutory obligations, as well as regulations arising from the Main Market Listing Requirements of Bursa Securities.

Corporate Governance Statement (continued)

2.2. Recruitment of Directors and Annual Assessment

The following salient points were taken into consideration pertaining to the recruitment of Directors and annual assessment:

- Required mix of skills, experience, independence and diversity, including gender, where appropriate;
- Character, knowledge, expertise, professionalism, integrity, competence and time availability; and
- The Independent Directors' abilities to discharge such responsibilities / functions as expected from the Independent Directors.

The Board currently consists of 4 members of which one (1) member is female director. The Board recognizes the initiative by government to enlarge the women's representation at boardroom. In addition, the Board is satisfied with the contribution of each member of the Board through the annual assessment by the Nomination Committee.

2.3. Remuneration Committee

The Remuneration Committee is responsible to assist the Board on fair remuneration practices in attracting, retaining and motivating Directors. The composition of the Remuneration Committee comprises with wholly Independent Non-Executive Directors.

The following is the current members of the Remuneration Committee:

Name	Designation	Directorship
Ms. Yeong Siew Lee	Chairperson	Senior Independent Non-Executive Director
Dato' Wong Shee Kai	Member	Executive Director
Mr. Paul Jong Jun Hian	Member	Independent Non-Executive Director

For the financial year ended 31 December 2015, the Remuneration Committee has met once with full attendance of its Members to review and recommend the payment of Directors' fees in FYE 2015.

Corporate Governance Statement (continued)

The Remuneration Committee had carried out its duty in reviewing and assessing the remuneration for the Directors of the Board to ensure that the remuneration is linked to the level of responsibilities undertaken, performance and contribution to the effective functioning of the Board. The individual Directors do not participate in the discussion of their own remuneration during the Remuneration Committees' Meeting.

Further, the Company has adopted the objectives as recommended by the Code to determine the remuneration of the Directors so as to ensure that the Company attracts and retains directors of the quality needed to manage the business of the Group respectively.

The aggregate remuneration of the Directors of the Group paid or payable by the Group for the financial year under review are as follows:

CATEGORY	FEE (RM)	SALARIES & OTHER EMOLUMENTS (RM)
EXECUTIVE DIRECTOR	200,000	2,400
NON-EXECUTIVE DIRECTORS	156,679	–
	356,679	2,400

RANGE OF REMUNERATION	NUMBER OF DIRECTORS EXECUTIVE DIRECTORS	 NON-EXECUTIVE DIRECTORS
Below RM50,000	1	2
RM50,001 – RM100,000	–	–
RM100,001 – RM200,000	1	1

Note:
For security and confidentially reasons, the details of the Directors' remuneration are not shown with reference to Directors individually. The Board is of the view that the transparency and accountability aspect of the corporate governance on Directors' remuneration are appropriately served by the band disclosure made.

The Board recommends the Directors' fees and other emoluments payable for the financial year ended 31 December 2015 which are subject to the shareholders' approval at the forthcoming AGM.

Corporate Governance Statement
(continued)

3. REINFORCE INDEPENDENCE

The Board recognises that Independent Non-Executive Directors play an important role in ensuring impartiality of the Board's deliberations and decision-making process.

3.1. Annual Assessment of Independent Directors

During the financial year under review, the Nomination Committee had assessed the contribution and performance of the Independent Non-Executive Directors, upon appointment, re-election and their independence. Moving forward, the independence assessments shall be performed on an annual basis. The Board is satisfied with the assessment of the Independent Directors especially with the level of independence demonstrated by all the Independent Directors of the Company and their ability to provide objective judgement to the Board, which mitigate conflict of interest and undue influence from interested parties.

3.2. Tenure of Independent Directors

The Board takes cognisance of the Code's recommendation on the tenure of an Independent Non-Executive Director which shall not exceed a cumulative term of nine (9) years. Under the Code, upon completion of the nine (9) years of service, an Independent Director may continue to serve on the Board subject to the director's re-designation as a Non-Independent Director. However, subject to the assessment of the Nomination Committee, an Independent Director after serving a cumulative nine (9) years are subject to the Shareholders' approval in a general meeting.

None of the Independent Non-Executive Directors had served more than nine (9) years in the Company.

3.3. Separation of positions of the Chairman and Chief Executive Officer ("CEO") to be held by different individuals

It is recommended that the positions of the Chairman and CEO should be held by different individuals, and the Chairman must be a Non-Executive Director. The Board continues to support the role of Datuk Seri Syed Ali Bin Tan Seri Abbas Alhabshee as the Group Chairman who has been the Non-Executive Chairman for six (6) years. His leadership skills and guidance to the Board has added value to the Group. The Board currently comprises one (1) Non-Executive Chairman, one (1) Executive Director and two (2) Independent Non-Executive Directors, there exist a strong independence element in its composition.

The roles of the Non-Executive Chairman and Executive Director of the Group are distinct and separate with individual responsibilities. Each of them has clearly defined duties and authority thus ensuring balance of power and greater capacity for independent decision-making.

4. FOSTER COMMITMENT

4.1. Time commitment and directorship in other companies

The Board ordinarily meets at least quarterly, to consider all matters relating to the overall control, business performance and strategy of the Company. Additional meetings will be convened, when and if necessary, especially urgent and important decisions need to be taken between scheduled Meetings. The relevant reports, Meeting agenda and Board Papers are distributed to all Directors in advance of the Board Meeting to allow the Directors sufficient time to peruse for effective discussion and decision making during the meetings. Directors shall notify the Chairman before accepting any new directorships.

All pertinent issues, decision and conclusions discussed at the Meetings are properly recorded in the discharge of the Board's duties and responsibilities.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. The attendance record of the Directors for the financial year ended 31 December 2015 with satisfactory attendance.

The attendance record of the Board for the financial year ended 31 December 2015 is set out below:

Name	Designation	Attendance	%
Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	Non-Executive Chairman	3/4	75%
Dato' Ricky Wong	Executive Director	3/4	75%
Paul Jong Jun Hian	Independent Non-Executive Director	4/4	100%
Ms. Yeong Siew Lee	Senior Independent Non-Executive Director	4/4	100%

Based on the above, all the Directors of the Company have attended more than 50% of the attendance required by the Listing Requirements. In the intervals between Board Meetings, for any matters requiring Board's decisions, the Board's approvals are obtained through circular resolutions. The resolutions passed by way of such circular resolutions are then noted at the next Board Meeting.

Corporate Governance Statement (continued)

4.2. Directors' Training

The Directors continue to attend relevant training programmes and seminars to keep abreast with the various issues facing the changing business environment within which the Group operates and further enhance their professionalism in discharging their fiduciary duties to the Company.

For the year ended 31 December 2015, the training programmes and seminars attended by the Directors are as follows:-

Directors	Seminar / Trainings
Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	❖ GST Training & Implementation Planning
Dato' Wong Shee Kai	❖ GST Training & Implementation Planning ❖ CG Breakfast Series with Directors – Future of Auditor Reporting – The Game Charger for Boardroom ❖ CG Breakfast Series with Director – Board Reward Recognition
Paul Jong Jun Hian	❖ Mandatory Accreditation Programme for Directors of Public Listed Companies ❖ Changing Scope of Capital Market Regulations: Capital Market Advisory Committee (CMAC) Outreach KL ❖ GST – Essence is on the Details and Industries Updates
Yeong Siew Lee	❖ Risk Management and Internal Control Workshop ❖ GST Post – Implementation Issues ❖ Comprehensive Post – GST Implementation ❖ Corporate Board Leadership Symposium 2015 ❖ Audit Series: Going Concern Indicators and Managing Impairment of Assets and Restructuring Provisions

The Board of Directors was briefed on the requirements of the Code and the Statement on Risk Management and Internal Control.

5. UPHOLD INTEGRITY IN FINANCIAL REPORTING

5.1. Compliance with applicable financial reporting standards

The Board takes responsibility to present a balanced and meaningful assessment of the Group's position and prospects in the various financial reports and to ensure that the financial statements are draw up in accordance with the provisions of the Act and the applicable accounting standards in Malaysia.

The Audit Committee assists the Board in scrutinising information for disclosure to ensure accuracy, adequacy and completeness to give a true and fair view of the state of affairs of the Group especially of the Group's quarterly and audited financial statements before recommending to the Board for its approval.

5.2. Assessment of suitability and independence of External Auditors

The Audit Committee would review and monitor the suitability and independence of the External Auditors. The Audit Committee has in place an assessment of the External Auditors and would assess them on an annual basis and report to the Board its recommendation for the reappointment of the External Auditors at the annual general meeting.

The External Auditors have confirmed that they were, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The External Auditors can be engaged to perform non-audit services that are not perceived to be in conflict with their role as the External Auditors. The Audit Committee is satisfied with the competence and independence of the External Auditors and had recommended the re-appointment of the External Auditors to the Directors at the annual general meeting.

The Audit Committee met with the External Auditors twice times during the financial year ended 31 December 2015 to review the scope of audit process, the audit findings and the annual financial statements, without the presence of the Executive Director and the Management. The External Auditors are invited to attend the annual general meeting of the Company and are available to answer the Shareholders' enquiries on the conduct of the statutory audit and the preparation and contents of their audit report.

Corporate Governance Statement (continued)

6. RECOGNISE AND MANAGE RISKS

6.1. Internal Control

Information on internal control of Asia Media Group is detailed in the Statement on Risk Management and Internal Control.

6.2. Internal audit function

The internal audit function of Asia Media Group is detailed in the Statement on Risk Management and Internal Control.

7. TIMELY AND HIGH QUALITY DISCLOSURE

7.1. Corporate disclosure policy

The Board has in place a Corporate Disclosure Policy in line with the Main Market Listing Requirements of Bursa Securities to enable comprehensive, accurate and timely disclosures relating to the Company and its subsidiaries to be made to the regulators, shareholders and investors.

The Board has delegated the authority to the Executive Director to approve all announcements for release to Bursa Securities. The Group Chairman and Executive Director work closely with the Board, the Senior Management and the Company Secretary who are privy to the information to maintain strict confidentiality of the information.

7.2. Leverage on information technology for effective dissemination of information

The Company's corporate website at www.asiamedia.net.my serves as a key communication channel for shareholders, investors and the public to obtain up-to-date information on the Group's activities, financial results, major strategic developments and other matters affecting stakeholders' interests.

To augment the process disclosure, the Board is dedicating a section for corporate governance on the Company's website, where information on the Company's announcements to the regulations, the Board Charter, rights of shareholders, and the Company's Annual Report may be accessed.

8. STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

8.1. Shareholders Participation at General Meetings

The Board regards the annual general meeting as the principal platform for open dialogue between the Shareholders and the Directors of the Company, whereby the Directors will be available to respond to queries raised during the annual general meeting. It also provides an opportunity for the investors to communicate their expectations and concerns over the business activities of Asia Media Group.

Notice of the annual general meeting and the Annual Report are sent out more than 21 days prior to the date of the annual general meeting and it is also advertised in a local daily newspaper. Any item of the Special Business included in the Notice of the annual general meeting will be accompanied by a full explanation of the effects of the proposed resolution. Shareholders are given the opportunity to participate in the question and answer session on the proposed resolutions and the Group's operations. Separate resolutions are prepared for different transactions and the outcome of the resolutions voted upon will be declared by the Chairman during the annual general meeting and will be announced to Bursa Securities on the same day of the meeting.

8.2. Poll Voting

The voting process at each meeting shall be by way of show of hands unless a poll is demanded or specifically required. The Chairman may demand for a poll for any resolutions put forward for voting at the shareholders' meeting, if so required.

8.3. Communication and Engagements with Shareholders

Shareholders' meetings are important events for the Board to meet the shareholders. The Chairman would allot sufficient time to encourage the shareholders, proxies and the corporate representatives to ask questions pertaining to the matters tale at the general meetings. The senior management and the External Auditors are present at the shareholders' meetings to answer any query that the shareholders, proxies and corporate representatives may ask.

The Board recognises the importance of being transparent and accountable to the Company's shareholders and prospective investors.

To maintain a high level of transparency and to effectively address any issues or concerns, the Group has a dedicated electronic mail, i.e. info@asiamedia.net.my to which stakeholders can direct their queries or concerns.

This Corporate Governance Statement is made in accordance with the resolution of the Board dated 25 April 2016.

ADDITIONAL COMPLIANCE INFORMATION

Share Buy-Back

The Company did not purchase any of its own shares during the financial year under review.

Options, Warrants or Convertible Securities

As at 31 December 2015, the total number of Warrants that remain unexercised was 82,404,283 (expiry 1 January 2018)

American Depository Receipt / Global Depository Receipt

The Company did not sponsor any depository receipt programme during the financial year.

Sanctions and/or Penalties

There were no sanctions and/or penalties imposed on the Company, its subsidiaries, the Directors and the management by the relevant regulatory bodies during the financial year.

Non-Audit Fees

There were no non-audit fees paid to the external auditors.

Variation in results

There was no significant variation between the interim financial reports previously announced on the 4th Quarter results and the audited financial results for the financial year ended 31 December 2015.

Profit Guarantee

The Company did not provide any profit guarantee during the financial year.

Recurrent Related Party Transactions ("RRPT")

Related party transaction has been entered into the normal course of business under terms agreed between the Group and the related parties. The significant related party transaction of the Group are the Rental of premises to our subsidiary Asia Media Sdn Bhd from Peakmax Sdn Bhd, a company in which Dato' Wong Shee Kai and Teh Sew Wan are also directors and shareholders. Rental in FYE 2015 amounted to RM111,600.00

Material Contracts

There were no other material contracts entered into by the Company (not being contracts entered into in the ordinary course of business of the Company) involving the Directors and Major Shareholders for the financial year under review.

STATEMENT ON
RISK MANAGEMENT AND INTERNAL CONTROL

This Statement on Risk Management and Internal Control is made in accordance with the paragraph 15.26(b) of Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and as guided by the Statement on Risk Management and Internal Control: Guidance for Directors of Listed Issuers, which requires Malaysian public listed companies to make a statement in their annual report about their state of internal control, as a Group.

Board responsibility

The Board of Directors recognises and acknowledges that a sound risk management framework and internal control system play an important role in good corporate governance and efficient work processes.

The system of internal control covers not only financial controls but also non-financial controls relating to the operational management, compliance controls and risk management. The internal control system is designed to manage and mitigate the effects rather than to eliminate the risks. As such, the internal control system can only provide reasonable and not absolute assurance against material misstatement of management and financial information or against loss or fraud.

Risk Management Framework

As an integral part of the system of risk management and internal control, there is an ongoing group wide risk management process for identifying, evaluating and managing the significant risks that may affect the achievement of the Group's business objective.

Risk management is firmly embedded in the Group's management systems and its policy is reviewed annually to ensure it is relevant and adequate to manage the Group's risks, which continue to evolve along with the changing of business environment. The Board strongly believes that prudent risk management is vital for business sustainability and the progressive enhancement of the shareholders' value.

It is the responsibility of key management, head of subsidiary companies and heads of departments to identify, evaluate and manage risks faced by the Group on an ongoing basis with defined parameters. The deliberation of risks and related mitigating responses are carried out at regular management meetings of the Group. Significant risks are conveyed to the Board at the quarterly scheduled meetings.

The Board, working together with the Management, continues to take measures to further strengthen the Group's risk management system as one of the means to achieve the Group's business objective and to ensure that the Group is always alert to any situation that might affect its assets, income and profits.

Statement on Risk Management and Internal Control (continued)

Internal Audit Function

All Internal Audit activities were conducted by an independent Internal Audit firm – Kloo Point Risk Management Services Sdn Bhd.

The Internal Audit Function established by the Board, provides independent assurance on the effectiveness of the Group's system of internal controls and it is centralized at the Group level and it reports to the respective Audit Committee of the Group on a quarterly basis or earlier as appropriate.

It undertakes regular and systematic reviews of the system of internal control, risk management and governance processes to provide reasonable assurance that such system operates satisfactorily and effectively within the respective subsidiaries as well as across the Group.

The cost involved for AMEDIA internal audit (FYE 2015) is approximately RM10,000.00

Details of the activities of the internal audit function are provided in the Statement of the Audit Committee.

Key Elements of Internal Controls

The key elements of the Group's internal control system are described below:

i. Cleary defined limits of authority, responsibility and accountability have been established through the relevant terms of reference and organizational structures to enhance the Group's ability to achieve its strategies and operational objectives;
ii. Internal policies and procedures as set out in the Group's Policies and Procedures covering various operational and management aspects are regularly updated to address operational deficiencies and changes of risks;
iii. All Departments are required to prepare the annual strategic plan, capital and operating expenditure budgets to be aligned with the strategic planning and budgeting process of the Group;
iv. Major capital expenditure and assets disposals are appraised and approved by the Board as well as the board of directors of the subsidiaries, wherever applicable;
v. The Audit Committee reviews the Group's financial performance and statements which is then reported to the Board;
vi. Management meetings are held regularly to identify, discuss and resolve strategic, operational, financial and key management issues; and
vii. Sufficient physical safeguards over major assets are in place to protect the assets of the Group against calamities and / or theft that may result in material losses to the Group.

Conclusion

The Board is of the view that there is no significant breakdown or weaknesses in the current system of internal controls of the Group that have resulted in material losses incurred by the Group for the financial year ended 31 December 2015. The Board and the Management will continue to take necessary measures and ongoing commitment to strengthen and improve its internal control environment and processes.

The above Statement on Risk Management & Internal Control is made in accordance with the resolution of the Board dated 25 April 2016.

Review of the Statement by External Auditors

The External Auditors have, in accordance with the Recommended Practice Guide 5 issued by the Malaysian Institute of Accountants, reviewed the Statement as required by paragraph 15.23 of the Main Market Listing Requirements of Bursa Securities, for inclusion in the Company's Annual Report for the financial year ended 31 December 2015.

Based on their review, the auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the process adopted by the Board in reviewing and assessing the integrity and adequacy of the internal controls of the Group.

AUDIT COMMITTEE **REPORT**

A. COMPOSITION AND ATTENDANCE

The members of the Audit Committee are as follows:-

Ms Yeong Siew Lee
(Chairperson of Audit Committee/ Independent Non-Executive Director)

Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee
(Member of Audit Committee/ Independent Non-Executive Director)

Mr Paul Jong Jun Hian
(Member of Audit Committee/ Independent Non-Executive Director)

The Board through the Nomination Committee assesses the members of the Audit Committee on an annual basis and once in every three year would assess the effectiveness of the Audit Committee and each its members to determine whether the Audit Committee and members have carried out their duties in accordance with their Terms of Reference.

B. TERMS OF REFERENCE OF AUDIT COMMITTEE

Composition and Size

The Audit Committee should be appointed by the Board of Directors based on the recommendation of the Nomination Committee from amongst the Directors of the Company which fulfils the following requirements:

(1) the Audit Committee must be composed of no fewer than 3 members;

(2) all committee members must be non-executive directors, with a majority of them being independent directors;

(3) all committee members should be financially literate; and

(4) at least one member of the Audit Committee must fulfil the financial expertise requisite of the Listing Requirements as follows:

(a) he must be a member of the Malaysian Institute of Accountants (“MIA”); or
(b) if he is not a member of the MIA, he must have at least 3 years’ working experience and:

- he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
- he must be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or

(c) fulfils such other requirements as prescribed or approved by the Bursa Securities.

The Board of Directors must ensure that no Alternate Director is appointed as a committee member.

In the event of any vacancy in the committee resulting in the non-compliance of the Listing Requirements pertaining to composition of Audit Committee, the Board of Directors must fill the vacancy within 3 months of the occurrence of that event.

The Board of Directors should assess the effectiveness of the Audit Committee and each of its members at least once every 3 years to determine whether such committee and members have carried out their duties in accordance with their Terms of Reference.

Authority

The Audit Committee shall, in accordance with a procedure to be determined by the Board and at the expense of the Company:-

(a) Be authorised to investigate any activity within its terms of reference;

(b) Have direct communication channel with both the external and internal auditors as well as employees of the Group;

(c) Have full and unrestricted access to any information pertaining to the Company or the Group;

(d) Obtain outside legal or other independent professional advice and secure the attendance of outsiders with relevant experience and expertise if it deems necessary;

(e) Be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and management, if necessary; and

(f) Be able to make relevant reports when necessary to the relevant authorities if a breach of the Bursa Securities Main Market Listing Requirements occurs.

Audit Committee Report
(continued)

Responsibilities and How the Committee Works

The Audit Committee shall review and report to the Board on the following key matters:

(a) To assess the risks and control environment;

(b) To review conflict of interest situations and related party transactions;

(c) To review the quarterly results and year end financial statements, prior to the approval of the Board; and

(d) To review the appointment, resignation, conduct and audit plans with the external auditors.

C. MEETINGS

There were four meetings held during the financial year. The Audit Committee planned its meetings ahead and would obtain the consensus of the members before fixing the dates of the meetings to ensure the attendance of each member. The notice is served at least one week before each meeting and the meeting papers would be provided to each member. The Chairman of the Audit Committee would brief the Board at its meeting on the matters discussed during the Audit Committee's meeting held earlier. The update from the Audit Committee is a permanent agenda on the notice of the Board meeting.

The details of attendance of each Committee Member are as follows:

Name	Desgination	Attendance
Ms. Yeong Siew Lee	Senior Independent Non-Executive Director	4/4
Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	Independent Non-Executive Director	3/4
Mr. Paul Jong Jun Hian	Independent Non-Executive Director	4/4

D. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

The principal activities undertaken by the Audit Committee during the financial year are summarised as follows:-

(1) Reviewed the unaudited quarterly financial results prior to submission to the Board for consideration and approval for the announcement to be released.
(2) Reviewed the annual audited financial statements, Directors' and Auditors' Reports and other significant accounting issues arising from the audit of the financial year ended 31 December 2015.
(3) Reviewed the Corporate Governance Statement, Audit Committee Report and Risk Management and Internal Control Statement prior to submission to the Board for approval and inclusion in the 2015 annual report.

E. INTERNAL AUDIT FUNCTION

SUMMARY OF ACTIVITIES OF INTERNAL AUDIT DEPARTMENT DURING FINANCIAL YEAR ENDED 31 DECEMBER 2015

The Independent Internal Auditor performed audit visits to all relevant departments and subsidiary on a regular basis. The objectives of such visits are to determine whether adequate controls have been established and are operating in the Group.

Internal Audit reports are issued to highlight any deficiency or findings requiring the management's attention. Such reports include practical and cost effective recommendations as well as proposed corrective actions to be adopted by the management. The internal audit reports are then circulated to the Audit Committee for review and comments. Follow-up audits and review are then carried out to determine whether appropriate corrective actions have been taken by the management.

This statement was made in accordance with a resolution of the Board dated 25 April 2016.

FINANCIAL **STATEMENTS**

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DIRECTORS' REPORT

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding.

The principal activities of the subsidiaries are set out in Note 8 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	Group RM	Company RM
Net loss for the financial year	(105,637,420)	(102,143,781)
Attributable to:		
Owners of the Company	(105,583,545)	(102,143,781)
Non-controlling interests	53,875	–
	(105,637,420)	(102,143,781)

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend the payment of any dividend for the financial year ended 31 December 2015.

RESERVES AND PROVISIONS

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

Directors' Report
(continued)

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company:

a) Completed the par value reduction from RM0.10 to RM0.02 per share on 7 December 2015. Pursuant to the par value reduction, the issued share capital of the Company had been reduced from RM119,731,714 comprising 1,197,317,137 ordinary shares of RM0.10 each to RM23,946,343 comprising 1,197,317,137 ordinary shares of RM0.02 each;

b) Consolidation of its issued and paid up share capital of every five (5) ordinary shares of RM0.02 each into one (1) ordinary shares of RM0.10 each from 1,197,317,137 ordinary shares of RM0.02 each to 239,463,426 ordinary shares of RM0.10 each, effective from 23 December 2015.

2013/2018 WARRANTS

On 8th January 2013, the Company completed the listing of bonus issue of 250,800,000 free warrants on the basis of one (1) free warrants of every one (1) existing ordinary share of RM0.10 each in the Company. Each warrant entitles the holder of the right to subscribe for one (1) new ordinary share of RM0.10 each in the Company at an exercise price of RM0.25 per warrant.

The exercise price of the warrant was adjusted from RM0.25 to RM0.22 and an additional 49,958,382 warrants were issued pursuant to a rights issue undertaken by the Company on 29th July 2013. The warrants issued are constituted under a Deed Poll executed by the Company.

The salient features of the warrants are as follows:

(a) Each warrant entitles the registered holder, at any time during the exercise period to subscribe for one (1) new ordinary share at an exercise price of RM0.25 each, subject to adjustments in accordance with the provision of the Dead Poll. The exercise price of warrants was adjusted from RM0.25 to RM0.22 as mentioned above.

(b) The exercise price and the number of outstanding warrants shall be adjusted accordingly to ensure that the outstanding warrants holders would not be prejudiced after the right issue of shares with warrants.

(c) The warrants may exercisable at any time within five (5) years commencing from and including the date of issue of the warrants and ending at 5pm on the expiry date.

(d) The new ordinary shares to be issued pursuant to the exercise of the warrants upon allotment and issue, shall rank pari passu in all aspect with the existing ordinary shares of the Company except that the new ordinary shares shall not be entitled to any dividends, rights, allotment and/or other distribution that may be declared, made or paid prior to the date of allotment and issuance of the rights shares.

ADJUSTMENT TO 2013/2018 WARRANTS

On 23 December 2015, the exercise price of the warrant was adjusted from RM0.22 to RM1.10 and number of outstanding warrants were adjusted from 412,021,415 to 82,404,283 pursuant to par value reduction and the share consolidation. The warrants issued are constituted under a Deed Poll executed by the Company.

The movements of the warrants during the financial year are as follows:

	Entitlement for ordinary shares of RM0.10 each				
	At 1.1.2015	**Issued**	**Exercised**	**Share consolidated**	**At 31.12.2015**
Number of unexercised Warrants	412,021,415	–	–	(329,617,132)	82,404,283

There were no other changes in the authorised, issued and paid-up capital of the Company during the financial year.

There were no shares and debentures issued during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS

The Directors who served on the Board of the Company since the date of the last report are:

Dato' Wong Shee Kai	
Datuk Seri Syed Ali bin Tan Sri Abbas Alhabshee	
Yeong Siew Lee	
Paul Jong Jun Hian	(Appointed on 10.02.2015)
Dato' Hussian @ Rizal bin A Rahman	(Resigned on 10.02.2015)

Directors' Report (continued)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors or fixed salary of a full-time employee of the Company as shown in Note 19 to the financial statements) by reason of a contract made by the Company or its related corporations with any 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.

Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of Directors in office at the end of the financial year in shares of the Company during the financial year were as follows:

	Number of ordinary shares of RM0.10# each				
	At 1.1.2015	**Acquired**	**Sold**	**Share consolidated**	**At 31.12.2015**
Direct interest:					
Datuk Seri Syed Ali bin Tan Sri Abbas Alhabshee	200,000	–	–	(160,000)	40,000
Indirect interest:					
Dato' Wong Shee Kai	325,637,500	–	–	(260,510,000)	65,127,500

\# As a result of par value reduction of every ordinary share of RM0.10 each to RM0.02 each and share consolidation of every five (5) ordinary shares of RM0.02 each into one (1) ordinary shares of RM0.10 each which was completed on 7 December 2015 and 23 December 2015 respectively.

By virtue of their interests in the Company, Dato' Wong Shee Kai is also deemed to have interests in the subsidiaries during the financial year to the extent that Asia Media Group Berhad has an interest.

None of the other Directors in office at the end of the financial year had any interest in shares or options over shares of the Company or its related corporations during the financial year.

OTHER STATUTORY INFORMATION

(a) Before the statements of financial position and statements of comprehensive income of the Group and of the Company were made out, 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 provision had been made for doubtful debts; and

 (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances which would render:

 (i) the amount written off for bad debts or the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and

 (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) As at the date of this report, there does not exist:

 (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

 (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

Directors' Report
(continued)

OTHER STATUTORY INFORMATION (CONT'D)

(f) In the opinion of the Directors:

(i) 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 will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due; and

(ii) The results of the operations of the Group and of the Company during the financial period were not, in the opinion of the Directors, substantially affected by any item, transaction or event of a material and unusual nature other than the impairment losses on property, plant and equipment and other intangible assets of a subsidiary as disclosed in Notes 5 and 17 to the financial statements.

SIGNIFICANT EVENTS DURING THE YEAR

Significant events during the year are disclosed in Notes 28 to the financial statements.

EVENTS SUBSEQUENT TO YEAR END

Significant subsequent events are disclosed in Notes 29 to the financial statements.

MATERIAL LITIGATION

Details of material litigation are disclosed in Notes 30 to the financial statements.

AUDITORS

The auditors, ECOVIS AHL PLT, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 8 March 2016.

Datuk Seri Syed Ali bin Abbas Alhabshee	**Dato' Wong Shee Kai**
Director	Director

Puchong
Date : 8 March 2016

STATEMENT BY **DIRECTORS**

Pursuant to Section 169(15) of the Companies Act, 1965

We, **Dato' Wong Shee Kai** and **Datuk Seri Syed Ali bin Abbas Alhabshee**, being two of the Directors of **Asia Media Group Berhad**, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 58 to 127 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2015 and of their financial performance and cash flows for the year then ended.

The supplementary information set out in Note 31 to the financial statements has been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

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

Datuk Seri Syed Ali bin Abbas Alhabshee

Dato' Wong Shee Kai

Puchong
Date : 8 March 2016

STATUTORY **DECLARATION**

Pursuant to Section 169(16) of the Companies Act, 1965

I, **Dato' Wong Shee Kai**, being the Director primarily responsible for the financial management of **Asia Media Group Berhad**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 58 to 128,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.

Subscribed and solemnly declared by
Dato' Wong Shee Kai at Puchong,
on 8 March 2016

Dato' Wong Shee Kai

Before me,

Ng Say Jin (No.B195)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

To the Members of Asia Media Group Berhad

Report on the financial statements

We have audited the financial statements of **Asia Media Group Berhad**, which comprise the statements of financial position as at 31 December 2015 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 year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 58 to 127.

Directors' responsibility for the financial statements

The Directors of the Company are responsible for the preparation of financial statements 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, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of financial statements that give a true and fair view 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 Company's internal control.

An audit also includes evaluating the appropriateness accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

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

Independent Auditors' Report
(continued)

Report on the financial statements (cont'd)

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2015 and of their financial performance and cash flows for the year then ended.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the financial statements on the followings:

(i) Note 5 and 6, impairment losses on transit TV system, broadcasting infrastructure and broadcasting licences of RM76,013,211 and its remaining unimpaired carrying amount of RM23,840,736.

(ii) Note 9, impairment loss on goodwill made in the financial statements of RM2,612,310.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries for which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

(c) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act. Other than those subsidiaries with emphasis of matter paragraph in the auditors' reports disclosed in Note 8 to the financial statements, the auditors' reports on the financial statements of the remaining subsidiaries did not contain any qualification or any adverse comments made under Section 174(3) of the Companies Act, 1965 in Malaysia.

Independent Auditors' Report (continued)

Other reporting responsibilities

The supplementary information set out in Note 31 on page 128 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other matters

1. This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

2. The financial statements as at 31 December 2014 and for the year ended were audited by other auditors.

ECOVIS AHL PLT
AF 001825
Chartered Accountants

Chua Kah Chun
No.2696/09/17 (J)
Chartered Accountant

Kuala Lumpur
8 March 2016

STATEMENTS OF
FINANCIAL POSITION
As at 31 December 2015

		Group		Company	
		2015	2014	2015	2014
	Note	RM	RM	RM	RM
Assets					
Non-current assets					
Property, plant and equipment	5	24,454,766	109,108,878	–	–
Other intangible assets	6	296,236	1,420,650	–	–
Development costs	7	1,976	4,371	–	–
Investment in subsidiaries	8	–	–	17,999,998	12,999,998
Goodwill on consolidation	9	–	2,570,627	–	–
		24,752,978	113,104,526	17,999,998	12,999,998
Current assets					
Trade and other receivables	10	592,969	12,826,861	8,046,087	115,166,371
Deposits, cash and bank balances	11	13,431,852	16,444,140	5,943	5,781
		14,024,821	29,271,001	8,052,030	115,172,152
Total assets		38,777,799	142,375,527	26,052,028	128,172,150
Equity and liabilities					
Capital and Reserve					
Share capital	12	23,946,343	119,731,714	23,946,343	119,731,714
Reserves	13	8,996,221	18,794,395	2,018,076	8,376,486
Equity Attributable to Owners of the Company		32,942,564	138,526,109	25,964,419	128,108,200
Non-controlling interests		(75,288)	(21,413)	–	–
Total equity		32,867,276	138,504,696	25,964,419	128,108,200

Statements of Financial Position (continued)

		Group		Company	
		2015	2014	2015	2014
	Note	RM	RM	RM	RM
Current liabilities					
Trade and other payables	14	4,409,574	2,367,263	87,609	63,950
Short term borrowings	15	1,500,000	1,500,000	–	–
Tax payable		949	3,568	–	–
		5,910,523	3,870,831	87,609	63,950
Total liabilities		5,910,523	3,870,831	87,609	63,950
Total equity and liabilities		38,777,799	142,375,527	26,052,028	128,172,150

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Year ended 31 December 2015

		Group		Company	
		2015	2014	2015	2014
	Note	RM	RM	RM	RM
Revenue	16	11,126,677	20,895,057	–	–
Cost of sales		(7,658,639)	(14,787,321)	–	–
Gross profit		3,468,038	6,107,736	–	–
Other income		533,949	476,343	163	246
Administrative expenses		(30,713,959)	(25,360,570)	(874,457)	(162,000)
Selling and marketing expenses		–	–	(19,487)	–
Other operating expenses		(78,864,686)	(7,868,301)	(101,250,000)	(1,220,538)
Finance costs		(60,762)	(50,281)	–	–
Loss before tax	17	(105,637,420)	(26,695,073)	(102,143,781)	(1,382,292)
Income tax credit	20	–	6,234,480	–	–
Loss for the year/ total comprehensive expenses for the financial year		(105,637,420)	(20,460,593)	(102,143,781)	(1,382,292)
Loss/ Total comprehensive expenses attributable to:					
Owners of the Company		(105,583,545)	(20,407,055)	(102,143,781)	(1,382,292)
Non-controlling interests		(53,875)	(53,538)	–	–
		(105,637,420)	(20,460,593)	(102,143,781)	(1,382,292)
Earnings per share attributable to owners of the Company (sen)					
Basic/diluted	21	(44.09)	(1.81)		

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

STATEMENTS OF **CHANGES IN EQUITY**

For the Financial Year ended 31 December 2015

Group	Attributable to owners of the Company					Non-controlling interests	Total equity
	Non-distributable			Distributable			
	Share capital (Note 12)	Share premium (Note 13)	Warrant reserve (Note 13)	Retained earnings (Note 13)	Total		
	RM	RM	RM	RM	RM	RM	RM
At 1 January 2015	119,731,714	826,800	3,519,617	14,447,978	138,526,109	(21,413)	138,504,696
Loss/total comprehensive expenses for the financial year	–	–	–	(105,583,545)	(105,583,545)	(53,875)	(105,637,420)
Transaction with owners of the Company:							
Capital reduction (Note 12)	(95,785,371)	–	–	95,785,371	–	–	–
At 31 December 2015	23,946,343	826,800	3,519,617	4,649,804	32,942,564	(75,288)	32,867,276

Statements of Changes in Equity (continued)

Group	Share capital (Note 12) RM	Share premium (Note 13) RM	Warrant reserve (Note 13) RM	Share option reserve (Note 13) RM	Retained earnings (Note13) RM	Total RM	Non-controlling interests RM	Total equity RM
	← Attributable to owners of the Company →							
	← Non-distributable →				Distributable			
At 1 January 2014	104,131,714	–	3,519,617	–	34,855,033	142,506,364	32,125	142,538,489
Loss/total comprehensive expenses for the financial year	–	–	–	–	(20,407,055)	(20,407,055)	(53,538)	(20,460,593)
Transaction with owners of the Company:								
Issuance of shares during the financial year	15,600,000	–	–	826,800	–	16,426,800	–	16,426,800
Options under SIS exercised	–	826,800	–	(826,800)	–	–	–	–
Total transactions with owners of the Company	15,600,000	826,800	–	–	–	16,426,800	–	16,426,800
At 31 December 2014	119,731,714	826,800	3,519,617	–	14,447,978	138,526,109	(21,413)	138,504,696

Statements of Changes in Equity (continued)

Company	← Non-distributable			→	Distributable	
	Share Capital (Note 12) RM	Share premium (Note 13) RM	Warrant reserve (Note 13) RM	Share option reserve (Note 13) RM	Retained earnings (Note 13) RM	Total equity RM
At 1 January 2014	104,131,714	–	3,519,617	–	5,412,361	113,063,692
Loss/total comprehensive expenses for the financial year	–	–	–	–	(1,382,292)	(1,382,292)
Transaction with owners of the Company:						
Issuance of shares during the financial year	15,600,000	–	–	826,800	–	16,426,800
Options under SIS exercised	–	826,800	–	(826,800)	–	–
Total transactions with owners of the Company	15,600,000	826,800	–	–	–	16,426,800
At 31 December 2014/ 1 January 2015	119,731,714	826,800	3,519,617	–	4,030,069	128,108,200
Loss/total comprehensive expenses for the financial year	–	–	–	–	(102,143,781)	(102,143,781)
Transaction with owners of the Company:						
Capital reduction (Note 12)	(95,785,371)	–	–	–	95,785,371	–
At 31 December 2015	23,946,343	826,800	3,519,617	–	(2,328,341)	25,964,419

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

STATEMENTS OF CASH FLOWS

For the Financial Year ended 31 December 2015

		Group		Company	
		2015	2014	2015	2014
	Note	RM	RM	RM	RM
Cash flows from operating activities					
Loss before tax		(105,637,420)	(26,695,073)	(102,143,781)	(1,382,292)
Adjustments for:					
Allowance for doubtful debts		556,050	–	–	–
Amortisation of development costs	7	2,395	22,966	–	–
Amortisation of other intangible assets	6	236,775	236,775	–	–
Bad debts written off		20,114	–	–	–
Depreciation of property, plant and equipment	5	23,009,207	20,366,854	–	–
Impairment loss on goodwill	9	2,612,310	–	–	–
Impairment loss on other intangible assets	6	887,639	–	–	–
Impairment loss on property, plant and equipment	5	75,125,572	7,608,560	–	–
Impairment loss on amount owing from a subsidiary	10	–	–	101,250,000	–
Share option expenses		–	826,800	–	826,800
Gain on disposal of property, plant and equipment		(5,000)	–	–	–
Interest expenses		60,762	50,281	–	–
Interest income		(528,561)	(473,343)	(163)	(246)
Operating (loss)/profit before working capital changes		(3,660,157)	1,943,820	(893,944)	(555,738)
Decrease/(increase) in trade and other receivables		11,657,729	6,622,916	5,870,284	(15,086,526)
Increase in trade and other payables		1,999,997	1,099,756	23,659	42,266
Cash flows generated from/(used in) operations		9,997,569	9,666,492	4,999,999	(15,599,998)
Interest paid		(60,762)	(50,281)	–	–
Interest received		528,561	473,343	163	246
Income tax paid		(2,619)	(1,090)	–	–
Net cash from/(used in) operating activities		10,462,749	10,088,464	5,000,162	(15,599,752)

Statements of Cash Flows (continued)

	Note	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Cash flows from investing activities					
Proceeds from disposal of property, plant and equipment		5,000	–	–	–
Purchase of property, plant and equipment	5	(13,480,667)	(27,596,581)	–	–
Additional investment in a subsidiary		–	–	(4,999,998)	–
Acquisition of investment in a subsidiary, net of cash acquired	8	630	–	(2)	–
Net cash used in investing activities		(13,475,037)	(27,596,581)	(5,000,000)	–
Cash flows from financing activities					
Increase in short term borrowings		–	1,500,000	–	–
Deposits pledged with licensed bank		182,864	(3,483)	–	–
Proceeds from issuance of share capital		–	15,600,000	–	15,600,000
Net cash from financing activities		182,864	17,096,517	–	15,600,000
Net (decrease)/increase in cash and cash equivalents		(2,829,424)	(411,600)	162	248
Cash and cash equivalents at beginning of the financial year		16,261,276	16,672,876	5,781	5,533
Cash and cash equivalents at the end of the financial year	22	13,431,852	16,261,276	5,943	5,781

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

NOTES TO THE
FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The Company is principally engaged in investment holding.

The principal activities of the subsidiaries are set out in Note 8 to the financial statements.

The registered office of the Company is located at Level 8, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan.

The principal place of business of the Company is located at No: 35-1, Jalan Bandar 16, Pusat Bandar Puchong, 47100 Puchong, Selangor Darul Ehsan.

There were no significant changes in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 8 March 2016.

2. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”),International Financial Reporting Standards (“IFRS”) and the requirements of the Companies Act, 1965 in Malaysia.

The financial statements of the Group and of the Company have been prepared on the historical cost basis unless otherwise indicated in the summary of significant accounting policies.

The financial statements are presented in Ringgit Malaysia (“RM”), which is the Company’s functional currency.

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2015.

The financial statements of the Company’s subsidiaries and joint venture are prepared for the same reporting date as the Company, using consistent accounting policies for transactions and events in similar circumstances.

2. BASIS OF PREPARATION (CONT'D)

(a) Basis of consolidation (cont'd)

Subsidiaries are consolidated from the date of acquisition or the date of incorporation, being the date on which the Company obtains control and continue to be consolidated until the date that such control effectively ceases. Control is achieved when the Group is exposed to, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

All intra-group assets and liabilities, equity, income, expenses, cash flows and unrealised gains and losses relating to transactions between members of Group are eliminated in full on consolidation.

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company,and is presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the parent.

Changes in the company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

Notes to the Financial Statements (continued)

2. BASIS OF PREPARATION (CONT'D)

(a) Basis of consolidation (cont'd)

If the Group loses control over a subsidiary, it derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts, the carrying amount of any non-controlling interest in the former subsidiary, the cumulative foreign exchange translation differences recorded in equity, the fair value of the consideration received, the fair value of any investment retained in the former subsidiary, any surplus or deficit in the profit or loss and the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, if required in accordance with other MFRSs.

The accounting policies for business combination and goodwill are disclosed in Note 3(a) and 3(d) to the financial statements.

(b) Standards, amendments to published standards and interpretations issued but not yet effective

The Company has not applied in advance the following accounting standards (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:

MFRS (Including The Consequential Amendments)		Effective Date
MFRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 116 and MFRS 141	Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
Annual Improvements to MFRSs 2012-2014 Cycle		1 January 2016
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by MASB
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 9	Financial Instruments	1 January 2018

The above accounting standards (including the consequential amendments) is not expected to have any material impact on the Group's financial statements other than as follows:

2. BASIS OF PREPARATION (CONT'D)

(b) Standards, amendments to published standards and interpretations issued but not yet effective (cont'd)

MFRS 9 Financial Instruments

MFRS 9 addresses the classification, recognition, derecognition, measurement and impairment of financial assets and financial liabilities, as well as general hedge accounting. It replaces MFRS 139. MFRS 9 requires financial assets to be classified into two measurement categories, i.e. at fair value and at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the MFRS 139 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to changes in an entity's own credit risk is recorded in other comprehensive income, unless this creates an accounting mismatch. MFRS 9 contains a new impairment model based on expected losses (as oppose to 'incurred loss' model under MFRS 139), i.e. a loss event needs nit occur before an impairment loss is recognised, which will result in earlier recognition of losses.

The Group is currently assessing the impact to the financial statements upon adopting MFRS 9, and intends to adopt MFRS 9 on the mandatory effective date.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 introduces a new model for revenue recognition arising from contracts with customers. MFRS 15 will replace supersede MFRS 111 Construction contracts, MFRS 118 Revenue, IC 13 Customer Loyalty Programmes, IC 15 Agreements for the Construction of Real Estate, IC 18 Transfers of Assets from Customers and IC 31 Revenue - Barter Transactions Involving Advertising Services. The application of MFRS 15 may result in difference in timing of revenue recognition as compared with current accounting policies.

The Company is currently assessing the impact to the financial statements upon adopting MFRS 15, and will adopt MFRS 15 on the mandatory effective date.

Notes to the Financial Statements (continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Business combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses. When the Group acquires a business, it assesses the financial assets and financial liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss. It is then considered in the determination of goodwill. Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 139 'Financial Instruments: Recognition and Measurement' ("MFRS 139") is measured at fair value with changes in fair value recognised either in profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of MFRS 139, it is measured in accordance with the appropriate MFRSs. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

(b) Investment in subsidiaries

A subsidiary is an entity controlled by the Company. Control exists when the Company has the power over the entity, is exposed to or has rights to variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the amount of the company's return. In assessing control, potential voting rights that presently are exercisable are taken into account.

In the Company's separate financial statements, investment in a subsidiary is accounted for at cost less accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(f). On disposal of such investment, the difference between the net disposals proceed and its carrying amount is recognised as gain or loss on disposal in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Foreign currencies

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in RM, which is also the Company's functional currency.

(ii) Foreign currency transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Foreign currencies (cont'd)

(iii) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income through the foreign currency translation reserve. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

(d) Intangible assets

(i) Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognised in profit or loss. After initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is reviewed for impairment annually, or more frequently, if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units ("CGU") that are expected to benefit from the synergies of the combination.

The CGU to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the CGU may be impaired, by comparing the carrying amount of the CGU, including the allocated goodwill, with the recoverable amount of the CGU.Where the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a CGU and part of the operation within that CGU is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the CGU retained.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Intangible assets (cont'd)

(ii) Research and development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

(i) the technical feasibility of completing the intangible asset so that is will be available for use or sale;

(ii) the intention to complete the intangible asset and use or sell it;

(iii) the ability to use or sell the intangible asset;

(iv) how the intangible asset will generate probable future economic benefits;

(v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

(vi) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses. Capitalised development costs recognised as intangible assets are amortised from the point at which the asset is ready for use on a straight-line basis over its useful life, not exceeding 5 years.

(iii) Other intangible assets

Other intangible assets comprise licences, copyrights and other incidental costs incurred, are considered to have finite useful life due to the technological risks and advancement inherent in the industry. Other intangible assets of the Group or the Company are amortised on the straight-line basis over their estimated useful lives of 10 years.

Notes to the Financial Statements (continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group or the Company and the cost of the item can be measured reliably.

Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group or the Company recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on the straight-line basis over the estimated useful lives of the assets, at the following annual rates:

Transit TV system	33%
Broadcast centre, network and SMS gateway	10%
Furniture and fittings	20%
Computer software	10%
Motor vehicles	20%
Office equipment	20%
Plant and machinery	10%
Renovation and signboard	10%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial yearend, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Impairment of non-financial assets

The Group and the Company assess at each reporting date whether there is an indication that an asset may be impaired.If any such indication exists, or when an annual impairment assessment for an asset is required, the Group or the Company makes an estimate of the asset's recoverable amount.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGU). An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value-in-use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount.

In assessing value-in-use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses are recognised in profit or loss except for assets that have been previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An impairment loss in respect of goodwill is not reversed. For other financial assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

Notes to the Financial Statements (continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Financial assets

(i) Initial recognition and subsequent measurement

Financial assets are recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument, i.e. the trade date.

When financial assets are recognised initially, they are measured at fair value plus directly attributable transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

(1) Financial assets at fair value through profit or loss ("FVTPL")

Financial assets are classified as FVTPL if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

For financial assets designated at FVTPL, upon initial recognition the following criteria must be met:

- the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis.

- the assets and liabilities are part of a group of financial assets, financial liabilities or both, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Financial assets (cont'd)

(i) Initial recognition and subsequent measurement (cont'd)

(1) Financial assets at fair value through profit or loss ("FVTPL") (cont'd)

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at FVTPL do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at FVTPL are recognised separately in profit or loss as part of other losses or other income.

Financial assets at FVTPL could be presented as current or non-current. Financial assets that are held primarily for trading purposes are presented as current whereas financial assets that are not held primarily for trading purposes are presented as current or non-current based on the settlement date.

The Group and the Company have not designated any financial assets as FVTPL.

(2) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are initially recognised at fair value including direct and incremental transaction costs.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any accumulated impairment losses. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

Financial assets classified in this category include cash and bank balances, trade receivables, sundry receivables, tax refundable, refundable deposits and advances due from staff.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Financial assets (cont'd)

(i) Initial recognition and subsequent measurement (cont'd)

(3) Held-to-maturity ("HTM") investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as HTM investments when the Group or the Company has the positive intention and ability to hold the investment to maturity.

Subsequent to initial recognition, HTM investments are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the HTM investments are derecognised or impaired, and through the amortisation process.

HTM investments are classified as non-current assets, except for those having maturity within 12 months after the reporting date which are classified as current.

The Group and the Company have not designated any financial assets as HTM investments.

(4) Available-for-sale ("AFS") financial assets

AFS financial assets are financial assets that are designated as AFS or are not classified in any of the three preceding categories.

After initial recognition, AFS financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest income calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Dividends on AFS financial assets are recognised in profit or loss when the Group or the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Financial assets (cont'd)

(i) Initial recognition and subsequent measurement (cont'd)

(4) Available-for-sale ("AFS") financial assets (cont'd)

AFS financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

The Group and the Company have not designated any financial assets as AFS financial assets.

(ii) Derecognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired and the Group or the Company has transferred its rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement; and either:

(1) the Group or the Company has transferred substantially all the risks and rewards of the financial asset, or

(2) the Group or the Company has neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control of the financial asset.

When the Group or the Company has transferred its rights to receive cash flows from a financial asset or have entered into a "pass through" arrangement and has neither transferred nor retained substantially all the risks and rewards of the financial asset nor transferred control of the financial asset, the financial asset is recognised to the extent of the Group or the Company's continuing involvement in the financial asset. In that case, the Group or the Company also recognises an associated financial liability. The transferred financial asset and associated financial liability are measured on a basis that reflect the rights and obligations that the Group or the Company has retained.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Financial assets (cont'd)

(ii) Derecognition (cont'd)

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group or the Company commits to purchase or sell the asset.

(iii) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired. A financial asset or a group of financial assets is deemed to be impaired if and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred loss event) and that loss event(s) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

(1) Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's or the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Financial assets (cont'd)

(iii) Impairment of financial assets (cont'd)

(1) Trade and other receivables and other financial assets carried at amortised cost (cont'd)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of receivables, where the carrying amount is reduced through the use of an allowance account. When a receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(iv) Reclassification of financial assets

The Group and the Company may choose to reclassify non-derivative assets out of the financial assets at FVTPL category, in rare circumstances, where the financial assets are no longer held for the purpose of selling or repurchasing in the short term. In addition, the Group and the Company may also choose to reclassify financial assets that would meet the definition of loans and receivables out of the financial assets at FVTPL or AFS financial assets if the Group and the Company have the intention and ability to hold the financial assets for the foreseeable future or until maturity.

Reclassifications are made at fair value as at the reclassification date, whereby the fair value becomes the new cost or amortised cost, as applicable.

For a financial asset reclassified out of the AFS financial assets, any previous gain or loss on that asset that has been recognised in equity is amortised to the profit or loss over the remaining life of the asset using the effective interest method. Any difference between the new amortised cost and the expected cash flows is also amortised over the remaining life of the asset using the effective interest method. If the asset is subsequently determined to be impaired, then the amount recorded in equity is recycled to the profit or loss.

Notes to the Financial Statements (continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Financial assets (cont'd)

(iv) Reclassification of financial assets (cont'd)

Reclassification is at the election of management, and is determined on an instrument-by-instrument basis. The Group and the Company do not reclassify any financial instrument into the FVTPL category after initial recognition.

(h) Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash at bank and on hand and demand deposits.

(i) Provisions for liabilities

Provisions for liabilities are recognised when the Group or the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(j) Financial liabilities

(i) Initial recognition and subsequent measurement

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. All financial liabilities are measured initially at fair value plus directly attributable costs, except in the case of financial liabilities at FVTPL.

Financial liabilities, within the scope of MFRS 139, are recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Financial liabilities (cont'd)

(i) Initial recognition and subsequent measurement (cont'd)

(1) Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL.

Financial liabilities held for trading include derivatives entered into by the Group or the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group and the Company have not designated any financial liabilities at FVTPL.

(2) Other financial liabilities

The Group's and the Company's other financial liabilities include payables and other liabilities.

Payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Other liabilities are stated at cost which is the fair value of the consideration expected to be paid in future for goods and services received.

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(ii) Derecognition

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 profit or loss.

Notes to the Financial Statements (continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group or the Company incurred in connection with the borrowing of funds.

(l) Employee benefits

(i) Short-term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employee Provident Fund (EPF) in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(iii) Provision for gratuity

The Group makes provision for payments to be made to employees upon the end of or termination of their employment contract, or retirement in its subsidiary in Dubai in accordance to the requirements of Federal Law No. 8 of 1980 Regulating Labour Relations of the United Arab Emirates.

Remeasurements of the provision for gratuityare recognised in profit or loss as employee benefits expense in the period in which they are incurred.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Finance lease – the Group or the Company as lessee

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and accumulated impairment losses. The corresponding liability is included in the statement of financial position as finance lease obligations. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practical to determine; otherwise, the entity's incremental borrowing rate is used. Any initial direct costs are also added to the carrying amount of such assets.

Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability for each accounting period. Finance charges are charged to profit or loss.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group or the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

(n) Operating lease - the Group or the Company as lessee

Operating lease payments are recognised as an expense in profit or loss on the straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on the straight-line basis.

Assets leased out under operating leases are presented on the statement of financial position according to the nature of the assets. Rental income from operating leases is recognised on the straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on the straight-line basis over the lease term.

(o) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group or the Company and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable, net of returns, allowances and trade discounts.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Revenue (cont'd)

(i) Revenue from services

Revenue from services rendered is recognised net of service taxes, rebates and discounts as and when the services are performed and delivered to customers.

(ii) Interest income

Interest income is recognised on accrual basis.

(p) Income taxes

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Income taxes (cont'd)

(ii) Deferred tax (cont'd)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(q) Segment reporting

For management purposes, the Group is organised into operating segments based on business segments which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess segment performance. Additional disclosures on each of these segments are shown in the financial statements, including the factors used to identify the reportable segments and the measurement basis of segment information.

(r) Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of their liabilities. Ordinary shares are equity instruments.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(r) Share capital and share issuance expenses (cont'd)

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

(s) Warrant reserve

Proceeds from the issuance of warrant, net of issue costs, are credited to warrant reserve which is non-distributable. Warrant reserve is transferred to the share premium account upon the exercise of warrant and the warrant reserve in relation to the unexercised warrant at the expiry of the warrant will be transferred to retained earnings.

(t) Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group or the Company.

Contingent liabilities and assets are not recognised but disclosed in the notes to the financial statements, unless the possibility of an outflow and inflow of resources embodying economic benefits is remote. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as provision.

(u) Related parties

A party is related to an entity if:

(i) directly, or indirectly through one or more intermediaries, the party:
- control, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
- has an interest in the entity that gives it significant influence over the entity; or
- has joint control over the entity;

(ii) the party is an associate of the entity;

(iii) the party is a joint venture in which the entity is a venturer;

(iv) the party is a member of the key management personnel of the entity or its parent;

(v) the party is a close member of the family of any individual referred to in (i) or (iv);

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(u) Related parties (cont'd)

(vi) the party is an entity that is controlled, joint controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

(vii) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

(viii) the party, or any member of a group of which the party is a part of, provides key management personnel services to the Company.

Close members of the family of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's and the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. Although these estimates and judgements are based on management's best knowledge of current events and actions, actual results may differ. Uncertainty about these judgements, estimates and assumptions could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future.

The most significant uses of judgements, estimates and assumptions are as follows:

(a) Going concern

The Group's and the Company's management have made an assessment of its ability to continue as a going concern and is satisfied that they have the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's and the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Notes to the Financial Statements (continued)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)

(b) Impairment and useful lives of property, plant and equipment

Property, plant and equipment are tested for impairment at each reporting date. This requires an estimation of the recoverable amounts of the CGU which the property, plant and equipment are allocated.

When value-in-use calculations are undertaken, management must estimate the expected future cash flows from the asset or CGU and choose a suitable discount rate in order to calculate the present value of those cash flows. Changes to the assumptions used by management such as utilisation rate, revenue growth, expected future cash flows and discount rate used mat impact recoverable amounts of property, plant and equipment.

The Group estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and year, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful lives of property, plant and equipment are based on internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amount and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property, plant and equipment would increase the recorded expenses and decreases the non-current assets.

As refer to Note 5 and Note 17 to the financial statements, further details of the key assumptions applied in the impairment assessment of property, plant and equipment are disclosed and as a result, an impairment loss of RM75,125,572 (2014: RM7,608,560) has been provided.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)

(c) Impairment of other intangible assets

The Group assess impairment of assets whenever the events or changes in circumstances indicate that the carrying amount of an asset may be recoverable i.e. the carrying amount of the asset is more than recoverable amount.

Recoverable amount is measured at the higher of the fair value less cost of disposal for that asset and its value-in-use. The value-in-use is the net present value of the projected future cash flows derived from that asset discounted at an appropriate discount rate. Projected future cash flows are based in the Group's estimates calculated based on historical, sector and industry trends, general market and economic conditions changes in technology and other available information.

As a result of the impairment assessment made by the Directors, an impairment loss of RM887,639 (2014: RM Nil) has been provided as disclosed in the Note 6 and 17 to the financial statements.

(d) Impairment of goodwill on consolidation

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of CGU to which the goodwill is allocated. Estimating a value-in-use amount requires management to make an estimation of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Further details of the key assumptions applied in the impairment assessment of goodwill are disclosed in Note 9 to the financial statements. The carrying amount of goodwill as at 31 December 2015 was RM Nil (2014: RM2,570,627) as disclosed in Note 9 to the financial statements.

(e) Impairment of investment in subsidiaries and recoverability of amount owing by subsidiaries

The Group tests investment in subsidiaries for impairment annually in accordance with its accounting policy. More regular reviews are performed in events indicate that this is necessary. The assessment of the net tangible assets of the subsidiaries affects the result of the impairment test. Cost of investments in subsidiaries which have ceased operations were impaired up to net assets of the subsidiaries. The impairment made on investment in subsidiaries entails an impairment of receivables to be made to amount owing by these subsidiaries.

Notes to the Financial Statements (continued)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)

(e) Impairment of investment in subsidiaries and recoverability of amount owing by subsidiaries (cont'd)

Significant judgement is required in the estimation of the present value of future cash flows generated by the subsidiaries, which involve uncertainties and are significantly affected by assumptions used and judgement made regarding estimates of future cash flows and discount rates. Changes in assumptions could significantly affect the results of the Group's tests for impairment of investment in subsidiaries.

(f) Allowances for impairment – trade and other receivables

The Group makes allowances for impairment based on an assessment of the recoverability of receivables. Allowances for impairment are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analysed historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the allowance for impairment of receivables. Where the expectation is different from the original estimate, such difference will impact the carrying value of receivables. If the financial conditions of the customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

(g) Deferred Tax Assets

Deferred tax assets are recognised for all unutilised tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profit together with future tax planning strategies.

5. PROPERTY, PLANT AND EQUIPMENT

Group	Transit TV system RM	Capital work in progress RM	Broadcast Centre, Network and SMS gateway RM	Furniture and fittings RM	Computer software RM	Motor vehicles RM	Office equipment RM	Plant and machinery RM	Renovation and signboard RM	Total RM
Cost										
At 1 January 2014	31,963,177	46,458,296	48,965,343	181,232	97,290	31,865	470,497	692,636	516,591	129,376,927
Additions	9,829	26,642,229	15,968	–	–	880,701	10,583	–	37,271	27,596,581
Reclassifications	14,094,857	(46,458,296)	32,363,439	–	–	–	–	–	–	–
At 31 December 2014/ 1 January 2015	46,067,863	26,642,229	81,344,750	181,232	97,290	912,566	481,080	692,636	553,862	156,973,508
Additions	284,510	13,170,582	–	233	–	–	25,342	–	–	13,480,667
Disposals	–	–	–	–	–	(11,485)	–	–	–	(11,485)
Reclassification	–	(26,642,229)	26,642,229	–	–	–	–	–	–	–
At 31 December 2015	46,352,373	13,170,582	107,986,979	181,465	97,290	901,081	506,422	692,636	553,862	170,442,690
Accumulated depreciation										
At 1 January 2014	10,364,406	–	8,131,417	138,912	29,187	31,789	345,112	663,756	184,637	19,889,216
Charge for the year	11,901,152	–	8,134,476	15,201	9,729	176,215	47,251	27,984	54,846	20,366,854
At 31 December 2014/ 1 January 2015	22,265,558	–	16,265,893	154,113	38,916	208,004	392,363	691,740	239,483	40,256,070
Charge for the year(Note 17)	11,901,152	–	10,798,699	15,142	9,729	176,140	53,321	178	54,846	23,009,207
Disposals	–	–	–	–	–	(11,485)	–	–	–	(11,485)
At 31 December 2015	34,166,710	–	27,064,592	169,255	48,645	372,659	445,684	691,918	294,329	63,253,792

Notes to the Financial Statements (continued)

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Transit TV system RM	Capital work in progress RM	Broadcast Centre, Network and SMS gateway RM	Furniture and fittings RM	Computer software RM	Motor vehicles RM	Office equipment RM	Plant and machinery RM	Renovation and signboard RM	Total RM
Accumulated impairment										
At 1 January 2014	–	–	–	–	–	–	–	–	–	–
Impairment loss for the year	7,608,560	–	–	–	–	–	–	–	–	7,608,560
At 31 December 2014/ 1 January 2015	7,608,560	–	–	–	–	–	–	–	–	7,608,560
Impairment loss for the year (Note 17)	4,577,103	9,874,961	60,673,508	–	–	–	–	–	–	75,125,572
At 31 December 2015	12,185,663	9,874,961	60,673,508	–	–	–	–	–	–	82,734,132
Net carrying amount										
At 31 December 2014	16,193,745	26,642,229	65,078,857	27,119	58,374	704,562	88,717	896	314,379	109,108,878
At 31 December 2015	–	3,295,621	20,248,879	12,210	48,645	528,422	60,738	718	259,533	24,454,766

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

During the current financial year, a subsidiary carried out a review of the recoverable amounts of the following assets as the subsidiary has been persistently making losses and pro-longed delay in rolling out the digital live transit-TV broadcasting. The recoverable amounts of these assets were determined based on value in use.

a) Transit TV system

An impairment loss of RM4,577,103, representing the write-down of the excess of the carrying value over its recoverable amount was recognised in the profit or loss during the year.

b) Capital work in progress, broadcasting centre, network and SMS gateway ("Broadcasting Infrastructure") & other intangible assets ("Broadcasting Licences")

	Broadcasting infrastructure RM	Broadcasting licences (Note 6) RM	Total RM
Cost at end of the financial year	121,157,561	2,367,750	123,525,311
Less: Accumulated depreciation/ amortisation at the end of the financial year	(27,064,592)	(1,183,875)	(28,248,467)
	94,092,969	1,183,875	95,276,844
Less: Impairment loss for the financial year (Note 17)	(70,548,469)	(887,639)	(71,436,108)
Carrying amount at end of the financial year	23,544,500	296,236	23,840,736

Broadcasting Infrastructure and Broadcasting Licences were classified as one combined CGU ("Combined CGU") and were tested for impairment. Following the review of projected cash flows, the Combined CGU is not expected to generate sufficient cash flows in the next five years. Consequently, a total impairment loss of RM71,436,108 was provided as the carrying amount was in excess than its recoverable amount.

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

b) Capital work in progress, broadcasting centre, network and SMS gateway ("Broadcasting Infrastructure") & other intangible assets ("Broadcasting Licences") (cont'd)

The recoverable amount was determined based on the value-in-use ("VIU"), was determined by the management. Cash flows are derived based on financial forecast covering a period of five (5) years which reflect management's expectations of revenue growth, operating costs, ability for successful launching of live broadcasting in year 2017 and EBITDA margin for the CGUs based on expectation of market growth, industry growth and future business performance.

The key assumptions used in the value in use calculations are as follows:

Growth rate	5%
EBITDA margin	57%
Pre-tax discount rate	8.52%

The key assumptions represent management's assessment of future trends in the live broadcasting industry and are based on both external sources and internal sources.

The balance carrying amount of RM23,840,736 of Broadcasting Infrastructure and Broadcasting Licences remain unimpaired. From the above assumptions, by their very nature are difficult to forecast and are regarded as significant areas of uncertainty which remain a risk that the ability to achieve management's business plan will be adversely affected due to unforeseen changes in the business plan and the respective economies in which the Group and the Company operates.

The Directors are confident to achieve the business plan as per the projection as the management believe that the country will move towards live broadcasting in near future.

Sensitivity to changes in assumption

Based on the sensitivity analysis performed as follows:

(i) Delay in launching of live broadcasting by 1 year would result a RM8,542,552 increase in the impairment charges.

(ii) No growth in revenue would result a RM1,300,280 increase in the impairment charges.

(iii) Revenue decrease by 50% would result a RM11,920,368 increase in the impairment charges.

6. OTHER INTANGIBLE ASSETS

	Group	
	2015 RM	2014 RM
Cost		
At 1 January/31 December	2,367,750	2,367,750
Accumulated amortisation		
At 1 January	947,100	710,325
Amortised during the financial year (Note 17)	236,775	236,775
At 31 December	1,183,875	947,100
Accumulated impairment losses		
At 1 January	–	–
Impairment losses during the financial year (Note 17)	887,639	–
At 31 December	887,639	–
Net carrying amount	296,236	1,420,650

Other intangible assets principally comprise licensing rights in respect of the digital live transit-TV broadcasting.

The remaining amortisation period of the licensing rights at the end of the financial year is 5 years.

As disclosed in Note 5(b), an impairment loss of RM887,639 (2014: RM Nil), representing the write-down of other intangible asset to the recoverable amount was recognised in profit or loss due to pro-longed delay in rolling out the digital live transit-TV broadcasting.

Notes to the Financial Statements (continued)

7. DEVELOPMENT COSTS

	Group 2015 RM	Group 2014 RM
Cost		
At 1 January/31 December	141,937	141,937
Accumulated amortisation		
At 1 January	137,566	114,600
Amortised during the financial year (Note 17)	2,395	22,966
At 31 December	139,961	137,566
Net carrying amount	1,976	4,371

8. INVESTMENT IN SUBSIDIARIES

	Company 2015 RM	Company 2014 RM
Unquoted shares at cost	12,999,998	12,999,998
Acquisition of a subsidiary	5,000,000	–
	17,999,998	12,999,998

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:

Name of company	Place of incorporation	Equity interest 2015 %	2014 %	Principal Activities
Direct subsidiaries				
Asia Media Sdn. Bhd.	Malaysia	100	100	Business of multimedia advertising services, media communications, commercialization of narrowcasting network solutions and dynamic and automation contents and provision of integration, maintenance and support services relating to the above products
DPO Plantations Sdn. Bhd.	Malaysia	100	100	Investment holding
Indirect subsidiaries held under Asia Media Sdn. Bhd.				
Transnet Express Sdn. Bhd.#	Malaysia	100	100	Production and marketing of electronic audio and visual media
Asia Media Interactive Sdn. Bhd.#	Malaysia	100	100	Dormant
Asia Media Marketing Sdn. Bhd.#	Malaysia	100	100	Dormant
Asia Media Broadcasting Sdn. Bhd.#	Malaysia	70	70	Dormant

The auditors' report of these subsidiaries contains an emphasis of matter relating to the appropriateness of the going concern basis of accounting used in the preparation of their financial statements

Notes to the Financial Statements (continued)

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) Acquisition of a subsidiary

On 20 January 2015, the Company had acquired a subsidiary, DPO Plantations Sdn. Bhd., with 2 ordinary shares of RM1 each for a cash consideration of RM2, representing 100% equity interest in the subsidiary.

The summary effects on the acquisition of DPO Plantations Sdn. Bhd. are as follow:

	2015 RM
Cash and bank balances	632
Payables	(42,313)
Net liabilities acquired	(41,681)
Goodwill on consolidation	41,683
Total purchase consideration	2
Cash and cash equivalents of the subsidiary acquired	632
Net cash inflows	630

(b) Impairment assessment of investments in subsidiaries

Investments in subsidiaries are tested for impairment when such indicators exist. This requires an estimation of the value-in-use of these investments. In making this assessment, amongst others, the management has taken into consideration the projected long-term growth in the broadcasting advertising industry as well as oil palm plantation activities of the respective subsidiaries of the Group.

Based on the impairment assessment performed, no provision for impairment of subsidiaries has been made in the current year as the estimated recoverable amounts of the investment are higher than their carrying amounts.

9. GOODWILL ON CONSOLIDATION

	Group 2015 RM	Group 2014 RM
At 1 January	2,570,627	2,570,627
Acquisition of a subsidiary	41,683	–
Less: Impairment loss during the financial year (Note 17)	(2,612,310)	–
At 31 December	–	2,570,627

The goodwill on consolidation at the end of the financial year mainly arose from the acquisition of Transnet Express Sdn. Bhd. ("TESB"), Asia Media Interactive Sdn. Bhd. ("AMISB") and DPO Plantations Sdn. Bhd. ("DPSB"). The amount of goodwill initially recognised is dependent upon the allocation of the purchase price to the fair value of the identifiable assets acquired and the liabilities assumed.

For the purpose of impairment testing, goodwill has been allocated to the Group's cash-generating units ("CGU") for TESB, AMISB and DPSB amounting to RM2,565,188, RM5,439 and RM41,683 respectively.

Impairment losses were recognised to write-down the carrying amount of goodwill on consolidation attributable to TESB, AMISB and DPSB due to carrying amount exceeded its recoverable amount. The impairment losses of RM2,612,310 (2014: RM Nil) has been recognised in the profit or loss.

Notes to the Financial Statements (continued)

10. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Trade receivables				
Third parties	1,139,735	3,823,370	–	–
Less: Allowance for impairment losses	(648,173)	(92,123)	–	–
	491,562	3,731,247	–	–
Other receivables				
Other receivables	535	9,046,799	–	–
Owing from a subsidiary	–	–	109,294,779	115,165,063
Prepayments	2,094	2,094	–	–
Deposits	98,778	46,721	1,308	1,308
	101,407	9,095,614	109,296,087	115,166,371
Less: Allowance for impairment losses	–	–	(101,250,000)	–
Trade and other receivables	592,969	12,826,861	8,046,087	115,166,371
Allowance for impairment losses				
At 1 January	(92,123)	(92,123)	–	–
Addition during the financial Year (Note 17)	(556,050)	–	(101,250,000)	–
At 31 December	(648,173)	(92,123)	(101,250,000)	–
Trade and other receivables	592,969	12,826,861	8,046,087	115,166,371
Less: Prepayments	(2,094)	(2,094)	–	–
	590,875	12,824,767	8,046,087	115,166,371
Add: Deposits, cash and bank balances (Note 11)	13,431,852	16,444,140	5,943	5,781
Total financial assets classified as loans and receivables	14,022,727	29,268,907	8,052,030	115,172,152

10. TRADE AND OTHER RECEIVABLES (CONT'D)

Trade receivables of the Group are non-interest bearing and normal credit term are 30 days (2014: 30 days). They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

The Group have no significant concentration of credit risk that may arise from exposure to a single customer or to groups of customers, other than as disclosed in Note 25 to the financial statements.

Amounts due from subsidiaries are mainly in respect of advances and payments made on behalf. These balances are unsecured and interest-free. Amounts which have been impaired relate mainly to amount due from subsidiaries, due to unfavourable market conditions and demand.

Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	2015 RM	2014 RM
Neither past due nor impaired	60,000	1,365,802
1 to 30 days past due not impaired	–	1,252,300
31 to 120 days past due not impaired	372,498	674,900
More than 120 days past due not impaired	59,064	438,245
	431,562	2,365,445
Impaired and provided for	648,173	92,123
	1,139,735	3,823,370

Notes to the Financial Statements (continued)

10. TRADE AND OTHER RECEIVABLES (CONT'D)

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Receivables that are past due but not impaired

The Group have trade receivables amounting to RM431,562 (2014: RM2,365,445) that are past due at the reporting date but not impaired. These receivables are unsecured.

The management of the Group believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with good collection track record and no recent history of default.

Receivables that are impaired

The Group have trade receivables amounting to RM648,173 (2014: RM92,123) that are past due and have been impaired.

11. DEPOSITS, CASH AND BANK BALANCES

	Group		Company	
	2015 RM	**2014 RM**	**2015 RM**	**2014 RM**
Cash on hand and at banks	13,431,852	16,261,276	5,943	5,781
Deposits with licensed banks	–	182,864	–	–
	13,431,852	16,444,140	5,943	5,781

Cash at banks are deposits held at call with licensed banks. Deposits with licensed banks at 31 December 2015 bore interests Nil (2014: 3.15%) per annum and have maturity periods of Nil months (2014: 12 months) at financial year end for both Group and Company.

12. SHARE CAPITAL

	Group/Company			
	2015		2014	
	Number of shares	RM	Number of shares	RM
Ordinary shares of RM0.10 each:				
Authorised:				
At 1 January 2014/ 31 December 2014/ 31 December 2015	2,000,000,000	200,000,000	2,000,000,000	200,000,000
Issued and fully paid:				
Ordinary shares of RM0.10				
At 1 January	1,197,317,137	119,731,714	1,041,317,137	104,131,714
Issuance of shares pursuant to the Share Issuance Scheme ("SIS")	–	–	156,000,000	15,600,000
Capital reduction	(957,853,711)	(95,785,371)	–	–
At 31 December 2015	239,463,426	23,946,343	1,197,317,137	119,731,714

Capital reduction

On 7 December 2015 and 23 December 2015, the Company completed the par value reduction of every ordinary share of RM0.10 each to RM0.02 each and share consolidation of every five (5) ordinary shares of RM0.02 each into one (1) ordinary shares of RM0.10 each in the issued and paid up share capital of the Company.

Adjustment to 2013/2018 warrants

On 23 December 2015, the exercise price of the warrant was adjusted from RM0.22 to RM1.10 and number of outstanding warrants were adjusted from 412,021,415 to 82,404,283 pursuant to par value reduction and the share consolidation. The warrants issued are constituted under a Deed Poll executed by the Company.

Notes to the Financial Statements (continued)

12. SHARE CAPITAL (CONT'D)

The movements of the warrants during the financial year are as follows:

	Entitlement for ordinary shares of RM0.10 each				
	At 1.1.2015	Issued	Exercised	Share consolidated	At 31.12.2015
Number of unexercised					
Warrants	412,021,415	–	–	(329,617,132)	82,404,283

13. RESERVES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Non- distributable				
Share premium	826,800	826,800	826,800	826,800
Warrant reserve	3,519,617	3,519,617	3,519,617	3,519,617
	4,346,417	4,346,417	4,346,417	4,346,417
Distributable				
Retained earnings/ accumulated losses	4,649,804	14,447,978	(2,328,341)	4,030,069
	8,996,221	18,794,395	2,018,076	8,376,486

13.1 Share premium

Share premium arose from the exercise of options under Share Issuance Scheme ("SIS").

13.2 Warrant reserve

Warrant reserve represents the proceeds from the issuance of warrants which is non-distributable. The warrants reserve is transferred to the share premium account upon the exercise of warrants and the warrants reserve in relation to the unexercised warrants at the expiry of the warrants will be transferred to retained earnings.

13. RESERVES (CONT'D)

13.3 Retained earnings

Under the single tier system which came into effect from the year assessment 2008, companies are not required to have tax credit under Section 108 of the Income Tax Act, 1967 for dividend payment purposes. Under this system, tax on the Company's profits is the final tax and accordingly, any dividends to the shareholders are not subject to tax.

14. TRADE AND OTHER PAYABLES

	Group		Company	
	2015 RM	**2014 RM**	**2015 RM**	**2014 RM**
Trade payables				
Third parties	339,710	1,240,166	–	–
Other payables				
Accruals	1,893,756	69,179	23,300	20,750
Amount owing to a Director	1,355,060	961,207	2	–
Sundry payables	821,048	96,711	64,307	43,200
	4,069,864	1,127,097	87,609	63,950
Trade and other payables	4,409,574	2,367,263	87,609	63,950
Less: Accruals	(1,893,756)	(69,179)	(23,300)	(20,750)
Add: Short term borrowings	1,500,000	1,500,000	–	–
Total financial liabilities carried at amortised cost	4,015,818	3,798,084	64,309	43,200

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranged from 30 to 90 days (2014: 30 to 90 days).

Amounts owing to a Director is unsecured, interest-free and has no fixed terms of repayment.

Included in accruals is the provision for minimum guaranteed sum of RM1,822,500 (2014: RM Nil) arose from material litigation as disclosed in note 30 to the financial statements.

Notes to the Financial Statements (continued)

15. SHORT TERM BORROWINGS

	Group 2015 RM	Group 2014 RM
Revolving credit	1,500,000	1,500,000

As at 31st December 2015, the Group has banking facility totaling RM5,000,000 (2014: RM5,000,000) obtained from a licensed bank. The facility bears interest range from 3.23% to 3.94% (2014: 2.90% to 3.41%) per annum above the Bank Negara Malaysia's funding rate and is secured by the following:

(i) First party legal charge over properties owned by one of the Directors of the Company; and

(ii) Corporate guarantee by the Company.

16. REVENUE

Revenue of the Group and the Company represent the invoiced value of services rendered net of discounts and allowances.

17. LOSS BEFORE TAX

	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Auditors' remuneration:				
Statutory audits				
- auditors of the Company	45,000	39,400	22,000	20,000
- over provision in previous financial year	(13,625)	–	–	–
Other services				
- other auditors	8,000	–	8,000	–
Allowance for doubtful debts	556,050	–	–	–
Amortisation of:				
- development costs (Note 7)	2,395	22,966	–	–
- other intangible assets (Note 6)	236,775	236,775	–	–
Bad debts written off	20,114	–	–	–
Depreciation of property, plant and equipment (Note 5)	23,009,207	20,366,854	–	–
Directors' remuneration (Note 19)	359,079	364,400	156,679	162,000
Employee benefits expense (Note 18)	900,897	1,046,870	–	–
Impairment loss:				
- amount owing from a subsidiary (Note 10)	–	–	101,250,000	–
- goodwill(Note 9)	2,612,310	–	–	–
- other intangible assets (Note 6)	887,639	–	–	–
- property, plant and equipment (Note 5)	75,125,572	7,608,560	–	–
Provision for minimum guaranteed sum	1,822,500	–	–	–
Rental of premises	537,228	538,165	–	–
Revolving credit interests	60,762	50,281	–	–
Gain on disposal of property, plant and equipment	(5,000)	–	–	–
Interest income	(528,561)	(473,343)	(163)	(246)

Notes to the Financial Statements (continued)

18. EMPLOYEE BENEFITS EXPENSE

	Group 2015 RM	Group 2014 RM
Salaries and allowance	757,586	949,984
Social security contributions	68,722	9,653
Contribution to defined contribution plan	7,854	87,233
Other staff related expenses	66,735	–
	900,897	1,046,870

19. DIRECTORS' REMUNERATION

	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Executive:				
Fees	200,000	200,000	–	–
Other emoluments	2,400	2,400	–	–
	202,400	202,400	–	–
Non-executive:				
Fees	156,679	162,000	156,679	162,000
	359,079	364,400	156,679	162,000

20. INCOME TAX CREDIT

The major components of income tax credit are:

	Group 2015 RM	Group 2014 RM
Income tax:		
Current year	–	870
Deferred tax:		
Relating to origination and reversal of temporary differences	–	(6,235,350)
Income tax credit recognised in profit or loss	–	(6,234,480)

20. INCOME TAX CREDIT (CONT'D)

The numerical reconciliation between loss before tax at the statutory income tax rate to income tax credit at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Loss before tax	(105,637,420)	(26,695,073)	(102,143,781)	(1,382,292)
Tax at Malaysian statutory tax rate of 25% (2014: 25%)	(26,409,355)	(6,673,768)	(25,535,945)	(345,573)
Tax effects in respect of:				
Expenses not deductible for tax purposes	26,131,765	536,788	25,535,945	345,634
Income exempted from tax	–	(61)	–	(61)
Income not subject to tax	(129,024)	(117,294)	–	–
Net deferred tax not recognised	–	(20,910)	–	–
Current year losses for which no deferred tax asset was recognised	437,822	–	–	–
Effect of changes in tax rates	–	(3,775)	–	–
Utilisation of current year capital allowances	(31,208)	–	–	–
Deferred tax liabilities recognised during post-pioneer period	–	44,540	–	–
Tax credit for the financial year	–	(6,234,480)	–	–

Notes to the Financial Statements (continued)

20. INCOME TAX CREDIT (CONT'D)

Domestic current income tax is calculated at the Malaysian statutory tax rate of 25% (2014: 25%) of the estimated assessable loss for the year. For year assessment 2016, corporate tax rate will be 24%. Consequently, deferred tax assets and liabilities are measured using this rate.

Subject to agreement with the tax authority, at the end of the reporting periods, the Group has unutilised tax losses and unabsorbed capital allowance available to be carried forward for offset against future taxable business income as follows:

	Group 2015 RM
Unutilised tax losses	3,779,169
Unabsorbed capital allowance	38,864,089
	42,643,258

The deferred tax assets arising from unutilised tax losses and capital allowances have only been recognised to the extent that the Group has sufficient taxable temporary differences available, as they arose from certain subsidiaries with recent history of losses and it is not probable that future taxable profit will be available against which the unused tax losses and unabsorbed capital allowances can be utilised. The unused tax losses and unabsorbed capital allowances are available indefinitely for offsetting against future taxable profits, subject to no substantial change in shareholding under the Income Tax Act, 1967 and guidelines issued by the tax authority.

21. LOSS PER SHARE

Basic loss per ordinary share

The basic loss per ordinary share is calculated by dividing the Group's loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2015 **RM**	**2014** **RM**
Loss attributable to ordinary shareholders of the Company	(105,583,545)	(20,407,055)
Weighted average number of ordinary shares:		
Issued ordinary shares at 1 January	1,197,317,137	1,041,317,137
Effect of ordinary shares issued via SIS	–	89,081,967
Effect of share consolidation	(957,853,711)	–
Weighted average number of ordinary shares at 31 December	239,463,426	1,130,399,104
Basic loss per ordinary share (sen)	(44.09)	(1.81)

Diluted loss per ordinary share

The Group and the Company have no dilution in their loss per ordinary shares as the exercise price has exceeded the average market price of ordinary shares during the financial year, the Warrants do not have any dilutive effect on the weighted average number of ordinary shares.

Notes to the Financial Statements (continued)

22. CASH AND CASH EQUIVALENTS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Cash in hand and at bank	13,431,852	16,261,276	5,943	5,781
Deposits with licensed bank	–	182,864	–	–
Less: Deposits pledged for bank guarantee facilities	–	(182,864)	–	–
	–	–	–	–
	13,431,852	16,261,276	5,943	5,781

23. SIGNIFICANT RELATED PARTY DISCLOSURES

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

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly, or indirectly. The key management personnel include all the Directors of the Company, and certain members of senior management of the Company.

The related party and its relationship with the Group are as follows:

Name of related party	Relationship
Peakmax Sdn. Bhd.	A company in which Dato' Wong Shee Kai and Teh Sew Wan are also Directors and shareholders.

23. SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

Related party transactions has been entered into the normal course of business under terms agreed between the Group and the related parties. The significant related party transactions of the Group are as follows:

	Group	
	2015 RM	2014 RM
Rental of premises to subsidiary:		
Asia Media Sdn. Bhd.	111,600	111,600

Compensation of Directors and key management personnel

The remuneration of Directors and key management personnel during the year are as follows:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Short-term employee benefits (Note 19)	359,079	364,400	156,679	162,000

24. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and market price risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks. The audit committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

24. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counter party default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by limiting the Group's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via the Group's management reports.

<u>Exposure to credit risk</u>

Information regarding credit enhancements for trade and other receivables is disclosed in Note 10 to the financial statements.

<u>Credit risk concentration profile</u>

The Group has no significant concentration of credit risk that may arise from exposure to a single receivable or to a group of receivables.

<u>Financial assets that are neither past due nor impaired</u>

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 10 to the financial statements.

<u>Financial assets that are past due but not impaired and past due and impaired</u>

Information regarding financial assets that are past due but not impaired and past due and impaired are disclosed in Note 10 to the financial statements.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group and Company manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group and Company maintain sufficient levels of cash and deposits at bank to meet their working capital requirements.

<u>Financial liabilities</u>

The Group's and the Company's remaining contractual maturity for their non-derivative financial liabilities is due within one year from the end of the reporting period.

24. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk is minimised, as the Group do not have any significant loans and borrowings, other than finance lease obligations, term loan and bank borrowings which bear interest at fixed rates.

The investment in financial assets are mainly short term in nature and they are not held for speculative purposes but have been mostly placed in fixed deposits which yield better returns than cash at bank. As such, no sensitivity analysis of interest risk has been disclosed in the financial statements.

(d) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's or the Company's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group and the Company are not exposed to market price risk as they do not have any investment in quoted equity instruments.

25. FAIR VALUE OF FINANCIAL INSTRUMENTS

Determination of fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables (other than prepayments)	10
Short term borrowings	15
Trade and other payables	14

Notes to the Financial Statements (continued)

25. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

Determination of fair value (cont'd)

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value (cont'd)

The carrying amounts of the above financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

It was not practicable to estimate the fair value of the Group's and Company's investment in unquoted shares due to the lack of comparable quoted prices in an active market and the fair value cannot be reliable measured.

Fair value, which is determined for disclosure purposes is calculated based on the present value of future principal and interest cash flows, discounted at the average market rate of interest at the end of the reporting period.

Fair value of financial instruments by classes that are carried at fair value

Fair value hierarchy

Financial instruments that are measured in the statement of financial position at fair value are disclosed by the following fair value measurement hierachy:

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); and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There are no financial assets or liabilities of the Group or of the Company which are carried at fair value.

26. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratios in order to support their business and maximise shareholders' value.

The Group and Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2015 and 31 December 2014.

The Group and the Company are not subject to any externally imposed capital requirements.

The Group and the Company monitor capital using the net gearing ratio, which is net debt (or net cash) divided by equity attributable to owners of the parent. The Group's and Company's policy is to keep the Group and Company's net gearing ratio at a level deemed appropriate considering business, economic and investment conditions.

		Group	
		2015	**2014**
	Note	**RM**	**RM**
Short term borrowings	15	1,500,000	1,500,000
Less: Deposits, cash and bank balances	11	(13,431,852)	(16,444,140)
Net cash		(11,931,852)	(14,944,140)
Equity attributable to owners of the Company		32,942,564	138,526,109
Net cash		Net cash	Net cash

Notes to the Financial Statements (continued)

27. SEGMENTAL INFORMATION

(a) Reporting format

For management purpose, the Group is organised into business segments in which the business units operate, and has three main reportable operating segments as follows:

i. Investment holding;
ii. Multimedia advertising services, media communications etc.; and
iii. Production and marketing of electronic audio and visual media

The Board of Directors is the Group's chief operating decision maker ("CODM"). The CODM monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

(b) Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Transfer prices between business segments are set on terms agreed between business segments. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

Interest income

Interest income is separately reported from interest expense and excluded from calculation of segment results. Interest revenue is classified under unallocated income while interest expense remains in finance costs.

(c) Geographical segments

The Group only operates within Malaysia.

27. SEGMENTAL INFORMATION (CONT'D)

Business segments

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

2015	Investment holding RM	Multimedia advertising services, media communications etc. RM	Production and marketing of electronic audio and visual media RM	Others RM	Elimination RM	Consolidated RM
Revenue						
External sales	–	10,925,077	201,600	–	–	11,126,677
Results						
Loss from operations	(102,143,781)	(104,038,937)	(612,647)	(3,971,172)	105,189,879	(105,576,658)
Interest expense	–	(60,762)	–	–	–	(60,762)
Loss before tax	(102,143,781)	(104,099,699)	(612,647)	(3,971,172)	–	(105,637,420)
Segment assets	36,360,926	48,764,978	599,581	1,070,917	(48,018,603)	38,777,799
Segment liabilities	10,396,507	129,613,573	887,459	83,772	(135,070,788)	5,910,523

Notes to the Financial Statements (continued)

27. SEGMENTAL INFORMATION (CONT'D)

Business segments (cont'd)

2015	Investment holding RM	Multimedia advertising services, media communications etc. RM	Production and marketing of electronic audio and visual media RM	Others RM	Elimination RM	Consolidated RM
Other segment information						
Capital expenditure	5,000,000	13,480,667	–	–	(5,000,000)	13,480,667
Amortisation of development costs	–	2,395	–	–	–	2,395
Amortisation of other intangible assets	–	236,775	–	–	–	236,775
Depreciation of property, plant and equipment	–	23,009,207	–	–	–	23,009,207
Impairment loss on property, plant and equipment	–	75,125,572	–	–	–	75,125,572
Impairment loss on other intangible assets	–	887,639	–	–	–	887,639

27. SEGMENTAL INFORMATION (CONT'D)

Business segments (cont'd)

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

2014	Investment holding RM	Multimedia advertising services, media communications etc. RM	Production and marketing of electronic audio and visual media RM	Others RM	Elimination RM	Consolidated RM
Revenue						
External sales	–	20,693,457	201,600	–	–	20,895,057
Results						
Loss from operations	(1,382,292)	(25,175,778)	(86,722)	–	–	(26,644,792)
Interest expense	–	–	–	–	–	(50,281)
Loss before tax	(1,382,292)	(25,175,778)	(86,722)	–	–	(26,695,073)
Segment assets	128,172,150	141,574,999	1,214,669	–	(128,586,291)	142,375,527
Segment liabilities	63,950	118,329,468	889,901	–	(115,412,488)	3,870,831

27. SEGMENTAL INFORMATION (CONT'D)

Business segments (cont'd)

2014	Investment holding RM	Multimedia advertising services, media communications etc. RM	Production and marketing of electronic audio and visual media RM	Others RM	Elimination RM	Consolidated RM
Other segment information						
Capital expenditure	–	27,596,581	–	–	–	27,596,581
Non-cash expenses:						
Depreciation of property, plant and equipment	–	20,161,080	205,774	–	–	20,366,854
Amortisation of development costs	–	22,966	–	–	–	22,966
Amortisation of other intangible assets	–	236,775	–	–	–	236,775
Impairment loss on property, plant and equipment	–	7,608,560	–	–	–	7,608,560

28. SIGNIFICANT EVENTS DURING THE YEAR

Pursuant to Company's announcement on 29 July 2015, Asia Media Group Berhad had proposed to undertake the following:

a) Proposed par value reduction of the issued and paid up share capital from RM0.10 to RM0.02 per share. Pursuant to the par value reduction, the issued share capital of the Company had been reduced from RM119,731,714 comprising 1,197,317,137 ordinary shares of RM0.10 each to RM23,946,343 comprising 1,197,317,137 ordinary shares of RM0.02 each;

b) Proposed share consolidation of its issued and paid up share capital of every five (5) ordinary shares of RM0.02 each into one (1) ordinary shares of RM0.10 each from 1,197,317,137 ordinary shares of RM0.02 each to 239,463,426 ordinary shares of RM0.10 each;

c) Proposed renounceable rights issue of 979,761,672 new ordinary shares on the basis of three (3) right shares of every one (1) existing shares held, together with up to 326,587,224 free detachable warrants on the basis of one (1) warrant for every three (3) rights shares subscribed at an entitlement date to be determined later; and

d) Proposed diversification of the existing business of the Group and its subsidiaries to include oil palm plantation business.

The proposed par value reduction, proposed share consolidation, proposed right issue with warrants and proposed diversification are collectively referred as the "Proposals".

The Company's shareholders had approved the said Proposals at the Extraordinary General Meeting of the Company held on 24 August 2015.

On 7 December 2015, the Board announced that the par value reduction shall take effect and deemed completed on this date.

On 23 December 2015, the Board further announced that the share consolidation has been completed.

Notes to the Financial Statements (continued)

29. EVENTS SUBSEQUENT TO YEAR END

On 3 February 2016, Asia Media Group Berhad's wholly-owned subsidiary, DPO Plantations Sdn. Bhd. ("DPO"), had entered into a Joint Venture Agreement with Pelita Holdings Sdn. Bhd. ("PHSB") to develop a parcel of native customary rights land measuring situated at Loba Bunut, Bintangor, Sarikei Division, Sarawak into an oil palm plantation via a joint venture company to be formed by DPO and PHSB.

On 4 March 2016, the Board of Directors further announced that a joint venture company DPO Pelita Bintangor Sdn. Bhd. has formed.

30. MATERIAL LITIGATION

(a) Kuala Lumpur High Court Suit No. 22NCC-332-09/2014: Ang Lay Chieng ("Plaintiff") v Asia Media Group Berhad and Asia Media Sdn. Bhd. ("Defendants")

On 5th September 2014, the Plaintiff, a former Chief Financial Officer of Defendants, filed a Writ and a Statement of Claim against the Defendants seeking declaratory relief, an order for rectification, general damages, exemplary damages and costs.

The Plaintiff's primary claim against the Defendants is that there are irregularities in the Statutory Declarations in respect of the Financial Statement of the Defendants for the financial years ended 31 December 2012 and 31 December 2013 ("Financial Statements") on the ground that her signatures in the said Financial Statements have been forged.

The Defendants have filed their Amended Statement of Defence on 3rd December 2014 in which they vehemently denied the Plaintiff's allegations and claims which it contends are totally baseless and motivated by bad faith.

On 18th November 2014, the above mentioned suit was ordered to be consolidated with another suit. In respect of the other suit, the Plaintiff therein has filed an interlocutory application for discovery and appointment of a court expert.

On 22nd February 2016, the Plaintiff has filed a Notice of Discontinuance in respect of its entire claim against the Defendants with no order as to costs and without liberty to file afresh.

30. MATERIAL LITIGATION (CONT'D)

(b) Shah Alam High Court Civil Suit No. 22NCVC-186-03/2015: Rapid Rail Sdn. Bhd. ("Plaintiff") v Asia Media Sdn. Bhd. ("Defendant")

On 27th March 2015, the Plaintiff filed the Writ and Statement of Claim against the Defendant seeking, inter alia:

(i) Payment of Minimum Guaranteed Sum ("MGS") amounting to RM 1,215,000.00 for Year 5 of the Licence Agreement;
(ii) Payment of cumulative MGS for the extended period amounting to RM607,500.00
(iii) Costs and interests

By the Defence and Counterclaim dated 14th May 2015, the Defendant counter claimed against the Plaintiff for breach of the License Agreement and pleaded the defence of set-off.

On 3rd July 2015, the Plaintiff filed the Summary Judgement application and the High court allowed the Plaintiff's summary judgement application against the Defendant for the sum of RM1,215,000 in 17th September 2015. This Judgement is presently stayed pending the disposal of the trial in respect of the Defendant's counterclaim.

This matteris fixed to go for trial on 29th February 2016 in respect of the Defendant's counterclaim, and the remainder of the Plaintiff's claim.

Notes to the Financial Statements (continued)

31. SUPPLEMENTARY INFORMATION – BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

The breakdown of the retained profits of the Group and of the Company as at 31 December 2015 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

The retained earnings as at reporting date may be analysed as follows:

	Group	
	2015 RM	2014 RM
Total retained profits of the Company and its subsidiaries		
• Realised	(195,058,544)	13,987,936
• Unrealised	(1,822,500)	–
	(196,881,044)	13,987,936
Consolidation adjustments	201,530,848	460,042
	4,649,804	14,447,978

	Company	
	2015 RM	2014 RM
Total retained profits		
• Realised	(2,328,341)	4,030,069
• Unrealised	–	–
	(2,328,341)	4,030,069

ANALYSIS OF SHAREHOLDINGS
As at 31 March 2016

Authorised Share Capital	:	RM200,000,000
Issued and Fully Paid-up Capital	:	RM23,946,342.74
Class of shares	:	Ordinary shares of RM0.10 each
Voting rights	:	One vote per shareholders on a show of hands One vote per share on a poll

SIZE OF SHAREHOLDINGS

Size of Shareholdings	Number of Shareholders	% of Shareholders	Number of Shares Issued	% of Share Capital
Less than 100	112	2.241	3,869	0.001
100 – 1,000	295	5.904	177,818	0.074
1,001 – 10,000	2,122	42.473	11,620,779	4.852
10,001 – 100,000	2,167	43.374	73,035,440	30.499
100,001 – 11,973,170*	299	5.984	89,498,020	37.374
11,973,171 and above **	1	0.020	65,127,500	27.197
Total	4,996	100.000	239,463,426	100.000

Notes:
**   Less than 5% of issued shares*
***   5% and above of issued shares*

LIST OFSUBSTANTIAL SHAREHOLDERS

Name	Direct interest No. of Shares	Direct interest %	Deemed interest No. of Shares	Deemed interest %
WONG SK HOLDINGS SDN BHD	65,127,500	27.197	–	–
DATO' WONG SHEE KAI (i)	–	–	65,127,500	27.197
TEH SEW WAN (i)	–	–	65,127,500	27.197

(i) Deemed interested by virtue of his/her shareholdings in Wong SK Holdings Sdn Bhd pursuant to Section 6(4) of the Companies Act 1965

Analysis of Shareholdings (continued)

DIRECTORS' SHAREHOLDINGS
AS AT 31 MARCH 2016

Name	Direct interest No. of Shares	%	Deemed interest No. of Shares	%
Dato' Wong Shee Kai	–	–	65,127,500	27.197
Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	40,000	0.016	–	–
Paul Jong Jun Hian	–	–	–	–
Yeong Siew Lee	–	–	–	–

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS

No.	Shareholders	No. of Shares	% of issued share capital
1	WONG SK HOLDINGS SDN BHD	65,127,500	27.197
2	LIM POH FONG	3,410,120	1.424
3	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEE AH NGOW	3,060,000	1.277
4	HII HIENG HUI	2,400,000	1.002
5	LIM LAY SOO	2,150,000	0.897
6	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOH SIEW KONG	1,400,000	0.584
7	LIM JIT ENG	1,400,000	0.584
8	MATRIX ANGLE SDN BHD	1,248,200	0.521
9	LIM KIAN HUAT	1,235,800	0.516
10	LEE ENG CHUAN	1,220,000	0.509
11	ONG CHIN HONG	1,197,600	0.500
12	LIM KIM LOY	1,120,000	0.467
13	NG AH GUAN	1,100,000	0.459
14	NG AH MOI	1,100,000	0.459
15	CHUAH POH KEONG	880,000	0.367
16	CIMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN NOGH ENG	870,320	0.363

Analysis of Shareholdings (continued)

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS (CONT'D)

No.	Shareholders	No. of Shares	% of issued share capital
17	OOI TEE KIONG	860,000	0.359
18	KENANGA NOMINEES (TEMPATAN) SDN BHD KENG CHE MING	800,000	0.334
19	ONG SENG KEE	800,000	0.334
20	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG GUO CHING	774,660	0.323
21	LIM KEN HONG	720,000	0.300
22	EH CHIAN LIANG	700,000	0.292
23	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SOON (SOIN) CHIN THI	693,140	0.289
24	TEE SOON LOONG	650,000	0.271
25	LOW BEE GOR	640,000	0.267
26	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN SUN PING	600,000	0.250
27	TAN MENG KIANG	600,000	0.250
28	WONG AH NGAN	600,000	0.250
29	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YAP CHOW YIN	584,200	0.243
30	LOH KEW @ LAW KON YEW	584,000	0.243

ANALYSIS OF WARRANT HOLDINGS

As at 31 March 2016

No. of Warrants Issued	:	82,403,492
Exercise Price of the Warrants	:	RM0.22
Exercise Period	:	2 January 2013 – 1 January 2018

SIZE OF WARRANT HOLDINGS

Size of Warrant	Number of Warrant Holdings	% of Warrant Holders	Number of Warrants Holders Held	%
Less than 100	482	14.134	9,136	0.011
100 – 1,000	522	15.307	299,946	0.363
1,001 – 10,000	1,352	39.648	5,528,011	6.708
10,001 – 100,000	920	26.979	31,870,699	38.676
100,001 – 4,120,173 *	134	3.929	44,695,700	54.240
4,120,174 and above **	0	0.000	0	0.000
Total	3,410	100.000	82,403,492	100.000

Notes:
* *Less than 5% of issued shares*
** *5% and above of issued shares*

DIRECTORS' INTEREST IN WARRANTS

No.	Name	Direct interest No. of Shares	Direct interest %	Deemed interest No. of Shares	Deemed interest %
1.	Dato' Wong Shee Kai	–	–	–	–
2.	Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	23,983	0.029	–	–
3.	Paul Jong Jun Hian	–	–	–	–
4.	Yeong Siew Lee	–	–	–	–

Analysis of Warrant Holdings (continued)

THIRTY (30) LARGEST WARRANT HOLDERS

No.	Warrant holders	No. of Warrant	% of issued warrant
1	HII HIENG HUI	2,600,000	3.155
2	WONG SWEE YING	1,747,009	2.120
3	LEONG IMM LAN	1,251,520	1.518
4	CHEH KAH MUN	1,217,960	1.478
5	SU AN LEE	1,141,350	1.385
6	TEO MENG HAI	1,123,470	1.363
7	YONG KAR KEONG	1,091,953	1.325
8	CIMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KHONG YEW JOON	1,072,000	1.300
9	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM KOK KENG	1,000,000	1.213
10	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEH KAH MUN	1,000,000	1.213
11	KOH SIEW KONG	1,000,000	1.213
12	ONG SENG KEE	1,000,000	1.213
13	ROSLAN BIN ABU BAKAR	1,000,000	1.213
14	YIN YIT FUN	900,000	1.092
15	CHIN LAI YEE	725,220	0.880
16	MOHD FAUZI BIN MOHD ANUAR	600,018	0.728
17	MAH WEE HIAN @ MAH SIEW KUNG	585,520	0.710
18	WONG CHER HUA	572,500	0.694
19	ALLIANCGROUP NOMINEES (TEMPATAN) SDN BHD WONG CHAU JIN	555,000	0.673
20	LEE ENG MIN	515,300	0.625
21	TAN LEE KENG	510,119	0.619
22	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NGIAM SEE HOW	509,840	0.618
23	YAP BEE CHING	500,000	0.606
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KEK LIAN LYE	485,196	0.588
25	LIEW KOK SEONG	454,019	0.550
26	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM BONG HANG @ LIM MOH TENG	400,000	0.485
27	CHOO WENG SUN	400,000	0.485
28	KOO NAM SAN	400,000	0.485
29	LIM HONG SAN	400,000	0.485
30	LOW MOOI CHAI	400,000	0.485

NOTICE OF
EIGHTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Eighth Annual General Meeting of Asia Media Group Berhad ("the Company") will be convened and held at Tioman Room, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Monday, 23 May 2016 at 9.00 a.m. for the following purposes :-

A G E N D A

As Ordinary Businesses:-

1. To receive the Statutory Financial Statements for the year ended 31 December 2015 together with the Directors' and Auditors' Reports thereon. (Resolution 1)

2. To approve the payment of Directors' Fees of RM156,678.58 for the year ended 31 December 2015. (Resolution 2)

3. To re-elect Ms Yeong Siew Lee who retires in accordance with Article 70 of the Company's Articles of Association. (Resolution 3)

4. To re-appoint Messrs Ecovis AHL PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 4)

As Special Business:-

5. To consider and if thought fit, to pass the following resolutions:- (Resolution 5)

   Ordinary Resolution
   Authority to Issue Shares pursuant to Section 132D of the Companies Act, 1965

   "THAT subject always to the Companies Act, 1965, the Company's Articles of Association and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Section 132D of the Companies Act, 1965 to issue and allot new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being and THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

Notice of Eighth Annual General Meeting
(continued)

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

ON BEHALF OF THE BOARD

LEONG SHIAK WAN
MAICSA 7012855

ZURIATI BINTI YAACOB
LS0009971

Joint Company Secretaries
Petaling Jaya
29 April 2016

NOTES:

1. A member of the Company entitled to attend and vote at this meeting may appoint not more than two (2) proxies to vote in his stead. Where a member appoints two proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company and the provisions of Section 149(a) and 149(b) of the Companies Act, 1965 shall not apply to the Company.

2. A member who is an authorised nominee as defined under the Securities Industry (Central Depositor) Act, 1991 may appoint not more than two (2) proxies in respect of each securities account.

3. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation, it must be under its seal or under the hand of an officer or attorney duly authorised.

4. The instrument appointing a proxy to be deposited at Ground Floor, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

5. Only members whose names appear in the Record of Depositors on 17 May 2016 shall be entitled to attend, peak and vote at the Annual General Meeting.

Notice of Eighth Annual General Meeting (continued)

EXPLANATORY NOTE TO SPECIAL BUSINESSES:-

Resolution 5 - Authority to Issue Shares pursuant to Section 132D of the Companies Act, 1965

The proposed Ordinary Resolution 5 is proposed for the purpose of granting a renewed general mandate and authorise the Directors of the Company to issue and allot shares up to an aggregate amount not exceeding 10% of the issued and paid-up capital of the Company for the time being for such purposes as the Directors would consider to be in the interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next conclusion of the Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the authority granted to the Directors at the Seventh Annual General Meeting held on 29 June 2015 and which will lapse at the conclusion of the Eighth Annual General Meeting. Nevertheless, a renewal for the said mandate is sought to avoid any delay and cost involved in convening a general meeting to approve such an issue of shares. The aforesaid authority is to give the Directors the authority and flexibility to raise fund more expediently via issuance of shares for purpose of funding future investments, working capital and/or any acquisition.

ASIA MEDIA GROUP BERHAD

(Company No. 813137-V)
(Incorporated in Malaysia under the Companies Act, 1965)

PROXY FORM

I/We, ____
(Full Name in Block Letters)

(NRIC/Company No.) ____

of ____
(Full Address)

being a Member of ASIA MEDIA GROUP BERHAD hereby appoint ____

____

(Full Name in Block Letters)

(NRIC) ____

of ____
(Full Address)

or failing him/her ____
(Full Name in Block Letters)

(NRIC) ____

of ____
(Full Address)

or failing whom, the Chairman of the meeting as my/our proxy to attend and vote for me/us and on my/our behalf at the Eighth Annual General Meeting of the Company to be held at Tioman Room, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Monday, 23 May 2016 at 9.00 a.m. and at any adjournment thereof on the following resolutions in the manner indicated below:-

		FOR	AGAINST
	Ordinary Resolutions:-		
Resolution 1	To receive the Statutory Financial Statements for the year ended 31 December 2015 together with the Directors' and Auditors' Reports thereon.		
Resolution 2	To approve the payment of Directors' Fees of RM156,678.58 for the year ended 31 December 2015.		
Resolution 3	To re-elect Ms Yeong Siew Lee as Director.		
Resolution 4	To re-appoint Messrs Ecovis AHL PLT as Auditors of the company and to authorise the Directors to fix their remuneration.		
Resolution 5	Authority to issue shares pursuant to Section 132D of the Act, 1965		

(Please indicate with an 'X' in the appropriate box against each Resolution how you wish your proxy to vote. If no instruction is given, this form will be taken to authorise the proxy to vote at his/her discretion).

No. of Shares held	

The proposition of my holdings to be represented by my* proxy/proxies are as follows:-

First Name Proxy	________	%
Second Name Proxy	________	%
	100	%

In the case of a vote taken by a show of hands, the First Proxy shall vote on *my/our behalf.

* Strike out whichever is not desired.

Signed this ______________ day of ______________ 2016

____
Signature of Shareholder or Common Seal

Please fold here

Postage
Stamp

The Secretary
ASIA MEDIA GROUP BERHAD *813137-V*
Level 8, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan

Please fold here

NOTES:

1. A member of the Company entitled to attend and vote at this meeting may appoint not more than two (2) proxies to vote in his stead. Where a member appoints two proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company and the provisions of Section 149(a) and 149(b) of the Companies Act, 1965 shall not apply to the Company.
2. A member who is an authorised nominee as defined under the Securities Industry (Central Depositor) Act, 1991 may appoint not more than two (2) proxies in respect of each securities account.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation, it must be under its seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy to be deposited at Ground Floor, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
5. Only members whose names appear in the Record of Depositors on 17 May 2016 shall be entitled to attend, speak and vote at the Annual General Meeting.

ASIA MEDIA GROUP BERHAD
(Company No. 813137-V)
(Incorporated in Malaysia under the Companies Act, 1965)

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