

ANNUAL REPORT 2013



**ASIA MEDIA
GROUP BERHAD**

(Company No. 813137-V)

(Incorporated in Malaysia under the Companies Act, 1965)



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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.

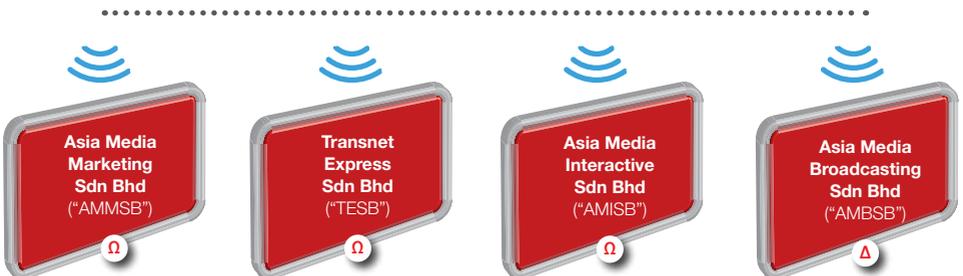
Corporate Structure



ASIA MEDIA GROUP BERHAD

("AMGB" or "Company")
(Company No.813137-V)

(Incorporated in Malaysia under the Companies Act, 1965)



* 100% owned subsidiary of Asia Media Group Berhad

Ω 100% owned subsidiary of Asia Media Sdn Bhd

Δ 70% owned subsidiary of Asia Media Sdn Bhd

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)*

**Dato' Hussian @
Rizal Bin A. Rahman**
*(Independent Non-Executive
Director)*

Yeong Siew Lee
*(Independent Non-Executive
Director)*

Audit Committee

**Dato' Hussian @
Rizal Bin A. Rahman**
Chairman

**Datuk Seri Syed Ali Bin
Tan Sri Abbas Alhabshee**
Member

Yeong Siew Lee
Member

Nomination Committee

**Dato' Hussian @
Rizal Bin A. Rahman**
Chairman

**Datuk Seri Syed Ali Bin
Tan Sri Abbas Alhabshee**
Member

Yeong Siew Lee
Member

Remuneration Committee

**Dato' Hussian @
Rizal Bin A. Rahman**
Chairman

Dato' Wong Shee Kai
Member

Yeong Siew Lee
Member

Company Secretaries

See Siew Cheng
(MAICSA 7011225)
Leong Shiak Wan
(MAICSA 7012855)

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

Auditors

STYL Associates (AF 001929)
Chartered Accountants
107B Jalan Aminuddin Baki
Taman Tun Dr Ismail
60000 Kuala Lumpur
T : 03-7727 5573
F : 03-7727 0771

Share Registrar

Tricor Investor Services
Sdn Bhd
Level 17, The Gardens
North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
T : 03-2264 3883
F : 03-2282 1886

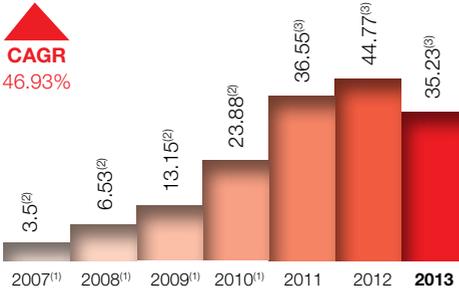
Stock Exchange Listing

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

Financial Highlights

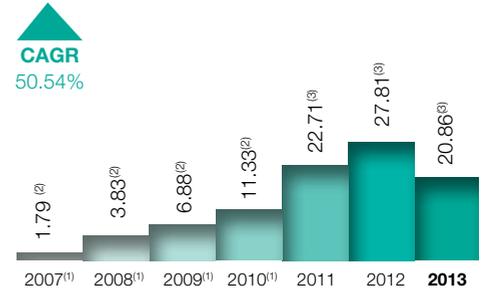
Revenue

(RM'mil)



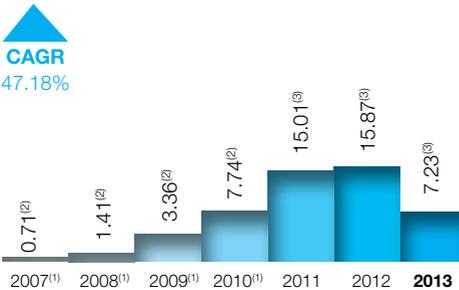
Gross Profit

(RM'mil)



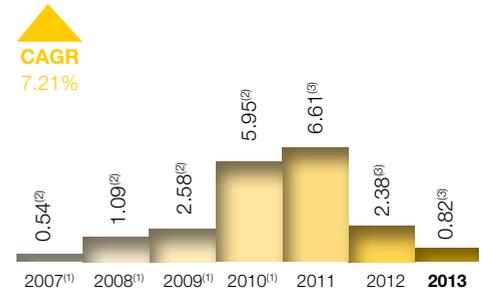
Profit Before Tax

(RM'mil)



Earnings Per Share ("EPS")

(sen)



Notes:

1. Proforma consolidated results prepared for illustration purposes is based on the audited financial statement of the companies in the group and on the assumption that the current structure of the group has been in existence through out the period under review.
2. Based on proforma consolidated results for the financial years ended 31 December 2007, 2008, 2009 and 2010 respectively for illustrative purposes.
3. Based on audited financial statement of the group for the financial year ended 31 December.

CAGR = Compound Annual Growth Rate

Financial Highlights

(Cont'd)

SUMMARISED GROUP INCOME STATEMENTS

Financial Year Ended 31 December ("FYE")

	Proforma				Audited	Audited	Audited	Audited
	2007	2008 ⁽¹⁾	2009 ⁽¹⁾	2010 ⁽¹⁾	2010 ⁽²⁾	2011 ⁽²⁾	2012 ⁽²⁾	2013 ⁽²⁾
FYE 31 December	(3 months)	(12 months)	(12 months)	(12 months)	(15 months)	(12 months)	(12 months)	(12 months)
	RM	RM	RM	RM	RM	RM	RM	RM
Revenue	3,501,620	6,533,187	13,150,080	23,375,537	16,554,093	36,548,114	44,766,888	35,233,480
Cost of Sales	(1,709,095)	(2,702,900)	(6,267,488)	(12,050,436)	(8,644,850)	(13,834,194)	(16,949,986)	(14,369,304)
Gross Profit ("GP")	1,792,525	3,830,287	6,882,592	11,325,101	7,909,243	22,713,920	27,816,902	20,864,176
EBITDA	968,759	2,187,285	4,233,739	9,246,887	11,297,585	17,224,148	21,749,103	15,559,347
Less:								
Amortisation	–	(5,422)	(5,458)	(25,979)	(24,176)	(263,705)	(281,370)	(259,741)
Depreciation	(143,721)	(815,758)	(830,127)	(1,439,401)	(960,720)	(2,319,794)	(5,818,644)	(8,267,271)
Net Interest Income / (Cost)	(113,993)	45,682	(39,664)	(39,414)	(26,074)	372,796	228,781	195,370
Profit Before Taxation ("PBT")	711,045	1,411,787	3,358,490	7,742,093	10,286,615	15,013,445	15,877,870	7,227,705
Taxation	(5,821)	–	–	(4,872)	(4,872)	(4,450)	(4,170,387)	(2,066,189)
Profit After Taxation ("PAT")	705,224	1,411,787	3,358,490	7,737,221	10,281,743	15,008,995	11,707,483	5,161,516
Non-Controlling Interests	–	–	–	–	–	2,652	14,775	100,448
Net Profit Attributable								
to Shareholders	705,224	1,411,787	3,358,490	7,737,221	10,281,743	15,011,647	11,722,258	5,261,964
Weighted Average								
Number of Share	130,000,000	130,000,000	130,000,000	130,000,000	69,124,736	227,194,521	492,224,590	640,840,783
Basic EPS (sen)	0.54	1.09	2.58	5.95	14.87	6.61	2.38	0.82
Profit Margin								
GP Margin (%)	51.2	58.6	52.3	48.5	47.8	62.1	62.1	59.2
EBITDA Margin (%)	27.7	33.5	32.2	39.6	68.2	47.1	48.6	44.2
PBT Margin (%)	20.3	21.6	25.5	33.1	62.1	41.1	35.5	20.5
PAT Margin (%)	20.1	21.6	25.5	33.1	62.1	41.1	26.2	14.6
Growth Rates								
Revenue (%)	N/A	86.6	101.3	77.8	N/A	56.4	22.5	(21.3)
EBITDA (%)	N/A	125.8	93.6	118.4	N/A	86.3	26.3	(28.5)
PBT (%)	N/A	98.6	137.9	130.5	N/A	94.0	5.8	(54.5)
PAT (%)	N/A	100.2	137.9	130.4	N/A	94.0	(22.0)	(55.9)

Financial Highlights
(Cont'd)**SUMMARISED GROUP'S FINANCIAL POSITION**

As at 31 December 2013

	Audited RM
Current Assets	36,302,034
Current Liabilities	1,271,295
Current Ratio (Times)	28.56
Total Equity	142,538,489
Cash Reserve	16,852,257
Net Cash	16,852,257
Net Assets / Share	0.22

Notes:

1. Based on proforma consolidated results for the FYE 2008, 2009 and 2010 respectively for illustrative purposes.
2. Based on audited financial statement of the group as at 31 December.

Chairman's **Statement**

Datuk Seri Syed Ali bin Tan Sri Abbas Alhabshee has been Chairman of Asia Media Group for over three years. Here he gives his perspectives on Asia Media's strategy and our approach to management and shareholders and Asia Media's role in society.



Chairman's Statement (Cont'd)

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. We have made strong progress in this respect this year, with over RM 46 million invested multimedia advertising services, media and communications infrastructure.

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 2013 ("FYE 2013").

Economic Review

Malaysia's Gross Domestic Product ("GDP") growth demonstrates its economy is on track to achieve high income and advanced nation status by as soon as 2020. In 2013, real GDP grew by 5.6%, surpassing both the consensus forecasts – a little over 5.0% - and the Treasury's 2014 budget forecast – 4.5 to 5.0%. Moreover, in 4Q 2013, the growth was 6.4% year-on-year (YoY), which was the highest level since 2Q 2010. Continuing strong domestic demand, with impressive annual growth in both private consumption and private and public investment outlays, drove the 2013 growth.

Industry Outlook and Prospects

Looking further ahead, prospects for the Digital Out of home ("DOOH") transit media are promising. The independent market research firm Frost & Sullivan expects the DOOH transit media industry to grow at a compound annual growth rate ("CAGR") of 28.7% p.a., eventually reaching RM165.90 million in 2017.

Financial Performance

2013 was a particularly strong year, due to existing customers demand and an influx of new customers. As a result of the strong performance of the multimedia advertising services and media communication services in all three business segments, the Group presented another strong financial result in 2013. The Group reported its Revenue at RM35.23 million in FYE 2013, which achieved a CAGR of 46.93% since FYE 2007. We employ a prudent financial management strategy: as of 31 Dec 2013, the Group's debt-to-equity ratio was nil, which in real terms is nil to RM142.54 million. On the same date, the cash balance was RM16.67 million. Such a strong and healthy balance sheet will enable the Group to enhance market opportunity even further in the near future.

Prior to the repayment of RM11.63 million to the Digital Terrestrial Television Broadcasting ("DTTB") infrastructure suppliers for broadcast equipment and transmitters purchased in FYE 2012, the Group's net cash inflow was around RM9.43 million from operating activities. RM46.48 million of net cash went to investing activities, primarily for the purchasing of broadcasting and digital equipment for expanding the business. There was RM52.92 million positive financing cash flow, which was primarily from new shares being issued. As for 31 December 2013, the Group had a health financial liquidity with a cash reserve exceeding RM16 million.

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.

The Group, its directors and staff supported a community service to Persatuan Kebajikan Kanak Kanak Terencat Akal Malaysia throughout 2013.

Appreciation

We would like to express our warmest appreciation to all our shareholders, business partners, suppliers, customers and regulatory authorities for their continuing support and confidence in our Group. I would also like to take this opportunity to acknowledge the contributions of my fellow directors and employees for their unwavering dedication and professionalism throughout 2013, without which it would not be possible to continue to deliver growth in our shareholders' value.

**DATUK SERI SYED ALI
BIN TAN SRI ABBAS ALHABSHEE
CHAIRMAN**

Chief Executive Officer's Report



Dato' Ricky Wong has been founder and CEO of Asia Media Group since its inception.

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.

Financial Performance of the Group

The Group's revenues have increased greatly since inception, posting YoY growth rates of 86.6%, 101.3%, 77.8%, 56.4%, 22.5% and -21.3% in 2008, 2009, 2010, 2011, 2012 and 2013 respectively. This is a testament to the increasing acceptance of and rising demand for advertising in the Digital-Out-of-Home ("DOOH") sector. Whilst our revenue FYE 2013 fell short of expectations, we are upbeat heading into 2014. Our rising revenue trend is attributable to the success of marketing efforts to promote the Group's network, which include greater engagement with media agents. Concurrently, EBITDA margins have also improved, rising from 27.7% in 2007 to 44.2% in 2013, as a result of economies of scale attained due to higher demand for DOOH advertising. The notable growth and profitability improvements were achieved in spite of the recent global financial crisis. The Group's net profit has improved at a CAGR of 39.34% since 2007. The Group reported its net profit of RM5.16million in FYE 2013 (EPS: 0.82 sen).

Chief Executive Officer's Report (Cont'd)

Operations Review

In 2013, the Group actively expanded its business operations by securing advertising budgets from existing clients and simultaneously adding new customers into its portfolio.

Live Digital Broadcasting on Buses

The Group successfully completing the trial of live television broadcasting for all major bus routes 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.

Corporate Achievements

On deployment of Digital Media Broadcasting under Economic Transformation Programme ("ETP"), we have completed a trial run for its first DTTB service in Klang Valley. The project, part of the ETP, would cost about RM500 million over the next seven to eight years.

The Group is also expanding its live broadcasting in Johor Bahru and Penang, followed by other states in Peninsular Malaysia within two to three years. As of 31 December 2013, the Group invested more than RM80 million for building infrastructures of the DTTB, consisting of transmission towers, gap fillers and various network facilities. We view this as a very positive step forward because it inherently places AMGB as the front-runner in securing any future projects within the government sector.

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.

Acknowledgements

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 of Directors for their dedication and commitment to the Group.

Thank you.

DATO' WONG SHEE KAI
CHIEF EXECUTIVE OFFICER

Significant **Milestones**

2007



Asia Media began operations in Pusat Bandar Puchong, Selangor.

Asia Media was awarded the concession to operate the Transit-TV Network System in 1,050 RapidKL stage buses, the largest integrated public transport company wholly owned by the Ministry of Finance Malaysia, via LCD digital screens to show infotainment programme, advertisement, community driven messages and public service bulletins to over 1.5 million bus users daily.

In October 2007, Asia Media was awarded the MSC status by the Multimedia Development Corporation Sdn Bhd with ten (10) years tax-free incentives.



Significant Milestones (Cont'd)

2008



The installation of LCD TV screen in 1,050 Rapid KL buses was completed in early 2008. Transnet KL was officially launched. The transit channel has been on trial service since November 2007 in 600 Rapid KL buses. Rapid KL buses was installed with two 19-inch LCD TV screens to broadcast a variety of programmes including news, sports and documentaries in 30 minutes slots that are interspersed with advertisements.



Significant Milestones

(Cont'd)

2008 *(Cont'd)*

Asia Media was awarded the concessions to operate Transit-TV Network System in Causeway Link stage buses in Johor Bahru owned by Handal Indah Sdn Bhd. A total of 500 LCD TV screens were installed in 250 buses. The installation was completed in September 2008.

In mid-2008, Asia Media successfully acquired Transit Vision Holdings Sdn Bhd which operates LCD TV screen in 200 luxury coaches own by Konsortium Transnasional Berhad. With this acquisition, the Group has expanded its coverage to Plusliner and Nice++ express buses. Transit Vision Holdings Sdn Bhd was subsequently renamed as Transnet Express Sdn Bhd and operates under the brand name of TransNet.



Awarded as “Best Start-up Company” by MSC Malaysia at the Asia Pacific ICT Awards.



Asia Media certified as the “Biggest Transit-TV Network (Bus)” by the Malaysian Book of Records with 3,175 LCD screen installed in 1,391 stage and express buses.



Significant Milestones (Cont'd)

2008 *(Cont'd)* 2009

Asia Media is the winner of the SME Rising Star Award 2008 by SMI Association of Malaysia.



Asia Media was recognized and awarded as one of SME Magazine's 'SME 100' award winners.



Asia Media and The Star Publications announced a Joint Media Collaboration to cross-promote their respective media products on the other's media platform. Asia Media dedicated 10% of its air time to promote The Star Group's products. In return, The Star Group featured Asia Media's products on its platforms which include newspaper, magazines and radio stations.



Significant Milestones

(Cont'd)

2010

Asia Media was awarded the winner of the BrandLaureate-SMEs Chapter Award.



Asia Media participated the Asia-Pacific Broadcasting Union Digital Broadcasting Symposium 2010 officiated by the Minister of Information Communication and Culture, Y.B Dato' Seri Utama Dr. Rais Yatim to create awareness amongst the broadcasting industry players.

Asia Media was awarded with three (3) licenses (NFP-i, NSP-i and CASP-i) from Malaysian Communications and Multimedia Commission and Spectrums for the deployment of Digital Multimedia Broadcasting.

Asia Media was allocated 3 Blocks of "L" Band Spectrums, at 1452.960, 1454.672 & 1456.384 MHz respectively to be utilised for digital multimedia broadcasting.

The Group planned to utilise the allocated frequencies to deploy a Digital Terrestrial Television Broadcasting to provide innovative services and applications, such as mobile devices, traffic and safety information, interactive programmes and data information.



Significant Milestones (Cont'd)

2010 *(Cont'd)*

The group's Chief Executive Officer ("C.E.O.") Dato' Ricky Wong won the Most Promising Entrepreneur Award by Asia Pacific Entrepreneurship Awards (APEA). The award recognises individuals who have shown promising tenacity, perseverance and courage in business.



The group's C.E.O. Dato' Ricky Wong was awarded the JCI - Creative Young Entrepreneur Award 2010. Datuk Mohd Badlisham Ghazali, C.E.O. of Multimedia Development Corporation (MDeC) presented the award.



Significant Milestones

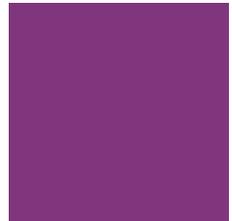
(Cont'd)

2011



The Company was successfully listed on the ACE Market of Bursa Malaysia Securities Berhad on 11 January 2011. The IPO involved an issuance of 98 million new shares at RM0.23 each and was oversubscribed by 21.46 times.

The share debuted with RM0.17 premium to RM0.40 per share and closed at RM0.285 with 40.92 million shares transacted on the first day of trading.



Significant Milestones (Cont'd)

2011 *(Cont'd)*

Economic Transformation Programme (ETP)

The ETP is an initiative by the Malaysia Government to turn Malaysia into a high income economy by the year of 2020. It is managed by the Performance Management and Delivery Unit (PEMANDU), an agency under the Prime Minister Department. The programme provides strong focus on 12 National Key Economic Areas (NKEAs). These NKEAs are expected to make substantial contributions to Malaysia's economic performance, and they will receive prioritised public investment and policy support. The ETP projects will be led by the private sector where the Government will primarily play the role of a facilitator.

Communications Content and Infrastructure (CCI)

Among the 12 NKEAs, Asia Media will be involved in the CCI sector. The CCI sector spans a wide ecosystem, from content generation to networks, services and devices. In 2009, the sector contributed RM22 billion from telecommunications, TV and broadcasting as well as post and courier. The sector should now build on the infrastructure investments of the past and shift to providing applications and content in order to enable the knowledge-based society. The CCI NKEA aims at driving continued high growth in communications and enabling the paradigm shift from infrastructure to applications and content.



Asia Media in the ETP

The Group intends to invest RM500 million over the next five to ten years to develop the first Digital Live Transit-TV Broadcasting infrastructure in Malaysia. By adopting international broadcasting infrastructure, Asia Media is capable of delivering live video and voice into the transportation industry within the country.

Asia Media intends to leverage on the three licences (NFP-i, NSP-i, and CASP-i) awarded by the Malaysian Communications and Multimedia Commission (MCMC) in 2010 for the deployment and integration of Digital Multimedia Broadcasting and DTTB into the TransNet network.

DTTB is a type of infrastructure that employs digital broadcasting to transmit TV signals from terrestrial transmission towers to a conventional aerial. With DTTB, the Group will be able to deliver real-time content and information to the targeted mobile audience via live broadcasts. Additionally, Asia Media intends to improve its capabilities to broadcast information and entertainment to a large range of devices (i.e. mobile phones, personal computers, personal digital assistant) apart from public transports.

Significant Milestones

(Cont'd)

2012



The BrandLaureate BestBrands Awards 2012

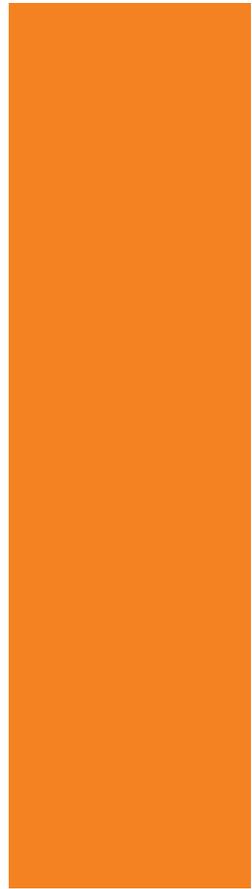
Asia Media receiving the BrandLaureate Best Brands Awards (2011 - 2012) as "Best Brand in Media - Transit TV Network"

Significant Milestones
(Cont'd)

2012 *(Cont'd)*

Completion of DTTB Infrastructure in Klang Valley

Asia Media has completed its broadcast center and major transmission towers deployment to provide Live Digital Transit TV signal coverage for Klang Valley in 2012



Significant Milestones

(Cont'd)

Transfer Listing From ACE Market to Main Market of Bursa Malaysia

Asia Media was successfully listed on the Main Market of Bursa Malaysia on 18th February 2013

ASIA MEDIA GROUP BERHAD
is now listed on the
Main Market of **BURSA MALAYSIA**

Datuk Seri Syed Ali Alhabshee
Chairman

Dato' Riely Wong
Executive Director
Chief Executive Officer

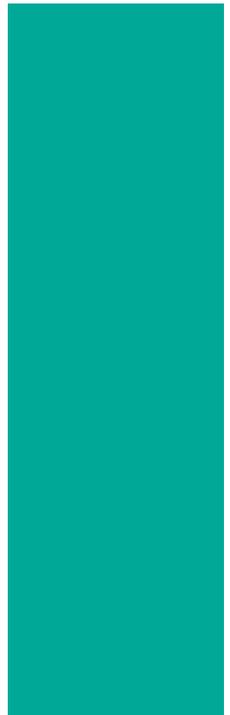
THE LEADER.
Founded in 2007
Listed on ACE Market of Bursa Malaysia on 11-1-11

Significant Milestones
(Cont'd)

2013

The BrandLaureate Best Brands Awards 2013

Asia Media receiving the BrandLaureate Best Brands Awards (2012 - 2013) as "Best Brand in Media - Transit TV Network"



Significant Milestones (Cont'd)

NEWS & ARTICLES

亞洲媒體18日轉主板

【吉隆坡18日訊】亞洲媒體 (AMEDIA, 8137) 於本月18日星期一正式由创业板轉往新加坡交易所上市。

該公司非執行主席兼董事主席、執行主席及公司秘書陳國治表示，亞洲媒體轉往新加坡交易所上市，是該公司發展的重要里程碑。他表示，新加坡交易所的上市，將為亞洲媒體提供更大的發展空間，並有助於提高公司的知名度及信譽。

陳國治表示，亞洲媒體將繼續致力於提供高質素的電視節目，並尋求新的發展機會。他表示，亞洲媒體將繼續與股東保持密切溝通，並為股東提供最佳回報。

股東准發附加設透憑單 亞洲媒體實籌1958萬



【吉隆坡18日訊】亞洲媒體 (AMEDIA, 8137) 於本月18日星期一正式由创业板轉往新加坡交易所上市。該公司非執行主席兼董事主席、執行主席及公司秘書陳國治表示，亞洲媒體轉往新加坡交易所上市，是該公司發展的重要里程碑。

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Asia Media gets nod for rights issue with warrants

亞洲媒體配售10%籌1359萬

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Asia Media receives shareholders' nod for rights issue



Main board entity status opens new path to growth

證明實力重獲信任 亞洲媒體轉主板吸資

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股東准發附加設 亞洲媒體擬籌9780萬

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投資者選擇 亞洲媒體-8A上市起7仙

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TRIUMPH IN TRANSITION



Asia Media rights issue with warrants to raise up to RM97.8m

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附加發轉釋每股盈利 亞洲媒體目標價下修

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亞洲媒體附加設定價11仙

【吉隆坡13日訊】亞洲媒體 (AMEDIA, 8137) 附加設定價11仙，實籌8276萬4000令吉。亞洲媒體每股11仙的定價，相等于5日加權平均市價（即每股12.8仙）折14.1%。若以每股最高8276萬4000令吉來計算，

此項集款項將有4000萬令吉用於資本開支、1716萬4000令吉用於營運資本、500萬令吉償還銀行貸款及60萬令吉用作發行附加設的開銷。

今日閉市，亞洲媒體收報16仙，漲1.5仙或10.3%，成交量為130萬2400股。

Asia Media rights issue with warrants to raise up to RM97.8m

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亞洲媒體擬私下配售

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亞洲媒体-8A 上市開140%

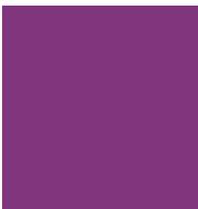
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Event **Highlight**



Corporate Social Responsibility
– Visit to Persatuan Kebajikan Kanak-kanak Terencat Akal Malaysia



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 such as RapidKL, Handal Indah (Causeway Link buses plying into Singapore from Johor Bahru) as well as express coaches from the Plusliner and Nice++ fleets.

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.

Management Discussion and Analysis (Cont'd)

INDUSTRY OUTLOOK AND FUTURE PROSPECTS OF OUR GROUP

I. Overview of the Malaysian economy

The Malaysian economy expanded by 4.1% in the first quarter of 2013 (4Q 2012: 6.5%), supported by stronger domestic demand that expanded by 8.2% during the quarter (4Q 2012: 7.8%). Private consumption registered strong growth during the quarter, while the expansion in gross fixed capital formation continued to be firm, reflecting sustained capital spending by both the private and public sectors. Exports contracted marginally during the quarter, and with higher growth of imports, led to a larger negative contribution of net exports to growth. On the supply side, while the domestic-oriented industries continued to register sustained growth, activity in the major economic sectors was weighed down by the weak external conditions.

Domestic demand registered a strong growth of 8.2% in the first quarter (4Q 2012: 7.8%). Growth was driven by higher private consumption, while gross fixed capital formation remained firm with a double-digit growth rate.

Private consumption grew strongly in the first quarter (7.5%; 4Q 2012: 6.2%), driven by sustained income growth and favourable labour market conditions. Industry engagements also indicated that workers have benefitted from the implementation of the minimum wage policy in January 2013. The strong growth in private consumption was reflected in the higher growth of new passenger car sales and credit card spending. Growth of public consumption, however, moderated in the first quarter (0.1%; 4Q 2012:1.2%), reflecting mainly lower Government spending on supplies and services.

On the supply side, growth in the manufacturing sector slowed, weighed down by the weak external conditions. Despite the weakness in trade-related activity, the services sector continued to expand, driven largely by subsectors catering to the domestic market. Growth in the agriculture sector was sustained on account of higher production of palm oil, while the mining sector declined due to lower production of crude oil. In the construction sector, growth remained firm, led mainly by the civil engineering sub-sector.

(Source: Development in the Malaysian Economy, Quarterly Bulletin First Quarter 2013, BNM)

Management Discussion and Analysis

(Cont'd)

INDUSTRY OUTLOOK AND FUTURE PROSPECTS OF OUR GROUP (Cont'd)

I. Overview of the Malaysian economy (Cont'd)

The Malaysian economy is expected to remain on a steady growth path, with an expansion of 5-6% in 2013. Economic activity will be anchored by the continued resilience of domestic demand, and supported by a gradual improvement in the external sector. Private investment is expected to remain robust, driven by capacity expansion by the domestic-oriented firms and the continued implementation of projects with long gestation periods. Investments by the external-oriented businesses is also expected to be higher amid the gradual improvement in external demand, while private consumption is projected to grow at a more moderate rate in the second half of the year, although it will continue to be well supported by sustained income growth and positive labour market conditions. Government spending is expected to record a lower growth given the ongoing consolidation of the Government's fiscal position and as the role of the private sector gains greater significance. In line with the more favourable external sector, gross exports are projected to record a higher growth in 2013 supported by the export of manufactured products. Gross imports are expected to moderate, in tandem with the projected trend in domestic demand. Overall, this is expected to result in a lower negative contribution to real GDP from net exports. As import growth continues to outpace export growth amid the continued deficit in the income account and in current transfers, the current account surplus, while still remaining significant is expected to narrow further in 2013.

(Source: *The 2012 BNM Annual Report, BNM*)

II. Overview and outlook of DOOH transit media industry

DOOH media refers to all digital signages such as LCD screens, plasma screens and LCD or LED billboards that display advertising and program content in public areas. The DOOH media industry (comprising DOOH transit media, DOOH outdoor signages and DOOH in indoor areas) is estimated at RM100 million in 2012.

Adex in DOOH transit media began to pick up only in 2007 when the industry recorded revenues of approximately RM4.2 million. With more DOOH transit media digital signage sites becoming available, such as the RapidKL Buses, DOOH transit media Adex grew rapidly to an estimated RM48.8 million in 2012, with strong growth recorded between 2007 and 2012 with an estimated CAGR of 63.3%, despite the global economic downturn in 2008.

The Adex of DOOH media transit industry grew rapidly to an estimated RM48.80 million in 2012 and this industry is forecast to grow to an estimated RM165.90 million in 2017. The DOOH estimated CAGR of 63.3% from 2007 to 2012 was, largely due to the industry being in its nascent stage and had grown from a small Adex base contribution at the beginning of this period. This contributed to high year-on-year growth rates of 128.6% from 2007 to 2008, 61.5% from 2008 to 2009, 30.3% from 2009 to 2010, 95.0% from 2010 to 2011 and an estimated 23.7% from 2011 to 2012. However, as the industry develops, the CAGR from 2013 to 2017 are expected to stabilise to approximately 28.7%.

Management Discussion and Analysis (Cont'd)

INDUSTRY OUTLOOK AND FUTURE PROSPECTS OF OUR GROUP (Cont'd)

II. Overview and outlook of DOOH transit media industry (Cont'd)

Industry Forecast for the DOOH Transit Media Industry (Malaysia), 2013(f)-2017(f)

Year	Adex (RM million)	Growth Rate (%)
2013(f)	60.4	23.8
2014(f)	76.6	26.8
2015(f)	97.2	26.8
2016(f)	127.0	30.7
2017(f)	165.9	30.7
CAGR 2013(f)-2017(f)		28.7

Notes: All figures are rounded; the base year is 2013

(Source: Digital-out-of-home Transit Media Industry in Malaysia dated January 2013, Frost & Sullivan Malaysia Sdn Bhd)

III. Prospects and future plans of our Group

Our Group is principally involved in 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 Bahru, as well as luxury long haul express buses serving peninsular.

Traditional media for advertising such as TV and newspapers remain as popular advertising media in Malaysia. With regards to transit advertising, prints such as the vehicle wrap, lightboxes and in-vehicle panels also remain popular with a relatively longer history of use compared to digital screen advertising. While DOOH transit media is becoming more popular and viable amongst advertisers, DOOH must still compete against traditional media which still serves as an attractive advertising substitute to DOOH.

The growth of DOOH transit media industry is facilitated by the price erosion of digital screens with the average price of digital screen expected to decrease by a CAGR of approximately 2.6% over the period from 2007 to 2014. Additionally, with the Government aggressively promoting the upgrade of the public transport service in the country, this is expected to further boost the growth of DOOH transit media industry with the expected increase in public transport riderships. Combined, these provide us with significant opportunities for growth and expansion.

In the DOOH transit media industry, we are recognised as one of three major players in this industry, along with Simfoni Maya Sdn Bhd and YTL Info Screen Sdn Bhd. There could possibly be other smaller competitors in the industry, but these three players are the most notable ones, providing digital media services to the three key public transportation channels with installed digital media screens, namely RapidKL Buses, KTMB Intercity trains and express rail link to Kuala Lumpur International Airport.

(Source: Digital-out-of-home Transit Media Industry in Malaysia dated January 2013, Frost & Sullivan Malaysia Sdn Bhd)

Management Discussion and Analysis

(Cont'd)

INDUSTRY OUTLOOK AND FUTURE PROSPECTS OF OUR GROUP (Cont'd)

III. Prospects and future plans of our Group (Cont'd)

We have completed the construction of five (5) transmission towers in Klang Valley and have conducted signal coverage tests for our frequency in Klang Valley based on the existing five (5) transmission towers. The existing five (5) transmission towers are able to provide sufficient coverage of our Group's broadcasting information for most of the major bus routes which are installed with our Group's integrated network system used for the broadcasting of contents and advertisements in Klang Valley. However, we may set up gap fillers in Klang Valley from time to time to stabilise our broadcast signal in poor coverage area, if any to minimise the interruption of our broadcasting information as and when required.

We believe that our Group have a better chance to penetrate into other public transport with the availability of our DTTB infrastructure and frequency coverage for live broadcasting in Klang Valley. Beside Klang Valley, we also intend to expand our DTTB infrastructure and broadcasting services in Johor Bahru and Penang.

Taking into account of the growth prospects of the DOOH transit media industry and the current efforts undertaken by our Group, 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 52, 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 and Nomination 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 33, 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 Sdn Bhd 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

(Cont'd)

Dato' Hussian @

Rizal Bin A. Rahman

(Independent Non-Executive Director)

Dato' Hussian @ Rizal Bin A. Rahman, a Malaysian, age 52, is the Independent Non-Executive Director of the Company and he was appointed to the Board on 5 May 2010. He is the Chairman of the Audit, Nomination and Remuneration Committees of the Company. He has extensive experience in the ICT industries in Malaysia. Currently, he is the Executive Director/Chief Executive Officer of MobilityOne Limited, a company listed on AIM of the London Stock Exchange, and is responsible for the development of MobilityOne Limited group of companies' overall management, particularly in setting the business directions and strategies. Besides that Dato' Hussian is currently sit on the board of TFP Solutions Berhad. Dato' Hussian obtained the Postgraduate Diploma in Business Management from The Oxford Association of Management, Oxford, England ("OXIM") and was also admitted to the membership of Certified Master of Business Administration from the OXIM, a membership that recognises management competency and professional development. In addition, he was awarded the certificate of Master of the Oxford centre for Leadership from The Oxford Centre for Leadership, United Kingdom.

Dato' Hussian 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

(Independent Non-Executive Director)

Yeong Siew Lee, a Malaysian, age 36, is the Independent Non-Executive Director of the Company and she was appointed to the Board on 5 May 2010. She is a member of the Audit, Nomination and Remuneration Committees of the Company. 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 became 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. Beside that Ms Yeong is recently sit on the board of Bright Packaging Industry 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 on **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 2013.

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.

Corporate Governance Statement

(Cont'd)

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (Cont'd)

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 three (3) Board Committees namely the Nomination Committee, Remuneration Committee and the Audit 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.

Corporate Governance Statement (Cont'd)

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (Cont'd)

1.3. Ethical Standards and Code of Conduct (Cont'd)

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.

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 are qualified and are members of a professional body. 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.

Corporate Governance Statement

(Cont'd)

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
YBhg Dato' Hussian @ Rizal Bin A. Rahman	Chairman	Independent Non-Executive Director
YBhg Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	Member	Independent Non-Executive Director
Ms. Yeong Siew Lee	Member	Independent Non-Executive Director

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

- i. Recommend the nomination person or persons for all directorships to be filled by the shareholders or the board;
- ii. Consider, in making its recommendations, candidate or directorships proposed by the Managing Director/Chief Executive Officer and, within the bounds of practicability any other senior executive or any director or shareholder;
- iii. Assess the directors on an ongoing basis;
- iv. Oversee the selection of directors and general composition of the Board (size, skill and balance between executive directors and non-executive directors);
- v. Assess annually the effectiveness of the board as a whole, the committees of the board and the contribution of each existing individual director and thereafter, recommend its findings to the board; and
- vi. Review annually the required mix of skills and experience and other qualities, including core competencies which non-executive directors should bring to the board and thereafter, recommend its findings to the board.

For the financial year ended 31 December 2013, the Nomination Committee has met once with full attendance of its Members and has carried out the following key activities:

- Proposed re-election of a Member of the Board at the AGM for the Shareholders' approval, pursuant to Article 70 of the Articles of Association of the Company.

Corporate Governance Statement (Cont'd)

2. STRENGTHEN COMPOSITION OF THE BOARD (Cont'd)

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
YBhg Dato' Hussian @ Rizal Bin A. Rahman	Chairman	Independent Non-Executive Director
YBhg Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	Member	Independent Non-Executive Director
Ms. Yeong Siew Lee	Member	Independent Non-Executive Director

For the financial year ended 31 December 2013, the Nomination Committee has met once with full attendance of its Members to review and recommend the payment of Directors' fees in FYE 2013.

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.

Corporate Governance Statement

(Cont'd)

2. STRENGTHEN COMPOSITION OF THE BOARD (Cont'd)

2.3. Remuneration Committee (Cont'd)

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	162,000	–
	362,000	2,400

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

Note:

For security and confidentiality 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 2013 which are subject to the shareholders' approval at the forthcoming AGM.

Corporate Governance Statement (Cont'd)

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 four (4) 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.

Corporate Governance Statement

(Cont'd)

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 2013 with satisfactory attendance.

The attendance record of the Board for the financial year ended 31 December 2013 is set out below:

Name	Designation	Attendance	%
YBhg Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	Non-Executive Chairman	4/4	100%
YBhg Dato' Ricky Wong	Executive Director	4/4	100%
YBhg Dato' Hussian @ Rizal Bin A. Rahman	Independent Non-Executive Director	3/4	75%
Ms. Yeong Siew Lee	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 (Cont'd)

4. FOSTER COMMITMENT (Cont'd)

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 2013, the training programmes and seminars attended by the Directors are as follows:-

1. 'Shareholders' rights and responsibilities'
2. ACCA Malaysia Annual Conference 2013

During the financial year ended 31 December 2013, 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 drawn 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.

Corporate Governance Statement

(Cont'd)

5. UPHOLD INTEGRITY IN FINANCIAL REPORTING *(Cont'd)*

5.2. Assessment of suitability and independence of External Auditors *(Cont'd)*

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 during the financial year ended 31 December 2013 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.

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 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.

Corporate Governance Statement (Cont'd)

7. TIMELY AND HIGH QUALITY DISCLOSURE (Cont'd)

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 regulator, 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 at least 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 is 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. 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.

Corporate Governance Statement

(Cont'd)

8. STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS (Cont'd)

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 table 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 29 April 2014.

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

The Company does not have any options, in issue or exercised during the financial year and there was no exercised of warrants during the financial year.

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 2013.

Profit Guarantee

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

Recurrent Related Party Transactions (“RRPT”)

There is no RRPT during the financial year.

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.

Additional Compliance Information

(Cont'd)

Statement Pertaining to the Allocation of Share Options to Employees

The Company on 20 March 2014 announced its proposed establishment and implementation a share issuance scheme ('Proposed SIS') of up to fifteen percent (15%) of the Company's issued and paid-up share capital (excluding treasury shares, if any) at any one time during the duration of the scheme, for the Directors and employees of the Company and its subsidiaries (excluding dormant subsidiaries) who fulfil the eligibility criteria.

Bursa Securities has, vide its letter dated 28 March 2014, approved the listing of such number of additional new AMEDIA Shares, representing up to 15% of the issued and paid-up ordinary share capital of AMEDIA (excluding treasury shares, if any), to be issued pursuant to the exercise of options under the Proposed SIS, subject to the following conditions:

- i. The Advisers are required to submit a confirmation to Bursa Securities of full compliance of the Proposed SIS pursuant to Paragraph 6.34(1) of the Listing Requirements and stating the effective date of implementation; and
- ii. Payment of additional listing fees, if relevant. In this respect, AMEDIA is required to furnish Bursa Securities on a quarterly basis a summary of the total number of SIS Shares listed as at the end of each quarter together with a details computation of the listing fees payable.

AMEDIA is required to ensure full compliance of all the requirements pertaining to the proposal as provided under the Listing Requirements at all times.

An EGM will be held on 28 May 2014 pertaining to the Proposed SIS.

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.

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.

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

Statements on Risk Management and Internal Control

(Cont'd)

Key Elements of Internal Controls

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

- i. Clearly 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 2013. 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 29 April 2014.

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 2013.

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:-

YBhg Dato' Hussian @ Rizal Bin A. Rahman
(Chairman of Audit Committee/ Independent Non-Executive Director)

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

Ms Yeong Siew Lee
(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.

Audit Committee Report

(Cont'd)

B. Terms of Reference of Audit Committee *(Cont'd)*

Composition and Size *(Cont'd)*

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.

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.

Audit Committee Report (Cont'd)

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	Designation	Attendance
YBhg Dato' Hussian @ Rizal Bin A. Rahman	Independent Non-Executive Director	3/4
YBhg Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	Independent Non-Executive Director	4/4
Ms. Yeong Siew Lee	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 2013.
- (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 2013 annual report.

Audit Committee Report

(Cont'd)

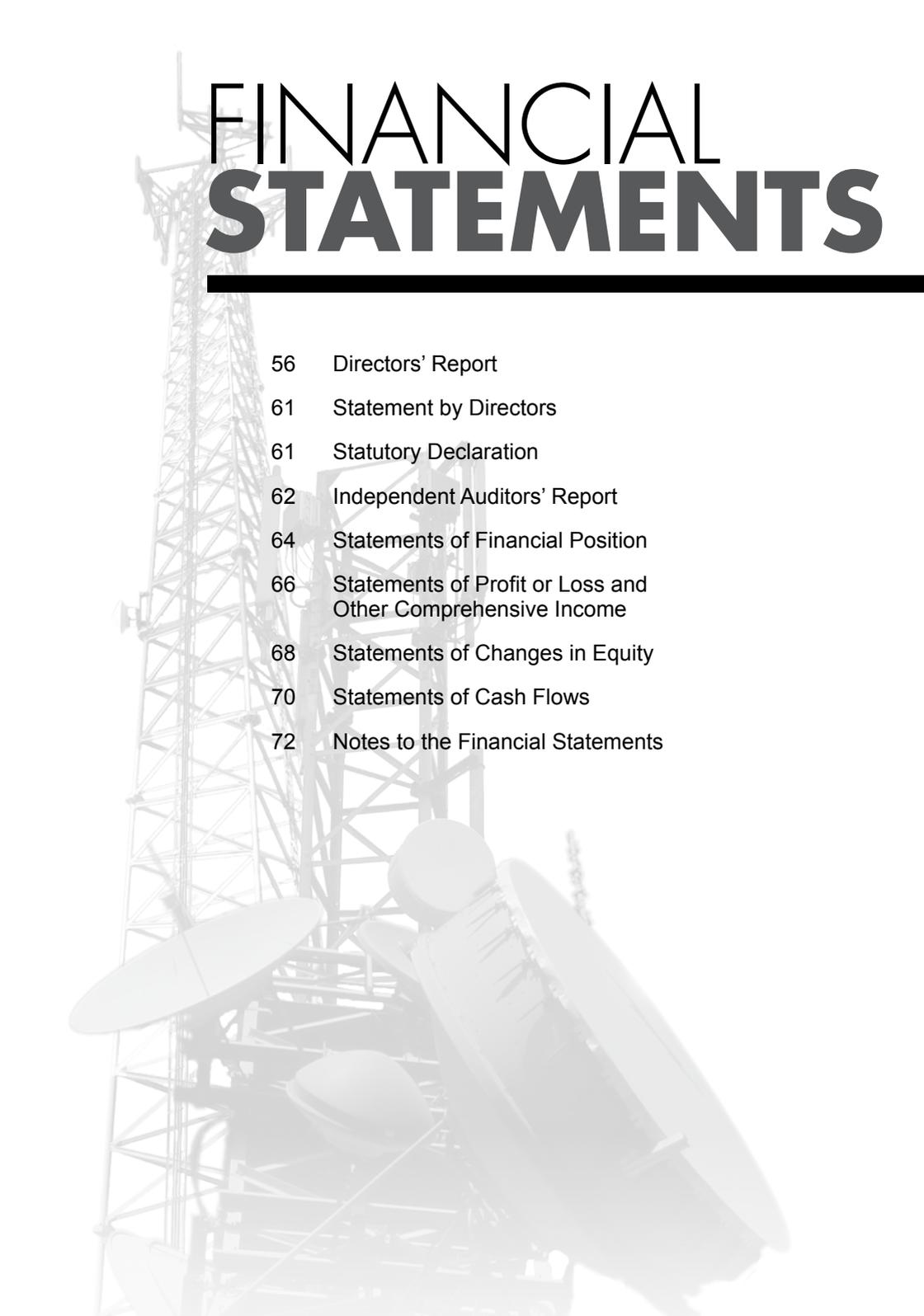
E. Internal Audit Function

SUMMARY OF ACTIVITIES OF INTERNAL AUDIT DEPARTMENT DURING FINANCIAL YEAR ENDED 31 DECEMBER 2013

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 29 April 2014.

The background of the page features a grayscale image of a telecommunications tower. The tower is a lattice structure with several large satellite dishes or parabolic antennas mounted on it. The image is semi-transparent, allowing the text to be clearly visible over it.

FINANCIAL STATEMENTS

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Directors' Report

The directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31st December 2013.

PRINCIPAL ACTIVITIES

The Company is principally an investment holding company. The principal activities of the subsidiaries are as disclosed in Note 9 to the Financial Statements. There have been no significant changes in the nature of these principal activities during the financial year.

FINANCIAL RESULTS

The results of the operations of the Group and of the Company for the financial year are as follows:

	GROUP RM	COMPANY RM
Profit/(Loss) before tax	7,227,705	(576,085)
Income tax expense	(2,066,189)	–
Net profit/(loss) for the financial year	5,161,516	(576,085)
<hr/>		
Attributable to:		
Equity holders of the Company	5,261,964	(576,085)
Non-controlling interests	(100,448)	–
	5,161,516	(576,085)

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The directors also do not recommend the payment of any dividend in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those as disclosed in the Financial Statements.

Directors' Report (Cont'd)

ISSUE OF SHARES AND DEBENTURES

As approved by the shareholders of the Company at the Extraordinary General Meeting held on 29th July 2013, the authorised share capital of the Company was increased from RM100,000,000 to RM200,000,000 during the financial year by the creation of additional 1,000,000,000 new ordinary shares of RM0.10 each. Also, the issued and paid-up share capital of the Company was increased from RM50,160,000 to RM94,665,214 during the financial year by way of a rights issue of 445,052,137 new ordinary shares of RM0.10 each at an issue price of RM0.11 per ordinary share on the basis of one (1) new ordinary share of RM0.10 each for every one (1) existing ordinary share of RM0.10 each together with one (1) free warrant for every four (4) rights shares subscribed.

The issued and paid-up share capital of the Company was increased further from RM94,665,214 to RM104,131,714 during the financial year by the allotment of 94,665,000 new ordinary shares of RM0.10 each in the Company at an issue price of RM0.10 per new ordinary share for cash by way of private placement.

All the new ordinary shares issued rank pari passu with the then existing ordinary shares of the Company.

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

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 Abbas Alhabshee
Dato' Hussian @ Rizal Bin A Rahman
Yeong Siew Lee

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by the directors in the financial statements or the fixed salary of a full-time employee of the Company or a related corporation) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Directors' Report

(Cont'd)

DIRECTORS' BENEFITS (Cont'd)

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

DIRECTORS' INTERESTS

The shareholdings in the Company of those who were directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965, are as follows:

	No. of ordinary shares of RM0.10 each			
	Balance as at 1.1.2013	Bought	Sold	Balance as at 31.12.2013

Shares in the Company

Registered in name of directors

Datuk Seri Syed Ali Bin Abbas Alhabshee	200,000	—	—	200,000
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Deemed interest

Dato' Wong Shee Kai	150,480,000	150,480,000	(17,000,000)	283,960,000 ⁽ⁱ⁾
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	No. of ordinary shares of RM0.10 each			
	Balance as at 1.1.2013	Acquired	Exercised/ Sold	Balance as at 31.12.2013

Deemed interest

Dato' Wong Shee Kai	—	127,849,025	(127,849,025)	— ⁽ⁱ⁾
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⁽ⁱ⁾ Deemed interest by virtue of his interest in Wong SK Holdings Sdn. Bhd., the substantial shareholder of the Company pursuant to Section 6A of the Companies Act, 1965.

By virtue of the above directors' interests in the shares of the Company, the abovementioned directors are also deemed to have an interest in the shares of the subsidiaries to the extent that the Company has an interest.

None of the other directors in office at the end of the financial year held shares or had beneficial interest in the shares of the Company or its related companies during or at the beginning and end of the financial year.

Directors' Report
(Cont'd)**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 warrant for 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 revised downwards from RM0.25 to RM0.22 and an additional 49,958,382 warrants was issued pursuant to the adjustment.

On 29th July 2013, the Company increased its issued and paid up share capital by way of renounceable rights issue of 445,052,137 new ordinary shares of RM0.10 each together with 111,263,033 free new detachable warrants on the basis of one (1) additional warrant for every four (4) rights shares subscribed. 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 RM0.22 each, subject to adjustments in accordance with the provision of the Deed Poll.
- 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 rights issue of shares with warrants. The exercise price of warrants is adjusted from RM0.25 to RM0.22.
- 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 respect 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.

OTHER STATUTORY INFORMATION

- a) Before the statements of profit or loss and other comprehensive income and statements of financial position 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 no known bad debts need to be written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise in the ordinary course of business their values as shown in the financial statements of the Group and of the Company had been written down to an amount which they might be expected to realise.

Directors' Report

(Cont'd)

OTHER STATUTORY INFORMATION (Cont'd)

- b) At the date of this report, the directors are not aware of any circumstances:
- (i) which would require the writing off of bad debts or which would render the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
 - (ii) which would render the values attributable to current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
 - (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.
- d) No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.
- e) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- f) In the opinion of the directors, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

AUDITORS

The auditors, Messrs. STYL Associates, have indicated their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors,

DATO' WONG SHEE KAI

Director

Petaling Jaya

Date: 29th April 2014

**DATUK SERI SYED ALI BIN
ABBAS ALHABSHEE**

Director

Statement by **Directors**

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 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 so as to give a true and fair view of the financial position of the Group and of the Company as at 31st December 2013 and of their financial performance and cash flows of the Group and of the Company for the year then ended.

The supplementary information set out in Note 29, which is not part of the financial statements, is prepared in all material respects, 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 and the directive of Bursa Malaysia Securities Berhad.

Signed on behalf of the Board in accordance with a resolution of the directors,

DATO' WONG SHEE KAI
Director

**DATUK SERI SYED ALI BIN
ABBAS ALHABSHEE**
Director

Petaling Jaya

Date: 29th April 2014

Statutory **Declaration**

I, **ANG LAY CHIENG**, being the Officer primarily responsible for the financial management of **ASIA MEDIA GROUP BERHAD**, do solemnly and sincerely declare that the accompanying financial statements 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.

ANG LAY CHIENG

Subscribed and solemnly declared by the
abovenamed **ANG LAY CHIENG**
at Petaling Jaya, on 29th April 2014

Before me:

S. Arokiadass A.M.N
No. B390

Independent Auditors' Report

to the members of Asia Media Group Berhad
(Incorporated in Malaysia)

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 31st December 2013 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 64 to 106.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements so as to 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 about 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of 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.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31st December 2013 and of their financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Independent Auditors' Report
to the members of Asia Media Group Berhad
(Incorporated in Malaysia)
(Cont'd)

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 have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 9 to the Financial Statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 29 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

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.

STYL ASSOCIATES

Firm No. AF 1929
Chartered Accountants

TAN CHIN HUAT

Approval No: 2037/06/14(J)
Chartered Accountant

Date: 29th April 2014

Kuala Lumpur

Statements of Financial Position

as at 31st December 2013

	Note	GROUP		COMPANY	
		2013 RM	2012 RM	2013 RM	2012 RM
ASSETS					
Non-Current Assets					
Property, plant and equipment	6	109,487,711	71,270,053	–	–
Development costs	7	27,337	48,903	–	–
Other intangible assets	8	1,657,425	2,042,450	–	–
Investment in subsidiaries	9	–	–	12,999,998	12,999,998
Goodwill on consolidation	10	2,570,627	2,570,627	–	–
Total Non-Current Assets		113,743,100	75,932,033	12,999,998	12,999,998
Current Assets					
Trade receivables	11	10,089,863	7,949,849	–	–
Other receivables and prepaid expenses	11	9,359,914	5,897,184	1,308	1,308
Deferred expenditure	12	–	20,000	–	20,000
Amount owing by subsidiary	9	–	–	100,078,537	43,253,267
Deposits with licensed banks	13	179,381	177,279	–	–
Cash and bank balances		16,672,876	12,438,789	5,533	5,337
Total Current Assets		36,302,034	26,483,101	100,085,378	43,279,912
Total Assets		150,045,134	102,415,134	113,085,376	56,279,910

Statements of Financial Position
as at 31st December 2013
(Cont'd)

	Note	GROUP		COMPANY	
		2013 RM	2012 RM	2013 RM	2012 RM
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	14	104,131,714	50,160,000	104,131,714	50,160,000
Reserves	15	38,374,650	29,593,069	8,931,978	5,988,446
<hr/>					
Equity Attributable to Owners of the Company		142,506,364	79,753,069	113,063,692	56,148,446
Non-controlling interests		32,125	132,573	–	–
<hr/>					
Total Equity		142,538,489	79,885,642	113,063,692	56,148,446
<hr/>					
Non-Current Liabilities					
Hire purchase creditor	16	–	28,798	–	–
Deferred tax liability	17	6,235,350	4,170,251	–	–
<hr/>					
Total Non-Current Liabilities		6,235,350	4,199,049	–	–
<hr/>					
Current Liabilities					
Trade payables	18	150,472	1,034,321	–	–
Other payables and accrued expenses	18	1,117,035	12,745,928	21,684	131,464
Short term bank borrowings	19	–	4,542,330	–	–
Tax liabilities		3,788	7,864	–	–
<hr/>					
Total Current Liabilities		1,271,295	18,330,443	21,684	131,464
<hr/>					
Total Liabilities		7,506,645	22,529,492	21,684	131,464
<hr/>					
Total Equity and Liabilities		150,045,134	102,415,134	113,085,376	56,279,910

The accompanying Notes form an integral part of the Financial Statements.

Statements of Profit or Loss and Other Comprehensive Income

for the year ended 31st December 2013

	Note	GROUP		COMPANY	
		2013 RM	2012 RM	2013 RM	2012 RM
Revenue		35,233,480	44,766,888	–	–
Other operating income		357,156	366,642	2,600	15,002,173
Purchases and other direct costs		(14,369,304)	(16,949,986)	–	–
Staff cost		(1,467,483)	(2,351,469)	–	–
Amortisation of development costs		(22,966)	(28,095)	–	–
Amortisation of intangible assets		(236,775)	(253,275)	–	–
Depreciation of property, plant and equipment		(8,267,271)	(5,818,644)	–	–
Directors' remuneration	20	(364,400)	(373,400)	(162,000)	(171,000)
Other operating expenses		(3,477,553)	(3,360,132)	(416,685)	(831,180)
Profit/(Loss) from operations		7,384,884	15,998,529	(576,085)	13,999,993

Profit/(Loss) from operations is stated after charging/(crediting):

Audit fee	34,400	34,400	15,000	15,000
Amortisation of development costs	22,966	28,095	–	–
Amortisation of intangible assets	236,775	253,275	–	–
Intangible assets written off	148,250	–	–	–
Depreciation of property, plant and equipment	8,267,271	5,818,644	–	–
Directors' remuneration	364,400	373,400	162,000	171,000
Rental of premises	534,765	274,247	–	–
Dividend received	–	–	–	(15,000,000)
Gain on disposal of property, plant and equipment	(3,225)	(782)	–	–
Interest income from short term deposits	(352,549)	(349,440)	(2,600)	(2,173)

**Statements of Profit or Loss and
Other Comprehensive Income**
for the year ended 31st December 2013
(Cont'd)

	Note	GROUP		COMPANY	
		2013 RM	2012 RM	2013 RM	2012 RM
Finance costs	21	(157,179)	(120,659)	–	–
Profit/(Loss) before tax		7,227,705	15,877,870	(576,085)	13,999,993
Income tax expense	22	(2,066,189)	(4,170,387)	–	–
Total comprehensive income/(loss) for the financial year		5,161,516	11,707,483	(576,085)	13,999,993
Attributable to:					
Equity holders of the Company		5,261,964	11,722,258	(576,085)	13,999,993
Non-controlling interests		(100,448)	(14,775)	–	–
Total comprehensive income/(loss) for the financial year		5,161,516	11,707,483	(576,085)	13,999,993
Earnings per share attributable to equity holders of the Company:					
Basic (sen)	23	0.82	2.38		
Diluted (sen)	23	N/A	N/A		

The accompanying Notes form an integral part of the Financial Statements.

Statements of Changes in Equity

for the year ended 31st December 2013

	Attributable to Equity Holders of the Company					Total equity RM
	Share capital RM	Share premium RM	Non-distributable reserve- Warrant reserve RM	Distributable reserve- Retained earnings RM	Non-controlling interests RM	
GROUP						
Balance as at 1st January 2012	22,800,000	11,410,777	-	25,290,085	147,348	59,648,210
Profit or loss for the year representing total comprehensive income/(loss) for the year	-	-	-	11,722,258	(14,775)	11,707,483
Transaction with owners: Issuance of shares during the financial year	2,280,000	6,327,000	-	-	-	8,607,000
Share issue expenses	-	(87,051)	-	-	-	(87,051)
Refund from Bursa Malaysia Securities Berhad *	-	10,000	-	-	-	10,000
Issuance of bonus shares during the financial year	25,080,000	(17,660,726)	-	(7,419,274)	-	-
Balance as at 31st December 2012	50,160,000	-	-	29,593,069	132,573	79,885,642
Profit or loss for the year representing total comprehensive income/(loss) for the year	-	-	-	5,261,964	(100,448)	5,161,516
Transaction with owners: Issuance of shares with free warrants during the financial year	53,971,714	-	4,450,521	-	-	58,422,235
Share issue expenses	-	-	(930,904)	-	-	(930,904)
Balance as at 31st December 2013	104,131,714	-	3,519,617	34,855,033	32,125	142,538,489

Statements of Changes in Equity
for the year ended 31st December 2013
(Cont'd)

COMPANY	Share capital RM	Non distributable		Retained earnings/ earnings/ (Accumulated loss) RM	Total equity RM
		Share premium RM	Warrant reserve RM		
Balance as at 1st January 2012	22,800,000	11,410,777	—	(592,273)	33,618,504
Profit for the year representing total comprehensive income for the year	—	—	—	13,999,993	13,999,993
Issuance of shares during the financial year	2,280,000	6,327,000	—	—	8,607,000
Share issue expenses	—	(87,051)	—	—	(87,051)
Refund from Bursa Malaysia Securities Berhad *	—	10,000	—	—	10,000
Issuance of bonus shares during the financial year	25,080,000	(17,660,726)	—	(7,419,274)	—
Balance as at 31st December 2012	50,160,000	—	—	5,988,446	56,148,446
Loss for the year representing total comprehensive loss for the year	—	—	—	(576,085)	(576,085)
Issuance of shares with free warrants during the financial year	53,971,714	—	4,450,521	—	58,422,235
Share issue expenses	—	—	(930,904)	—	(930,904)
Balance as at 31st December 2013	104,131,714	—	3,519,617	5,412,361	113,063,692

* Being refund of RM10,000 from Bursa Malaysia Securities Berhad pursuant to the application for a proposed private placement exercise for which the Group and the Company subsequently aborted.

The accompanying Notes form an integral part of the Financial Statements.

Statements of Cash Flows

for the year ended 31st December 2013

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(Loss) before tax	7,227,705	15,877,870	(576,085)	13,999,993
Adjustments for:				
Amortisation of development costs	22,966	28,095	–	–
Amortisation of intangible assets	236,775	253,275	–	–
Depreciation of property, plant and equipment	8,267,271	5,818,644	–	–
Intangible assets written off	148,250	–	–	–
Finance costs	157,179	120,659	–	–
Dividend income	–	–	–	(15,000,000)
Gain on disposal of property, plant and equipment	(3,225)	(782)	–	–
Interest income	(352,549)	(349,440)	(2,600)	(2,173)
Operating profit/(loss) before working capital changes	15,704,372	21,748,321	(578,685)	(1,002,180)
Changes in working capital:				
Increase in trade receivables	(2,140,014)	(1,935,395)	–	–
Increase in other receivables and prepaid expenses	(3,462,730)	(5,634,233)	–	–
(Increase)/Decrease in deferred expenditure	20,000	(20,000)	20,000	(20,000)
Increase in amount owing by subsidiary	–	–	(56,825,270)	(7,629,506)
Decrease in trade payables	(883,849)	(983,429)	–	–
Increase/(Decrease) in other payables and accrued expenses	(11,628,893)	(18,154,766)	(109,780)	118,720
Cash Used In Operations	(2,391,114)	(4,979,502)	(57,493,735)	(8,532,966)
Finance costs paid	(157,179)	(120,659)	–	–
Interest received	352,549	349,440	2,600	2,173
Tax paid	(5,166)	(1,594)	–	–
Net Cash Used In Operating Activities	(2,200,910)	(4,752,315)	(57,491,135)	(8,530,793)

Statements of Cash Flows
for the year ended 31st December 2013
(Cont'd)

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(46,528,704)	(7,122,973)	-	-
Proceeds from disposal of property, plant and equipment	47,000	2,900	-	-
Additions in intangible assets	-	(150,000)	-	-
Additions in development costs	(1,400)	(7,079)	-	-
Net Cash Used In Investing Activities	(46,483,104)	(7,277,152)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in short term bank borrowings	-	2,847,502	-	-
Repayment of term loan	(4,530,613)	-	-	-
Repayment of hire purchase obligation (Increase)/Decrease in deposits with licensed bank	(40,515)	(11,044)	-	-
	(2,102)	515,749	-	-
Proceeds from issuance of shares	58,422,235	8,607,000	58,422,235	8,607,000
Payment of share issue expenses	(930,904)	(77,051)	(930,904)	(87,051)
Refund from Bursa Malaysia Securities Berhad	-	-	-	10,000
Net Cash From Financing Activities	52,918,101	11,882,156	57,491,331	8,529,949
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	4,234,087	(147,311)	196	(844)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	12,438,789	12,586,100	5,337	6,181
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 24)	16,672,876	12,438,789	5,533	5,337

Note:

In 2012, dividend amounting to RM15,000,000 declared and payable by a subsidiary to the Company was made via contra off amount owing by the said subsidiary.

The accompanying Notes form an integral part of the Financial Statements.

Notes to the Financial Statements

for the year ended 31st December 2013

1) GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The Company transferred its listing status from ACE Market to Main Market of Bursa Malaysia Securities Berhad on 18th February 2013.

The Company is principally an investment holding company. The principal activities of the subsidiaries are as disclosed in Note 9 to the Financial Statements. There have been no significant changes in the nature of these principal activities during the financial year.

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.

The financial statements are presented in Ringgit Malaysia (RM).

The financial statements of the Group and of the Company have been authorised by the Board of Directors for issuance on 29th April 2014.

2) BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements 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.

Adoption of Standards, Amendments and Issues Committee ("IC") Interpretations

At the beginning of the current financial year, the Group and the Company adopted the new and revised MFRSs which are mandatory for the financial periods beginning on or after 1st January 2013.

The accounting policies adopted by the Group and the Company are consistent with those adopted in the previous year, except as follows:

MFRS 3	Business Combinations
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (revised)
MFRS 127	Consolidated and Separate Financial Statements (revised)
MFRS 128	Investments in Associates and Joint Ventures (revised)
Amendments to MFRS 1	First-time Adoption of MFRS - Government Loans
Amendments to MFRS 7	Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 11	Joint Arrangements: Transition Guidance
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Transition Guidance
Annual Improvements to IC Interpretations and MFRSs 2009 - 2011 Cycle	

The adoption of the above standards and interpretations did not have any impact on the financial statements of the Group and of the Company.

Notes to the Financial Statements (Cont'd)

2) BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (Cont'd)

Standards and Interpretations in issue but not yet effective

As at the date of authorisation for issue of these financial statements, the following new and revised standards and amendments were in issue but not yet effective. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

		Effective for annual period beginning on or after
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1st January 2014
Amendments to MFRS 10, MFRS 12 and MFRS 127	Investment Entities	1st January 2014
Amendments to MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets	1st January 2014
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1st January 2014
IC Interpretation 21	Levies	1st January 2014
Amendments to MFRS 201	Property Development Activities	1st January 2014
Amendments to MFRS 2	Share-based Payment	1st July 2014
Amendments to MFRS 3	Business Combinations	1st July 2014
Amendments to MFRS 8	Operating Segments	1st July 2014
Amendments to MFRS 13	Fair Value Measurement	1st July 2014
Amendments to MFRS 116	Annual Improvements to MFRSs 2010-2012 Cycle	1st July 2014
Amendments to MFRS 119	Defined Benefit Plans: Employee Contributions	1st July 2014
Amendments to MFRS 124	Related Party Disclosures	1st July 2014
Amendments to MFRS 138	Intangible Assets	1st July 2014
Amendments to MFRS 140	Investment Property	1st July 2014
MFRS 9	Financial Instruments	1st January 2015

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application except as discussed below:

MFRS 9 Financial Instruments

MFRS 9 Financial Instruments, addresses the classification, measurement and recognition of financial assets and financial liabilities. MFRS 9 was issued in November 2009 and October 2010. It replaces the parts of MFRS 139 that relate to the classification and measurement of financial instruments. MFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured 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 an entity's own credit risk is recorded in other comprehensive income rather than profit or loss, unless this creates an accounting mismatch.

Notes to the Financial Statements

(Cont'd)

3) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The operations of the Group are subject to a variety of financial risks, including foreign currency exchange risk, market risk, credit risk, interest rate risk and liquidity risk. The Group has formulated a financial risk management framework whose principal objective is to minimise the Group's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group.

Foreign currency exchange risk

Foreign currency risk is that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates.

However as at 31st December 2013, the Group's exposure to foreign currency risk is not significant.

The Group has not entered into any forward foreign exchange contracts as at 31st December 2013.

Market risk

Market risk is the risk that changes in market prices, and other prices will affect the Group's financial position and cash flows.

The Group has in place policies to manage its competitive risks from its competitors in providing better alternatives in terms of better services.

Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers. The Company's exposure to credit risk arises principally from trade receivables.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. As at the end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statements of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are measured at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 120 days, which are deemed to have higher credit risk, are monitored individually.

Notes to the Financial Statements (Cont'd)

3) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

The ageing of trade receivables as at the end of the reporting period was:

	GROUP	
	2013 RM	2012 RM
Not past due	1,724,606	3,929,086
Past due 0 - 30 days	1,628,524	3,231,159
Past due 31 - 60 days	1,693,336	484,490
Past due 61 - 90 days	1,941,274	164,764
Past due 91 - 120 days	16,800	16,800
Past due more than 120 days	3,177,446	215,673
	<hr/>	<hr/>
	10,181,986	8,041,972

There was no movement in the allowance for impairment losses of receivables during the financial year.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's investment in financial assets are mainly short term in nature and mostly placed in financial deposits.

Interest rate risk sensitivity

The following demonstrates the sensitivity of the Group's profit before tax to a 100 basis point (2012: 100 basis point) increase/decrease in interest rates with all other variables held constant:

	GROUP	
	2013 RM	2012 RM
Increase/Decrease in profit before tax	–	45,711

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they fall due.

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities and to maintain sufficient funds for contingent funding requirement of working capital.

Notes to the Financial Statements

(Cont'd)

3) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

Fair values

The fair value of financial instruments refer to the amount at which the instrument could be exchanged for or settled between knowledgeable and willing parties in an arm's length transactions.

The carrying amounts of the financial assets and financial liabilities as reported in the statements of financial position as at 31st December 2013 approximate their fair values of these assets and liabilities because they are either within the normal credit terms or they have short-term maturity period.

Capital Risk Management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern, and to maintain an optimal capital structure so as to provide returns for shareholders.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. There were no changes made in the objectives, policies or processes compared to the previous financial year.

The Group is not subject to any externally imposed capital requirements.

4) SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements are prepared under the historical cost convention unless otherwise indicated in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- (i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- (ii) Level 2 are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- (iii) Level 3 inputs are unobservable inputs for the asset or liability.

Notes to the Financial Statements (Cont'd)

4) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

b) Revenue Recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably. Revenue is measured at the fair value of consideration received or receivable, net of returns, allowances and trade discounts.

Revenue from services are recognised when services are rendered. Revenue represents the invoiced value of services rendered net of discounts and allowances. Interest income is recognised on accrual basis.

c) Foreign Currency Conversion

(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 Ringgit Malaysia (RM), which is also the Company's functional currency.

(ii) Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

d) Employee Benefits

(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which 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, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contributions plans

As required by law, companies in Malaysia make contributions to the state pension scheme, Employees Provident Fund. Such contributions are recognised as an expense in profit or loss as incurred.

Notes to the Financial Statements

(Cont'd)

4) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

e) 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 substantially enacted by the financial year end.

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 recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which those deductible temporary differences, unused tax losses and carry forward of unused tax credits can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The tax effects of unutilised reinvestment allowances are only recognised upon actual realisation.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group and the Company expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and the Company intend to settle its current tax assets and liabilities on a net basis.

Notes to the Financial Statements (Cont'd)

4) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

f) 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 initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also include borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset.

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

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

Depreciation of property, plant and equipment, other than capital work-in-progress which is not depreciated, is calculated to write off the cost of the property, plant and equipment on a straight-line basis over the expected useful lives of the property, plant and equipment concerned. The annual depreciation rates used are as follows:

	%
Transit TV system	10
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 change in circumstances indicate that the carrying value may not be recoverable. The residual values, useful lives and depreciation methods are reviewed at each financial year end, 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. Gain or loss arising from the disposal of an asset is determined as the difference between the estimated net disposal proceed and the carrying amount of the asset, and is recognised in profit or loss.

Notes to the Financial Statements

(Cont'd)

4) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

g) Subsidiaries and Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

The Company controls an investee if and only if the Company has all the following:

- Power over the investee (i.e existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its investment with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meeting.

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Losses of subsidiaries are attributable to the non-controlling interests even if that results in a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. The resulting difference is recognised directly in equity and attributed to owners of the Company.

Notes to the Financial Statements (Cont'd)

4) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

g) Subsidiaries and Basis of Consolidation (Cont'd)

When the Group loses control of a subsidiary, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interest, is recognised in profit or loss. The subsidiary's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary at the date control is lost is regarded as the cost on initial recognition of the investment.

h) Investments in Subsidiaries

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

i) Intangible Assets

i) 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 it 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.

Notes to the Financial Statements

(Cont'd)

4) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

i) Intangible Assets (Cont'd)

i) Research and Development Costs (Cont'd)

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated 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.

ii) Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

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

The cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

iii) Other Intangible Assets

Other intangible assets which represent licences, copyrights and other incidental costs incurred, are stated at cost less accumulated amortisation and impairment losses, are amortised over a period of ten (10) years.

Notes to the Financial Statements (Cont'd)

4) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

j) Financial Instruments

i) Initial recognition and measurement

Financial instruments are recognised in the financial statements when, and only when, the Group and the Company become a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

ii) Financial instrument categories and subsequent measurement

The Group categorises financial instruments as follows:

Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss, held-to-maturity, loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification at initial recognition.

a) Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss 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.

Subsequent to initial recognition, financial assets at fair value through profit or loss 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 fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss 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.

Investment in quoted securities are designated as fair value through profit or loss on initial recognition.

Notes to the Financial Statements

(Cont'd)

4) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

j) Financial Instruments (Cont'd)

ii) Financial instrument categories and subsequent measurement (Cont'd)

Financial assets (Cont'd)

b) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Group has the positive intent and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

d) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. After initial recognition, available-for-sale financial assets are 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 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. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on available-for-sale equity instrument are recognised in profit or loss when the Group's right to receive payment is established.

Available-for-sale financial assets are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Notes to the Financial Statements (Cont'd)

4) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

j) Financial Instruments (Cont'd)

ii) Financial instrument categories and subsequent measurement (Cont'd)

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

a) Financial liabilities at fair value through profit or loss

Financial liabilities are classified as financial liabilities at fair value through profit or loss when the financial liability is either held for trading or it is designated as financial liabilities at fair value through profit or loss.

A financial liability is classified as held for trading if:

- a) it has been acquired principally for the purpose of repurchasing it in the near term; or
- b) on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- c) it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as financial liabilities at fair value through profit or loss upon initial recognition if:

- a) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- b) the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- c) it forms part of a contract containing one or more embedded derivatives, and MFRS 139 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statements of comprehensive income.

Notes to the Financial Statements

(Cont'd)

4) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

j) Financial Instruments (Cont'd)

ii) Financial instrument categories and subsequent measurement (Cont'd)

Financial liabilities (Cont'd)

b) Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.

iii) Impairment of Financial Assets

The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is taken as evidence that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in profit or loss. Impairment losses recognised in profit or loss on equity instruments are not reversed through profit or loss.

k) Impairment of Non-Financial Assets

At the end of each reporting period, the Group reviews the carrying amounts of its non-current assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Notes to the Financial Statements (Cont'd)

4) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

k) Impairment of Non-Financial Assets (Cont'd)

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of any unutilised previously recognised revaluation surplus for the same asset.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

l) Hire Purchase Arrangement

Assets held under hire purchase are treated as if they had been purchased at cost at the commencement of the hire purchase agreements. These costs are included under property, plant and equipment and depreciation is provided accordingly. The corresponding obligations under hire purchase are included under liabilities. The charges of instalments payable are charged to profit or loss over the period of the hire purchase agreements.

m) Provisions

Provisions are recognised when the Group 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.

n) Borrowing Costs

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

Notes to the Financial Statements

(Cont'd)

4) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

n) Borrowing Costs (Cont'd)

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

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

o) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits and short term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

p) Equity Instruments

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

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.

q) 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.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group.

r) Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker, which in this case is the Chief Executive Officer of the Group, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

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.

Notes to the Financial Statements (Cont'd)

5) CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported results during the reported period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the director's best knowledge of current events and actions, actual results may differ.

Critical judgements in applying the Group's and the Company's accounting policies

In the process of applying the Group's and the Company's accounting policies, which are described in Note 4 above, management is of the opinion that there are no instances of application of judgement which are expected to have significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as follows:

(i) **Property, plant and equipment and depreciation**

The Group determines the estimated useful lives and related depreciation charges for the Group's property, plant and equipment. The estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and function. Management will revise the depreciation charge where useful lives are different to those previously estimated, or it will write off or write down technically obsolete or non strategic assets that have been abandoned or sold.

(ii) **Impairment on receivables**

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivables at the reporting date is disclosed in Note 11 to the Financial Statements.

(iii) **Estimated impairment of goodwill and intangible assets**

The Group determines whether goodwill and intangible assets have been impaired at least on an annual basis. The recoverable amounts of the cash-generating units ("CGU") are determined based on the value-in-use method. Estimating a value-in-use amount requires management to make an estimate 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.

Notes to the Financial Statements

(Cont'd)

6) 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
2013										
Cost										
As at 1st January 2013	31,920,484	42,693	48,947,143	167,927	97,290	113,944	431,594	692,636	516,591	82,930,302
Additions	-	46,458,296	18,200	13,305	-	-	38,903	-	-	46,528,704
Disposals	-	-	-	-	-	(82,079)	-	-	-	(82,079)
Reclassifications	42,693	(42,693)	-	-	-	-	-	-	-	-
As at 31st December 2013	31,963,177	46,458,296	48,965,343	181,232	97,290	31,865	470,497	692,636	516,591	129,376,927
Accumulated depreciation										
As at 1st January 2013	7,168,088	-	3,234,882	117,960	19,458	64,545	299,507	622,554	133,255	11,660,249
Charge for the year	3,196,318	-	4,896,535	20,952	9,729	5,548	45,605	41,202	51,382	8,267,271
Disposals	-	-	-	-	-	(38,304)	-	-	-	(38,304)
As at 31st December 2013	10,364,406	-	8,131,417	138,912	29,187	31,789	345,112	663,756	184,637	19,889,216
Net book value as at										
31st December 2013	21,598,771	46,458,296	40,833,926	42,320	68,103	76	125,385	28,880	331,954	109,487,711

Notes to the Financial Statements
(Cont'd)

6) PROPERTY, PLANT AND EQUIPMENT (Cont'd)

GROUP

2012 Cost	Transit TV system		Capital work-in-progress		Broadcast centre, network		Furniture and fittings		Computer software		Motor vehicles		Office equipment		Plant and machinery		Renovation and signboard		Total RM
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	
As at 1st January 2012	20,069,505	52,862,464	1,024,327	134,416	97,290	118,044	328,429	692,636	484,318	75,811,429									
Additions	5,933,139	42,693	978,192	33,511	-	-	103,165	-	-	-	-	-	-	-	-	-	-	-	7,122,973
Disposals	-	-	-	-	-	(4,100)	-	-	-	-	-	-	-	-	-	-	-	-	(4,100)
Reclassifications	5,917,840	(62,862,464)	46,944,624	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st December 2012	31,920,484	42,693	48,947,143	167,927	97,290	113,944	431,594	692,636	516,591	82,930,302									
Accumulated depreciation																			
As at 1st January 2012	4,716,917	-	102,433	85,539	9,729	49,693	220,862	576,818	81,596	5,843,587									
Charge for the year	2,451,171	-	3,132,449	32,421	9,729	16,834	78,645	45,736	51,659	5,818,644									
Disposals	-	-	-	-	-	(1,982)	-	-	-	(1,982)									(1,982)
As at 31st December 2012	7,168,088	-	3,234,882	117,960	19,458	64,545	299,507	622,554	133,255	11,660,249									
Net book value as at																			
31st December 2012	24,752,396	42,693	45,712,261	49,967	77,832	49,399	132,087	70,082	383,336	71,270,053									

In 2012, cost and net book value as at year end for property, plant and equipment acquired under hire purchase for the Group were RM82,079 and RM49,247 respectively.

Notes to the Financial Statements

(Cont'd)

7) DEVELOPMENT COSTS

	GROUP	
	2013 RM	2012 RM
At cost		
Balance as at beginning of year	140,537	133,458
Additions during the year	1,400	7,079
Balance as at end of year	141,937	140,537
Less:		
Accumulated amortisation		
Balance as at beginning of year	(91,634)	(63,539)
Charge for the year	(22,966)	(28,095)
Balance as at end of year	(114,600)	(91,634)
Net	27,337	48,903

8) OTHER INTANGIBLE ASSETS

	GROUP	
	2013 RM	2012 RM
At cost		
Balance as at beginning of year	2,532,750	2,382,750
Additions during the year	–	150,000
Written off	(165,000)	–
Balance as at end of year	2,367,750	2,532,750
Less:		
Accumulated amortisation		
Balance as at beginning of year	(490,300)	(237,025)
Charge for the year	(236,775)	(253,275)
Written off	16,750	–
Balance as at end of year	(710,325)	(490,300)
Net	1,657,425	2,042,450

Notes to the Financial Statements
(Cont'd)

9) INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2013	2012
	RM	RM
Unquoted shares - At cost	12,999,998	12,999,998

The amount owing by subsidiary arose mainly from advances given and payments made on behalf which are unsecured, interest-free and repayable on demand.

The details of the subsidiaries are as follows:

Name of Company	Place of Incorporation	Equity Interest		Principal Activities
		2013	2012	
		%	%	
Direct Subsidiary				
Asia Media Sdn. Bhd.	Malaysia	100	100	Business of multimedia advertising services, media communications, commercialisation of narrowcasting network solutions and dynamic and automation contents and provision of integration, maintenance and support services relating to the above products
Indirect Subsidiaries				
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

All the above subsidiaries are audited by another firm of auditors other than auditors of the Company.

Notes to the Financial Statements

(Cont'd)

10) GOODWILL ON CONSOLIDATION

	GROUP	
	2013 RM	2012 RM
Balance as at beginning and end of year	2,570,627	2,570,627

Goodwill is in respect of acquisitions of subsidiaries by the Group and has been allocated to its cash-generating unit (CGU) where the recoverable amount of CGU has been based on value-in-use calculations using five year financial projections.

The discount rate based on the Group's weighted average cost of capital was applied in determining the recoverable amount of the respective CGU.

Sensitivity to changes in assumptions

Management believes that no reasonable possible changes in any of the key assumptions above would cause the carrying values of the CGUs to materially exceed their recoverable amounts.

11) TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAID EXPENSES

Trade receivables comprise amounts receivable for services rendered. The credit period granted on services rendered is 30 days. Other credit terms are assessed and approved on a case-by-case basis.

	GROUP	
	2013 RM	2012 RM
Trade receivables	10,181,986	8,041,972
Less: Allowance for doubtful debts	(92,123)	(92,123)
Net	10,089,863	7,949,849

Other receivables and prepaid expenses consist of:

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Other receivables	9,311,799	11,799	—	—
Prepaid expenses	44,713	42,913	—	—
Refundable deposits	3,402	5,842,472	1,308	1,308
	9,359,914	5,897,184	1,308	1,308

The trade and other receivables are all denominated in Ringgit Malaysia.

Notes to the Financial Statements (Cont'd)

12) DEFERRED EXPENDITURE

Deferred expenditure of the Group and of the Company represents professional charges and expenses incurred in connection with the proposed transfer listing exercise of the Company. The deferred expenditure will be charged to profit and loss upon the successful transfer listing of the Company from the ACE Market of Bursa Malaysia Securities Berhad to Main Market of Bursa Malaysia Securities Berhad. The Company was successfully transferred from ACE Market of Bursa Malaysia Securities Berhad to Main Market of Bursa Malaysia Securities Berhad during the financial year and hence, the deferred expenditure was charged to profit or loss.

13) DEPOSITS WITH LICENSED BANKS

Deposits with licensed bank represent fixed deposits which are pledged to the licensed banks for banking facilities granted. Deposits of the Group have an average maturity period of 12 months. Bank balances are deposits held at call with banks. Deposits of the Group earn return at 3.15% (2012: 2.50%) per annum.

14) SHARE CAPITAL

	GROUP AND COMPANY No. of ordinary shares of RM0.10 each		GROUP AND COMPANY Amount	
	2013	2012	2013 RM	2012 RM
Authorised				
Balance as at beginning of year	1,000,000,000	500,000,000	100,000,000	50,000,000
Created during the year	1,000,000,000	500,000,000	100,000,000	50,000,000
Balance as at end of year	2,000,000,000	1,000,000,000	200,000,000	100,000,000
Issued and fully paid				
Balance as at beginning of year	501,600,000	228,000,000	50,160,000	22,800,000
Issued during the year	539,717,137	273,600,000	53,971,714	27,360,000
Balance as at end of the year	1,041,317,137	501,600,000	104,131,714	50,160,000

Notes to the Financial Statements

(Cont'd)

14) SHARE CAPITAL (Cont'd)

As approved by the shareholders at the Annual General Meeting held on 23rd June 2011, the issued and paid-up share capital of the Company was increased from RM22,800,000 to RM23,940,000 in 2012 by the allotment of 11,400,000 new ordinary shares of RM0.10 each in the Company at an issue price of RM0.37 per new ordinary share for cash by way of private placement. Also, as approved by the shareholders at the Annual General Meeting held on 23rd May 2012, the issued and paid-up share capital of the Company was increased from RM23,940,000 to RM25,080,000 during the financial year by the allotment of 11,400,000 new ordinary shares of RM0.10 each in the Company at an issue price of RM0.385 per new ordinary share for cash by way of private placement.

The resultant share premium arising from the shares issued in 2012 of RM6,327,000 has been credited to the share premium account. All the new ordinary shares issued rank *pari passu* with the then existing ordinary shares of the Company.

Further, as approved by the shareholders of the Company at the Extraordinary General Meeting held on 5th December 2012, the authorised share capital of the Company was increased from RM50,000,000 to RM100,000,000 during the financial year by the creation of additional 500,000,000 new ordinary shares of RM0.10 each. Also, the issued and paid-up share capital of the Company was increased further from RM25,800,000 to RM50,160,000 during the financial year by way of bonus issue of 250,800,000 new ordinary shares of RM0.10 each on the basis of one new ordinary share for every one existing share through capitalisation of RM25,080,000 from the Company's share premium account and retained earnings.

As approved by the shareholders of the Company at the Extraordinary General Meeting held on 29th July 2013, the authorised share capital of the Company was increased from RM100,000,000 to RM200,000,000 during the financial year by the creation of additional 1,000,000,000 new ordinary shares of RM0.10 each. Also, the issued and paid-up share capital of the Company was increased from RM50,160,000 to RM94,665,214 during the financial year by way of a rights issue of 445,052,137 new ordinary shares of RM0.10 each at an issue price of RM0.11 per ordinary share on the basis of one (1) new ordinary share of RM0.10 each for every one (1) existing ordinary share of RM0.10 each together with one (1) warrant for every four (4) rights shares subscribed.

The issued and paid-up share capital of the Company was increased further from RM94,665,214 to RM104,131,714 during the financial year by the allotment of 94,665,000 new ordinary shares of RM0.10 each in the Company at an issue price of RM0.10 per new ordinary share for cash by way of private placement.

All the new ordinary shares issued rank *pari passu* with the then existing ordinary shares of the Company.

Notes to the Financial Statements
(Cont'd)

15) RESERVES

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Non Distributable Reserves:				
Share premium	–	–	–	–
Warrant reserve	3,519,617	–	3,519,617	–
Distributable Reserve:				
Retained earnings	34,855,033	29,593,069	5,412,361	5,988,446
	38,374,650	29,593,069	8,931,978	5,988,446

	GROUP AND COMPANY	
	2013 RM	2012 RM
<i>Share premium</i>		
Balance as at beginning of financial year	–	11,410,777
Issuance of 11,400,000 new ordinary shares of RM0.10 each at a premium of RM0.27 per share	–	3,078,000
Issuance of 11,400,000 new ordinary shares of RM0.10 each at a premium of RM0.285 per share	–	3,249,000
Share issue expenses	–	(87,051)
Refund from Bursa Malaysia Securities Berhad	–	10,000
Issuance of bonus shares	–	(17,660,726)
Balance as at end of financial year	–	–

Warrant reserve

On 26th September 2013, the Company increased its issued and paid-up share capital from RM50,160,000 to RM94,665,214 by way of a rights issue of 445,052,137 new ordinary shares of RM0.10 each at an issue price of RM0.11 per ordinary share on the basis of one (1) new ordinary share of RM0.10 each for every one (1) existing ordinary share of RM0.10 each together with one (1) warrant for every four (4) rights shares subscribed.

The value of warrant is based on the quoted price of the warrants on the first day of listing of the said warrants.

Notes to the Financial Statements

(Cont'd)

16) HIRE PURCHASE CREDITOR

	GROUP	
	2013 RM	2012 RM
Gross balance	–	44,161
Less: Hire purchase interest in suspense	–	(3,646)
Net balance outstanding	–	40,515
Less: Portion payable within the next 12 months (Note 19)	–	(11,717)
Portion payable after the next 12 months	–	28,798
Included in the portion payable after the next 12 months consist of:		
Repayable between 1 and 2 years	–	12,390
Repayable between 2 and 5 years	–	16,408
	–	28,798

The interest rate on the hire purchase is at 2.88% per annum in 2012.

17) DEFERRED TAX LIABILITY

	GROUP	
	2013 RM	2012 RM
As at beginning of year	4,170,251	5,029
Recognised in profit and loss (Note 22)	2,065,099	4,165,222
As at end of year	6,235,350	4,170,251
The recognised deferred tax liabilities are made up of the following:		
Tax effects of:		
Temporary differences between tax capital allowances and book depreciation of property, plant and equipment	6,235,530	4,164,384
Unrealised fixed deposit interest	–	5,867
	6,235,530	4,170,251

Notes to the Financial Statements (Cont'd)

18) TRADE PAYABLES, OTHER PAYABLES AND ACCRUED EXPENSES

Trade and other payables comprise amounts outstanding for trade and ongoing costs. The average credit period granted to the Group for trade purchases ranges from 30 to 90 days.

Other payables and accrued expenses consist of:

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Other payables	1,054,144	12,677,281	934	114,514
Accrued expenses	62,891	68,647	20,750	16,950
	1,117,035	12,745,928	21,684	131,464

The trade and other payables are all denominated in Ringgit Malaysia.

19) SHORT TERM BANK BORROWINGS

	GROUP	
	2013 RM	2012 RM
Hire purchase creditor - current portion	–	11,717
Revolving credit	–	4,530,613
	–	4,542,330

As at 31st December 2013, the Group has banking facility totalling RM5,000,000 (2012:RM5,000,000) obtained from a licensed bank. The facility bears interest range from 3.71% to 3.84% (2012: 3.71% to 3.84%) 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 director of the Company; and
- ii) Corporate guarantee by the Company.

Notes to the Financial Statements

(Cont'd)

20) DIRECTORS' REMUNERATION

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Executive directors:				
Other emoluments	200,000	200,000	–	–
Fees	2,400	11,400	–	9,000
Non-executive directors:				
Fees	162,000	162,000	162,000	162,000
	364,400	373,400	162,000	171,000

The number of directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of Directors	
	2013	2012
Executive Directors:		
RM100,001 - RM200,000	1	1
RM1 - RM50,000	1	2
Non-Executive Directors:		
RM100,001 - RM200,000	1	1
RM1 - RM50,000	2	1

21) FINANCE COSTS

	GROUP	
	2013 RM	2012 RM
Interest on:		
hire purchase	701	2,552
revolving credit	113,101	118,107
term loans	43,377	–
	157,179	120,659

Notes to the Financial Statements
(Cont'd)

22) INCOME TAX EXPENSE

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Taxation based on short term deposit interest received	1,090	5,165	-	-
Deferred tax liability (Note 17)				
- current year	2,065,099	3,606,156	-	-
- underprovision in prior year	-	559,066	-	-
	2,065,099	4,165,222	-	-
	2,066,189	4,170,387	-	-

A numerical reconciliation of income tax expense and the product of the accounting profit/(loss) multiplied by the applicable statutory income tax rate of the Group and of the Company is as follows:

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Accounting profit/(loss)	7,227,705	15,877,870	(576,085)	13,999,993
Tax at the applicable statutory income tax rate of 25%	1,806,927	3,969,468	(144,021)	3,499,998
Tax effects in respect of:				
Expenses that are not deductible for tax purposes	365,156	366,066	144,671	250,545
Net deferred tax not recognised	(23,387)	(22,092)	-	-
Income exempted from tax	(87,583)	(84,755)	(650)	(3,750,543)
Income not subject to tax	(2,056,195)	(617,366)	-	-
Changes in tax rate	(259,807)	-	-	-
Additional of deferred tax liabilities recognised during post-pioneer period	2,321,078	-	-	-
Underprovision of deferred tax liability in prior year	-	559,066	-	-
Income tax expense	2,066,189	4,170,387	-	-

Notes to the Financial Statements

(Cont'd)

23) EARNINGS PER ORDINARY SHARE

Basic

Basic earnings per share is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year as follows:

	GROUP	
	2013 RM	2012 RM
Profit attributable to equity holders of the Company (RM)	5,261,964	11,722,258
Weighted average number of ordinary shares in issue	640,840,783	492,224,590
Basic earnings per share (sen)	0.82	2.38

Diluted

The effect on the diluted earnings per share in 2013 and 2012 arising from the assumed exercise of warrant is anti-dilutive.

24) CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Deposits with licensed bank	179,381	177,279	–	–
Cash and bank balances	16,672,876	12,438,789	5,533	5,337
	16,852,257	12,616,068	5,533	5,337
Less: Deposits pledged as security	(179,381)	(177,279)	–	–
	16,672,876	12,438,789	5,533	5,337

The currency profile of deposits with licensed bank, cash and bank balances is as follows:

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Ringgit Malaysia	16,852,025	12,615,836	5,533	5,337
US Dollar	232	232	–	–
	16,852,257	12,616,068	5,533	5,337

Notes to the Financial Statements
(Cont'd)

25) SEGMENTAL INFORMATION

Primary Reporting Format - Business Segments

	Investment holding RM	Multimedia advertising services, media communications etc. RM	Production and marketing of electronic audio and visual media RM	Eliminations RM	Consolidated RM
2013 REVENUE					
External sales	–	35,031,880	201,600		35,233,480
RESULTS					
Profit/(Loss) from operations	(576,085)	7,869,968	91,001		7,384,884
Finance costs					(157,179)
Profit before tax					7,227,705
OTHER INFORMATION					
Segment assets	113,085,376	150,401,125	416,367	(113,857,734)	150,045,134
Segment liabilities	21,684	101,573,093	4,877	(100,328,359)	1,271,295
Capital expenditure	–	46,530,104	–		46,530,104
Non-cash expenses					
Depreciation of property, plant and equipment	–	8,223,392	43,879		8,267,271
Amortisation of development costs	–	22,966	–		22,966
Amortisation of intangible assets	–	236,775	–		236,775
Intangible assets written off	–	148,250	–		148,250

Notes to the Financial Statements

(Cont'd)

25) SEGMENTAL INFORMATION (Cont'd)

Primary Reporting Format - Business Segments (Cont'd)

	Investment holding RM	Multimedia advertising services, media etc. RM	Production and marketing of electronic audio and visual media RM	Eliminations RM	Consolidated RM
2012 REVENUE					
External sales	–	44,565,288	201,600		44,766,888
RESULTS					
Profit from operations	13,999,993	1,914,071	84,465		15,998,529
Finance costs					(120,659)
Profit before tax					15,877,870

OTHER INFORMATION

Segment assets	56,279,910	102,063,123	325,366	(56,253,265)	102,415,134
Segment liabilities	131,464	61,798,856	4,877	(43,575,956)	18,359,241
Capital expenditure	–	7,280,052	–		7,280,052
Non-cash expenses					
Depreciation of property, plant and equipment	–	5,769,553	49,091		5,818,644
Amortisation of development costs	–	28,095	–		28,095
Amortisation of intangible assets	–	253,275	–		253,275

Secondary Reporting Format - Geographical Segments

The Group has no secondary reporting format as the Group operates predominately in Malaysia.

Notes to the Financial Statements (Cont'd)

26) CORPORATE PROPOSALS

On 20th March 2014, the Company announced that it proposes to establish and implement a Share Issuance Scheme ("Scheme").

The salient features and conditions of the Scheme are as follows:

- (i) the total number of new shares to be offered and issued under the Scheme shall not exceed fifteen percent (15%) of the total issued and paid up share capital of the Company at any point of time during the duration of the Scheme;
- (ii) eligible persons are confirmed employees including executive and non-executive directors of the Group and have been employed or appointed by the Company in the Group, which is not dormant;
- (iii) not more than ten percent (10%) of the proposed allocation under the Scheme to be allocated to any eligible person, who, either singly or collectively through persons connected with the eligible person, holds twenty percent (20%) or more of the total issued and paid-up share capital;
- (iv) the option price may be at a discount of not more than ten percent (10%) from the five (5) days weighted average market price of the underlying shares preceding the date of offer or at par value of the ordinary shares of the Company, whichever is higher; and
- (v) the Scheme shall be in force for a period of five (5) years and extendable for another five (5) years from the effective date.

Bursa Securities Malaysia Berhad ("Bursa Securities") had vide its letter dated 28th March 2014 approved the listing of such number of additional new shares representing up to 15% of the total issued and paid-up ordinary share capital to be issued pursuant to the exercise of options under the Scheme, subject to the following conditions:

- (i) The Advisers are required to submit a confirmation to Bursa Securities of full compliance of the Scheme pursuant to the Listing Requirements and stating the effective date of implementation; and
- (ii) Payment of additional listing fees, if relevant. In this respect, the Company is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares under the Scheme listed as at the end of each quarter together with a detailed computation of the listing fee payable.

Notes to the Financial Statements

(Cont'd)

27) SIGNIFICANT RELATED PARTY TRANSACTIONS

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, 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.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel include all the directors of the Group and of the Company.

The remuneration of directors and other members of key management during the year is as follows:

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Short-term employee benefits (Note 20)	364,400	373,400	162,000	171,000

28) COMMITMENTS

	GROUP	
	2013 RM	2012 RM
Capital commitment: Plant and equipment Authorised and contracted for	1,004,000	1,004,000

29) SUPPLEMENTARY INFORMATION

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 Securities are as follow:

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Retained earnings carried forward are analysed as follows:				
- Unrealised	(6,235,350)	(4,170,251)	-	-
- Realised	41,033,879	33,763,320	5,412,361	5,988,446
	34,798,529	29,593,069	5,412,361	5,988,446
Add: Consolidation adjustments	56,504	-	-	-
	34,855,033	29,593,069	5,412,361	5,988,446

Analysis of Shareholdings

as at 29 April 2014

Authorised Share Capital	:	RM200,000,000
Issued and Fully Paid-Up Capital	:	RM104,131,713.70
Class of shares	:	Ordinary shares of RM0.10 each
Voting rights	:	One vote per shareholder 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	% of Issued Share Capital
Less than 100	3	0.058	91	0.000
100 – 1,000	119	2.324	44,748	0.004
1,001 – 10,000	764	14.924	5,486,200	0.526
10,001 – 100,000	3,087	60.304	156,949,698	15.072
100,001 – 52,065,855 *	1,144	22.348	538,276,400	51.691
52,065,856 and above **	2	0.039	340,560,000	32.704
Total	5,119	100.000	1,041,317,137	100.000

Notes:

* Less than 5% of issued shares

** 5% and above of issued shares

LIST OF SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	Number of Shares	Percentage (%)
Wong SK Holdings Sdn Bhd	283,960,000	27.269
Dato' Wong Shee Kai	283,960,000 *	27.269
Teh Sew Wan	283,960,000 *	27.269
CIMSEC Nominees (Tempatan) Sdn Bhd		
CIMB Bank For Koh Kin Lip	58,600,000 **	5.627

* Deemed interest by virtue of his/her equity interest in Wong SK Holdings Sdn Bhd

** Held in the name of Koh Kin Lip - 2,000,000 shares.

DIRECTORS' SHAREHOLDINGS AS AT 31 DECEMBER 2013

Name of Director	Direct Interest		Indirect Interest	
	Number of Shares	%	Number of Shares	%
Dato' Wong Shee Kai	–	–	283,960,000	27.269
Dato' Hussian @ Rizal Bin A Rahman	–	–	–	–
Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	200,000	0.019	–	–
Yeong Siew Lee	–	–	–	–

Analysis of Shareholdings

as at 29 April 2014

(Cont'd)

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS

No.	Name of Shareholders	Number of Shares	Percentage
1	WONG SK HOLDINGS SDN BHD	283,960,000	27.269
2	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR KOH KIN LIP (MY0502)	56,600,000	5.435
3	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOH SIEW KONG	22,800,000	2.189
4	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEOH TEIK SOON	16,500,000	1.584
5	KOH SIEW BOON	15,800,000	1.517
6	HII HIENG HUI	12,000,000	1.152
7	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD TA DANA FOKUS	7,000,000	0.672
8	TEE AH SWEE	6,194,000	0.594
9	TEE AH SWEE	5,600,000	0.537
10	NG AH GUAN	5,500,000	0.528
11	NG AH MOI	5,500,000	0.528
12	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR SKANDINAVISKA ENSKILDA BANKEN S.A	5,000,000	0.480
13	MAYBANK NOMINEES (TEMPATAN) SDN BHD ROSSIDI BIN YUSOFF	4,700,000	0.451
14	LEE ENG CHUAN	4,300,000	0.412
15	LIM KIM LOY	4,100,000	0.393
16	MALACCA EQUITY NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PHILIP CAPITAL MANAGEMENT SDN BHD (EPF)	4,082,300	0.392
17	TAN KOK MIN	3,870,000	0.371
18	AFFIN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KO LIANG JOO (KOL0001C)	3,200,000	0.307
19	LOW BEE GOR	3,200,000	0.307
20	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KOK MIN	3,100,000	0.297
21	YONG JEE PATT	3,083,100	0.296
22	ONG CHIN CHIEN	3,045,700	0.292
23	TAN HAI KHOON	3,000,000	0.288
24	ONG CHIN HONG	2,888,000	0.277
25	TAY YEW SIONG	2,834,000	0.272
26	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR TA SMALL CAP FUND	2,500,000	0.240
27	LIM JIT ENG	2,500,000	0.240
28	TAN HAN CHONG	2,500,000	0.240
29	LUM FOOK SENG	2,350,000	0.225
30	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR EI SENG LOI @ EI TIANG SANG (E-KLG/BTG)	2,300,000	0.220

Analysis of Warrant Holdings

as at 29 April 2014

No. of Warrants issued : 412,021,415
Exercise price of the warrants : RM0.25
Exercise Period : 2 January 2013 – 1 January 2018

SIZE OF WARRANT HOLDINGS

Size of Warrant Holdings	Number of Warrant Holders	% of Warrant Holders	Number of Warrants Held	%
Less than 100 warrants	207	5.582	13,181	0.003
100 – 1,000	94	2.535	49,592	0.012
1,001 – 10,000	983	26.510	5,168,405	1.254
10,001 – 100,000	1,756	47.357	69,200,668	16.795
100,001 – 20,601,069*	667	17.988	309,563,369	75.132
20,601,070 and above **	1	0.026	28,026,200	6.802
Total	3,708	100.000	412,021,415	100.000

Notes:

* Less than 5% of issued warrants

** 5% and above of issued warrants

DIRECTORS' INTEREST IN WARRANTS

Name of Director	Direct Interest		Indirect Interest	
	Number of Shares	%	Number of Shares	%
Dato' Wong Shee Kai	–	–	–	–
Dato' Hussian @ Rizal Bin A Rahman	–	–	–	–
Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	100,000	0.024	–	–
Yeong Siew Lee	–	–	–	–

Analysis of Warrant Holdings

as at 29 April 2014

(Cont'd)

THIRTY (30) LARGEST WARRANTS ACCOUNT HOLDERS

No.	Name of Shareholders	Number of Shares	Percentage
1	LIONG HONG HOH	28,026,200	6.802
2	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR KOH KIN LIP (MY0502)	17,645,980	4.282
3	KOH SIEW KONG	13,670,835	3.317
4	LUM YIN MUI	13,265,033	3.219
5	KOH SIEW BOON	9,124,051	2.214
6	WONG SWEE YING	8,735,045	2.120
7	HII HIENG HUI	8,000,000	1.941
8	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KEK LIAN LYE	5,425,980	1.316
9	FOO FOOK MIN	4,459,000	1.082
10	YONG KAR KEONG	4,287,069	1.040
11	MOHD FAUZI BIN MOHD ANUAR	3,398,392	0.824
12	SJ SEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM CHEE KEONG (SMT)	2,670,374	0.648
13	CIMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KHONG YEW JOON (CYBERJAYA-CL)	2,523,300	0.612
14	TEO MENG HAI	2,517,352	0.610
15	LOH CHAN	2,488,392	0.603
16	TAN YOU @ TAN YOU POH	2,399,598	0.582
17	SUMI MATSUMURA	2,083,954	0.505
18	ENGKU ZAINA ABIDIN BIN SAYED MOHAMMAD	2,000,000	0.485
19	KOO NAM SAN	2,000,000	0.485
20	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PEK KIAM KEK (MARGIN)	2,000,000	0.485
21	TEOH HOOI BIN	1,870,523	0.453
22	LEE AI LIN	1,793,100	0.435
23	LOW CHEE ENG	1,758,954	0.426
24	ONG CHIN KIM	1,716,234	0.416
25	NG CHIN PENG	1,587,881	0.385
26	KENANGA NOMINEES (TEMPATAN) SDN BHD LOI ENG TONG (EM1-D88)	1,585,347	0.384
27	TAN NYONG TUAN	1,525,000	0.370
28	YONG JEE PATT	1,502,500	0.364
29	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEOH TEIK SOON	1,500,000	0.364
30	LOW BEE GOR	1,359,356	0.329

Notice Of Sixth Annual General Meeting

NOTICE IS HEREBY GIVEN that the Sixth 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 Wednesday, 28 May 2014 at 9.00 a.m. for the following purposes :-

AGENDA

As Ordinary Businesses:-

1. To receive the Statutory Financial Statements for the year ended 31 December 2013 together with the Directors' and Auditors' Reports thereon. **(Resolution 1)**
2. To approve the payment of Directors' Fees of RM162,000.00 for the year ended 31 December 2013. **(Resolution 2)**
3. To re-elect Dato' Wong Shee Kai who retires in accordance with Article 70 of the Company's Articles of Association. **(Resolution 3)**
4. To re-appoint Messrs STYL Associates 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:-

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.”

(Resolution 5)

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

Notice Of Sixth Annual General Meeting

(Cont'd)

ON BEHALF OF THE BOARD

SEE SIEW CHENG MA/CSA 7011225

LEONG SHIAK WAN MA/CSA 7012855

Joint Company Secretaries
Petaling Jaya
7 May 2014

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 22 May 2014 shall be entitled to attend, speak and vote at the Annual General Meeting.

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.

The authority is 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.

As at the date of this Notice, 94,665,000 new ordinary shares of RM0.10 each in the Company were issued pursuant to the authority granted to the Directors at the Fifth Annual General Meeting held on 28 May 2013 and which will lapse at the conclusion of the Sixth Annual General Meeting. The proceeds of RM9,466,500.00 raised from the issuance of 94,665,000 shares via the Private Placement as at the date of this Notice were utilised for the purchase of contents and broadcasting rights; and payment for expenses in relation to the Private Placement.

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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 22 May 2014 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)

HEAD OFFICE

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