ANNUAL 2014 REPORT

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)

- **Asia Media Sdn Bhd** ("AMSB" or "Asia Media") *
  - **Asia Media Marketing Sdn Bhd** ("AMMSB") Ω
  - **Transnet Express Sdn Bhd** ("TESB") Ω
  - **Asia Media Interactive Sdn Bhd** ("AMISB") Ω
  - **Asia Media Broadcasting Sdn Bhd** ("AMBSB") Δ
- **DPO Plantations Sdn Bhd** (Acquired on 20 January 2015) *

*	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)

Yeong Siew Lee
(Senior Independent Non-Executive Director)
(Re-designated on 13 Feb 2015)

Paul Jong Jun Hian
(Independent Non-Executive Director)
(Appointed on 10 Feb 2015)

Dato' Hussian @ Rizal Bin A. Rahman
(Independent Non-Executive Director)
(Resigned on 10 Feb 2015)

Audit Committee

Yeong Siew Lee
Chairperson
(Re-designated on 10 Feb 2015)

Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee
Member

Paul Jong Jun Hian
Member
(Appointed on 10 Feb 2015)

Dato' Hussian @ Rizal Bin A. Rahman
Chairman
(Resigned on 10 Feb 2015)

Remuneration Committee

Yeong Siew Lee
Chairperson
(Re-designated on 10 Feb 2015)

Dato' Wong Shee Kai
Member

Paul Jong Jun Hian
Member
(Appointed on 10 Feb 2015)

Dato' Hussian @ Rizal Bin A. Rahman
(Independent Non-Executive Director)
(Resigned on 10 Feb 2015)

Nomination Committee

Yeong Siew Lee
Chairperson
(Re-designated on 10 Feb 2015)

Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee
Member

Paul Jong Jun Hian
Member
(Appointed on 10 Feb 2015)

Dato' Hussian @ Rizal Bin A. Rahman
Chairman
(Resigned on 10 Feb 2015)

Option Committee

Yeong Siew Lee
Chairperson
(Re-designated on 10 Feb 2015)

Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee
Member

Paul Jong Jun Hian
Member
(Appointed on 10 Feb 2015)

Dato' Hussian @ Rizal Bin A. Rahman
Chairman
(Resigned on 10 Feb 2015)

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

SUMMARISED GROUP INCOME STATEMENTS

Financial Year Ended 31 December ("FYE")

FYE 31 December	Audited 2010 (15 months) RM	Audited 2011 (12 months) RM	Audited 2012 (12 months) RM	Audited 2013 (12 months) RM	Audited 2014 (12 months) RM
Revenue	16,554,093	36,548,114	44,766,888	35,233,480	20,895,057
Cost of Sales	(8,644,850)	(13,834,194)	(16,949,986)	(14,369,304)	(14,787,321)
Gross Profit ("GP")	**7,909,243**	**22,713,920**	**27,816,902**	**20,864,176**	**6,107,736**
EBITDA	**11,297,585**	**17,224,148**	**21,749,103**	**15,559,347**	**1,117,020**
Less:					
Amortisation	(24,176)	(263,705)	(281,370)	(259,741)	(259,741)
Impairment loss	–	–	–	–	(7,608,560)
Depreciation	(960,720)	(2,319,794)	(5,818,644)	(8,267,271)	(20,366,854)
Net Interest Income / (Cost)	(26,074)	372,796	228,781	195,370	423,062
Profit / (Loss) Before Taxation ("PBT" / "LBT")	**10,286,615**	**15,013,445**	**15,877,870**	**7,227,705**	**(26,695,073)**
Income Tax Credit / (Expenses)	(4,872)	(4,450)	(4,170,387)	(2,066,189)	6,234,480
Profit / (Loss) After Taxation ("PAT" / "LAT")	**10,281,743**	**15,008,995**	**11,707,483**	**5,161,516**	**(20,460,593)**
Non-Controlling Interests	–	2,652	14,775	100,448	53,538
Net Profit / (Loss) Attributable to Shareholders	**10,281,743**	**15,011,647**	**11,722,258**	**5,261,964**	**(20,407,055)**
Weighted Average Number of Share	69,124,736	227,194,521	492,224,590	640,840,783	1,130,399,104
Basic Earnings/ (Loss) per Ordinary Share (sen)	**14.87**	**6.61**	**2.38**	**0.82**	**(1.81)**
Profit / (Loss) Margin					
GP Margin (%)	**47.8**	**62.1**	**62.1**	**59.2**	**29.2**
EBITDA / (LBITDA) Margin (%)	**68.2**	**47.1**	**48.6**	**44.2**	**5.3**
PBT / (LBT) Margin (%)	**62.1**	**41.1**	**35.5**	**20.5**	**(127.8)**
PAT / (LAT) Margin (%)	**62.1**	**41.1**	**26.2**	**14.6**	**(97.9)**

SUMMARISED GROUP'S FINANCIAL POSITION

As at 31 December 2014

	Audited RM
Current Assets	29,271,001
Current Liabilities	3,870,831
Current Ratio (Times)	7.56
Total Equity	138,504,696
Cash Reserve	16,444,140
Net Cash	16,444,140
Net Assets / Share	0.12

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

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

In a world that is becoming increasingly digital, Asia Media's strategy is to deliver individuals and companies media experience they will increasingly demand irrespective of the medium. Our commitment to providing the leading platform in each of our market is strong and will be supplemented by our live digital broadcasting which we rolled out earlier. We have made strong progress in this respect this year, with over RM26 million invested in 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 2014 ("FYE 2014").

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. Real GDP was exceptionally strong in 2014, growing by 6% (2013: 4.7%), supported by continuing robust domestic demand, especially private consumption. Expenditure on this component remained strong, growing by 7.1%, underpinned by favourable labour market conditions, Federal income transfers and also continued habit consumption. Meanwhile, public consumption registering growth of 4.4%, while public investment contracted by about 5.0%. Private investment remained at double digit growth at 11.0%.

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

2014 was a strong year, due to existing customers demand and an influx of new customers. As a result of the good performance of the multimedia advertising services and media communication services in all three business segments, the Group presented another strong financial result in 2014. The Group reported its Revenue at RM20.89 million in FYE 2014, which achieved a CAGR of 29.07% since FYE 2007. Whilst our revenue FYE 2014 fell short of expectations which 40% lower as compare to last year, we are upbeat heading into 2015. The Group reported its EBITA of RM1.1million and net loss of RM20.5million in FYE 2014, caused by non-cash depreciation and amortisation expenses approximately RM28 million. (EPS: -1.81 sen). We employ a prudent financial management strategy: as of 31 Dec 2014, the Group's debt-to-equity ratio was nil, which in real terms is nil to RM138.50 million. On the same date, the cash balance was RM16.26 million. Such a strong and healthy balance sheet will enable the Group to enhance market opportunity even further in the near future.

The Group's net cash inflow was around RM10.09 million from operating activities. RM27.60 million of net cash went to investing activities, primarily for the purchasing of broadcasting and digital equipment for expanding the business. There was RM17.10 million positive financing cash flow, which was primarily from new shares being issued. As for 31 December 2014, the Group had a health financial liquidity with a cash reserve exceeding RM16 million.

LIVE DIGITAL BROADCASTING

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

BOOST FROM BROADCASTING LICENSE

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

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

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 2014, the Group invested more than RM100 million for building infrastructures of the DTTB, consisting of transmission towers 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.

CORPORATE GOVERNANCE

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

CORPORATE SOCIAL RESPONSIBILITY

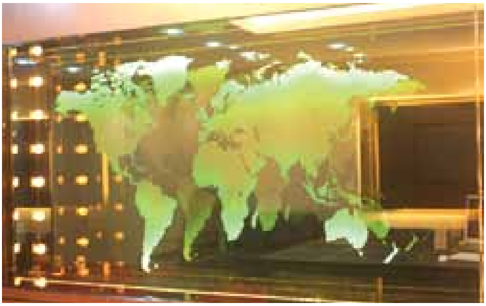
The Group believes that effective corporate responsibility can deliver benefits to its business and, in turn, to its shareholders by enhancing reputation and business trust, staff motivation and retention, customer loyalty and long-term shareholder value.

APPRECIATION

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

DATUK SERI SYED ALI
BIN TAN SRI ABBAS ALHABSHEE
CHAIRMAN

2007



MSC
MALAYSIA
Status Company

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.

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.



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.

2008 (cont'd)

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

2009

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.

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.




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.

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.







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 developing 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.

2012

The BrandLaureate BestBrands Awards 2012

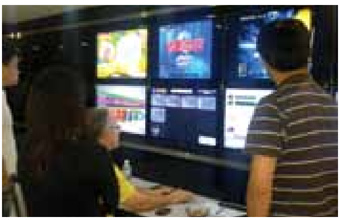
Asia Media receiving the BrandLaureate Best Brands Awards (2011 - 2012) as “Best Brand in Media - Transit TV Network”






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






2013

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

2013 (cont'd)

The BrandLaureate Best Brands Awards 2013

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

2014

The BrandLaureate Best Brands Awards 2014

Asia Media receiving the BrandLaureate Best Brands Awards (2013 - 2014) as "Best Brand in Media - Transit TV Network"

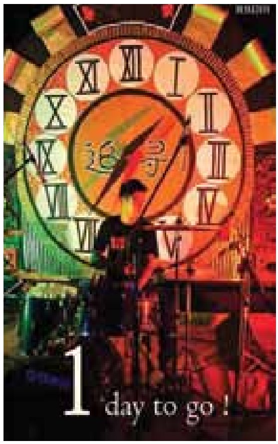
NEWS & ARTICLES

CSR & SPONSORSHIPS

YAO LAN SHOU SONG COMPOSING CONCERT (DAYAO)

- University of Malaya
  Dewan Tunku Canselor,
  University Malaya.
- 4th May 2014

DAYAO 摇
SONG COMPOSING CONCERT



CSR & Sponsorships (cont'd)

18th Rakan Muda GACC International Inter-Varsity Chess Championship

- University of Malaya
  Dewan Tunku Canselor,
  University Malaya.
- 23 January 2014 to 29 January 2014

CSR & Sponsorships (cont'd)

Malaysian Accounting Student Convension

- University of Malaya
  Dewan Tunku Canselor,
  University Malaya.
- 11 February 2014 to 14 February 2014

CSR & Sponsorships (cont'd)

MMU Career Fair '14

- Cyberjaya Campus
  Dewan Tun Canselor ,
  Multimedia University Cyberjaya .
- 7 January 2014 to 8 January 2014

CSR & Sponsorships (cont'd)

PESTA TANGLUNG UKM KE – 34

- ARTISUKMA UNIVERSITI KEBANGSAAN MALAYSIA. DECTAR, UKM

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.

INDUSTRY OUTLOOK AND FUTURE PROSPECTS OF OUR GROUP

I. Overview of the Malaysian economy

The Malaysian economy recorded a stronger growth of 6.0% in 2014 (2013: 4.7%). Growth was driven by the continued strength in private domestic demand, and further lifted by the improvement in external trade performance. In particular, net exports turned around to contribute positively to growth in 2014 after seven consecutive years of negative contribution, as Malaysia' export benefitted from the recovery in the advanced economies and continued demand from the region. This was reflected in a board-based improvement in demand across markets and products, including the electrical and electronics (E&E) products. As the growth of real exports of goods and services outpaced the growth of imports, net exports recorded a strong growth of 19.7% in 2014 (2013: -12.6%) and contributed 1.4 percentage points to the overall GDP growth.

Domestic demand remained as the main anchor for growth, albeit at a more moderate pace of expansion, led by private sector activity. Private consumption was supported by favourable income growth and stable labour market conditions. The targeted Government transfers to the low- and middle-income groups provided additional support to private consumption despite the higher inflation during the year. Private investment continued to grow at a double-digit rate, driven by the manufacturing and services sectors. These sectors benefitted from the improvement in the external environment as well as the sustained domestic consumption. In line with the Government's commitment to fiscal consolidation, total public sector expenditure contributed only marginally to growth during the year. The cost-cutting initiatives by the Government to reduce discretionary spending that were announced at the end of 2013, particularly on travel, food and beverages as well as rentals, had partly led to the moderation in public consumption growth in 2014. Public investment, meanwhile, contracted following the lower capital spending by both the Federal Government and the public enterprises. The latter was due mainly to the completion and near-completion of some major projects during the year.

(Source: The 2014 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.

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

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

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%.

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 Bharu, 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.

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

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

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)

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. The Group has also completed 8 digital radio channels setup in Klang Valley in year 2014.

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 expend our DTTB infrastructure and broadcasting services in Johor Bharu 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.

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

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

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

Dato' Wong Shee Kai, a Malaysian, age 34, 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.

Dato' Hussian @ Rizal Bin A. Rahman

(Independent Non-Executive Director)
(Resigned on 10 February 2015)

Dato' Hussian @ Rizal Bin A. Rahman, a Malaysia, age 53, 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, Remuneration, and Option 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' Hussain 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.

Paul Jong Jun Hian

(Independent Non-Executive Director)
(Appointed on 10 February 2015)

Paul Jong Jun Hian, a Malaysia, age 45, is the Independent Non-Executive Director of the company and he was appointed to the Board on 10 February 2015. He is a member of the Audit, Nomination, Remuneration and Option Committees of the Company. He obtained his Bachelor of Accountings (Honours) from Universiti Utara Malaysia. He is a chartered accountant and is currently a member of the Malaysian Institute of Accountants (MIA). He has more than 20 years of experience in corporate financial management, accounting, audit, tax advisory and business management matters. He has extensive working experience in bank, audit firm, multinational company, public listed company and privately held group of companies. These companies are mainly involved in the banking, audit & tax services, manufacturing, engineering & construction, plantation and logistic services. Among the companies are Public Bank Berhad, Arthur Anderson, Komag USA, Weida (M) Bhd & Air-Marine Group. Mr Paul Jong is currently holding directorships in several privately held companies which involved in engineering & construction, marine transportation & trading services.

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

Yeong Siew Lee
(Senior Independent Non-Executive Director)
(Re-designated on 13 February 2015)

Yeong Siew Lee, a Malaysian, age 37, is the Independent Non-Executive Director of the Company and she was appointed to the Board on 5 May 2010. She was re-designated as the Chairman of the Audit, Nomination, Remuneration and Option Committees of the Company on 10 February 2015. Subsequently, she was re-designated Senior Independent Non-Executive Director on 13 February 2015. She obtained her Bachelor of Science (Honours) degree in Accounting and Finance from University of Wales College, Newport, United Kingdom in 2001 and obtained her professional degree in Association of Chartered Certified Accountants, United Kingdom in 2004. She is a chartered accountant and is currently a member of the Malaysian Institute of Accountants (MIA). She began her career with GHL Systems Berhad ("GHL"), a company listed on the Main Market of Bursa Securities, as an Assistant Accountant in 2003 and moved up the ranks and become Head/Assistant General Manager of Finance in 2008 to supervise the company's local and overseas accounting teams. She left GHL in August 2009 to venture into business in the consumer industry and was working as a finance adviser for SMR HR Group Sdn Bhd. Besides that Ms Yeong is recently sit on the board of Bright Packaging Industry Berhad and Sersol Berhad.

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

Our Commitment

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

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

Our Corporate Sustainability Commitment

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

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

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

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

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

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

Moving Forward

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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 AMEDIA 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 2014.

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

1.1. Clear functions of the Board and Management

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

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

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

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

1. 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, re gulations, rules, directives and guidelines.

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

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

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

1.3. Ethical Standards and Code of Conduct

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

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

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

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

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 their0 duties, subject to the approval of the Board, depending on the quantum of the fees involved.

1.6. Company Secretaries

The Company Secretaries are suitably qualified, competent and are members of a professional body. The Company Secretaries play an advisory role to the Board, in relation to the Group's constitution, Board's policies and procedures and compliance with the relevant regulatory requirements, codes, guidelines and legislations.

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

2. STRENGTHEN COMPOSITION OF THE BOARD

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

2.1. Nomination Committee

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

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

Name	Designation	Directorship
YBhg Dato' Hussian @ Rizal Bin A. Rahman	Chairman *(Resigned on 10 February 2015)*	Independent Non-Executive Director
Ms. Yeong Siew Lee	Chairperson *(Re-designated on 10 February 2015)*	Independent Non-Executive Director
YBhg Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	Member	Independent Non-Executive Director
Mr. Paul Jong Jun Hian	Member *(Appointed on 10 February 2015)*	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 directors 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.

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

2.1. Nomination Committee *(Cont'd)*

For the financial year ended 31 December 2014, the Nomination Committee has met once with full attendance of its Members and has carried out the following key activities:

- Proposed re-election of Members of the Board at the AGM for Shareholders' approval, pursuant to the Articles of Association of the Company;

- Reviewed the annual assessment of the required mix of skills and experience of the individual Board Members and the Board committees; and

- Assessed the annual effectiveness of the Board as a whole, the committees of the Board, the contribution of each individual director, including independent non-executive directors and chief executive officer.

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

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 *(Resigned on 10 February 2015)*	Independent Non-Executive Director
Ms. Yeong Siew Lee	Chairperson *(Re-designated on 10 February 2015)*	Independent Non-Executive Director
YBhg Dato' Wong Shee Kai	Member	Executive Director
Mr. Paul Jong Jun Hian	Member *(Appointed on 10 February 2015)*	Independent Non-Executive Director

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

2.3. Remuneration Committee *(Cont'd)*

For the financial year ended 31 December 2014, the Remuneration Committee has met once with full attendance of its Members to review and recommend the payment of Directors' fees in FYE 2014.

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

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

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

CATEGORY	FEE (RM)	SALARIES & OTHER EMOLUMENTS (RM)
EXECUTIVE DIRECTOR	200,000	2,400
NON-EXECUTIVE DIRECTORS	162,000	–
	362,000	2,400

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

Note:

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

The Board recommends the Directors' fees and other emoluments payable for the financial year ended 31 December 2014 which are subject to the shareholders' approval at the forthcoming AGM.

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

2.4. Option Committee

The Option Committee is appointed by the Board to administer the Employees' Share Option Scheme ("ESOS") in accordance with the objectives and regulations as stated in the By-Laws of the ESOS.

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

Name	Designation	Directorship
YBhg Dato' Hussian @ Rizal Bin A. Rahman	Chairman *(Resigned on 10 February 2015)*	Independent Non-Executive Director
Ms. Yeong Siew Lee	Chairperson *(Re-designated on 10 February 2015)*	Independent Non-Executive Director
YBhg Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	Member	Independent Non-Executive Director
Mr. Paul Jong Jun Hian	Member *(Appointed on 10 February 2015)*	Independent Non-Executive Director

During the financial year, 156,000,000 options were exercised by the eligible Directors and employees.

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. REINFORCE INDEPENDENCE *(Cont'd)*

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 five (5) years. His leadership skills and guidance to the Board has added value to the Group. The Board currently comprises one (1) Non-Executive Chairman, one (1) Executive Director and two (2) Independent Non-Executive Directors, there exist a strong independence element in its composition.

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

4. FOSTER COMMITMENT

4.1. Time commitment and directorship in other companies

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

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

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. The attendance record of the Directors for the financial year ended 31 December 2014 with satisfactory attendance.

4. FOSTER COMMITMENT *(Cont'd)*

4.1. Time commitment and directorship in other companies *(Cont'd)*

The attendance record of the Board for the financial year ended 31 December 2014 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' Wong Shee Kai	Executive Director	3/4	75%
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.

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 2014, the training programmes and seminars attended by the Directors are as follows:-

1. Risk Management and Internal Control
2. Practical Implementation of Goods and Service Tax (GST) – Part 1 and 2
3. 2015 Budget Seminar

During the financial year ended 31 December 2014, the Board of Directors was briefed on the requirements of the Code and the Statement on Risk Management and Internal Control.

5. UPHOLD INTEGRITY IN FINANCIAL REPORTING

5.1. Compliance with applicable financial reporting standards

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

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

5.2. Assessment of suitability and independence of External Auditors

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

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

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

The Audit Committee met with the External Auditors twice times during the financial year ended 31 December 2014 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 Group Chairman and Executive Director work closely with the Board, the Senior Management and the Company Secretary who are privy to the information to maintain strict confidentiality of the information.

7.2. Leverage on information technology for effective dissemination of information

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

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

8. STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

8.1. Shareholders Participation at General Meetings

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

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

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

8.2. Poll Voting

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

8.3. Communication and Engagements with Shareholders

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

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

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

This Corporate Governance Statement is made in accordance with the resolution of the Board dated 13 May 2015.

Share Buy-Back

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

Options, Warrants or Convertible Securities

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

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 2014.

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.

Statement Pertaining to the Allocation of Share Options to Employees

The Company's SIS is governed by the By-Laws approved by the shareholders at an Extraordinary General Meeting held on 28th May 2014. The effective date for the implementation of the SIS was 3rd June 2014,which is the date of full compliance of the SIS in accordance with the Paragraph 6.43 (1) of the Bursa Malaysia Securities Berhad Listing Requirements. Each option entitles the exerciser a right to subscribe for one (1) new ordinary share of RM0.10 each in the Company at an exercise price of RM0.10 per option.

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

a) 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;

b) Eligible persons are confirmed employees including executive and non-executive directors f the Group and have been employed or appointed by the Company in the Group, which is not dormant;

c) 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;

d) 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

e) The Scheme shall be in force for a period of five (5) years and extendable for another five (5) years from the effective date.

During the financial year, the Company granted 156,000,000 shares under the SIS to all eligible persons of the Group.

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.

The cost involved for AMEDIA internal audit (FYE 2014) is approximately RM10,000.00

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

Key Elements of Internal Controls

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

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

Conclusion

The Board is of the view that there is no significant breakdown or weaknesses in the current system of internal controls of the Group that have resulted in material losses incurred by the Group for the financial year ended 31 December 2014. 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 13 May 2015.

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 2014.

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.

A. Composition and Attendance

The members of the Audit Committee are as follows:-

YBhg Dato' Hussian @ Rizal Bin A. Rahman (Resigned on 10 February 2015)
(Chairman of Audit Committee/ Independent Non-Executive Director)

Ms Yeong Siew Lee (Re-designated on 10 February 2015)
(Chairperson 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)

Mr Paul Jong Jun Hian (Appointed on 10 February 2015)
(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.

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.

(e) To verify the allocation of option during the year under the ESOS to ensure that this was in compliance with the allocation criteria determined by the Option Committee and in accordance with the By-Laws of the ESOS.

C. Meetings

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

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

Name	Desgination	Attendance
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 2014.
(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 2014 annual report.

E. Internal Audit Function

SUMMARY OF ACTIVITIES OF INTERNAL AUDIT DEPARTMENT DURING FINANCIAL YEAR ENDED 31 DECEMBER 2014

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 13 May 2015.

FINANCIAL STATEMENTS

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31st December 2014.

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
Loss before tax	(26,695,073)	(1,382,292)
Income tax credit	6,234,480	–
Net loss for the financial year	(20,460,593)	(1,382,292)
Attributable to:		
Owners of the Company	(20,407,055)	(1,382,292)
Non-Controlling interests	(53,538)	–
	(20,460,593)	(1,382,292)

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 other than the exceptional item as disclosed in the Financial Statements.

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.

ISSUE OF SHARES AND DEBENTURES

As approved by the shareholders at the Extraordinary General Meeting held on 28th May 2014, the issued and paid-up share capital of the Company was increased from RM104,131,714 to RM119,731,714 by way of share issuance of 156,000,000 new ordinary shares of RM0.10 each in the Company during the financial year pursuant to the Share Issuance Scheme ("SIS") of the Company.

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

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 warrrant.

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

The salient features of the warrants are as follows:

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

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

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

d) the new ordinary shares to be issued pursuant to the exercise of the warrants upon allotment and issue, shall rank pari passu in all 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.

SHARE ISSUANCE SCHEME ("SIS")

The Company's SIS is governed by the By-Laws approved by the shareholders at an Extraordinary General Meeting held on 28th May 2014. The effective date for the implementation of the SIS was 3rd June 2014, which is the date of full compliance of the SIS in accordance with the Paragraph 6.43(1) of the Bursa Malaysia Securities Berhad Listing Requirements. Each option entitles the exerciser a right to subscribe for one (1) new ordinary share of RM0.10 each in the Company at an exercise price of RM0.10 per option.

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

a) 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;

b) 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;

c) 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;

d) 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

e) the Scheme shall be in force for a period of five (5) years and extendable for another five (5) years from the effective date.

During the financial year, the Company granted 156,000,000 shares under the SIS to all eligible persons of the Group.

The share options granted and exercised during the financial year are as follows:

Exercise price RM	Date of offer	Number of options over ordinary shares of RM0.10 each			
		As at 1.1.2014	Granted	Exercised	As at 31.12.2014
0.10	5.6.2014	–	156,000,000	156,000,000	–

The names of the option holders granted options to subscribe for ordinary shares of RM0.10 each during the financial year are as follows:

	Number of options over ordinary shares of RM0.10 each				
Name	Date of offer	As at 1.1.2014	Granted	Exercised	As at 31.12.2014
Chew Pei Jing	5.6.2014	–	35,000,000	35,000,000	–
Dato' Wong Shee Kai	5.6.2014	–	15,500,000	15,500,000	–
Lim Huay Chen	5.6.2014	–	35,000,000	35,000,000	–
Ong Kar Kian	5.6.2014	–	35,500,000	35,500,000	–
Yap Mei Chee	5.6.2014	–	35,000,000	35,000,000	–

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
Yeong Siew Lee
Paul Jong Jun Hian (appointed on 10.2.2015)
Dato' Hussian @ Rizal Bin A Rahman (resigned on 10.2.2015)

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) 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.

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 1.1.2014	**Bought**	**Sold**	**Balance as at 31.12.2014**
Shares in the Company				
Direct interest				
Datuk Seri Syed Ali Bin Abbas Alhabshee	200,000	–	–	200,000
Dato' Wong Shee Kai	–	15,500,000	15,500,000	–

	No. of ordinary shares of RM0.10 each			
	Balance as at 1.1.2014	**Bought**	**Sold**	**Balance as at 31.12.2014**
Indirect interest				
Dato' Wong Shee Kai	283,960,000	41,677,500	–	325,637,500

In addition to the above, the director is also deemed to have an interest in the shares of the Company to the extent of options granted to him pursuant to the SIS as follows:

	No. of options over ordinary shares of RM0.10 each under the Share Issuance Scheme			
	Balance as at 1.1.2014	**Granted**	**Exercised**	**Balance as at 31.12.2014**
Direct interest				
Dato' Wong Shee Kai	–	15,500,000	15,500,000	–

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.

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.

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.

OTHER STATUTORY INFORMATION *(Cont'd)*

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.

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: 28th April 2015

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 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31st December 2014 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 30, 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: 28th April 2015

STATUTORY DECLARATION

I, **DATO' WONG SHEE KAI**, being the director primarily responsible for the financial management of ASIA MEDIA GROUP BERHAD, do solemnly and sincerely declare that the accompanying financial statements 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.

DATO' WONG SHEE KAI

Subscribed and solemnly declared by the
abovenamed DATO' WONG SHEE KAI
at Petaling Jaya, on 28th April 2015

Before me,

R. Lakshmanan
No. B 396

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 2014 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 69 to 119.

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 2014 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.

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 30 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: 2037/06/16(J)
Chartered Accountant

Date: 28th April 2015

Petaling Jaya

		GROUP		COMPANY	
		2014	2013	2014	2013
	Note	RM	RM	RM	RM
ASSETS					
Non-Current Assets					
Property, plant and equipment	6	109,108,878	109,487,711	–	–
Development costs	7	4,371	27,337	–	–
Other intangible assets	8	1,420,650	1,657,425	–	–
Investment in subsidiaries	9	–	–	12,999,998	12,999,998
Goodwill on consolidation	10	2,570,627	2,570,627	–	–
Total Non-Current Assets		113,104,526	113,743,100	12,999,998	12,999,998
Current Assets					
Trade receivables	11	3,731,247	10,089,863	–	–
Other receivables and prepaid expenses	11	9,095,614	9,359,914	1,308	1,308
Amount owing by subsidiary	9	–	–	115,165,063	100,078,537
Deposits with licensed banks	12	182,864	179,381	–	–
Cash and bank balances		16,261,276	16,672,876	5,781	5,533
Total Current Assets		29,271,001	36,302,034	115,172,152	100,085,378
Total Assets		142,375,527	150,045,134	128,172,150	113,085,376

		GROUP		COMPANY	
		2014	2013	2014	2013
	Note	RM	RM	RM	RM
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	13	119,731,714	104,131,714	119,731,714	104,131,714
Reserves	14	18,794,395	38,374,650	8,376,486	8,931,978
Equity Attributable to Owners of the Company		138,526,109	142,506,364	128,108,200	113,063,692
Non-Controlling interests		(21,413)	32,125	–	–
Total Equity		138,504,696	142,538,489	128,108,200	113,063,692
Non-Current Liabilities					
Deferred tax liability	15	–	6,235,350	–	–
Total Non-Current Liabilities		–	6,235,350	–	–
Current Liabilities					
Trade payables	16	1,240,166	150,472	–	–
Other payables and accrued expenses	16	165,890	1,117,035	63,950	21,684
Short term bank borrowing	17	1,500,000	–	–	–
Amount owing to director	18	961,207	–	–	–
Tax liabilities		3,568	3,788	–	–
Total Current Liabilities		3,870,831	1,271,295	63,950	21,684
Total Liabilities		3,870,831	7,506,645	63,950	21,684
Total Equity and Liabilities		142,375,527	150,045,134	128,172,150	113,085,376

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

		GROUP		COMPANY	
		2014	**2013**	**2014**	**2013**
	Note	**RM**	**RM**	**RM**	**RM**
Revenue		20,895,057	35,233,480	–	–
Other operating income		476,343	357,156	246	2,600
Purchases and other direct costs		(14,787,321)	(14,369,304)	–	–
Staff costs	19	(1,046,870)	(1,467,483)	–	–
Amortisation of development costs		(22,966)	(22,966)	–	–
Amortisation of intangible assets		(236,775)	(236,775)	–	–
Depreciation of property, plant and equipment		(20,366,854)	(8,267,271)	–	–
Directors' remuneration	20	(364,400)	(364,400)	(162,000)	(162,000)
Impairment loss on property, plant and equipment		(7,608,560)	–	–	–
Other operating expenses		(3,582,446)	(3,477,553)	(1,220,538)	(416,685)
Profit/(Loss) from operations		(26,644,792)	7,384,884	(1,382,292)	(576,085)

Profit/(Loss) from operations is stated after charging/(crediting):				
Audit fee	39,400	34,400	20,000	15,000
Amortisation of development costs	22,966	22,966	–	–
Amortisation of intangible assets	236,775	236,775	–	–
Exceptional item:				
Impairment loss on property, plant and equipment	7,608,560	–	–	–
Intangible assets written off	–	148,250	–	–
Depreciation of property, plant and equipment	20,366,854	8,267,271	–	–
Directors' remuneration	364,400	364,400	162,000	162,000
Rental of premises	538,165	534,765	–	–
Gain on disposal of property, plant and equipment	–	(3,225)	–	–
Interest income from short term deposits	(473,343)	(352,549)	(246)	(2,600)

		GROUP		COMPANY	
		2014	2013	2014	2013
	Note	RM	RM	RM	RM
Finance costs	21	(50,281)	(157,179)	–	–
Profit/(Loss) before tax		(26,695,073)	7,227,705	(1,382,292)	(576,085)
Income tax credit/(expense)	22	6,234,480	(2,066,189)	–	–
Total comprehensive income/(loss) for the financial year		(20,460,593)	5,161,516	(1,382,292)	(576,085)
Attributable to:					
Owners of the Company		(20,407,055)	5,261,964	(1,382,292)	(576,085)
Non-Controlling interests		(53,538)	(100,448)	–	–
Total comprehensive income/(loss) for the financial year		(20,460,593)	5,161,516	(1,382,292)	(576,085)
Earnings/(Loss) per share attributable to Owners of the Company:					
Basic (sen)	23	(1.81)	0.82		
Diluted (sen)	23	N/A	N/A		

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

	<------ Attributable to Owners of the Company ------>							
	<------ Non-Distributable reserves - ------>				Distributable reserve -			
	Share capital RM	Share premium RM	Warrant reserve RM	Share option reserve RM	Retained earnings RM	Total RM	Non-Controlling interests RM	Total equity RM
GROUP								
Balance as at 1st January 2013	50,160,000	–	–	–	29,593,069	79,753,069	132,573	79,885,642
Profit/(Loss) for the year representing total comprehensive income/(loss) for the year	–	–	–	–	5,261,964	5,261,964	(100,448)	5,161,516
Transaction with Owners of the Company:								
Issuance of shares with free warrants during the financial year	53,971,714	–	3,519,617	–	–	57,491,331	–	57,491,331
Balance as at 31st December 2013	104,131,714	–	3,519,617	–	34,855,033	142,506,364	32,125	142,538,489
Loss for the year representing total comprehensive loss for the year	–	–	–	–	(20,407,055)	(20,407,055)	(53,538)	(20,460,593)
Transactions with Owners of the Company:								
Issuance of shares during the financial year	15,600,000	–	–	826,800	–	16,426,800	–	16,426,800
Options under SIS exercised	–	826,800	–	(826,800)	–	–	–	–
Total transactions with Owners of the Company	15,600,000	826,800	–	–	–	16,426,800	–	16,426,800
Balance as at 31st December 2014	119,731,714	826,800	3,519,617	–	14,447,978	138,526,109	(21,413)	138,504,696

		<------- Non-Distributable reserves -	------->		Distributable reserve -	
	Share capital RM	Share premium RM	Warrant reserve RM	Share option reserve RM	Retained earnings RM	Total equity RM
COMPANY						
Balance as at 1st January 2013	50,160,000	–	–	–	5,988,446	56,148,446
Loss for the year representing total comprehensive loss for the year	–	–	–	–	(576,085)	(576,085)
Transaction with Owners of the Company: Issuance of shares with free warrants during the financial year	53,971,714	–	3,519,617	–	–	57,491,331
Balance as at 31st December 2013	104,131,714	–	3,519,617	–	5,412,361	113,063,692
Loss for the year representing total comprehensive loss for the year	–	–	–	–	(1,382,292)	(1,382,292)
Transaction with Owners of the Company:						
Issuance of shares during the financial year	15,600,000	–	–	826,800	–	16,426,800
Options under SIS exercised	–	826,800	–	(826,800)	–	–
Total transaction with Owners of the Company	15,600,000	826,800	–	–	–	16,426,800
Balance as at 31st December 2014	119,731,714	826,800	3,519,617	–	4,030,069	128,108,200

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

	GROUP		COMPANY	
	2014	2013	2014	2013
	RM	RM	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(Loss) before tax	(26,695,073)	7,227,705	(1,382,292)	(576,085)
Adjustments for:				
Amortisation of development costs	22,966	22,966	–	–
Amortisation of intangible assets	236,775	236,775	–	–
Depreciation of property, plant and equipment	20,366,854	8,267,271	–	–
Exceptional item:				
Impairment loss on property, plant and equipment	7,608,560	–	–	–
Intangible assets written off	–	148,250	–	–
Finance costs	50,281	157,179	–	–
Gain on dispsosal of property, plant and equipment	–	(3,225)	–	–
Interest income	(473,343)	(352,549)	(246)	(2,600)
Share option expenses	826,800	–	826,800	–
Operating profit/(loss) before working capital changes	1,943,820	15,704,372	(555,738)	(578,685)
Changes in working capital:				
(Increase)/Decrease in trade receivables	6,358,616	(2,140,014)	–	–
(Increase)/Decrease in other receivables and prepaid expenses	264,300	(3,462,730)	–	–
Decrease in deferred expenditure	–	20,000	–	20,000
Increase in amount owing by subsidiary	–	–	(15,086,526)	(56,825,270)
Increase/(Decrease) in trade payables	1,089,694	(883,849)	–	–
Increase/(Decrease) in other payables and accrued expenses	(951,145)	(11,628,893)	42,266	(109,780)
Increase in amount owing to director	961,207	–	–	–
Cash Generated From/(Used In) Operations	9,666,492	(2,391,114)	(15,599,998)	(57,493,735)
Finance costs paid	(50,281)	(157,179)	–	–
Interest received	473,343	352,549	246	2,600
Tax paid	(1,090)	(5,166)	–	–
Net Cash From/(Used In) Operating Activities	10,088,464	(2,200,910)	(15,599,752)	(57,491,135)

	GROUP		COMPANY	
	2014	2013	2014	2013
	RM	RM	RM	RM
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(27,596,581)	(46,528,704)	–	–
Proceeds from disposal of property, plant and equipment	–	47,000	–	–
Additions in development costs	–	(1,400)	–	–
Net Cash Used In Investing Activities	(27,596,581)	(46,483,104)	–	–
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in short term bank borrowing	1,500,000	–	–	–
Repayment of term loans	–	(4,530,613)	–	–
Repayment of hire purchase obligations	–	(40,515)	–	–
Increase in deposits pledged with licensed bank	(3,483)	(2,102)	–	–
Proceeds from issuance of shares	15,600,000	58,422,235	15,600,000	58,422,235
Payment of share issue expenses	–	(930,904)	–	(930,904)
Net Cash From Financing Activities	17,096,517	52,918,101	15,600,000	57,491,331
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(411,600)	4,234,087	248	196
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	16,672,876	12,438,789	5,533	5,337
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 24)	16,261,276	16,672,876	5,781	5,533

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

1) GENERAL INFORMATION

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

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 28th April 2015.

2) BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and 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

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

Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities
Amendments to MFRS 127	Separate Financial Statements: Investment Entities
Amendments to MFRS 132	Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretation 21	Levies

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

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

Standards issued but not yet effective

As at the date of authorisation for issue of these financial statements, the following Standards, Amendments and Annual Improvements have been issued by Malaysian Accounting Standards Board ("MASB") but are not yet effective and have not been adopted by the Group and the Company:

Effective for financial period beginning on or after 1st July 2014

Amendments to MFRS 119	Defined Benefit Plans: Employee Contribution
Annual Improvements to MFRSs 2010–2012 Cycle	
Annual Improvements to MFRSs 2011–2013 Cycle	

Effective for financial period beginning on or after 1st January 2016

MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to MFRS 101	Disclosure Initiaitve
Amendments to MFRS 119	Defined Benefit Plans: Employee Contributions
Amendments to MFRS 127	Equity Method in Separate Financial Statements
Annual Improvements to MFRSs 2010-2012 Cycle	
Annual Improvements to MFRSs 2011-2013 Cycle	
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 116 and MFRS 141	Agriculture: Bearer Plants
Annual Improvements to MFRSs 2012–2014 Cycle	

Effective for financial period beginning on or after 1st January 2017

MFRS 15	Revenue from Contracts with Customers

Effective for financial period beginning on or after 1st January 2018

MFRS 9	Financial Instruments (IFRS 9 as issued by International Accounting Standards Board ("IASB") in July 2014)

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

Standards issued but not yet effective *(Cont'd)*

The Group and the Company will adopt the above pronouncements where applicable when they become effective in the respective financial periods. These pronouncements are not expected to have any effect on the financial statements of the Company upon their initial application, except as described below:

MFRS 9 Financial Instruments

In November 2014, MASB issued the complete version of MFRS 9 replacing MFRS 139. MFRS 9 retains but simplifies the mixed measurement model in MFRS 139 and establishes three primary measurement categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income ("OCI"). The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are always measured at fair value through profit or loss with an irrevocable option at inception to present changes in fair value in OCI (provided the instrument is not held for trading). A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest.

For liabilities, the standard retains most of the MFRS 139 requirements. These include amortised cost accounting for most financial liabilities, with bifurcation of embedded derivatives. 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 the income statement, unless this creates an accounting mismatch.

There is now a new expected credit losses model on impairment for all financial assets that replaces the incurred loss impairment model used in MFRS 139. The expected credit losses model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

The Group and the Company are currently assessing the impact of the adoption of this standard in relation to the new requirements for classification, measurement and impairment.

3) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The operations of the Group are subject to a variety of financial risks, including market risk (including foreign currency exchange risk and interest rate risk), credit 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.

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.

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

Market risk *(Cont'd)*

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

i) 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. The Group has exposure to foreign currency fluctuation arising from revenue or expense that are denominated in currency other than the functional currency of the Group.

However as at 31st December 2014, 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 2014.

Currency risk sensitivity analysis

No sensitivity analysis is prepared as the Group do not expect any material effect on the Group's loss net of tax and equity arising from the effect of reasonably possible changes to exchange rates on the foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period.

ii) 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 loss before tax to a 100 basis point increase/decrease in interest rates with all other variables held constant:

	GROUP 2014 RM
Increase/Decrease in loss before tax	15,000

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 loans and advances to subsidiary.

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

***Credit risk** (Cont'd)*

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.

The ageing analysis of trade receivables as at the end of the reporting period are as follows:

	GROUP	
	2014	**2013**
	RM	**RM**
Neither past due nor impaired	1,365,802	1,724,606
Past due 0 - 30 days not impaired	1,252,300	1,628,524
Past due 31 - 120 days not impaired	674,900	3,651,410
Past due more than 120 days not impaired	438,245	3,085,323
	2,365,445	8,365,257
Impaired	92,123	92,123
	3,823,370	10,181,986

i) *Receivables that are neither past due nor impaired*

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

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

ii) *Receivables that are past due but not impaired*

The Group has trade receivables amounting to RM2,365,445 (2013: RM8,365,257) that are past due at the reporting date but not impaired.

These receivables are unsecured. Management is confident that these receivables are recoverable as these accounts are still active.

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

Credit risk *(Cont'd)*

iii) Receivables that are impaired

The Group's trade receivables and the movement of the allowance accounts used to record the impairment are as follows:

	GROUP	
	2014	**2013**
	RM	**RM**
Trade receivables - Nominal amounts	92,123	92,123
Less: Allowance for doubtful debts	(92,123)	(92,123)
	–	–

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

Trade receivables that are individually determined to be impaired at the reporting date relate to receivables that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

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.

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.

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.

4) SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

c) Foreign Currency Conversion *(Cont'd)*

(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.

(iii) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense in profit or loss with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on the date of the grant. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on the vesting date. At each reporting date, the Group revises its estimates of the number of options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period. The equity amount is recognised in the share option reserve until the option is exercised, upon which it will be transferred to share premium, or until the option expires, upon which it will be transferred directly to retained earnings.

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.

4) SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

e) Income Taxes *(Cont'd)*

(ii) Deferred tax *(Cont'd)*

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 is 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.

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.

4) SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

f) Property, Plant and Equipment *(Cont'd)*

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:

	2014 %	**2013** %
Transit TV system	33	10
Broadcast centre, network and SMS gateway	10	10
Furniture and fittings	20	20
Computer software	10	10
Motor vehicles	20	20
Office equipment	20	20
Plant and machinery	10	10
Renovation and signboard	10	10

During the financial year, the Group revised the depreciation rate for Transit TV System from 10% to 33%. The effect of this accounting change is to increase the depreciation charge and correspondingly increase the loss before tax in the current year by RM7,295,349.

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.

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.

4) SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

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

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 fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interest having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. Inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated.

4) SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

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

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interest in subsidiaries that do not result in the Group losing control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interest are adjusted to reflect the changes in their relative interest in subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Disposal of Subsidiaries

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is 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 (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the relevant assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable MFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 139 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.

Transactions with Non-Controlling Interest

Non-Controlling interest represents the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in profit or loss of the Group and within equity in the consolidated statements of financial position, separately from the parent shareholder's equity. Transactions with non-controlling interest are accounted for using the entity concept method, whereby, transactions with non-controlling interests are accounted for as transactions with owners. On acquisition of non-controlling interest, the difference between the consideration and book value of the share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to non-controlling interest is recognised directly in equity.

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.

4) SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

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.

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.

4) SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

i) Intangible Assets *(Cont'd)*

ii) Goodwill *(Cont'd)*

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.

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.

4) SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

j) Financial Instruments *(Cont'd)*

ii) Financial instrument categories and subsequent measurement

The Group categories 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.

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.

4) SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

j) Financial Instruments *(Cont'd)*

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

Financial assets *(Cont'd)*

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 (AFS) 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 Company'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.

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.

4) SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

j) Financial Instruments *(Cont'd)*

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

Financial liabilities *(Cont'd)*

a) Financial liabilities at fair value through profit or loss (Cont'd)

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.

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 rate that 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.

4) SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

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.

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.

4) SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

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.

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.

4) SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

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.

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, the directors are 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

The 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 is discussed below:

(i) Depreciation of Property, Plant and Equipment

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.

5) CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Cont'd)*

Key Sources of Estimation Uncertainty *(Cont'd)*

(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.

(iv) Deferred Tax Assets

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

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
2014										
Cost										
As at 1st January 2014	31,963,177	46,458,296	48,965,343	181,232	97,290	31,865	470,497	692,636	516,591	129,376,927
Additions	9,829	26,642,229	15,968	–	–	880,701	10,583	–	37,271	27,596,581
Reclassifications	14,094,857	(46,458,296)	32,363,439	–	–	–	–	–	–	–
As at 31st December 2014	46,067,863	26,642,229	81,344,750	181,232	97,290	912,566	481,080	692,636	553,862	156,973,508
Accumulated depreciation										
As at 1st January 2014	10,364,406	–	8,131,417	138,912	29,187	31,789	345,112	663,756	184,637	19,889,216
Charge for the year	11,901,152	–	8,134,476	15,201	9,729	176,215	47,251	27,984	54,846	20,366,854
As at 31st December 2014	22,265,558	–	16,265,893	154,113	38,916	208,004	392,363	691,740	239,483	40,256,070
Accumulated impairment										
As at 1st January 2014	–	–	–	–	–	–	–	–	–	–
Impairment loss for the year	7,608,560	–	–	–	–	–	–	–	–	7,608,560
As at 31st December 2014	7,608,560	–	–	–	–	–	–	–	–	7,608,560
Net book value as at 31st December 2014	16,193,745	26,642,229	65,078,857	27,119	58,374	704,562	88,717	896	314,379	109,108,878

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

GROUP

	Transit TV system RM	Capital work-in-progress RM	Broadcast centre, network and SMS gateway RM	Furniture and fittings RM	Computer software RM	Motor vehicles RM	Office equipment RM	Plant and machinery RM	Renovation and signboard RM	Total RM
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

7) DEVELOPMENT COSTS

	GROUP 2014 RM	GROUP 2013 RM
At cost		
Balance as at beginning of year	141,937	140,537
Additions during the year	–	1,400
Balance as at end of year	141,937	141,937
Less:		
Accumulated amortisation		
Balance as at beginning of year	(114,600)	(91,634)
Charge for the year	(22,966)	(22,966)
Balance as at end of year	(137,566)	(114,600)
Net	4,371	27,337

8) OTHER INTANGIBLE ASSETS

	GROUP 2014 RM	GROUP 2013 RM
At cost		
Balance as at beginning of year	2,367,750	2,532,750
Written off during the year	–	(165,000)
Balance as at end of year	2,367,750	2,367,750
Less:		
Accumulated amortisation		
Balance as at beginning of year	(710,325)	(490,300)
Charge for the year	(236,775)	(236,775)
Written off during the year	–	16,750
Balance as at end of year	(947,100)	(710,325)
Net	1,420,650	1,657,425

9) INVESTMENT IN SUBSIDIARIES

	COMPANY 2014 RM	COMPANY 2013 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 2014 %	Equity Interest 2013 %	Principal Activities
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.

10) GOODWILL ON CONSOLIDATION

	GROUP	
	2014	2013
	RM	RM
Balance as at beginning and end of year	2,570,627	2,570,627

Key Assumptions Used in Value-In-Use Calculations

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. No revenue and expenses growth were projected from sixth year to perpetuity.

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	
	2014	2013
	RM	RM
Trade receivables	3,823,370	10,181,986
Less: Allowance for doubtful debts	(92,123)	(92,123)
Net	3,731,247	10,089,863

11) TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAID EXPENSES *(Cont'd)*

Other receivables and prepaid expenses consist of:

	GROUP		COMPANY	
	2014 RM	**2013 RM**	**2014 RM**	**2013 RM**
Other receivables	9,046,799	9,311,799	–	–
Prepaid expenses	2,094	44,713	–	–
Refundable deposits	46,721	3,402	1,308	1,308
	9,095,614	9,359,914	1,308	1,308

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

12) DEPOSITS WITH LICENSED BANKS

Deposits with licensed banks 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% (2013: 3.15%) per annum.

13) SHARE CAPITAL

	GROUP AND COMPANY No. of ordinary shares of RM0.10 each		GROUP AND COMPANY Amount	
	2014	**2013**	**2014 RM**	**2013 RM**
Authorised				
Balance as at beginning of year	2,000,000,000	1,000,000,000	200,000,000	100,000,000
Created during the year	–	1,000,000,000	–	100,000,000
Balance as at end of year	2,000,000,000	2,000,000,000	200,000,000	200,000,000
Issued and fully paid				
Balance as at beginning of year	1,041,317,137	501,600,000	104,131,714	50,160,000
Issued during the year	156,000,000	539,717,137	15,600,000	53,971,714
Balance as at end of the year	1,197,317,137	1,041,317,137	119,731,714	104,131,714

13) SHARE CAPITAL *(Cont'd)*

As approved by the shareholders at the Extraordinary General Meeting held on 28th May 2014, the issued and paid-up share capital of the Company was increased from RM104,131,714 to RM119,731,714 by way of share issuance of 156,000,000 new ordinary shares of RM0.10 each in the Company during the financial year under the Share Issuance Scheme ("SIS").

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 in 2013 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 in 2013 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) rights share 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 in 2013 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.

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 warrrant.

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

The salient features of the warrants are as follows:

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

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

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

13) SHARE CAPITAL *(Cont'd)*

2013/2018 WARRANTS *(Cont'd)*

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.

SHARE ISSUANCE SCHEME ("SIS")

The Company's SIS is governed by the By-Laws approved by the shareholders at an Extraordinary General Meeting held on 28th May 2014. The effective date for the implementation of the SIS was 3rd June 2014, which is the date of full compliance of the SIS in accordance with the Paragraph 6.43(1) of the Bursa Malaysia Securities Berhad Listing Requirements. Each option entitles the exerciser a right to subscribe for one (1) new ordinary share of RM0.10 each in the Company at an exercise price of RM0.10 per option.

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

a) 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;

b) 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;

c) 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;

d) 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

e) the Scheme shall be in force for a period of five (5) years and extendable for another five (5) years from the effective date.

During the financial year, the Company granted 156,000,000 shares under the SIS to all eligible persons of the Group.

13) SHARE CAPITAL *(Cont'd)*

SHARE ISSUANCE SCHEME ("SIS") *(Cont'd)*

The share options granted and exercised during the financial year are as follows:

Exercise price RM	Date of offer	As at 1.1.2014	Number of options over ordinary shares of RM0.10 each Granted	Exercised	As at 31.12.2014
0.10	5.6.2014	–	156,000,000	156,000,000	–

The names of the option holders granted options to subscribe for ordinary shares of RM0.10 each during the financial year are as follows:

Name	Date of offer	As at 1.1.2014	Number of options over ordinary shares of RM0.10 each Granted	Exercised	As at 31.12.2014
Chew Pei Jing	5.6.2014	–	35,000,000	35,000,000	–
Dato' Wong Shee Kai	5.6.2014	–	15,500,000	15,500,000	–
Lim Huay Chen	5.6.2014	–	35,000,000	35,000,000	–
Ong Kar Kian	5.6.2014	–	35,500,000	35,500,000	–
Yap Mei Chee	5.6.2014	–	35,000,000	35,000,000	–

Fair value of the share option

The fair value of the options granted was estimated by using the Black-Scholes pricing model, taking into account the terms and conditions upon which the options was granted. The fair value of share options measured at grant date and the assumptions are as follows:

	2014 RM
Fair value of share options granted (RM)	0.0053
Weighted average share price (RM)	0.08
Weighted average exercise price (RM)	0.10
Expected volatility (%)	62.70
Expected life (months)	3
Risk free rate (%)	3.74
Expected dividend yield rate (%)	–

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatilty is indicative of future trends, which may also not necessarily be the actual outcome. No other features of the option grant were incorporated into the measurement of fair value.

14) RESERVES

	GROUP		COMPANY	
	2014 RM	2013 RM	2014 RM	2013 RM
Non Distributable Reserves:				
Warrant reserve	3,519,617	3,519,617	3,519,617	3,519,617
Share premium	826,800	–	826,800	–
	4,346,417	3,519,617	4,346,417	3,519,617
Distributable Reserve:				
Retained earnings	14,447,978	34,855,033	4,030,069	5,412,361
	18,794,395	38,374,650	8,376,486	8,931,978

Warrant reserve

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

Share premiums

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

Retained earnings

The Company is able to distribute dividends out of its entire retained earnings under the single-tier system.

15) DEFERRED TAX LIABILITY

	GROUP	
	2014 RM	2013 RM
As at beginning of financial year	6,235,350	4,170,251
Recognised in profit and loss (Note 22)	(6,235,350)	2,065,099
As at end of financial year	–	6,235,350

The deferred tax liability in 2013 is in respect of temporary difference between tax capital allowances and book depreciation of property, plant and equipment.

16) 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	
	2014 RM	2013 RM	2014 RM	2013 RM
Other payables	96,711	1,054,144	43,200	934
Accrued expenses	69,179	62,891	20,750	20,750
	165,890	1,117,035	63,950	21,684

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

17) SHORT TERM BANK BORROWING

	GROUP	
	2014 RM	2013 RM
Revolving credit	1,500,000	–

As at 31st December 2014, the Group has banking facility totalling RM5,000,000 (2013: RM5,000,000) obtained from a licensed bank. The facility bears interest range from 2.90% to 3.41% (2013: 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 directors of the Company; and
ii) Corporate guarantee by the Company.

18) AMOUNT OWING TO DIRECTOR

The amount owing to director, which arose mainly from expenses paid on behalf and advances given, is unsecured, interest-free and repayable on demand.

19) STAFF COSTS

	GROUP	
	2014	2013
	RM	RM
Salaries and allowance	949,984	1,319,294
Defined contribution plan - EPF	87,233	132,627
Social security contributions	9,653	15,562
	1,046,870	1,467,483

20) DIRECTORS' REMUNERATION

	GROUP		COMPANY	
	2014	2013	2014	2013
	RM	RM	RM	RM
Executive directors:				
Other emoluments	200,000	200,000	–	–
Fees	2,400	2,400	–	–
	202,400	202,400	–	–
Non-executive directors:				
Fees	162,000	162,000	162,000	162,000
	364,400	364,400	162,000	162,000

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	
	2014	2013
Executive Directors:		
RM100,001 - RM200,000	1	1
RM1 - RM50,000	1	1
Non-Executive Directors:		
RM100,001 - RM200,000	1	1
RM1 - RM50,000	1	2

21) FINANCE COSTS

	GROUP	
	2014 RM	2013 RM
Interest on:		
hire purchase	–	701
revolving credit	50,281	113,101
term loans	–	43,377
	50,281	157,179

22) INCOME TAX EXPENSE/(CREDIT)

	GROUP		COMPANY	
	2014 RM	2013 RM	2014 RM	2013 RM
Taxation based on short term deposit interest received	870	1,090	–	–
Deferred tax liability (Note 15)	(6,235,350)	2,065,099	–	–
	(6,234,480)	2,066,189	–	–

22) INCOME TAX EXPENSE/(CREDIT) *(Cont'd)*

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	
	2014 RM	2013 RM	2014 RM	2013 RM
Accounting profit/(loss)	(26,695,073)	7,227,705	(1,382,292)	(576,085)
Tax at the applicable statutory income tax rate of 25%	(6,673,768)	1,806,927	(345,573)	(144,021)
Tax effects in respect of:				
Expenses that are not deductible for tax purposes	536,788	365,156	345,634	144,671
Net deferred tax not recognised	(20,910)	(23,387)	–	–
Income exempted from tax	(61)	(87,583)	(61)	(650)
Income not subject to tax	(117,294)	(2,056,195)	–	–
Changes in tax rate	(3,775)	(259,807)	–	–
Additional deferred tax liabilities recognised during post-pioneer period	44,540	2,321,078	–	–
Income tax expense/(credit)	(6,234,480)	2,066,189	–	–

As at 31st December 2014, the deferred tax asset which has not been recognised in the financial statements of the Group arising from unabsorbed capital allowance amounted to RM4,864,771 (2013: RM Nil).

23) EARNINGS/(LOSS) PER ORDINARY SHARE

Basic

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

	GROUP	
	2014	2013
Profit/(Loss) attributable to Owners of the Company (RM)	(20,407,055)	5,261,964
Weighted average number of ordinary shares in issue	1,130,399,104	640,840,783
Basic earnings/(loss) per share (sen)	(1.81)	0.82

Diluted

The effect on the diluted earnings/(loss) per share in 2014 and 2013 arising from the assumed exercise of warrant is anti-dilutive.

24) CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2014 RM	2013 RM	2014 RM	2013 RM
Deposits with licensed bank	182,864	179,381	–	–
Cash and bank balances	16,261,276	16,672,876	5,781	5,533
	16,444,140	16,852,257	5,781	5,533
Less: Deposits pledged as security	(182,864)	(179,381)	–	–
	16,261,276	16,672,876	5,781	5,533

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

	GROUP		COMPANY	
	2014 RM	2013 RM	2014 RM	2013 RM
Ringgit Malaysia	16,443,908	16,852,025	5,781	5,533
US Dollar	232	232	–	–
	16,444,140	16,852,257	5,781	5,533

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
2014					
REVENUE					
External sales	–	20,693,457	201,600		20,895,057
RESULTS					
Loss from operations	(1,382,292)	(25,175,778)	(86,722)		(26,644,792)
Finance costs					(50,281)
Loss before tax					(26,695,073)
OTHER INFORMATION					
Segment assets	128,172,150	141,574,999	1,214,669	(128,586,291)	142,375,527
Segment liabilities	63,950	118,329,468	889,901	(115,412,488)	3,870,831
Capital expenditure	–	27,596,581	–		27,596,581
Non-cash expenses					
Depreciation of property, plant and equipment	–	20,161,080	205,774		20,366,854
Amortisation of development costs	–	22,966	–		22,966
Amortisation of intangible assets	–	236,775	–		236,775
Impairment loss on property, plant and equipment	–	7,608,560	–		7,608,560

25) SEGMENTAL INFORMATION *(Cont'd)*

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

Secondary Reporting Format - Geographical Segments

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

26) 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	
	2014 RM	2013 RM	2014 RM	2013 RM
Short-term employee benefits (Note 20)	364,400	364,400	162,000	162,000

27) CAPITAL COMMITMENT

	GROUP	
	2014 RM	2013 RM
Capital expenditure in respect of purchase of property, plant and equipment:		
Approved and contracted for	–	1,004,000

28) CORPORATE PROPOSALS

On 20th January 2015, the Company had acquired two (2) ordinary shares of RM1.00 each, representing 100% of the total issued and paid up share capital of DPO Plantations Sdn Bhd at a purchase consideration of RM2.00.

DPO Plantations Sdn Bhd was incorporated in Malaysia under the Companies Act, 1965 on 24th January 2005. The present authorised share capital of DPO Plantations Sdn Bhd is RM100,000 divided into 100,000 ordinary shares of RM1.00 each and the paid up share capital is RM2.00 divided into 2 ordinary shares of RM1.00 each.

28) CORPORATE PROPOSALS *(Cont'd)*

On 10th April 2015, the Company announced that DPO Plantations Sdn Bhd, a wholly-owned subsidiary of the Company has entered into a Memorandum of Agreement with Batu Emas Resources Sdn Bhd in relation to the provision of the basis and framework for a Joint Venture Agreement to be entered into by the Parties for the establishment and regulation of a Joint Venture Company to be formed subsequently under the Companies Act, 1965 which shall comply with the relevant provisions of the Land Code for the purpose of development of the parcel of land situated at Loba Bunut Hulu, Bintangor, Sarawak containing an area approximately 4,361 hectares into an oil palm plantation.

29) MATERIAL LITIGATION

The Company has been served with a Writ and a Statement of Claim dated 5th September 2014 from a former key management of the Company ("Plaintiff") on 9th September 2014.

The Plaintiff's primary claim against the Company is that there are irregularities in the Statutoty Declarations in respect of the Financial Statements of the Company for the financial years ended 31st December 2012 and 31st December 2013 on ground that the signatures in the said Financial Statements have been forged.

The Company vehemently denies the Plaintiff's allegations and claims which are totally baseless and motivated by bad faith. The Company has since instructed its lawyers to file the necessary legal defence to the claim and to further consider taking out a defamation suit against the Plaintiff.

On 18th November 2014, the abovementioned suit was ordered to be consolidated with another suit. In respect of the other suit, the Plaintiff therein has filed an interlocutory application for discovery and appointment of a court expert. As at the date of this report, the main suit has been fixed for trial in June 2015.

30) 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 Berhad are as follow:

	GROUP		COMPANY	
	2014 RM	2013 RM	2014 RM	2013 RM
Retained earnings carried forward are analysed as follows:				
- Unrealised	–	(6,235,350)	–	–
- Realised	13,987,936	41,033,879	4,030,069	5,412,361
	13,987,936	34,798,529	4,030,069	5,412,361
Add: Consolidation adjustments	460,042	56,504	–	–
	14,447,978	34,855,033	4,030,069	5,412,361

Authorised Share Capital	:	RM200,000,000
Issued and Fully Paid-Up Capital	:	RM119,731,713.70
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	0.053	91	0.000
100 – 1,000	124	2.205	52,848	0.004
1,001 – 10,000	753	13.391	5,472,700	0.457
10,001 – 100,000	3,221	57.282	167,229,698	13.972
100,001 – 59,865,855*	1,521	27.049	698,854,300	58,368
59,865,855 and above **	1	0.017	325,637,500	27.197
Total	5,623	100.000	1,197,317,137	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 Shares	(%) Percentage
Wong SK Holdings Sdn Bhd	325,637,500	27.197
Dato' Wong Shee Kai	325,637,500*	27.197
Teh Sew Wan	325,637,500*	27.197

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

DIRECTORS' SHAREHOLDINGS AS AT 31 DECEMBER 2014

Name of Director	Direct Interest Number of Shares	%	Indirect Interest Number of Shares	%
Dato' Wong Shee Kai	–	–	325,637,500	27.197
Dato' Hussian @ Rizal Bin A Rahman	–	–	–	–
Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	200,000	0.016	–	–
Yeong Siew Lee	–	–	–	–

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS

No.	Name of Shareholders	Number of Shares	Percentage
1	WONG SK HOLDINGS SDN BHD	325,637,500	27.197
2	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOH KIN LIP	20,000,000	1.670
3	TAN KOK MIN	16,249,700	1.357
4	HII HIENG HUI	12,000,000	1.002
5	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOH SIEW KONG	7,000,000	0.584
6	LEE ENG CHUAN	6,100,000	0.509
7	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GAN BOON GUAT	6,000,000	0.501
8	LIM KIM LOY	5,600,000	0.467
9	NG AH GUAN	5,500,000	0.459
10	NG AH MOI	5,500,000	0.459
11	CHONG YONG FATT	5,150,000	0.430
12	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHONG JUN	4,950,000	0.413
13	MAYBANK NOMINEES (TEMPATAN) SDN BHD ROSSIDI BIN YUSOFF	4,700,000	0.392
14	LIM KIAN HUAT	4,230,000	0.353
15	KENANGA NOMINEES (TEMPATAN) SDN BHD FOR KENG CHE MING	4,000,000	0.334
16	LIM JIT ENG	4,000,000	0.334
17	TEE SOON LOONG	4,000,000	0.334
18	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG YEE SIONG	3,800,000	0.317
19	CITIGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KOH WAH	3,680,000	0.307
20	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SOON (SOIN) CHIN THI	3,460,400	0.289
21	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KWONG MING KWEI	3,334,800	0.278
22	LOW BEE GOR	3,200,000	0.267
23	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KOK MIN	3,100,000	0.258
24	YONG JEE PATT	3,083,100	0.257
25	ONG CHIN CHIEN	3,045,700	0.254
26	SU AN LEE	3,007,300	0.251
27	TAN HAI KHOON	3,000,000	0.250
28	ONG CHIN HONG	2,888,000	0.241
29	CIMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN NOGH ENG	2,851,600	0.238
30	LEE YEE LONG	2,700,000	0.225

No. of Warrants issued	:	412,021,415
Exercise price of the warrants	:	RM0.22
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	322	9.083	21,090	0.005
100 – 1,000	99	2.792	52,734	0.012
1,001 – 10,000	865	24.400	4,446,340	1.079
10,001 – 100,000	1,547	43.638	64,294,296	15.604
100,001 – 20,601,069*	711	20.056	317,660,855	77.098
20,601,070 and above **	1	0.028	25,546,100	6.200
Total	3,545	100.000	412,021,415	100.000

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

LIST OF SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	Number of Shares	Percentage (%)
Liong Hong Hoh	25,546,100	6.200

DIRECTORS' INTEREST IN WARRANTS

Name of Director	Direct Interest Number of Shares	%	Indirect Interest Number of Shares	%
Dato' Wong Shee Kai	–	–	–	–
Dato' Hussian @ Rizal Bin A Rahman	–	–	–	–
Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee	119,919	0.029	–	–
Yeong Siew Lee	–	–	–	–

THIRTY (30) LARGEST WARRANTS ACCOUNT HOLDERS

No.	Name of Shareholders	Number of Shares	Percentage
1	LIONG HON HOH	25,546,100	6.200
2	HII HIENG HUI	13,000,000	3.155
3	WONG SWEE YING	8,735,045	2.120
4	YONG KAR KEONG	5,459,769	1.325
5	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KEK LIAN LYE	5,425,980	1.316
6	CIMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KHONG YEW JOON	5,360,000	1.300
7	KOH SIEW KONG	5,000,000	1.213
8	MAH KOK FOON	4,000,000	0.970
9	SU AN LEE	3,550,250	0.861
10	LEONG IMM LAN	3,157,600	0.766
11	TEO MENG HAI	3,117,352	0.756
12	MOHD FAUZI BIN MOHD ANUAR	3,000,092	0.728
13	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM KOK KENG	3,000,000	0.728
14	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD WONG CHAU JIN	2,775,000	0.673
15	TAN YOU @ TAN YOU POH	2,550,598	0.619
16	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NGIAM SEE HOW	2,549,200	0.618
17	LOH CHAN	2,488,392	0.603
18	NG CHIN PENG	2,454,881	0.595
19	SJ SEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM CHEE KEONG	2,380,374	0.577
20	LIEW KOK SEONG	2,270,098	0.550
21	CHIA SAU HING @ CHIA AI HWA	2,000,000	0.485
22	CHOO WENG SUN	2,000,000	0.485
23	KOO NAM SAN	2,000,000	0.485
24	WANG CHOON YAP	2,000,000	0.485
25	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MAH YAT MING	1,999,800	0.485
26	KENANGA NOMINEES(TEMPATAN) SDN BHD LOI ENG TONG	1,585,347	0.384
27	TAN NYONG TUAN	1,525,000	0.370
28	YONG JEE PATT	1,502,500	0.364
29	KUAN WAI MAN	1,500,000	0.364
30	WONG CHER HUA	1,500,000	0.364

NOTICE IS HEREBY GIVEN that the Seventh Annual General Meeting of Asia Media Group Berhad ("the Company") will be convened and held at Langkawi Room, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Monday, 29 June 2015 at 9.00 a.m. for the following purposes :-

A G E N D A

As Ordinary Businesses:-

1. To receive the Statutory Financial Statements for the year ended 31 December 2014 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 2014. (Resolution 2)

3. To re-elect Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee who retires in accordance with Article 70 of the Company's Articles of Association. (Resolution 3)

4. To re-elect Mr Paul Jong Jun Hian who retires in accordance with Article 75 of the Company's Articles of Association. (Resolution 4)

5. To re-appoint Messrs STYL Associates as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 5)

As Special Business:-

6. To consider and if thought fit, to pass the following resolutions:- (Resolution 6)

   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."

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

ON BEHALF OF THE BOARD

SEE SIEW CHENG
MAICSA 7011225

LEONG SHIAK WAN
MAICSA 7012855

Joint Company Secretaries
Petaling Jaya
29 May 2015

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 23 June 2015 shall be entitled to attend, speak and vote at the Annual General Meeting.

EXPLANATORY NOTE TO SPECIAL BUSINESSES: -

Resolution 6 - Authority to Issue Shares pursuant to Section 132D of the Companies Act, 1965

The proposed Ordinary Resolution 6 is proposed for the purpose of granting a renewed general mandate and authorise the Directors of the Company to issue and allot shares up to an aggregate amount not exceeding 10% of the issued and paid-up capital of the Company for the time being for such purposes as the Directors would consider to be in the interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next conclusion of the Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the authority granted to the Directors at the Sixth Annual General Meeting held on 28 May 2014 and which will lapse at the conclusion of the Seventh Annual General Meeting. Nevertheless, a renewal for the said mandate is sought to avoid any delay and cost involved in convening a general meeting to approve such an issue of shares. The aforesaid authority is to give the Directors the authority and flexibility to raise fund more expediently via issuance of shares for purpose of funding future investments, working capital and/or any acquisition.

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

PROXY FORM

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

(NRIC/Company No.) ____

of ____
(Full Address)

being a Member of ASIA MEDIA GROUP BERHAD hereby appoint ______________________

____

(Full Name in Block Letters)

(NRIC) ____

of ____
(Full Address)

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

(NRIC) ____

of ____
(Full Address)

or failing whom, the Chairman of the meeting as my/our proxy to attend and vote for me/us and on my/our behalf at the Seventh Annual General Meeting of the Company to be held at Langkawi Room, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Monday, 29 June 2015 at 9.00 a.m. and at any adjournment thereof on the following resolutions in the manner indicated below:-

		FOR	AGAINST
	Ordinary Resolutions:-		
Resolution 1	To receive the Statutory Financial Statements for the year ended 31 December 2014 together with the Directors' and Auditors' Reports thereon.		
Resolution 2	To approve the payment of Directors' Fees of RM162,000.00 for the year ended 31 December 2014.		
Resolution 3	To re-elect Datuk Seri Syed Ali Bin Tan Sri Abbas Alhabshee as Director.		
Resolution 4	To re-elect Mr Paul Jong Jun Hian as Director		
Resolution 5	To re-appoint Messrs STYL Associates as Auditors of the company and to authorise the Directors to fix their remuneration.		
Resolution 6	Authority to issue shares pursuant to Section 132D of the Act, 1965		

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

No. of Shares held	

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

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

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

* Strike out whichever is not desired.

Signed this ______________ day of ______________ 2015

____
Signature of Shareholder or Common Seal

Please fold here

Postage
Stamp

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

Please fold here

NOTES:

1. A member of the Company entitled to attend and vote at this meeting may appoint not more than two (2) proxies to vote in his stead. Where a member appoints two proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company and the provisions of Section 149(a) and 149(b) of the Companies Act, 1965 shall not apply to the Company.
2. A member who is an authorised nominee as defined under the Securities Industry (Central Depositor) Act, 1991 may appoint not more than two (2) proxies in respect of each securities account.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation, it must be under its seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy to be deposited at Ground Floor, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
5. Only members whose names appear in the Record of Depositors on 23 June 2015 shall be entitled to attend, speak and vote at the Annual General Meeting.

ASIA MEDIA GROUP BERHAD *(Company No. 813137-V)*

(Incorporated in Malaysia under the Companies Act, 1965)

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