

11. APPROVALS AND CONDITIONS

11.1 Approvals from the relevant authorities

Our Listing is an exempt transaction under Section 213 of the CMSA and is therefore not subject to the approval of the SC.

The approval of the SC (Equity Compliance Unit) for the resultant equity structure of our Group was obtained on 30 July 2010.

The approval of Bursa Securities for our admission to the Official List of the ACE Market and the listing of and quotation of our entire issued and paid-up share capital on the ACE Market was obtained on 30 November 2010.

11.2 Conditions to the approvals and compliance thereof

The approvals from the SC (Equity Compliance Unit) and Bursa Securities were subject to, inter-alia, the following conditions:

- (i) the SC (Equity Compliance Unit)

Conditions imposed	Status of compliance
Asia Media is required to allocate 12.5% of its enlarged issued and paid-up share capital to the public Bumiputera investors recognised by Ministry of International Trade and Industry within one (1) year after achieving the profit record required for a listing on the Main Market of Bursa Securities, or five (5) years after being listed on the ACE Market of Bursa Securities, whichever is earlier; and	To be complied.
Asia Media is required to submit a proposal on how to comply with the Bumiputera equity condition imposed on the Company, within six (6) months from the triggering date for compliance.	To be complied.

- (ii) Bursa Securities

Conditions imposed	Status of compliance
Submission of the following information in respect to the moratorium on the shareholdings of Promoters to the Bursa Depository:	To be complied.
(i) Name of shareholders; (ii) Number of shares; and (iii) Date of expiry of the moratorium for each block of shares.	
Approvals from other relevant authorities have been obtained for implementation of the listing proposal;	Complied.
Make the relevant announcements pursuant to paragraphs 8.1 and 8.2 of Guidance Notes 18 of the Listing Requirements;	To be complied.

11. APPROVALS AND CONDITIONS (Cont'd)

Conditions imposed	Status of compliance
<p>Furnish the Bursa Securities a copy of the schedule of distribution showing compliance to the share spread requirements based on the entire issued and paid-up share capital of AMGB on the first day of listing; and</p> <p>Any directors of the Company that have not attended the Mandatory Accreditation Programme, must do so prior to listing of the Company.</p>	<p>To be complied.</p> <p>Bursa Securities has on 3 December 2010 granted an approval for the extension of time of three (3) months from the date of our Listing to comply with this condition.</p>

11.3 Approval, major licenses and permit obtained**(i) MSC Malaysia Status**

AMSB has been accorded with the MSC Malaysia Status on 10 October 2007. The MSC Malaysia Status granted shall not be transferable in anyway whatsoever without the written consent of MDeC. In consideration of MDeC granting the MSC Malaysia Status to us, we have complied/will be complying with the following conditions:

Details of salient conditions imposed	Status of compliance
To complete business registration of the proposed entity as a locally incorporated company under the Act within one (1) month from the date of approval.	Complied. AMSB was incorporated on 3 April 2006.
To commence operation within six (6) months from the date of approval.	Complied. AMSB commenced business in October 2007.
To undertake the following activities ("MSC Malaysia Qualifying Activities") specified in the Company's Business Plan within six (6) months:	Complied and commercialised AMTV Transit Network System.
<p>(i) Research, development and commercialisation of:</p> <ul style="list-style-type: none"> • Narrowcasting network Solutions; and • Dynamic and Automation Contents 	
(ii) Provision of integration, maintenance and support services relating to the above products.	

11. APPROVALS AND CONDITIONS (Cont'd)

Details of salient conditions imposed	Status of compliance
<p>Any changes proposed to the above MSC Malaysia Qualifying Activities as detailed in the business plan must receive the prior written consent of MDeC.</p>	<p>As at the LPD, there are no changes to the MSC Malaysia Qualifying Activities as detailed in our business plan submitted to MDeC. We will ensure prior written consent of MDeC is obtained if there is any changes to the MSC Malaysia Qualifying Activities as detailed in our business plan submitted to MDeC.</p>
<p>To locate the implementation and operation of the MSC Malaysia Qualifying Activities in a designated zone in Cybercity with minimum office space of 3,000 sq ft, within six (6) months from the date of the approval.</p>	<p>We have on 30 April 2010 received the approval from MDeC to locate the implementation and operation of the MSC Malaysia Qualifying Activities in a designated zone in Cybercity with an office space of less than 3,000 sq ft.</p>
<p>To seek MDeC's prior written approval in the event of any changes in the location or address of the Company.</p>	<p>As at the LPD, we have located the implementation and operation of the MSC Malaysia Qualifying Activities in a designated zone in Cybercity.</p> <p>We will seek MDeC's prior written approval in the event of any changes in our location or address.</p>
<p>To ensure that all times at least 15% of the total number of employees (excluding support staff) shall be "knowledge workers**".</p>	<p>Complied. As at the LPD, approximately 26.7% of our employees (excluding support staff) are "knowledge workers". We will also ensure continuous compliance with this condition.</p>
<p>To ensure that knowledge workers shall be employed solely for undertaking the MSC Malaysia Qualifying Activities.</p>	<p>Complied. All our knowledge workers are employed solely for undertaking the MSC Qualifying Activities and we will ensure continuous compliance with this condition.</p>
<p>To note that the employment of foreign knowledge workers (if any) shall be the sole responsibility of AMSB and MDeC shall not be held responsible for any liability arising from such employment.</p>	<p>Noted.</p>
<p>To ensure that any products produced pursuant to the MSC Malaysia Qualifying Activities are original, and that no part or portion of such product is an infringement or violation of any intellectual property or any propriety rights of any third party, or constitutes a misappropriation of know-how belonging to any third party.</p>	<p>Complied. All of our MSC Malaysia Qualifying Activities are original and no part or portion of our products are an infringement or violation of any intellectual property or any propriety rights of any third party, or constitutes a misappropriation of know-how belonging to any third party.</p>

11. APPROVALS AND CONDITIONS (Cont'd)

Details of salient conditions imposed	Status of compliance
To submit to MDeC a copy of the company's annual report and audited statements in parallel with the submission to Companies Commission of Malaysia.	We have been submitting our annual audited statements to MDeC in parallel with the submission to Companies Commission of Malaysia. We will ensure continuous compliance with this condition.
To ensure that all information and/or documents furnished by us to the MDeC or any other authority or agency do not contain any false, untrue or inaccurate statements or omit to state any facts, the omission of which would make any statements made therein in the light of the circumstances under which they are made, misleading.	Noted. We will ensure compliance with this condition.
To inform and obtain the prior approval of MDeC for any proposed change in the name in the company.	Complied. AMSB has not changed its name subsequent to obtaining its MSC Malaysia Status.
To inform MDeC of any change in the equity structure or shareholding structure of the company, or such other changes that may affect the direction or operation of the company. MDeC must be informed of any change before steps are taken to effect such change.	Noted. We have informed MDeC of the change of AMSB's shareholding structure on 20 May 2010.
To comply with all such statutory, regulatory and/or licensing requirements as may be applicable, including but not limited to the Transfer Pricing Guidelines issued by the Inland Revenue Board of Malaysia on 2 July 2003, and such other amendments as may be applicable from time to time.	We have been complying with all such statutory, regulatory and/or licensing requirements as may be applicable, including but not limited to the Transfer Pricing Guidelines issued by the Inland Revenue Board of Malaysia on 2 July 2003, and such other amendments as may be applicable from time to time. We will ensure continuous compliance with this condition.

Note:

* Based on the definition of MDeC, "knowledge workers" are employees who are directly involved in technical development and deployment of products and services. "Knowledge workers" normally include multimedia designers, technical and operation team.

(ii) ASP Class License

AMSB has obtained the ASP Class License on 21 August 2009 issued by the MCMC which is renewable annually to conduct any one or all the application services as stipulated under the Sections 44, 126 and 127 of the Communications and Multimedia Act 1998 such as audiotex hosting services provided on an opt-in basis, directory services, internet access services, messaging services, private payphones services, telegram services or such other applications services which are not exempt or subject to an individual license. The ASP Class License is necessary and a pre-requisite for our Group to provide the programme sponsorship which involves the participant of audiences via mobile phone.

In consideration of MCMC granting the ASP Class License to our Group, we have complied/will be complying with the following conditions:

11. APPROVALS AND CONDITIONS (Cont'd)

Details of salient condition imposed	Status of compliance
To provide only services relating to short code messages services provided to the public via an external service provider who hosts the mobile application server.	We will ensure compliance with this condition.

(iii) CASP Individual License

AMSB has obtained the CASP Individual License on 21 March 2010 by MCMC to conduct the following:

- (a) Subscription broadcasting;
- (b) Terrestrial radio broadcasting; and
- (c) Non-subscription based TV broadcasting

The CASP Individual License is necessary and a prerequisite for our Group to roll out the DTTB in the future. The CASP Individual License is valid for tenure of ten (10) years from 21 March 2010 to 20 March 2020.

In consideration of MCMC granting the CASP Individual License to our Group, we have complied/will be complying with the following conditions:

Details of salient conditions imposed	Status of compliance
The licensee shall be a company that is incorporated in Malaysia.	Complied. AMSB was incorporated in Malaysia.
The licensee shall notify the Minister of any changes in the substantial shareholdings of the company as defined under the Act.	AMSB has vide it letter dated 25 May 2010 informed the Ministry on the changes of its substantial shareholdings.
The licensee shall notify the Minister of any joint ventures or consortiums which it enters into with other licensees after the grant of the license.	We will ensure compliance with this condition.
In the event the Licensee wishes to provide any content applications services other than: <ul style="list-style-type: none"> (a) Subscription Broadcasting; (b) Terrestrial Radio Broadcasting; and (c) Non Subscription based TV broadcasting, 	We will ensure compliance with this condition.
The licensee shall obtain the prior written approval of the Minister before commencing any such service.	
The licensee shall notify the Minister, in writing, of any restructuring or rationalization of the licensee's corporate structure.	AMSB has vide its letter dated 25 May 2010 notified the Ministry on the restructuring and rationalisation of its corporate structure.

11. APPROVALS AND CONDITIONS (Cont'd)

Details of salient conditions imposed	Status of compliance
Foreign shareholding, if any, in the Licensee shall not be more than 30%.	Complied. AMSB is our wholly-owned subsidiary and does not have any foreign shareholdings. In addition, we will ensure continuous compliance with this condition.
The licensee shall ensure that the Bumiputera equity in the licensee is not less than 30% for so long as the licensee remains a private company or a public company as defined under the Act and is not listed on Bursa Securities.	To be complied.
The licensee shall have one (1) year from the date of this license to ensure compliance with the above condition.	
The licensee shall submit two (2) progress reports annually to the MCMC outlining the steps taken to implement the detailed business plan. These reports shall be submitted to the MCMC not later than 31 July of each year for the reporting period January to June and 31 January for the reporting period July to December respectively.	We will ensure compliance with this condition.

(iv) NSP Individual License

AMSB has obtained the NSP Individual License on 21 March 2010 by the MCMC to own or provide any network services.

The NSP Individual License is necessary and a prerequisite for our Group to roll out the DTTB in the future. The NSP Individual License is valid for tenure of ten (10) years from 21 March 2010 to 20 March 2020.

In consideration of MCMC granting the NSP Individual License to our Group, we have complied/will be complying with the following conditions:

Details of salient conditions imposed	Status of compliance
The licensee shall be a company that is incorporated in Malaysia.	Complied. AMSB was incorporated in Malaysia.
The licensee shall notify the Minister of any changes in the substantial shareholdings of the company as defined under the Act.	AMSB has vide it letter dated 25 May 2010 informed the Ministry on the changes of its substantial shareholdings.
The licensee shall notify the Minister of any joint ventures or consortiums which it enters into with another licensees after the grant of the license.	We will ensure compliance with this condition.

11. APPROVALS AND CONDITIONS (Cont'd)

Details of salient conditions imposed			Status of compliance																
<p>The licensee shall notify the Minister, in writing, of any restructuring or rationalization of the licensee's corporate structure.</p> <p>Foreign shareholding, if any, in the licensee shall be progressively reduced to 49% or less within five (5) years from the date of the license.</p> <p>The licensee shall ensure that the Bumiputera equity in the licensee is not less than 30% for so long as the licensee remains a private company or a public company as defined under the Act and is not listed on Bursa Securities.</p> <p>The licensee shall have one (1) year from the date of this license to ensure compliance with the above condition.</p> <p>The licensee shall comply with the following commitments, unless modified with the approval of the MCMC.</p>			<p>AMSB has vide its letter dated 25 May 2010 notified the Ministry on the restructuring and rationalisation of its corporate structure.</p> <p>Complied. AMSB is our wholly-owned subsidiary and does not have any foreign shareholdings. In addition, we will ensure continuous compliance with this condition.</p> <p>To be complied.</p> <p>AMSB has on 29 November 2010 sought an extension of time for one (1) year as stated below from the MCMC to comply with the commitments:</p>																
	<table border="1"> <thead> <tr> <th>Year</th> <th>Coverage area</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>Klang Valley - include Kuala Lumpur City Center, Petaling Jaya, Shah Alam, Klang, Cyberjaya and Putrajaya.</td> <td>To cover all major bus, LRT and train routes.</td> </tr> <tr> <td>2011</td> <td>Klang Valley (gap fillers to improved outdoor coverage) and Johor Bahru-metropolitan.</td> <td>To cover all major bus routes.</td> </tr> <tr> <td>2012</td> <td>Klang Valley and Johor Bahru (gap filler/indoor repeater to improve mobile handset receptions); and integration with mobile communication networks.</td> <td>To provide coverage to all moving vehicles inclusive of mobile portable devices.</td> </tr> <tr> <td>2013 to 2014</td> <td>Extension of 2nd tier cities such as Penang, Melaka, Seremban, Kuantan and Kota Bahru.</td> <td>To provide coverage to all moving vehicles inclusive of mobile portable devices.</td> </tr> </tbody> </table>	Year	Coverage area	Remarks	2010	Klang Valley - include Kuala Lumpur City Center, Petaling Jaya, Shah Alam, Klang, Cyberjaya and Putrajaya.	To cover all major bus, LRT and train routes.	2011	Klang Valley (gap fillers to improved outdoor coverage) and Johor Bahru-metropolitan.	To cover all major bus routes.	2012	Klang Valley and Johor Bahru (gap filler/indoor repeater to improve mobile handset receptions); and integration with mobile communication networks.	To provide coverage to all moving vehicles inclusive of mobile portable devices.	2013 to 2014	Extension of 2 nd tier cities such as Penang, Melaka, Seremban, Kuantan and Kota Bahru.	To provide coverage to all moving vehicles inclusive of mobile portable devices.			
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11. APPROVALS AND CONDITIONS (Cont'd)

Details of salient conditions imposed	Status of compliance
The licensee shall submit two (2) progress reports annually to the MCMC outlining the steps taken to implement the detailed business plan. These reports shall be submitted to the MCMC not later than 31 July of each year for the reporting period January to June and 31 January for the reporting period July to December respectively.	We will ensure compliance with this condition.

(v) NFP Individual License

AMSB has obtained the NFP Individual License on 21 March 2010 by the MCMC to own or provide any network facilities.

The NFP Individual License is necessary and a prerequisite for our Group to roll out the DTTB in the future. The NFP Individual License is valid for tenure of ten (10) years from 21 March 2010 to 20 March 2020.

In consideration of MCMC granting the NFP Individual License to our Group, we have complied/will be complying with the following conditions:

Details of salient conditions imposed	Status of compliance
The licensee shall be a company that is incorporated in Malaysia.	Complied. AMSB was incorporated in Malaysia.
The licensee shall notify the Minister of any changes in the substantial shareholdings of the company as defined under the Act.	AMSB has vide it letter dated 25 May 2010 informed the Ministry on the changes of its substantial shareholdings.
The licensee shall notify the Minister of any joint ventures or consortiums which it enters into with another licensee after the grant of the license.	We will ensure compliance with this condition.
In the event the licensee wishes to provide any network facilities other than:	We will ensure compliance with this condition.
(a) Earth station; (b) Fixed links and cables; (c) Radio communications transmitters and links; (d) Satellite hubs; and (e) Towers, poles, ducts and pits used in conjunction with other network facilities,	
The licensee shall obtain the prior written approval of the Minister before commencing any such facilities.	
The licensee shall notify the Minister, in writing, of any restructuring or rationalisation of the licensee's corporate structure.	AMSB has vide its letter dated 25 May 2010 on the restructuring and rationalisation of its corporate structure.

11. APPROVALS AND CONDITIONS (Cont'd)

Details of salient conditions imposed	Status of compliance
Foreign shareholding, if any, in the licensee shall not be more than 30%.	Complied. AMSB is our wholly owned subsidiary and does not have any foreign shareholdings. In addition, we will ensure compliance with this condition.
The licensee shall ensure that the Bumiputera equity in the licensee is not less than 30% for so long as the licensee remains a private company or a public company as defined under the Act and is not listed on Bursa Securities.	To be complied.
The licensee shall have one (1) year from the date of this license to ensure compliance with the above condition.	
The licensee shall submit two (2) progress reports annually to the MCMC outlining the steps taken to implement the detailed business plan. These reports shall be submitted to the MCMC not later than 31 July of each year for the reporting period January to June and 31 January for the reporting period July to December respectively.	We will ensure compliance with this condition.

(vi) Approval for the utilisation of the frequency band of 1,452 megahertz to 1,492 megahertz for digital multimedia services in Malaysia.

AMSB has obtained the approval from MCMC on 31 May 2010 to provide our broadcasting services through three (3) digital multimedia services' channels within the frequency bands of 1,452 megahertz to 1,492 megahertz in Peninsular Malaysia.

The approval is valid for a period of one (1) year from 31 May 2010 to 20 May 2011.

In consideration of MCMC granting the approval to our Group, we have complied/will be complying with the following conditions:

Details of salient conditions imposed	Status of compliance
The intent of technology deployment chosen shall not in any case jeopardise the harmonious usage of other assignments within the standard radio system plan 520 digital multimedia service.	We will ensure compliance with this condition.
The assignment holder shall comply with the commitment set out in the detailed business plan submitted to MCMC on 26 March 2010, unless modified with the approval of the commission.	We will ensure compliance with this condition.
The NFP Individual License holder shall submit a half yearly report to MCMC outlining the steps to implement the detailed business plan as at 30 June and 31 December of each year. The report shall be submitted to MCMC not later than 31 July and 31 January of each year for the period from January to June and from July to December, respectively.	We will ensure compliance with this condition.

II. APPROVALS AND CONDITIONS (Cont'd)

Details of salient conditions imposed	Status of compliance
The grant of the Apparatus Assignment ("AA") in the channel allocated shall not be construed as conferring the assignment holder the continued right to use the channel allocated once the AA expires.	We will ensure compliance with this condition.
The assignment holder shall indemnify MCMC against any action, claim or demand for loss or damage arising out of the usage of the apparatus by AMSB.	We will ensure compliance with this condition.

(vii) Film production and distribution license

AMSB had obtained the film production and distribution license on 13 November 2009 and 12 March 2010 respectively by National Film Development Corporation Malaysia ("Finas") to produce and distribute film. The film production and distribution license is renewable annually.

In consideration of Finas granting the film production and distribution license to our Group, we complied/will be complying with the following condition:

Details of salient condition imposed	Status of compliance
To produce and distribute film at the following premises: No.35-1 Jalan Bandar 16 Pusat Bandar Puchong 47100 Puchong Selangor Darul Ehsan	We will ensure compliance with this condition.

(viii) Registration as a contractor

We were acknowledged by the Ministry of Finance on our registration as a contractor on 18 June 2010 for providing the following activities:

- (a) Electronic media (excluding printing activities); and
- (b) Billboard

The registration is renewable every three (3) years.

(ix) Printing and publishing permit

AMSB has obtained the printing and publishing permit on 16 December 2009 by the Ministry of Home Affairs to print and publish monthly Bus TV Programme Guide in English. The programme guide contains information on the upcoming movies to be aired in the long journey bus and it serves as a guide for long journey bus passengers. The printing and publishing permit is renewable annually.

11. APPROVALS AND CONDITIONS (Cont'd)**11.4 Moratorium on sale of our Shares**

In accordance with Rule 3.19 of the ACE Market Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of Shares held by our Promoters as follow:

- (i) The moratorium applies to the entire shareholdings of our Promoters for a period of six (6) months from the date of admission of our Company to the ACE Market of Bursa Securities;
- (ii) Upon the expiry of the six (6) months period stated above, our Promoters' shareholdings amounting to at least 45% of our nominal issued and paid-up share capital remain under moratorium for another period of six (6) months; and
- (iii) Thereafter, our Promoters may sell, transfer or assign up to a maximum of 1/3rd per annum (on a straight-line basis) of the shares held under moratorium.

Details of our Promoters, who will be subjected to moratorium, are set out below:

Promoters	Shareholdings after our IPO		Shareholdings under moratorium ⁽¹⁾		Subsequent shareholdings under moratorium ⁽²⁾	
	No. of Shares ('000)	% of enlarged issued and paid-up share capital	No. of Shares ('000)	% of enlarged issued and paid-up share capital	No. of Shares ('000)	% of enlarged issued and paid-up share capital
WHSB ⁽³⁾	104,000	45.61	104,000	45.61	102,600	45.00
Total	104,000	45.61	104,000	45.61	102,600	45.00

Notes.

(1) Moratorium of the entire shareholdings of our Promoters for a period of six (6) months from the date of admission of our Company to the ACE Market of Bursa Securities.

(2) After the expiry of the six (6) months period stated in note (1) above, our Promoters' shareholdings amounting to at least 45% of our nominal issued and paid-up share capital shall remain under moratorium for another period of six (6) months.

(3) Our Directors, Dato' Wong Shee Kai and Teh Sew Wan, are the shareholders and Directors of WHSB

The moratorium, which has been fully accepted by our Promoters, is specifically endorsed on the share certificate representing our Promoters' shareholdings which are under moratorium to ensure that our Company's share registrar does not register any transfer not in compliance with the restrictions imposed by Bursa Securities.

The endorsement which will be affixed on these share certificates are as follows:

"The shares comprised herein are not capable of being sold, transferred or assigned for a period as determined by Bursa Securities ("Moratorium Period"). Accordingly, the shares comprised herein will not constitute good delivery pursuant to the Rules of Bursa Securities during the Moratorium Period. No share certificate or certificates will be issued to replace this certificate during the Moratorium Period unless the same shall be endorsed with this restriction."

In addition, Dato' Wong Shee Kai and Teh Sew Wan, collectively shareholders of WHSB have given their respective undertakings that they will comply with Rule 3.19 of the ACE Market Listing Requirements pursuant to the moratorium conditions.