GAINING GROUND

ANNUAL REPORT 2013

GAINING GROUND

2013 can best be described as a year of steady progress for the TIME Group, following the implementation of a slew of expansion initiatives. It was a year that saw us gaining ground on many fronts including posting a phenomenal set of financial results, strengthening our core competencies, fortifying our home turf and ensuring greater international connectivity.

CONTENTS

PERFORMANCE INDICATORS

REVENUE OF RM

548.3

MILLION FYE'13

UP 31% FROM RM419.1M IN FYE'12

EARNINGS PER SHARE (EPS) RM

↑ 0.16

FROM RM0.35 IN FYE'12 TO RM0.51 IN FYE'13

EBITDA OF RM

193.2

MILLION FYE'13

UP 40% FROM RM137.9M IN FYE'12

RETURN ON EQUITY (ROE) %

↑ 7 pps

FROM 8% IN FYE'12 TO 15% IN FYE'13

OPERATING PROFIT OF RM

118.0

MILLION FYE'13

UP 61% FROM RM73.5M IN FYE'12

RETURN ON ASSETS (ROA) %

↑ 5 pps

FROM 7% IN FYE'12 TO 12% IN FYE'13

CORPORATE INFORMATION

BOARD OF DIRECTORS

Abdul Kadir Md Kassim
Non-Independent,
Non-Executive Director (Chairman)

Elakumari Kantilal
Non-Independent, Non-Executive Director

Ronnie Kok Lai Huat
Senior Independent, Non-Executive Director

Balasingham A. Namasiwayam
Independent, Non-Executive Director

Hong Kean Yong
Independent, Non-Executive Director

Gan Te-Shen
Non-Independent, Non-Executive Director

Afzal Abdul Rahim
Non-Independent, Executive Director
(Chief Executive Officer)

Rossana Annizah Ahmad Rashid @ Mohd Rashidi
Non-Independent, Executive Director
(Deputy Chief Executive Officer)

AUDIT COMMITTEE

Ronnie Kok Lai Huat (Chairman)
Elakumari Kantilal
Balasingham A. Namasiwayam

NOMINATION AND REMUNERATION COMMITTEE

Elakumari Kantilal (Chairman)
Ronnie Kok Lai Huat
Balasingham A. Namasiwayam

TENDER COMMITTEE

Balasingham A. Namasiwayam (Chairman)
Elakumari Kantilal
Hong Kean Yong

COMPANY SECRETARY

Misni Aryani Muhamad (LS 0009413)

REGISTERED OFFICE

Level 4, No.14, Jalan Majistret U1/26
HICOM Glenmarie Industrial Park
40150 Shah Alam, Selangor Darul Ehsan
Malaysia
Tel : +60-3-5039 3000
Fax : +60-3-5032 6063

WEBSITE

www.time.com.my

SHARE REGISTRAR

Symphony Share Registrars Sdn Bhd
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya, Selangor Darul Ehsan
Malaysia
Tel : +60-3-7841 8000
Fax : +60-3-7841 8151/7841 8152
Helpdesk : +60-3-7849 0777

AUDITORS

Messrs KPMG
Level 10, KPMG Tower
8, First Avenue, Bandar Utama
47800 Petaling Jaya, Selangor Darul Ehsan
Malaysia

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad

CORPORATE PROFILE

TIME dotCom Berhad (TIME) is a data-centric, fixed-line telecommunications provider based in Malaysia, with a business reach across the Asia-Pacific region. TIME, whose track record dates back to 1996, was listed on Malaysia's Main Market in 2001.

TIME's credibility has been built by providing best-in-class backhaul and wholesale bandwidth to leading local, regional and global operators in Malaysia and the Asia-Pacific region.

It also delivers 100% fibre optic-based telecommunications solutions, including private leased lines and dedicated Internet services to large corporations, government organisations and enterprises that demand state-of-the-art, always-on connectivity.

Building on its considerable experience serving enterprises and corporations, TIME's strategic expansion into the consumer segment has seen it offering Malaysia's first-ever 100% fibre-optic broadband service to a mainly urban, affluent clientele.

TIME's high-speed, reliable and resilient services have spawned successful and innovative partnerships with some of the country's biggest consumer names.

TIME's Malaysian business is anchored by its Cross Peninsular Cable System (CPCS™), a 6,000 kilometre-long advanced fibre optic network that traverses Malaysia, from Thailand to Singapore.

Designed as a fully meshed network, the CPCS™ is the most robust trans-border terrestrial system ever built. Following extensive upgrades in 2012, TIME is the only provider in Malaysia to have a next-generation, 100% IP|MPLS network.

TIME's regional network is operated by its subsidiary, Global Transit Group (GT). GT's content-rich network offers high-availability services to leading service providers and enterprises across the region.

GT's global footprint includes Singapore, Hong Kong, Japan and the US. With links in international submarine cable systems such as UNITY and Asia Pacific Gateway (APG), GT is able to connect Asia to the rest of the world.

TIME's business is further augmented by the AIMS Group of Companies. Strategically located in the Malaysian capital's central business district, AIMS is an award-winning, carrier-neutral data centre provider.

Home to all of Malaysia's telecommunications providers and another 200 service providers, AIMS is a premier choice for discerning customers. AIMS is also crucial in TIME's push to offer enhanced services, which range from data recovery to cloud computing.

In 2012, TIME was accorded the prestigious Metro Ethernet Forum (MEF) certification, making it one of just 47 international firms to win recognition for the performance, interoperability and reliability of its network. TIME's compliance with global standards ensures a link-up to any telecommunications network in the world.

TIME's 100% fibre optic network, regional wholesale bandwidth nodes, stakes in international submarine cable systems, and carrier-neutral data centres mean TIME is able to deliver a comprehensive suite of telecommunications solutions to meet fast-growing and rapidly-changing demand for connectivity.

TIME dotCom Berhad

MALAYSIA FIXED LINE

- TT dotCom Sdn Bhd — 100%
- TIME dotNet Berhad — 100%
- Planet Tapir Sdn Bhd — 100%
- Fantastic Fiesta Sdn Bhd — 70%

GLOBAL BANDWIDTH

- Global Transit Communications Sdn Bhd — 100%
- Global Transit Limited — 100%
- Global Transit 2 Limited — 100%
- Global Transit Singapore Pte Ltd — 100%
- Global Transit (Hong Kong) Limited — 100%

DATA CENTRE

- The AIMS Asia Group Sdn Bhd — 100%
- AIMS Data Centre 2 Sdn Bhd — 100%
- AIMS Cyberjaya Sdn Bhd — 100%

GAINING GROUND

Dear Shareholders,

I am pleased to report another stellar year for the TIME Group.

The performance of our domestic fixed-line business and a full year of earnings consolidation from our wholly-owned global bandwidth and data centre subsidiaries, the Global Transit (GT) and AIMS groups have led to our fifth straight year of profits.

Years of careful and measured transition enable us to now enjoy operational stability and consistent profits.

Backed by this strength, we made a milestone decision to reward our shareholders. In 2013, we announced our first-ever dividend policy that will pay out up to 25% of our normalised profits after tax.

Our regional ambitions are also gaining traction. The Asia Pacific Gateway (APG), an international submarine cable system in which we own a significant stake, landed on Malaysian soil during the year.

In doing so, the stage is set for an international gateway that links Asia to the United States, via Singapore, Thailand, Vietnam, Hong Kong, Taiwan, China, Korea and Japan.

Industry Overview

Our growing domestic strength and inroads to the region coincide with the much-anticipated formation of the ASEAN Economic Community (AEC), expected to occur in 2015.

This grouping will see ASEAN economies coming together as a single market of over 620 million people, enabling the free flow of investments, goods and services.

The vastness of a common ASEAN market potential is indisputable, and it is expected to generate exponential demand for data.

With our global bandwidth business (via investments in the APG and the UNITY cable systems), we are fortunate to be among the few local companies that have already begun a regionalisation strategy to harness the potential of this market.

Certainly, we are monitoring regional developments closely.

Global Transit's expansion beyond Malaysia is giving us valuable insights, which we will deploy with our AIMS data centre business when the time comes for it to expand internationally.

At home, the Malaysian government's ambition to wire the entire nation is close to being realised. The latest data indicates that seven out of every ten households are already equipped with broadband connectivity, while similar developments are occurring in the corporate sector.

In line with this, we have secured contracts to provide backhaul services for mobile phone operators for their LTE networks, driven Fibre-to-the-Office (FTTO) and Fibre-to-the-Home (FFTH) rollouts and provided innovative products for corporations and consumers to stay connected. These will continue to fuel our domestic growth.

With new technologies and innovations emerging every day, we foresee that the appetite for quality data will continue for the medium-to-long term, boding well for our business.

Financial Results

The TIME Group recorded a strong set of financial results in 2013 with revenues crossing the half-billion ringgit mark.

All market segments recorded double-digit growth resulting in the Group's consolidated revenue increasing 31% to RM548.3 million from RM419.1 million a year ago.

Sales from our Data segment alone grew 34% to RM411.6 million during the financial year on the back of improved revenues from our Wholesale, Enterprise and SME & Consumer segments, which climbed 43%, 21% and 16% respectively.

Our operating profits likewise, grew 61% to RM118.0 million from RM73.5 million in 2012, helped by solid domestic and international data sales, improved profit margins and a full 12-month contribution from our global bandwidth and data centre businesses.

We continue to reap the benefits of scaling up our fixed-line business at home while building a network of international points of presence (PoPs) and expanding our data centres.

In recognition of the continued loyalty and support given to the Group, we decided to reward you, our shareholders, with a distribution via dividend-in-specie of 137.5 million shares in DiGi.Com Berhad (DiGi) valued at RM649.2 million, in June 2013.

We also decided to show our commitment to paying out continued and consistent dividends in the future by announcing a dividend policy to pay out up to 25% of our normalised profits after tax, commencing from the financial year ending 31 December 2014.

Operational Highlights

During the year, we strengthened our domestic foothold, enhanced our regional presence and expanded our data centres.

Some notable successes include:

- Extending our domestic reach to more than 130,000 premises on our 100% fibre optic network.
- The landmark landing of the 11,000 km APG in Kuantan, which upon completion will give us access to an additional 11 locations in nine countries and complete our Malaysia to USA connectivity.
- Adding new PoPs in London, Frankfurt, Amsterdam, Cambodia and Hong Kong, expanding our global interconnections for better international content accessibility and reachability.
- Expanding data centre capacity in AIMS' headquarters by approximately 6,000 square feet to accommodate growing demand for its carrier-neutral services, which saw an encouraging take-up rate of close to 30% by year-end.
- Renaming Menara Aik Hua to Menara AIMS, a move that cements AIMS' long-term presence in Kuala Lumpur and paves the way for significant operational, security and customer service enhancements.

Outlook and Prospects

From strengthening our domestic network to building our global bandwidth and data centre businesses, we are well-positioned to take on 2014.

Our strategy to capture more market share domestically involves:

- Providing enterprise solutions, ranging from cloud computing to disaster recovery, for government offices as well as Malaysian and global companies;
- Linking up small-to-medium enterprises, an engine of growth for the Malaysian economy, with cost-effective packages; and
- Offering discerning Malaysian homeowners exciting broadband product mix and attractive value-added services.

Malaysian mobile operators are required to fiberise their LTE nodes by 2014 to cater for the mounting bandwidth demands on their mobile data networks. TIME will seize this opportunity and offer our fibre optic backbone to support mobile operators' backhaul requirements.

With Asian bandwidth demand in the current decade growing at a compounded annual growth rate of 40%, TIME has a fertile market from which to secure PoPs, international submarine cable and data centre business opportunities.

The strengths we have built at home have given us financial stability and an operational platform on which to grow a substantial and long-term presence in regional markets.

We will continue to evaluate potential expansion opportunities in the ASEAN region with the view of building on our existing platforms, i.e., nurturing the growth of our international bandwidth and data centre businesses.

The inroads our global bandwidth unit has made regionally, when combined with our maturing data centres and domestic fixed-line business, offer TIME a unique opportunity to push further abroad, all the while backed by the stable foundation we have managed to build at home.

We are confident that we are able to enhance shareholder value for all of you as we set out to realise our growth aspirations in the years ahead.

Changes in Board Composition

On behalf of TIME's Board of Directors, I welcome Gan Te-Shen to the Board. He joined the team on 14 June 2013, bringing the total number of members to eight.

Acknowledgements

On behalf of the Board of Directors, I thank all our shareholders and stakeholders who have continued to believe in and support TIME.

We thank our customers, business partners and the media for your loyalty and support.

To the Government of Malaysia and the Regulators, thank you for continuing to shape and enhance Malaysia's telecommunications landscape.

Last but not least, I would like to extend a special note of appreciation to my fellow Board members, Senior Management team and all employees of the TIME Group. Your passion, perseverance and commitment are the reasons for the great success we have achieved to date.

With your continued support, I am confident we will reap the rewards of our hard work for years to come.

ABDUL KADIR MD KASSIM
Chairman

RAISING THE BAR

Dear Shareholders,

We had a phenomenal 2013 as we hit our fifth consecutive year of double-digit earnings growth.

EBITDA surged 40% to RM193.2 million, on the back of revenue that crossed the half-billion ringgit mark.

Data was a strong performer, contributing RM411.6 million in revenue, up 34% from a year ago.

Operating profit rose by 61% to RM118.0 million whilst operating profit margins improved to 22%.

We hit these numbers as we strengthened our network, expanded our reach, drove customer initiatives and enjoyed rising employee satisfaction.

Strengthening Our Core

We have always ensured that our regional ambitions have been matched by strong and highly competitive propositions for our core home market.

With this in mind, and to effectively meet the considerable demands of our customers, we have constantly upgraded our Cross Peninsular Cable System (CPCS™) with new features and improved service quality.

In doing so, we have set the bar high. Today, I am proud to say that we are the company to beat in terms of network resiliency and scalability.

During the year, we pulled more fibre to the eastern and northern ends of the peninsula, boosted connectivity to buildings near our existing metropolitan area networks and expanded our coverage in industrial and residential zones.

With more mobile phone operators seeking to upgrade to 4G/LTE networks, we are well positioned to offer the fibre infrastructure necessary for critical backhaul access, an important business driver for a fixed-line provider like us.

Our network aims of quality, uptime and resilience remain unaltered.

Going forward, our capital investments will target new services and network enhancements, technology refreshment initiatives, as well as the implementation of state-of-the-art monitoring tools.

These will offer better visibility on our networks, while allowing us to better monitor key operational indicators.

Building Regional Platforms

Our global bandwidth and data centre businesses, Global Transit (GT) Group and AIMS Group contributed a full 12 months of revenue to the TIME Group in 2013, and proved invaluable in terms of meeting and surpassing our financial targets for the year.

In the future, GT's and AIMS' contributions can only grow more significant with the ongoing enhancements we are pursuing in these entities; enhancements that we fully expect will help to expand our Asia-Pacific presence in the years to come.

GT achieved a significant milestone in 2013 with the landmark landing of the Asia Pacific Gateway (APG) submarine cable system in Malaysia, striking a linkage that will span continents and countries to eventually culminate in the United States. Upon its completion, the APG will allow the Group to tap strong data demand and generate revenues from nine new countries and 11 different locations.

GT deployed new global points of presence (PoPs) in locations ranging from London to Cambodia, and established connections with Internet Exchanges in Europe and Hong Kong. It also enjoyed incredible take-up rates from the Thai and Indochinese markets, and is increasingly becoming a gateway for much of the traffic out of Thailand, into Malaysia and through to the rest of the world.

With GT's success in the region, we will continue to aggressively pursue the Indochina market, where broadband penetration remains low despite relatively high economic growth rates in the past decade. Indochina's relatively high populations and strong birth rates represent significant business drivers for GT in the years ahead.

Our carrier-neutral data centre business, AIMS, continued to record impressive growth in both capacity and clientele. It attracted a slew of Malaysian and global companies, and secured master tenancy at its headquarters in Menara Aik Hua (since renamed to Menara AIMS).

In doing so, it has sent its clientele a strong message: AIMS is here for the long-term. We are sure AIMS will build significantly on the traction it has already gained among local and international companies alike.

Building on last year's strong showing, AIMS is targeting a greater Malaysian market share, with global corporations' need for surveillance and managed services a key driver of this growth. In the years to come, we will explore opportunities to take AIMS beyond its Malaysia base, when the time and circumstances are right.

Keeping Customers Happy

During the course of the year, we constantly improved our products and services, and delivered more meaningful and lasting customer experiences.

When combined with our competitive prices, we became an even more sought-after telecommunications provider across our Wholesale, Enterprise, and SME & Consumer segments.

We saw the same demand in both our Wholesale and data centre divisions, where customers recognised immense value in being able to tap our domestic and global fibre optic networks and carrier-neutrality: benefits that only belong in the highest echelons of business solutions.

We also saw how a flexible and innovative approach in product development and service best served the needs of Enterprise customers who operate in critical sectors such as finance and banking, oil and gas and healthcare.

We built key dependencies in the SME & Consumer segments, thanks to our offer of high-speed and secure connectivity. As a result, fibre optic connections to the home and office more than doubled in 2013.

Overall, we made satisfactory progress in not only procuring new customers, but also in driving loyalty and dependence among the customers already with us.

Going forward, we will continue to pursue and meet the high service standards our customers have come to expect from us.

Developing Our People, Always

Ongoing training and upskilling is an integral part of the TIME culture, as is maintaining highly skilled and competent teams Company-wide.

We rewarded staff who decided to pursue their studies while working with us, and the incentive extends from basic diploma level through to undergraduate degrees and doctorate programs.

To maintain a healthy work-life balance, we continued to emphasise on casual and flexible work arrangements and constantly engaged our staff with various in-house activities.

Our efforts were recognised at the 2013 Malaysian Human Resources Excellence Awards, where we won awards for excellence in compensation and benefits, employee engagement, employee work-life balance, and employee recruitment and retention.

All these initiatives have helped to make TIME one of the most dynamic places to work at, and resulted in improved staff satisfaction and productivity levels.

Gameplan for 2014

We expect to continue gaining market share across all segments, while further tapping the Asia-Pacific region's voracious appetite for data and its related services.

This will allow us to carry the significant growth and earnings momentum we enjoyed last year into 2014 and much farther beyond.

Here's how we expect to meet our objectives:

- Continue to expand our fibre optic network across Malaysia.
- Deliver innovative Data and Internet products to multinational firms, government departments, small-to-medium enterprises and home users.
- Offer better and even more compelling fiberisation opportunities to mobile operators seeking to modernise their networks and rollout LTE services.
- Aggressively market our city-based data centre business at Menara AIMS, while adding capacity in our Cyberjaya centre.
- Establish more international PoPs for our global bandwidth business, while focusing on completing the APG to capture swelling data demand from the Indochina market.

Building on Our Strengths

We enter 2014 in a position of strength.

But while we are at our most stable and consistent ever as a business, it is important to realise that there is absolutely no room for complacency.

It is critical that we put to good use the invaluable insights and experiences we have gained over the years to tackle the challenges of an international marketplace.

With our people at the heart of the Company, we are confident that anything is possible.

To our regulators, thank you for your guidance and your efforts at furthering the Malaysian telecommunications sector. It has been an absolute pleasure collaborating with you on this journey.

To our shareholders, thank you for your support and we look forward to jointly navigating our ambition of becoming a leading Asia-Pacific data and Internet service provider.

And to all my colleagues at TIME, it has truly been an honour to be your ringleader.

Let's make 2014 an even more memorable year!

AFZAL ABDUL RAHIM
Chief Executive Officer

ALL SYSTEMS GO

With our expansion plans firmly in place, we made significant improvements across our network and business segments in 2013.

We further developed our fibre optic capabilities in Malaysia and abroad, as we reaped the benefits from offering a complete suite of telecommunications products and services. To take on intense competition in the telecommunications sector, TIME adopted a holistic approach in improving our operations.

From our Wholesale, Enterprise and SME & Consumer segments, to our global bandwidth and data centre businesses, we aimed to raise productivity, deepen customer engagement and drive results.

Here's how we did it:

- PRODUCT INNOVATION: Responded to changing demands, all the way from big businesses to home users, whether it is for maximising profits or streaming the latest movies.

- CUSTOMER SATISFACTION: Went beyond what our customers expect, keeping to our 100% Service Level Guarantee and providing the best solutions and constant surveillance, thus ensuring valuable peace of mind.

- PEOPLE DEVELOPMENT: Motivated our workforce of over 900 people to raise their game, actively engage with customers and stay ahead of the curve.

Strengthening Domestic Capabilities

At the heart of our business is the Cross Peninsular Cable System (CPCS™) – a fully meshed network over five diverse routes across Malaysia – which was reinvigorated in 2013 through the introduction of a number of network enhancements.

We started from our core. Aside from ongoing technological refreshments, we undertook festoon cable and ageing fibre replacements to ensure that our network remains resilient and of top quality.

With overhead, underground and undersea links, we own all possible fibre routes, thus preventing any one single point of failure.

In our continuous effort to reach more areas and serve more customers, we added more trunk infrastructure along federal roads from the Central to Northern region, as well as grew our Metropolitan Area Network (MAN) areas.

To reinforce our domestic foothold, and prepare the path to Kuantan being our designated Eastern Gateway, we:

- Built a third and direct KL-Kuantan route

- Constructed a full-fledged cable landing station in Kuantan

- Upgraded our Metro DWDM platform in Kuantan

These developments will go a long way in complementing our existing Northern and Southern Gateways.

The linkups we own, from our domestic network to our international submarine cable systems (such as UNITY and APG), offer comprehensive solutions to our Wholesale customers as we are able to offer an alternative gateway for data traffic from Malaysia all the way to the United States.

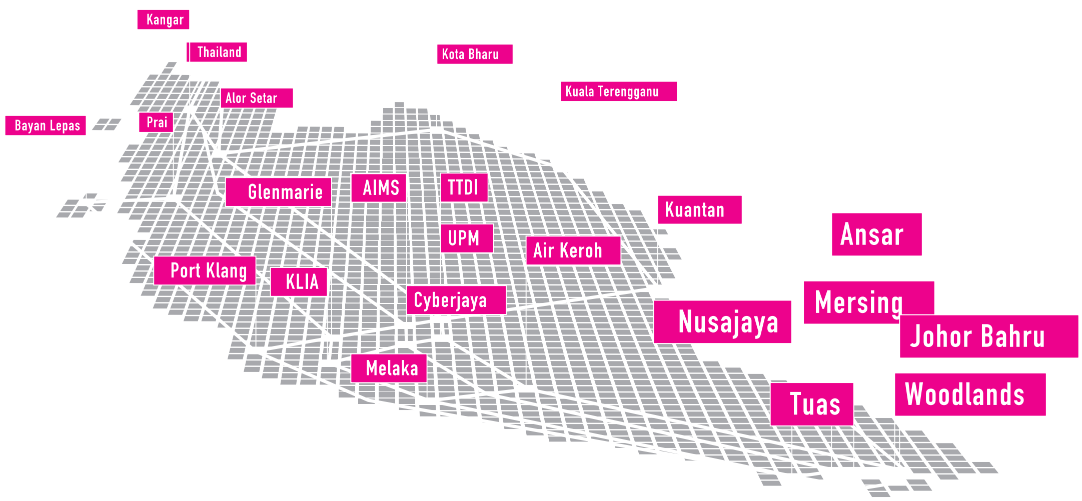
Malaysian mobile operators in turn, are able to continue tapping our resilient CPCS™ trunk and fibre optic networks for the best backhaul access in the country for their 4G/LTE network rollouts.

Our network upgrades were supported by platform enhancements that enabled us to deliver more value added services. For example, with the revamp of our broadband subscriber management system, we added features such as traffic prioritisation, and time and quota management services for the benefit of our Metro Ethernet, Fibre-to-the-Office and Fibre-to-the-Home subscribers.

During the year, we received the highly respected Information Security Management System (ISMS) ISO/IEC 27001:2005 certification.

This holistic, risk-based approach to secure information and compliance is a globally recognised standard and testimony that TIME has succeeded in building information security systems that comply with the highest and most demanding international criterion.

In the coming year, we will continue enhancing the capacity, resiliency and security of our network, while expanding our coverage along our trunk fibre routes and the platforms from which we are able to serve our customers. Our priority lies in ensuring our customers continue to enjoy technologically advanced, top-of-the-range telecommunications solutions.



Enhancing International Connectivity

Through our Global Transit (GT) Group, we expanded our regional points-of-presence (PoPs) and Internet exchange connections in Europe, Southeast Asia and Hong Kong through strategic partnership programmes that we expect to grow into long-term collaborations.

We scored significant sales wins from the Thai and Indochinese markets during the year, where we are a highly sought-after connectivity provider. Our networks captured a significant amount of the traffic out of Thailand across the Peninsula through the Malaysian border, which puts us in a strong position to acquire more business from the region.

We remained highly committed to our investments in the UNITY and APG submarine cable systems, which allowed us to benefit from Asia's growing demand for Internet and data connectivity.

The APG is scheduled for completion in early 2015, and will go a long way towards making GT the preferred global bandwidth service provider in Asia.

Going forward, we plan to target Asian growth markets where a youthful population majority and high birth rates clash with low broadband penetration, making this a ripe market for us.

Growing Data Centres

Our data centre business under AIMS Group grew steadily in 2013.

Our big wins for the year included supporting the world's largest specialised wireless distributor and one of Malaysia's biggest mobile operators. We also offered managed service propositions to the education, health and oil and gas sectors, providing data recovery and cloud computing facilities.

Our carrier-neutral status is a key business pillar and we continued to provide our customers with a variety of options when it came to their business connectivity needs. This, our strategic location and customer-focused service were instrumental in winning the trust of the three regional telcos that set up their presence in AIMS in 2013.

Our plan for 2014 is to carry on attracting more such telcos while empowering our customers to make the choices they need to further grow their businesses.

We are investing more to optimise operations, boost security for our customers and expand our data centres in Malaysia and beyond.

Indeed, data centre colocation will remain AIMS' core business, even while it expands its Managed Services portfolio by rolling out cloud, content delivery network and managed security services to further add value to customers.

Segment Review

Wholesale

The growth recorded in our Wholesale business was largely driven by domestic mobile operators' coverage expansion and mobile node fiberisation projects to complete their 4G/LTE network rollouts.

Stiff competition and price erosion have become a concern due to new entrants and landscape changes in the wholesale telecommunications space. Despite this, demand for data has not slowed down and we are in an ideal position to capture this growth.

Our offer of competitive pricing, good pre- and post-sales support, as well as the quality and reliability of our network, have and will continue to enable the growth of our Wholesale segment in the coming years.

Corporate, FSI And Government

With the global economy slowly recovering, Public Higher Education Institutions, Government-Linked Corporations (GLC), Financial Services Institutions (FSI) and large corporations share a strong drive for cost savings, despite the need to expand.

We were able to meet their stringent requirements with a more resilient network, quick customer service deployment and flexible offerings.

We made significant headway in this market segment in 2013 by targeting government offices across Malaysia, capturing upgrade businesses from financial regulators and banks, as well as seeking new business opportunities in large corporations.

We constantly engaged with our customers to ensure business retention and improve customer loyalty.

Armed with proactive account managers and competitive price packages, we now enjoy top-of-mind recall when our customers seek out innovation-led solutions to further grow their businesses.

SME & Consumer

Our SME & Consumer segment experienced respectable growth during the period under review.

The key to this was our ability to offer high-speed and well-priced broadband packages, a welcome and therefore popular option, given the rising cost of living. Growing recognition for the TIME brand, thanks to our technology-centric approach, and the reliability and resilience that only a 100% fibre optic network can offer, helped spur growth in this segment.

Customers have also warmed up to the 'triple-play' proposition afforded by our collaboration with Astro, now in its third year. It's a compelling proposition, which saw a steady increase in the number of signups during the course of the year.

The year ahead will see us further improve coverage and meet our target of signing up more residential customers, both in the Klang Valley and in Penang.

Elevating Customer Experience

Our customers are the beneficiaries of everything we do.

Throughout the year, we focused on providing our customers with a first-class network and delighting them with superior service, while constantly innovating with our product offering and IT capabilities.

In going the extra mile for our customers, we:

- Introduced dedicated service management teams to mobilise our service teams, interact with our customers on a face-to-face basis and personalise customer touch points;
- Upgraded our Customer Relationship Management (CRM) and Call Management systems to improve customer experience and overall efficiency across our call centre;
- Automated more processes while simplifying operational tasks to reduce customer handling time; and
- Constantly trained our teams, from field technicians to call centre personnel, to improve value throughout the service delivery process.

We also continued to focus on our 100% Service Level Guarantee (SLG) by offering rebates and exit options in the rare instance we failed to deliver on our core network uptime. To further support this bold guarantee, we have installed the TIME Online Premium Performance System (TOPPS) and a dedicated hotline number for our 100% SLG subscribers.

We collaborated with Arkadin, one of the largest and fastest-growing collaboration service providers in the world to deliver integrated teleconferencing services. Through our partnership with Arbor Networks, a provider of network security and management solutions, we strengthened our Distributed Denial of Service Attack (DDoS) Shield to offer customers even better protection for their networks. Additionally, we joined forces with Star Publications (Malaysia) Berhad to offer our customers news on-the-go through its ePaper.

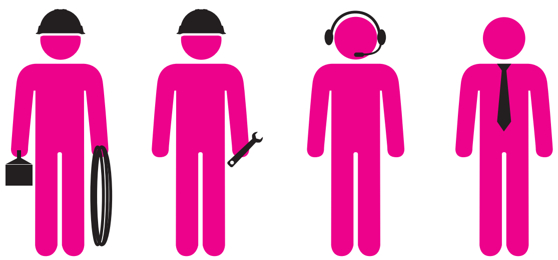
Our ongoing initiatives bear testament to our commitment to providing a holistic experience for all our customers, from global corporations and regional telecommunication firms, all the way to Malaysian SMEs and home users.

We not only changed what we did, but also how we thought about and delivered excellent customer experiences. We closely monitored, and acted promptly on customer feedback, while speeding up delivery.

While the measures we have put in place have put us on a more than sound footing with our customers, we are mindful of the need to constantly improve and enhance customer experience.

In the coming years, we will further harness the potential afforded by the integration of our domestic fixed-line, global bandwidth and data centre businesses. We will also continue to collaborate with companies within the telecommunications and technology space to deliver more value-added services, and support our customers' growing needs.

All of these will give us a solid platform from which to offer comprehensive telecommunications products and services while continuously striving to up the quality and reliability of our offerings.



People Development

At TIME, our people come first.

It is one of the defining traits of our Employee Value Propositions. We firmly believe in providing a nurturing work environment and promoting a great work-life balance through the practice of a casual work culture and allowing flexible work arrangements.

We nurtured and fostered inter-personnel dynamics by conducting teambuilding sessions across business divisions as part of our continuous effort of pursuing organisational excellence.

In our quest for operational excellence, all of our divisions were put through a quality program aligned to ISO 9001:2008. These programs are aimed to equip our staff with the ability to consistently provide products that not only meet demanding customer needs, but also comply with relevant statutory and regulatory requirements. Continuous system improvements, customer satisfaction and ongoing compliance with statutory and regulatory requirements are all hallmarks of this program.

In line with our core focus of driving excellent team performance throughout the Group, a special People Managers development emphasis was created through the introduction of TIME Manager's Kit, a one-stop portal to continuously inculcate effective managerial practices, and bring out the best in our People Managers and their teams.

To build a highly-skilled workforce, a multi-faceted effort in skill upgrading has been put in place. Skills core to the business were rigorously assessed and targeted programs were subsequently developed to strengthen strategic skills and address critical gaps.

The TIME Academic Recognition Award (TARA) was implemented to motivate our employees to enhance their qualifications. Through this scheme, we recognise their efforts and achievements in their pursuit of higher education.

TIME has also been accredited as a Project Management Institute (PMI) Registered Education Provider; we are capable of offering effective and world-class project management training and education.

This demonstrated our competency in Project Management and showcased our objective of upskilling our workforce.

In building our credibility as an employer of choice for Gen-Y workers, we embarked on a strategic collaboration with Talent Corp to attract, nurture and expose aspiring young talent to the experience of working in TIME.

Our efforts were recognised in the 2013 Malaysian Human Resource Excellence awards, when TIME was ranked among the top three in the country for employee engagement, work-life balance, staff recruitment and retention, while being ranked number one for compensation and benefits.

Responsible Socially

Staff welfare remains our utmost priority, though we continue to be mindful of those less fortunate than us. As such, TIME Troopers, representing our very own group of volunteers, are ever-ready to help out with noble causes.

Our sponsorship of Team TIME, a group of young and talented triathletes coached by veteran trainer Steve Lumley, is a show of our support towards the development of triathlon as a national sport, and one of our efforts at reaching out to a wider community.

In our own way, we are doing our part in ensuring TIME remains a responsible corporate citizen.

BOARD OF DIRECTORS' PROFILES

ABDUL KADIR MD KASSIM

NON-INDEPENDENT, NON-EXECUTIVE DIRECTOR (CHAIRMAN)

Abdul Kadir Md Kassim, a Malaysian, aged 73, was appointed to the Board of TIME dotCom Berhad on 22 October 2001 and as Chairman on 15 January 2010.

Abdul Kadir holds a Bachelor of Laws (Honours) degree from the University of Singapore and is the Managing Partner of Messrs Kadir, Andri & Partners.

Abdul Kadir sits on the Boards of UEM Group Berhad and is Chairman of UEM Builders Berhad and, of Cement Industries of Malaysia Berhad.

Abdul Kadir serves as Chairman of Federation of Investment Managers Malaysia, is a member of the Investment Panel of Lembaga Tabung Haji and of the Corporate Debt Restructuring Committee.

He is also a member of the Board of Directors of Danajamin Nasional Berhad and Datuk Yaw Teck Seng Foundation. On 15 February 2012, he was appointed as trustee of The Renong Group Scholarship Trust Fund.

He has no securities holdings in the Company and/or its subsidiaries. He also has no family relationship with any Director and/or major shareholder nor any conflict of interest with the Company.

He has not been convicted of any offence in the past 10 years.

ELAKUMARI KANTILAL

NON-INDEPENDENT, NON-EXECUTIVE DIRECTOR

Elakumari Kantilal, a Malaysian, aged 57, was appointed to the Board of TIME dotCom Berhad on 8 March 2001. She is the Chairman of the Nomination and Remuneration Committee. She is also a member of the Audit Committee and the Tender Committee.

Elakumari currently holds the position of Director of Investments in Khazanah Nasional Berhad ("Khazanah"). She was actively involved in the establishment of Khazanah whilst in the Ministry of Finance. She has been in Khazanah since its inception in 1994 moving from the position of Senior Manager to Director in 2004. She started her career in the government sector in 1981 and held various positions within the sector namely in the Accountant General's Office, Ministry of Agriculture and Ministry of Finance. She was involved in the monitoring and restructuring of companies, including debts of non performing companies held by Ministry of Finance (Incorp).

She holds a Master of Science in Accounting and Finance from the University of East Anglia and a Bachelor of Accounting from University Kebangsaan Malaysia. Besides her executive education in IMD Switzerland, she has also attended the Harvard Premier Business Management Program. She is a member of the Malaysian Institute of Accountants.

She also serves as a Director on the Board of Faber Group Bhd.

She has no securities holdings in the Company and/or its subsidiaries. She also has no family relationship with any Director and/or major shareholder nor any conflict of interest with the Company.

She has not been convicted of any offence in the past 10 years.

RONNIE KOK LAI HUAT

SENIOR INDEPENDENT, NON-EXECUTIVE DIRECTOR

Ronnie Kok Lai Huat, a Malaysian, aged 59, was appointed to the Board of TIME dotCom Berhad on 31 January 2008. He is the Chairman of the Audit Committee and a member of the Nomination and Remuneration Committee.

Ronnie holds a Degree in Business Administration from the University of Strathclyde, United Kingdom. Prior to joining the Board of TIME, Ronnie held the position of Global Head of Marketing at Sampoerna International from September 2004 to January 2007 and was Sampoerna Malaysia's Marketing Director from June 2002 to August 2004. Between 1996 and 2002, he served as the Vice President of Marketing & Sales at JT International Tobacco Sdn Bhd where he also held the position of Executive Director on the Board of the company. He also sits on the Board of Cement Industries of Malaysia Berhad.

He has direct interest in the securities of the Company. He has no family relationship with any Director and/or major shareholder nor any conflict of interest with the Company.

He has not been convicted of any offence in the past 10 years.

BALASINGHAM A. NAMASIWAYAM

INDEPENDENT, NON-EXECUTIVE DIRECTOR

Balasingham A. Namasiwayam, a Malaysian, aged 62, was appointed to the Board of TIME dotCom Berhad on 13 July 2009. He is the Chairman of the Tender Committee. He is also a member of the Audit Committee and the Nomination and Remuneration Committee.

Balasingham holds a Bachelor of Science (Hons) in Electrical Engineering from Portsmouth Polytechnic, United Kingdom. He is a Fellow of The Institution of Engineers, Malaysia and is a Professional Engineer, Malaysia (P. Eng). He is also a Member of The Institution of Engineering and Technology, United Kingdom.

Balasingham has been involved in the telecommunications industry for more than 30 years. Prior to joining the Board of TIME, he served as the Chief Executive Officer of Fiberail Sdn Bhd from September 2003 to June 2008. Balasingham began his career as an Assistant Controller of Telecoms with the then Jabatan Telekom Malaysia and served in various capacities until December 1986. He continued his career with Telekom Malaysia from 1987 to 2003. His last position with Telekom Malaysia was General Manager of Specialised Network Services.

Balasingham has interest in the securities of the Company through his spouse. He has no family relationship with any Director and/or major shareholder nor any conflict of interest with the Company.

He has not been convicted of any offence in the past 10 years.

HONG KEAN YONG

INDEPENDENT, NON-EXECUTIVE DIRECTOR

Hong Kean Yong, a Malaysian, aged 51, was appointed to the Board of TIME dotCom Berhad on 1 September 2012. He is a member of Tender Committee.

Hong holds a Bachelor of Engineering (Hons) specialising in Electrical and Electronics Engineering from University of Malaya. He began his career in Accenture Malaysia, where he held various senior positions from March 1987 to December 1994. He has also served in various senior capacities in MBf Group of Companies, Multimedia University, Avanade Malaysia Sdn Bhd and Motorola Multimedia Sdn Bhd prior to his last position as the Group Chief Information Officer in Hong Leong Financial Group from April 2008 to March 2011. Hong is currently the Senior Vice President, Strategic Planning and Technology Advisor at Taylors Education Group, a position held by him since April 2011.

He has no securities holdings in the Company and/or its subsidiaries. He also has no family relationship with any Director and/or major shareholder nor any conflict of interest with the Company.

He has not been convicted of any offence in the past 10 years.

GAN TE-SHEN

NON-INDEPENDENT, NON-EXECUTIVE DIRECTOR

Gan Te-Shen, a Malaysian, aged 37, was appointed to the Board of TIME dotCom Berhad on 14 June 2013.

He currently sits on the Board of Directors of Megawisra Investments Limited, Megawisra Sdn Bhd, Megawisra Property Management Sdn Bhd, Megawisra Advisory Sdn Bhd, Global Transit International Sdn Bhd, Pulau Kapas Ventures Sdn Bhd, Global Transit Malaysia Sdn Bhd, Next Online (M) Sdn Bhd and Banjaran Angsana Sdn Bhd.

He started his career in 1997 as an associate in Corporate Finance and Restructuring Department of Messrs. Arthur Anderson & Co. where he was responsible for the operational rehabilitation of companies to recover non-performing loans, managing debtor and creditor relationships and management of portfolio company in human resource matters. In 2000, he joined AIMS Group as Manager, Business Development and was subsequently promoted to Vice President, Business Development in 2003.

Te-Shen has been on the Board of Megawisra Investments Limited since 2004. He was a director of Megawisra Sdn Bhd from 2005 to 2006 and subsequently re-appointed in 2007.

He served as a director of AIMS Group between 2008 to 2012. He also held the position of Chief Executive Officer of AIMS Data Centre Sdn Bhd until 2009.

Te-Shen has interest in the securites of the Company through Pulau Kapas Ventures Sdn Bhd, Megawisra Sdn Bhd and Global Transit International Sdn Bhd. He has no family relationship with any Director and/or major shareholder nor any conflict of interest with the Company.

He has not been convicted of any offence in the past 10 years.

AFZAL ABDUL RAHIM

NON-INDEPENDENT, EXECUTIVE DIRECTOR (CHIEF EXECUTIVE OFFICER)

Afzal Abdul Rahim, a Malaysian, aged 36, was appointed as Director & Chief Executive Officer of TIME dotCom Berhad on 7 October 2008.

He holds a Degree in Mechanical Engineering with Electronics, specialising in Acoustic Wave Theory from the University of Sussex, United Kingdom.

Afzal started his career in the automotive industry culminating in a regional role with Group Lotus PLC. A technology entrepreneur, he also founded the Malaysian Internet Exchange (MyIX), which was established in 2006.

Afzal has interest in the securities of the Company through Pulau Kapas Ventures Sdn Bhd, Megawisra Sdn Bhd and Global Transit International Sdn Bhd. He has no family relationship with any Director and/or major shareholder nor any conflict of interest with the Company.

He has not been convicted of any offence in the past 10 years.

ROSSANA ANNIZAH AHMAD RASHID @ MOHD RASHIDI

NON-INDEPENDENT, EXECUTIVE DIRECTOR (DEPUTY CHIEF EXECUTIVE OFFICER)

Rossana Annizah Ahmad Rashid @ Mohd Rashidi, a Malaysian, aged 48, was appointed as Director & Deputy Chief Executive Officer of TIME dotCom Berhad on 1 October 2012.

She holds a Bachelor of Arts in Banking & Finance from University of Canberra, Australia. Rossana began her career in July 1988 as Management Associate before her last assignment in Citibank as Assistant Vice President in the Corporate Bank in 1993. Rossana later moved on to RHB Bank Berhad in April 1994, where she handled multiple portfolios until May 2003, holding her last position as Senior General Manager, Head of Enterprise Banking. She joined Maxis Communications Berhad in 2003 as Deputy Chief Financial Officer and was appointed Chief Financial Officer in January 2004; a position which she held until May 2011.

Rossana is currently a Director of IHH Healthcare Berhad ("IHH"). She also serves as the Chairperson of the Audit and Risk Management Committee of IHH.

Rossana has direct interest in the securities of the Company. She has no family relationship with any Director and/or major shareholder nor any conflict of interest with the Company.

She has not been convicted of any offence in the past 10 years.

ATTENDANCE OF DIRECTORS AT BOARD OF DIRECTORS' MEETINGS

The Board of Directors met eight (8) times during the financial year ended 31 December 2013. Details of the Directors' attendance are as follows:

Director	Attendance	Percentage of Attendance
ABDUL KADIR MD KASSIM	8/8	100%
ELAKUMARI KANTILAL	7/8	88%
RONNIE KOK LAI HUAT	8/8	100%
BALASINGHAM A. NAMASIWAYAM	7/8	88%
HONG KEAN YONG	8/8	100%
GAN TE-SHEN * Appointed with effect from 14 June 2013	4/4	100%
AFZAL ABDUL RAHIM	8/8	100%
ROSSANA ANNIZAH AHMAD RASHID @ MOHD RASHIDI	8/8	100%

SENIOR MANAGEMENT PROFILES

AFZAL ABDUL RAHIM

CHIEF EXECUTIVE OFFICER

Afzal, 36, was appointed Director & Chief Executive Officer of TIME on 7 October 2008. He started his career in the automotive industry culminating in a regional role with Group Lotus PLC. A technology entrepreneur, he founded the Malaysian Internet Exchange (MyIX), which was established in 2006. Afzal holds a Degree in Mechanical Engineering with Electronics, specialising in Acoustic Wave Theory from the University of Sussex, United Kingdom.

ROSSANA ANNIZAH AHMAD RASHID @ MOHD RASHIDI

DEPUTY CHIEF EXECUTIVE OFFICER

Rossana, 48, was appointed Director and Deputy Chief Executive Officer of TIME in October 2012. She has more than 25 years experience in the banking and telecommunications sectors, with expertise in financial management. Prior to joining TIME, Rossana was attached to Maxis Berhad as Chief Financial Officer. She holds a Bachelor of Arts in Banking and Finance from University of Canberra, Australia.

LONG SHER NENG

CHIEF FINANCIAL OFFICER

Sher Neng, 40, joined TIME in March 2010 and was appointed Chief Financial Officer in September 2010. He has more than 15 years experience in financial management and operations. Prior to joining TIME, Sher Neng was attached to Genting Singapore PLC where he was Vice President, Finance Department. He holds a Bachelor of Business Administration (Hons) majoring in Accounting and double minoring in Business Management and General Business from Western Michigan University, USA.

YEONG SU-MENG

CHIEF MARKETING OFFICER

Su-Meng, 44, was appointed Chief Marketing Officer of TIME on 1 October 2013. She has more than 20 years experience in the telecommunications sector with expertise in product marketing and development. Prior to joining TIME, Su-Meng was attached to Maxis Berhad. She holds a Degree in Electronics and Communications Engineering from the University of Bristol, UK and a Master of Business Administration from Imperial College London.

LEE GUAN HONG

CHIEF ENGINEERING OFFICER

Guan Hong, 39, joined TIME in February 2009 and was appointed Chief Engineering Officer in September 2010. He has more than 15 years experience ranging from Internet services to the telecommunications industry. Prior to joining TIME, Guan Hong was attached to DiGi.Com Berhad. He holds a Bachelor's Degree in Management Information Systems from the University of Oklahoma, USA.

ANAND VIJAYAN

CHIEF SERVICES OFFICER

Anand, 39, joined TIME in July 2009 and was appointed Chief Services Officer in September 2010. He has more than 15 years experience in financial and IT audit, risk and consulting from the Big Four accounting firms. He holds a Master's Degree in Business Administration from Charles Sturt University, Australia. He obtained his Bachelor of Business (Accountancy) from Royal Melbourne Institute of Technology (RMIT). He has been a Certified Practising Accountant (CPA), Australia, and Certified Information Systems Auditor (CISA), since 1999.

JULIAN DING

CHIEF INNOVATION OFFICER

Julian, 51, joined TIME in July 2011. He is admitted to practice law in Peninsular Malaysia and Singapore and was called to the English Bar, and he holds a Masters in Public Policy and Management. Julian's expertise is in Information Technology that pertains to regulatory and policy frameworks applicable to the communications sector in Malaysia, Brunei and Indonesia. He is the author of "E-Commerce Law & Practice" published by Sweet & Maxwell. Prior to joining TIME, Julian joined a client as Head of Legal & Regulatory Affairs. Other work experience includes Senior Partner at Zaid Ibrahim & Co, Partner at Andersen Legal (Malaysia), and founder of a regulatory consulting firm.

LEE WENG FAK

HEAD OF ENTERPRISE BUSINESS

WF Lee, 52, joined TIME in May 2011. He has more than 30 years experience in the ICT industry dealing with fast-paced, rapidly expanding companies. Prior to joining TIME, WF Lee was CEO/Co-founder of Niju Corporation Sdn Bhd (Systems Integrator & ICT Solution Provider). He holds a Diploma in Computer Science, IDPM, UK.

SAIFUL HUSNI SAMAK

CHIEF EXECUTIVE OFFICER – GLOBAL TRANSIT COMMUNICATIONS SDN BHD

Saiful, 45, was appointed Chief Executive Officer of Global Transit in May 2009. He has more than 20 years experience in the banking and telecommunications industries. Prior to joining Global Transit, Saiful was attached to Fibre Comm as Chief Marketing Officer. He holds a Master of Business Administration from the University of Southern Cross, Australia and a Degree in Economics and Finance from the University of Hartford, USA.

CHIEW KOK HIN

CHIEF EXECUTIVE OFFICER – AIMS GROUP OF COMPANIES

Kok Hin, 38, joined AIMS in 1997 and was appointed Chief Executive Officer in January 2010. Prior to joining AIMS, Kok Hin was attached to United Overseas Bank as an Information Analyst. He is also the Chairman of the Malaysian Internet Exchange (MyIX) - a non-profit and the first neutral Internet Exchange where local Internet Service Providers and content providers connect to exchange Internet traffic. Kok Hin holds a Master of Business Administration from Nottingham Trent University, UK.

The Board is committed to ensuring the highest standards of corporate governance in the Group as articulated in the eight (8) principles and recommendations of the Malaysian Code on Corporate Governance 2012 (the "Code") and also continually strives to enhance the effectiveness of the Board by improving the Board of Directors' practices and processes. The Group has adopted significant recommendations of the Code and the Board is continuously reviewing the Group's corporate governance practices and will make appropriate adjustments to reflect its position as a good corporate citizen. The key objective is to adopt the substance behind good corporate governance and not merely the form, with the aim of ensuring Board effectiveness in enhancing shareholders' value.

The Board views corporate governance as synonymous with four key concepts of the Group; namely transparency, integrity and accountability as well as corporate performance. The group adopts these key concepts in the Group's operation and management and consciously applies the principles and recommendations of the Code and other global standards.

The Board is pleased to provide the following statement which outlines how the Group has applied the principles and recommendations set out in the Code throughout the financial year ended 31 December 2013.

PRINCIPLES STATEMENT

A. Directors

The Board

An effective Board that leads and controls the Group is vital in the stewardship of its direction and operations and ultimately the enhancement of long-term shareholder value. Thus, the Board is responsible for the strategic direction, establishing goals for management and monitoring the achievement of these goals. All Directors are from diverse professional backgrounds with a wide range of business, technical and financial experience. The profile of each Director is presented from pages 26 to 30.

The diversity of the Directors' background is pivotal to provide depth and specific experience and perspective to the leadership of the Group, as needed by the Group's business which is highly regulated and supervised.

In discharging its stewardship, the Board has adopted a formal schedule of matters which include:

- reviewing and adopting a strategic plan for the Company;
- overseeing the conduct of the Company's businesses;
- identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;
- establishing a succession plan;
- overseeing the development and implementation of a shareholder communication policy for the Company; and
- reviewing the adequacy and the integrity of the management information and internal controls system of the Company and Group.

The Company has adopted a Board Charter which is accessible on the Company's corporate website. The document clearly sets out the role and responsibilities of the Board and the Board Committees as well as the processes and procedures for convening their meetings. It serves as a reference and primary induction literature providing prospective and existing Board members and Management insight into fiduciary and leadership functions of the Directors.

PRINCIPLES STATEMENT (CONTINUED)

A. Directors (continued)

The Board (continued)

The Board will review its charter regularly, to keep it up to date with changes in regulations and best practices and to ensure its effectiveness and relevance to the Board's objectives.

Additionally, the Board adheres to the Code of Ethics for Directors issued by the Companies Commission of Malaysia.

Board Balance

There were eight (8) Board members in 2013, comprising one (1) Non-Independent Non-Executive Chairman ("Chairman"), three (3) Independent Non-Executive Directors, two (2) Non-Independent Executive Directors and two (2) Non-Independent Non-Executive Directors.

The Board's composition at the end of year 2013 is in line with paragraph 15.02 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The composition of the Board reflects an impressive spectrum of experiences and skills with a mix of legal, financial, technical and business experience which are relevant and vital to the direction and management of the Group. The Board is suitably equipped with members that possess significant experience in the telecommunication industry.

The Board is supportive of the gender boardroom diversity recommended by the Code.

The roles and responsibilities of the Chairman and the CEO are separated with clear distinctions between them. The Chairman leads the Board and is responsible to ensure the effective and smooth interaction of the overall Board and individual Directors, both within and outside the Boardroom as well as driving the discussion toward consensus and to achieve closure in every discussion. The CEO is responsible for developing and implementing strategy of the Group, reflecting long term objectives as well as priorities established by the Board. The CEO assumes full responsibility and accountability to the Board for all aspects of the Company operations and performance. He also represents the Company to major customers, employees, suppliers and professional associations.

The Non-Executive Directors contribute significantly in areas such as policy and strategy, performance monitoring, allocation of resources as well as improving governance and control. The Independent Directors play pivotal roles towards ensuring that the business strategies of the Group and any other matters or agendas discussed are properly and fully deliberated and examined with a view to protect the interests of shareholders and the stakeholders of the Group. They provide independent and impartial views in determining the final decisions taken or endorsed by the Board.

Meetings

The Board meets regularly. In addition to the scheduled meetings, the Board also convenes special meetings when urgent and important decisions need to be taken between scheduled meetings. During the financial year ended 31 December 2013, the Board met 8 times.

All meeting dates are determined and fixed yearly in advance so that every director is able to schedule their time effectively. For all the meetings, due notices were given and structured formal agenda and papers relating to the agenda items were forwarded to all the Board members for their perusal prior to and in most cases, in advance of the date of each meeting.

PRINCIPLES STATEMENT (CONTINUED)

A. Directors (continued)

Meetings (continued)

All proceedings of the meetings were properly minuted and filed. The minutes are circulated to each and every Board member for their perusal and comments prior to the confirmation of the minutes at the commencement of the next Board meeting. The members may request for clarification or raise comments on the minutes before they are confirmed.

During the year, the Board deliberated upon and considered a variety of matters including the Group's financial results, major investments and strategic decisions, the business directions of the Group and Corporate Governance matters during the financial year. Details of Directors' attendance at Board Meetings held during the financial year ended 31 December 2013 are as follows:

Directors' Attendance

Date of Board Meeting	Independent	Non-Independent	Chief Executive Officer / Managing Director	Executive Director	Total No. of Attendance/Total Board Members
27 February 2013	2	2	1	1	6/7
28 March 2013	3	2	1	1	7/7
17 April 2013	3	2	1	1	7/7
16 May 2013	3	2	1	1	7/7
22 August 2013	3	2	1	1	7/8
10 October 2013 to 11 October 2013 (Offsite)	3	3	1	1	8/8
21 November 2013	3	3	1	1	8/8
5 December 2013 to 7 December 2013 (Offsite)	3	3	1	1	8/8

The Board of Directors delegates certain responsibilities to the Board Committees. All Committees have written terms of reference and operating procedures to ensure a clear division of duties between the Board and Board Committees. The Board is kept informed of all proceedings and deliberations of its Board Committees through minutes of Board Committees' meetings which are tabled at the Board meetings, for notation.

The Board of Directors reviews the terms of reference of its committees periodically to assess its relevance and clarity.

The details of meetings and activities of these Committees are discussed in the following paragraphs.

PRINCIPLES STATEMENT (CONTINUED)

A. Directors (continued)

Supply of information

The Board has unrestricted access to information required so as to enable it to discharge its duties, as the decision making process is highly contingent on the strength of information furnished. The Board is provided with monthly reports and updated information and briefings on the performance of the Group and the Company prior to every meeting to enable them to make informed decisions. The Board papers include, amongst others, the following details:

- Business plan and annual operating plan;
- Quarterly performance reports of the Group;
- Major operational and financial issues including risks and audit issues;
- Market share and market responses to the Group's strategies;
- Major investments, acquisitions and disposals of assets;
- Manpower and human resource issues; and
- Minutes of meetings of all the Committees of the Board.

Senior management and key operational managers are informed and made aware of the quality and timeliness required by the Board with respect to the contents, presentation and delivery of Board papers for each Board meeting.

Key matters such as approval of annual and interim results, annual business plans and budget, major investment, financial decisions, key policies, major proposals and announcements are reserved for the Board. These reserved matters are set out in the Group's Discretionary Authority Limits ("DAL"). The DAL also specifies the levels of authority delegated to the Management by the Board.

The Board, whether as a whole or its members in their individual capacity, can seek independent professional advice at the Company's expense in the course of fulfilling their responsibilities. Every Director also has unhindered access to the advice and services of the Company Secretary. The Company Secretary constantly advises and updates the Board on the statutory and regulatory requirements in relation to their duties and responsibilities. Appointment and removal of the Company Secretary can only be made by the Board as a whole.

Director's Training

During the financial year, the Directors attended seminars, forums and briefings conducted by the regulatory authorities, professional bodies and other organisations in order to keep abreast with relevant developments in laws and regulations and the business environment. The training attended by the Directors during the financial year included the following:

- ICLIF Leadership and Governance Centre – The Directors' Legal Tool-Kit Program
- Khazanah Megatrends Forum 2013
- MINDA – Building High Performance Directors 2013
- Securities Industry Development Corporation – International Corporate Governance Seminar
- MAICSA – Essential Elements of an Effective Audit Committee
- MAICSA – Independent Directors – A Necessity, Not A Choice (Understanding their Roles, Functions and Responsibilities)
- Danajamin Leadership Talk Series
- Bursa Malaysia Berhad and Maybank Investment Bank Berhad – Invest Malaysia 2013

Additionally, Mr Gan Te-Shen, a Director who was appointed in 2013, has completed his Mandatory Accreditation Programme organised by Bursatra Sdn Bhd on 3 to 4 July 2013 and 2 October 2013 respectively.

PRINCIPLES STATEMENT (CONTINUED)

A. Directors (continued)

Re-election of retiring Directors

In accordance with the Company's Articles of Association and the Main Market Listing Requirements of Bursa Securities, one-third (1/3) of the Directors shall retire by rotation at every Annual General Meeting and all Directors are subject to retirement at an interval of at least once every three (3) years. The Nomination and Remuneration Committee shall, upon reviewing and assessing performance levels, recommend to the Board the re-election of the Directors who are due for retirement at each Annual General Meeting.

Additionally, pursuant to Section 129(6) of the Companies Act, 1965, a Director over seventy (70) years of age is to retire at every Annual General Meeting and may offer himself/herself for re-appointment. In relation to this, the Chairman has offered himself for re-appointment at the forthcoming Annual General Meeting.

Board Appraisal Process

The Board continues to assess the performance of its members under an evaluation framework adopted earlier comprising Board Effectiveness Assessment and Board of Directors' Self/Peer Assessment. These assessments are designed to identify the areas that need to be improved to increase the Board's effectiveness and at the same time maintain the cohesiveness of the Board.

Among key performance indicators employed to evaluate the Board's current effectiveness are board administration, board accountability, responsibility and conduct whereas the indicators for individual director's assessment include their interactive contributions, underlying of their roles and quality of input.

The Company carries out the assessment process annually and the Board identifies the areas to be addressed and is committed to align its effectiveness towards the recommended best practices.

B. Board Committees

Appointments of Board Committees

The Board has delegated certain responsibilities to the Board Committees and each and every Board Committee has written terms of reference of its own. The Board receives reports from the Board Committees and is regularly updated of their proceedings and deliberations. In cases where the Board Committee has no authority to decide on certain matters, the Board Committees will assess and examine the issue and subsequently provide their recommendations which are highlighted in their respective reports for the Board's endorsements.

Audit Committee

Paragraph 15.09 of the Main Market Listing Requirements of Bursa Securities requires an Audit Committee to be established. The Company's Audit Committee comprises three (3) Non-Executive Directors headed by the Senior Independent Non-Executive Director. Further details of its composition, roles and activities during the financial year are set out in pages 50 to 55.

PRINCIPLES STATEMENT (CONTINUED)

B. Board Committees (continued)

Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") comprise three (3) members and all of them are Non-Executive Directors. Among them, two (2) are Independent Directors and one (1) is a Non-Independent Director.

The NRC held a total of two (2) meetings during the past year. The details are as follows:

		No. of meetings attended
Elakumari Kantilal (Chairman)	Non-Independent, Non-Executive Director	2/2
Ronnie Kok Lai Huat	Senior Independent, Non-Executive Director	2/2
Balasingham A. Namasiwayam	Independent, Non-Executive Director	2/2

The responsibilities of the NRC are to, inter alia:

- periodically review the framework of policies pertaining to the nomination and remuneration of Directors.
- advise the Board regarding the details and implementation of the framework of policies pertaining to the nomination and remuneration of Directors.
- make the necessary recommendations as specified under the objectives of the NRC.
- assist the Board in examining the size, structure and composition of the Board, with a view to determining the impact of the number of directors upon its effectiveness.
- assess and monitor directors attaining the age of 70 years pursuant to the provision of Section 129 of the Companies Act, 1965.
- assess and monitor vacancy of directors resulting from provisions of Companies Act, 1965, Memorandum and Articles of Association and Listing Requirements of Bursa Securities and recommend appointment of new directors.
- recommend to the Board the criteria, qualifications and experience deemed appropriate for the particular vacancy to be filled with respect to the nomination of new candidates for Board membership.
- review the proposals for the remuneration package of the Directors of the Company.
- review annually the Board's required mix of skills and other qualities, including core competencies which Non-Executive Directors should bring to the Board and disclose the same in the Annual Report.
- recommend suitable orientation, educational and training programmes to continuously train and equip the existing and new Directors and to ensure a statement is made in the Annual Report by the Board on the training attended by Directors during the financial year.
- assist in ensuring that the Company's employees' compensation policies and benefit scheme are generally designed to encourage good performance and discourage poor performance.
- design and implement an evaluation procedure for Executive Directors/MD/CEO.
- review the performance of the Executive Directors/MD/CEO and recommend to the Board on annual increments, bonus and ex-gratia payments for Executive Directors/MD/CEO.
- consider the Senior Management candidates for hire or engagement and the terms of engagement.
- recommend to the Board, the termination/removal of Senior Management if they are ineffective, errant or negligent in discharging their responsibilities.
- review and recommend to the Board, the policy of compensation, benefits package, salary increment and total annual bonus for Senior Management.

B. Board Committees (continued)

Nomination and Remuneration Committee (continued)

- in discharging its duties, the NRC shall at all times be mindful of the provisions of the Malaysian Code on Corporate Governance and all applicable laws, regulations and guidelines.
- consider and recommend to the Board on any general resizing activity.
- review and recommend the Corporate Governance Statement to be published in the Annual Report to the Board.

Throughout the year 2013, the NRC conducted meetings to discharge the following duties:

- Made recommendations to the Board with respect to the Directors who shall retire at the Company's 16th Annual General Meeting.
- Reviewed the required mix of skills, experience and other qualities of Non-Executive Directors.
- Reviewed the results of the Board/Board Committees' Assessment Form for year 2012 on the effectiveness of the Board, Board committees and individual directors.
- Recommended to the Board the 2013 Remuneration Exercise for the Executive Committee members and other direct reports to the Chief Executive Officer.
- Recommended to the Board the payment of 2012 Performance Bonus and payment of 2013 annual increment.
- Deliberated the 2013 structured annual promotion exercise.
- Recommended to the Board the appointment of new Director to the Board.
- Recommended to the Board the revised staff benefit.
- Recommended the corporate governance statement for publication in the 2012 Annual Report.

In carrying out its duties and responsibilities, the NRC has a full and unrestricted access to the Company's records, properties and personnel and it may also obtain the advice of external advisors if required. The Directors are paid annual fees and attendance allowance for each Board meeting and Board Committee meeting that they attended.

Any change in the Directors' remuneration will be reviewed by the NRC before it is recommended to the Board.

Details of the Directors' remuneration (including benefits-in-kind) during the financial year ended 31 December 2013 are as follows:

Directors	Fixed Fees (RM)	Allowances (RM)	Benefits-in-Kind (RM)	Salary (RM)	Bonus (RM)	Other Expenses (RM)	Total Amount (RM)
Executive	–	92,820	34,950	1,449,840	124,740	245,786	1,948,136
Non-Executive	691,817 *	157,834	1,500	–	–	–	851,151

* Inclusive of the fees paid for sitting in Audit Committee, NRC and Tender Committee.

The NRC continues to evaluate the effectiveness of the Board and in this regard it assesses the size and composition of the Board to ensure that the required mix of skills are present in the course of discharging the Board's duties and responsibilities.

PRINCIPLES STATEMENT (CONTINUED)

B. Board Committees (continued)

Tender Committee

The Tender Committee ("TC") was established to facilitate the procurement process. Its main objective is to examine the tenders received and ensure that all necessary criteria, specifications and requirements of the Company have been met and complied with.

The TC consists of Balasingham A. Namasiwayam (Chairman), Elakumari Kantilal and Hong Kean Yong. The Board has delegated its authority to the TC to approve up to RM10.0 million for the budgeted transactions for the acquisition/disposal of fixed assets, trade or stock purchase and the award of contracts after taking into consideration various factors such as the list of tenders received, nature of procurement and the technical and commercial evaluation.

During the year, the TC held three (3) meetings.

C. Shareholders

Investors/Shareholders Relations

The Group recognises and acknowledges that the key element of good corporate governance is being transparent and accountable to all stakeholders. It is fundamental for the Group to establish a provision of clear, relevant and comprehensive information readily accessible to all stakeholders at anytime. Acknowledging this fact, the Group maintains a high level of disclosure and communicates regularly and proactively with its stakeholders, particularly to investors and shareholders, through transparent, effective and readily accessible communication channels. Information on the Group's business activities and financial performance are disseminated through press releases, quarterly reports, annual report and the Annual General Meeting in a timely and efficient manner. In addition, the Company's website at http://www.time.com.my provides a broad range of information to the shareholders.

The Company has taken great care and control to ensure that no market sensitive and any other information that is required to be reported or announced to Bursa Securities for public release are disseminated or informed to any party without first making such official report or announcement to ensure equal dissemination and information to all investors. Any information released by the Company totally complies with and strictly adheres to disclosure rules and regulations of the Main Market Listing Requirements of Bursa Securities.

The Board has identified Ronnie Kok as the Senior Independent Non-Executive Director to address minority shareholders' issues and to whom minority shareholders' concerns may be conveyed.

Annual Report and Annual General Meetings

The key channel of communication regarding the Group's business activities and financial performance is via the Company's Annual Report. The Annual Report discloses comprehensive details about the Group's business activities and financial performance for the financial year.

The Annual General Meeting is the principal open forum at which shareholders and investors are informed of the current development of the Company. An interactive dialogue is conducted for them to inquire about the Group's activities and prospects as well as communicate their expectations and concerns. Adequate time is allocated for the question and answer sessions between the Directors and the Group's external auditors with the shareholders at the Annual General Meeting held by the Company.

PRINCIPLES STATEMENT (CONTINUED)

C. Shareholders (continued)

Annual Report and Annual General Meetings (continued)

Each item of special business included in the Notice of Annual General Meetings is accompanied by a full explanation of the effects of the proposed resolution.

The Board will implement poll voting as required by laws, regulations or the Main Market Listing Requirements of Bursa Securities and when it deems necessary or appropriate.

D. Accountability and Audit

Financial Reporting

In presenting the annual financial statements and quarterly announcements to the shareholders, the Board aims to present a clear and balanced assessment of the Group's position and prospects. The Board is assisted by the Audit Committee to oversee the financial reporting processes and the quality of such financial reporting.

Related Party Transactions

The Company has established appropriate procedures to ensure the Company meets its obligations under the Main Market Listing Requirements of Bursa Securities relating to related party transactions.

A list of related parties is disseminated to the Company's various business units to determine the number and type of related party transactions. All related party transactions are presented to the Audit Committee for their notation on a quarterly basis. Interested Director(s) who has/have interest(s) in such transaction(s) abstain(s) from all deliberations and voting on the matter either at the Board level or at the general meeting convened for the purpose of considering the matter.

Shareholders' mandate in respect of existing recurrent related party transactions was obtained at the Annual General Meeting held on 20 May 2013. Details of recurrent related party transactions entered into by the Group during the financial year under review are set out from pages 45 to 48.

Directors' Responsibility Statement in respect of the Preparation of the Audited Financial Statements

The Board of Directors is responsible for ensuring that the financial statements give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of their results and cash flows for the period then ended.

In preparing the financial statements, the Directors have considered and ensured that:

- Applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965 have been applied;
- Suitable and appropriate accounting policies have been adopted and applied consistently; and
- Reasonable and prudent judgments and estimates were made.

The Directors also have a general responsibility for taking such steps as are reasonably available to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Statement by Directors pursuant to Section 169 of the Companies Act, 1965 is set out on page 134 of the Financial Statements section of the annual report.

PRINCIPLES STATEMENT (CONTINUED)

D. Accountability and Audit (continued)

Risk Management & Internal Control

The Board acknowledges its responsibility for maintaining a sound system of internal controls to safeguard shareholders' investments and the Group's assets, and to discharge their stewardship responsibilities in identifying principal risks and ensuring the implementation of appropriate systems to manage these risks in accordance with the best practices of the Code. The Board and Audit Committee are provided with sufficient information as to the Group's risk profile and Risk Management procedures and Management Information System to ensure that the Group's internal controls and systems are effective.

The Statement on Risk Management & Internal Control furnished on pages 56 to 59 of the Annual Report provides an overview on the state of risk management and internal controls within the Group.

Relationship with the Auditors

Key features underlying the relationship of the Audit Committee with the external auditors are included in the Audit Committee's terms of reference as detailed on pages 50 to 55 of the annual report. It is the Company's practice to invite the external auditors to the Audit Committee meetings where the quarterly financial results are tabled, discussed and reviewed. The external auditors met the Audit Committee without executive Board members present twice in 2013, to discuss the adequacy of controls and any judgmental areas.

A summary of the activities of the Audit Committee during the year, including the evaluation of the independent audit process, are set out in the Audit Committee Report on pages 50 to 55 of the annual report.

Whistleblowing Policy

The Group has also adopted a Whistleblowing Policy in relation to suspected or presumed violations of any malpractice or misconduct. The Policy reaffirms the Board's commitment to safeguard those who report in good faith against any form of reprisal.

Compliance statement

The Board is of the view that the Group has taken necessary steps throughout the financial year under review to comply with the principles and recommendations of the Code. The Board will continue to review its governance model to uphold its pledge, commitment and effort to enhance and promote the best practices of corporate governance throughout the Group in its effort to achieve the highest standards of transparency, accountability and above all, integrity. The Board ensures that there is no compromise in the Group's focus on enhancing shareholder value, increasing investor confidence, establishing customer trust and building a competitive and profitable organisation.

The Statement on Corporate Governance is made in accordance with a resolution of the Board on 1 April 2014.

At the Annual General Meeting held on 20 May 2013, the Company obtained a renewal of shareholders' mandate from its shareholders (Shareholders' Mandate) for recurrent related party transactions (RRPTs) of a revenue or trading nature.

(A) Set out below are the details of RRPTs entered into by the Group during the financial year under review which had been conducted pursuant to the Shareholders' Mandate.

No.	**Name of Related Transacting Parties**	**Interested Related Parties**	**Type of Transactions**	**Amount transacted during the financial year (RM'000)**
1.	Telekom Malaysia Berhad ("Telekom") and its subsidiaries, collectively ("Telekom Group")	Khazanah Nasional Berhad ("KNB"), Pulau Kapas Ventures Sdn Bhd ("PKV"), Afzal Abdul Rahim ("Afzal"), Gan Te-Shen ("Te-Shen") and Elakumari Kantilal ("Elakumari") *(Please refer to Note 1 on Nature of Relationship.)*	(a) Provision of leased line, point of interconnect, point of access and integrated services digital network (ISDN) backup by Telekom Group to TdC and/or its subsidiaries	(18,558)
			(b) Provision of telecommunication and data centre services by TdC and/or its subsidiaries to Telekom Group	27,041
2.	Tenaga Nasional Berhad ("TNB"), its subsidiaries and its associate companies, collectively ("TNB Group")	KNB, PKV, Afzal, Te-Shen and Elakumari *(Please refer to Note 1 on Nature of Relationship.)*	(a) Provision of low voltage infrastructure, co-location, leased line, indoor equipment space, outdoor space, rooftop space and supervision by TNB Group to TdC and/or its subsidiaries	(10,028)
			(b) Provision of telecommunication services (voice and data) by TdC and/or its subsidiaries to TNB Group	162
3.	Malaysia Airline System Berhad ("MAS"), its subsidiaries and its associate companies, collectively ("MAS Group")	KNB, PKV, Afzal, Te-Shen and Elakumari *(Please refer to Note 1 on Nature of Relationship.)*	Provision of telecommunication services (voice and data) by TdC and/or its subsidiaries to MAS Group	134

No.	Name of Related Transacting Parties	Interested Related Parties	Type of Transactions	Amount transacted during the financial year (RM'000)
4.	UEM Group Berhad ("UEMG") and its subsidiaries, collectively ("UEMG Group")	KNB, PKV, Abdul Kadir Md Kassim ("Abdul Kadir"), Afzal, Te-Shen and Elakumari *(Please refer to Note 1 on Nature of Relationship.)*	(a) Provision of telecommunication services (data and voice) by TdC and/or its subsidiaries to UEMG Group	5,043
			(b) Maintenance of regeneration of cabins and repair works for fibre optic cables and ancillaries and the provision of wayleave and right of use by UEMG Group to TdC and/or its subsidiaries	(13,470)*
5.	CIMB Group Holdings Berhad ("CIMB Group HB") and its subsidiaries	KNB, PKV, Afzal, Te-Shen and Elakumari *(Please refer to Note 1 on Nature of Relationship.)*	Provision of telecommunication services (data and voice) by TdC and/or its subsidiaries to CIMB Group HB and its subsidiaries	1,281
6.	Axiata Group Berhad ("Axiata") and its subsidiaries, collectively ("Axiata Group")	KNB, PKV, Afzal, Te-Shen and Elakumari *(Please refer to Note 1 on Nature of Relationship.)*	(a) Provision of telecommunication services by TdC and/or its subsidiaries to Axiata Group	2,264
			(b) Provision of telecommunication services (point of interconnect) and provision of leased line by Axiata Group to TdC and/or its subsidiaries	(2,744)
7.	Measat Broadcast Network Systems Sdn Bhd ("Measat")	KNB, PKV, Afzal, Te-Shen and Elakumari *(Please refer to Note 1 on Nature of Relationship.)*	Provision of telecommunication services (broadband, voice and internet) by TdC and/or its subsidiaries to Measat	16,400

No.	Name of Related Transacting Parties	Interested Related Parties	Type of Transactions	Amount transacted during the financial year (RM'000)
8.	Pulau Memutik Ventures Sdn Bhd ("Pulau Memutik Ventures"), its subsidiaries and its associate companies, collectively ("Pulau Memutik Ventures Group")	KNB, PKV, Afzal, Te-Shen and Elakumari *(Please refer to Note 1 on Nature of Relationship.)*	Provision of telecommunication services (voice, data, cabling, internet and managed services) by TdC and/or its subsidiaries to Pulau Memutik Ventures Group	831
9.	Redang Investment Ltd ("Redang Investment"), its subsidiaries and its associate companies, collectively ("Redang Investment Group")	KNB, PKV, Afzal, Te-Shen and Elakumari *(Please refer to Note 1 on Nature of Relationship.)*	Provision of telecommunication services (cabling, internet and data) by TdC and/or its subsidiaries to Redang Investment Group	8
10.	Bank Muamalat Malaysia Berhad ("Bank Muamalat") and its subsidiaries, collectively ("Bank Muamalat Group")	KNB, PKV, Afzal, Te-Shen and Elakumari *(Please refer to Note 1 on Nature of Relationship.)*	Provision of telecommunication services (data, internet, voice, and managed services) by TdC and/or its subsidiaries to Bank Muamalat Group	73
11.	Malaysia Airports Holdings Berhad ("Malaysia Airports") and its subsidiaries, collectively ("Malaysia Airports Group")	KNB, PKV, Afzal, Te-Shen and Elakumari *(Please refer to Note 1 on Nature of Relationship.)*	Provision of telecommunication services (data, internet, voice, and managed services) by TdC and/or its subsidiaries to Malaysia Airports Group	82
12.	Iskandar Investment Berhad ("Iskandar Investment"), its subsidiaries and its associate companies, collectively ("Iskandar Investment Group")	KNB, PKV, Afzal, Te-Shen and Elakumari *(Please refer to Note 1 on Nature of Relationship.)*	Provision of telecommunication services (data, internet, voice, and managed services) by TdC and/or its subsidiaries to Iskandar Investment Group	9
13.	KNB	PKV, Afzal, Te-Shen and Elakumari *(Please refer to Note 1 on Nature of Relationship.)*	Provision of telecommunication and data centre services by TdC and/or its subsidiaries to KNB	215

(B) Set out below are the details of additional RRPTs entered into by the Group during the financial year under review which had not been included in the Shareholders' Mandate.

No.	Name of Related Transacting Parties	Interested Related Parties	Type of Transactions	Amount transacted during the financial year (RM'000)
1.	Malaysia Airports Holdings Berhad ("Malaysia Airports") and its subsidiaries, collectively ("Malaysia Airports Group")	KNB, PKV, Afzal, Te-Shen and Elakumari *(Please refer to Note 1 on Nature of Relationship.)*	Provision of leased line and cabin rental charges by Malaysia Airports Group to TdC and/or its subsidiaries	(197)*
2.	Valuecap Sdn Bhd and its subsidiaries, collectively ("Valuecap Group")	KNB, PKV, Afzal, Te-Shen and Elakumari *(Please refer to Note 1 on Nature of Relationship.)*	Provision of telecommunication services (data, internet and voice) by TdC and/or its subsidiaries to Valuecap Group	64*
3.	Megawisra Sdn Bhd ("Megawisra")	Global Transit International Sdn Bhd ("GTI"), PKV, Afzal, Te-Shen and Elakumari *(Please refer to Note 1 on Nature of Relationship.)*	Provision of rental, dedicated server, firewall and support services by TdC and/or its subsidiaries to Megawisra	117*
4.	Kadir Andri & Partners ("KAAP")	Abdul Kadir *(Please refer to Note 1 on Nature of Relationship.)*	Provision of professional legal services by KAAP to TdC and/or its subsidiaries	(1,002)*
5.	Organizational Renewal Inc Sdn Bhd ("ORi")	Afzal *(Please refer to Note 1 on Nature of Relationship.)*	Provision of human resources consultancy services by ORi to TdC and/or its subsidiaries	(59)*

* Aggregate value is below the prescribed threshold for announcement.

( ) Expenses paid by TdC and/or its subsidiaries.

Notes:

1. Nature of Relationship
    - KNB is a major shareholder of Telekom, TNB, MAS, UEMG, CIMB Group HB, Axiata, Measat, Pulau Memutik Ventures, Redang Investment, Bank Muamalat, Malaysia Airports and Iskandar Investment, and also a major shareholder of TdC by virtue of its direct and indirect interests held through PKV.
    - Valuecap is an associate company of KNB and KNB is a major shareholder of TdC by virtue of its direct and indirect interests held through PKV.
    - PKV is an associate company of KNB and also a major shareholder of TdC.
    - Abdul Kadir is a director of TdC and UEMG and also a managing partner of KAAP.
    - Afzal is a partner of KNB by virtue of his shareholding in PKV and also a director of TdC.
    - Te-Shen is a partner of KNB by virtue of his shareholding in PKV and also a director of TdC.
    - Elakumari is a nominee director of KNB in TdC and a director of PKV.
    - Megawisra is deemed to be a major shareholder of TdC by virtue of its direct and indirect interests held through PKV via its shareholdings in GTI. Megawisra is the sole shareholder of GTI.
      GTI is a major shareholder of TdC by virtue of its direct and indirect interests held through PKV.
    - ORi is a company related to Afzal by virtue of his sister being a director of ORi.

2. All the above transactions fall under Exempted Transactions as defined in Paragraph 10.08(11)(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad with the exception of the transactions with aggregate values below the prescribed threshold for announcement indicated above.

1. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

Save as disclosed below, there were no material contracts entered by the Company and/or its subsidiaries involving shareholders' interest either subsisting as at 31 December 2013 or entered since the end of the previous financial year.

Wayleave and Right of Use Agreement between Projek Lebuhraya Utara-Selatan Berhad ("PLUS") and TT dotCom Sdn Bhd ("TTdC") dated 12 May 2000.

The Agreement grants an exclusive right to TTdC to use the fibre optic telecommunications network and infrastructure installed by PLUS in, on or along the North-South Expressway.

The Agreement shall expire upon the lapse of the concession as granted by the Government of Malaysia to PLUS which is now on 31 December 2038, extended from 30 May 2030, unless renewed by the Government of Malaysia.

PLUS is a wholly-owned subsidiary of PLUS Malaysia Berhad ("PLUS Malaysia") and PLUS Malaysia is a subsidiary of UEM Group Berhad ("UEMG"). UEMG is a wholly-owned subsidiary of Khazanah Nasional Berhad ("Khazanah"). Khazanah is a major shareholder of the Company.

2. IMPOSITION OF SANCTIONS/PENALTIES

There is no imposition of sanctions and/or penalties on the Company and its subsidiaries, directors or Management by the relevant regulatory bodies.

3. NON-AUDIT FEES

The non-audit fees incurred for services rendered to the Company and its subsidiaries by the external auditors and corporations affiliated to the auditors' firm for the financial year ended 31 December 2013 was RM30,000.

The Board of Directors is pleased to present the Report of the Audit Committee ("the Committee") for the financial year ended 31 December 2013.

COMPOSITION

The Committee presently comprises three (3) members, of whom two (2) are Independent Non-Executive Directors and one (1) is a Non-Independent Non-Executive Director.

The members of the Committee during the financial year ended 31 December 2013 are as follows:

Ronnie Kok Lai Huat (Chairman)	Senior Independent Non-Executive Director
Elakumari Kantilal	Non-Independent Non-Executive Director
Balasingham A. Namasiwayam	Independent Non-Executive Director

The profiles of the Committee members are contained in the "Board of Directors' Profile" set out on pages 26 to 30.

TERMS OF REFERENCE

The Committee was established on 27 September 2000 to act as a Committee of the Board of Directors, with the terms of reference as set out on pages 52 to 55.

MEETINGS

The Committee convened five (5) meetings during the financial year ended 31 December 2013. The details of attendance are as follows:

Name	Attendance	Percentage of attendance
Ronnie Kok Lai Huat (Chairman)	5/5	100%
Elakumari Kantilal	5/5	100%
Balasingham A. Namasiwayam	5/5	100%

The Chief Executive Officer, the Deputy Chief Executive Officer, other Senior Management members and the external auditors attended these meetings upon invitation to brief the Committee on specific issues. The Company Secretary being the secretary of the Committee was present at all the meetings. The Committee had also met with the external auditors without the presence of Management.

Minutes of meetings of the Committee are circulated to all members of the Board and significant issues are discussed at the Board meetings.

PRINCIPAL ACTIVITIES IN THIS FINANCIAL YEAR

The Committee carried out its duties in accordance with its terms of reference during the year. The principal activities of the Committee were as follows:

(a) Financial Statements

(i) Reviewed the audited statutory financial statements, quarterly financial results of the Group for 2013 and discussed significant issues before recommending them to the Board of Directors for approval prior to the announcement to Bursa Malaysia.

(ii) Reviewed the annual, interim and any other related financial statements and announcements of the Group for quality of disclosure, and compliance with the Listing Requirements of Bursa Malaysia, approved accounting standards and other relevant legal and regulatory requirements.

(b) Internal Audit

(i) Reviewed results of the internal audit reports, findings and recommendations and action taken on the recommendations.

(ii) Reviewed the key audit issues identified by Internal Audit in the current period and proposed action plans by Management.

(iii) Reviewed the major findings of internal investigation reported through the whistleblowing channel.

(iv) Assessed the performance of the Internal Audit function.

(c) Related Party Transactions

Reviewed the related party transactions to ensure that the transactions were not more favourable to the related parties than those generally available to the public and not detrimental to minority shareholders.

(d) Risk Management

Received and reviewed reports on key operational risks to ensure these risks are being managed effectively and actively overseen.

(e) External Audit

(i) Reviewed the reappointment of the external auditors and the annual audit fee.

(ii) Reviewed the external auditors' annual audit plan and their scope of audit.

(iii) Reviewed the annual audit report and accompanying reports to the Committee and Management.

(iv) Held private meetings with the external auditors without Management to ensure there were no restrictions on the scope of their audit and to discuss any items that the auditors did not wish to raise in the presence of Management.

The Chairman of the Committee reported regularly to the Board on the activities of the Committee.

INTERNAL AUDIT FUNCTION

The Board of Directors is committed to establish and maintain an efficient and effective internal audit function to obtain sufficient assurance of regular review and appraisal of the effectiveness of the Group's system of internal controls.

The internal audit function is performed in-house, by the Internal Audit Division. The total costs incurred for the internal audit function for the financial year ended 31 December 2013 amounted to RM 1,007,370. The internal audit function is guided by its Audit Charter and reports to the Committee. Its primary role is to assist the Committee to discharge its duties and responsibilities by independently reviewing and reporting on the adequacy and integrity of the Group's system of internal controls.

In 2013, Internal Audit executed a range of audit reviews covering financial, operational, fraud investigation and information systems audit. Other reviews are also performed to ensure that the Group's resources are utilised effectively and efficiently. The Internal Audit reports were issued for the audited division's comments and for their response on the action plans and implementation date. Internal Audit also coordinates the follow up reviews on the resolutions of internal audit issues and reports the status to the Committee.

Findings and recommendations for improvements are communicated to Senior Management and the Committee. The Internal Audit function adopts a risk-based approach in the review of internal controls based on an annual audit plan approved by the Committee. The Internal Audit function also adopts the COSO framework in assessing internal controls related to areas of review.

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

(A) Membership

- There should be a minimum of three (3) non-executive directors, of which a majority must be independent directors.
- The Chairman of the Audit Committee shall be an independent non-executive director.
- There should be at least one (1) member who is a member of the Malaysian Institute of Accountants or should have at least three (3) years working experience and passed the examinations specified in Part I of the 1st schedule of the Accountants Act, 1967 or is a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Act.
- Vacancies in the Audit Committee must be filled within three (3) months. The Nomination Committee will review and recommend, to the Board for approval, another director to fill up such vacancies.
- The terms of office and performance of the Audit Committee must be reviewed by the Board at least once every three (3) years.
- Alternate directors cannot be a member of the Audit Committee.
- All members of the Audit Committee, including the Chairman, will hold office only so long as they serve as Directors of the Company.
- Members of the Audit Committee may relinquish their membership in the Committee with prior written notice to the Company Secretary and may continue to serve as a Director of the Company.
- All Committee Members including the Chairman should be persons of good social standing and possess relevant skills and a good track record in the corporate or business field.

TERMS OF REFERENCE OF THE AUDIT COMMITTEE (CONTINUED)

(B) Functions of the Audit Committee

(i) To determine that established policies, procedures and guidelines, operating and internal accounting controls are adequate, functioning, effective, and are complied with in promoting efficiency and proper conduct of the Company's business.

(ii) To act as an independent and objective party in reviewing the financial information of the Company presented by Management.

(iii) To review the quarterly and year-end financial statements of the Company for recommendation to the Board for approval, focusing particularly on:

- Any changes in or implementation of major accounting policies and practices;
- Significant adjustments and unusual events arising from the audit;
- The going concern assumption; and
- Compliance with accounting standards and other legal requirements.

(iv) To consider and recommend the nominations, the appointment and reappointment of the external auditor, the audit fee and any questions of resignation or dismissal.

(v) To discuss with the external auditor before the audit commences, the nature and scope of the audit, and ensure coordination where more than one audit firm is involved.

(vi) To discuss problems and reservations arising from the interim and final audits, and any other matters the auditor may wish to discuss (in the absence of Management where necessary).

(vii) To review the external auditor's management letter, their evaluation of the systems of internal control and Management's responses thereof.

(viii) To ensure that assistance is given by the employees of the Company in following the best practices in providing full and faithful disclosure of any material information, to the external auditor.

(ix) To do the following where an internal audit function exists:

- Review the adequacy of the scope, functions, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work;
- Review the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
- Review any appraisal or assessment of the performance of members of the internal audit function;
- Approve any appointment or termination of senior staff members of the internal audit function; and
- Inform itself of resignations of internal audit staff members and provide the resigning staff to submit his/her reasons for resigning.

TERMS OF REFERENCE OF THE AUDIT COMMITTEE (CONTINUED)

(B) Functions of the Audit Committee (continued)

(x) To review and report to the Board of Directors any related party transaction and conflict of interest situations that may arise within the listed issuer or Group including any transaction, procedure or course of conduct that raises questions of Management integrity.

(xi) To consider the major findings of internal investigations and Management's response.

(xii) To review pertinent operational matters in relation to the Group's quarterly financial performance and quarterly announcement to Bursa Malaysia.

(xiii) To monitor operational performance against targets set in the Annual Operating Plan in relation to the Group's quarterly financial performance and quarterly announcement to Bursa Malaysia.

(xiv) To consider other topics as defined by the Board.

(C) Rights of the Audit Committee

A listed issuer must ensure that wherever necessary and reasonable for the performance of its duties, an audit committee must, in accordance with a procedure to be determined by the Board of Directors and at the cost of the listed issuer:

- Have authority to investigate any matter within its terms of reference;
- Have the resources which are required to perform its duties;
- Have full and unrestricted access to information pertaining to the listed issuer;
- Have direct communication channels with the external auditor and person(s) carrying out the internal audit function or activity;
- Be able to obtain independent professional or other advice; and
- Be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the listed issuer, whenever deemed necessary.

(D) Audit Committee Meetings

- The Audit Committee should meet regularly, at least once in every quarter, with due notices of issues to be discussed and should record its conclusions in discharging its duties and responsibilities. The quorum should comprise a majority of independent directors.
- The Audit Committee shall aim to reach a consensus on issues discussed, failing which a poll shall be taken through a show of hands.
- The Chairman of the Committee should report on each meeting to the Board. Minutes of each meeting should be kept and distributed to each member of the Committee and of the Board. The Secretary to the Committee should be the Company Secretary.

TERMS OF REFERENCE OF THE AUDIT COMMITTEE (CONTINUED)

(D) Audit Committee Meetings (continued)

- The Chief Executive Officer, the Deputy Chief Executive Officer and Chief Financial Officer (or a person of similar capacity), Head of Internal Audit and a representative of the external auditors shall normally be entitled to attend any meeting of the Committee and to make known their views on any matter under consideration by the Committee, or which in their opinion, should be brought to the Committee's attention.
- The Audit Committee must ensure that other directors and employees attend any particular Audit Committee meeting only at the Audit Committee's invitation, specific to the relevant meeting.
- The Audit Committee should meet with the external auditors without executive board members present at least twice a year.
- The Audit Committee may deal with matters by way of circular reports and resolution in lieu of convening a formal meeting.

(E) Audit Committee Report

The Board of Directors of a listed issuer must publish an Audit Committee Report in its annual report and shall include the following therein:

- Membership of the Audit Committee of which the minimum details are specified in the Listing Requirements;
- The Terms of Reference must be written;
- The number of Audit Committee meetings and details of attendance of each Audit Committee member;
- Summary of the activities of the Audit Committee for the year; and
- Disclosure of the existence of an internal audit function and its activities, and where such a function does not exist, it should be explained what mechanism was in place for the Audit Committee to discharge its functions effectively.

The Board of Directors is also required to make the following additional statements in its annual report:

- A statement explaining the Board of Directors' responsibility for preparing the annual audited accounts; and
- A statement about the state of internal controls of TdC as a Group (after the same is reviewed by the external auditors with regard to the state of internal controls and the results thereof reported).

(F) Reporting Of Breaches

The Audit Committee must promptly report any matter to Bursa Malaysia, if in its view such matter has not been satisfactorily resolved by the Board of Directors resulting in a breach of Listing Requirements.

(G) Support

The Company Secretary shall provide the necessary support to enable members of the Audit Committee to discharge their functions effectively.

The Malaysian Code on Corporate Governance 2012 ("the Code") sets out the Principles and Recommendation for the Board of a company listed on the Bursa Malaysia Securities Berhad ("Bursa Securities") to establish a sound risk management framework and internal control system to safeguard shareholders' investment and the Group's assets.

The Board of Directors ("the Board") is committed to establish a sound framework to manage risks and is pleased to provide the following statement in accordance with paragraph 15.26 (b) of the Main Market Listing Requirements and Practice Note 9 issued by Bursa Securities and guided by Principle 6 and Recommendation 6.1 of the Code on recognising and managing risks within the Group.

Accordingly, the Board is pleased to provide the following statement that was prepared in accordance with the "Statement On Risk Management & Internal Control (Guidelines for Directors of Listed Issuers)".

BOARD RESPONSIBILITY

The Board acknowledges its responsibility for maintaining a sound system of internal controls to safeguard the shareholders' investments and the Group's assets, and to discharge their stewardship responsibilities in identifying principal risks and ensuring the implementation of appropriate systems to manage these risks in accordance with the best practices of the Code.

However, due to the limitations inherent in any risk management and internal control systems, it should be noted that such systems are designed to manage rather than eliminate the risk of failure to achieve the Group's business objectives. Therefore, the systems can only provide a reasonable and not an absolute assurance against the occurrence of any material misstatement, loss or fraud. The internal control systems of the Group covers, inter alia, risk management, financial, operational and compliance controls.

The Board has established a process for identifying, evaluating, monitoring and managing the significant risks that may materially affect the achievement of its corporate objectives. This process has been in place throughout the year under review up to the date of this report.

Whilst the Board maintains ultimate responsibility control over risk and control issues, the responsibility has been delegated to the Executive Committee ("EXCO") to implement the internal control systems within an established framework. The Group's Internal Audit function provides an independent assessment and assurance on the system of risk management and internal controls based on the internal audit reviews carried out during the financial year.

CONTROL ENVIRONMENT AND STRUCTURE

The Board recognises that in order to achieve a sound system of risk management and internal controls, a conducive control environment and framework must be established. The key elements of internal control, among others, comprise the following:

1.0 Control Environment

- **A Formal Organisational Structure and Discretionary Authority Limits** is in place with defined lines of reporting, to align with business and operational requirements. The structure facilitates the segregation of duties and accountability. Formal limits of authority delegation are implemented for planning, executing, controlling and monitoring business operations. The Discretionary Authority Limit is subject to annual review. The last review being made on 27 February 2013.

CONTROL ENVIRONMENT AND STRUCTURE (CONTINUED)

1.0 Control Environment (continued)

- **Board Committees** are set up by the Group to uphold corporate governance and transparency with its specific terms of reference and authority. The Board Committees comprise of the Audit Committee, Nomination and Remuneration Committee and Tender Committee. These Committees report to the Board and provide the relevant recommendations for the Board's decision.

- **An Audit Committee,** of which the majority comprises Independent Non-Executive Directors, was maintained throughout the financial year. The Audit Committee convenes meetings at least once every quarter, and discuss among others on the financial results, internal audit findings, related party transactions, risk management and on the external auditor's appointment and their external audit plan and results. The Audit Committee reviews and approves the Internal Audit Plan on an annual basis and also oversees the Internal Audit Division's function, scope of works and resources.

- **Employee Handbook & Code Of Conduct** are provided or made available to employees of the Group. All employees are required to sign and adhere to the Confidentially Agreements and Declaration of Non-Conflict of Interest upon their appointment. The Declaration of Non-Conflict of Interest is also required on an annual basis. The Code of Conduct sets out principles to guide the employees in carrying out their duties and responsibilities and covers areas such as compliance with applicable local laws and regulations, integrity, conduct in the workplace, business conduct, protection of the Group's assets, confidentiality and conflicts of interest.

- **Policy and Procedure for Selection & Recruitment, Termination, Performance Appraisal, Learning and Development** are in place to ensure that the desired standard of human resources practices are met in achieving the Group's business objectives. Selection and recruitment is based on competency and behavioural assessment process by use of internal developed assessment tools while the policy and procedure on termination process is based on the relevant Malaysian employment laws. The Group has developed a web-based performance management system known as e-Performance to support the annual performance evaluation of individual employees. Learning and development for all the employees is based on a structured assessment guided by the Group's Core Technical Competency Model. A structured 3-Year Developing People Managers program initiated in 2012 is currently in progress with the objective to enhance the managerial capability of relevant managers in the Group.

- **Supplier Conduct Principles** have been established which outlines the standard for ethical and business conduct expected from contractors and suppliers in their relationship with the Group. These principles are incorporated in the contracts with vendors and Request for Proposals documents.

CONTROL ENVIRONMENT AND STRUCTURE (CONTINUED)

2.0 Risk Assessment

- **Risk Management Framework and Risk Management Procedure Manual** has been adopted to guide the Risk Management Secretariat and Divisional Risk Coordinators to identify, analyse and evaluate business and operation risks. The Risk Management Secretariat monitors implementation and updates of action plans and report to the Risk Management Steering Committee ("RMSC").

- **The RMSC** is tasked with developing and maintaining an effective risk management system within the Group. Formal risk policies and guidelines have been established as part of the risk management framework. Under the existing risk management framework, the business operating units, departments and divisions are responsible for compliance with risk policies and guidelines. During the financial year, the RMSC reviewed the enterprise risk profiles and management's action plan on risk areas.

- **The Risk Management Secretariat** reports to the RMSC to assist it in the undertaking of its functions. The Risk Management Secretariat meets with representative of all divisions during the Risk Coordinator Meeting every three (3) months to discuss developments pertaining to the enterprise risk and updates the registers accordingly.

- **Designated Risk Coordinators** were tasked with maintaining the risk registers for their operating units and to follow up on action plans to manage and mitigate the risk factors.

3.0 Control Activities

- **Operational And Accounting Manuals** are in place to provide guidelines and standard operating procedures over the Group's key business processes. In addition, ISO 9001:2008 certifications accorded to Credit Management Department, Intercarrier Settlement Department and Customer Billing Assurance Department that were independently certified by SIRIM QAS International for 2013 until 2014.

- The **Whistleblowing Policy** outlines the Group's commitment to encourage employees to disclose any malpractice or misconduct of which they become aware and to provide protection for employees who report such allegations. The policy provides the framework and procedures by which directors, staff, contractors and consultants can anonymously voice concerns or complaints.

- **Business Continuity Management (BCM) Framework** has been established in 2011 as a guide to develop and maintain the Group's BCM programme in a coordinated and consistent manner based on Malaysia/International standards i.e. MS1970:2007, BS25999-1:2006, BS25999-2:2007 and PD25666. The implementation of Group's BCM programme will facilitate the following:

  i. To respond to business disruptions, resume critical operations from major failures or disasters; and
  ii. To minimise the impact to the Group's business operations in the event of disasters.

- **Financial And Operational Information** is prepared and presented to the Board on quarterly basis. Annual budgets and business plans are prepared by all business units and consolidated for the Board's review and approval. Operating results are monitored against budget on a monthly basis by the EXCO members and presented to EXCO at least on a quarterly basis. The Audit Committee and Board review the results on a quarterly basis to enable it to track the Group's achievement against its annual targets.

CONTROL ENVIRONMENT AND STRUCTURE (CONTINUED)

3.0 Control Activities (continued)

- **Board Meetings** are scheduled at least quarterly. Board papers are distributed to the Board members ahead of meetings and the members have access to all relevant information. Decisions are made by the Board only after the required information is presented and deliberated to facilitate appropriate oversight and responsibility on the direction of the Group by the Board.

- **Management Meetings** are carried out by the EXCO. The management meetings attended by the senior management at least once a month during the year. The meetings are held to review how business is executed against key strategic objectives/plans and discuss action items, initiatives, key issues and other forward-looking operational subjects in a cross-functional environment.

4.0 Monitoring

- **Internal Audit Function** reports to the Audit Committee at least quarterly and is guided by the Audit Charter. Findings and recommendations for improvements are communicated to the Senior Management and the Audit Committee with relevant follow up on the implementation status of action plans. The Internal Audit function adopts a risk-based approach in the review of internal control based on an annual audit plan approved by the Audit Committee. The Internal Audit function examines the adequacy and effectiveness of the verification, recording and disclosure procedures for related party transactions, recurrent or otherwise, in conformance with Bursa Securities Listing Requirements on related party transactions.

- **Fraud Monitoring And Credit Management** functions are in place to ensure that subscriber usage patterns are continuously monitored, appropriate actions taken for suspected fraud and credit management procedures are adhered to.

- **Quality Of Service** processes that measure and monitor billing performance, customer complaints, service availability, service restoration performance and network performance, are in place to enable compliance with Mandatory Standard for quality of service issued by Malaysian Communications and Multimedia Commission.

- **Revenue Assurance** function monitors potential revenue leakages that may arise from daily operations. Identified revenue leakage issues with recommendations for mitigation are circulated to the relevant departments for action. Action plans and status are reported to management in periodic management meetings.

CONCLUSION

The Board had received assurance from the Chief Executive Officer and the Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively.

For the financial year under review and up to the date of this report, the Board is satisfied with the Group's system of risk management and internal control and will continue to review the adequacy and integrity of the Group's internal control. There are no material losses, contingencies or uncertainties that have arisen from any inadequacy or failure of the Group's system of risk management and internal control that would require separate disclosure in the Group's Annual Report.

GROUP FINANCIAL HIGHLIGHTS

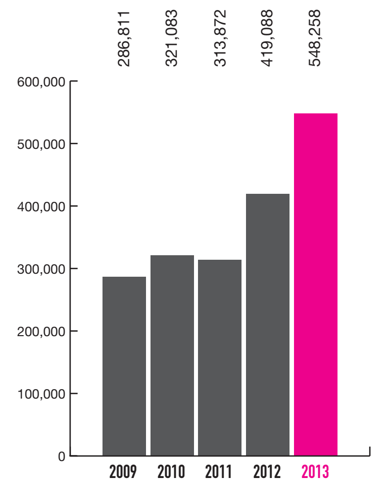
	2009	2010	2011	2012	2013
Revenue (RM'000)	286,811	321,083	313,872	419,088	548,258
Operating Profit/(Loss) (RM'000)	(13,370)	36,115	70,187	73,512	118,032
Profit After Tax (RM'000) [1]	33,086	107,071	117,354	193,729	291,980
Total Shareholders' Equity (RM'000)	1,065,732	1,249,803	1,757,657	2,479,844	2,003,629
Total Assets (RM'000)	1,219,472	1,435,733	1,950,698	2,860,147	2,351,825
Net Tangible Assets per Share (RM) [2]	2.11	2.47	3.47	3.95	3.12
Return on Assets (ROA) (%) [1]	3%	7%	6%	7%	12%
Return on Equity (ROE) (%) [1]	3%	9%	7%	8%	15%
Revenue Growth (Y-o-Y) (%)	0%	12%	(2%)	34%	31%
Basic Earnings per Ordinary Share (sen) [1 & 2]	6.54	21.15	23.19	35.39	50.95

Notes:

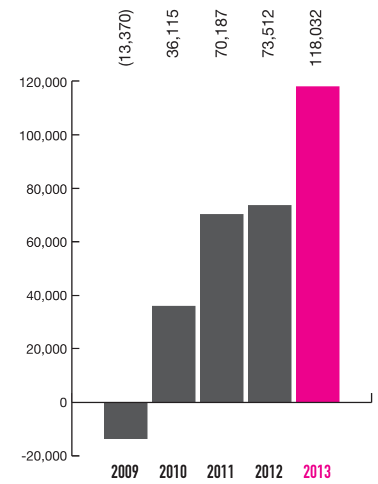
1 For comparison purposes, excludes realisation of fair value gain reclassified from available-for-sale reserve equity account to profit and loss amounting to RM349,354,000 arising from the partial distribution of quoted equity investments held by the Company in the form of a dividend-in-specie to Shareholders in June 2013.

2 For comparison purposes, the number of shares in the Company prior to May 2012 has been adjusted to reflect a capital reduction of RM0.90 of the initial par value of RM1.00 for each share and share consolidation on the basis of 5 ordinary shares of RM0.10 each in the Company into 1 ordinary share of RM0.50 each in the Company.

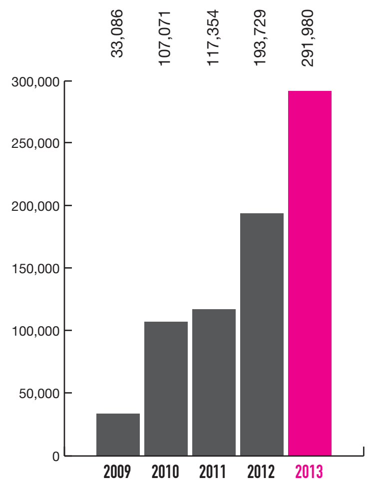
REVENUE (RM'000)



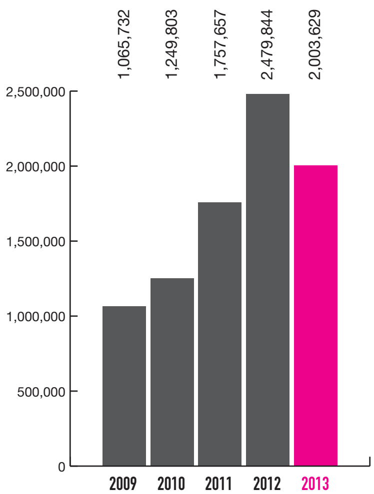
OPERATING PROFIT/(LOSS) (RM'000)



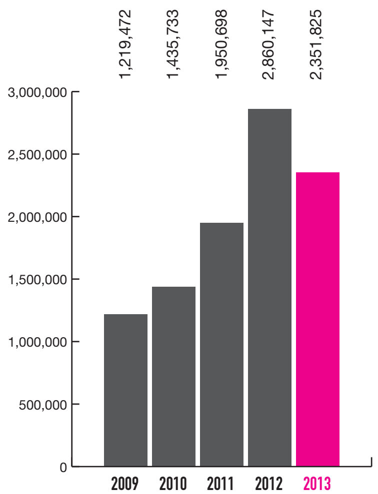
PROFIT AFTER TAX (RM'000) [1]



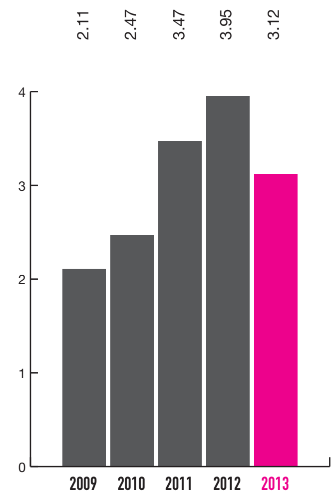
TOTAL SHAREHOLDERS' EQUITY (RM'000)



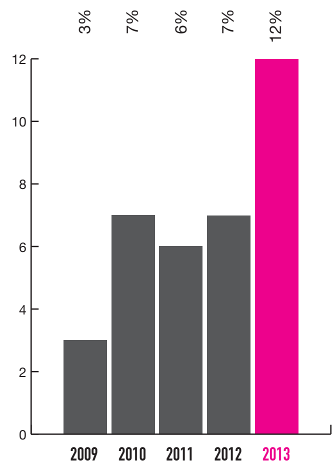
TOTAL ASSETS (RM'000)



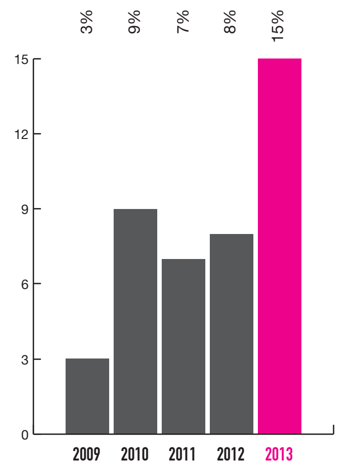
NET TANGIBLE ASSETS PER SHARE (RM) [2]



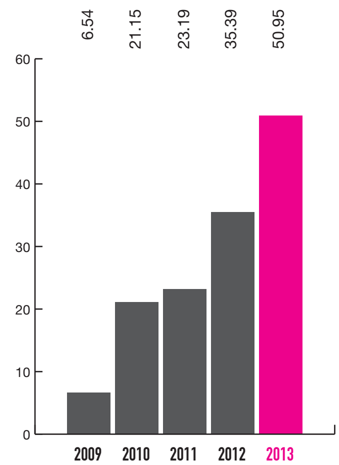
RETURN ON ASSETS (ROA) (%) [1]



RETURN ON EQUITY (ROE) (%) [1]



BASIC EARNINGS PER ORDINARY SHARE (sen) [1 & 2]



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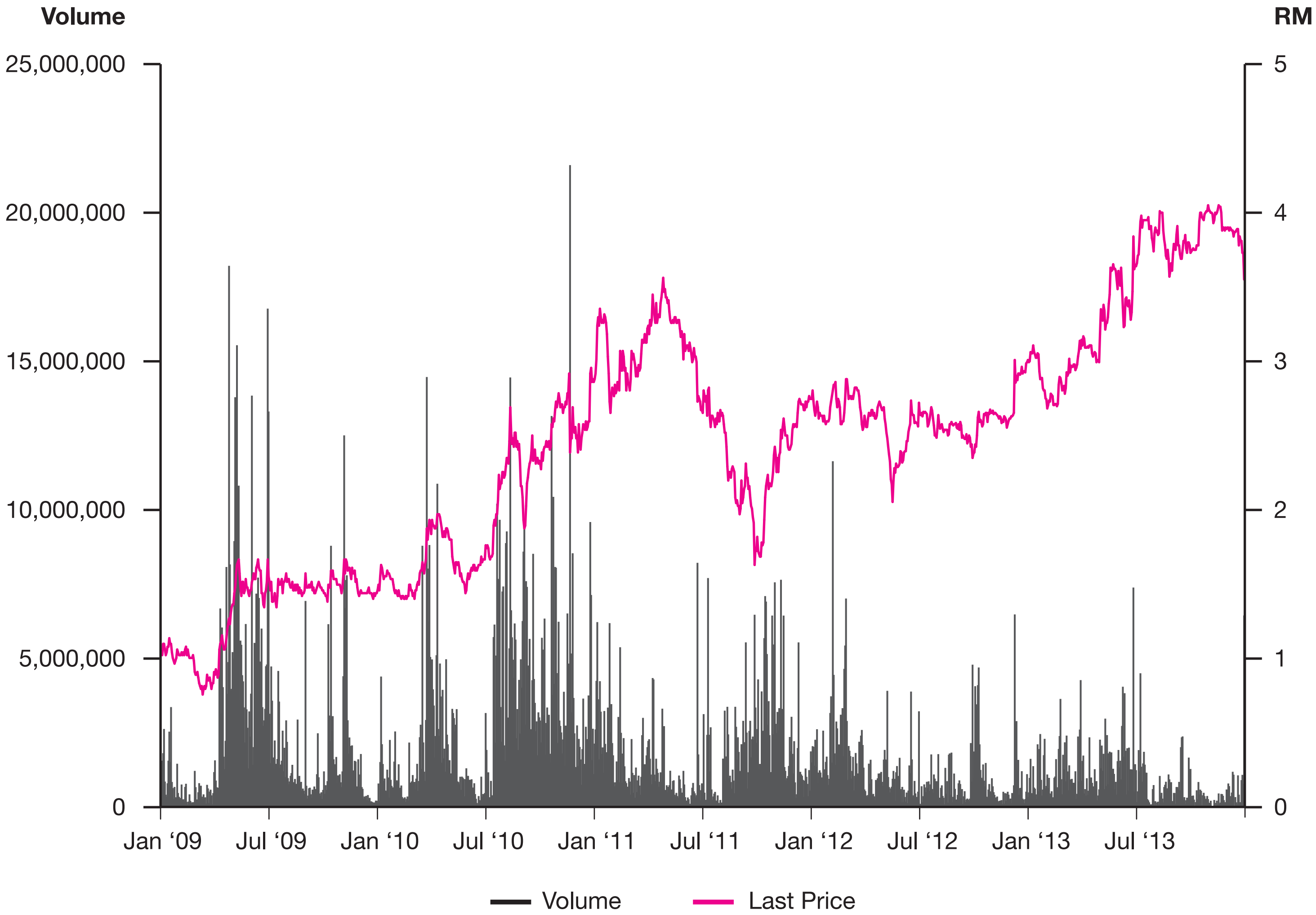
2 For comparison purposes, the number of shares in the Company prior to May 2012 has been adjusted to reflect a capital reduction of RM0.90 of the initial par value of RM1.00 for each share and share consolidation on the basis of 5 ordinary shares of RM0.10 each in the Company into 1 ordinary share of RM0.50 each in the Company.

5 YEAR SHARE PRICE MOVEMENT
as at 31 December 2013



FINANCIAL STATEMENTS

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding, provision of management and marketing/promotional services whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit for the year	641,334	757,973

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

DIVIDENDS

During the current financial year, the Company paid a dividend-in-specie via the distribution of 137,540,955 ordinary shares of RM0.01 each in DiGi.Com Berhad ("DiGi shares") held by the Company to the entitled shareholders ("Shareholders"), pursuant to the dividend-in-specie exercise approved at the Company's Annual General Meeting held on 20 May 2013. The basis of distribution was for every one hundred (100) of the Company's shares held, the Shareholders would be entitled for twenty four (24) DiGi shares. The dividend-in-specie was valued at RM649,193,000.

The distribution of DiGi shares was deemed completed following the crediting of the said DiGi shares to the Central Depository System accounts of the Shareholders of the Company and the odd lot agent on 19 June 2013.

Other than the above, the Directors do not recommend any dividend to be paid for the financial year ended 31 December 2013.

DIRECTORS OF THE COMPANY

Directors who served since the date of the last report are:

Abdul Kadir Md. Kassim (Chairman)
Afzal Abdul Rahim (Chief Executive Officer)
Rossana Annizah Binti Ahmad Rashid @ Mohd Rashidi (Deputy Chief Executive Officer)
Ronnie Kok Lai Huat
Elakumari Kantilal
Balasingham A. Namasiwayam
Hong Kean Yong
Gan Te-Shen (appointed w.e.f 14 June 2013)

DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares of RM0.50 each			
	At 1.1.13/ Date of appointment	**Bought**	**Sold**	**At 31.12.13**
Deemed interest in the Company:				
Afzal Abdul Rahim				
– own*	207,381,022	330,000	–	207,711,022
Gan Te-Shen				
– own*	207,711,022	–	–	207,711,022
Interest in the Company:				
Ronnie Kok Lai Huat				
– own	60,000	–	–	60,000
Balasingham A. Namasiwayam:				
– other (spouse)	5,000	–	–	5,000
Rossana Annizah Binti Ahmad Rashid @ Mohd Rashidi				
– own	110,000	–	–	110,000

* *Deemed interested by virtue of their interests held through Pulau Kapas Ventures Sdn. Bhd., Megawisra Sdn. Bhd., Megawisra Investments Limited and Global Transit International Sdn. Bhd. pursuant to Section 6A(4) of the Companies Act, 1965.*

By virtue of Afzal Abdul Rahim and Gan Te-Shen's deemed interest in the shares of the Company, they are also deemed interested in the shares of subsidiaries during the financial year to the extent that TIME dotCom Berhad has an interest.

None of the other directors holding office as at 31 December 2013 had any interest in the shares of the Company and of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than the benefits included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements of the Company or of related corporations) 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 (other than certain Directors who has significant financial interests in companies which traded with certain companies in the Group in the ordinary course of business and professional legal fees paid to a firm in which a Director is a member as disclosed in Note 26 to the financial statements).

There were no arrangements during and at the end of the financial year, which the Company is a party and had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate apart from the share grant plan in which only Rossana Annizah Binti Ahmad Rashid @ Mohd Rashidi is eligible to participate.

ISSUE OF SHARES AND DEBENTURES

There were no other changes in the authorised, issued and paid-up capital of the Company and the Company has not issued any debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

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

SHARE GRANT PLAN

During the financial year under review, there were no awards made or shares issued arising from the share grant plan to any person to take up unissued shares of the Company.

At an Extraordinary General Meeting held on 28 June 2012, the Company's shareholders approved the establishment of the share grant plan, which collectively comprises the Special Restricted Share Plan ("SRSP") and Annual Restricted Share Plan and Annual Performance Share Plan ("ARPSP"). The total number of shares to be issued under the share grant plan shall not exceed in aggregation of 10% of the issued and paid-up capital of the Company (excluding treasury shares) at any point of time during the tenure of share grant plan period to eligible employees of the Group.

Eligible employees are staff in which his/her employment with the Group has been confirmed and has achieved a minimum grading in accordance with the performance management system adopted by the Group. Other than Rossana Annizah Binti Ahmad Rashid @ Mohd Rashidi, all Executive and Non-Directors shall not be eligible for such scheme.

The share grant plan shall be in force for a period of eight (8) years or such longer period as may be extended but not exceeding ten (10) years from the adoption date of the share grant plan.

Prior to the vesting date, any share grant plan awarded to the eligible employee shall lapse when they are no longer in employment with the Group.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

i) all known bad debts have been written off and adequate provision made for doubtful debts, and

ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

i) that would render the amount written off for bad debts, or the amount of the provision for doubtful debts, in the Group and in the Company inadequate to any substantial extent, or

ii) that would render the value attributed to the 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, or

iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

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

ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group 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.

In the opinion of the Directors, other than the realisation of available-for-sale reserve following the distribution of dividend-in-specie, the financial performance of the Group and of the Company for the financial year ended 31 December 2013 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

AUDITORS

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

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

Afzal Abdul Rahim **Elakumari Kantilal**

Shah Alam, Selangor
Date: 25 February 2014

STATEMENTS OF FINANCIAL POSITION
as at 31 December 2013

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Assets					
Property, plant and equipment	3	811,923	717,215	8,387	8,471
Intangible assets	4	213,959	213,959	–	–
Investments in subsidiaries	5	–	–	469,426	843,126
Other investments	6	681,897	1,454,850	681,797	–
Deferred tax assets	7	212,764	61,140	5,745	3,367
Trade and other receivables	8	10,862	11,315	–	–
Total non-current assets		1,931,405	2,458,479	1,165,355	854,964
Tax recoverable		366	885	–	–
Trade and other receivables	8	157,220	154,278	9,991	180,635
Restricted cash	9	34,917	22,660	30,376	17,821
Cash and cash equivalents	9	227,917	223,845	104,698	93,914
Total current assets		420,420	401,668	145,065	292,370
Total assets		2,351,825	2,860,147	1,310,420	1,147,334
Equity					
Share capital	10	286,547	286,547	286,547	286,547
Reserves	11	1,717,082	2,193,297	1,020,864	858,475
Total equity		2,003,629	2,479,844	1,307,411	1,145,022
Liabilities					
Loan and borrowings	12	130,477	143,000	–	–
Trade payables	13	–	377	–	–
Deferred tax liabilities	7	5,469	3,668	–	–
Total non-current liabilities		135,946	147,045	–	–
Loans and borrowings	12	35,260	11,532	–	–
Trade and other payables	13	176,364	221,104	2,865	2,117
Provision for tax		626	622	144	195
Total current liabilities		212,250	233,258	3,009	2,312
Total liabilities		348,196	380,303	3,009	2,312
Total equity and liabilities		2,351,825	2,860,147	1,310,420	1,147,334

The notes on pages 74 to 133 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2013

		Group		Company	
	Note	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Revenue	14	548,258	419,088	10,230	10,810
Cost of sales	15	(271,030)	(218,624)	–	–
Gross profit		277,228	200,464	10,230	10,810
Other income		2,804	5,052	241	9
Distribution expenses		(22,981)	(22,932)	(157)	(167)
Administrative expenses		(130,847)	(101,883)	(10,136)	(9,979)
Other expenses		(8,172)	(7,189)	–	–
Results from operating activities		118,032	73,512	178	673
Income from investments	16	37,877	88,841	735,732	3,671
Realisation of fair value gain reclassified from available-for-sale reserve equity account to profit or loss	11.4	349,354	–	20,631	–
Finance costs	17	(7,957)	(5,337)	–	–
Profit before tax	18	497,306	157,016	756,541	4,344
Tax expense	19	144,028	36,713	1,432	2,057
Profit for the year		641,334	193,729	757,973	6,401
Other comprehensive income, net of tax					
Items that may be reclassified subsequently to profit or loss					
Fair value gain/(loss) on available-for-sale financial assets		(123,760)	387,750	74,240	–
Realisation of fair value gain from available-for-sale financial assets to profit or loss		(349,354)	–	(20,631)	–
Foreign currency translation differences for foreign operations		4,758	(1,005)	–	–
Other comprehensive income/(expense), net of tax		(468,356)	386,745	53,609	–
Total comprehensive income for the year attributable to owners of the Company		172,978	580,474	811,582	6,401
Basic and diluted earnings per ordinary share (sen)	20	111.91	35.39		

The notes on pages 74 to 133 are an integral part of these financial statements.

for the year ended 31 December 2013

	/--- Non-distributable	---	---	---/	/--- Distributable	---/	
	Share capital RM'000	Share premium RM'000	Available-for-sale reserve RM'000	Foreign currency translation reserve RM'000	Capital reserve RM'000	(Accumulated losses)/ Retained earnings RM'000	Total RM'000
Group							
At 1 January 2012	2,530,775	1,570,758	467,500	–	–	(2,811,376)	1,757,657
Capital repayment	–	(50,616)	–	–	–	–	(50,616)
Capital reduction	(2,277,698)	–	–	–	–	2,277,698	–
Set-off share premium	–	(834,315)	–	–	8,760	825,555	–
Acquisition of subsidiaries	32,958	156,220	–	–	–	–	189,178
Issuance of ordinary shares pursuant to share grant plan	512	2,639	–	–	–	–	3,151
Profit for the year	–	–	–	–	–	193,729	193,729
Fair value gain of available-for-sale financial asset	–	–	387,750	–	–	–	387,750
Exchange differences recognised directly in equity	–	–	–	(1,005)	–	–	(1,005)
Total comprehensive income/(expense) for the year	–	–	387,750	(1,005)	–	193,729	580,474
At 31 December 2012/ 1 January 2013	286,547	844,686	855,250	(1,005)	8,760	485,606	2,479,844
Dividend-in-specie paid (Note 21)	–	–	–	–	–	(649,193)	(649,193)
Profit for the year	–	–	–	–	–	641,334	641,334
Fair value loss of available-for-sale financial asset	–	–	(123,760)	–	–	–	(123,760)
Realisation of fair value gain from available-for-sale financial assets to profit or loss	–	–	(349,354)	–	–	–	(349,354)
Exchange differences recognised directly in equity	–	–	–	4,758	–	–	4,758
Total comprehensive income/(expense) for the year	–	–	(473,114)	4,758	–	641,334	172,978
At 31 December 2013	286,547	844,686	382,136	3,753	8,760	477,747	2,003,629

	/------ Non-distributable ------/			/--- Distributable ---/		
	Share capital RM'000	Share premium RM'000	Available for-sale reserve RM'000	Capital reserve RM'000	(Accumulated losses)/ Retained earnings RM'000	Total RM'000
Company						
At 1 January 2012	2,530,775	1,570,758	–	–	(3,104,625)	996,908
Capital repayment	–	(50,616)	–	–	–	(50,616)
Capital reduction	(2,277,698)	–	–	–	2,277,698	–
Set-off share premium	–	(834,315)	–	8,760	825,555	–
Acquisition of subsidiaries	32,958	156,220	–	–	–	189,178
Issuance of ordinary shares pursuant to share grant plan	512	2,639	–	–	–	3,151
Profit for the year	–	–	–	–	6,401	6,401
At 31 December 2012/ 1 January 2013	286,547	844,686	–	8,760	5,029	1,145,022
Dividend-in-specie paid (Note 21)	–	–	–	–	(649,193)	(649,193)
Profit for the year	–	–	–	–	757,973	757,973
Fair value gain of available-for-sale financial asset	–	–	74,240	–	–	74,240
Realisation of fair value gain from available-for-sale financial assets to profit or loss	–	–	(20,631)	–	–	(20,631)
Total comprehensive income for the year	–	–	53,609	–	757,973	811,582
At 31 December 2013	286,547	844,686	53,609	8,760	113,809	1,307,411

The notes on pages 74 to 133 are an integral part of these financial statements.

for the year ended 31 December 2013

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Cash flows from operating activities					
Cash receipts from customers		540,941	450,017	1,042	10,190
Transfer to restricted cash		(12,257)	(2,012)	(12,555)	(737)
Cash payments to suppliers		(232,095)	(199,111)	(330)	(4,571)
Cash payments to employees and for administrative expenses		(147,476)	(100,900)	(7,216)	(4,174)
Cash receipts from subsidiary companies		–	–	2,373	114,890
Cash generated from/(used in) operations		149,113	147,994	(16,686)	115,598
Tax refund		1,250	788	–	–
Tax paid		(6,523)	(6,812)	(996)	(616)
Net cash from/(used in) operating activities		143,840	141,970	(17,682)	114,982
Cash flows from investing activities					
Purchase of property, plant and equipment	(ii)	(177,411)	(149,527)	–	(390)
Proceeds from disposal of property, plant and equipment		157	148	–	9
Acquisition of subsidiary companies, net of cash		–	(81,994)	–	(88,000)
Purchase of quoted investments		–	–	(657,250)	–
Dividend income from a subsidiary		–	–	657,250	–
Investment income received		37,802	88,334	28,466	3,151
Net cash (used in)/from investing activities		(139,452)	(143,039)	28,466	(85,230)
Cash flows from financing activities					
Proceeds from term loans and other borrowings		64,755	110,389	–	–
Repayment of term loans and other borrowings		(55,329)	(46,725)	–	–
Finance charges paid		(7,530)	(4,824)	–	–
Transaction costs paid		(2,479)	(708)	–	–
Capital repayment		–	(50,616)	–	(50,616)
Net cash (used in)/from financing activities		(583)	7,516	–	(50,616)

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Net increase/(decrease) in cash and cash equivalents		3,805	6,447	10,784	(20,864)
Effect of exchange rate fluctuations on cash held		267	(44)	–	–
Cash and cash equivalents at 1 January		223,845	217,442	93,914	114,778
Cash and cash equivalents at 31 December	(i)	227,917	223,845	104,698	93,914

(i) Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statement of financial position amounts:

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Cash and bank balances	74,086	64,218	3,032	6,889
Deposits placed with licensed banks	188,748	182,287	132,042	104,846
	262,834	246,505	135,074	111,735
Restricted cash	(34,917)	(22,660)	(30,376)	(17,821)
	227,917	223,845	104,698	93,914

(ii) Acquisition of property, plant and equipment

During the year, the Group and the Company acquired property, plant and equipment with an aggregate cost of RM170,557,000 (2012: RM160,042,000) and RM Nil (2012: RM390,000) respectively.

During the financial year, the Group and the Company paid RM177,411,000 (2012: RM149,527,000) and RM Nil (2012: RM390,000) respectively to suppliers for property, plant and equipment that was either acquired in the prior financial years or in the current financial year.

The notes on pages 74 to 133 are an integral part of these financial statements.

TIME dotCom Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The address of the principal place of business and registered office of the Company is as follows:

Level 4, No. 14, Jalan Majistret U1/26
Hicom Glenmarie Industrial Park
40150 Shah Alam, Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2013 comprise the Company and its subsidiaries (together referred to as the "Group").

The Company is principally engaged in investment holding, provision of management and marketing/promotional services whilst the principal activities of the subsidiaries are as stated in the Note 5. There has been no significant change in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Board of Directors on 25 February 2014.

1. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the Companies Act, 1965 in Malaysia.

The following are accounting standards, amendments and interpretation of the MFRS framework that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been early adopted by the Group and the Company:

		Effective for annual periods beginning on or after
Amendments to MFRSs and IC Interpretations		
Amendments to MFRS 10	*Consolidated Financial Statements: Investment Entities*	1 January 2014
Amendments to MFRS 12	*Disclosure of Interest in Other Entities: Investment Entities*	1 January 2014
Amendments to MFRS 127	*Separate Financial Statements (2011): Investment Entities*	1 January 2014
Amendments to MFRS 132	*Financial Instrument: Presentation – Offsetting Financial Assets and Financial Liabilities*	1 January 2014
Amendments to MFRS 136	*Impairment of Assets – Recoverable Amount Disclosures or Non-Financial Asset*s	1 January 2014
Amendments to MFRS 139	*Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting*	1 January 2014
IC Interpretation 21	*Levies*	1 January 2014

1. BASIS OF PREPARATION (CONTINUED)

(a) Statement of compliance (continued)

Amendments to MFRSs and IC Interpretations		*Effective for annual periods beginning on or after*
Amendments to MFRS 1	*First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2011-2013 Cycle*	1 July 2014
Amendments to MFRS 2	*Share-based Payment (Annual Improvements 2010-2012 Cycle)*	1 July 2014
Amendments to MFRS 3	*Business Combinations (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*	1 July 2014
Amendments to MFRS 8	*Operating Segments (Annual Improvements 2010-2012 Cycle)*	1 July 2014
Amendments to MFRS 13	*Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*	1 July 2014
Amendments to MFRS 116	*Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)*	1 July 2014
Amendments to MFRS 119	*Employee Benefits – Defined Benefit Plans: Employee Contributions*	1 July 2014
Amendments to MFRS 124	*Related Party Disclosures (Annual Improvements 2010-2012 Cycle)*	1 July 2014
Amendments to MFRS 138	*Intangible Assets (Annual Improvements 2010-2012 Cycle)*	1 July 2014
Amendments to MFRS 140	*Investment Property (Annual Improvements 2011-2013 Cycle)*	1 July 2014

The Group and the Company plan to apply the abovementioned amendments to MFRSs and interpretations where applicable:

- from the annual period beginning on 1 January 2014 for those amendments to MFRSs or interpretations that are effective for annual periods beginning on or after 1 January 2014.

- from the annual period beginning on 1 January 2015 for those amendments to MFRSs or interpretations that are effective for annual periods beginning on or after 1 July 2014.

The following are accounting standards and amendments to the MFRS framework that have been issued by the MASB where the effective dates have yet to be confirmed and have not been early adopted by the Group and the Company:

MFRSs and Amendments to MFRSs

MFRS 9	*Financial Instruments (2009)*
MFRS 9	*Financial Instruments (2010)*
MFRS 9	*Financial Instruments (Hedge Accounting and amendments to MFRS 9, MFRS 7 and MFRS 139)*
Amendments to MFRS 7	*Disclosures – Mandatory Effective Date of MFRS 9 and Transition Disclosures*

1. BASIS OF PREPARATION (CONTINUED)

(a) Statement of compliance (continued)

The initial application of the abovementioned standard and amendments are not expected to have any material impact to the financial statements except as mentioned below:

MFRS 9, *Financial Instruments*
MFRS 9 will replace the guidance in MFRS 139, *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets. Upon adoption of MFRS 9, financial assets will be measured at either fair value or amortised cost.

The adoption of MFRS 9 will result in a change in accounting policy. The Company is currently assessing the financial impact of adopting MFRS 9.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than as disclosed in Note 4 – determination of recoverable amount of goodwill and Note 7 – recognition of deferred tax assets.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by the Group entities, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group adopted MFRS 10, *Consolidated Financial Statements* in the current financial year. This resulted in changes to the following policies:

- Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In the previous financial years, control exists when the Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

- Potential voting rights are considered when assessing control only when such rights are substantive. In the previous financial years, potential voting rights are considered when assessing control when such rights are presently exercisable.

- The Group considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return. In the previous financial years, the Group did not consider de facto power in its assessment of control.

The change in accounting policy has been made retrospectively and in accordance with the transitional provision of MFRS 10. The adoption of MFRS 10 has no significant impact to the financial statements of the Group.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses unless the investment is held for sale or distribution. The cost of investments includes transaction costs.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation (continued)

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions on or after 1 January 2011, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred, plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iii) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments or a financial instrument designated as a hedge of currency risk, which are recognised in other comprehensive income.

(ii) Operations denominated in functional currencies other than Ringgit Malaysia

The assets and liabilities of operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting period.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve ("FCTR") in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed such that control, significant influence or joint control is lost, the cumulative amount in the FCTR related to that foreign operation is reclassified to profit or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the FCTR in equity.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments

(i) Initial recognition and measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised as fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

(ii) Financial instrument categories and subsequent measurement

The Group and the Company categorise financial instruments as follows:

Financial assets

(a) Financial assets at fair value through profit or loss

Fair value through profit and loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a financial guarantee contract or designated as effective hedging instrument) or financial assets that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Financial assets categorised as fair value through profit and loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(b) Held-to-maturity investments

Held-to-maturity investments category comprises debt instruments that are quoted in an active market and where the Group or the Company has the positive intention and ability to hold to maturity.

Financial assets categorised as held-to-maturity investments are subsequently measured at amortised cost using the effective interest method.

(c) Loans and receivables

Loans and receivables category comprises debt instruments that are not quoted in an active market, including trade and other receivables.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement (continued)

(d) Available-for-sale financial assets

Available-for-sale category comprises investment in equity and debt securities instruments that are not held for trading.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. Other financial assets categorised as available-for-sale are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss. On de-recognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment (see Note 2(h)(i)).

Financial liabilities

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(iii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Fair value arising from financial guarantee contracts are classified as deferred income and are amortised to profit or loss using a straight-line method over the contractual period or, when there is no specified contractual period, recognised in profit or loss upon discharge of the guarantee. When settlement of a financial guarantee contract becomes probable, an estimate of the obligation is made. If the carrying value of the financial guarantee contract is lower than the obligation, the carrying value is adjusted to the obligation amount and accounted for as a provision.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (continued)

(iv) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially transferring all risk and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses.

The telecommunications network is acquired or constructed under the telecommunications license (which was granted by the Ministry of Information, Communication and Culture). Items of telecommunications network are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

The cost of self-constructed assets also include the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Cost may also include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged between knowledgeable willing parties in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items when available and replacement cost when appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Property, plant and equipment (continued)

(i) Recognition and measurement (continued)

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" or "other expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group or the Company and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Leasehold land is depreciated over the shorter of the term of the associated lease or 50 years, being the estimated useful lives, on a straight line basis. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

• buildings	50 years
• improvements	5 – 7 years
• office equipment, furniture and fittings	5 – 7 years
• loose tools	5 years
• computer systems	5 years
• motor vehicles	5 years
• data centre equipment (excluding project management equipment)	5 – 15 years
• Telecommunications network – Commissioned network (excluding global bandwidth assets)	3 – 20 years

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Property, plant and equipment (continued)

(iii) Depreciation (continued)

Global bandwidth assets, which form part of the Group's telecommunications network are charged to profit or loss over the duration of their respective underlying contracts while project management equipment, which form part of the Group's data centre equipment are depreciated over the shorter of the duration of their respective underlying contract or its useful lives.

Depreciation method, useful lives and residual values are reviewed at the end of the reporting period and adjusted as appropriate.

(e) Leased assets

(i) Finance lease

Leases in terms of which the Group or the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Leasehold land which in substance is a finance lease is classified as property, plant and equipment or as investment property if held to earn rental income or for capital appreciation or for both.

(ii) Operating lease

Leases, where the Group or the Company does not assume substantially all the risks and rewards of the ownership are classified as operating leases and, except for prepaid property interest held under operating lease, the leased assets are not recognised on the statement of financial position.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

Leasehold land which in substance is an operating lease is classified as prepaid lease payments.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Intangible assets

Goodwill

Goodwill arises on business combinations is measured at cost less any accumulated impairment losses.

Goodwill is not amortised but is tested for impairment annually and whenever there is an indication that they may be impaired.

(g) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value. For the purpose of cash flow statements, cash and cash equivalents are presented net of bank overdrafts and pledged deposits, if any.

(h) Impairment

(i) Financial assets

All financial assets (except for investment in subsidiaries) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an investment in an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment. If any such objective evidence exists, then the impairment loss of the financial asset is estimated.

An impairment loss in respect of loans and receivables and held-to-maturity investments is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in the fair value of an available-for-sale financial asset has been recognised in other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity to profit or loss.

An impairment loss in respect of an unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Impairment (continued)

(i) Financial assets (continued)

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available-for-sale is not reversed through profit or loss.

If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, to the extent that the asset's carrying amount does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

(ii) Other assets

The carrying amounts of other assets (except for deferred tax asset) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating unit. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to the group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating units (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating units) on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue expenses

Cost directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(iii) Distribution of assets to owners of the Company

The Group measures a liability to distribute assets as a dividend to the owners of the Company at the fair value of the assets to be distributed. The carrying amount of the dividend payable is remeasured at each reporting period and at settlement date, with any changes to the carrying amount of the dividend payable is recognised directly in equity as adjustments to the amount of the distribution. On settlement of the transaction, the Group recognises the differences, if any, between the carrying amount of the assets distributed and the carrying amount of the liability in profit or loss.

(j) Employee benefits

(i) Short term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The Group's contributions to the statutory pension funds are charged to profit or loss in the financial year to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Employee benefits (continued)

(ii) Share-based payment transactions

The grant date fair value of share-based payment granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the employee share grant is measured using the Monte Carlo simulation model. Measurement inputs include share price on measurement date, exercise price of the instrument and expected dividends. For employee share grants issued out of new stock, the share price is further adjusted for effects of dilution. Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

(iii) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer to those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

(k) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance costs.

(l) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Revenue and other income

(i) Operating revenue

Operating revenue of the Company consists of management fees. Management fees are recognised when services are rendered.

Revenue of the Group consists of gross billings on a wide range of telecommunications and information technology related services provided net of discounts and gross invoiced value of goods sold net of discounts and returns. Except for non-license activities, revenues are derived from Individual License and Class License as stipulated in the Communications and Multimedia Act 1998.

Revenue for billings is recognised when services are rendered or upon delivery of products and when the risk and rewards have passed. Revenue from global bandwidth agreements which provide access to a specified amount of bandwidth or capacity are accounted for accordingly as a sale of goods or rendering of services.

(ii) Dividend income

Dividend income is recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(iii) Rental income

Rental income is recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from subleased property is recognised as other income.

(iv) Interest income

Interest income is recognised as it accrues, using the effective interest method in profit or loss.

(n) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

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 capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Tax expense

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or tax loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(p) Earnings per ordinary share

The Group presents basic and diluted earnings per share for its ordinary shares (“EPS”).

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees, where applicable.

(q) 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 other components. All 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Fair value measurement

From 1 January 2013, the Group adopted MFRS 13, Fair Value Measurement which prescribes that fair value of an asset or liability, except for share based payment and lease transactions, is determined as 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. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest or best use.

In accordance with the transitional provision of MFRS 13, the Group applied the new fair value measurement guidance prospectively, and has not provided any comparative fair value information for new disclosures. The adoption of MFRS 13 has not significantly affected the measurement of the Group's assets and liabilities other than the additional disclosures in Note 27.5.

3. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM'000	Leasehold land RM'000	Buildings and improvements RM'000	Office equipment, furniture and fittings RM'000	Loose tools RM'000	Computer systems RM'000	Motor vehicles RM'000	Data centre equipment RM'000	Tele-communi-cation network RM'000	Total RM'000
Cost										
At 1 January 2012	19,267	7,508	9,770	5,008	12,259	80,523	5,926	–	1,508,699	1,648,960
Acquisitions of subsidiaries	–	–	316	3,383	–	6,191	404	41,185	165,094	216,573
Additions	4,200	–	3,993	2,158	50	6,193	737	12,600	130,111	160,042
Disposal	–	–	–	–	–	–	(834)	–	–	(834)
Write offs	–	–	–	–	–	–	–	–	(109,105)	(109,105)
Effect of movement in exchange rates	–	–	–	–	–	–	–	–	(1,710)	(1,710)
At 31 December 2012/ 1 January 2013	23,467	7,508	14,079	10,549	12,309	92,907	6,233	53,785	1,693,089	1,913,926
Reclassification of global bandwidth assets charged out	–	–	–	–	–	–	–	–	9,535	9,535
At 31 December 2012/ 1 January 2013 (restated)	23,467	7,508	14,079	10,549	12,309	92,907	6,233	53,785	1,702,624	1,923,461
Additions	–	–	11,083	529	–	2,863	1,847	9,691	144,544	170,557
Reclassification between property, plant and equipment	–	–	–	(2,902)	–	1,343	–	1,559	–	–
Disposal	–	–	–	–	–	(10)	(404)	–	–	(414)
Write offs	–	–	–	(4)	–	(132)	–	(146)	(152,906)	(153,188)
Effect of movement in exchange rates	–	–	1	–	–	1	–	–	7,787	7,789
At 31 December 2013	23,467	7,508	25,163	8,172	12,309	96,972	7,676	64,889	1,702,049	1,948,205

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land RM'000	Leasehold land RM'000	Buildings and improvements RM'000	Office equipment, furniture and fittings RM'000	Loose tools RM'000	Computer systems RM'000	Motor vehicles RM'000	Data centre equipment RM'000	Tele-communi-cation network RM'000	Total RM'000
Depreciation and impairment losses										
At 1 January 2012										
Accumulated depreciation	–	6,024	3,544	4,708	11,967	73,633	4,079	–	844,692	948,647
Accumulated impairment losses	2,101	–	–	–	–	–	–	–	249,255	251,356
	2,101	6,024	3,544	4,708	11,967	73,633	4,079	–	1,093,947	1,200,003
Acquisitions of subsidiaries	–	–	71	1,409	–	5,361	324	16,048	19,034	42,247
Depreciation for the year	–	375	835	712	104	4,325	603	1,993	55,414	64,361
Disposal	–	–	–	–	–	–	(834)	–	–	(834)
Impairment write offs	–	–	–	–	–	–	–	–	(23,500)	(23,500)
Write offs	–	–	–	–	–	–	–	–	(85,310)	(85,310)
Effects of movement in exchange rates	–	–	–	–	–	–	–	–	(256)	(256)
At 31 December 2012/ 1 January 2013	2,101	6,399	4,450	6,829	12,071	83,319	4,172	18,041	1,059,329	1,196,711
Accumulated depreciation	–	6,399	4,450	6,829	12,071	83,319	4,172	18,041	833,574	968,855
Accumulated impairment losses	2,101	–	–	–	–	–	–	–	225,755	227,856
	2,101	6,399	4,450	6,829	12,071	83,319	4,172	18,041	1,059,329	1,196,711

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land RM'000	Leasehold land RM'000	Buildings and improvements RM'000	Office equipment, furniture and fittings RM'000	Loose tools RM'000	Computer systems RM'000	Motor vehicles RM'000	Data centre equipment RM'000	Tele-communi-cation network RM'000	Total RM'000
Depreciation and impairment losses (continued)										
Reclassification of global bandwidth assets charged out	–	–	–	–	–	–	–	–	9,535	9,535
At 31 December 2012/ 1 January 2013 (restated)	2,101	6,399	4,450	6,829	12,071	83,319	4,172	18,041	1,068,864	1,206,246
Accumulated depreciation (restated)	–	6,399	4,450	6,829	12,071	83,319	4,172	18,041	843,109	978,390
Accumulated impairment losses (restated)	2,101	–	–	–	–	–	–	–	225,755	227,856
	2,101	6,399	4,450	6,829	12,071	83,319	4,172	18,041	1,068,864	1,206,246
Depreciation for the year	–	377	2,869	512	105	3,568	712	4,541	62,530	75,214
Disposal	–	–	–	–	–	(10)	(382)	–	–	(392)
Global bandwidth assets charged out	–	–	–	–	–	–	–	–	6,412	6,412
Reclassification between property, plant and equipment	–	–	–	(1,090)	–	611	–	479	–	–
Impairment write offs	–	–	–	–	–	–	–	–	(35,150)	(35,150)
Write offs	–	–	–	–	–	(43)	–	(8)	(117,307)	(117,358)
Effect of movement in exchange rates	–	–	1	–	–	1	–	–	1,308	1,310
At 31 December 2013	2,101	6,776	7,320	6,251	12,176	87,446	4,502	23,053	986,657	1,136,282

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land RM'000	Leasehold land RM'000	Buildings and improvements RM'000	Office equipment, furniture and fittings RM'000	Loose tools RM'000	Computer systems RM'000	Motor vehicles RM'000	Data centre equipment RM'000	Tele-communi-cation network RM'000	Total RM'000
Depreciation and impairment losses (continued)										
Accumulated depreciation	–	6,776	7,320	6,251	12,176	87,446	4,502	23,053	796,052	943,576
Accumulated impairment losses	2,101	–	–	–	–	–	–	–	190,605	192,706
	2,101	6,776	7,320	6,251	12,176	87,446	4,502	23,053	986,657	1,136,282
Carrying amounts										
At 1 January 2012	17,166	1,484	6,226	300	292	6,890	1,847	–	414,752	448,957
At 31 December 2012/ 1 January 2013	21,366	1,109	9,629	3,720	238	9,588	2,061	35,744	633,760	717,215
At 31 December 2013	21,366	732	17,843	1,921	133	9,526	3,174	41,836	715,392	811,923
									Note 3.1	

3.1 Telecommunication network

	2013 RM'000	2012 RM'000 Restated
Network cost:		
Commissioned network	1,608,321	1,624,692
Network-in-progress	93,728	77,932
	1,702,049	1,702,624
Less: Accumulated impairment losses	(190,605)	(225,755)
Less: Accumulated depreciation	(796,052)	(843,109)
Net book value	715,392	633,760

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

3.1 Telecommunication network (continued)

Included in commissioned network are global bandwidth assets with a fixed monetary value of RM91,120,000 (2012: RM69,995,000). The global bandwidth assets are charged to profit or loss over the duration of the contract. The carrying amount for the said global bandwidth assets at the reporting date was RM75,173,000 (2012: RM60,460,000).

3.2 Write offs

During the financial year, the Group wrote off certain items within property, plant and equipment with carrying amounts totaling RM35,830,000 (2012: RM23,795,000) of which RM35,150,000 (2012: RM23,500,000) was written off against impairment losses. The remaining amount of RM680,000 (2012: RM295,000) was charged to statement of profit or loss and other comprehensive income.

3.3 Leasehold land

	Group	
	2013	**2012**
	RM'000	**RM'000**
Leasehold land with unexpired lease period of		
– less than 50 years	271	394
– more than 50 years	461	715
	732	1,109

3.4 Leased plant and equipment

Included in plant and equipment at the end of reporting period were the following assets acquired under leased terms:

	Group	
	2013	**2012**
	RM'000	**RM'000**
Net carrying amount		
– Computer system	22	40
– Motor vehicle	–	57
– Telecommunication networks	3,717	5,397
	3,739	5,494

3.5 Buildings and improvements

Included in buildings and improvements are work in progress with a cost of RM1,900,000 (2012: RM595,000).

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Freehold land RM'000	Building and impr-ovements RM'000	Office equipment, furniture and fittings RM'000	Computer systems RM'000	Motor vehicles RM'000	Total RM'000
Cost						
At 1 January 2012	8,113	–	320	8,014	93	16,540
Additions	–	390	–	–	–	390
Disposals	–	–	–	–	(76)	(76)
At 31 December 2012/ 1 January 2013/ 31 December 2013	8,113	390	320	8,014	17	16,854
Depreciation						
At 1 January 2012	–	–	296	8,014	93	8,403
Depreciation for the year	–	50	6	–	–	56
Disposals	–	–	–	–	(76)	(76)
At 31 December 2012/ 1 January 2013	–	50	302	8,014	17	8,383
Depreciation for the year	–	78	6	–	–	84
At 31 December 2013	–	128	308	8,014	17	8,467
Carrying amounts						
At 31 December 2012/ 1 January 2013	8,113	340	18	–	–	8,471
At 31 December 2013	8,113	262	12	–	–	8,387

Included in property, plant and equipment of the Group and of the Company are fully depreciated assets which are still in use, with cost amounting to RM746,212,000 (2012: RM609,838,000) and RM8,320,000 (2012: RM8,320,000) respectively.

4. INTANGIBLE ASSETS

Group	Goodwill RM'000
Cost/Carrying amount	
At 31 December 2012/31 December 2013	213,959

4.1 Impairment testing for cash-generating units containing goodwill

For the purpose of annual impairment testing, goodwill is allocated to the Group's operating units which represent the lowest level within the Group at which the goodwill is monitored for internal management reporting purposes.

The aggregate carrying amounts of goodwill allocated to each unit are as follows:

	Group	
	2013 RM'000	2012 RM'000
International wholesale and global bandwidth business	102,101	102,101
Data centre business	111,858	111,858
	213,959	213,959

International wholesale and global bandwidth business

The recoverable amount of the international wholesale and global bandwidth business was based on its value in use. The recoverable amount of the business was determined to be higher than its carrying amount.

Value in use was determined by discounting the future cash flows expected to be generated from the continuing use of the unit. Cash flow projections used in this calculation were based on approved financial plans covering a five-year period. Cash flows beyond the five-year period were extrapolated to perpetuity using estimated growth rate.

Key assumptions used in the value-in-use calculation during the current financial year include long term growth rate, weighted average cost of capital ("WACC") and cost of equity of 5.00%, 9.03%, 10.30% (2012: 5.00%, 7.73%, 10.20%) respectively.

The values assigned to the key assumptions represent management's assessment of future trends in the international wholesale and global bandwidth business and are based on both external and internal sources (historical data).

4. INTANGIBLE ASSETS (CONTINUED)

Data centre business

The recoverable amount of the data centre business was based on its value in use. The recoverable amount of the unit was determined to be higher than its carrying amount.

Value in use was determined by discounting the future cash flows expected to be generated from the continuing use of the unit. Cash flow projections used in this calculation were based on financial budgets covering a five-year period. Cash flows beyond five-year period were extrapolated to perpetuity using estimated growth rate.

Key assumptions used in the value-in-use calculation during the current financial year include long term growth rate, weighted average cost of capital ("WACC") and cost of equity of 5.00%, 10.92%, 13.15% (2012: 5.00%, 9.79%, 11.55%) respectively.

The values assigned to the key assumptions represent management's assessment of future trends in the data centre business and are based on both external and internal sources (historical data).

5. INVESTMENT IN SUBSIDIARIES

		Company	
	Note	**2013 RM'000**	**2012 RM'000**
Unquoted shares, at cost		2,773,162	3,146,862
Accumulated impairment losses	5.1	(2,303,736)	(2,303,736)
		469,426	843,126

Name of subsidiary	Country of incorporation	Principal activities	Effective ownership interest 2013 %	Effective ownership interest 2012 %
TT dotCom Sdn. Bhd. ("TTdC") @	Malaysia	Provision of voice, data, video and image communication services through its domestic and international network	100	100

5. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of subsidiary	Country of incorporation	Principal activities	Effective ownership interest 2013 %	2012 %
TIME dotNet Bhd.	Malaysia	Provision and marketing of internet services to customers including providing access to the world wide web, the organisation and aggregation of content, on-line call center, on-line services, on-net advertising and virtual data storage and provision of application services including electronic mail, chat room, instant messaging, web-hosting and bulletin boards	100	100
Planet Tapir Sdn. Bhd.	Malaysia	Provision of information technology services and solutions and other internet based value-added services	100	100
Hakikat Pasti Sdn. Bhd.^	Malaysia	Dormant. In process of being struck-off	100	100
Global Transit Communications Sdn. Bhd.	Malaysia	Provision of telecommunications and related services	100	100
Global Transit Limited	Malaysia, Labuan	Engaged in the business of telecommunication services and trading bandwidth capacity	100	100
Global Transit (Hong Kong) Limited*	Hong Kong	Dormant	100	100
Global Transit Singapore Pte. Ltd.*	Singapore	Wholesale of telecommunication equipment and related services	100	100
The AIMS Asia Group Sdn. Bhd.	Malaysia	Provision of engineering services for the telecommunication industry. The Company ceased operations during the financial year and remained as an investment holding company	100	100
AIMS Cyberjaya Sdn. Bhd.	Malaysia	Provision of value added network services, information services, system integration services, operation of data networks and network based applications for corporations	100	100

5. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of subsidiary	Country of incorporation	Principal activities	Effective ownership interest 2013 %	Effective ownership interest 2012 %
AIMS Data Centre 2 Sdn. Bhd.	Malaysia	Provision of value added network services, information services, system integration services and the operation of data networks and network based applications for corporations. The Company has ceased operations during the financial year and remained dormant	100	100
Subsidiaries of TAAG:				
AIMS Data Centre Sdn. Bhd.	Malaysia	Provision of value added network services, information services, system integration services, operation of data networks and network based applications for corporations	100	100
AIMS Data Centre Pte. Ltd.*	Singapore	Provision of telecommunication related services	100	100
Information Edge Sdn. Bhd. ^	Malaysia	Dormant. In process of being struck-off	100	100

* Not audited by member firms of KPMG International.

^ These subsidiaries are in the process of being struck-off from the register of Companies Commission of Malaysia under Section 308 of the Companies Act 1965 as at 31 December 2013 and have been consolidated based on unaudited management accounts.

@ Pursuant to the internal restructuring undertaken by the Group, during the current year, TTdC, a wholly-owned subsidiary of the Company, has cancelled 373,700,000 ordinary shares of nominal value RM1.00 each of its issued and paid-up share capital pursuant to a capital repayment made under Section 64 of the Companies Act 1965. The credit arising therefrom of RM373,700,000 has been distributed to the Company by way of a distribution-in-specie of DiGi shares held previously by TTdC.

5. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

5.1 *Accumulated impairment losses*

As at the financial year end, the Company has recognised accumulated impairment losses totalling RM2,303,736,000 (2012: RM2,303,736,000) for investments in the following subsidiary companies:

	Company	
	2013	**2012**
	RM'000	**RM'000**
TT dotCom Sdn. Bhd.	2,192,264	2,192,264
TIME dotNet Bhd.	42,363	42,363
Planet Tapir Sdn. Bhd.	69,109	69,109
	2,303,736	2,303,736

6. OTHER INVESTMENTS

		Group		Company	
		2013	**2012**	**2013**	**2012**
	Note	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Quoted shares in Malaysia					
Non-current					
At 1 January		1,454,750	1,067,000	–	–
Addition		–	–	833,050	–
Dividend-in-specie distribution from a subsidiary	6.1(ii)	–	–	50,000	–
Dividend-in-specie distribution from a subsidiary pursuant to TTdC Capital Repayment	6.1(iii)	–	–	373,700	–
Dividend-in-specie distribution to owners of the Company	21	(649,193)	–	(649,193)	–
Fair value (loss)/gain of available-for-sale financial assets		(123,760)	387,750	74,240	–
At 31 December		681,797	1,454,750	681,797	–

6. OTHER INVESTMENTS (CONTINUED)

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Unquoted shares in Malaysia				
Non-current				
At 1 January	100	40	–	–
Acquisition of subsidiary	–	50	–	–
Addition	–	10	–	–
At 31 December	100	100	–	–
Total other investments	681,897	1,454,850	681,797	–

The above other investments are categorised as available-for-sale financial instruments.

Included in the quoted shares balance is RM137,986,000 (2012: RM137,986,000) pledged for bank facilities granted to subsidiary companies (see Note 12).

6.1 Internal restructuring at TTdC

During the current financial year, the Group completed an internal restructuring exercise as part of its initiative to consolidate all quoted investments held in the Group at TdC. The internal restructuring exercise included the following:

(i) Settlement of inter-company amounts owed by TTdC to TdC amounting to approximately RM175.8 million by transferring to TdC all legal and beneficial title and interest to 38,468,271 DiGi shares at the prevailing market price of RM4.57 per share at the point of implementation;

(ii) Distribution of a dividend-in-specie by TTdC amounting to RM50,000,000 to be fully satisfied by transferring 10,940,919 DiGi shares at the prevailing market price of RM4.57 per share at the point of implementation; and

(iii) Transfer the remaining DiGi shares held by TTdC (after completing items (i) and (ii) above) to TdC at the prevailing market price of RM4.57 per share at the point of implementation by way of a disposal ("TTdC Disposal") and a capital repayment ("TTdC Capital Repayment"):

a) TTdC Disposal entailed the disposal of 143,818,381 DiGi shares by TTdC to TdC for a total consideration of RM657,250,000; and

b) TTdC Capital Repayment entailed a capital repayment by way of a reduction of the existing issued and paid-up share capital of TTdC by RM373,700,000 and settlement via a distribution-in-specie of 81,772,429 DiGi shares to TdC.

(iv) A dividend declaration and payment by TTdC arising from the gains realised by TTdC pursuant to the aforesaid disposal of DiGi shares to TdC under item (iii) above, amounting to RM657,250,000.

7. DEFERRED TAX ASSETS/(LIABILITIES)

Deferred tax assets and (liabilities) are attributable to the following:

Group	Assets 2013 RM'000	Assets 2012 RM'000	Liabilities 2013 RM'000	Liabilities 2012 RM'000	Net 2013 RM'000	Net 2012 RM'000
Property, plant and equipment	1,199	600	(65,615)	(54,559)	(64,416)	(53,959)
Other deductible/(taxable) temporary difference	1,434	1,234	(498)	(188)	936	1,046
Unabsorbed capital allowances	261,488	105,252	–	–	261,488	105,252
Unutilised tax losses	9,287	5,133	–	–	9,287	5,133
Tax assets/(liabilities)	273,408	112,219	(66,113)	(54,747)	207,295	57,472
Set-off of tax	(60,644)	(51,079)	60,644	51,079	–	–
Net tax assets/ (liabilities)	212,764	61,140	(5,469)	(3,668)	207,295	57,472

Recognised deferred tax assets and liabilities, net

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Property, plant and equipment	(64,416)	(53,959)	(2)	1
Other deductible temporary difference	936	1,046	–	–
Unabsorbed capital allowances	261,488	105,252	23	1,276
Unutilised tax losses	9,287	5,133	5,724	2,090
Total	207,295	57,472	5,745	3,367

Deferred tax assets and liabilities are offset only when the entity have a legally enforceable right to set off current tax assets against current tax liabilities.

Deferred tax assets in respect of unabsorbed capital allowances and unutilised tax losses have been recognised only to the extent that it is probable that future taxable profits will be available against which the Group and the Company can utilise the benefits there from.

7. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Unabsorbed capital allowances	1,076,363	1,761,876	–	–
Unutilised tax losses	602,487	633,930	87,427	101,961
Total	1,678,850	2,395,806	87,427	101,961

The unabsorbed capital allowances, unutilised tax losses and other deductible temporary difference do not expire under the current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that sufficient future taxable profits will be available against which the Group and the Company can utilise the benefits therefrom.

Movement in temporary differences during the year

	At 1.1.2012 RM'000	Recognised in profit or loss RM'000	Acquired in business combination RM'000	At 31.12.2012/ 1.1.2013 RM'000	Recognised in profit or loss RM'000	At 31.12.2013 RM'000
Group						
Property, plant and equipment	(44,550)	(6,327)	(3,082)	(53,959)	(10,457)	(64,416)
Other deductible temporary difference	206	379	461	1,046	(110)	936
Unabsorbed capital allowances	62,848	41,767	637	105,252	156,236	261,488
Unutilised tax losses	–	5,066	67	5,133	4,154	9,287
Total	18,504	40,885	(1,917)	57,472	149,823	207,295
Company						
Property, plant and equipment	(3)	4	–	1	(3)	(2)
Unabsorbed capital allowances	423	853	–	1,276	(1,253)	23
Unutilised tax losses	–	2,090	–	2,090	3,634	5,724
Total	420	2,947	–	3,367	2,378	5,745

8. TRADE AND OTHER RECEIVABLES

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Non-current					
Non-trade					
Prepayments		10,862	11,315	–	–
Current					
Trade					
Trade receivables	8.2	106,679	104,188	–	–
Amount due from related companies	8.2	7,121	8,477	–	–
Deposits		1,220	1,286	–	–
Prepayments		1,819	1,143	–	–
		116,839	115,094	–	–
Less: Allowance for impairment losses	8.3	(4,961)	(9,282)	–	–
		111,878	105,812	–	–
Accrual of global bandwidth revenue	8.1	5,024	2,538	–	–
		116,902	108,350	–	–
Non-trade					
Amount due from subsidiaries	8.4	–	–	9,506	180,388
Other receivables		33,706	38,294	466	218
Prepayments		4,626	5,606	19	29
Deposits		1,986	2,028	–	–
		157,220	154,278	9,991	180,635

Other than for prepayments, the above trade and other receivables are categorised as loans and receivables.

8. TRADE AND OTHER RECEIVABLES (CONTINUED)

8.1 Accrual of global bandwidth revenue

Accrual of global bandwidth revenue relates to accruals for certain long term global bandwidth contracts entered into by the Group whereby the term of payment have been mutually agreed to be made by the customer over a period of up to 3 years.

8.2 Trade receivables and trade amount due from related companies

The credit period granted for sales rendered is 30 to 90 days (2012: 30 to 90 days).

8.3 Allowance for impairment losses

Included in the amount are impairment losses in relation to outstanding balance due from related parties amounting to RM502,000 (2012: RM844,000).

8.4 Amount due from subsidiaries

The amount due from subsidiaries is unsecured, interest free and repayable on demand. The balances arise mainly from inter-company advances and expenses paid on behalf.

9. CASH AND CASH EQUIVALENTS

		Group		Company	
		2013	2012	2013	2012
	Note	RM'000	RM'000	RM'000	RM'000
Cash and bank balances		74,086	64,218	3,032	6,889
Deposits placed with licensed banks		188,748	182,287	132,042	104,846
		262,834	246,505	135,074	111,735
Restricted cash	9.1	(34,917)	(22,660)	(30,376)	(17,821)
		227,917	223,845	104,698	93,914

9.1 Restricted cash

Restricted cash are amounts withheld by licensed financial institutions as security for bank facilities granted.

The cash and cash equivalents of the Group and the Company does not include a bank balance amounting to RM8,476,000 (2012: RM2,500,000) held by the Company in trust for consortium members of the Asia Pacific Gateway submarine cable system to pay the turnkey supplier under the terms of supply contract.

10. SHARE CAPITAL

	Group and Company			
	2013		2012	
	Amount RM'000	Number of shares '000	Amount RM'000	Number of shares '000
Authorised:				
Ordinary shares of RM0.50 each	5,000,000	10,000,000	5,000,000	10,000,000
Issued and fully paid:				
At 1 January – Ordinary shares of RM0.50 each (2012: RM1 each)	286,547	573,093	2,530,775	2,530,775
Capital reduction via cancellation of RM0.90 par value	–	–	(2,277,698)	–
Effect of share consolidation of 5 shares of RM0.10 par value into 1 share of RM0.50 par value	–	–	–	(2,024,620)
Acquisition of subsidiaries	–	–	32,958	65,915
Issuance of ordinary shares pursuant to SGP	–	–	512	1,023
At 31 December – Ordinary shares of RM0.50 each	286,547	573,093	286,547	573,093

11. RESERVES

		Group		Company	
	Note	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Share premium	11.1	844,686	844,686	844,686	844,686
Capital reserve	11.2	8,760	8,760	8,760	8,760
Foreign currency translation reserve	11.3	3,753	(1,005)	–	–
Available-for-sale reserve	11.4	382,136	855,250	53,609	–
Retained earnings		477,747	485,606	113,809	5,029
		1,717,082	2,193,297	1,020,864	858,475

11. RESERVES (CONTINUED)

11.1 Share premium

The share premium of the Group and the Company represents premium arising from the issuance of ordinary shares of the Company at an issue price above par value.

11.2 Capital reserve

In May 2012, pursuant to the Company's capital restructuring exercise, the Company set-off RM834,315,000 from the share premium account against accumulated losses of the Company amounting to RM825,555,126. The set-off resulted in the creation of a distributable capital reserve account of RM8,759,874 for the Company.

11.3 Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

11.4 Available-for-sale reserve

The available-for-sale reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are de-recognised upon sale or impaired.

On 19 June 2013, the Company completed a partial distribution of its quoted equity investments held via a dividend-in-specie to the shareholders of the Company resulting in the realisation of fair value gain from the available-for-sale reserve equity account to profit or loss amounting to RM349,354,000 for the Group and RM20,631,000 for the Company.

12. LOANS AND BORROWINGS

	Note	2013 RM'000	2012 RM'000
Group			
Non-current			
Term loans	12.1	128,751	139,675
Finance lease liabilities	12.2	1,726	3,325
		130,477	143,000
Current			
Term loans	12.1	32,442	8,019
Finance lease liabilities	12.2	2,818	3,513
		35,260	11,532
		165,737	154,532

12. LOANS AND BORROWINGS (CONTINUED)

12.1 Term loans

(i) Term loans amounting to RM109,955,000 (2012: RM109,666,000) are secured against:

a) a legal charge over DiGi.Com Berhad ("DiGi") shares held by the Company giving minimum security cover of 1.25 times based on 100% value of the said shares;

b) a legal charge over any other quoted financial assets acceptable to the lender, including but not limited, in all cases to bonus shares, rights shares and other new share or right entitlements;

c) a legal charge over an escrow account to capture all dividends derived from the pledged securities; and

d) a corporate guarantee from the Company.

(ii) Term loan amounting to RM34,089,000 (2012: RM38,028,000) is secured against:

a) a corporate guarantee by the Company (with a common director of the Company);

b) a legal charge over all the assets of a subsidiary company;

c) an assignment over a subsidiary company's present and future sales proceeds; and

(iii) Term loan amounting to RM18,097,000 (2012: RM Nil) is secured against a corporate guarantee by the Company.

12.2 Finance lease liabilities

Finance lease liabilities are payables as follows:

	Future lease payments	Interest	Present value of minimum payments	Future lease payments	Interest	Present value of minimum payments
	2013			2012		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Less than one year	2,989	171	2,818	3,845	332	3,513
Between one and five years	1,754	28	1,726	3,461	136	3,325
	4,743	199	4,544	7,306	468	6,838

13. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Non-current					
Trade					
Accrual of global bandwidth cost	13.1	–	377	–	–
Current					
Trade					
Trade payables	13.2	51,840	106,733	–	–
Amount due to related companies	13.2	1,321	2,665	–	–
Accrued expenses		19,385	11,183	–	–
Unearned revenue	13.3	22,049	32,763	–	–
Deposit payables		7,971	6,345	–	–
Provisions	13.4	16,524	16,524	–	–
Accrual for global bandwidth cost	13.1	13,382	5,025	–	–
		132,472	181,238	–	–
Non-trade					
Other payables		6,702	7,332	216	35
Amount due to a subsidiary	13.5	–	–	378	–
Accrued expenses		35,667	32,534	2,271	2,082
Provisions	13.4	1,523	–	–	–
		176,364	221,104	2,865	2,117

The above trade and other payables are categorised as other financial liabilities except for unearned revenue and provisions.

13. TRADE AND OTHER PAYABLES (CONTINUED)

13.1 Accrual for global bandwidth cost

Accrual for global bandwidth cost relates to certain long term global bandwidth contracts entered into by the Group whereby the terms of payment have been mutually agreed to be made over a period of up to 3 years.

13.2 Trade payables and trade amount due to related companies

The average credit period granted to the Group and Company for trade purchases ranges from 30 to 90 days (2012: 30 to 90 days).

13.3 Unearned revenue

Unearned revenue mainly represents prepayment received for services or products that have yet to be rendered or provided.

13.4 Provisions

Provisions relate to obligations arising as a result of past events for certain telecommunication provider services.

13.5 Amount due to a subsidiary

The amount due to a subsidiary is unsecured, interest free and repayable within 60 days upon due. The balance arises mainly from management services rendered by a subsidiary.

14. REVENUE

	2013 RM'000	2012 RM'000
Group		
Data	411,602	306,345
Voice	74,836	77,621
Data Centre	58,713	33,602
Others	3,107	1,520
	548,258	419,088
Company		
Management fee receivable from subsidiary companies	10,230	10,810

15. COST OF SALES

	Group 2013 RM'000	Group 2012 RM'000
Interconnect charges	16,882	17,518
Depreciation of property, plant and equipment	67,726	57,628
Dealer commissions	17,100	5,424
Telecommunications maintenance charges	24,089	17,023
Network and leased line charges	47,130	32,658
Fee for wayleave and right of use pertaining to telecommunications facilities	11,685	11,486
Site and customer premises rental	10,244	13,050
Universal service obligation	18,679	21,172
Internet service provider costs	11,385	7,531
Direct installation costs	24,891	22,784
Others	21,219	12,350
	271,030	218,624

16. INCOME FROM INVESTMENTS

		Group		Company	
	Note	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Interest income of financial assets that are not at fair value through profit or loss:					
– Interest income from short term deposits		6,119	5,516	3,599	3,671
Income on dividend-in-specie from a subsidiary	6.1 (ii)	–	–	50,000	–
Dividend income from a subsidiary	6.1(iv)	–	–	657,250	–
Dividend income from quoted shares, in Malaysia		31,758	83,325	24,883	–
		37,877	88,841	735,732	3,671

17. FINANCE COSTS

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss:				
– Interest on bank borrowings	7,624	5,126	–	–
Amortisation of borrowing costs	333	211	–	–
	7,957	5,337	–	–

18. PROFIT BEFORE TAX

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Profit before tax is arrived at after charging:				
Personnel expenses				
– Salaries, allowances and others	101,007	78,945	3,516	2,046
– Contributions to Employee Provident Fund	12,318	9,605	906	541
– Share grant expenses	–	3,513	–	2,366
Depreciation of property, plant and equipment	75,214	64,361	84	56
Rental of:				
– Offices	1,284	952	–	–
– Equipment	161	62	–	–
– Site and customer premises	10,244	13,050	–	–
Directors' remuneration	2,763	1,914	2,763	1,914
Auditors' remuneration				
– Audit fees to KPMG Malaysia	412	391	90	115
– Audit fees to other auditors	18	11	–	–
– Non-audit fees to KPMG Malaysia	30	39	30	12
Write off of property, plant and equipment	680	295	–	–
Net impairment:				
Trade receivables	973	–	–	–
Construction deposits	1,542	358	–	–
Rental deposits	101	753	–	–
Amortisation of borrowing costs	333	211	–	–
Interest on bank borrowings	7,624	5,126	–	–

18. PROFIT BEFORE TAX (CONTINUED)

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
and after crediting:				
Bad debts recovered	231	393	–	–
Net reversal of impairment for receivables	–	1,453	–	4
Net gain on foreign exchange	1,019	1,089	–	–
Interest income from short-term deposits	6,119	5,516	3,599	3,671
Dividend income from quoted shares, in Malaysia	31,758	83,325	24,883	–
Dividend income from a subsidiary	–	–	657,250	–
Dividend-in-specie from a subsidiary	–	–	50,000	–
Realisation of fair value gain reclassified from available-for-sale reserve equity account to profit or loss	349,354	–	20,631	–
Rental income	218	208	–	–
Gain on disposal of property, plant and equipment	135	148	–	9
Negative goodwill	–	173	–	–

19. TAX EXPENSE

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Recognised in profit or loss				
Tax expense – current year	5,510	4,172	900	890
– prior year	285	–	46	–
	5,795	4,172	946	890
Deferred tax benefits				
– arising from current year	21,387	13,595	449	505
– recognition of previously unrecognised temporary differences	(171,210)	(54,480)	(2,827)	(3,452)
	(149,823)	(40,885)	(2,378)	(2,947)
	(144,028)	(36,713)	(1,432)	(2,057)

19. TAX EXPENSE (CONTINUED)

Reconciliation of effective income tax expense:

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
Profit before tax	497,306	157,016	756,541	4,344
Tax at statutory tax rate of 25%	124,326	39,254	189,135	1,086
Effects of foreign rate in foreign jurisdictions	(2,009)	(988)	–	–
Non-deductible expenses	3,867	615	405	309
Non-taxable income	(99,570)	(21,247)	(188,191)	–
Deferred tax asset not recognised	283	133	–	–
Underprovision in prior year-current tax	285	–	46	–
Recognition of previously unrecognised temporary differences	(171,210)	(54,480)	(2,827)	(3,452)
Tax recoverable	(144,028)	(36,713)	(1,432)	(2,057)

During the year, TT dotCom Sdn Bhd ("TTdC"), a wholly-owned subsidiary of the Group, was granted a tax incentive for Last Mile Network Facilities Provider under Section 127(3A) of the Income Tax Act, 1967. The tax incentive is equivalent to 100% of capital expenditure incurred for broadband infrastructure for a period of five years of which qualifying expenditure shall be limited to 70% of its statutory income for each of year assessment.

20. EARNINGS PER ORDINARY SHARE

The calculation of basic and diluted earnings per ordinary share was based on the net profit attributable to owners of the Company and the weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2013 RM'000	**2012 RM'000**
Basic and diluted earnings per share		
Net profit attributable to owners of the Company	641,334	193,729
Weighted average number of ordinary shares in issue	573,093	547,445
Basic and diluted earnings per ordinary share (sen)	111.91	35.39

21. DIVIDEND PAID

During the current financial year, the Company paid a dividend-in-specie via the distribution of 137,540,955 ordinary shares of RM0.01 each in DiGi shares held by the Company to the entitled shareholders ("shareholders"), pursuant to the dividend-in-specie exercise approved at the Company's Annual General Meeting held on 20 May 2013. The basis of distribution was for every one hundred (100) of the Company's shares held, the shareholders would be entitled for twenty four (24) DiGi shares. The dividend-in-specie amounted to RM649,193,000.

The distribution of DiGi shares was deemed completed following the crediting of the said DiGi shares to the Central Depository System accounts of the shareholders of the Company and the odd lot agent on 19 June 2013.

Other than the above, Directors do not recommend any final dividend to be paid in respect of the current financial year.

22. DIRECTORS' REMUNERATION

	Group		Company	
	2013	**2012**	**2013**	**2012**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Executive directors:				
Emoluments	1,819	1,078	1,819	1,078
Other emoluments and expenses	94	61	94	61
Non-executive directors:				
Fees	692	568	692	568
Other emoluments and expenses	158	207	158	207
	2,763	1,914	2,763	1,914

The estimated monetary value of benefits-in-kind received and receivable by Directors of TIME dotCom Berhad other than in cash from the Group and the Company amounted to RM36,000 (2012: RM7,000).

Included in Directors' remuneration are amounts totaling RM162,000 (2012: RM180,000) payable to related parties for services rendered by a firm in which a non-executive director of the Company is a member.

The number of Directors of the Company whose remuneration fall into the respective bands are as follows:

Range of Remuneration RM	**Executive Directors**	**Non-executive Directors**
100,000 and below	–	1
100,000 to 150,000	–	1
150,000 to 200,000	–	4
900,000 to 1,050,000	2	–

23. KEY MANAGEMENT PERSONNEL REMUNERATION

The key management personnel remuneration is as follows:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Directors:				
Fees	692	568	692	568
Other short term benefits (including estimated monetary value of benefits-in-kind)	2,107	1,353	2,107	1,353
	2,799	1,921	2,799	1,921
Other key management personnel:				
Short-term employee benefits	5,048	7,466	3,331	5,394
Other key management compensation	30	34	22	26
	5,078	7,500	3,353	5,420

Other key management personnel comprise persons other than the Directors of the Group entities, having authority and responsibility for planning, directing and controlling the activities of the entity either directly or indirectly.

24. OPERATING SEGMENTS

Operating segments are components in which separate financial information is available that is evaluated by the Chief Executive Officer in deciding how to allocate resources and in assessing performance of the Group. The Group has identified the business of telecommunications as its sole operating segment.

Performance is measured based on revenue derived from the various products sold and per consolidated profit before income tax of the Group as included in the internal management reports that are reviewed by the Chief Executive Officer. The Group's segment assets and liabilities, as disclosed in the Group's statement of financial position (as represented by total assets and liabilities), is also reviewed by the Chief Executive Officer. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment.

24. OPERATING SEGMENTS (CONTINUED)

Information about reportable segment and reconciliation of reportable segment revenue, profit and other material items

	Group	
	2013 RM'000	**2012 RM'000**
Revenue from external customers		
Data	411,602	306,345
Voice	74,836	77,621
Data Centre	58,713	33,602
Others	3,107	1,520
	548,258	419,088
Operating expenses		
Depreciation, impairment and amortisation of property, plant and equipment	(75,214)	(64,361)
Other operating expenses	(357,816)	(286,267)
Other operating income	2,804	5,052
Profit from operations	118,032	73,512
Income from investments	37,877	88,841
Realisation of fair value gain reclassified from available-for sale reserve account to profit or loss	349,354	–
Finance costs	(7,957)	(5,337)
Segment profit	497,306	157,016
Additions to non-current assets, including acquisitions of subsidiaries (other than financial instruments and deferred tax assets)	170,557	548,327

No reconciliation is performed for revenue from external customers, depreciation, impairment and amortisation of property, plant and equipment, assets and segment profit as there is no difference with the statements of profit or loss and other comprehensive income.

24. OPERATING SEGMENTS (CONTINUED)

Geographical information

Revenue and non-current assets (excluding financial instruments and deferred tax assets) of the Group by geographical location are as follows:

	Revenue		Non-current assets	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Malaysia	526,150	408,484	946,613	857,948
Outside Malaysia	22,108	10,604	90,131	84,541
	548,258	419,088	1,036,744	942,489

Major customers

There were no significant concentrations on transactions with customers and revenues from transactions with a single external customer (or group of entities known to be under common control which are deemed to be a single customer) that contributed to 10% or more of the Group's revenues.

25. CAPITAL AND OPERATING LEASE COMMITMENTS

	Group	
	2013 RM'000	2012 RM'000
Capital expenditure commitments		
Property, plant and equipment		
Authorised but not contracted for	24,431	35,347
Contracted but not provided for in the financial statement	227,300	217,558
Operating lease commitments		
Non-cancellable commitments for rental of office premises, sites and right of use pertaining to telecommunications facilities		
– Payable within 1 year	22,102	16,717
– Payable within 2 – 3 years	29,052	24,518
– Payable after 3 years	159,419	170,797
	210,573	212,032

25. CAPITAL AND OPERATING LEASE COMMITMENTS (CONTINUED)

On 12 May 2000, the Group entered into an agreement with a highway concessionaire for wayleave and right of use pertaining to telecommunications facilities on the North-South Expressway. The agreement shall terminate upon expiry of the concession agreement signed by the highway concessionaire and government on 31 December 2038.

26. RELATED PARTIES

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group, if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties also includes key management personnel defined as those persons having authority and responsibility for planning, directing and controlling activities of the Group directly or indirectly. The key management personnel include all the Directors of the Group and certain members of senior management of the Group. Director remuneration and key management personnel remuneration are disclosed in Note 22 and Note 23 respectively.

The significant related party transactions of the Group and of the Company are shown below:

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
Subsidiary companies:				
Management fees income	–	–	10,230	10,810
Management fees expense	–	–	(438)	(60)
Related companies:				
Revenue from data, voice and other services	46,405	36,842	–	–
Interconnect revenue	7,202	7,025	–	–
Fee for wayleave and right of use of telecommunications facilities	(10,296)	(10,149)	–	–
Interconnect charges	(11,751)	(10,694)	–	–
Leased line and infrastructure costs	(21,167)	(12,224)	–	–
Network maintenance	(1,783)	(2,740)	–	–
Training expenses	(59)	(158)	–	–
Companies in which Directors have significant financial interest:				
Revenue from rental, support services and others	117	42	–	–
Professional fees	(1,002)	(28)	(1,002)	(28)

26. RELATED PARTIES (CONTINUED)

The Directors of the Group and the Company are of the opinion that the above transactions have been entered into in the normal course of business and have been established under negotiated terms.

The outstanding balances due from and due to the related parties of the Group and the Company are disclosed in Notes 8 and 13 respectively.

27. FINANCIAL INSTRUMENTS

27.1 Financial risk management

The Group and the Company have exposure to the following risks from its use of financial instruments:

(i) Credit risk
(ii) Liquidity risk
(iii) Market risk

27.2 Credit risk

Credit risk is the risk of a financial loss to the Group or the Company if a customer or counterparty to a financial instrument fails to meets its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers (including related companies) and deposits with financial institutions. The Company's exposure to credit risk arises principally from advances to subsidiaries and deposits with financial institutions.

Receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are required to be performed on all new customers. Depending on the nature of the transaction, the Group may require upfront deposits as collateral.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit 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 stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an on-going basis. The Group also uses ageing analysis to monitor the credit quality of the receivables. For receivables from corporate, wholesale and government sectors, allowance for impairment losses will generally be provided for amounts aged more than 365 days derived based on historical payment trends and patterns unless there is objective evidence to indicate otherwise.

27. FINANCIAL INSTRUMENTS (CONTINUED)

27.2 Credit risk (continued)

Receivables (continued)

Exposure to credit risk, credit quality and collateral (continued)

The exposure of credit risk for trade receivables of the Group as at the end of the reporting period by geographical region was:

	Group 2013 RM'000	Group 2012 RM'000
Malaysia	87,723	93,756
Outside Malaysia	29,179	14,594
	116,902	108,350

At reporting date, there were no significant concentrations of credit risk.

Impairment losses

The ageing of trade receivables (including trade amounts due from related companies and accrual of global bandwidth revenue) as at the end of the reporting period was:

	Gross RM'000	Individual impairment RM'000	Net RM'000
Group			
2013			
Not past due	66,417	(7)	66,410
Past due 1 – 30 days	25,007	(23)	24,984
Past due 31 – 120 days	19,875	(194)	19,681
Past due more than 120 days	10,564	(4,737)	5,827
	121,863	(4,961)	116,902
2012			
Not past due	69,842	(7)	69,835
Past due 1 – 30 days	16,790	(34)	16,756
Past due 31 – 120 days	13,651	(89)	13,562
Past due more than 120 days	17,349	(9,152)	8,197
	117,632	(9,282)	108,350

27. FINANCIAL INSTRUMENTS (CONTINUED)

27.2 Credit risk (continued)

Receivables (continued)

Impairment losses (continued)

The allowance account in respect of the trade receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

The movement in the allowance for impairment losses of trade receivables (including amounts due from related companies) during the financial year were as follows:

	Group	
	2013	**2012**
	RM'000	**RM'000**
At 1 January	9,282	9,782
Acquisition of subsidiaries	–	953
Impairment loss written off	(5,294)	–
Net allowance/(reversal)	973	(1,453)
At 31 December	4,961	9,282

Allowance for impairment losses in relation to outstanding balance due from related parties amounted to RM502,000 (2012: RM844,000).

Deposits with financial institutions and other financial assets

Risk management objectives, policies and processes for managing the risk

The Group's and the Company's cash and cash equivalents are deposited with licensed financial institutions.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk is represented by the carrying amounts of cash and cash equivalents in the statement of financial position. Management does not expect any counterparty to fail to meet its obligations in respect of these deposits.

Impairment losses

As at the end of the reporting period, there was no indication that the amounts deposited with licensed financial institutions are not recoverable.

27. FINANCIAL INSTRUMENTS (CONTINUED)

27.2 Credit risk (continued)

Inter-company balances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured advances to subsidiaries and monitors the results of the subsidiaries regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position. Advances are only provided to subsidiaries which are wholly owned by the Company. The Company considers its subsidiaries as companies associated with lower credit risk.

Impairment losses

As at the end of the reporting period, there was no indication that the advances to the subsidiaries are not recoverable.

27.3 Liquidity risk

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

The Group's exposure to liquidity risk arises principally from its various payables and other applicable contractual obligations and commitments. The Group reviews and strives to maintain a prudent level of cash and cash equivalents and banking facilities to ensure working capital requirements are met.

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Contractual interest rate	Contractual cash flows RM'000	Under 1 year RM'000	1 – 2 years RM'000	2 – 5 years RM'000
Group						
2013						
Term loans	161,193	2.02% – 5.80%	179,701	40,010	84,919	54,772
Finance lease liabilities	4,544	3.50% – 6.50%	4,743	2,989	1,754	–
Trade and other payables*	136,268	–	136,278	136,278	–	–
2012						
Term loans	147,694	3.88% – 4.83%	167,968	12,552	37,644	117,772
Finance lease liabilities	6,838	3.50% – 6.50%	7,306	3,845	3,461	–
Trade and other payables*	172,194	–	172,325	171,948	377	–

* The contractual cash flows of trade and other payables exclude unearned revenue and provisions.

27. FINANCIAL INSTRUMENTS (CONTINUED)

27.3 Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amount RM'000	Contractual cash flows RM'000	Under 1 year RM'000
Company			
2013			
Trade and other payables	2,865	2,865	2,865
2012			
Trade and other payables	2,117	2,117	2,117

There are no contractual interest rates for the above financial liabilities.

27.4 Market risk

Market risk is the risk that changes in the market prices, such as foreign exchange rates, interest rates and other prices will affect the Group's financial position or cash flows.

Currency risk

The Group is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in currencies other than the functional currencies of its subsidiaries. The currency giving rise to the risk is primarily US Dollar ("USD").

Risk management objectives, policies and processes for managing the risk

The Group has a potential currency risk exposure arising from trade transactions entered with companies where the amounts are denominated in currencies other than Ringgit Malaysia. Exposure to foreign currency risk is monitored on an ongoing basis and where considered necessary, the Group may consider using financial instruments to hedge its foreign currency risk. The Company is not significantly exposed to currency risk.

Exposure to foreign currency risk

The Group's exposure to foreign currency risk, based on the carrying amounts as at the end of the reporting period was:

	Denominated in USD	
	2013 RM'000	2012 RM'000
Group		
Trade receivables	22,181	25,823
Cash and cash equivalents	9,226	7,690
Term loan	(34,089)	(38,028)
Trade payables	(19,540)	(19,157)
Net exposure in the statement of financial position	(22,222)	(23,672)

27. FINANCIAL INSTRUMENTS (CONTINUED)

27.4 Market risk (continued)

Currency risk sensitivity analysis

A 1% strengthening of the Ringgit Malaysia against the USD at the end of the reporting period would have increased profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remained constant and ignored any impact of forecasted sales and purchases.

The analysis is performed on the same basis for 2012, as indicated below:

	Profit or (loss)	
	2013	**2012**
	RM'000	**RM'000**
Group		
1% strengthening of RM against USD	222	237

A 1% weakening of the Ringgit Malaysia against the above currencies at the end of the reporting period would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2013	**2012**	**2013**	**2012**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Fixed rate instruments				
– Deposits with licensed banks	188,748	182,287	132,042	104,846
– Finance lease liabilities	(4,544)	(6,838)	–	–
Floating rate instruments				
– Term loans	(161,193)	(147,694)	–	–

27. FINANCIAL INSTRUMENTS (CONTINUED)

27.4 Market risk (continued)

Interest rate risk (continued)

Interest rate risk sensitivity analysis:

(i) Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

(ii) Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis point ("bp") in interest rates at the end of the reporting period would have increased/(decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or (loss)	
	100bp increase RM'000	**100bp decrease RM'000**
Group		
31.12.2013		
Floating rate instruments	(1,612)	1,612
31.12.2012		
Floating rate instruments	(1,477)	1,477

Equity price risk

Equity price risk arises mainly from the Group's available-for-sale investments in quoted securities.

Risk management objectives, policies and processes for managing the risk

Investments are allowed in liquid securities that are quoted and traded on the local stock exchange on specific business case basis and upon the evaluation and approval by the Board of Directors. The existing available-for-sale investment in quoted securities represents the consideration received in prior years as a result of the Group's disposal of its 3G spectrum licence to DiGi.Com Berhad. The Group does not transact in any derivative financial instruments.

Equity price risk sensitivity analysis

A 1% increase in the quoted price of the Group's existing available-for-sale investment at the end of the reporting period would have increased equity by RM6,817,970 (2012: RM14,547,500). A 1% weakening in quoted price of the Group's existing available-for-sale investment would have had an equal but opposite effect on the Group's equity.

27. FINANCIAL INSTRUMENTS (CONTINUED)

27.5 Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short term borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

It was not practicable to estimate the fair value of the Group's investment in unquoted shares in other investments due to the lack of comparable quoted prices in an active market and the fair value cannot be reliably measured. The carrying amount of the unquoted shares in other investments is not significant.

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

Fair value of quoted equity shares is based on closing market price at the date of the statements of financial position.

The effective interest rates used to discount estimated cash flows, when applicable, are as follows:

	2013 (%)	**2012 (%)**
Term loans	2.02 – 5.80	3.88 – 4.83
Finance lease liabilities	5.31 – 8.39	6.69 – 9.92

27. FINANCIAL INSTRUMENTS (CONTINUED)

27.5 Fair value information (continued)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	RM'000	RM'000
2013										
Financial assets										
Investment in quoted shares	681,797	–	–	681,797	–	–	–	–	681,797	681,797
Financial liabilities										
Term loans	–	–	–	–	–	–	161,193	161,193	161,193	161,193

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value*	Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Total RM'000	RM'000	RM'000
2012							
Financial assets							
Investment in quoted shares	1,454,750	–	–	1,454,750	–	1,454,750	1,454,750
Financial liabilities							
Term loan	–	–	–	–	147,694	147,694	147,694

* Comparative figures have not been analysed by levels, by virtue of transitional provision given in Appendix C2 of MFRS 13.

27. FINANCIAL INSTRUMENTS (CONTINUED)

27.5 Fair value information (continued)

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer. The different levels have been defined as follows:

- Level 1: Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Level 3 fair value is estimated using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

During the financial year, there has been no transfer between Level 1 and 2 fair values (2012: no transfer in either directions).

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs in the valuation models.

Financial instruments not carried at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Term loans	Discounted cash flows	Not applicable	Not applicable

28. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain an optimal capital structure and to safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as results from operating activities compared against returns on average invested capital.

The Group also maintains a debt to equity ratio that complies with debt requirements required for its banking facilities.

There were no changes in the Group's approach to capital management during the financial year.

29. SUBSEQUENT EVENT

The Company had on 29 January 2014 acquired the entire issued and paid-up capital of a shelf company known as Fantastic Fiesta Sdn. Bhd. ("FFSB"). The present authorised share capital of FFSB is RM400,000 comprising 400,000 ordinary shares of RM1 each and its paid-up share capital is RM2 comprising 2 ordinary shares of RM1 each. FFSB's principal activity is investment holding.

30. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year's presentation as disclosed below:

Statements of financial position

Group	As restated 2012 RM'000	As previously stated 2012 RM'000
Current assets		
Trade and other receivables		
Trade		
– Trade receivables	104,188	105,583
– Amount due from related companies	8,477	7,084
– Deposits	1,286	–
– Prepayments	1,143	–
Non-trade		
– Other receivables	38,294	41,607
– Deposits	2,028	–
– Prepayments	5,606	6,748

30. COMPARATIVE FIGURES (CONTINUED)

Certain comparative figures have been reclassified to conform with current year's presentation as disclosed below (continued):

Statements of financial position (continued)

Group	As restated 2012 RM'000	As previously stated 2012 RM'000
Current liabilities		
Trade and other payables		
Trade		
– Trade payables	106,733	107,851
– Amount due to related companies	2,665	1,384
– Accrued expenses	11,183	–
– Unearned revenue	32,763	–
– Deposits payables	6,345	–
– Provisions	16,524	–
Non-trade		
– Other payables	7,332	13,840
– Accrued expenses	32,534	43,717
– Unearned revenue	–	32,763
– Provisions	–	16,524

Statements of profit or loss and other comprehensive income

Group	As restated 2012 RM'000	As previously stated 2012 RM'000
Revenue		
Data	306,345	305,708
Voice	77,621	74,074
Others	1,520	5,704
Cost of sales		
Telecommunications maintenance charges	17,023	15,206
Network and leased line charges	32,658	30,000
Dealer commissions	5,424	–
Others	12,350	22,249
Administration expenses	(101,883)	(102,094)
Finance costs	(5,337)	(5,126)

31. SUPPLEMENTARY INFORMATION ON THE BREAKDOWN OF REALISED AND UNREALISED PROFITS OR LOSSES

The breakdown of the retained earnings of the Group and of the Company at 31 December, into realised and unrealised profits, pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements, are as follows:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Total retained earnings:				
– realised	270,164	428,030	108,064	1,662
– unrealised	207,583	57,576	5,745	3,367
Total retained earnings (Note 11)	477,747	485,606	113,809	5,029

The determination of realised and unrealised profits or losses is based on the Guidance of 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*, issued by Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits or losses above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purpose.

STATEMENT BY DIRECTORS

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

In the opinion of the Directors, the financial statements set out on pages 68 to 132 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Companies Act, 1965 in Malaysia and so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2013 and of their financial performance and cash flows for the financial year then ended.

In the opinion of the Directors, the information set out in Note 31 on page 133 to the financial statements has been compiled in accordance with the Guidance on Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

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

Afzal Abdul Rahim

Elakumari Kantilal

Shah Alam, Selangor
Date: 25 February 2014

STATUTORY DECLARATION

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

I, **Long Sher Neng**, the officer primarily responsible for the financial management of TIME dotCom Berhad, do solemnly and sincerely declare that the financial statements set out on pages 68 to 133 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the above named in Kuala Lumpur on 25 February 2014.

Long Sher Neng

Before me:

Lee Chin Hin
License No.: W493
Commissioner for Oaths
Kuala Lumpur

Report on the Financial Statements

We have audited the financial statements of TIME dotCom Berhad, which comprise the statements of financial position as at 31 December 2013 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, changes in equity and 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 68 to 132.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia, and 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 judgment, including the assessment of the 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 the 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 of 31 December 2013 and of their financial performance and cash flows for the year then ended in accordance with Malaysia Financial Reporting Standards, International Financial Reporting Standards and the requirement of 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 and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

b) We are satisfied that the accounts 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 financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

c) We have considered the accounts and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 5 to the financial statements.

d) Our audit reports on the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Reporting Responsibilities

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The information set out in Note 31 on page 133 to the financial statements has been compiled by the Company as required by the Bursa Malaysia Securities Berhad Listing Requirements and is not required by the Malaysian Financial Reporting Standards. We have extended our audit procedures to report on the process of compilation of such information. In our opinion, the information has been properly compiled, in all material respects, in accordance with the Guidance on Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants and presented based on the format prescribed by 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.

KPMG
Firm Number: AF 0758
Chartered Accountants

Ahmad Nasri Abdul Wahab
Approval Number: 2919/03/14(J)
Chartered Accountant

Petaling Jaya, Selangor
Date: 25 February 2014

STOCKHOLDING ANALYSIS
As at 22 April 2014

Authorised Share Capital	:	RM5,000,000,000.00
Issued and paid-up Capital	:	RM286,546,695.50
Class of Shares	:	Ordinary Shares of RM0.50 each
No. of Shareholders	:	16,093
Voting Right	:	One (1) vote per Ordinary Share

Size of Holdings	No. of Shareholders	Total Holdings	%
Less than 100	481	13,123	0.00
100 to 1,000	10,376	4,429,931	0.77
1,001 to 10,000	4,298	14,042,967	2.45
10,001 to 100,000	689	21,531,718	3.76
100,001 to less than 5% of issued shares	246	273,043,163	47.65
5% and above of issued shares	3	260,032,489	45.37
Total	**16,093**	**573,093,391**	**100.00**

THIRTY (30) LARGEST SHAREHOLDERS
as at 22 April 2014

	Names	No. of Shares	%
1.	Pulau Kapas Ventures Sdn Bhd	164,574,359	28.72
2.	Khazanah Nasional Berhad	65,298,982	11.39
3.	Kumpulan Wang Persaraan (Diperbadankan)	30,159,148	5.26
4.	Cimsec Nominees (Tempatan) Sdn Bhd – CIMB for Megawisra Sdn Bhd (PB)	24,831,363	4.33
5.	Citigroup Nominees (Tempatan) Sdn Bhd – Exempt An for AIA Bhd	24,738,500	4.32
6.	Amsec Nominees (Tempatan) Sdn Bhd – Pledged Securities Account – AmBank (M) Berhad for Pulau Kapas Ventures Sdn Bhd	16,200,000	2.83
7.	Amsec Nominees (Tempatan) Sdn Bhd – Amtrustee Berhad for CIMB Islamic Dali Equity Growth Fund (UT-CIMB-DALI)	11,998,420	2.09
8.	Amanahraya Trustees Berhad – Public Smallcap Fund	11,260,260	1.96
9.	Citigroup Nominees (Tempatan) Sdn Bhd – Employees Provident Fund Board	10,997,200	1.92
10.	Amanahraya Trustees Berhad – Public Islamic Select Treasures Fund	10,362,140	1.81
11.	Citigroup Nominees (Tempatan) Sdn Bhd – Employees Provident Fund Board (ABERDEEN)	7,930,000	1.38
12.	Citigroup Nominees (Tempatan) Sdn Bhd – Kumpulan Wang Persaraan (Diperbadankan) (ABERDEEN)	6,855,000	1.20

THIRTY (30) LARGEST SHAREHOLDERS (CONTINUED)
as at 22 April 2014

	Names	No. of Shares	%
13.	Citigroup Nominees (Tempatan) Sdn Bhd – Employees Provident Fund Board (F TEMPLETON)	6,255,400	1.09
14.	Citigroup Nominees (Asing) Sdn Bhd – CBNY for Dimensional Emerging Markets Value Fund	5,476,280	0.96
15.	Amanahraya Trustees Berhad – Public Sector Select Fund	5,215,560	0.91
16.	Citigroup Nominees (Tempatan) Sdn Bhd – Employees Provident Fund Board (AMUNDI)	3,763,200	0.66
17.	CIMB Commerce Trustee Berhad – Public Focus Select Fund	3,617,200	0.63
18.	Indera Permai Sdn Bhd	3,426,020	0.60
19.	CIMB Group Nominees (Tempatan) Sdn Bhd – Amtrustee Berhad for CIMB Islamic Dali Equity Theme Fund	2,557,820	0.45
20.	Citigroup Nominees (Tempatan) Sdn Bhd – Employees Provident Fund Board (PHEIM)	2,302,800	0.40
21.	Cartaban Nominees (Asing) Sdn Bhd – BBH And Co Boston for Pyramis Select International Small Capplus Commingled Pool	2,164,500	0.38
22.	Amsec Nominees (Tempatan) Sdn Bhd – Aberdeen Asset Management Sdn Bhd for Tenaga Nasional Berhad Retirement Benefit Trust Fund (FM-ABERDEEN)	2,141,000	0.37
23.	HSBC Nominees (Asing) Sdn Bhd – Exempt An for JPMorgan Chase Bank, National Association (U.S.A.)	2,125,188	0.37
24.	HSBC Nominees (Asing) Sdn Bhd – Exempt An for The Bank of New York Mellon (MELLON ACT)	2,123,540	0.37
25.	Maybank Nominees (Tempatan) Sdn Bhd – Etiqa Insurance Berhad (SHAREHLDR'S FD)	2,055,800	0.36
26.	HSBC Nominees (Asing) Sdn Bhd – Exempt An for BNP Paribas Securities Services (SINGAPORE-SGD)	2,010,000	0.35
27.	HSBC Nominees (Tempatan) Sdn Bhd – HSBC (M) Trustee Bhd for MAAKL AL-FAID (4389)	1,931,200	0.34
28.	Amanahraya Trustees Berhad – Public Islamic Sector Select Fund	1,894,720	0.33
29.	Amanahraya Trustees Berhad – Public Islamic Opportunities Fund	1,893,760	0.33
30.	Cimsec Nominees (Tempatan) Sdn Bhd – CIMB Bank for Global Transit International Sdn Bhd	1,827,800	0.32
	TOTAL	**437,987,160**	**76.43**

SUBSTANTIAL SHAREHOLDERS
as at 22 April 2014

Names	No. of Shares			
	Direct	**(%)**	**Indirect**	**(%)**
Pulau Kapas Ventures Sdn Bhd ("PKV")	180,774,359[(1)]	31.54	–	–
Khazanah Nasional Berhad	65,298,982	11.39	180,774,359[(3)]	31.54
Kumpulan Wang Persaraan (Diperbadankan)	37,955,348[(2)]	6.63	–	–
Employees Provident Fund Board	32,687,000	5.70	–	–
Global Transit International Sdn Bhd ("GTI")	2,105,300	0.37	180,774,359[(4)]	31.54
Megawisra Sdn Bhd ("Megawisra")	24,831,363	4.33	182,879,659[(5)]	31.91
Megawisra Investments Limited ("Megawisra Investments")	–	–	207,711,022[(6)]	36.24
Afzal Abdul Rahim	–	–	207,711,022[(7)]	36.24
Gan Te-Shen	–	–	207,711,022[(8)]	36.24

Notes:-

(1) Including shares held under Amsec Nominees (Tempatan) Sdn Bhd.
(2) Including shares held under Citigroup Nominees (Tempatan) Sdn Bhd.
(3) Deemed interested by virtue of its interests held through PKV pursuant to Section 6A of the Companies Act, 1965 ("the Act").
(4) Deemed interested by virtue of its interests held through PKV pursuant to Section 6A of the Act.
(5) Deemed interested by virtue of its interests held through PKV via its shareholdings in GTI pursuant to Section 6A of the Act.
(6) Deemed interested by virtue of its interests held through PKV and GTI via its shareholdings in Megawisra pursuant to Section 6A of the Act.
(7) Deemed interested by virtue of his interests held through PKV, GTI and Megawisra via his shareholdings in Megawisra Investments pursuant to Section 6A of the Act.
(8) Deemed interested by virtue of his interests held through PKV, GTI and Megawisra via his shareholdings in Megawisra Investments pursuant to Section 6A of the Act.

STATEMENT ON DIRECTORS' INTERESTS IN SHARES

Afzal Abdul Rahim, a Director on the Board of TIME dotCom Berhad, is deemed to have interest in the shares of the Company by virtue of Section 6A(4)(c) of the Companies Act, 1965 through Pulau Kapas Ventures Sdn Bhd, Megawisra Sdn Bhd and Global Transit International Sdn Bhd.

Gan Te-Shen, a Director on the Board of TIME dotCom Berhad, is deemed to have interest in the shares of the Company by virtue of Section 6A(4)(c) of the Companies Act, 1965 through Pulau Kapas Ventures Sdn Bhd, Megawisra Sdn Bhd and Global Transit International Sdn Bhd.

Ronnie Kok Lai Huat and Rossana Annizah Ahmad Rashid @ Mohd Rashidi, the Directors on the Board of TIME dotCom Berhad, hold 60,000 shares and 110,000 shares in TIME dotCom Berhad respectively whilst Balasingham A. Namasiwayam, a Director on the Board of TIME dotCom Berhad, holds 5,000 shares in TIME dotCom Berhad through his spouse.

TT DOTCOM SDN BHD

Vendor	Location	Description	Tenure	Area	Existing Use	Approximate Age (Years)		Cost (NBV) (RM)	Remarks (Amortisation)
Perdana Restu Sdn. Bhd.	HMS 984 PT 1277 Mukim Sungai Karang Baging Kuantan	Land	Freehold	12,140.55 sq.m.	Operation Cable Landing Station	2		**4,200,000.00**	
Antrac Holdings (M) Sdn. Bhd.	Lot No. 43 & 54 Glenmarie Industrial Park Shah Alam Selangor	Land	Freehold	2.225 acre	Operation site	17		**3,687,963.00**	
		Building		8,456.64 sq.m.			Cost Depreciation Balance (nbv)	**14,717,422.12** **14,717,402.12** **20.00**	
Time Engineering Bhd. (Henry Butcher, Lim & Long Sdn. Bhd.)	Lot 26 Jln 225 Petaling Jaya 46100 PJ Selangor	Building Land	Leasehold	16,000 s.f. (1,486.45 sq.m.) 49,266.37 s.f. (4,577 sq.m.)	Operation site	40	Cost Depreciation Balance (nbv)	**5,585,840.00** **1,228,884.80** **4,356,955.20**	**99 years** **Expire** **11/4/2072**
Mega Capital Sdn. Bhd. (Messrs Neoh, Norizah & Co.)	Lot 6359 Mukim 1 Daerah Seberang Prai Pulau Pinang	Land	Freehold	63,345 s.f.	Operation site	18		**2,519,946.00**	
Kotajasa Sdn. Bhd. (Messrs Arthur Lee & Co.)	Lot P.T.D. 3930 Mukim Tebrau Daerah Johor Bahru Johor	Land	Freehold	117,767 s.f.	Operation site	16	Cost Land impairment Balance (nbv)	**4,946,214.00** **2,101,214.00** **2,845,000.00**	
Raine & Horne International (Gan Teik Chee & Co.) Vendor : Yuan Seng Building Trading Sdn. Bhd.	102M Lengkok Kampung Jawa 2 Miel Industrial Estate Bayan Lepas Pulau Pinang	Land	Leasehold	9,485 s.f.	Operation site	32	Cost Amortisation Balance (nbv)	**1,007,000.00** **867,138.75** **139,861.25**	**60 years** **from 1981** **to 2041**
		Building		668.9 sq.m.	Office Building		Cost Depreciation Balance (nbv)	**200,000.00** **67,999.94** **132,000.06**	2 % Depreciation
Win Muar Sdn. Bhd.	Lot 142-A Semambu Industrial Estate Kuantan Pahang	Land	Leasehold	2.5 acre (10,940.5 sq.m.) (117,762.45 sq.ft.)	Operation site	33	Cost Amortisation Balance (nbv)	**1,535,000.00** **1,458,262.17** **76,737.83**	**66 years** **from 1980** **to 2046**
		Building		1,938 sq.m.	Office Building		Cost Depreciation Balance (nbv)	**1,065,000.00** **404,699.98** **660,300.02**	2 % Depreciation

TT DOTCOM SDN BHD (CONTINUED)

Vendor	Location	Description	Tenure	Area	Existing Use	Approximate Age (Years)		Cost (NBV) (RM)	Remarks (Amortisation)
Sy. Tanah Lawas Sdn. Bhd. (Messrs Neoh, Norizah & Co.)	Kg. Sungai Bedaun Daerah Labuan Wilayah Persekutuan Labuan	Land	Leasehold	8.0 acre	Operation site	30	Cost Amortisation Balance (nbv)	**4,145,000.00** **3,740,323.11** **404,676.89**	**99 years from 1984 to 2082**
		Building		270 sq.m.					
Martimex Sdn. Bhd.	P.T. No. 2705 Mukim Ulu Kinta Daerah Ulu Kinta Perak	Land	Leasehold	23,274 s.f.	Operation site	37	Cost Amortisation Balance (nbv)	**350,000.00** **317,762.50** **32,237.50**	**60 years from 1976 to 2036**
Chong Han Ting	Lot 37, Kg. Sungai Bedaun Settlement scheme Labuan Wilayah Persekutuan Labuan	Land	Leasehold	3.0 acre	Operation site	30	Cost Amortisation Balance (nbv)	**80,000.00** **72,631.33** **7,368.67**	**99 years from 1984 to 2082**
	Lot No. 469 Mukim Batu Burok Kuala Terengganu Terengganu	Land	Leasehold	8,712 s.f.	Operation site	38	Cost Amortisation Balance (nbv)	**350,000.00** **301,388.83** **48,611.17**	**99 years 1975-2074**
	Lot P.T.D. 1474 HS (D) 3432 Mukim Jemaluang Daerah Mersing Johor	Land	Leasehold	1,237 sq.m.	Operation site	12	Cost Amortisation Balance (nbv)	**41,320.00** **18,766.17** **22,553.83**	**60 years 2001-2061**

TIME DOTCOM BHD

Vendor	Location	Description	Tenure	Area	Existing Use	Approximate Age (Years)	Cost (NBV) (RM)	Remarks (Amortisation)
Barney Communication Sdn. Bhd.	Lot No. 53 Glenmarie Industrial Park Shah Alam Selangor	Land	Freehold	4,260 sq.m.	Operation site	2	**8,112,848.99**	
		Building		3,747 sq.m.	Office Building			

NOTICE IS HEREBY GIVEN THAT the 17th Annual General Meeting (AGM) of the Company will be held at **Saujana Ballroom, Ground Floor, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia** on **Thursday, 5 June 2014** at **10.00 a.m.** for the purpose of transacting the following businesses:

AGENDA

1. To receive the Audited Financial Statements for the year ended 31 December 2013 together with the Reports of the Directors and Auditors thereon. **Please refer to Note A.**

As Ordinary Business:-

2. To re-elect the following Directors retiring in accordance with Article 94 of the Company's Articles of Association and, who being eligible, they have offered themselves for re-election:-

   i) Ronnie Kok Lai Huat **Resolution 1**
   ii) Afzal Abdul Rahim **Resolution 2**

3. To re-elect Gan Te-Shen, a Director retiring in accordance with Article 99 of the Company's Articles of Association and, who being eligible, has offered himself for re-election. **Resolution 3**

4. To consider and if thought fit, to pass the following resolution in accordance with Section 129 of the Companies Act, 1965:- **Resolution 4**

   "THAT Abdul Kadir Md Kassim who retires in accordance with Section 129 of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the next Annual General Meeting of the Company."

5. To re-appoint Messrs KPMG as Auditors and to authorise the Directors to fix their remuneration. **Resolution 5**

As Special Business:-

To consider and if thought fit, pass the following Ordinary Resolutions:-

6. Ordinary Resolution – Authority to Issue Shares Pursuant To Section 132D of the Companies Act, 1965 **Resolution 6**

   "THAT subject always to the Companies Act, 1965 and the Articles of Association of the Company, the Directors be and are hereby empowered, pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares issued pursuant to this Resolution does not exceed 10% of the issued share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting; and FURTHER THAT the Directors be and are hereby empowered to obtain the approval for the listing and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad."

7. Ordinary Resolution – Proposed Increase in Directors' Fees **Resolution 7**

   "THAT the aggregate fees payable to the Directors of the Company be hereby increased to an amount not exceeding RM1,044,000 per annum for the financial year ending 31 December 2014."

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 1965.

BY ORDER OF THE BOARD

MISNI ARYANI MUHAMAD (LS 0009413)
Secretary

12 May 2014
Selangor Darul Ehsan

Note A:-

This agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders and hence is not put forward for voting.

Notes:-

1. For the purpose of determining a member who shall be entitled to attend this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depository as at 30 May 2014. Only a depositor whose name appears on the Record of Depositors as at 30 May 2014 shall be regarded as a member entitled to attend, speak and vote at the Company's AGM or appoint proxies to attend and/or vote on his/her behalf.

2. A member entitled to attend and vote at the above Meeting of the Company is entitled to appoint a proxy/proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.

3. The instrument of proxy shall be in writing and signed by the appointer or by his attorney and in the case of a corporation, either under its common seal or signed by its attorney or officer on behalf of the corporation.

4. A member who holds 1,000 shares or less in the Company is entitled to appoint one (1) proxy whilst a member holding more than 1,000 shares in the Company is entitled to appoint a maximum of two (2) proxies. Where a member of the Company is an authorised nominee as defined in accordance with the Securities Industry (Central Depositories) Act, 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

5. Where a member appoints two (2) proxies, the appointments shall be invalid unless the proportion of holding to be represented by each proxy is specified.

6. The instrument appointing a proxy or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's Share Registrar's office, **Symphony Share Registrars Sdn Bhd at Level 6, 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 adjourned meeting, or in the case of a poll not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

Explanatory Note on Special Business:-

Resolution 6

The Ordinary Resolution 6 is proposed for the purpose of granting a renewed general mandate for the issuance of shares in the Company pursuant to Section 132D of the Companies Act, 1965.

There was no issuance of shares pursuant to Section 132D of the Companies Act, 1965 under the general mandate which was obtained at the 16th AGM held on 20 May 2013 and the said mandate will expire at the conclusion of the forthcoming 17th AGM.

The Ordinary Resolution 6, if passed at the 17th AGM, will give authority to the Directors of the Company to issue and allot shares at any time without convening a general meeting, in order to avoid any delay and cost involved in convening one. The authorisation so granted, is valid from the date of the 17th AGM, and unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

The general mandate if renewed at the 17th AGM, will provide the Company the flexibility to raise funds for funding future investment project(s), working capital and/or acquisition(s).

Resolution 7

The Ordinary Resolution 7 is proposed to cater for possible appointment of new directors in 2014.

The Board recommends that shareholders approve the increase in annual fees amounting to RM1,044,000 in order to cater for possible appointment of new directors in 2014.

FORM OF PROXY

TIME DOTCOM BERHAD
(Company No. 413292-P)

No. of shares	CDS Account No.

I/We, ______________________________ NRIC/Passport/Company No. ______________
(Name in block letters)

of ____
(Full Address)

being a member/members of **TIME dotCom Berhad** hereby appoint the following person(s):-

Name of Proxy & NRIC	No. of shares to be represented by Proxy
1.	
2.	

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the 17th Annual General Meeting of the Company to be held at **Saujana Ballroom, Ground Floor, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia** on **Thursday, 5 June 2014** at **10.00 a.m.** and at any adjournment thereof.

You may indicate with an "**X**" or "✓" in the boxes provided below how you wish your votes to be cast. Please note that the filling of this form is for indicative purposes only and shall not bind the Company or in any way oblige or require the Company to ensure that your proxy shall vote in the manner as indicated by you.

Please take further note that the Company shall accept the vote cast by your proxy as a valid vote whether or not your proxy has acted in accordance with your instructions.

No.	Resolution	For	Against
1	Re-election of Ronnie Kok Lai Huat as Director		
2	Re-election of Afzal Abdul Rahim as Director		
3	Re-election of Gan Te-Shen as Director		
4	Re-appointment of Abdul Kadir Md Kassim as Director		
5	Re-appointment of Messrs KPMG as Auditors		
6	Authority to Issue Shares Pursuant to Section 132D of the Companies Act, 1965		
7	Proposed Increase in Directors' Fees		

Signed this __________ day of ________________ 2014.

____
Signature/Common Seal of Appointer

NOTES:

1. For the purpose of determining a member who shall be entitled to attend this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, to issue a General Meeting Record of Depository as at 30 May 2014. Only a depositor whose name appears on the Record of Depositors as at 30 May 2014 shall be regarded as a member entitled to attend, speak and vote at the Company's AGM or appoint proxies to attend and/or vote on his/her behalf.
2. A member entitled to attend and vote at the above Meeting of the Company is entitled to appoint a proxy/proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
3. The instrument of proxy shall be in writing and signed by the appointer or by his attorney and in the case of a corporation, either under its common seal or signed by its attorney or officer on behalf of the corporation.
4. A member who holds 1,000 shares or less in the Company is entitled to appoint one (1) proxy whilst a member holding more than 1,000 shares in the Company is entitled to appoint a maximum of two (2) proxies. Where a member of the Company is an authorised nominee as defined in accordance with the Securities Industry (Central Depositories) Act, 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member appoints two (2) proxies, the appointments shall be invalid unless the proportion of holding to be represented by each proxy is specified.
6. The instrument appointing a proxy or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's Share Registrar's office, **Symphony Share Registrars Sdn Bhd at Level 6, 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 adjourned meeting, or in the case of a poll not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

AFFIX
POSTAGE
HERE

Symphony Share Registrars Sdn Bhd
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan

TIME

TIME dotCom Berhad (413292-P)
TT dotCom Sdn Bhd (52371-A)
TIME dotNet Berhad (507273-T)
No. 14, Jalan Majistret U1/26
HICOM Glenmarie Industrial Park
40150 Shah Alam
Selangor, Malaysia
Tel : +60-3-5039 3000
Fax : +60-3-5032 0183
Website : www.time.com.my

Northern Region
102M, Lengkok Kg. Jawa 2
MIEL Industrial Zone
11900 Bayan Lepas
Pulau Pinang
Tel : +60-4-370 0000
Fax : +60-4-370 0001

No. 12, Block D1
Jalan Todak 4
Pusat Bandar Seberang Jaya
13700 Prai
Pulau Pinang
Tel : +60-4-370 2000
Fax : +60-4-370 2004

Eastern Region
Lot 142A, Kawasan Perindustrian
Semambu
25350 Kuantan
Pahang Darul Makmur
Tel : +60-9-556 0692
Fax : +60-9-556 0691

Southern Region
Lot 3930, Jalan Riang 23
Taman Gembira
Tampoi
81200 Johor Bahru
Johor Darul Takzim
Tel : +60-7-279 3030
Fax : +60-7-279 3031

No. 69, Jalan TU3
Taman Tasek Utama
75450 Ayer Keroh
Melaka
Tel : +60-6-228 3000
Fax : +60-6-228 3001

Sabah & Sarawak
No. 13, Lot 10
Lorong Burung Keleto
Pusat Perindustrian Ngee Lim
Batu 5, Jalan Tuaran
88450 Inanam
Kota Kinabalu, Sabah
Tel : +60-88-433 982
Fax : +60-88-433 984

Lot 969, Block 12, MTLD
Samajaya Free Industrial Zone
93450 Kuching, Sarawak
Tel : +60-82-238 600
Fax : +60-82-335 753

GLOBAL TRANSIT

Global Transit Communications Sdn Bhd (687793-W)
Level 10, Menara AIMS
(fka Menara Aik Hua)
Changkat Raja Chulan
50200 Kuala Lumpur
Tel : +60-3-2727 8400
Fax : +60-3-2020 1880
Website : www.globaltransit.net

Global Transit Limited (LL06360)
Global Transit 2 Limited (LL10521)
Lot A020, Level 1, Podium Level
Financial Park, Jalan Merdeka
87000 Labuan, F.T.
Tel : +60-8-742 7745
Fax : +60-8-742 8845

Global Transit Singapore Pte. Ltd.
(200504384-K)
336 Smith Street
#05-310 New Bridge Centre
Singapore 050336
Tel : +65 6513 0265
Fax : +65 6333 0665

Global Transit (Hong Kong) Limited
(963139)
Room 1301, 13/F
Blissful Building
243-247
Des Voeux Road Central
Hong Kong
Tel : +852 2874 2828
Fax : +852 2815 6862

AIMS

AIMS Group of Companies
Level 18, Menara AIMS
(fka Menara Aik Hua)
Changkat Raja Chulan
50200 Kuala Lumpur
Malaysia
Tel : +60-3-2031 4988
Fax : +60-3-2031 8948
Website : www.aims.com.my

AIMS Data Centre Pte Ltd
(200509374Z)
336, Smith Street
#05-310 New Bridge Centre
Singapore 050336
Tel : +65 6513 0265
Fax : +65 6333 0665
Website : www.aims.com.my

CONTACT CENTRE HOTLINE

For General or Product Enquiries

TIME

Tel : 1800 18 1818 or
+60-3-5021 2122
Fax : +60-3-5032 6579
Email : customerservice@
time.com.my

GLOBAL TRANSIT

Tel : +60-3-2727 8400
Email : sales@globaltransit.net

AIMS

Tel : +60-3-2031 4988
Fax : +60-3-2031 8948
Email : marketing@aims.com.my