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**ASIA MEDIA GROUP BERHAD**  
Company No. 200801011849 (813137-V)  
(Incorporated in Malaysia)

## **CIRCULAR TO SHAREHOLDERS**

IN RELATION TO

**PROPOSED SHAREHOLDERS' MANDATE FOR THE COMPANY AND ITS  
SUBSIDIARIES TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A  
REVENUE OR TRADING NATURE WITH RELATED PARTIES**

**("PROPOSED RECURRENT RELATED PARTY TRANSACTIONS")**

The Fourteenth Annual General Meeting ("14<sup>th</sup> AGM") of the Company will be held on a fully virtual basis and entirely via remote participation and electronic voting.

A copy of the proxy form can be obtained from the Annual Report 2022 of the Company or from the Company's website [www.asiamedia.my](http://www.asiamedia.my). If you decide to appoint a proxy to attend and vote on your behalf at the 14<sup>th</sup> AGM, the Proxy Form should be completed and lodged at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time appointed for the 14<sup>th</sup> AGM or at any adjournment thereof. You can also have the option to lodge the proxy appointment electronically via TIIH Online at <https://tiah.online> before the proxy form lodgement cut-off time as mentioned below. For further information on the electronic lodgement of proxy form, kindly refer to the Administrative Details. The lodging of the Form of Proxy for the 14<sup>th</sup> AGM will not preclude you from attending and voting at the fully virtual 14<sup>th</sup> AGM should you subsequently decide to do so.

Last date and time for lodging the Proxy Form	: Wednesday, 17 August 2022 at 10.00 a.m.
Date and time of 14 <sup>th</sup> AGM	: Friday, 19 August 2022 at 10.00 a.m.
Broadcast Venue	: Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur
Online Meeting Platform	: TIIH online website at <a href="https://tiah.online">https://tiah.online</a>

This Circular is dated 28 July 2022

## DEFINITIONS

Unless otherwise stated, the following definitions shall apply throughout this Circular:

Act	:	The Companies Act 2016, including all amendments made from time to time and any re-enactment thereof
AGM	:	Annual General Meeting
Audit Committee	:	The duly constituted audit committee of the Company.
Asia Media or Company	:	Asia Media Group Berhad (200801011849 [813137-V])
Asia Media Group or Group	:	Asia Media and its subsidiaries (as defined in Section 4 of the Act)
Board	:	Board of Directors of the Company
Bursa Securities	:	Bursa Malaysia Securities Berhad
Director	:	A person as defined in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director of the Company or any other company which is its subsidiary or holding company or a chief executive officer of the Company, its subsidiary or holding company
Harta Goldmine (“HGSB”)	:	Harta Goldmine Sdn Bhd (201001032218 [916143-P])
Listing Requirements	:	The Main Market Listing Requirements of the Bursa Securities including any amendment thereto that may be made from time to time.
Major Shareholder	:	A person who has (which includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon) an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is:-  (a) 10% or more of the total number of voting shares in the Company; or  (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company.  For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act.
NA	:	Net Assets
Proposal	:	Proposed shareholders’ mandate for the Asia Media Group to enter into Recurrent RPTs.

- Recurrent RPTs : Recurrent related party transactions of a revenue or trading nature with Related Parties which are necessary for the day-to-day operations as well as in the ordinary course of business of the Group and are on terms not more favourable to the Related Parties than those general available to the public.
- Related Party : A Director, Major Shareholder and/or person connected with such Director or Major Shareholder.
- RM and Sen : Ringgit Malaysia and Sen respectively

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**ASIA MEDIA GROUP BERHAD**

Company No. 200801011849 (813137-V)  
(Incorporated in Malaysia)

REGISTERED OFFICE  
No. 3A, Mezzanine Floor  
Jalan Ipoh Kecil  
50350 Kuala Lumpur

Date : 28 July 2022

**BOARD OF DIRECTORS**

Wan Aduce Tuanku Haji Bujang (Chairman / Independent Non-Executive)  
Tan Chia Hong @ Gan Chia Hong (Executive Director cum Chief Executive Officer)  
Chen, Jui-Liang (Executive Director)  
Datuk Chiu Tiang Chai (Non-Independent Non-Executive Director)  
Oh Teik Keng (Independent Non-Executive Director)  
Chin How Sam (Independent Non-Executive Director)  
Tan Choon Fuh (Independent Non-Executive Director)

To : The Shareholders of Asia Media Group Bhd.

Dear Sir / Madam

**PROPOSED SHAREHOLDERS' MANDATE FOR THE COMPANY AND ITS SUBSIDIARIES TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH RELATED PARTIES ("PROPOSED RECURRENT RELATED PARTY TRANSACTIONS")**

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**1. Introduction**

At the forthcoming Fourteenth ("14<sup>th</sup>") AGM of the Company to be held on 19 August 2022, the Board seeks to obtain shareholders' approval for Asia Media Group to enter into Recurrent RPTs. The authority, which may be renewed annually, will expire at the earliest of the following events:

- (a) the conclusion of the next AGM of the Company (unless by a resolution or resolutions passed at the said AGM, the authority is renewed);
- (b) the expiry of the period within which the next AGM of the Company following the forthcoming AGM at which the authority itself was sought and obtained, is required to be held pursuant to Section 340(2) of the Act, without regards to such extension which may be allowed pursuant to Section 340(4) of the Act; or
- (c) revoked or varied by a resolution or resolutions passed by the shareholders of the Company in General Meeting.

On 27 July 2022, the Company announced its intention to seek the approval of shareholders at the forthcoming AGM for the Proposal, which is essentially made up of seeking shareholders' mandate for substantially all the Recurrent RPTs with the Related Party whose particulars appear in paragraph 2.4.

The purpose of this Circular is to provide shareholders with information on the Proposal and to seek your approval for the Ordinary Resolution pertaining thereto, which will be tabled at the forthcoming AGM of the Company as an item of special business in the Agenda. The notice of our forthcoming AGM and the Form of Proxy are enclosed in the 2022 Annual Report.

**YOUR ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CAREFULLY BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSAL TO BE TABLED AT OUR FORTHCOMING AGM.**

## **2. DETAILS OF THE PROPOSAL**

### **2.1 The Listing Requirements and Duration**

Pursuant to and in compliance with Part E, Paragraph 10.09 and Practice Note 12 of the Listing Requirements, Asia Media proposes to seek the approval of shareholders for the Proposal.

The Proposal, which will be subject to annual renewal, will if approved, continue to be in force until:

- (a) the conclusion of the next AGM of the Company (unless by a resolution or resolutions passed at the said AGM, the authority is renewed);
- (b) the expiry of the period within which the next AGM of the Company following the forthcoming AGM at which this mandate is approved, is required to be held pursuant to Section 340(2) of the Act, without regard to such extension as may be allowed pursuant to Section 340(4) of the Act; or
- (c) revoked or varied by a resolution or resolutions passed by shareholders of the Company in general meeting;

whichever is the earliest.

### **2.2 Additional Requirements**

Pursuant to Paragraph 10.09 of the Listing Requirements, such mandate sought and if procured, shall be subject to the following:

- (a) the subject transactions shall be in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where:-
  - (i) the consideration value of the assets, capital outlay or costs of the Recurrent RPTs is RM1.0 million or more; or
  - (ii) the percentage ratio of such Recurrent RPTs is 1% or more,

whichever is the lower.

- (c) disclosure will be made in the annual report in accordance with Paragraph 3.1.5 of Practice Note 12 of the Listing Requirements, which requires a breakdown of the aggregate value of the Recurrent RPTs made during the financial year, including amongst others, the type of Recurrent RPTs and the names of the Related Parties involved in each type of the Recurrent RPTs entered into and their relationships with the Company; and
- (d) in a meeting to obtain a renewal of the shareholders' mandate, interested Related Parties must not vote on the resolutions giving such mandate. Interested Directors and Major Shareholders must also ensure that persons connected with them abstain from voting on such resolutions.

### **2.3 AMGB's Principal Activities**

The principal activity of the Company is investment holding.

### **2.4 The Related Parties and Their Relationships With The Company**

The Recurrent RPTs for which the mandate of the shareholders is being sought are particularly in respect of transactions to be entered into by AMGB with persons or parties connected with the Directors and/or Major Shareholders, being as follows:

- (a) Harta Goldmine Sdn Bhd (201001032218 [916143-P]) ("HGSB"), a company incorporated on 28 September 2010 and engaged in property investment company in which Mr. Tan Chia Hong @ Gan Chia Hong, a Director and Substantial Shareholder of Asia Media, is also a Director and Shareholder in HGSB. He holds 20% in HGSB and Mr. Tan Chia Hong @ Gan Chia Hong's siblings hold the remaining 80% in HGSB.

## 2.5 The Nature of Transactions Contemplated under the Proposal

The Recurrent RPTs covered by the Proposal are transactions to be undertaken by the Group relating to the provision of or obtaining from such Related Parties, products and services in the normal course of business of the Group, as follows:-

Nature of transactions undertaken by Asia Media and/or its subsidiaries	Transacting Parties	Estimated Value from the day of the forthcoming AGM until the AGM in the year 2023 (being the validity period of the mandate) (RM)	Related Parties
Rental of Office (Unit 15-1)	AMGB	300,000.00	HGSB
Rental of Office <sup>1</sup> (Unit 15-2)	AMGB	258,480.00	HGSB

Note:

Rental of Office<sup>1</sup> - The current Tenancy Agreement is expiring on 31 August 2022 and AMGB will renew the Tenancy Agreement with HGSB on 1 September 2022.

## 2.6 The Methods And Procedures By Which Transaction Prices Are Determined

The Asia Media Group shall continue to implement the following methods and procedures by which transaction prices are determined. They are to help ensure that Recurrent RPTs are undertaken on terms not more favourable to the Related Party than those generally available to the public and are not detrimental to the minority shareholders:

- (a) the list of Related Parties will be circulated within the AMGB and all Related Parties will be notified that Recurrent RPTs are required to be undertaken with the Group on terms no less favourable than the usual terms offered to their favoured clients;
- (b) transaction prices and terms shall be at prevailing market rates as determined by market forces, demand and supply, quality of the products and services and other relevant factors. Where practical and feasible, quotations and tenders will be obtained from third parties to ascertain competitive transaction prices;
- (c) records shall be maintained by the Company to capture all Recurrent RPTs which are undertaken pursuant to the shareholders' mandate;
- (d) the annual internal audit plan shall incorporate a review of all Recurrent RPTs entered into pursuant to the shareholders' mandate to ensure that relevant approvals have been obtained and review procedures in respect of such transactions are adhered to;
- (e) the Audit Committee shall review the internal audit reports to ascertain that the guidelines and procedures established to monitor Recurrent RPTs have been complied with; and
- (f) the Board and the Audit Committee shall be responsible for determining the review procedures and may delegate such functions relating thereto to individuals or committees within the Company as they deem appropriate. If a member of the Board or Audit Committee has an interest, as the case may be, he will abstain from any decision making by the Board or Audit Committee in respect of the said transaction.

The Company has engaged a professional property valuer to determine the best rental which the property would reasonably be expected to fetch if offered for rental in the open market between independent parties dealing at arm's length at the date of the valuation assuming the various factors were considered, which include a willing tenant; a reasonable period within which to negotiate the tenancy; values will remain static throughout the period of negotiation for the tenancy; the property will be freely exposed to the market; no account is taken of additional bid by a special tenant; the tenancy is for tenure with option to renew when the rental expires; and the usual terms and conditions of tenancy apply, i.e. the landlord is responsible for assessment, quit rent and structural repairs while the tenant bears the other outgoing.

There is no specific threshold for approval of the Recurrent RPTs within the Asia Media Group. All Recurrent RPTs are reviewed and authorised by personnel of at least senior managerial level, provided always that such personnel has no interest in the transaction and the said transaction has been approved pursuant to the shareholders' mandate obtained in the general meeting for the Recurrent RPTs.

## 2.7 Existing Recurrent RPTs

Set out below is the actual value transacted of each Recurrent RPT from 1 August 2021 to 31 March 2022:

Nature of transaction undertaken by Asia Media and/or its subsidiaries	Related Parties	Transacting Parties	Actual Value transacted from 1 August 2021 to 31 March 2022 (RM)
Rental <sup>1</sup> (Unit15-1)	AMGB	HGSB	75,000
Rental <sup>2</sup> (Unit15-2)	AMGB	HGSB	96,000

Note:

Rental<sup>1</sup> – The tenancy agreement for the rental of office Unit 15-1, Level 15, Menara Choy Fook On, 1B, Jalan Yong Shook Lin, Seksyen 7, 46050 Petaling Jaya, Selangor Darul Ehsan entered between AMGB and HGSB effective from 1 January 2022 for 36 months.

Rental<sup>2</sup> – The tenancy agreement for the rental of office Unit 15-2, Level 15, Menara Choy Fook On, 1B, Jalan Yong Shook Lin, Seksyen 7, 46050 Petaling Jaya, Selangor Darul Ehsan entered between AMGB and HGSB effective from 1 August 2021 for 13 months.

## 3. AUDIT COMMITTEE STATEMENT

The Audit Committee has seen and reviewed the methods and procedures in Paragraph 2.6 above and is of the view that the said methods and procedures are sufficient to help ensure that the Recurrent RPTs will not be more favourable to the Related Parties than those generally available to the public and will not be detrimental to the minority shareholders of the Company. A member of the Audit Committee will abstain from participating in the Audit Committee's review of those Recurrent RPTs in which he/she has any interest.

In view of Datuk Chiu Tiang Chai being an interested party due to his indirect interest held via Mr. Tan Chia Hong @ Gan Chia Hong and his relationship being a father-in-law of Mr. Tan Chia Hong @ Gan Chia Hong, he abstained from participation in the Audit Committee's review of the Recurrent RPTs.

The Asia Media Group has in place adequate procedures and processes to monitor, track and identify Recurrent RPTs in a timely and orderly manner. The Audit Committee of Asia Media Group conducts the review of these procedures and processes on annual basis.

## 4. RATIONALE

The related party transactions envisaged in the Proposal are in the ordinary course of business of the Asia Media Group and of a recurring nature. The Proposal on an annual renewal basis will dispense with the necessity to convene General Meetings from time to time to seek shareholders' approval when potential recurrent transactions with Related Parties arise. This will result in substantial time and cost savings, without either compromising corporate objectives or affecting business opportunities available to the Group.

The Recurrent RPTs, as outlined in Section 2.5 above, are made on arm's length basis and on normal commercial terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and which are not prejudicial to the interest of the shareholders.

The Recurrent RPTs are intended to meet the business requirements of the Group at the best possible terms as well as to explore other beneficial business opportunities. These transactions allow the Group to ensure it meets the operational needs of premises occupancies that are conducive to the Group to operate in and to meet its requirement as it expands the Group's business growth.

## 5. FINANCIAL EFFECTS

The Proposal will not have any effect on share capital and is not expected to have any material effect on NA and earnings of the Asia Media Group.

## 6. APPROVAL REQUIRED

The Proposal is subject to approval of the shareholders of the Company at the forthcoming AGM to be convened.

## 7. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

The interests, direct or indirect, of the interested Related Parties (being the Director, Major Shareholders and/or persons connected with a Director or Major Shareholder) in the Proposal and their respective shareholdings in the Company as at 30 June 2022, are summarised as follows:

Name	No. of ordinary shares in the Company				Notes *
	Direct	%	Indirect	%	
Tan Chia Hong @ Gan Chia Hong	-	-	28,412,180	9.127	Note 1
Datuk Chiw Tiang Chai	-	-	26,157,180	8.402	Note 2

\* Notes:

Note 1

- 1 Deemed interest of 23,372,340 shares held through Grand Portfolio Sdn Bhd where Mr. Tan Chia Hong @ Gan Chia Hong has 60% direct interest in the total issued shares.
- 2 Deemed interest of 1,163,000 shares held by Gan Chia Shuen, the brother of Mr. Tan Chia Hong @ Gan Chia Hong.
- 3 Deemed interest of 1,092,000 shares held by Gan Chia Wong, the brother of Mr. Tan Chia Hong @ Gan Chia Hong.
- 4 Deemed interest of 2,784,840 shares held through Wise Net Resources Holding (M) Sdn Bhd where Mr. Tan Chia Hong @ Gan Chia Hong has 20% direct interest in the total issued shares.

Note 2

Datuk Chiw Tiang Chai is the father-in-law of Mr. Tan Chia Hong @ Gan Chia Hong.

There is no amount due and owing to the Asia Media Group by its related parties under the Recurrent RPTs which exceeded the credit term for the financial year ended 31 March 2022.

## 8. DIRECTORS' RECOMMENDATION

The Board (with the exception of the Directors as set out in Paragraph 7 above) is of the opinion that the Proposal is in the best interest of the Company and its shareholders and is not to the detriment of minority shareholders. Accordingly, the Directors (with the exception of the Directors set out in Paragraph 7 above) recommend that shareholders vote in favour of the Ordinary Resolution pertaining to the Proposal at the forthcoming AGM.

## 9. ANNUAL GENERAL MEETING

The Fourteenth Annual General Meeting ("14<sup>th</sup> AGM") of the Company will be held on a fully virtual basis and entirely via remote participation and electronic voting from the Broadcast Venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Thursday, 18 August 2022 at 10.00 a.m.

If you are unable to attend and vote in person at the 14<sup>th</sup> AGM, you may appoint a proxy or proxies to attend and vote on your behalf by completing, signing and returning the enclosed Form of Proxy in accordance with the instructions contained therein as soon as possible, so as to arrive at the Share Registrar's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium,

Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the date and time set for holding the 14<sup>th</sup> AGM as indicated above or any adjournment thereof.

You can also have the option to lodge the proxy appointment electronically via TIIH Online at <https://tiih.online> before the proxy form lodgement cut-off time as mentioned above. For further information on the electronic lodgement of proxy form, kindly refer to the Administrative Details.

The lodgement of the Form of Proxy shall not preclude you from attending and voting at the virtual 14<sup>th</sup> AGM should you subsequently wish to do so.

#### **10. FURTHER INFORMATION**

Shareholders are requested to refer to the attached Appendix I for further information.

**Yours faithfully,  
For and on behalf of the Board of Directors of  
Asia Media Group Berhad**

Wan Aduce Tuanku Haji Bujang  
Independent Non-Executive Chairman.

## Appendix I

### Further Information

#### 1. Directors' Responsibility Statement

This Circular has been seen and approved by the directors of the Company and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no facts, the omission of which would make any statement herein misleading.

#### 2. Material Litigation

KUALA LUMPUR HIGH COURT CIVIL SUIT NO. WA-22NCvC-70-01/2022  
ASIA MEDIA GROUP BERHAD ("PLAINTIFF") VS WONG SHEE KAI ("DEFENDANT")

On 31 January 2022, the Company vide Messrs. Krish Maniam & Co. had filed a Statement of Claim in the Kuala Lumpur High Court against Wong Shee Kai, a former executive director cum chief executive officer of the Company. The Plaintiff is essentially seeking the following reliefs:

- a) Special damages for a sum of RM170,537,870.11 or any other sum that the Honourable Court deems fit and proper;
- b) a declaration that the Defendant is liable to account to the Plaintiff for the sum of RM170,537,870.11 for the purchase of items;
- c) a declaration that the Defendant holds as constructive trustee for the Plaintiff in relation to the said RM170,537,870.11 or any losses arising from the breaches set out above;
- d) equitable compensation if the Honourable Court finds it fair and proper;
- e) Special damages for the sum of RM1,500,000.00 for the refund of the ex gratia payment paid by the Plaintiff to the Defendant;
- f) Special damages for the sum of RM2,344,527.96 for the outstanding amount owed by DPO Plantations Sdn Bhd (679181-V) waived by the Plaintiff ;
- g) other loss and damages to be assessed by the Honourable Court;
- h) interest on all sums found to be due to the Plaintiff at such rate and for such period of time as the Honourable Court deems just and reasonable;
- i) costs on an indemnity basis against the Defendant; and
- j) such further or other relief as the Honourable Court deems fit

During the case management on 8 June 2022, the High Court had set the Company's application for further and better particulars for hearing on 4 August 2022.

#### 3. Material Contracts

Save as disclosed below, neither the Company nor any of its subsidiary companies has entered into any material contracts, not being contracts entered into in the ordinary course of business, during the two (2) years immediately preceding the date of this Circular.

#### 4. Documents for Inspection

Copies of the following documents are available for inspection during normal working hours (except public holidays) at the Registered Office of the Company at No. 3A, Mezzanine Floor, Jalan Ipoh Kecil, 50350 Kuala Lumpur, from the date of this Circular up to and including the date of the forthcoming AGM:

- (a) the Constitution of the Company;
- (b) the audited consolidated accounts of the AMGB Group for the past 2 financial periods, 9 months ended 30 September 2019 and 18 months ended 31 March 2021 respectively;
- (c) the relevant cause papers in respect of material litigation referred to in Paragraph 2 above.