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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**Form 20-F/A**  
Amendment No. 1

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REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

Or

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2014

Or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Or

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number: 001-36637

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**MOL GLOBAL, INC.**

(Exact name of Registrant as specified in its charter)

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N/A

(translation of Registrant's name into English)

Cayman Islands

(Jurisdiction of incorporation or organization)

Lot 07-03 & 08-03 Level 7 & 8 Berjaya Times Square  
No. 1, Jalan Imbi 55100 Kuala Lumpur, Malaysia  
(Address of principal executive offices)

Ramesh Pathmanathan

+603 2082 1251

rameshp@mol.com

Lot 07-03 & 08-03 Level 7 & 8 Berjaya Times Square  
No. 1, Jalan Imbi 55100 Kuala Lumpur, Malaysia  
(Name, telephone, e-mail and/or facsimile number and address of company contact person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Name of Each Exchange on Which Registered</u>
American depositary shares, each representing one ordinary share	The NASDAQ Global Market
Ordinary shares, par value \$1.00 per share*	The NASDAQ Global Market

\* Not for trading, but only in connection with the listing on the NASDAQ Global Market of American depositary shares.

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None  
(Title of Class)

**Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:**

None  
(Title of Class)

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Indicate the number of outstanding shares of each of the Issuer's classes of capital or common stock as of the close of the period covered by the annual report. **67,504,435 ordinary shares, par value USD 1.00 per share.**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such a shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP  International Financial Reporting Standards as issued by the International Accounting Standards Board  Other

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the Registrant has elected to follow: Item 17  Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes  No

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## EXPLANATORY NOTE

MOL Global, Inc. (“we,” “our,” “us” or “the Company”) is filing this Amendment No. 1 (“this Amendment No. 1”) to amend its Annual Report on Form 20-F for the year ended December 31, 2014 (the “Original Form 20-F”) that was filed with the Securities and Exchange Commission (“SEC”) on April 30, 2015 (the “Original Filing Date”). This Amendment No. 1 amends Item 3, Item 5, Item 8 and Item 18 of the Original Form 20-F to reflect the Company’s restated financial statements as of and for the year ended December 31, 2014, and Item 15 of the Original Form 20-F to describe a material weakness and significant deficiencies in our internal control over financial reporting as of December 31, 2014 that were identified in connection with the audit of our consolidated financial statements as of and for the year ended December 31, 2015. This Amendment No. 1 should be read in conjunction with the Original Form 20-F.

This Amendment No. 1 speaks as of the Original Filing Date and, except as specifically provided above, this Amendment No. 1 does not amend, update or restate any other items or sections of the Original Form 20-F and does not reflect events occurring after the Original Filing Date. The filing of this Amendment No. 1, and the inclusion of newly executed certifications, should not be understood to mean that any other statements contained in the Original Form 20-F are true and complete as of any date subsequent to the Original Filing Date.

### *Restatement of Financial Statements*

As disclosed in our interim report on Form 6-K (File No. 001-36637) filed with the SEC on May 2, 2016, we have restated our consolidated financial results for the year ended December 31, 2014 to correct our accounting for put options granted to the holders of the non-controlling interest of our subsidiary, Klon Ödeme ve İletişim Teknolojileri Anonim Şirketi (“PayByMe”).

A review of the application of IFRS to options (the “Put Options”) granted by our wholly-owned subsidiary, MOL AccessPortal Sdn. Bhd.(“MOLAP”), in connection with the acquisition by MOLAP of a 51% equity interest in PaybyMe resulted in a restatement of previous accounting. In September 2014, we acquired a 51% equity interest in PayByMe, which operates a mobile carrier billing platform in Turkey and the Middle East. In connection with the acquisition, MOLAP granted the Put Options to the non-controlling interest of PaybyMe, pursuant to which the holders of the non-controlling interest have the contractual right to require MOLAP to subscribe for shares representing the remaining 49% equity interest in PayByMe that MOLAP does not already own (the “Option Shares”) in tranches during specified periods. These options are disclosed in note 17(b)(i) (Acquisition of Klon Ödeme ve İletişim Teknolojileri Anonim Şirketi (“PayByMe”)) and 36(ii) (Derivative Financial Liabilities) to our consolidated financial statements as of and for the year ended December 31, 2014.

Upon reviewing the application of IFRS, we noted that we are required to recognize a gross obligation for the present value of the redemption amount of the Put Options because the holders of the non-controlling interest have the right to require MOLAP to pay cash or another financial asset in exchange for the Option Shares. The gross obligation must be recognized at an amount equal to the present value of the estimated amounts that could be required to be paid to the holders of the non-controlling interest in accordance with the shareholders agreement between MOLAP and the holders of the non-controlling interest and are subject to re-measurement at the end of each reporting period. Changes in the measurement of the gross obligation due to the unwinding of the discount or changes in the estimated amounts that the acquirer could be required to pay are recognized in profit or loss at the end of each reporting period. As a result, we have restated our put option written on non-controlling interest and financial liability on in-substance forward on our consolidated statements of financial position as of December 31, 2014.

In addition, the gross obligation on in-substance forward recognized in connection with these options gives rise to the unwinding of discount and changes in estimates of gross obligation to be reported as “finance costs”, in each case on our consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2014. None of the fair value adjustments and corresponding re-measurements have any impact on our operating cash flows. For the year ended December 31, 2014, the unwinding of discount of gross obligation and changes in estimates of the gross obligation was MYR3.2 million. Accordingly, a restatement has been made to the consolidated financial statements as of and for the year ended December 31, 2014.

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The effects of the restatement are set forth in the following table.

(In thousands)	As of and for the year ended December 31, 2014		
	As previously reported MYR	Adjustment MYR	As restated MYR
<b><u>Consolidated statements of profit or loss and other comprehensive income data</u></b>			
Finance costs	(5,987)	(3,154)	(9,141)
Loss before tax	(17,269)	(3,154)	(20,423)
Loss for the period	(17,906)	(3,154)	(21,060)
Total comprehensive loss for the period	(7,192)	(3,154)	(10,346)
<b>Loss for the period attributable to:-</b>			
Owners of the Company	(21,600)	(3,154)	(24,754)
<b>Loss per share</b>			
Basic (sen)	(35.28)	(5.16)	(40.44)
Diluted (sen)	(35.28)	(5.16)	(40.44)
<b>Total comprehensive loss for the period attributable to:-</b>			
Owners of the Company	(10,902)	(3,154)	(14,056)
<b><u>Consolidated statements of financial position data</u></b>			
<b>Capital and reserves</b>			
Reserves	247,284	(3,154)	244,130
Put option written on non-controlling interest	—	(32,944)	(32,944)
<b>Non-Current Liabilities</b>			
Financial liability on in-substance forward	—	37,300	37,300
<b>Current Liabilities</b>			
Derivative financial liability	1,202	(1,202)	—
<b><u>Adjusted EBITDA</u></b>			
Loss for the period	(17,906)	(3,154)	(21,060)
Unwinding of discount and change in estimates of the gross obligations	—	3,154	3,154

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**ITEM 3. Key Information.**

**A. Selected financial data.**

The following table presents the selected consolidated financial information of our company. Our summary consolidated statements of profit or loss data for the years ended December 31, 2012, 2013 and 2014, summary consolidated statements of financial position data as of December 31, 2012, 2013 and 2014 and summary consolidated statements of cash flow data presented below for the years ended December 31, 2012, 2013 and 2014 have been derived from our audited consolidated financial statements included elsewhere in this annual report. Our consolidated financial statements for the year ended December 31, 2014 have been restated. Our summary consolidated statements of profit or loss data for the year ended December 31, 2011, summary consolidated statements of financial position data as of December 31, 2011 and summary consolidated statements of cash flow data presented below for the year ended December 31, 2011 have been derived from our audited consolidated financial statements not included in this annual report. We have not included financial information for the year ended December 31, 2010, as such information is not available on a basis that is consistent with the consolidated financial information for the years ended December 31, 2011, 2012, 2013 and 2014 and cannot be obtained without unreasonable effort or expense. Our consolidated financial statements are prepared and presented in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB. Our selected consolidated financial data also includes adjusted EBITDA, which is a non-IFRS measure that is not required by, or presented in accordance with, IFRS, but is included because we believe it is indicative of our operating performance and used by investors and analysts to evaluate companies in our industry. Our historical results are not necessarily indicative of results expected for future periods.

You should read the summary consolidated financial information in conjunction with our consolidated financial statements and related notes and Item 5. “Operating and Financial Review and Prospects” included elsewhere in this annual report. Our historical results are not necessarily indicative of our results expected for future periods.

	<b>For the year ended December 31,</b>			
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b> (Restated)
	<b>(MYR in millions, except per share data)</b>			
<b>Summary Consolidated Statements of Profit or Loss Data</b>				
Revenue	63.2	95.6	171.5 <sup>(1)</sup>	202.7
Direct cost and other ancillary expenses	(32.0)	(48.2)	(70.0) <sup>(1)</sup>	(94.4)
Employee expenses	(10.2)	(16.5)	(31.0)	(52.2)
Depreciation and amortization expenses	(3.6)	(6.9)	(20.6)	(24.4)
Marketing, advertising and promotion expenses	(1.2)	(1.8)	(8.3)	(6.1)
Communication and travelling expenses	(2.4)	(3.0)	(5.7)	(7.9)
Office related expenses	(1.9)	(2.4)	(3.9)	(4.3)
Other operating expenses	(2.8)	(3.8)	(6.7)	(32.2)
<b>Profit/(Loss) from operations</b>	<b>9.1</b>	<b>12.9</b>	<b>25.4</b>	<b>(18.8)</b>
Other income	3.0	0.9	2.5	7.6
Non-operating expenses	—	(1.6)	(3.0)	—
Finance costs	(2.7)	(2.9)	(5.1)	(9.2) <sup>(3)</sup>
Share of results of associates	1.0	(0.0)	(0.0)	(0.1)
<b>Profit/(Loss) before tax</b>	<b>10.4</b>	<b>9.4</b>	<b>19.8</b>	<b>(20.5)</b>
Income tax expense	(2.2)	(3.4)	(1.2)	(0.6)
<b>Profit/(Loss) for the year</b>	<b>8.2</b>	<b>6.0</b>	<b>18.7</b>	<b>(21.1)</b>
Profit/(Loss) for the year attributable to owners of the company	8.2	4.7	12.0	(24.8)
Profit/(Loss) for the year attributable to non-controlling interests	(0.1)	1.3	6.7	3.7
<b>Earnings/(Loss) per share</b>				
Basic (sen) <sup>(2)</sup>	13.97	8.01	20.39	(40.44)
Diluted (sen) <sup>(2)</sup>	13.97	8.01	20.39	(40.44)

Note:

- (1) As disclosed in our interim reports on Form 6-K (File No. 001-36637) furnished to the SEC on December 2, 2014 and April 30, 2015, as a result of certain accounting errors in connection with the financial results of NganLuong, our subsidiary in Vietnam which we acquired in March 2013, our revenue and direct cost and other ancillary expenses for 2013 are each overstated by MYR4.3 million, with no other line items being affected. However we have determined not to restate our financial statements for 2013 because the adjustments are not material to our consolidated financial statements as a whole. See Item 3.D. “Key Information – Risk Factors – Risks Relating to Our Business – Certain errors were identified in our consolidated statements of profit or loss and other comprehensive income for three month periods ended March 31, 2013, June 30, 2013, September 30, 2013, December 31, 2013, March 31, 2014, June 30, 2014 and September 30, 2014, the six month periods ended June 30, 2013 and 2014, and the year ended December 31, 2013.”

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- (2) Sen is a unit of Malaysian currency. One hundred sen equal one Malaysian Ringgit.
- (3) As disclosed in our interim report on Form 6-K (File No. 001-36637) filed with the SEC on May 2, 2016, as a result of review of the application of IFRS to options (the “Put Options”) granted by our wholly-owned subsidiary, MOL AccessPortal Sdn. Bhd.(“MOLAP”), in connection with the acquisition by MOLAP of a 51% equity interest in PaybyMe, our subsidiary in Turkey which we acquired in September 2014, we noted that we are required to recognize a gross obligation for the present value of the redemption amount of the Put Options because the holders of the non-controlling interest have the right to require MOLAP to pay cash or another financial asset in exchange for the Option Shares. The gross obligation must be recognized at an amount equal to the present value of the estimated amounts that could be required to be paid to the holders of the non-controlling interest in accordance with the shareholders agreement between MOLAP and the holders of the non-controlling interest and shall be subject to re-measurement at the end of each reporting period. Changes in the measurement of the gross obligation due to the unwinding of the discount or changes in the estimated amounts that the acquirer could be required to pay are recognized in profit or loss at the end of each reporting period. See “Explanatory note” for the impact for this adjustment to our consolidated financial statements as a whole.

	As of December 31,			
	2011	2012	2013	2014 (Restated)
	(MYR in millions)			
<b>Summary Consolidated Statements of Financial Position Data</b>				
Cash and cash equivalents	5.4	32.1	49.7	150.6
Total current assets	60.3	97.4	127.0	293.2
Intangible assets	21.1	62.4	138.9	164.4
Total assets	92.1	174.3	282.9	481.4
Total current liabilities	70.8	124.5	204.7	177.7(1)
Total liabilities	71.1	134.5	217.9	228.4(1)

- (1) As disclosed in our interim report on Form 6-K (File No. 001-36637) filed with the SEC on May 2, 2016, as a result of review of the application of IFRS to options (the “Put Options”) granted by our wholly-owned subsidiary, MOL AccessPortal Sdn. Bhd.(“MOLAP”), in connection with the acquisition by MOLAP of a 51% equity interest in PaybyMe, our subsidiary in Turkey which we acquired in September 2014, we noted that we are required to recognize a gross obligation for the present value of the redemption amount of the Put Options because the holders of the non-controlling interest have the right to require MOLAP to pay cash or another financial asset in exchange for the Option Shares. The gross obligation must be recognized at an amount equal to the present value of the estimated amounts that could be required to be paid to the holders of the non-controlling interest in accordance with the shareholders agreement between MOLAP and the holders of the non-controlling interest and shall be subject to re-measurement at the end of each reporting period. Changes in the measurement of the gross obligation due to the unwinding of the discount or changes in the estimated amounts that the acquirer could be required to pay are recognized in profit or loss at the end of each reporting period. See “Explanatory note” for the impact for this adjustment to our consolidated financial statements as a whole.



### **Adjusted EBITDA**

We present adjusted EBITDA, which is a non-IFRS financial measure. You should not consider adjusted EBITDA as a substitute for or superior to net profit prepared in accordance with IFRS. Furthermore, because adjusted EBITDA is not determined in accordance with IFRS, it is susceptible to varying calculations and may not be comparable to other similarly titled measures presented by other companies. We encourage investors and others to review our financial information in its entirety and not rely on a single financial measure.

We present adjusted EBITDA as a supplemental performance measure because we believe that it facilitates operating performance comparisons from period to period and company to company by backing out potential differences caused by the age and book depreciation of fixed and intangible assets (affecting relative depreciation and amortization expenses), changes in foreign exchange rates that impact financial assets and liabilities denominated in currencies other than our functional currency (affecting unrealized gain/(loss) on foreign exchange and realized gain/(loss) on foreign exchange), variations in capital structures (affecting interest income and interest expenses), share of results of associates, loss on disposal and write-down of property, plant and equipment, acquisition related costs, and tax positions (affecting income tax expenses) (such as the impact on periods or companies of changes in effective tax rates), IPO expenses and class action legal fees which are non-recurring. In addition, adjusted EBITDA excludes reversal for impairment on inventories and trade receivables, inventory and intangible assets written off and the non-cash impact employee share based compensation, changes in the fair value of derivative and changes in the measurement of the gross obligation due to the unwinding of the discount and change in the estimates, that, in each case, we do not believe reflect the underlying performance of our business. Some limitations of adjusted EBITDA are that: (i) adjusted EBITDA does not reflect income tax payments that may represent a reduction in cash available to us; (ii) adjusted EBITDA does not include other income, other expense and foreign exchange gains and losses; and (iii) adjusted EBITDA excludes depreciation and amortization and although these are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future.

Some limitations of adjusted EBITDA are that:

- adjusted EBITDA does not reflect income tax payments that may represent a reduction in cash available to us; and
- adjusted EBITDA does not include other income, other expense and foreign exchange gains and losses.

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The following table reconciles adjusted EBITDA to profit/(loss) for the year.

	For the year ended December 31,			
	2011	2012	2013	2014 (Restated)
	(MYR in millions)			
<b>Profit/(Loss) for the year</b>	8.2	6.0	18.7	(21.1)
Plus:				
Total depreciation and amortization	3.6	6.9	20.6	24.4
Reversal for impairment on trade receivables	—	—	—	(0.1)
Share of results of associates	(1.0)	0.0	0.0	0.1
Intangible assets written off	—	—	0.1	0.1
Development expenditure written off	—	—	—	0.2
Unrealized (gain)/loss on foreign exchange	—	—	(0.4)	3.4
Realized (gain)/loss on foreign exchange	(0.8)	(0.7)	0.2	0.6
Effect of remeasurement of equity interest in associates	—	1.6	—	—
Derivative fair value adjustment	—	—	3.0	(3.7)
Interest income	(0.0)	(0.4)	(0.8)	(1.5)
Interest expense	2.7	2.9	5.1	6.0
Income tax expense	2.2	3.4	1.2	0.6
Share based compensation expenses	—	—	—	15.7
Acquisition related costs	—	—	—	1.1
IPO expenses	—	—	—	13.6
Unwinding of discount and changes in estimates of gross obligation	—	—	—	3.2
<b>Adjusted EBITDA</b>	14.9	19.7	47.7	42.6

### **ITEM 5. Operating and Financial Review and Prospects**

The following discussion and analysis of our financial condition and results of operations has been revised for the effects of the restatement in our 2014 consolidated financial statements, and should be read in conjunction with our consolidated financial statements and the related notes included elsewhere in this annual report on Form 20-F. This discussion and analysis may contain forward-looking statements based upon current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under Item 3.D. “Key Information—Risk Factors” or in other parts of this annual report on Form 20-F.

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**A. Operating Results**

**Selected Statements of Operations Items**

*Finance costs*

Finance costs comprise interest on revolving credit, term loans, hire-purchase and finance lease facilities and unwinding of discount and change in estimates of gross obligation in relation to Put Options granted by MOL AccessPortal, in connection with the acquisition by MOL AccessPortal of a 51% equity interest in PaybyMe. See “Explanatory Note”.

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**Results of Operations**

The following table sets forth our consolidated statements of profit or loss for the specified periods. This information should be read together with our consolidated financial statements and related notes included elsewhere in this annual report. The operating results in any period are not necessarily indicative of the results that may be expected for any future period.

	For the year ended December 31,		
	2012	2013	2014 (Restated)
	(MYR in millions, except per share data)		
Revenue	95.6	171.5 <sup>(1)</sup>	202.7
Direct cost and other ancillary expenses	(48.2)	(70.0) <sup>(1)</sup>	(94.4)
Employee expenses	(16.5)	(31.0)	(52.2)
Depreciation and amortization expenses	(6.9)	(20.6)	(24.4)
Marketing, advertising and promotion expenses	(1.8)	(8.3)	(6.1)
Communication and travelling expenses	(3.0)	(5.7)	(7.9)
Office related expenses	(2.4)	(3.9)	(4.3)
Other operating expenses	(3.8)	(6.7)	(32.2)
<b>Profit/(Loss) from operations</b>	<b>12.9</b>	<b>25.4</b>	<b>(18.8)</b>
Other income	0.9	2.5	7.6
Non-operating expenses	(1.6)	(3.0)	—
Finance costs	(2.9)	(5.1)	(9.2) <sup>(3)</sup>
Share of results of associates	(0.0)	(0.0)	(0.1)
<b>Profit/(Loss) before tax</b>	<b>9.4</b>	<b>19.8</b>	<b>(20.5)</b>
Income tax expense	(3.4)	(1.2)	(0.6)
<b>Profit/(Loss) for the year</b>	<b>6.0</b>	<b>18.7</b>	<b>(21.1)</b>
Profit/(Loss) for the year attributable to owners of the company	4.7	12.0	(24.8)
Profit/(Loss) for the year attributable to non-controlling interests	1.3	6.7	3.7
<b>Earnings/(Loss) per share</b>			
Basic (sen) <sup>(2)</sup>	8.01	20.39	(40.44)
Diluted (sen) <sup>(2)</sup>	8.01	20.39	(40.44)

*Notes*

- (1) As disclosed in our interim reports on Form 6-K (File No. 001-36637) furnished to the SEC on December 2, 2014 and concurrently with the filing of this annual report, as a result of certain accounting errors in connection with the financial results of NganLuong, our subsidiary in Vietnam which we acquired in March 2013, our revenue and direct cost and other ancillary expenses for 2013 are each overstated by MYR4.3 million, with no other line items being affected. However we have determined not to restate our financial statements for 2013 because the adjustments are not material to our consolidated financial statements as a whole. See Item 3.D. “Key Information – Risk Factors – Risks Relating to Our Business – Certain errors were identified in our consolidated statements of profit or loss and other comprehensive income for three month periods ended March 31, 2013, June 30, 2013, September 30, 2013, December 31, 2013, March 31, 2014, June 30, 2014 and September 30, 2014, the six month periods ended June 30, 2013 and 2014, and the year ended December 31, 2013.”
- (2) Sen is a unit of the Malaysian currency. One hundred sen equal one Malaysian Ringgit.
- (3) As disclosed in our interim report on Form 6-K (File No. 001-36637) filed with the SEC on May 2, 2016, as a result of review of the application of IFRS to options (the “Put Options”) granted by our wholly-owned subsidiary, MOL AccessPortal Sdn. Bhd.(“MOLAP”), in connection with the acquisition by MOLAP of a 51% equity interest in PaybyMe, our subsidiary in Turkey which we acquired in September 2014, we noted that we are required to recognize a gross obligation for the present value of the redemption amount of the Put Options because the holders of the non-controlling interest have the right to require MOLAP to pay cash or another financial asset in exchange for the Option Shares. The gross obligation must be recognized at an amount equal to the present value of the estimated amounts that could be required to be paid to the holders of the non-controlling interest in accordance with the shareholders agreement between MOLAP and the holders of the non-controlling interest and shall be subject to re-measurement at the end of each reporting period. Changes in the measurement of the gross obligation due to the unwinding of the discount or changes in the estimated amounts that the acquirer could be required to pay are recognized in profit or loss at the end of each reporting period. See “Explanatory note” for the impact for this adjustment to our consolidated financial statements as a whole.

**Year ended December 31, 2014 compared to year ended December 31, 2013**

*Revenue.* Revenue increased 18.2% to MYR202.7 million for 2014 from MYR171.5 million for 2013 primarily due to increased revenue from all segments except MMOG.asia.

- MOLPoints' segment revenue increased 26.8% to MYR130.0 million for 2014 from MYR102.5 million for 2013 primarily due to increased volume. MOLPoints' volume increased 21.4% to MYR715.6 million in 2014 from MYR589.3 million in 2013, primarily due to a 52.1% increase in volume in Thailand to MYR240.2 million for 2014 from MYR158.0 million for 2013 primarily resulting from growth of LINE, a mobile chat service which accepts MOLPoints as payment for its digital content; a 20.0% increase in volume in Indonesia to MYR40.2 million for 2014 from MYR33.5 million for 2013 primarily resulting from our focus on expanding distribution in Indonesia and a full year of revenue contribution from Ayopay, which we acquired in March 2013; a 260.3% increase in volume in Brazil to MYR27.0 million for 2014 from MYR7.5 million for 2013 primarily due to the increased popularity of games in the Brazilian market for which MOLPoints are accepted; and our acquisitions of Easy2Pay and PaybyMe in May 2014 and September 2014, respectively. MOLPoints' active registered paying users increased by 2.8% to 1,035,233 as of December 31, 2014 from 1,007,344 as of December 31, 2013.
- MOLReloads' segment revenue increased 4.8% to MYR36.2 million for 2014 from MYR34.5 million for 2013 mainly due to increased volume. MOLReloads' volume increased 12.7% to MYR1,368.6 million for 2014 from MYR1,214.0 million for 2013. This was primarily due to a 13.0% increase in volume in Malaysia to MYR1,269.4 million in 2014 from MYR1,123.5 million in 2013. MOLReloads' active retailers increased 4.3% to 38,795 as of December 31, 2014 from 37,204 as of December 31, 2013.
- MOLPay's segment revenue increased 16.4% to MYR11.0 million for 2014 from MYR9.4 million for 2013 primarily due to increased volume. MOLPay's volume increased 145.7% to MYR354.5 million for 2014 from MYR144.3 million for 2013 primarily due to a full period of MOLPay's operations in Vietnam following our acquisition of NganLuong in March 2013, in addition to organic growth in Vietnam. MOLPay's volume in Vietnam increased 237.2% to MYR267.2 million for 2014 from MYR79.2 million for 2013 primarily due to significant volume contributed by one of our largest online merchants which sells digital content. MOLPay's base of online merchants in Vietnam increased to 2,416 as of December 31, 2014 from 2,346 as of December 31, 2013. In addition, we have begun to use an aggregator to work with smaller merchants in Vietnam. Although we count the aggregator as a single merchant based on our direct relationship with the aggregator, the aggregator is responsible for MOLPay's indirect relationships with a large number of smaller merchants. MOLPay's volume in Malaysia increased 34.3% to MYR87.3 million for 2014 from MYR65.0 million for 2013. MOLPay's base of online merchants in Malaysia increased to 1,389 as of December 31, 2014 from 1,109 as of December 31, 2013. The percentage increase in MOLPay's segment revenue was less than the percentage increase in MOLPay's volume as a result of the overstatement of MOLPay's segment revenue for 2013 by MYR4.3 million. MOLPay's segment revenue derived from our subsidiary in Vietnam was reported on a net basis for 2014 such that fees payable to merchants were netted out of revenue and not included in direct cost and other ancillary expenses. Such segment revenues were reported on a gross basis for 2013, such that fees payable to merchants were not netted out of revenues but were included in direct cost and other ancillary expenses. MOLPay's segment net revenue for future periods will be reported on a net basis. On a net basis, MOLPay's segment revenue increased 114.6% compared to 2013 primarily due to increased in volume.
- MMOG.asia's segment revenue decreased 8.4% to MYR21.7 million in 2014 from MYR23.7 million in 2013 primarily due to the declining popularity of certain older games being less than fully offset by newly launched games. The decline in MMOG.asia's segment revenue was partially offset by the sale of licensing rights to a game, Stallion Race, for markets in the Middle East and Brazil in the fourth quarter of 2014. MMOG.asia's segment revenue decreased in 2014 was also affected by delays in launching new mobile games according to schedule due to certain technical issues, including delays in the localization process by game developers and delays in obtaining approval for one game from the iOS platform. MMOG.asia's active paying users decreased 48.7% to 56,865 as of December 31, 2014 from 110,826 as of December 31, 2013 primarily due to the replacement of older games with newer games that are still developing traction in the market.

*Direct costs and other ancillary expenses.* Direct costs and other ancillary expenses increased 34.9% to MYR94.4 million for 2014 from MYR70.0 million for 2013 due to increased direct costs and other ancillary expenses in our MOLPoints and MOLReloads segments.

- MOLPoints' segment direct costs and other ancillary expenses increased 47.0% to MYR68.5 million for 2014 from MYR46.6 million for 2013 primarily due to increased volume, including as a result of our acquisitions of Easy2Pay and PayByMe in May 2014 and September 2014, respectively, and changes in the mix of digital content sold reflecting an increase in the proportion of content for which our revenue sharing arrangements are relatively less favorable.

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- MOLReloads' segment direct costs and other ancillary expenses increased 17.7% to MYR19.2 million for 2014 from MYR16.3 million for 2013 primarily due to increased volume and unfavorable changes to our revenue sharing arrangements with certain telecommunications service providers.
- MOLPay's segment direct cost and other ancillary expenses was stable at MYR5.7 million for 2014 and 2013, as a result of the overstatement of MOLPay's segment direct cost and ancillary expenses for 2013 by MYR4.3 million. MOLPay's segment direct costs and other ancillary expenses derived from NganLuong, our subsidiary in Vietnam, was reported on a net basis for 2014 such that fees payable to merchants were netted out of revenue and not included in direct cost and other ancillary expenses. Such segment direct costs and other ancillary expenses were reported on a gross basis for 2013, such that fees payable to merchants were not netted out of revenues but were included in direct cost and other ancillary expenses. MOLPay's segment direct costs and other ancillary expenses for future periods will be reported on a net basis. On a net basis, MOLPay's segment direct costs and other ancillary expenses increased 302.8% compared to 2013 primarily due to increased volume.
- MMOG.asia's segment direct costs and other ancillary expenses decreased 40.7% to MYR0.7 million for 2014 from MYR1.2 million for 2013 primarily due decreased volume.

*Segment gross profit.* As a result of the foregoing, aggregate gross profit for our segments increased 6.7% to MYR108.3 million for 2014 from MYR101.5 million for 2013, primarily due to increased segment gross profit in MOL Points, MOL Pay and Others. Our gross profit margin across all segments decreased to 53.4% for 2014 from 59.2% for 2013 primarily due to reduced gross profit margin in our MOLPoints and MOLReloads segments.

- MOLPoints' segment gross profit increased 10.0% to MYR61.5 million for 2014 from MYR55.9 million for 2013 due to increased volume. Segment gross profit margin decreased to 47.3% for 2014 from 54.5% for 2013. The decline in MOLPoints' segment gross profit margin is primarily attributable to reduced profitability in Thailand and Turkey resulting from unfavorable revenue sharing arrangements, in addition to our acquisition of PaybyMe in September 2014. As a provider of mobile carrier billing services, PaybyMe is a less profitable component as compared to the other components of MOLPoints' business.
- MOLReloads' segment gross profit decreased 6.8% to MYR17.0 million for 2014 from MYR18.2 million for 2013 due to unfavorable changes to our revenue sharing arrangements with certain telecommunications service providers. Segment gross profit margin decreased to 47.0% for 2014 compared with 52.8% for 2013 primarily due to higher channel costs.
- MOLPay's segment gross profit increased 42.9% to MYR5.3 million for 2014 from MYR3.7 million for 2013 due to increased volume. Segment gross profit margin increased to 48.2% for 2014 compared with 39.3% for 2013 primarily due to reduced channel costs at NganLuong.
- MMOG.asia's segment gross profit decreased 6.7% to MYR21.0 million for 2014 from MYR22.5 million for 2013 due to decreased revenue. Segment gross profit margin increased to 96.7% for 2014 from 94.9% for 2013.

*Employee expenses.* Employee expenses increased 68.7% to MYR52.2 million for 2014 from MYR31.0 million for 2013 primarily due to share based compensation expenses of MYR15.7 million, in addition to a full period of operations in Vietnam and Turkey, a full period of operations of Ayopay in Indonesia, increased headcount including due to our acquisitions of Easy2Pay and PaybyMe and increased employee expenses per employee.

- MOLPoints' segment employee expenses increased 13.0% to MYR22.5 million for 2014 from MYR19.9 million for 2013 primarily due to a full period of operations in Turkey and our acquisitions of Easy2Pay and PaybyMe, in May 2014 and September 2014, respectively.
- MOLReloads' segment employee expenses increased 23.0% to MYR5.5 million for 2014 from MYR4.5 million for 2013 primarily due to annual increases in employee expenses per employee.
- MOLPay's segment employee expenses increased 69.3% to MYR3.9 million for 2014 from MYR2.3 million for 2013 primarily due to a full period of operations in Vietnam.
- MMOG.asia's segment employee expenses increased 7.6% to MYR3.1 million for 2014 from MYR2.9 million in 2013, primarily due to increased headcount, including in connection with hiring a team to operate mobile games, which was not commercially launched and did not generated revenue in 2014.

*Depreciation and amortization expenses.* Depreciation and amortization expenses increased 18.5% to MYR24.4 million for 2014 from MYR20.6 million for 2013 primarily resulting from increased depreciation for MMOG.asia due to acquisitions of new games; a full period of depreciation and amortization for our operations in Turkey, which includes substantial property, plant and equipment and intangible assets, including exclusive licenses and distribution rights for online games; and our acquisitions of Easy2Pay and PaybyMe, which resulted in increased in intangible assets, which are amortized over three to seven years.

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*Marketing, advertising and promotion expenses.* Marketing, advertising and promotion expenses decreased 26.8% to MYR6.1 million for 2014 from MYR8.3 million for 2013 due to reduced marketing campaigns.

*Communication and travelling expenses.* Communication and travelling expenses increased 38.4% to MYR7.9 million for 2014 from MYR5.7 million for 2013 primarily due to expansion to new countries including Turkey and Vietnam.

*Office-related expenses.* Office-related expenses increased 11.1% to MYR4.3 million for 2014 compared with MYR3.9 million for 2013 due to expansion of our business resulting in increased office space.

*Other operating expenses.* Other operating expenses increased 382.5% to MYR32.2 million for 2014 from MYR6.7 million for 2013 primarily due to expenses incurred in connection with our initial public offering, certain non-recurring costs in connection with the review of our interim results for the third quarter of 2014 and a full period of operations in Turkey and Vietnam, in addition to expenses incurred to engage a consultant to advise on purchase price allocation in connection with the audit of our financial statements, advisory fees paid for legal and due diligence relating to potential new business in Thailand, and expenses incurred by Rixty to engage an engineering software consultant.

*Profit/(loss) from operations.* As a result of the foregoing, we incurred a loss from operations of MYR18.8 million for 2014 compared with a profit from operations of MYR25.4 million for 2013.

- MOLPoints' segment profit from operations decreased 36.7% to MYR6.8 million for 2014 from MYR10.7 million for 2013 primarily due to increased employee costs, additional depreciation and acquisition related cost expensed.
- MOLReloads' segment profit from operations decreased 33.1% to MYR6.4 million for 2014 from MYR9.6 million for 2013 primarily due to increased employee costs.
- MOLPay's segment loss from operations increased 37.8% to MYR0.7 million for 2014 from MYR0.5 million for 2013 primarily due to increased volume, partially offset by increased employee costs.
- MMOG.asia's segment profit from operations decreased 45.8% to MYR3.5 million for 2014 from MYR6.5 million for 2013 primarily due to increased depreciation and amortization expenses and increased marketing, advertising and promotion expenses.

*Other income.* Other income increased 199.6% to MYR7.6 million for 2014 from MYR2.5 million for 2013. Other income includes non-operating income for each period that primarily relates to a derivative fair value adjustment due to the revaluation of put options that we have granted with respect to the 30% minority interests in each of Game Sultan and PaytoGo. Pursuant to the terms of our agreements with the minority shareholders of Game Sultan and PaytoGo, the amount that we would be required to pay upon the exercise of these put options decreased as a result of the unfavorable performance of Game Sultan and PaytoGo since we granted the put options in February 2013. These put options are no longer outstanding following our acquisition of the remaining 30% interest in each of Game Sultan and PaytoGo.

*Finance costs.* Finance costs increased 79.7% to MYR9.2 million for 2014 from MYR5.1 million for 2013 mainly arising from recognition of unwinding of discount and change in estimates of gross obligation in relation to Put Options granted by MOL AccessPortal, in connection with the acquisition by MOL AccessPortal of a 51% equity interest in PaybyMe. See "Explanatory Note".

*Profit/(loss) before tax.* As a result of the foregoing, we incurred a loss before tax of MYR20.5 million for 2014 compared with a profit of MYR19.8 million for 2013.

- MOLPoints' segment profit before tax decreased 40.3% to MYR7.3 million for 2014 from MYR12.2 million for 2013.
- MOLReloads' segment profit before tax decreased 35.5% to MYR3.2 million for 2014 from MYR4.9 million for 2013.
- MOLPay's segment loss before tax decreased 58.4% to MYR0.2 million for 2014 from MYR0.5 million for 2013.
- MMOG.asia's segment profit before tax decreased 46.6% to MYR3.5 million for 2014 from MYR6.6 million for 2013.

*Income tax expense.* Income tax expense decreased 44.9% to MYR0.6 million for 2014 from MYR1.2 million for 2013 primarily because we incurred a loss before tax for 2014. The effective tax rate is higher than the statutory tax rate of 25% in Malaysia mainly due to losses incurred by us and our subsidiaries which were not set off against taxable profits made by other subsidiaries. In addition to the recognition of a deferred tax asset on the timing difference attributable to accelerated capital allowance and for the carryforward of unused tax losses.

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*Profit/(loss) for the year.* As a result of the foregoing, we incurred a loss for the year of MYR21.1 million for 2014 compared with a profit for the year of MYR18.7 million for 2013 mainly due to expenses incurred in connection with our initial public offering and share-based compensation expenses, in addition to increased overall employee costs.

*Other comprehensive income/(loss) for the year, net of tax.* Other comprehensive income for the year, net of tax was MYR10.7 million for 2014 as compared to other comprehensive loss for the year, net of tax of MYR3.8 million for 2013. This was primarily due to a foreign currency translation gain resulting from a weakening of the Malaysian Ringgit against the U.S. dollar in 2014, whereas our comprehensive loss in 2013 primarily resulted from foreign currency translation losses as a result of a strengthening of the Malaysia Ringgit, particularly against the Turkish Lira and Vietnamese Dong.

*Total comprehensive income/(loss) for the year.* As a result of the foregoing, we incurred a total comprehensive loss of MYR10.4 million for 2014 compared to total comprehensive income of MYR14.9 million for 2013.

## B. Liquidity and capital resources

Our principal sources of liquidity have been cash generated from shareholders' equity and borrowings, including interest-free advances from related parties. Our cash and cash equivalents consist of cash on hand and deposits placed with banks, a portion of which are restricted trust deposits that we are required to maintain in order to remain in compliance with Guidelines on Electronic Money issued by BNM. In addition, as required under the terms of our acquisition of PayByMe, we secured a bank guarantee for the benefit of the holders of the non-controlling interest of PayByMe by pledging an amount of MYR28.0 million.

### Cash Flow

The following table sets forth our cash flows for the specified years.

	For the year ended December 31,		
	2012	2013	2014
	(MYR in millions)		
<b>Summary Consolidated Statements of Cash Flows Data</b>			
Net cash from operating activities	23.9	54.0	20.8
Net cash used in investing activities	(3.3)	(60.6)	(59.5)
Net cash from financing activities	6.3	27.3	133.4
Net increase in cash and cash equivalents	27.0	20.7	94.7
Cash and cash equivalents at beginning of year	5.4	32.1	49.7
Effect on exchange rate changes	(0.3)	(3.0)	6.1
Cash and cash equivalents at end of year	32.1	49.7	150.6

### Cash flows from operating activities

Our operating activities primarily comprise our sales of MOLPoints payment credits, MOLReloads e-vouchers for mobile airtime and MOLPay payment processing services and our operation of our games portal, MMOG.asia and certain non-core business operations.

Net cash provided by operating activities for 2014 was MYR20.8 million primarily comprising loss before tax of MYR20.5 million adjusted for non-cash transactions, including depreciation and amortization of MYR24.4 million partly in connection with the subsidiaries which we acquired in 2013 and 2014 and which have substantial property, plant and equipment and intangible assets; a derivative fair value adjustment of MYR3.7 million relating to the revaluation as of December 31, 2014 of put options that we granted with respect to the 30% minority interests in Game Sultan and PaytoGo; recognition of unwinding of discount and changes in estimates of gross obligations of MYR3.2 million relating to the changes in the measurement of the gross obligation arising from the put options that our wholly-owned subsidiary MOL AccessPortal granted with respect to the 49% minority interest in PayByMe; share based compensation of MYR15.7 million; unrealized loss on foreign exchange of MYR3.4 million; interest expense of MYR6.0 million primarily relating to our loan from MDV to finance our working capital requirements in connection with the growth of our MOLReloads and MOLPoints businesses in Malaysia; an increase of MYR26.5 million in trade payables, other payables and accrued expenses resulting from the growth of our business in Thailand and Vietnam and our acquisitions of EasytoPay and PayByMe in May 2014 and September 2014, respectively, partially offset by an increase of MYR22.9 million in trade receivables, other receivables, deposits and prepaid expenses primarily resulting from a MYR2.0 million increase in deposits to the sinking fund for our revolving credit facility with MDV, MYR16.0 million of trade receivables from 7-Eleven, which had in prior years settled its trade receivables before they came due and in 2014 settled its trade receivables when they became due; MYR2.2 million of trade receivables from MOL Thailand due to increased volume; and a MYR1.0 million increase in inventories in line with the increase in sales volume; partially offset by interest paid of MYR6.0 million and income tax paid of MYR6.7 million.



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Net cash provided by operating activities for 2013 was MYR54.0 million primarily comprising profit before tax of MYR19.8 million adjusted for non-cash transactions including depreciation and amortization expenses of MYR20.6 million including amortization of exclusive licenses and distribution rights for online games including in connection with Game Sultan and PaytoGo (which we acquired in 2013) and MMOG.asia (which we acquired in 2012) a derivative fair value adjustment of MYR3.0 million relating to the revaluation as of December 31, 2013 of put options that we granted with respect to the 30% minority interests in each of Game Sultan and PaytoGo; and an increase of MYR11.6 million in trade payables, other payables and accrued expenses resulting from the growth of our MOLPoints business in Malaysia and Thailand; partially offset by an increase of MYR1.7 million in trade receivables, other receivables, deposits and pre-paid expenses primarily due to the expansion of our business resulting from our acquisition of each of Game Sultan, PaytoGo and NganLuong, interest paid of MYR5.1 million primarily in connection with our borrowings under our revolving credit facility with MDV to finance our working capital requirements in connection with the growth of our MOLReloads and MOLPoints businesses in Malaysia and income tax paid of MYR4.5 million.

Net cash provided by operating activities for 2012 was MYR23.9 million primarily comprising profit before tax of MYR9.4 million adjusted for non-cash transactions including depreciation and amortization expenses of MYR6.9 million, including amortization of intangible assets due to our consolidation of MOL Thailand and amortization of exclusive licenses and distribution rights for online games, including with respect to MMOG.asia, amortization of development expenditure relating to software that we developed for our business and to depreciation of computer equipment and software, and to the effect of remeasurement of equity interest in associates of MYR1.6 million in connection with our consolidation of MOL Thailand; an increase of MYR4.7 million in trade receivables, other receivables, deposits and prepaid expenses primarily due to the consolidation of MOL Thailand and our acquisition of Rixty and an increase of MYR7.1 million in trade payables, other payables and accrued expenses primarily due to our consolidation of MOL Thailand; partially offset by an increase of MYR3.7 million in inventories resulting from growth of our MOLPoints business in Malaysia and our consolidation of MOL Thailand, interest paid of MYR2.9 million primarily in connection with our borrowings under our revolving credit facility with MDV to finance our working capital requirements in connection with the growth of our MOLReloads and MOLPoints businesses in Malaysia and income tax paid of MYR4.5 million, compared with income tax paid of MYR0.7 million for 2011, primarily resulting from increased taxable income and the expiration of MOLAccessPortal's pioneer status as of March 2011.

### *Cash flows used in investing activities*

Our investing activities primarily relate to purchases and disposals of property, plant and equipment comprising buildings, computer equipment and software, furniture, fittings and office equipment, renovation and motor vehicles; purchases and disposals of intangible assets comprising goodwill, which includes the domain name of MOL.com and goodwill on consolidation of acquired subsidiaries; and other intangible assets, which consist of our electronic payment system, our exclusive license and distribution rights of online games and reloads, and intellectual property, including computer software that is not an integral part of the related hardware; and development expenditure incurred for web applications, software products and programs.

Net cash used in investing activities for 2014 was MYR59.5 million primarily comprising cash outflows of MYR20.9 million in connection with our acquisitions of Easy2Pay and PaybeMe in May 2014 and September 2014, respectively. In addition we incurred cash outflows of MYR5.6 million for purchases of property, plant and equipment in connection with our migration to SAP in Malaysia, Turkey, Thailand and Vietnam; MYR1.1 million for purchases of intangible assets comprising rights to online game purchases by MyCNX; MYR0.8 million for purchase of available for sale financial assets; and MYR3.4 million for development expenditure in connection with the enhancement of our localized web portals for MOLPoints in Malaysia, Indonesia, Australia, Taiwan, Vietnam and New Zealand markets, in addition to development of our MOL mobile website and MOLReloads' integration of Touch 'n Go and bill payment services. Furthermore, restricted cash flows increased as a mainly due to our deposit of MYR29.6 million to secure bank guarantees for the benefit of minority shareholders of PaybyMe in December 2014, as required under the terms of our acquisition of PaybyMe.

Net cash used in investing activities for 2013 was MYR60.6 million primarily comprising a MYR2.3 million increase in restricted fixed deposits, including in connection with our acquisition of NganLuong for which we maintain specified amounts on deposit in Vietnam and investments in restricted fixed deposits for unutilized MOLPoints in accordance with the investment restrictions under the Guidelines on Electronic Money issued by BNM, MYR3.3 million for purchases of property, plant and equipment in connection with computer equipment and software primarily for MyCNX and MOL Thailand, MYR9.1 million for purchases of intangible assets comprising rights to online games purchased by MyCNX and Ayopay, MYR2.5 million for development expenditure in connection with the feature-enhancement and expansion of our network of localized web portals for MOLPoints, in addition to the development of our mobile website and feature-enhancement with respect to our MOLReloads terminal network, and MYR44.4 million for acquisition of subsidiaries relating to our acquisitions of Game Sultan, PaytoGo and NganLuong.

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Net cash used in investing activities for 2012 was MYR3.3 million primarily comprising a MYR1.8 million increase in restricted fixed deposits primarily relating to investments in restricted fixed deposits for unutilized MOLPoints in accordance with the investment restrictions under the Guidelines on Electronic Money issued by BNM, MYR2.7 million for purchases of property, plant and equipment primarily in connection with purchases of MOLReloads terminals and servers, MYR1.3 million for purchases of intangible assets comprising rights to online games purchased by MyCNX, MYR2.6 million for development expenditure in connection with the feature-enhancement and expansion of our network of localized web portals for MOLPoints, in addition to the development of our mobile website and the development of in-house software for our MOLReloads terminal infrastructure, and MYR4.6 million for acquisition of subsidiaries relating to our acquisitions of MyCNX (which operates MMOG.asia), MOL Australia and Rixty.

### Cash Flows from Financing Activities

Our financing activities primarily consist of hire-purchase arrangements, borrowings share repurchases and dividends paid.

Net cash from financing activities for 2014 was MYR133.4 million primarily comprising of MYR282.0 million net proceeds from issuance of new shares upon our initial public offering and MYR0.9 million capital contribution from minority shareholders, partially offset by MYR11.6 million cash outflows to repurchase shares, MYR81.9 million in connection with our increased beneficial ownership interests in our subsidiaries, MOL Thailand, Game Sultan, PaytoGo and MyCNX; MYR30.0 million and MYR17.2 million net cash outflows to settle outstanding amounts due to related parties, partially repay our revolving credit facility from MDV and dividends of MYR7.4 million paid to the minority shareholders of MyCNX and MOL Thailand and NganLuong.

Net cash from financing activities for 2013 was MYR27.3 million primarily comprising MYR17.3 million of proceeds from borrowings under our revolving credit facility from MDV to finance our working capital requirements in connection with the growth of our MOLReloads and MOLPoints businesses in Malaysia and MYR15.3 million of amounts due to other related parties, which primarily represents the net amount received from MOL Ventures to fund our acquisition of Game Sultan, PaytoGo and NganLuong, partially offset by dividends of MYR4.1 million paid to the minority shareholders of MyCNX and MOL Thailand.

Net cash from financing activities for 2012 was MYR6.3 million primarily due to MYR7.3 million of proceeds from borrowings under our revolving credit facility from MDV to finance our working capital requirements in connection with the growth of our MOLReloads and MOLPoints businesses in Malaysia.

### E. Off-balance sheet arrangements

Prior to May 2014, we had financial liability with respect to the put options that we had granted to the minority shareholders of our 70%-owned subsidiaries, Game Sultan and PaytoGo, when we acquired our 70% interests in each of Game Sultan and PaytoGo on February 19, 2013 prior to our acquisition of the remaining 30% equity interest in each of Game Sultan and PaytoGo in 2014. This was a contingent liability pursuant to which the minority shareholders of Game Sultan and PaytoGo had the contractual right to require us to purchase a 15% equity interest in Game Sultan and PaytoGo at any time from April 1, 2014 through June 30, 2014 and a further 15% equity interest in each of Game Sultan and PaytoGo at any time from November 1, 2015 through January 31, 2016. On May 6, 2014, we exercised the options to acquire the 30% outstanding equity interest in each of PaytoGo and Game Sultan. For the year ended December 31, 2014, we recognized a gain of MYR3.7 million with respect to these put options and as of December 31, 2014, the fair value of the derivative financial liabilities of MYR22.4 million was adjusted against the purchase consideration.

### F. Tabular disclosure of contractual obligations

The following table sets forth our contractual obligations as of December 31, 2014. The following table does not reflect certain capital commitments, which were entered into subsequent to December 31, 2014 and are described under Item 5.B. "Operating and Financial Review and Prospects—Liquidity and Capital Resources—Capital Expenditures."

	Due as of December 31,				
	Total	2015	From 2016 to 2018	From 2019 to 2020	After 2020
Put options granted to the holder of the non-controlling interest of PayByMe	37.3	—	37.3	—	—
Borrowings	52.9	0.1	51.1	0.4	1.3
Future minimum lease payments for leased properties	6.0	3.0	3.0	—	—
Hire-purchase and finance lease payables	2.8	1.6	1.2	—	—
Total	99.0	4.7	92.6	0.4	1.3

Put options granted to the holder of the non-controlling interest of PayByMe relates to the financial liability with respect to the put options that we had granted to the minority shareholders of our 49%-owned subsidiary, PayByMe, when we acquired our 51% interests in September 2014. Borrowings include our current and non-current borrowings from third parties. Advances from related parties primarily relate to advances from entities controlled by our major shareholder to finance our acquisitions. Our operating lease obligations primarily relate to properties that we rent for office space. Hire-purchase and finance lease payables primarily relate to computer equipment and vehicle hire-purchase. A deposit of MYR29.6 million was pledged with a bank to secure bank guarantees for the benefit of the non controlling interest of PayByMe in December 2014, as required under the terms of our acquisition of PayByMe. This bank guarantee represents a financial pledge against the Put options granted to the holder of the non-controlling interest of PayByMe.

## ITEM 8. Financial Information

### A. Consolidated Financial Statements and Other Financial Information

See Item 18 "Financial Statements."

## ITEM 15. Controls and Procedures

### Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our then, Co-Chief Executive Officers and our Group Chief Financial Officer, in connection with the filing of the Original Form 20-F on the Original Filing Date we carried out an evaluation of the effectiveness of our disclosure controls and procedures, which is defined in Rules 13a-15(e) of the Exchange Act, as of December 31, 2014, which is the end of the period covered by this annual report. Based on that evaluation, our then, Co-Chief Executive Officers and our Group Chief Financial Officer concluded that our disclosure controls and procedures as of December 31, 2014 were not effective as a result of the material weaknesses and significant deficiencies in internal control over financial reporting as described below and in Item 3.D “Key Information—Risk Factors— If we fail to maintain an effective system of internal control over financial reporting, we may lose investor confidence in the reliability of our financial statements.”

Subsequent to the evaluation of our disclosure controls and procedures in connection with the filing of the Original Form 20-F on the Original Filing Date, management, including our Chief Executive Officers and our Group Chief Financial Officer, re-evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2014 in connection with the restatement discussed in Note 37 to the consolidated financial statements included in Item 18 of this report and the filing of this Amendment No. 1, and concluded that our disclosure controls and procedures were not effective as of December 31, 2014 as a result of the material weaknesses and significant deficiencies in internal control over financial reporting as described below.

### Internal Control over Financial Reporting

This annual report does not include a report of management’s assessment regarding internal control over financial reporting or an attestation report of our company’s registered public accounting firm due to a transition period established by rules of the SEC for newly public companies.

### Changes in Internal Controls Over Financial Reporting

*Material Weaknesses and Significant Deficiencies Identified in Connection with the Audit of Our Consolidated Financial Statements for the Year Ended December 31, 2014 and the Filing of the Original Form 20-F*

As described above and in Item 3.D. “Key Information—Risk Factors,” as of December 31, 2014, in connection with the audit of our consolidated financial statements for the year ended December 31, 2014 and the filing of the Original Form 20-F on the Original Filing Date, we and our independent registered public accounting firm had identified seven material weaknesses in our internal control over financial reporting.

The first material weakness is that our SAP system and our MLogin system do not reconcile revenue recognized by MOL AccessPortal upon the redemption of the MOLPoints and deferred revenue for unutilized MOLpoints that remain in users’ MOLPoints wallets. The second material weakness relates to the IT general control environment, which includes design and operating effectiveness of IT controls, of MOL AccessPortal, MyCNX and Uniwiz, in addition to the lack of segregation of duties of IT personnel at GameSultan and PaytoGo. The third material weakness relates to the lack of access control and audit trails over the e-pins inventory database. Three material weaknesses were identified at PayByMe, the mobile carrier billing platform that we acquired in September 2014, namely (a) the lack of documentation for journal entries and inadequacy of human resources for consistent financial reporting on a timely basis; (b) lack of reconciliation of confirmation processes with respect to current accounts; and (c) the lack of an internal control department. The first and second of these material weaknesses identified at PayByMe have subsequently been classified as significant deficiencies as described below under “-Material Weakness and Significant Deficiencies Identified in Connection With the Audit of our Consolidated Financial Statements for the Year Ended December 31, 2015 and the Filing of this Amendment No. 1.” In addition, a material weakness was identified at NganLuong, our Vietnam subsidiary which we acquired in 2013, relating to the incorrect reporting of fees payable to merchants and the incorrect reporting of VAT. We have undertaken, and are continuing to undertake, certain remedial steps to address the material weaknesses. With respect to the lack of reconciliation for the revenue recognized and deferred revenue in connection with MOLPoints, our finance team is working closely with the technical team to regenerate MOLPoints status reports in order to monitor redemptions of MOLPoints more effectively. The ability to generate such reports was implemented during 2015. To remedy the material weaknesses identified at MOL AccessPortal, MyCNX, Uniwiz, GameSultan and PaytoGo, we have adopted several measures to improve our internal control over financial reporting. Our IT department is spearheading a group wide IT improvement program, including the implementation of formal IT policies, which are currently in the process of being implemented. This exercise is also intended to include all necessary IT system upgrades to improve overall integrity and reliability of our financial reporting. We have also implemented a transaction log to maintain audit trails for our e-pins inventory database. In July 2014, we replaced our current back-end system with a new system supported from our head office. The administrative ID control is maintained centrally, which restricts access to the appropriate and relevant personnel. In addition, our management plans to perform an internal audit of our financial and IT systems every six months. We have conducted a feasibility study, which identified certain deficiencies in our IT controls that are in the process of being remediated. We are also in the process of implementing measures to remedy the material weaknesses at PayByMe. We intend to train a finance manager to oversee PayByMe’s entire financial reporting process, review journal entries and ensure that financial statements are supported with proper explanatory documentation. In addition, we are in the process of establishing a reconciliation process at PayByMe to ensure that account reconciliations are prepared on a timely basis for all accounts and we intend to set up an internal control department to monitor operations and control activities at PayByMe.

With respect to NganLuong, as disclosed in our interim report on Form 6-K (File No. 001-36637) furnished to the SEC concurrently with the filing of this annual report, certain accounting errors have been identified in connection with NganLuong’s financial results.

- As disclosed in our interim report on Form 6-K (File No. 001-36637), furnished to the SEC on December 2, 2014, during the course of our review of our financial results for the third quarter of 2014, we discovered that our Vietnamese subsidiary, NganLuong, which we acquired in March 2013, reported revenue from its payment business on a gross basis, and accounted for the corresponding fees payable to merchants in direct cost and other ancillary expenses. However, our accounting policy is to account for such transactions on a net basis because we act as an agent with respect to these revenue arrangements, such that the corresponding fees payable to merchants should have been netted out of revenue and not included in direct cost and other ancillary expenses.
- In addition, during the course of our review of our financial results for the fourth quarter of 2014, we discovered that NganLuong incorrectly included VAT in revenue and direct cost and other ancillary expenses. However, our accounting policy is to exclude value added tax, or VAT, from revenue and direct cost and other ancillary expenses.

The effect of the foregoing errors was to overstate MOLPay’s segment revenue and MOLPay’s segment direct cost and other ancillary expenses by equal amounts. As a result, the revenue line item and direct cost and other ancillary expenses line item are overstated by equal amounts in our consolidated statements of profit or loss and other comprehensive income for the three month periods ended March 31, 2013, June 30, 2013, September 30, 2013,

December 31, 2013, March 31, 2014 and June 30, 2014, the six month periods ended June 30, 2013 and 2014, and the year ended December 31, 2013 included in our registration statement on Form F-1, as amended (File Number: 333-197401) in relation to our initial public offering, and the three month period ended September 30, 2014 included in our interim report on Form 6-K (File No. 001-36637) furnished to the SEC on December 2, 2014.

We determined not to restate our financial statements for the full year or any interim period in 2013, as we concluded that the adjustments are not material to our consolidated financial statements as a whole for any period in 2013. In particular, we considered the quantitative effect of the errors on our revenue and direct cost and other ancillary expenses for 2013, the quantitative materiality of our MOLPay segment for 2013, and a variety of qualitative criteria including those set forth in SEC Staff Accounting Bulletin No. 99: Materiality. In relation to the relevant financial periods of 2014, we restated our financial statements for the three month periods ended March 31, 2014, June 30, 2014 and September 30, 2014, and the six months period ended June 30, 2014, to account for these errors. See Item 3.D. “Key Information – Risk Factors – Risks Relating to Our Business – Certain errors were identified in our consolidated statements of profit or loss and other comprehensive income for three month periods ended March 31, 2013, June 30, 2013, September 30, 2013, December 31, 2013, March 31, 2014, June 30, 2014 and September 30, 2014, the six month periods ended June 30, 2013 and 2014, and the year ended December 31, 2013.”

We have taken steps to improve NganLuong’s internal controls over financial reporting to detect and identify revenue and expenses flows in the business. We have conducted and will continue to conduct visits with, and reviews of, the local finance team, in addition to providing training and development. In connection with the audit of our consolidated financial statements for the year ended December 31, 2014 and the filing of the Original Form 20-F on the Original Filing Date, as of December 31, 2014 significant deficiencies were also identified in the internal controls of various group companies, relating among other things, to the lack of an internal control department as well as matters relating to documentation IT systems and record-keeping processes. As our business has grown rapidly in scope and complexity, our internal controls relating to these matters have not kept pace with the growth in our business. We will continue to implement measures to remediate our internal control deficiencies in order to meet the deadline imposed by Section 404 of the Sarbanes Oxley Act.

We have implemented a MOL Global IT Policy across MOLGlobal, Inc and our subsidiaries in the third quarter of 2015. We also plan to implement a stronger internal control system and to establish and enforce the monitoring of internal controls for critical areas involving operations, IT systems and financial reporting across all subsidiaries. In this regard we have:

- set up a corporate compliance department that reports directly to our board of directors and is responsible for strengthening our corporate governance, monitoring the effectiveness of our internal control over financial reporting, examining segregation of duties within our group on a regular basis, evaluating areas for improvement in our IT systems such as system interfaces used for operations and reporting modules to the main accounting system, and recommending necessary control improvements, and we plan to continue to strengthen this department;
- strengthened the capacity of our finance department to enable us to resolve reporting issues such as timely reconciliation and review of reports, and we plan to continue to strengthen this capacity; and
- established controls to ensure that proper documentation is in place in the preparation of journal entries, other supporting documents and in the overall review of our financial reporting, and we plan to continue to strengthen these controls.

*Material Weakness and Significant Deficiencies Identified in Connection With the Audit of our Consolidated Financial Statements for the Year Ended December 31, 2015 and the Filing of this Amendment No. 1*

Subsequent to the evaluation of our disclosure controls and procedures in connection with the filing of the Original Form 20-F on the Original Filing Date, in connection with the audit of our consolidated financial statements for the year ended December 31, 2015 and the filing of this Amendment No. 1, one material weakness was identified in our internal control over financial reporting that existed as of December 31, 2014. This material weakness relates to our lack of technical financial reporting expertise to appropriately report complex transactions under IFRS and which resulted in restatements in our consolidated financial results for various periods to correct our accounting for certain transactions, as disclosed in our interim report on Form 6-K (File No. 36637) furnished to the SEC on May 2, 2016. See “Explanatory Note”.

We have undertaken, and are continuing to undertake, certain remedial steps to address the material weakness. We intend to strengthen our reporting team by increasing staff resources and hiring competent and capable finance staff from established accounting firms to strengthen the internal control over financial reporting. In addition, the internal audit function has also been strengthened to provide additional supervisory and assurance on financial reporting. We are also reviewing the feasibility of engaging an independent accounting practice to provide consultancy guidance on such complex transactions.

In addition, two issues relating to PayByMe that had been identified as material weaknesses as part of the evaluation of our disclosure controls and procedures as of December 31, 2014 in connection with the filing of the Original Form 20-F on the Original Filing Date were identified as significant deficiencies in connection with the audit of our consolidated financial statements for the year ended December 31, 2015 and the filing of this Amendment No. 1, namely (a) the lack of documentation and review of journal entries at PayByMe and (b) weaknesses in the reconciliation and confirmation process, at PayByMe.

In connection with lack of review of journal entries, we intend to further strengthen our review process to ensure that the journals being prepared are properly verified and approved before being included in the financial statements of PayByMe. In connection with the reconciliation of collection and confirmation process, during 2016 we implemented various processes to ensure that reconciliation is done for collection on a timely basis. We are also reviewing the need to carry out more regular confirmation and plan to implement corrective measures to strengthen the internal control procedures.

## **ITEM 18. Financial Statements**

Please refer to the financial statements beginning on page F-1.

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**ITEM 19. Exhibits**

<u>Exhibit Number</u>	<u>Description of Document</u>
12.1*	CEO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
12.2*	CFO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
13.1**	CEO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
13.2**	CFO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

\* Filed herewith

\*\* Furnished herewith

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SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F/A and that it has duly caused and authorized the undersigned to sign this Amendment No. 1 on its behalf.

MOL GLOBAL, INC.

By: /s/ Preecha Praipattarakul

Name: Preecha Praipattarakul

Title: Chief Executive Officer

Date: May 2, 2016

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**MOL GLOBAL, INC.**

(Incorporated in the Cayman Islands)  
**AND ITS SUBSIDIARY COMPANIES**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2014**

**(RESTATED)**

(In Malaysian Ringgit)

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**MOL GLOBAL, INC.**  
(Incorporated in the Cayman Islands)

**FINANCIAL STATEMENTS  
(RESTATED)**

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**REPORT OF INDEPENDENT REGISTERED PUBLIC  
ACCOUNTING FIRM**

**To the Shareholders and the Board of Directors of MOL Global, Inc.:**

We have audited the accompanying consolidated statements of financial position of MOL Global, Inc. (the “Company”) and subsidiaries (collectively referred as the “Group”) as of December 31, 2013 and 2014, and the related consolidated statements of profit or loss and other comprehensive income, changes in equity, and cash flows for each of the three years in the period ended December 31, 2014. These consolidated financial statements are the responsibility of the Group’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. The Group is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the MOL Global, Inc. and subsidiaries as of December 31, 2013 and 2014 and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2014, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

As discussed in Note 48 to the consolidated financial statements, the 2014 financial statements have been restated to correct a misstatement.

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Our audits also comprehended the translation of Malaysian Ringgit amounts into United States dollar (“USD”) amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 3.25. Such United States dollar amounts are presented solely for the convenience of readers in the United States of America.

**DELOITTE**  
**AF 0080**  
**Chartered Accountants**

**KUALA LUMPUR, MALAYSIA**

April 27, 2016

[Table of Contents](#)**MOL GLOBAL, INC.**

(Incorporated in the Cayman Islands)

**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Note	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)	2014 USD (Restated)
Revenue	5	95,573,753	171,518,303	202,713,170	58,000,907
Direct cost and other ancillary expenses		(48,222,080)	(70,018,771)	(94,443,136)	(27,022,357)
Employee expenses	7	(16,468,387)	(30,977,954)	(52,248,488)	(14,949,496)
Depreciation and amortization expenses	9	(6,922,919)	(20,555,751)	(24,363,145)	(6,970,857)
Marketing, advertising and promotion expenses		(1,835,947)	(8,314,856)	(6,085,264)	(1,741,134)
Communication and travelling expenses		(2,967,642)	(5,681,390)	(7,864,449)	(2,250,200)
Office related expenses		(2,391,954)	(3,863,869)	(4,291,292)	(1,227,837)
Contract and professional expenses		(692,777)	(2,610,993)	(20,111,233)	(5,754,287)
Other operating expenses		<u>(3,133,124)</u>	<u>(4,055,736)</u>	<u>(12,058,933)</u>	<u>(3,450,339)</u>
Profit/(Loss) from operations		12,938,923	25,438,983	(18,752,770)	(5,365,600)
Other income	10	948,825	2,528,467	7,575,489	2,167,521
Non-operating expenses		(1,570,507)	(3,039,980)	—	—
Finance costs	11	(2,901,420)	(5,086,045)	(9,141,521)	(2,615,600)
Share of results of associates	18	<u>(4,876)</u>	<u>(13,259)</u>	<u>(104,489)</u>	<u>(29,897)</u>
<b>Profit/(Loss) before tax</b>	12	9,410,945	19,828,166	(20,423,291)	(5,843,576)
Income tax expense	13	<u>(3,425,949)</u>	<u>(1,155,641)</u>	<u>(636,923)</u>	<u>(182,238)</u>
<b>Profit/(Loss) for the year</b>		<u>5,984,996</u>	<u>18,672,525</u>	<u>(21,060,214)</u>	<u>(6,025,814)</u>

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[Table of Contents](#)**MOL GLOBAL, INC.**

(Incorporated in the Cayman Islands)

**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)**

	Note	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)	2014 USD (Restated)
<b>Other comprehensive (loss)/income, net of tax</b>					
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Re-measurement gain on pension liability, net of tax of MYR829 (2013: MYR47,762)		—	111,444	1,935	554
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Net fair value gain on available-for-sale financial assets		—	—	15,258	4,366
Exchange differences on translating foreign operations, net of tax of MYR Nil		<u>(32,035)</u>	<u>(3,913,878)</u>	<u>10,697,486</u>	<u>3,060,791</u>
<b>Other comprehensive (loss)/income for the year, net of tax</b>		<u>(32,035)</u>	<u>(3,802,434)</u>	<u>10,714,679</u>	<u>3,065,711</u>
<b>Total comprehensive income/(loss) for the year</b>		<u>5,952,961</u>	<u>14,870,091</u>	<u>(10,345,535)</u>	<u>(2,960,103)</u>

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[Table of Contents](#)**MOL GLOBAL, INC.**

(Incorporated in the Cayman Islands)

**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)**

	Note	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)	2014 USD (Restated)
<b>Profit/(Loss) for the year attributable to:</b>					
Owners of the Company		4,717,192	12,006,984	(24,754,482)	(7,082,829)
Non-controlling interests		<u>1,267,804</u>	<u>6,665,541</u>	<u>3,694,268</u>	<u>1,057,015</u>
		<u>5,984,996</u>	<u>18,672,525</u>	<u>(21,060,214)</u>	<u>(6,025,814)</u>
<b>Total comprehensive income/(loss) for the year attributable to:</b>					
Owners of the Company		4,685,157	9,495,453	(14,055,504)	(4,021,611)
Non-controlling interests		<u>1,267,804</u>	<u>5,374,638</u>	<u>3,709,969</u>	<u>1,061,508</u>
		<u>5,952,961</u>	<u>14,870,091</u>	<u>(10,345,535)</u>	<u>(2,960,103)</u>
<b>Earnings/(Loss) per share</b>					
Basic/Diluted (sen)	14	<u>8.01</u>	<u>20.39</u>	<u>(40.44)</u>	<u>(11.56)</u>

The accompanying notes form an integral part of the financial statements.

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**MOL GLOBAL, INC.**

(Incorporated in the Cayman Islands)

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2014**

	Note	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)	2014 USD (Restated)
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	15	6,916,227	8,653,391	11,175,815	3,197,658
Investment property	16	2,420,095	2,393,789	2,367,484	677,392
Investment in associates	18	170,342	78,100	88,793	25,406
Other investment	19	1	1	1	—
Development expenditure	20	4,487,698	5,186,445	6,558,836	1,876,634
Intangible assets	21	62,420,414	138,889,238	164,407,675	47,040,822
Finance lease receivables	22	243,109	506,871	459,428	131,453
Deferred tax assets	23	220,596	203,300	1,293,913	370,219
Available-for-sale financial assets	24	—	—	806,627	230,794
Other receivables, deposits and prepaid expenses	27	—	—	1,081,930	309,565
<b>Total non-current assets</b>		<b>76,878,482</b>	<b>155,911,135</b>	<b>188,240,502</b>	<b>53,859,943</b>
<b>Current assets</b>					
Inventories	25	23,329,201	23,692,531	23,842,415	6,821,864
Trade receivables	26	26,272,966	33,820,107	58,300,667	16,681,164
Other receivables, deposits and prepaid expenses	27	9,798,318	14,009,186	25,021,155	7,159,129
Amount due from associates	28	1,208,124	216,848	—	—
Amount due from other related parties	28	2,008,076	584,951	959,623	274,570
Finance lease receivables	22	35,233	65,506	99,240	28,395
Cash and bank balances	29	32,086,291	49,729,488	150,570,805	43,081,775
Restricted cash	29	2,552,389	4,832,435	34,392,659	9,840,532
Tax recoverable		105,779	56,175	—	—
<b>Total current assets</b>		<b>97,396,377</b>	<b>127,007,227</b>	<b>293,186,564</b>	<b>83,887,429</b>
<b>Total assets</b>		<b>174,274,859</b>	<b>282,918,362</b>	<b>481,427,066</b>	<b>137,747,372</b>

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**MOL GLOBAL, INC.**

(Incorporated in the Cayman Islands)

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2014 (CONTINUED)**

	Note	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)	2014 USD (Restated)
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and reserves</b>					
Share capital	30	9,816,220	9,816,220	38,059,243	10,889,626
Treasury shares	30	—	—	(11,638,425)	(3,330,021)
Reserves	31	15,129,194	24,624,647	244,129,715	69,851,135
Equity attributable to owners of the Company		24,945,414	34,440,867	270,550,533	77,410,740
Put option written on non-controlling interest	37	—	—	(32,944,082)	(9,426,061)
Non-controlling interests		14,815,486	30,620,230	15,391,044	4,403,732
<b>Total equity</b>		<b>39,760,900</b>	<b>65,061,097</b>	<b>252,997,495</b>	<b>72,388,411</b>
<b>Non-current liabilities</b>					
Borrowings	32	3,752,700	3,383,872	3,025,934	865,789
Financial liability on in-substance forward	37	—	—	37,300,351	10,672,490
Pension liabilities	38	423,135	94,636	602,920	172,509
Deferred tax liabilities	23	5,866,336	9,658,469	9,752,755	2,790,488
Total non-current liabilities		10,042,171	13,136,977	50,681,960	14,501,276
<b>Current liabilities</b>					
Trade payables	34	32,277,734	48,009,555	82,342,742	23,560,155
Other payables and accrued expenses	35	15,216,127	22,291,606	30,311,041	8,672,687
Derivative financial liability	36	—	26,164,107	—	—
Amount due to other related parties	28	17,853,907	30,747,913	602,486	172,385
Borrowings	32	51,689,921	69,630,994	52,708,110	15,081,004
Deferred revenue	40	5,784,010	6,296,993	11,122,133	3,182,298
Tax liabilities		1,650,089	1,579,120	661,099	189,156
Total current liabilities		124,471,788	204,720,288	177,747,611	50,857,685
Total liabilities		134,513,959	217,857,265	228,429,571	65,358,961
<b>Total equity and liabilities</b>		<b>174,274,859</b>	<b>282,918,362</b>	<b>481,427,066</b>	<b>137,747,372</b>

The accompanying notes form an integral part of the financial statements.

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**MOL GLOBAL, INC.**

(Incorporated in the Cayman Islands)

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Non-distributable							Distributable	Equity	Non-controlling	Total
	Issued	Share	Treasury	Capital	Share	Investment	Foreign	Retained	attributable to	interests	equity
	capital	premium	shares	contribution	options	revaluation	currency	Earnings/	owners of the		
	MYR	MYR	MYR	reserve	reserve	reserve	translation	(Accumulated	Company	MYR	MYR
	MYR	MYR	MYR	MYR	MYR	MYR	reserve	losses)	MYR	MYR	MYR
<b>As of January 1, 2012</b>	<u>9,816,220</u>	<u>2,954,189</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>180,430</u>	<u>7,554,862</u>	<u>20,505,701</u>	<u>403,053</u>	<u>20,908,754</u>
Profit for the year	—	—	—	—	—	—	—	4,717,192	4,717,192	1,267,804	5,984,996
Other comprehensive loss for the year, net of tax	—	—	—	—	—	—	(32,035)	—	(32,035)	—	(32,035)
Total comprehensive (loss)/income for the year, net of tax	—	—	—	—	—	—	(32,035)	4,717,192	4,685,157	1,267,804	5,952,961
Transactions with owners, recognized directly in equity:											
Changes in ownership with no loss of control	—	—	—	—	—	—	—	(245,444)	(245,444)	245,444	—
Additional non-controlling interests arising on the acquisition of subsidiaries (Note 43)	—	—	—	—	—	—	—	—	—	13,299,285	13,299,285
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	—	—	(400,100)	(400,100)
<b>As of December 31, 2012</b>	<u>9,816,220</u>	<u>2,954,189</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>148,395</u>	<u>12,026,610</u>	<u>24,945,414</u>	<u>14,815,486</u>	<u>39,760,900</u>



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**MOL GLOBAL, INC.**

(Incorporated in the Cayman Islands)

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)**

	Non-distributable					Investment revaluation reserve MYR	Foreign currency translation reserve MYR	Distributable Retained earnings/ (Accumulated losses) MYR	Equity attributable to owners of the Company MYR	Non-controlling interests MYR	Total equity MYR
	Issued capital MYR	Share premium MYR	Treasury shares MYR	Capital contribution reserve MYR	Share options reserve MYR						
<b>As of January 1, 2013</b>	9,816,220	2,954,189	—	—	—	—	148,395	12,026,610	24,945,414	14,815,486	39,760,900
Profit for the year	—	—	—	—	—	—	—	12,006,984	12,006,984	6,665,541	18,672,525
Other comprehensive (loss)/income for the year, net of tax	—	—	—	—	—	—	(2,622,975)	111,444	(2,511,531)	(1,290,903)	(3,802,434)
Total comprehensive (loss)/income for the year, net of tax	—	—	—	—	—	—	(2,622,975)	12,118,428	9,495,453	5,374,638	14,870,091
Transactions with owners, recognized directly in equity:											
Additional non- controlling interests arising on the acquisition of subsidiaries (Note 43)	—	—	—	—	—	—	—	—	—	13,753,653	13,753,653
Incorporation of new subsidiaries	—	—	—	—	—	—	—	—	—	779,795	779,795
Dividends paid to non- controlling interests	—	—	—	—	—	—	—	—	—	(4,103,342)	(4,103,342)
<b>As of December 31, 2013</b>	<u>9,816,220</u>	<u>2,954,189</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(2,474,580)</u>	<u>24,145,038</u>	<u>34,440,867</u>	<u>30,620,230</u>	<u>65,061,097</u>

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**MOL GLOBAL, INC.**

(Incorporated in the Cayman Islands)

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)**

			Non-distributable									
	Issued capital MYR	Share premium MYR	Treasury shares MYR	Capital contribution reserve MYR	Share options reserve MYR	Investment revaluation reserve MYR	Foreign currency translation reserve MYR	Distributable Retained earnings/ (Accumulated losses) MYR	Equity attributable to owners of the Company MYR	Put option written on non- controlling interest MYR	Non- controlling interests MYR	Total equity MYR
<b>As of January 1, 2014</b>	9,816,220	2,954,189	—	—	—	—	(2,474,580)	24,145,038	34,440,867	—	30,620,230	65,061,097
Loss for the year	—	—	—	—	—	—	—	(21,600,213)	(21,600,213)	—	3,694,268	(17,905,545)
Other comprehensive income for the year, net of tax	—	—	—	—	—	15,258	10,681,785	1,935	10,698,978	—	15,701	10,714,679
Total comprehensive income/(loss) for the year	—	—	—	—	—	15,258	10,681,785	(21,598,278)	(10,901,235)	—	3,709,969	(7,191,266)
Transactions with owners, recognized directly in equity:												
Additional non- controlling interests arising on the acquisition of subsidiaries (Note 43)	—	—	—	—	—	—	—	—	—	—	8,781,543	8,781,543
Issuance of new shares through Initial Public Offering (Note 30)	24,573,354	282,593,564	—	—	—	—	—	—	307,166,918	—	—	307,166,918
Buy-back of shares	—	—	(11,638,425)	—	—	—	—	—	(11,638,425)	—	—	(11,638,425)

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**MOL GLOBAL, INC.**

(Incorporated in the Cayman Islands)

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)**

		Non-distributable										
	Issued capital MYR	Share premium MYR	Treasury shares MYR	Capital contribution reserve MYR	Share options reserve MYR	Investment revaluation reserve MYR	Foreign currency translation reserve MYR	Distributable Retained earnings/ (Accumulated losses) MYR	Equity attributable to owners of the Company MYR	Put option written on non- controlling interest MYR	Non- controlling interests MYR	Total equity MYR
Initial Public Offering related expenses	—	(25,170,755)	—	—	—	—	—	—	(25,170,755)	—	—	(25,170,755)
Issuance of shares for the acquisition of non-controlling interests (Note 30)	3,463,513	42,705,293	—	—	—	—	—	(85,209,079)	(39,040,273)	—	(20,445,677)	(59,485,950)
Issuance of shares on redemption of promissory notes (Note 30)	206,156	2,541,959	—	—	—	—	—	—	2,748,115	—	—	2,748,115
Capital contribution recognized for share-based compensation payments	—	—	—	7,602,686	—	—	—	—	7,602,686	—	—	7,602,686
Recognition of share-based payments	—	—	—	—	8,131,420	—	—	—	8,131,420	—	—	8,131,420
Effect of restructuring of non-controlling shareholders	—	—	—	—	—	—	—	365,484	365,484	—	(365,484)	—
Disposal of a subsidiary (Note 44)	—	—	—	—	—	—	—	—	—	—	(440,802)	(440,802)
Capital contribution from non-controlling interests	—	—	—	—	—	—	—	—	—	—	914,308	914,308

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**MOL GLOBAL, INC.**

(Incorporated in the Cayman Islands)

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)**

	Non-distributable						Foreign currency translation reserve MYR	Distributable Retained earnings/ (Accumulated losses) MYR	Equity attributable to owners of the Company MYR	Put option written on non- controlling interest MYR	Non- controlling interests MYR	Total equity MYR
	Issued capital MYR	Share premium MYR	Treasury shares MYR	Capital contribution reserve MYR	Share options reserve MYR	Investment revaluation reserve MYR						
Dividends paid to non- controlling interests	—	—	—	—	—	—	—	—	—	—	(7,383,043)	(7,383,043)
<b>As of December 31, 2014 (as previously reported)</b>	38,059,243	305,624,250	(11,638,425)	7,602,686	8,131,420	15,258	8,207,205	(82,296,835)	273,704,802	—	15,391,044	289,095,846
Prior year adjustments (Note 48)	—	—	—	—	—	—	—	(3,154,269)	(3,154,269)	(32,944,082)	—	(36,098,351)
<b>As of December 31, 2014 (as restated)</b>	<u>38,059,243</u>	<u>305,624,250</u>	<u>(11,638,425)</u>	<u>7,602,686</u>	<u>8,131,420</u>	<u>15,258</u>	<u>8,207,205</u>	<u>(85,451,104)</u>	<u>270,550,533</u>	<u>(32,944,082)</u>	<u>15,391,044</u>	<u>252,997,495</u>
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
<b>As of December 31, 2014 (as restated)</b>	<u>10,889,626</u>	<u>87,446,137</u>	<u>(3,330,021)</u>	<u>2,175,304</u>	<u>2,326,587</u>	<u>4,366</u>	<u>2,348,271</u>	<u>(24,449,530)</u>	<u>77,410,740</u>	<u>(9,426,061)</u>	<u>4,403,732</u>	<u>72,388,411</u>

The accompanying notes form an integral part of the financial statements.

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(Incorporated in the Cayman Islands)

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Note	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)	2014 USD (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit/(Loss) before tax		9,410,945	19,828,166	(20,423,291)	(5,843,576)
Adjustments for:					
Depreciation and amortisation expenses	9	6,922,919	20,555,751	24,363,145	6,970,857
Impairment loss on:					
Trade and other receivables		—	553,327	1,263,062	361,391
Inventories		—	—	468,200	133,963
Share of results of associates		4,876	13,259	104,489	29,897
(Gain)/Loss on disposal of property, plant and equipment		(8,369)	697	(1,380)	(395)
Property, plant and equipment written off		—	77,419	7,951	2,275
Bad debts written off		—	13,671	196,424	56,201
Inventory written off		—	709,515	5,017	1,435
Intangible assets written off		—	70,520	58,077	16,617
Effect of remeasurement of equity interest in associates		1,570,507	—	—	—
Bargain purchase gain		—	—	(17,964)	(5,140)
Unrealised (gain)/loss on foreign exchange		—	(390,959)	3,405,931	974,515
Interest income		(447,809)	(800,794)	(1,462,334)	(418,407)
Derivative fair value adjustment		—	3,039,980	(3,736,076)	(1,068,977)
Unwinding of discount and change in estimates of gross obligation		—	—	3,154,269	902,509
Interest expense		2,901,420	5,086,045	5,987,252	1,713,091
Impairment loss no longer required:					
Trade receivables		—	—	(93,110)	(26,641)
Inventories		—	—	(41,945)	(12,001)

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(Incorporated in the Cayman Islands)

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)**

	Note	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)	2014 USD (Restated)
Development expenditure written off		—	—	176,231	50,424
Gain on disposal of a subsidiary		—	—	(87,437)	(25,018)
Gain on disposal of an associate		—	—	(140,433)	(40,181)
Share-based compensation expense		—	—	<u>15,670,289</u>	<u>4,483,631</u>
		<u>20,354,489</u>	<u>48,756,597</u>	<u>28,856,367</u>	<u>8,256,470</u>
(Increase)/Decrease in:					
Finance lease receivables		(26,317)	(294,035)	13,709	3,923
Inventories		(3,728,059)	1,254,881	(974,181)	(278,735)
Trade receivables, other receivables, deposits and prepaid expenses		4,709,351	1,739,493	(22,852,324)	(6,538,576)
Increase in:					
Trade payables, other payables and accrued expenses		7,087,444	11,580,413	26,509,875	7,585,086
Amount due to other related parties		72,160	27,584	263,520	75,399
Deferred revenue		<u>2,830,245</u>	<u>512,983</u>	<u>1,708,562</u>	<u>488,859</u>
Cash Generated From Operations		31,299,313	63,577,916	33,525,528	9,592,426
Interest paid		(2,901,420)	(5,086,045)	(5,987,252)	(1,713,091)
Income tax paid		<u>(4,506,955)</u>	<u>(4,520,901)</u>	<u>(6,691,626)</u>	<u>(1,914,628)</u>
Net Cash From Operating Activities		<u>23,890,938</u>	<u>53,970,970</u>	<u>20,846,650</u>	<u>5,964,707</u>

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(Incorporated in the Cayman Islands)

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)**

	Note	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)	2014 USD (Restated)
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>					
Increase in restricted fixed deposits		(1,798,958)	(2,280,046)	(29,560,224)	(8,457,861)
Interest received		447,809	800,794	1,462,334	418,407
Purchase of property, plant and equipment		(2,719,400)	(3,260,636)	(5,625,486)	(1,609,581)
Proceeds from disposal of property, plant and equipment		230,674	88,787	4,236	1,212
Proceeds from disposal of intangible assets		—	74,496	—	—
Purchase of intangible assets		(1,297,991)	(9,075,227)	(1,070,605)	(306,325)
Development expenditure incurred		(2,557,813)	(2,511,331)	(3,427,458)	(980,675)
Proceeds from disposal of a subsidiary	44	—	—	346,229	99,065
Proceeds from sales of associate		—	—	285,539	81,699
Purchase of available-for-sale financial assets		—	—	(791,369)	(226,429)
Acquisition of associates		(175,218)	—	—	—
Subscription of new shares in associate		—	—	(219,000)	(62,661)
Acquisition of subsidiaries	43	4,608,182	(44,403,871)	(20,943,750)	(5,992,489)
Net Cash Used In Investing Activities		<u>(3,262,715)</u>	<u>(60,567,034)</u>	<u>(59,539,554)</u>	<u>(17,035,638)</u>

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(Incorporated in the Cayman Islands)

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)**

	Note	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)	2014 USD (Restated)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Proceeds from issuance of new shares		—	—	281,996,163	80,685,597
Payments for the acquisition of non-controlling interests		—	—	(81,914,053)	(23,437,497)
Payments for treasury shares		—	—	(11,638,425)	(3,330,021)
Repayments of finance lease payables		(129,163)	(1,211,750)	(1,357,871)	(388,518)
Proceeds from borrowings		7,301,043	17,313,195	34,000,000	9,728,183
Repayment of borrowings		—	—	(51,176,083)	(14,642,656)
Repayment of amount due to other related parties		(438,203)	15,280,823	(30,016,578)	(8,588,435)
Dividends paid to non-controlling interests		(400,100)	(4,103,342)	(7,413,043)	(2,121,042)
Capital contribution from non-controlling interests		—	—	914,308	261,605
Net Cash From Financing Activities		<u>6,333,577</u>	<u>27,278,926</u>	<u>133,394,418</u>	<u>38,167,216</u>



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**MOL GLOBAL, INC.**  
(Incorporated in the Cayman Islands)

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2014 (CONTINUED)**

	Note	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)	2014 USD (Restated)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR</b>		26,961,800	20,682,862	94,701,514	27,096,285
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		5,409,568	32,086,291	49,729,488	15,494,466
<b>EFFECT ON EXCHANGE RATE CHANGES</b>		(285,077)	(3,039,665)	6,139,803	491,024
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	39	<u>32,086,291</u>	<u>49,729,488</u>	<u>150,570,805</u>	<u>43,081,775</u>

Note: Purchase of property, plant and equipment is financed through:

	2012 MYR	2013 MYR	2014 MYR	2014 USD
Cash	2,719,400	3,260,636	5,625,486	1,609,581
Finance lease	<u>2,160,936</u>	<u>1,470,800</u>	<u>1,253,132</u>	<u>358,550</u>
	<u>4,880,336</u>	<u>4,731,436</u>	<u>6,878,618</u>	<u>1,968,131</u>

Note: Acquisition of non-controlling interests is financed through:

	2012 MYR	2013 MYR	2014 MYR	2014 USD
Cash	—	—	81,914,053	23,437,497
Issuance of shares (Note 30)	<u>—</u>	<u>—</u>	<u>3,463,513</u>	<u>990,991</u>
	<u>—</u>	<u>—</u>	<u>85,377,566</u>	<u>24,428,488</u>

The accompanying notes form an integral part of the financial statements.

**MOL GLOBAL, INC.**

(Incorporated in the Cayman Islands)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**1. ORGANIZATION AND PRINCIPAL ACTIVITIES**

MOL Global, Inc. (the “Company”) is an exempted company incorporated in the Cayman Islands with limited liability on February 20, 2014 for the purpose of holding interest in various affiliated companies including pre-existing entities under common control.

The principal activities of the Group and its subsidiaries are in the area of internet media, e-commerce utilizing internet-connected physical outlets as e-distribution and e-payment centres and the provision of e-Solution services.

There have been no significant changes in the nature of the principal activities of its subsidiaries during the year other than the acquisition of new subsidiaries and the disposal of a subsidiary.

The registered office of the Company is located at the offices of Maples Corporate Services Limited, P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. In addition, the Company has local offices in Malaysia, Thailand, Northern Cyprus, Turkey, the Philippines, Singapore, Vietnam, Indonesia, the United States, Australia, Taiwan and Brazil.

The principal place of business of the Company is located at Lot 7.03 & 8.03, Level 7&8, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur.

*Reorganization*

The Company is the parent of MOL AccessPortal Sdn Bhd (“MOLAP”) following the completion of the acquisition by the Company of 83,437,870 ordinary shares of Malaysian Ringgit Sen Ten each (MYR0.10) in MOLAP from MOL Ventures Pte. Ltd. (previously known as MOL Global Pte. Ltd.), representing eighty five per cent (85%) of the issued and paid-up capital of MOLAP on April 16, 2014. The consideration was satisfied by the Company by way of the allotment and issuance of 50,062,722 new ordinary shares of 1 United States Dollar (USD1) each in the Company to MOL Ventures Pte. Ltd.. The remaining 14,724,330 shares representing 15% equity interest of MOLAP were sold by MOL Ventures Pte. Ltd to Sultan Ibrahim of the State of Johor (“Sultan Ibrahim”) in February 2014 and, accordingly, on May 8, 2014, Sultan Ibrahim’s 15% equity interest of MOLAP was swapped into 15% equity interest of the Company equivalent to a total of 8,834,598 new ordinary shares of 1 United States Dollar (USD1) each.

MOLAP is a holding company of various MOL subsidiaries worldwide (see Note 17). MOLAP and MOL Global, Inc. are under common control before and after the reorganization, therefore merger accounting was applied. Accordingly, the consolidated financial statements are presented as if the group structure under the reorganization has been in existence since the beginning of the periods presented.

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*Initial Public Offering*

On October 9, 2014, the Company has successfully launched its initial public offering of 13,500,000 American Depositary Shares (ADSs), and began trading on the NASDAQ Global Market. The ADSs, consisting of 7,485,030 ADSs, was offered by the Company and 6,014,970 ADSs was offered by certain selling shareholders to the public at USD12.50 (MYR40.6) per ADS. Each ADSs represented one ordinary share of the Company under the symbol “MOLG.”

2. **Application of new and revised International Financial Reporting Standards (IFRSs)**

**New and revised IFRSs affecting amounts reported and/or disclosures in the financial statements**

In the current year, the Group has applied a number of new and revised IFRSs and Amendments issued by the International Accounting Standards Board (“IASB”) that are mandatorily effective for an accounting period that begins on or after January 1, 2014 as follows:

Amendments to IFRS 10, IFRS 12 and IAS 27	Consolidated Financial Statements. Disclosure of Interests in Other Entities and Separate Financial Statements - Investment Entities
Amendments to IAS 32	Financial Instruments: Presentation (Amendments relating to Offsetting Financial Assets and Financial Liabilities)
Amendments to IAS 36	Impairment of Assets (Amendments relating to Recoverable Amounts Disclosures for Non-Financial Assets)
Amendments to IAS 39	Financial Instruments: Recognition and Measurement (Amendments relating to Novation of Derivatives and Continuation of Hedge Accounting)
IFRIC 21	Levies

The adoption of these new and revised IFRSs have not affected the amounts reported in the consolidated financial statements of the Group for the current year and prior period.

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### **Standards and Amendments in issue but not yet effective**

At the date of authorisation for issue of these consolidated financial statements, the new and revised Standards and Amendments relevant to the Group which were in issue but not yet effective and not early adopted by the Group are as listed below:

IFRS 9	Financial Instruments <sup>5</sup>
IFRS 14	Regulatory Deferral Accounts <sup>3</sup>
IFRS 15	Revenue from Contracts with Customers <sup>5</sup>
IFRS 16	Leases <sup>6</sup>
Amendments to IAS 1	Disclosure Initiative <sup>3</sup>
Amendments to IAS 7	Disclosure Initiative <sup>4</sup>
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealized Losses <sup>4</sup>
Amendments to IAS 16 and IAS 38	Property, Plant and Equipment and Intangible Assets- Clarification of Acceptable Methods of Depreciation and Amortisation <sup>3</sup>
Amendments to IAS 16 and IAS 41	Property, Plant and Equipment and Agriculture - Agriculture: Bearer Plants <sup>3</sup>
Amendments to IAS 19	Defined Benefit Plans: Employee Contributions <sup>1</sup>
Amendments to IAS 27	Equity Method in Separate Financial Statements <sup>3</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>7</sup>
Amendments to IFRS 15	Clarifications to IFRS 15 <sup>5</sup>
Amendments to IFRS 11	Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations <sup>3</sup>
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception <sup>3</sup>
Amendments to IFRSs	Annual Improvements 2010 - 2012 Cycle <sup>2</sup>
Amendments to IFRSs	Annual Improvements 2011 - 2013 Cycle <sup>1</sup>
Amendments to IFRSs	Annual improvements 2012 - 2014 Cycle <sup>3</sup>

1 Effective for annual periods beginning on or after July 1, 2014

2 Effective for annual periods beginning on or after July 1, 2014, with limited exception

3 Effective for annual periods beginning on or after January 1, 2016

4 Effective for annual periods beginning on or after January 1, 2017

5 Effective for annual periods beginning on or after January 1, 2018

6 Effective for annual periods beginning on or after January 1, 2019

7 The effective date are to be determined

The Directors anticipate that the abovementioned Standards and Amendments will be adopted in the financial statements of the Group when they become effective and that the adoption of these Standards and Amendments will have no material impact on the financial statements of the Group except for the application of IFRS 9 and 15 which may have impact on the disclosure as described below.

IFRS 9 Financial Instruments

IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of IFRS 9:

- all recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- with regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
- in relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.
- the new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

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The Directors of the Group anticipate that the application of IFRS 9 in the future may have a material impact on amounts reported in respect of the Group's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 9 until the Group undertakes a detailed review.

### IFRS 15 Revenue from Contracts with Customers

In May 2014, IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related Interpretations when it becomes effective. The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

The Directors of the Group anticipate that the application of IFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 until the Group performs a detailed review.

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### 3 SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Statement of Compliance

The consolidated financial statements have been prepared in accordance with IFRS issued by the IASB.

#### 3.2 Basis of Preparation

The consolidated financial statements of the Group have been prepared under the historical cost convention unless otherwise indicated in this summary of accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transaction that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value-in-use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described in Note 45.

The principal accounting policies are set out below.

#### 3.3 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Group and entities controlled by the Group (its subsidiaries). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

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The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

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

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

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

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interests of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets.

The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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



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When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39, when applicable, the cost on initial recognition of an investment in an associate.

### 3.4 **Business Combinations**

Acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 (revised) are recognized at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with IFRS 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date.

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The measurement period is the period from the date of acquisition to the date the Group obtains information about facts and circumstances that existed as of the acquisition date - and is subject to a maximum of one year.

When the Group acquires an interest in an entity which upon acquisition will be a non-wholly owned subsidiary, and as part of the acquisition, also enters into an in-substance forward with a written put option with the seller that permits the seller to put their remaining interest in the acquired entity to the Group, and a written call option with the seller that permits the Group to call the seller to sell their remaining interest in the acquired entity to the Group, at a specific price, a gross obligations is recognized at an amount equal to the present value of the amount that could be required to be paid to the counterparty. Changes in the measurement of the gross obligations due to the unwinding of the discount and change in estimates of gross obligations that the Group could be required to pay are recognized in profit or loss. The Group will reclassify the liability to equity if the put option expires unexercised.

### **3.4.1 Merger Accounting for Business Combinations Involving Entities Under Common Control**

The consolidated financial statements incorporate the financial statements items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the common control of the controlling party.

The assets and liabilities of the combining entities or businesses are consolidated using the existing book values. No amount is recognized in respect of goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The consolidated statements of profit or loss and other comprehensive income include the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been combined at the end of the previous reporting period or when they first came under common control, whichever is shorter.

### **3.5 Goodwill**

Goodwill arising in a business combination is recognized as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

### 3.6 **Impairment of Goodwill**

Goodwill is not amortized but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

### 3.7 **Investment in Associates**

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

On acquisition of an investment in associate, any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognized at the date of acquisition is recognized as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of that investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 39 are applied to determine whether it is necessary to recognize any impairment loss with respect to the Group's investment in associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

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The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IAS 39. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

### 3.8 **Revenue Recognition**

Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Group and the revenue can be measured reliably. Revenue is measured at the fair value of consideration received or receivable.

#### (i) MOLPoints

The Group earns revenue through sale of MOLPoints. Revenue from MOLPoints is recognized upon the end-user's redemption of the MOLPoints for the online purchase of goods. The Group does not refund redeemed MOLPoints as a matter of policy or practice. MOLPoints that have been sold but not yet redeemed at the reporting date are recognized as deferred revenue. MOLPoints that have been sold out but not deposited to a MOLPoints account and remain unredeemed for 5 years following the date of sale will expire and are then recognized as revenue in the year of expiration and are not refundable to end-users. MOLPoints purchased by end-users and deposited in MOLPoints accounts are refundable (i) when an end-user terminates a MOLPoints account; or (ii) in accordance with the Malaysian Unclaimed Moneys Act 1965 pursuant to which the balance in a MOLPoints account that has been dormant for a consecutive period of 7 years is transferred to the Malaysian Registrar of Unclaimed Moneys, in which case the end-user may request a refund from the Registrar of Unclaimed Moneys.

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(ii) MOLReloads

The Group earns revenue from sale of prepaid mobile airtime which is recognized upon transfer of the significant risks and rewards of ownership of goods to the end users which occurs upon the sale of a mobile airline voucher to an end-user. Sold mobile airtime vouchers are not refundable as a matter of policy or practice.

(iii) MOLPay

Revenue is based on commission and merchant fees. Commission fees are recognized when merchants' transaction is completed. Merchant fees are recognized when a contract had been signed for the registration of a merchant in the payment system and the fee set forth in the contract becomes payable.

(iv) MMOG Asia

The Group provides web game services through its gaming portal MMOG Asia and generates revenue from selling virtual goods online, which are used by end users within online games. Game players are given access to MMOG.asia's online games free of charge but are charged for digital goods sold during game play. The fees paid by the Group to game developers comprise (i) an upfront fee, which is payable upon entering into a license agreement with a game developer, recorded as intangible assets in the financial statements and amortized over the term of the exclusive license, which is typically between three and five years; and (ii) a continuous revenue share (or royalty), which is equal to a percentage of the total game point utilization and payable throughout the term of the license. The fees that the Group retain under the license are based on the amount of consideration generated from sales of in-game virtual goods above the royalty fee to which game developers are entitled.

MMOG.asia players purchase game points in exchange for MCoins. MCoins is a virtual currency operated by MMOG.asia to facilitate purchases of virtual goods in games operated on MMOG.asia's platform. While MMOG.asia does not accept any currency other than MCoins in exchange for game points, MCoins can be purchased using MOLPoints or cash. MCoins are not refundable as a matter of policy or practice except in accordance with the Malaysian Unclaimed Moneys Act 1965 pursuant to which the balance in an MMOG.asia account that has been dormant for a consecutive period of seven years is transferred to the Malaysian Registrar of Unclaimed Moneys, in which case the end-user may request a refund from the Registrar of Unclaimed Moneys.

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The revenue from the sale of virtual goods is deferred over the estimated consumption period of in-game virtual goods, which is typically within a short period of time after purchase of in-game credits. Sold virtual goods are not refundable after they have been consumed as a matter of policy or practice. For games which have not attained popularity and are discontinued, advance notice is given to players one month before discontinuation and top-up of game points related to the games is disallowed before discontinuation. To date, we have never been required to pay cash refunds to game players or game developers as a result of the discontinuation of a game, or for any other reason.

The Group recognizes non-refundable upfront fee upon the performance of obligation to provide technical support during game installation and establishment of the server to host the game in connection with the sale of game distribution right. Subsequent to the completion of such services, the Group is not obliged to provide any technical support, and customer does not have any right of recourse in the event that developer fails to fulfill its obligations.

The Group determines whether it is acting as a principal or an agent by considering who is the primary obligor of its arrangements and on whether it has discretion in setting prices to its customers. The Group concluded that it is acting as an agent in all its revenue arrangements.

(v) Other income is recognized on the following basis:

- Marketing fee is recognized at the time ads have been displayed in the Group's online game portal or related services e.g., distribution of free game credits to gamers have been performed.
- Interest income is recognized on an accrual basis by reference to the principal outstanding and at the effective interest rate applicable.
- Rental income is recognized on a straight-line basis over the term of the lease.

### 3.9 Leases

(i) **Classification**

A lease is recognized as a finance lease when it transfers substantially to the Group all the risks and rewards of ownership. All other leases are classified as operating leases.

(ii) **Finance Leases - The Group as Lessee**

Assets acquired by way of finance leases are stated at amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception date of the leases. The corresponding liability is included in the consolidated statements of financial position as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Group's incremental borrowing rate is used.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognized as an expense in profit or loss over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

(iii) **Finance Leases - The Group as Lessor**

Leases in which substantially all of the risks and rewards of ownership are transferred to the lessee are classified as finance leases. Assets held pursuant to a finance lease are presented in the consolidated statements of financial position as receivable at an amount equal to the net investment in the lease. The recognition of finance income on the receivable is based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.

The Group leases MOLReloads terminals with its pre-installed proprietary software to certain retail outlets for the distribution of prepaid airtime and electronic pins.

(iv) **Operating Leases**

Operating lease payments are recognized as an expense in profit or loss on a straight-line basis over the term of the relevant lease.

3.10 **Foreign Currencies**

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group entity are expressed in Malaysian Ringgit ("MYR"), which are the functional currency of the Company and the presentation currency for the consolidated financial statements.

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In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in MYR using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the owners of the Company are reclassified to profit or loss. Any exchange differences on disposal of a subsidiary that includes a foreign operation, that have previously been attributed to non-controlling interests are derecognized, but they are not reclassified to profit or loss.

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognized in profit or loss. For all other partial disposals (i.e. of associates not involving a change of accounting basis), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate at the end of each reporting period. Exchange differences are recognized in other comprehensive income.



3.11 **Employee Benefits**

(i) **Short-Term Employee Benefits**

Wages, salaries, paid annual leave, bonuses and social contributions are recognized in the year in which the associated services are rendered by employees of the Group. Short-term accumulating compensated absences such as paid annual leave are recognized when services rendered by the employees that increase their entitlement to future compensated absences. Short-term non-accumulating compensated absences such as sick leave are recognized when the absences occur.

(ii) **Defined Contribution Plans**

Defined contribution plans are post-employment benefit plans under which the Group pay fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognized as an expense in profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund (“EPF”).

Group’s foreign subsidiaries also make contributions to its country’s statutory pension schemes.

(iii) **Defined Benefit Plans**

Defined benefit plans are post-employment benefit plans other than defined contribution plans. It defines the benefits that the employee will receive at the time of retirement in which the Group makes contribution to meet the costs of benefits defined in the plan.

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Payments to defined contribution benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the consolidated statements of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- Net interest expense or income.
- Remeasurement.

The Group presents the first two components of defined benefit costs in profit or loss in the line item employee expense. Curtailment gains and losses are accounted for as past service costs.

The pension liability recognized in the consolidated statements of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

(iv) **Employee Share Options Scheme (“ESOS”)**

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based transactions are set out in Note 42.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve.

Management's estimates of the fair value of share-based compensation awards involve highly complex and subjective estimates of the fair value of ordinary shares.

### 3.12 **Income Taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### (i) **Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated statements of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### (ii) **Deferred Tax**

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

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

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

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

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

(iii) **Current and Deferred Tax for the Period**

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognized outside profit or loss.

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.13 **Property, Plant and Equipment**

All items of property, plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Repair and maintenance costs are recognized in profit or loss as incurred.

Freehold land is not depreciated. Depreciation of property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Buildings	5%
Computer equipment and software	33%
Furniture, fittings and office equipment	10% - 20%
Renovation	20%
Motor vehicles	20%

The residual values, useful lives and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

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The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is included in profit or loss.

Computer software for a computer-controlled machine tool that cannot operate without specific software (i.e. integral part of the related hardware) is classified as property, plant and equipment. When the software is not an integral part of the related hardware, such computer software is classified as intangible assets.

### 3.14 **Borrowing Costs**

Borrowing costs are recognized in profit or loss in the period in which they are incurred.

### 3.15 **Investment Property**

Investment property, which is property held to earn rentals and/or for capital appreciation, is stated at cost less accumulated depreciation and provision for any impairment loss. The investment property is depreciated on a straight line basis to write off the cost over its estimated remaining useful life of 40 years.

Investment property is derecognized when either it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of investment property (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) are recognized in the profit or loss in the year in which they arise.

### 3.16 **Development Expenditure**

Development expenditure relates to costs incurred for the development of web applications, software products and programmes, which primarily comprises employee expenses for information technology personnel and creative personnel. These costs are capitalized as development assets to the extent that such expenditure meet the following criteria:

- (i) the product or process is clearly defined and costs are separately identified and measured reliably;
- (ii) the technical feasibility of the product is demonstrated so that it will be available for use or sale;
- (iii) the product or process will be sold or used in-house;
- (iv) the assets will generate future economic benefits (e.g. a potential market exists for the product or its usefulness in case of internal use is demonstrated); and
- (v) adequate technical, financial and other resources required for completion of the project are available.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

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Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Amortization is provided upon commencement of the commercial use of the web application and software products to which they relate to on a straight-line basis over the period of their expected benefits, but not exceeding 5 years. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.18.

### 3.17 **Other Intangible Assets**

Intangible assets, including computer software that are not an integral part of the related hardware, are stated at cost less accumulated amortization and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.18. Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to such assets will flow to the Group and the costs of such assets can be measured reliably.

Amortization is provided for on a straight-line basis to write off the cost of intangible assets with a finite useful life to their residual value over the period of their expected benefits, at the following annual rates:

Software and copyright	33%
Electronic payment system	33%
Exclusive licence and distribution rights of online games and reloads	20% - 33%
Intellectual property	14% - 20%
Trademark	33%

#### Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

#### Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

**3.18 Impairment of Non-financial Assets Excluding Goodwill**

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**3.19 Inventories**

Inventories comprise airtime prepaid electronic pins and online game pins acquired for resale and are stated at lower of cost and net realizable value. Cost is determined using the weighted average basis comprising direct costs of purchase. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

**3.20 Provisions**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, when it is probable that the Group will be required to settle the obligation, and a reliable estimate of the amount can be made of the amount of the obligation.

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The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### 3.21 **Treasury shares**

Acquisition of treasury shares is recorded at cost and is shown as a deduction in the “Treasury shares” account under equity section of the statement of financial position. Upon reissuance of the treasury shares, the “Cost of treasury shares held” account is credited for the cost. The excess of proceeds from reissuance over the treasury stock cost is credited to treasury shares account. The excess of cost of treasury stock over the proceeds from reissuance is debited to treasury shares account but only to the extent of previously set-up treasury shares account for the same class of stock. Otherwise, this is debited to retained earnings.

### 3.22 **Financial Instruments**

Financial instruments are recognized in the consolidated statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instruments.

Where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, such financial assets are recognized and derecognized on trade date.

Financial instruments are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

#### (i) **Financial Assets**

Financial assets are classified into the following specified categories: financial assets “at fair value through profit or loss” (FVTPL), “held-to-maturity” investment, “available-for-sale” (AFS) financial assets and “trade and other receivables”. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.



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### Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments.

### Trade and other receivables

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

### AFS Financial Assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at FVTPL. All AFS assets are measured at fair value at the end of the reporting period. Fair value is determined in the manner described in Note 45. Gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognized in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on AFS equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established.

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognized in profit or loss are determined based on the amortized cost of the monetary asset. Other foreign exchange gains and losses are recognized in other comprehensive income.

Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For equity investments classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss in the period.

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With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

In respect of AFS equity securities, impairment losses previously recognized in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized in other comprehensive income.

### Derecognition of Financial Assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

### Financial Liabilities and Equity Instruments

Debt and equity instruments are classified as financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instruments.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

Financial liabilities are classified as either financial liabilities “at FVTPL” or “other financial liabilities”.

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

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

### Derecognition of Financial Liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expired.

### Derivative Financial Instruments

Derivatives are initially recognized at fair value at the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognized as a financial asset; a derivative with a negative fair value is recognized as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

### 3.23 **Statements of Cash Flows**

The Group adopts the indirect method in the preparation of the statements of cash flows.

Cash and cash equivalents comprise cash and bank balances and other short-term, highly liquid investments that are readily convertible to cash with insignificant risk of changes in value, if any, are deducted.

### 3.24 **Earnings/(Loss) Per Share**

Basic earnings/(loss) per share is computed using the weighted average number of ordinary shares outstanding during the year. Diluted earnings/(loss) per share is computed using the weighted average number of ordinary shares and potential ordinary shares outstanding during the period for share options. Potential ordinary shares are not included in the denominator of the diluted earnings per share calculation when inclusion of such shares would be anti-dilutive, such as in a period in which a net loss is recorded.

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**3.25 Translation into United States dollars**

The consolidated financial statements of the Group are stated in MYR. The translation of MYR amounts as of and for the year ended December 31, 2014 into USD is included solely for the convenience of readers and was made at the rate of MYR3.495 to USD1.00, the noon buying rate in The City of New York for cable transfers of MYR as certified for customs purposes by the Federal Reserve Bank of New York on December 31, 2014. Such translations should not be construed as representation that MYR amounts could be converted, realized or settled into USD at the rate stated above or at any other rate.

**4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Group's accounting policies, which are described in Note 3, the management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**4.1 Critical Judgements in Applying the Group's Accounting Policies**

In the process of applying the Group's accounting policies, the information about the critical judgements that have the most significant effect on the amounts recognized in the consolidated financial statements is discussed below. Further details of the nature of these judgements, estimates, and assumptions may be found in the relevant notes to the consolidated financial statements.

Revenue recognition

In Note 3.8 to the financial statements, the Group recognizes non-refundable upfront fee upon the performance of obligation to provide technical support during game installation and establishment of the server to host the game in connection with the sale of game distribution right. Subsequent to the completion of such services, the Group is not obliged to provide any technical support, and customer does not have any right of recourse in the event that developer fails to fulfill its obligations.

In making their judgement, the management considered the detailed criteria for the recognition of revenue from the upfront fees set out in IAS 18 and, in particular, whether the Group had transferred to the customer the significant risks and rewards. Following the performance of obligation to provide the technical support, the management are satisfied that the significant risks and rewards have been transferred. There is no any subsequent obligation for a continuous support and customer does not have any right of recourse and hence, the recognition of the upfront fee in the current year is appropriate.

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### Purchase Price Allocation

As disclosed in Note 43, the Company completed the purchase price allocation exercise with the assistance of an external professional advisor to determine the fair values assigned to the subsidiaries' identifiable assets and liabilities acquired in the during the financial year pursuant to the requirement of IFRS 3: Business Combinations. Significant management judgement was involved in determining the fair value of these identifiable assets and liabilities based on acceptable valuation procedures and practices that rely on the use of numerous reasonable assumptions.

### Control over MOL Holdings (Thailand) Co. Ltd. and MMOG Asia (Thailand) Co. Ltd.

As disclosed in Note 17, as of December 31, 2014, MOL Holdings (Thailand) Co. Ltd. and MMOG Asia (Thailand) Co. Ltd. are the subsidiaries of the Group even though the Group has only 49% ownership interest and 49% voting rights of these entities. The remaining 51% of the ownership interests are held by other shareholder that are unrelated to the Group.

The management of the Group assessed whether or not the Group has control over these entities based on whether the Group has the practical ability to direct the relevant activities of these entities unilaterally. In making their judgement, the management assessed that the Group has sufficient dominant voting interest to direct the relevant activities, and therefore the Group has control over MOL Holdings (Thailand) Co. Ltd. and MMOG Asia (Thailand) Co. Ltd.

## 4.2 **Key Sources of Estimation Uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities of the Group within the next financial year are discussed below.

### Impairment of Non-Financial Assets

#### *Goodwill and Intangible Assets with Indefinite Useful Lives*

The Group assesses whether there are any indicators of impairment of goodwill and intangible assets with indefinite useful lives at each reporting date. Goodwill is tested for impairment annually and at other times when such indicators exist. When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash generating unit ("CGU") and chooses a suitable discount rate in order to calculate the present value of those cash flows. While the Group believes that the assumptions are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment or recoverable amounts and may lead to future impairment charges. The carrying amount of goodwill of the Group as at the reporting date is MYR105,773,870 (2013: MYR79,723,699; 2012: MYR23,949,626). The carrying amount of intangible assets with indefinite useful lives as at the reporting date is MYR12,034,650 (2013: MYR12,034,650; 2012: MYR12,034,650). Further details are disclosed in Note 21.

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### *Development Expenditure*

Included in development expenditure is amounts capitalized for projects but yet to be launched of MYR3,659,272 by the Group (2013: MYR2,709,620; 2012: MYR2,722,761) as disclosed in Note 20. In assessing indicators for impairment, the management have considered the cash-generating ability of the related projects, likelihood of commercial launch and the risk of technology obsolescence. When value in use calculations are undertaken, management must estimate the expected future cash flows from the project or cash generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. The preparation of the future cash flows involves significant judgement and estimations. While the Group believes that the assumptions used are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment of recoverable amounts and may lead to future impairment charges.

### *Impairment of Intangible Assets with Finite Useful Lives*

The Group regularly reviews whether there are any indications of impairment and will recognize an impairment loss if the carrying amount of an asset is lower than the recoverable amount which is the greater of its net selling price or its value in use. In determining the value in use, the Group assesses the present value of the estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Estimates and judgements are applied in determining the future cash flows and the discount rate.

### Estimated Useful Lives of Intangible Assets with Finite Useful Lives

The Group reviews the estimated useful lives of its intangible assets with finite useful lives at the end of reporting period. During the current financial year, the management are of the opinion that there is no requirement to revise the estimated useful lives of these assets. Intangible assets with finite useful lives are amortized over their useful economic lives. The amount of estimated useful lives is a matter of judgement based on the experience of the Group, taking into account factors such as technological progress, changes in market demand and expected usage. Useful lives are reviewed for continued appropriateness at the end of each reporting period.

### Income Tax

Significant estimation is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognized, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

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### Deferred Tax Assets

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

### Fair Value Measurements and Valuation Processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Board of Directors, with input from management, determines the appropriateness of valuation techniques used and inputs for fair value measurements.

In estimating the fair value of an asset or liability, the Group uses market-observable data to the extent that it is available. Where such data is not available, the Group engages third party qualified valuers to perform the valuation. Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model used for fair value measurements. Management reports to the Board of Directors, at least on a quarterly basis, the cause of fluctuations in the fair value of the assets and liabilities impacting the financial statements.

## 5. REVENUE

	2012 MYR	2013 MYR	2014 MYR
MOLPoints	58,217,233	102,533,871	129,998,638
MOLReloads	30,920,461	34,519,939	36,171,430
MOLPay	2,310,034	9,411,637	10,951,443
MMOG Asia	3,584,851	23,719,741	21,722,204
Others	541,174	1,333,115	3,869,455
	<u>95,573,753</u>	<u>171,518,303</u>	<u>202,713,170</u>



6. **SEGMENT INFORMATION**

The Group is organized into business based on its products and services. Information reported to the Chief Operating Decision Maker (CODM), who is the Group's chief executive officer focuses on the following reportable segments:

- a. MOLPoints, which includes revenue derived from sale of online currency called MOLPoints developed and operated by the Group which can be used to redeem products via online portal and the sale of equivalent game credits. Major products which can be redeemed through MOLPoints are game pins and airtime products electronic pins.
- b. MOLReloads, which includes revenue derived from use of application that facilitates electronic distribution of prepaid airtime and PINs through a terminal-based infrastructure and external prepaid service providers.
- c. MOLPay, which includes revenue derived from provision of an online payment solution that enables e-commerce merchants to collect payments from online buyers securely through physical and online payment channels.
- d. MMOG Asia, which includes revenue derived from sale of virtual goods to customers who through game points can have access to play games in the gaming portal "MMOG Asia.com" and recognizes non-refundable upfront fee upon the performance of obligation to provide technical support during game installation and establishment of the server to host the game in connection with the sale of game distribution right. Subsequent to the completion of such services, the Group is not obliged to provide any technical support, and customer does not have any right of recourse in the event that developer fails to fulfil its obligations.
- e. Others include revenue derived from sale of internet media products and other electronic related services.

The CODM monitors the operating results of its business units separately for the purpose of making decisions about resources allocation and performance assessment. The Group measures consistently the performance of its operating segments by monitoring: segment revenue, segment gross profit, segment profit from operations and segment profit.

Segment revenue by product reported above represents revenue generated from external customers.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3.

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For the purposes of monitoring segment performance and allocating resources between segments:

- Segment profit/(loss) from operations is allocated to reportable segments other than executive director's remuneration, share-based compensation expense, and Initial Public Offering expenses.
- Segment profit/(loss) represents profit/(loss) before tax.
- All assets are allocated to reportable segments other than amount due from associates and related parties. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.
- All liabilities are allocated to reportable segments other than amount due to related parties.
- Capital expenditures consist of additions to property, plant and equipment, intangible assets and development expenditure.

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The following is an analysis of the Group's revenue and results by reportable segments:

December 31, 2012

	MOLPoints MYR	MOLReloads MYR	MOLPay MYR	MMOG Asia MYR	Others MYR	Unallocated MYR	Total MYR
<b>Segment revenue</b>	58,217,233	30,920,461	2,310,034	3,584,851	541,174	—	95,573,753
Direct cost and other ancillary expenses	(27,520,318)	(18,757,674)	(1,504,903)	(196,217)	(242,968)	—	(48,222,080)
<b>Segment gross profit</b>	30,696,915	12,162,787	805,131	3,388,634	298,206	—	47,351,673
Employee expenses	(10,703,270)	(3,346,186)	(1,140,515)	(640,762)	(33,535)	(604,119)	(16,468,387)
Depreciation and amortization expenses	(3,381,180)	(1,666,696)	(585,857)	(1,275,216)	(13,970)	—	(6,922,919)
Segment operating expenses	(7,557,293)	(2,775,945)	(461,013)	(184,822)	(42,371)	—	(11,021,444)
<b>Segment profit/(loss) from operations</b>	9,055,172	4,373,960	(1,382,254)	1,287,834	208,330	(604,119)	12,938,923
Other income	667,156	153,280	9,931	20,772	97,686	—	948,825
Non-operating expenses	—	—	—	—	—	(1,570,507)	(1,570,507)
Finance costs	(1,755,919)	(1,130,417)	—	(15,084)	—	—	(2,901,420)
Share of results of associates	—	—	—	(4,876)	—	—	(4,876)
<b>Segment profit/(loss) <sup>(1)</sup></b>	<u>7,966,409</u>	<u>3,396,823</u>	<u>(1,372,323)</u>	<u>1,288,646</u>	<u>306,016</u>	<u>(2,174,626)</u>	<u>9,410,945</u>

(1) Segment profit/(loss) represents profit/(loss) before tax

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December 31, 2012

	<b>MOLPoints MYR</b>	<b>MOLReloads MYR</b>	<b>MOLPay MYR</b>	<b>MMOG Asia MYR</b>	<b>Others MYR</b>	<b>Unallocated MYR</b>	<b>Total MYR</b>
Segment assets	<u>102,750,902</u>	<u>29,935,934</u>	<u>3,611,229</u>	<u>34,286,086</u>	<u>474,508</u>	<u>3,216,200</u>	<u>174,274,859</u>
Segment liabilities	<u>76,254,057</u>	<u>28,896,422</u>	<u>2,428,141</u>	<u>9,024,796</u>	<u>56,636</u>	<u>17,853,907</u>	<u>134,513,959</u>
<b>Other segment information</b>							
Capital expenditures	<u>5,323,194</u>	<u>1,649,540</u>	<u>909,756</u>	<u>903,512</u>	<u>115,086</u>	<u>—</u>	<u>8,901,088</u>

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December 31, 2013

	MOLPoints MYR	MOLReloads MYR	MOLPay MYR	MMOG Asia MYR	Others MYR	Unallocated MYR	Total MYR
<b>Segment revenue</b>	102,533,871	34,519,939	9,411,637	23,719,741	1,333,115	—	171,518,303
Direct cost and other ancillary expenses	<u>(46,606,433)</u>	<u>(16,304,084)</u>	<u>(5,716,003)</u>	<u>(1,204,625)</u>	<u>(187,626)</u>	—	<u>(70,018,771)</u>
<b>Segment gross profit</b>	55,927,438	18,215,855	3,695,634	22,515,116	1,145,489	—	101,499,532
Employee expenses	(19,905,919)	(4,489,717)	(2,321,333)	(2,923,698)	(293,438)	(1,043,849)	(30,977,954)
Depreciation and amortization expenses	(9,832,427)	(1,133,752)	(650,988)	(8,910,815)	(27,769)	—	(20,555,751)
Segment operating expenses	<u>(15,474,303)</u>	<u>(2,999,183)</u>	<u>(1,222,441)</u>	<u>(4,137,233)</u>	<u>(693,684)</u>	—	<u>(24,526,844)</u>
<b>Segment profit/(loss) from operations</b>	10,714,789	9,593,203	(499,128)	6,543,370	130,598	(1,043,849)	25,438,983
Other income	1,541,060	229,978	26,696	204,305	526,428	—	2,528,467
Non-operating expenses	—	—	—	—	—	(3,039,980)	(3,039,980)
Finance costs	(75,994)	(4,883,308)	—	(126,743)	—	—	(5,086,045)
Share of results of associates	<u>(18,135)</u>	—	—	4,876	—	—	<u>(13,259)</u>
<b>Segment profit/(loss) <sup>(1)</sup></b>	<u>12,161,720</u>	<u>4,939,873</u>	<u>(472,432)</u>	<u>6,625,808</u>	<u>657,026</u>	<u>(4,083,829)</u>	<u>19,828,166</u>

(1) Segment profit/(loss) represents profit/(loss) before tax

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December 31, 2013

	<b>MOLPoints MYR</b>	<b>MOLReloads MYR</b>	<b>MOLPay MYR</b>	<b>MMOG Asia MYR</b>	<b>Others MYR</b>	<b>Unallocated MYR</b>	<b>Total MYR</b>
Segment assets	<u>192,585,873</u>	<u>28,774,451</u>	<u>27,079,714</u>	<u>31,831,581</u>	<u>1,844,944</u>	<u>801,799</u>	<u>282,918,362</u>
Segment liabilities	<u>85,110,834</u>	<u>86,001,247</u>	<u>6,791,920</u>	<u>8,070,746</u>	<u>1,134,605</u>	<u>30,747,913</u>	<u>217,857,265</u>
<b>Other segment information</b>							
Capital expenditures	<u>8,991,303</u>	<u>914,293</u>	<u>34,327</u>	<u>6,206,316</u>	<u>370,044</u>	<u>—</u>	<u>16,516,283</u>

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December 31, 2014

	MOLPoints MYR	MOLReloads MYR	MOLPay MYR	MMOG Asia MYR	Others MYR	Unallocated MYR (Restated, see Note 48)	Total MYR (Restated, see Note 48)
<b>Segment revenue</b>	129,998,638	36,171,430	10,951,443	21,722,204 <sup>(2)</sup>	3,869,455	—	202,713,170
Direct cost and other ancillary expenses	<u>(68,493,777)</u>	<u>(19,187,872)</u>	<u>(5,673,685)</u>	<u>(714,080)</u>	<u>(373,722)</u>	—	<u>(94,443,136)</u>
<b>Segment gross profit</b>	61,504,861	16,983,558	5,277,758	21,008,124	3,495,733	—	108,270,034
Employee expenses	(22,501,205)	(5,522,580)	(3,928,995)	(3,145,505)	(315,842)	(16,834,361)	(52,248,488)
Depreciation and amortization expenses	(12,628,858)	(1,279,079)	(476,157)	(9,737,273)	(241,778)	—	(24,363,145)
Segment operating expenses	<u>(19,591,118)</u>	<u>(3,763,118)</u>	<u>(1,560,424)</u>	<u>(4,580,492)</u>	<u>(4,863,346)</u>	<u>(16,052,673)<sup>(3)</sup></u>	<u>(50,411,171)</u>
<b>Segment profit/(loss) from operations</b>	6,783,680	6,418,781	(687,818)	3,544,854	(1,925,233)	(32,887,034)	(18,752,770)
Other income	2,861,784	204,695	491,344	141,056	101	3,876,509	7,575,489
Finance costs	(2,390,752)	(3,435,325)	—	(144,537)	(16,638)	(3,154,269) <sup>(4)</sup>	(9,141,521)
Share of results of associates	<u>8,577</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(113,066)</u>	<u>(104,489)</u>
<b>Segment profit/(loss)<sup>(1)</sup></b>	<u><u>7,263,289</u></u>	<u><u>3,188,151</u></u>	<u><u>(196,474)</u></u>	<u><u>3,541,373</u></u>	<u><u>(1,941,770)</u></u>	<u><u>(32,277,860)</u></u>	<u><u>(20,423,291)</u></u>

- (1) Segment profit/(loss) represents profit/(loss) before tax  
(2) Includes upfront fee recognized upfront of MYR5,000,000  
(3) Relates to Initial Public Offering expenses  
(4) Relates to unwinding of discount and change in estimates of gross obligations (Note 37)

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December 31, 2014

	MOLPoints MYR	MOLReloads MYR	MOLPay MYR	MMOG Asia MYR	Others MYR	Unallocated MYR (Restated, see Note 48)	Total MYR (Restated, see Note 48)
Segment assets	<u>296,927,038</u>	<u>40,759,538</u>	<u>32,523,151</u>	<u>28,467,088</u>	<u>81,790,628</u>	<u>959,623</u>	<u>481,427,066</u>
Segment liabilities (Restated)	<u>145,503,551</u>	<u>57,986,088</u>	<u>11,901,846</u>	<u>7,533,107</u>	<u>4,902,493</u>	<u>602,486</u>	<u>228,429,571</u>
<b>Other segment information</b>							
Capital expenditures	<u>6,830,639</u>	<u>2,132,044</u>	<u>493,614</u>	<u>1,638,501</u>	<u>513,697</u>	<u>—</u>	<u>11,608,495</u>



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*Geographical Information*

The Group operates in four principal geographical areas.

The following table sets out information about the geographical location of revenue from external customers and information about geographical location of its non-current assets, excluding investment in associates, other investment, finance lease receivables, and deferred tax assets, and non-current receivables. The geographical location of customers is based on the location to which the goods are delivered and services are rendered by the Group.

	2012 MYR	Revenue 2013 MYR	2014 MYR	2012 MYR	Segment Non-Current Assets 2013 MYR	2014 MYR
Malaysia	56,377,626	79,458,289	88,137,675	53,771,025	50,454,794	44,345,100
Thailand	17,495,393	34,715,256	42,351,731	4,844,232	4,707,924	11,262,019
Philippines	18,056,455	19,858,990	15,127,528	7,353,177	7,330,706	7,981,126
Turkey	—	23,174,325	35,349,924	—	67,645,574	97,403,419
Others	<u>3,644,279</u>	<u>14,311,443</u>	<u>21,746,312</u>	<u>10,276,000</u>	<u>24,983,865</u>	<u>24,324,773</u>
	<u>95,573,753</u>	<u>171,518,303</u>	<u>202,713,170</u>	<u>76,244,434</u>	<u>155,122,863</u>	<u>185,316,437</u>

*Information about major customers*

Included in revenues arising from sales of airtime prepaid products (MOLReloads) and MOLPoints are revenues of approximately MYR46,270,584 (2013: MYR40,878,319; 2012: MYR35,869,562) which arose from sales to the Group's largest customer/ distributor, 7-Eleven Malaysia Sdn Bhd which is a related party. No other single customers contributed 10% or more to the Group's revenue for 2014, 2013 and 2012.

[Table of Contents](#)7. **EMPLOYEE EXPENSES**

	2012 MYR	2013 MYR	2014 MYR
Wages, bonus and salaries	13,496,157	24,637,618	29,368,775
Social security costs	138,709	901,783	1,073,338
Defined contribution plans	1,582,532	1,875,411	2,044,420
Defined benefit plans (Note 38)	283,422	116,417	529,002
Share-based compensation expense (Note 42)	—	—	15,670,289
Other personnel related expenses	967,567	3,446,725	3,562,664
	<u>16,468,387</u>	<u>30,977,954</u>	<u>52,248,488</u>

Included in employee expenses of the Group are key management personnel remuneration amounting to MYR21,459,030 (2013: MYR9,651,780; 2012: MYR6,718,161) as further disclosed in Note 8.

8. **KEY MANAGEMENT PERSONNEL REMUNERATION**8.1 **Compensation of Key Management Personnel**

The members of key management personnel of the Group comprise Directors and other key management personnel of the Group.

	2012 MYR	2013 MYR	2014 MYR
<b>Executive Directors:</b>			
<b>Short-term benefits</b>			
Salaries and other emoluments	2,876,333	4,139,197	3,952,203
Fees	—	159,256	535,101
Estimated monetary value of benefits-in-kind	5,300	8,206	9,032
<b>Post-employment benefits</b>			
Defined contribution plans	216,659	311,013	258,894
<b>Share-based payments</b>			
Share-based compensation expense	—	—	5,455,626
	<u>3,098,292</u>	<u>4,617,672</u>	<u>10,210,856</u>
<b>Non-executive Directors:</b>			
<b>Short-term benefits</b>			
Fees	15,000	25,673	140,033
Total Directors' remuneration	<u>3,113,292</u>	<u>4,643,345</u>	<u>10,350,889</u>

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	2012 MYR	2013 MYR	2014 MYR
Other key management personnel			
<u>Short-term benefits</u>			
Salaries and other emoluments	3,329,160	4,680,852	5,705,411
Estimated monetary value of benefits-in-kind	82,113	58,625	14,426
<u>Post-employment benefits</u>			
Defined contribution plans	193,596	268,958	319,640
<u>Share-based payments</u>			
Share-based compensation expense	—	—	5,068,664
Total other key management personnel remuneration	<u>3,604,869</u>	<u>5,008,435</u>	<u>11,108,141</u>
Total	<u>6,718,161</u>	<u>9,651,780</u>	<u>21,459,030</u>

Total Directors' remuneration capitalized as development expenditure amounts to MYR417,426 (2013: MYR28,050; 2012: MYR225,000) as further disclosed in Note 20.

9. **DEPRECIATION AND AMORTIZATION EXPENSES**

	2012 MYR	2013 MYR	2014 MYR
Depreciation of property, plant and equipment	1,949,976	3,155,623	4,443,328
Depreciation of investment property	13,133	26,306	26,305
Amortization of intangible assets	2,967,628	15,362,949	17,782,862
Amortization of development expenditure	<u>1,992,182</u>	<u>2,010,873</u>	<u>2,110,650</u>
	<u>6,922,919</u>	<u>20,555,751</u>	<u>24,363,145</u>

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10. OTHER INCOME

	2012 MYR	2013 MYR	2014 MYR
Derivative fair value adjustment (Note 36)	—	—	3,736,076
Interest income (Note 12)	447,809	800,794	1,462,334
Advertising income	—	27,018	855,547
Rental income (Note 12)	39,136	135,600	169,270
Impairment loss no longer required on:			
Inventories (Note 25)	—	—	41,945
Trade receivables (Note 26)	—	—	93,110
Gain on disposal of an associate	—	—	140,433
Excess travelling expenses received from other related parties (Note 28.4)	—	264,611	—
Income from late penalty	—	289,966	—
Handling fees from affiliate (Note 28.4)	268,472	223,096	32,260
Product listing fees from publishers	—	115,332	211,866
Handling fees from channels	—	64,519	123,524
Domain name	87,180	151,243	19,109
Others	106,228	456,288	690,015
	<u>948,825</u>	<u>2,528,467</u>	<u>7,575,489</u>

11. FINANCE COSTS

	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)
Interest on:			
Revolving credit	2,721,746	4,742,304	4,740,904
Term loans	26,773	153,124	149,501
Finance lease facilities	152,901	190,617	161,097
Interest charged on advances from affiliate (Note 28.4)	—	—	907,738
Bank guarantee	—	—	28,012
Unwinding of discount and change in estimates of gross obligations (Note 37)	—	—	3,154,269
	<u>2,901,420</u>	<u>5,086,045</u>	<u>9,141,521</u>

[Table of Contents](#)12. **PROFIT/(LOSS) BEFORE TAX**

Profit/(Loss) before tax has been arrived at after charging/(crediting):

	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)
Unrealised (gain)/loss on foreign exchange	—	(390,959)	3,405,931
Rental expenses	1,884,053	2,872,997	3,090,949
Auditors' remuneration	171,474	765,560	8,316,315
Impairment loss on:			
Trade receivables (Note 26)	—	545,747	1,246,054
Inventories (Note 25)	—	—	468,200
Other receivables (Note 27)	—	7,580	17,008
Realized (gain)/loss on foreign exchange	(670,521)	241,241	603,198
Bad debts directly written off on trade receivables	—	13,671	196,424
Development expenditure written off	—	—	176,231
Intangible assets written off	—	70,520	58,077
Property, plant and equipment written off	—	77,419	7,951
Inventories written off	—	709,515	5,017
Unwinding of discount and change in estimates of gross obligations (Note 37)	—	—	3,154,269
Derivative fair value adjustment	—	3,039,980	(3,736,076)
Effect of remeasurement of equity interest in associates	1,570,507	—	—
Interest income	(447,809)	(800,794)	(1,462,334)
Impairment loss no longer required:			
Trade receivables (Note 26)	—	—	(93,110)
Inventories (Note 25)	—	—	(41,945)
Rental income	(39,136)	(135,600)	(169,270)
Gain on disposal of associate	—	—	(140,433)
Gain on disposal of a subsidiary (Note 44)	—	—	(87,437)
Bargain purchase gain (Note 43)	—	—	(17,964)
(Gain)/Loss on disposal of property, plant and equipment	<u>(8,369)</u>	<u>697</u>	<u>(1,380)</u>

13. INCOME TAX EXPENSE

	2012 MYR	2013 MYR	2014 MYR
<b>Estimated current tax payable:</b>			
Malaysia income tax:			
Current year	2,342,804	1,403,126	541,040
(Over)/Underprovision in prior years	(361,735)	(541,686)	98,014
Foreign income tax:			
Current year	<u>1,815,513</u>	<u>3,269,285</u>	<u>4,759,995</u>
	<u>3,796,582</u>	<u>4,130,725</u>	<u>5,399,049</u>
Deferred tax (Note 23):			
Current year	<u>(370,633)</u>	<u>(2,975,084)</u>	<u>(4,762,126)</u>
Total tax expense	<u>3,425,949</u>	<u>1,155,641</u>	<u>636,923</u>

Income tax is calculated at the Malaysian statutory tax rate of 25% (2013: 25%; 2012: 25%) of the estimated taxable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

A reconciliation of income tax expense applicable to profit/(loss) before tax at the applicable statutory income tax rate to income tax expense at the effective income tax rate of the Group is as follows:

	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)
Profit/(Loss) before tax	<u>9,410,945</u>	<u>19,828,166</u>	<u>(20,423,291)</u>
Taxation at Malaysian statutory tax rate of 25% (2013 and 2012: 25%)	2,352,736	4,957,042	(5,105,823)
Tax effects of:			
Expenses not deductible for tax purposes (1)	1,257,832	3,506,954	6,604,964
Different tax rates in other jurisdictions	463,432	(2,207,867)	4,609,596
Income not subject to tax(2)	(1,082,632)	(5,439,339)	(6,149,568)
Deferred tax assets not recognized	924,111	802,272	579,740
Utilization of deferred tax assets not previously recognized	(127,795)	—	—
Deferred tax assets recognized	—	78,265	—
(Over)/Underprovision of tax payable in prior years(3)	<u>(361,735)</u>	<u>(541,686)</u>	<u>98,014</u>
	<u>3,425,949</u>	<u>1,155,641</u>	<u>636,923</u>

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- (1) Included in expenses not deductible for tax expenses mainly comprise amortization charges and unwinding of discount and change in estimates of gross obligations that are not allowable for tax deduction.
- (2) Income not subject to tax is mainly derived from the tax incentive granted as disclosed below.
- (3) Overprovision of tax payable is mainly related to the change in the allocation of income or expenses for pioneer and non-pioneer business in 2012, and to the overstatement of non-deductible expenses, including capitalized salaries of development expenditures and staff welfare expenses in 2013.

As at December 31, 2014, the Group has tax-exempt profits available for distribution of approximately MYR42,286,994 (2013: MYR15,881,490; 2012: MYR15,881,490), subject to the agreement of the Inland Revenue Board of Malaysia.

Three of the subsidiaries have been granted the Multimedia Super Corridor Malaysia (“MSC Malaysia”) status by the Minister of Finance Malaysia and the Minister of International Trade and Industry Malaysia, and enjoy certain incentives, including “Pioneer Status”, which entitles the company to a five-year exemption from Malaysian income tax on income derived from MSC Malaysia-related activities, which is renewable for a second five-year term provided certain conditions are met. The subsidiaries will thereafter subject to Malaysian income tax subsequent to the expiration of exemption period grant.

Additional income taxes that would have been payable without the tax exemption amounted to approximately MYR4,108,446 (2013: MYR1,118,413; 2012: MYR Nil). Without such exemption, the Group’s basic and diluted net profit per share would have been decreased by 7.0 sen (2013: 8.0 sen; 2012: Nil)

Under the laws of the respective jurisdictions, Thailand, Turkey and the Philippines, withholding tax of 10%, 15% and 30%, respectively, are imposed on dividends declared in respect of profits earned by the subsidiaries in these jurisdictions. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of these subsidiaries amounting to MYR31,838,439 (2013: MYR28,823,951; 2012: MYR8,035,186) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not be reversed in the foreseeable future.

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14. **EARNINGS/(LOSS) PER SHARE**

The earnings/(loss) and weighted average number of ordinary shares used in the calculation of basic and diluted earnings/(loss) per share are as follows:

	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)
Profit/(Loss) for the year attributable to owners of the Company	<u>4,717,192</u>	<u>12,006,894</u>	<u>(24,754,482)</u>
Weighted average number of ordinary shares - basic	58,897,320	58,897,320	61,220,379
Dilutive effect for share options*	<u>—</u>	<u>—</u>	<u>947,796</u>
Weighted average number of ordinary shares - diluted	<u>58,897,320</u>	<u>58,897,320</u>	<u>62,168,175</u>
Earnings/(Loss) per share, basic/diluted (sen)	<u>8.01</u>	<u>20.39</u>	<u>(40.44)</u>

For the purpose of calculating earnings per share, the 58,897,320 ordinary shares of the Company issued for the reorganisation (see Note 1), which is accounted for using merger accounting, are included in the calculation of the weighted average number of ordinary shares as if they are outstanding from the beginning of the period presented.

\* The potential dilutive securities that were not included in the calculation of dilutive net earnings/(loss) per share in those periods where their inclusion would be anti-dilutive include share options of nil, nil and 3,326,399, respectively, for the years ended December 31, 2012, 2013 and 2014, respectively.



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15. PROPERTY, PLANT AND EQUIPMENT

2012	Freehold land MYR	Buildings MYR	Computer equipment and software MYR	Furniture, fittings and office equipment MYR	Renovation MYR	Motor vehicles MYR	Total MYR
<b>Cost</b>							
As of January 1, 2012	—	—	6,136,666	1,807,986	827,832	314,807	9,087,291
Additions	—	531,699	3,644,101	327,545	159,973	217,018	4,880,336
Acquisition of subsidiaries (Note 43)	117,010	875,652	3,096,702	737,997	89,281	933,648	5,850,290
Disposals	—	—	—	—	—	(439,897)	(439,897)
Reclassification	—	—	—	13,929	(13,929)	—	—
Foreign exchange differences	283	(1,397)	6,453	9,072	12,480	3,993	30,884
As of December 31, 2012	<u>117,293</u>	<u>1,405,954</u>	<u>12,883,922</u>	<u>2,896,529</u>	<u>1,075,637</u>	<u>1,029,569</u>	<u>19,408,904</u>
<b>Accumulated depreciation</b>							
As of January 1, 2012	—	—	5,381,035	1,010,196	384,184	205,320	6,980,735
Acquisition of subsidiaries (Note 43)	—	172,786	2,485,425	433,957	40,190	469,986	3,602,344
Charge for the year							
Recognized in profit or loss	—	70,831	954,436	519,215	290,842	114,652	1,949,976
Capitalised in development expenditure (Note 20)	—	—	164,948	—	—	—	164,948
	—	70,831	1,119,384	519,215	290,842	114,652	2,114,924

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2012	Freehold land MYR	Buildings MYR	Computer equipment and software MYR	Furniture, fittings and office equipment MYR	Renovation MYR	Motor vehicles MYR	Total MYR
Disposals	—	—	—	—	—	(217,592)	(217,592)
Reclassification	—	—	—	1,393	(1,393)	—	—
Foreign exchange differences	—	469	1,791	(830)	9,686	1,150	12,266
As of December 31, 2012	—	244,086	8,987,635	1,963,931	723,509	573,516	12,492,677
<b>Net carrying amount</b>							
As of December 31, 2012	<u>117,293</u>	<u>1,161,868</u>	<u>3,896,287</u>	<u>932,598</u>	<u>352,128</u>	<u>456,053</u>	<u>6,916,227</u>

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2013	Freehold land MYR	Buildings MYR	Computer equipment and software MYR	Furniture, fittings and office equipment MYR	Renovation MYR	Motor vehicles MYR	Total MYR
<b>Cost</b>							
As of January 1, 2013	117,293	1,405,954	12,883,922	2,896,529	1,075,637	1,029,569	19,408,904
Additions	—	—	3,553,524	483,942	303,583	390,387	4,731,436
Acquisition of subsidiaries (Note 43)	—	—	302,106	170,675	182,094	—	654,875
Disposals	—	—	(2,678)	—	—	(99,427)	(102,105)
Write-offs	—	—	(2,722,424)	(129,200)	(60,240)	—	(2,911,864)
Foreign exchange differences	1,181	15,361	10,204	(24,515)	(17,179)	536	(14,412)
As of December 31, 2013	<u>118,474</u>	<u>1,421,315</u>	<u>14,024,654</u>	<u>3,397,431</u>	<u>1,483,895</u>	<u>1,321,065</u>	<u>21,766,834</u>
<b>Accumulated depreciation</b>							
As of January 1, 2013	—	244,086	8,987,635	1,963,931	723,509	573,516	12,492,677
Acquisition of subsidiaries (Note 43)	—	—	73,895	37,468	32,056	—	143,419
Charge for the year:							
Recognized in profit or loss	—	65,790	2,235,240	378,792	264,847	210,954	3,155,623
Capitalized in development expenditure (Note 20)	—	—	198,289	—	—	—	198,289
		65,790	2,433,529	378,792	264,847	210,954	3,353,912

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2013	Freehold land MYR	Buildings MYR	Computer equipment and software MYR	Furniture, fittings and office equipment MYR	Renovation MYR	Motor vehicles MYR	Total MYR
Disposals	—	—	(2,678)	—	—	(9,943)	(12,621)
Write-off	—	—	(2,714,709)	(81,584)	(38,152)	—	(2,834,445)
Foreign exchange differences	—	852	(11,819)	(6,791)	(12,106)	365	(29,499)
As of December 31, 2013	—	310,728	8,765,853	2,291,816	970,154	774,892	13,113,443
<b>Net carrying amount</b>							
As of December 31, 2013	<u>118,474</u>	<u>1,110,587</u>	<u>5,258,801</u>	<u>1,105,615</u>	<u>513,741</u>	<u>546,173</u>	<u>8,653,391</u>

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2014	Freehold land MYR	Buildings MYR	Computer equipment and software MYR	Furniture, fittings and office equipment MYR	Renovation MYR	Motor vehicles MYR	Total MYR
<b>Cost</b>							
As of January 1, 2014	118,474	1,421,315	14,024,654	3,397,431	1,483,895	1,321,065	21,766,834
Additions	—	537,442	5,127,210	328,615	542,312	343,039	6,878,618
Acquisition of subsidiaries (Note 43)	—	—	147,797	261,787	—	103,834	513,418
Disposals	—	—	(5,620)	(1,500)	—	—	(7,120)
Disposal of a subsidiary	—	—	(42,291)	(68,755)	(29,041)	(18,000)	(158,087)
Write-offs	—	—	(15,365)	(635)	—	(3,900)	(19,900)
Reclassifications	(124,322)	226,329	328,114	(212,382)	135,692	(23,731)	329,700
Foreign exchange differences	5,848	70,154	37,329	73,022	3,773	22,595	212,721
As of December 31, 2014	—	2,255,240	19,601,828	3,777,583	2,136,631	1,744,902	29,516,184

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2014	Freehold land MYR	Buildings MYR	Computer equipment and software MYR	Furniture, fittings and office equipment MYR	Renovation MYR	Motor vehicles MYR	Total MYR
<b>Accumulated depreciation</b>							
As of January 1, 2014	—	310,728	8,765,853	2,291,816	970,154	774,892	13,113,443
Acquisition of subsidiaries (Note 43)	—	—	27,497	169,662	—	50,182	247,341
Charge for the year:							
Recognized in profit or loss	—	90,375	3,532,428	341,813	241,317	237,395	4,443,328
Capitalized in development expenditure (Note 20)	—	—	231,814	—	—	—	231,814
	—	90,375	3,764,242	341,813	241,317	237,395	4,675,142
Disposals	—	—	(3,089)	(1,175)	—	—	(4,264)
Disposal of a subsidiary	—	—	(21,688)	(28,507)	(11,584)	(6,300)	(68,079)
Write-off	—	—	(7,740)	(635)	—	(3,900)	(12,275)
Reclassifications	—	74,302	299,188	(83,202)	2,586	(24,512)	268,362
Foreign exchange differences	—	16,639	28,784	55,696	(526)	20,106	120,699
As of December 31, 2014	—	492,044	12,853,047	2,745,468	1,201,947	1,047,863	18,340,369
<b>Net carrying amount</b>							
As of December 31, 2014	—	1,763,196	6,748,781	1,032,115	934,684	697,039	11,175,815

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During the year, the Group acquired property, plant and equipment with an aggregate cost of MYR1,253,132 (2013: MYR1,470,800; 2012: MYR2,160,936) by means of finance lease.

Included in property, plant and equipment of the Group are computer equipment and software with net carrying amount of MYR1,989,514 (2013: MYR1,681,038; 2012: MYR2,338,805) and motor vehicles with a net carrying amount of MYR333,203 (2013: MYR494,955; 2012: MYR350,764) held under finance lease arrangements.

As at December 31, 2014, buildings of the Group with net carrying amount of MYR1,763,196 (2013: MYR1,299,061; 2012: MYR1,279,161) have been charged as security for the term loan as disclosed in Note 32.

## 16. INVESTMENT PROPERTY

	2012 MYR	2013 MYR	2014 MYR
<b>Cost</b>			
As of January 1	—	2,452,799	2,452,799
Acquisition of subsidiaries (Note 43)	<u>2,452,799</u>	<u>—</u>	<u>—</u>
As of December 31	<u>2,452,799</u>	<u>2,452,799</u>	<u>2,452,799</u>
<b>Accumulated depreciation</b>			
As of January 1	—	(32,704)	(59,010)
Acquisition of subsidiaries (Note 43)	(19,571)	—	—
Charge for the year	<u>(13,133)</u>	<u>(26,306)</u>	<u>(26,305)</u>
As of December 31	<u>(32,704)</u>	<u>(59,010)</u>	<u>(85,315)</u>
<b>Net carrying amount</b>	<u>2,420,095</u>	<u>2,393,789</u>	<u>2,367,484</u>

Investment property comprises a 4-storey terrace shop house situated in Bandar Sri Permaisuri, Kuala Lumpur for the purpose of rental income and capital appreciation.

The fair value of the Group's investment property is determined to be approximately MYR2,500,000 (2013: MYR2,500,000; 2012: MYR2,500,000) by reference to the market indication of transaction prices for similar properties.

The fair value was determined based on the market comparable approach that reflects recent transaction prices for similar properties. In estimating the fair value of the properties, the highest and best use of the properties is their current use. There has been no change of the valuation technique during the year. The fair value is categorized as Level 3 of the fair value hierarchy with no transfer between Levels 1 and 2 during the year.

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The property rental income earned by the Group from its investment property, which is leased out under operating leases, amounted to MYR124,500 (2013: MYR135,600; 2012: MYR39,136). Direct operating expenses arising on the investment property amounted to MYR6,750 (2013: MYR5,400; 2012: MYR2,700).

The investment property has been charged as security for the term loan as disclosed in Note 32.

17. **INVESTMENT IN SUBSIDIARIES**

(a) **Increase of equity interest in existing subsidiaries**

**2014**

During the current financial year, the Group has acquired additional interest from the non-controlling shareholders of its subsidiaries as follows:

- (i) On May 6, 2014, the Group entered into a Share Sale and Purchase agreement with non-controlling shareholders to acquire the remaining equity interest of 30.00% in each of MOL Turkey Bilgi Sistemleri Yayıncılık Gıda ve Tekstil San. Tic. A.Ş. (“MOL Turkey”) and Sihirli Kule Bilgi Sistemleri Ltd. (“GameSultan”) for a total purchase consideration of USD14,750,000 (equivalent to MYR48,188,250).
- (ii) On May 30, 2014, the Group entered into a Share Purchase Agreement with non-controlling shareholders to acquire the remaining equity interest of 20.005% in MyCNX Holdings (M) Sdn. Bhd. (“MyCNX”) in exchange for 513,468 ordinary shares (USD13.33 per share) of the Company and cash consideration of MYR9,970,756. The Group also further acquired additional indirect equity interest in its subsidiaries of MyCNX through the acquisition in MyCNX.
- (iii) The Group previously owned 49.00% equity interest of MOL AccessPortal Co. Ltd. (“MOL Thailand”) directly. On June 5, 2014, the Group further entered into a Share Purchase Agreement with non-controlling shareholders to acquire an indirect 37.73% equity interest in MOL Thailand through the acquisition of a 49.00% equity interest in each of MOL Group (Thailand) Co. Ltd. (“MOL Group”) and MOL Holdings (Thailand) Co. Ltd. (“MOL Holdings”) in exchange for a total of 543,268 ordinary shares (USD13.33 per share) of the Company and cash consideration of MYR23,755,047 (THB240,435,698).
- (iv) The Group previously owned 75.01% equity interest of MOL AccessPortal Co Ltd (“MOL Taiwan”), which is incorporated in Taiwan. As mentioned in (iii), the Group further acquired an indirect 18.49% equity interest in MOL Taiwan through the acquisition of a 49.00% equity interest in each of MOL Group and MOL Holdings.



(b) **Acquisition of subsidiaries**

The following subsidiaries were acquired during the financial year:

(i) **Acquisition of Klon Odeme ve Iletisim Teknolojileri Anonim Şirketi (“PaybyMe”)**

On July 15, 2014, the Group entered into a Share Sale and Purchase Agreement with certain individuals to acquire 255 shares of Turkish Lira (TL) 100 each, representing 51.00% equity interest in PaybyMe for a total purchase consideration of TL19,684,800 (equivalent to MYR29,080,121). The acquisition was completed on September 15, 2014.

In accordance with the Shareholders Agreement, the Group shall be entitled to, but shall not be obligated to, exercise a right (“call option right”) to acquire the remaining 49% equity interest in PaybyMe, and the non-controlling shareholders of PaybyMe shall be entitled to, but shall not be obligated to, exercise a right (“put option right”) to require the Company to purchase the remaining 49% equity interest in PaybyMe. The call and put option is exercisable in two periods, first exercise period is during the period from April 1, 2016 to April 30, 2016 and second exercise period is during the period from April 1, 2017 to April 30, 2017, each of which is to acquire the 24.5% of shares to be acquired by the Group subject to the option right at earnings multiple of PaybyMe for the financial year ended December 31, 2015 plus Mandatory Capital Loan plus Deferred Conditional Purchase Price and the exercise price for the second exercise period shall equal to the amount of 24.5% of shares to be acquired by the Group subject to the option right at earnings multiple of PaybyMe for the financial year ending December 31, 2016 plus Mandatory Capital Loan.

(ii) **Acquisition of e-Innovations Systems & Networks Thai Company Limited, 3Sept Corporations Co. Ltd. and Sept 3 Technology Sdn. Bhd. (“collectively referred to herein as Easy2Pay”)**

On April 4, 2014, MOL AccessPortal Co. Ltd. (“MOL Thailand”), a company which is 86.73% owned by the Group, entered into a Share Purchase Agreement to acquire 60% equity interest in Easy2Pay for a total purchase consideration of THB61,082,560 (equivalent to MYR6,046,178). The acquisition was completed on May 6, 2014.

Pursuant to the same agreement, which is subject to customary closing conditions, the Group agreed to purchase a further 20.00% in November 2015 and the remaining 20.00% in May 2017. The purchase consideration for each remaining tranche is based on the financial performance of the companies during a specified period prior to the relevant closing.

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(iii) **Acquisition of MOL Wallet Sdn Bhd (“MOL Wallet”)**

On March 28, 2014, MOLPay Sdn Bhd, a company which is 51.00% owned by the Group, acquired 100.00% equity interest in MOL Wallet for a total purchase consideration of MYR2. The acquisition was completed on April 28, 2014.

(iv) **Acquisition of Pintura Odeme ve Iletisim Teknolojileri Anonim Şirketi (“Pintura”)**

On September 14, 2014, MOL Turkey, a company which is wholly-owned by the Group, entered into Share Sale and Purchase Agreement with certain individuals to acquire 255 shares of Turkish Lira (TL) 100 each, representing 51.00% equity interest in Pintura for a total purchase consideration of TL25,500 (equivalent to MYR36,637). The acquisition was completed on September 15, 2014.

(c) **Establishment of New Subsidiaries**

The newly established subsidiary is as follows:

(i) **Newly Incorporated of MOL Payment Co. Ltd. (“MOL Payment”)**

On October 6, 2014, MOL AccessPortal Co. Ltd., a company which is 86.73% owned by the Group, incorporated a 99.99% owned subsidiary in Thailand under the name of MOL Payment with an issued and paid-up ordinary share capital of THB 5,000,000, comprising 50,000 shares of THB100 each. The subsidiary is dormant as of December 31, 2014.

## 2013

(i) **Acquisition of MOL Turkey Bilgi Sistemleri Yayıncılık Gıda ve Tekstil San. Tic. A.Ş. (formerly known as Sihirli Kule Bilgi Sistemleri Yayıncılık Gıda ve Tekstil San. Tic. A.Ş.) (“MOL Turkey”) and Sihirli Kule Bilgi Sistemleri Ltd. (“GameSultan”)**

On December 4, 2012, MOLAP, a wholly owned subsidiary of the Company, entered into a Share Sale and Purchase Agreement with certain individuals to acquire 3,502 shares of Turkish Lira (TL) 10 each, representing 70.00% equity interest in MOL Turkey and 1,680 shares of Euro Dollar (Euro) 10 each, representing 70.00% in GameSultan, for a total cash purchase consideration of USD13.5 million (equivalent to MYR41,894,437).

The registration of MOLAP ownership of 3,502 shares of TL10 each and 1,680 shares of Euro10 each, representing 70.00% equity interest in MOL Turkey and 70.00% equity interest in GameSultan, respectively, was completed with the Companies House and Official Registry on February 7, 2013.

The acquisition of 70.00% equity interest in both companies was completed on February 19, 2013.

Call options and put options were granted to both MOLAP and the individual shareholders, respectively, for MOLAP to subscribe up to 30.00% of the equity of both MOL Turkey and GameSultan. 15.00% of the options shall be exercised at any time during the period commencing from April 1, 2014 and ending June 30, 2014 and the remaining 15.00% of the options shall be exercised during the period commencing November 1, 2015 and ending on January 31, 2016. At the date of acquisition, the put options were valued to be MYR23,124,127. Subsequently, fair value of the put options as of December 31, 2013 increased to MYR26,164,107 with a loss recognized in profit or loss amounting to MYR3,039,980. The fair value of the call options was estimated to negligible.

(ii) **Acquisition of Nganluong Joint Stock Company (“Nganluong”)**

On December 21, 2012, MOLAP entered into a Share Purchase and Subscription Agreement to invest a total of 50.00% equity interest in Nganluong Joint Stock Company (“Nganluong”) for a total purchase consideration of Vietnamese Dong (VND) 104,275,000,000 (equivalent to MYR15,641,250) by way of:

1. acquisition of 20,000 existing ordinary shares of VND10,000 each in Nganluong from the existing shareholder, PeaceSoft Solutions Joint Stock Company, for a cash consideration of VND52,137,500,000 (equivalent to MYR7,820,625); and
2. subscription of 20,000 new ordinary shares of VND10,000 each in Nganluong for a cash consideration of VND52,137,500,000 (equivalent to MYR7,820,625).

The acquisition was completed on March 1, 2013. With effect from the date of acquisition, MOLAP consolidates its investment in Nganluong upon having the control of the subsidiary in which MOLAP is able to govern the financial and operating policies of Nganluong.

(iii) **Acquisition of MOLCube Sdn Bhd (“MOLC”)**

On March 20, 2013, MOLAP entered into a Share Purchase and Subscription Agreement to invest in 70,000 shares RM1 each, which represents 70.00% equity interest in MOLC for a total purchase consideration of MYR70,000.

On the same date, MOLPay Sdn Bhd, a company which is 51.00% owned by MOLAP, purchased 30,000 shares RM1 each, which represents 30.00% equity interest in MOLCube Sdn Bhd for a total purchase consideration of MYR30,000.

The acquisition was completed on April 1, 2013. MOLAP total effective interest in MOLC amounted to 85.30%.

## **2012**

### **(i) Acquisition of MOL AccessPortal Pty. Ltd. (formerly known as OCash Pty. Ltd.) (“MOL Australia”)**

On June 25, 2012, MOLAP entered into a Subscription cum Shareholders’ Agreement with MOL Australia and the existing sole shareholder of MOL Australia namely, Cyglynx Pty. Ltd. to subscribe for 37,143 new ordinary shares of AUD1.00 each, representing 65.00% of the enlarged issued and paid-up share capital of MOL Australia, for a total purchase consideration of AUD350,000 (equivalent to MYR1,136,784). The acquisition was completed on July 1, 2012.

### **(ii) Acquisition of Rixty, Inc. (“Rixty”)**

On September 14, 2012, MOLAP entered into the following agreements:

1. Stock Purchase Agreement with Rixty to acquire 4,590,811 common stock for a total purchase consideration of USD2,497,401 (equivalent to MYR7,721,111).
2. Common Stock Subscription Agreement with existing shareholders of Rixty to subscribe 3,033,088 new ordinary shares for a total purchase consideration of USD1,650,000 (equivalent to MYR5,107,099).

Upon the completion of acquisition and subscription, MOLAP held a total number of 7,623,899 common stock, representing 54.20% of issued and paid-up capital of Rixty. The acquisition and subscription was completed on October 31, 2012.

### **(iii) Acquisition of Game Box (M) Sdn Bhd (“Game Box”)**

On November 1, 2011, MOLAP entered into a Subscription cum Shareholders’ Agreement with the existing shareholders of Game Box to subscribe for 105,000 new ordinary shares of MYR1.00 each, representing 51.20% of the enlarged issued and paid-up ordinary share capital of Game Box, for a total purchase consideration of MYR600,000. The acquisition was completed on January 3, 2012.

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(iv) **Acquisition of MyCNX Holdings (M) Sdn Bhd (“MyCNX”)**

On November 8, 2012, MOLAP entered into a settlement of Debt Agreement with MOL Global Pte Ltd in which, Cyberventure Sdn Bhd (“CVSB”) transferred its entire 1,599,900 ordinary shares of MYR1.00 each in MyCNX, representing 79.995% of the issued and paid-up ordinary share capital in MyCNX to MOLAP as full and final settlement of the outstanding debts owing by CVSB, amounting to RM27,825,582. The acquisition was completed on November 8, 2012.

The Group aspires to be Asia’s leading e-payment provider and is continually looking for opportunities to expand its distribution and commerce network. The said acquisitions were in line with the Group’s business expansion plan and were undertaken with the objective to enable the Group to expand its distribution and commerce network in Asia.

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Details of the Group's subsidiaries as at the end of the reporting period are as follows:

Name of subsidiary	Principal activities	Country of incorporation	Proportion of ownership interest and voting power held		
			2012	2013	2014
MOL AccessPortal Sdn Bhd	Internet media, e-commerce utilizing internet-connected physical outlets as e-distribution and e-payment centers and provision of e-Solution services	Malaysia	100%	100%	100%
MOL SocialPayments Sdn Bhd	Social network payment aggregator	Malaysia	100%	100%	100%
MOL Online Sdn Bhd	Internet related services	Malaysia	100%	100%	100%
GamesHive Sdn Bhd	Dormant	Malaysia	100%	100%	100%
MOL ManagedServices Sdn Bhd	Providing services related to electronic payment and collection	Malaysia	100%	100%	100%
MOLPay Sdn Bhd	Establish, maintain and operate a payment, clearing and settlement system and other computer related activities	Malaysia	51%	51%	51%
MOL Loyalty Sdn Bhd	Information technology, electronic payments, online business services, electronic retail, electronic commerce online distribution, and other computer related activities	Malaysia	75%	75%	75%

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Name of subsidiary	Principal activities	Country of incorporation	Proportion of ownership interest and voting power held		
			2012	2013	2014
MyCNX Holdings (M) Sdn Bhd	Supply of computer games, software and hardware related to information technology	Malaysia	79.995%	79.995%	100%
Game Box (M) Sdn Bhd	Wholesale and distribution of computer softwares and computer games	Malaysia	51.20%	51.20%	—
MOLCube Sdn Bhd	Providing mobile payment platform that enables small and medium-sized business to accept credit and debit cards payments using mobile devices	Malaysia	—	85.30%	85.30%
MOL AccessPortal Pte. Ltd.	Internet access providers (including ISPS) and web search portals	Singapore	100%	100%	100%
MOL AccessPortal Pvt. Ltd.	Facilitate the offering of online payment services	India	100%	100%	100%
PT MOL AccessPortal	Distribution of electronic games vouchers	Indonesia	100%	100%	100%
MOL AccessPortal Pty Ltd	Internet media, e-commerce utilizing internet connected physical outlet as e-distribution and e-payment centers and the provision or e-solution services	Australia	65%	65%	65%

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Name of subsidiary	Principal activities	Country of incorporation	Proportion of ownership interest and voting power held		
			2012	2013	2014
MOL AccessPortal Inc	Operating e-payment systems, provide information technology services, e-solution services, online transaction processing, and other computer related activities	Philippines	100%	100%	100%
MOL Holdings (Thailand) Co. Ltd.	Investing in other business both local and overseas entities	Thailand	—	—	49%
MOL Group (Thailand) Co. Ltd.	Investing in other business both local and overseas entities	Thailand	—	—	73.99%
MOL AccessPortal Co Ltd	Sales of electronic pins for online games and other related products	Thailand	49%	49%(1)	86.73%
Rixty, Inc	Providing alternative payment system to domestic and international users to spend cash and coins for online games, virtual goods and digital content	United States	54.20%	54.20%	54.20%
MOL Turkey Bilgi Sistemleri Yayıncılık Gıda ve Tekstil San. Tic. A.Ş.	Providing e-payment systems and providing information technology services	Republic of Turkey	—	70%	100%
Sihirli Kule Bilgi Sistemleri Ltd.	Providing mobile payment services	Turkish Republic of Northern Cyprus	—	70%	100%



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Name of subsidiary	Principal activities	Country of incorporation	Proportion of ownership interest and voting power held		
			2012	2013	2014
Klon Odeme ve Iletisim Teknolojileri Anim Sirketi.	Providing mobile payment services, m-payments solutions, online gaming and social networks	Republic of Turkey	—	—	51%
Nganluong Joint Stock Company	Operating online payment and escrow platform providers for domestic and cross-border e-commerce	Vietnam	—	50%	50%
MOL AccessPortal Co Ltd	Provision of electronic voucher distribution in Taiwan and acting as an importer, exporter, distributor, trader and dealer internet games and online services	Taiwan	—	75.01%	93.50%
<b>Subsidiary of MOL Turkey Bilgi Sistemleri Yayıncılık Gıda ve Tekstil San. Tic. A.Ş.</b>					
Pintura Odeme ve Iletisim Teknolojileri Anonim Şirketi	Dormant	Republic of Turkey	—	—	51%

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Name of subsidiary	Principal activities	Country of incorporation	Proportion of ownership interest and voting power held		
			2012	2013	2014
<b>Subsidiaries of MyCNX Holdings (M) Sdn. Bhd.</b>					
MMOG Asia Sdn Bhd	Supply computer games, software and hardware related to information technology	Malaysia	79.995%	79.995%	100%
Mitchville International Ltd.	Game publisher	British Virgin Islands ("BVI")	79.995%	—	—
MMOG Asia (Thailand) Co. Ltd.	Providing services for games online via internet	Thailand	—	39.20%	49%
Taiko Galaxy Sdn Bhd	Acts as importer, exporter, distributor, trader of and dealer in internet games, computer software packages, computer peripherals, mobile games and all computer related products that would be related to information technology	Malaysia	—	40.80%(1)	51%

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Name of subsidiary	Principal activities	Country of incorporation	Proportion of ownership interest and voting power held		
			2012	2013	2014
<b>Subsidiary of MOL AccessPortal Inc.</b>					
Uniwiz Trade Sales, Inc	Distribution solution provider for prepaid services in the Philippines	Philippines	100%	100%	100%
<b>Subsidiaries of MOLPay Sdn. Bhd.</b>					
MOLPay Limited, Hong Kong	Establish, maintain and operate a payment, clearing and settlement system and other computer related activities	Hong Kong	51%	51%	51%
MOLPay Pte Ltd	Establish, maintain and operate a payment, clearing and settlement system and other computer related activities	Singapore	51%	51%	51%
MOL Wallet Sdn Bhd	Establish, maintain and operate a payment, clearing and settlement system and other computer related activities	Malaysia	—	—	51%

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Name of subsidiary	Principal activities	Country of incorporation	Proportion of ownership interest and voting power held		
			2012	2013	2014
<b>Subsidiaries of MOL AccessPortal Co. Ltd.</b>					
Zest Interactive Co Ltd	Sales and distribution of game software, electronic game pin and CDs	Thailand	49%	49%(1)	86.73%
MOL Solutions Co Ltd	Enterprise software design and development	Thailand	49%	49%(1)	86.73%
e-Innovations Systems & Networks Thai Co. Ltd.	Engaged in the game download services	Thailand	—	—	52%
3Sept Corporations Co. Ltd.	Business of consulting and give advice on computer hardware and software	Thailand	—	—	52%
Sept 3 Technology Sdn. Bhd.	Developers and agents of interactive applications and software	Malaysia	—	—	52%
MOL Payment Co., Ltd.	Payment channel online	Thailand	—	—	86.73%

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Name of subsidiary	Principal activities	Country of incorporation	Proportion of ownership interest and voting power held		
			2012	2013	2014
<b>Subsidiary of Rixty, Inc.</b>					
Rixty Brasil Intermediação e Agenciamento de Negócios Ltda	Providing alternative payment system to domestic and international users to spend cash and coins for online games, virtual goods and digital content	Brazil	54.20%	54.20%	54.20%

- (1) Based on the contractual arrangements between the Group and other investors, the Group has the power to direct the relevant activities of these entities unilaterally, and hence the Group has control over these entities.

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Composition of the Group

Information about the composition of the Group at the end of the reporting period is as follows:

Principal activities	Place of incorporation and operation	Number of wholly-owned subsidiaries		
		2012	2013	2014
Distribution of electronic games voucher and prepaid pins	Indonesia	1	1	1
	Philippines	1	1	1
Social network payment	Malaysia	1	1	1
Operating e-payment systems, provide information technology services, e-solution services, and internet related services	Philippines	1	1	1
	India	1	1	1
	Malaysia	1	1	3
	Singapore	1	1	1
	Turkey	—	—	2
Supply of computer games, software and hardware related to information technology	Malaysia	—	—	2
Dormant	Malaysia	2	2	1
		<u>9</u>	<u>9</u>	<u>14</u>

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Principal activities	Place of incorporation and operation	Number of non-wholly-owned subsidiaries		
		2012	2013	2014
Supply of computer games, software and hardware related to information technology	Malaysia	3	4	1
	Thailand	2	2	1
	BVI	1	—	—
Providing mobile payment platform	Malaysia	—	1	1
Information technology, electronic payments, online business services, electronic retail, electronic commerce online distribution, and other computer related activities	Malaysia	2	2	3
	Australia	1	1	1
	Hong Kong	1	1	1
	Singapore	1	1	1
	USA	1	1	1
	Brazil	—	2	1
	Turkey	—	1	1
	Vietnam	—	—	1
	Thailand	—	—	2
Investing in other business both local and overseas entities	Thailand	—	—	2
Sales of electronic pins for online games and other related products	Thailand	1	1	2
	Taiwan	—	1	1
Engaged in the game download services	Thailand	—	—	1
Business of consulting and give advice on computer hardware and software	Thailand	—	—	1
Developers and agents of interactive applications and software	Malaysia	—	—	1
Enterprise software design and development	Thailand	1	1	1
Dormant	Turkey	—	—	1
		<u>15</u>	<u>20</u>	<u>24</u>

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Details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiaries	Country of incorporation	Proportion of ownership interest and voting power held by non-controlling interests			Profit allocated to non-controlling interests			Accumulated non-controlling interests		
		2012 %	2013 %	2014 %	2012 MYR	2013 MYR	2014 MYR	2012 MYR	2013 MYR	2014 MYR
MyCNX	Malaysia	20.005	20.005	—	42,660	2,615,782	1,176,787	2,320,174	5,714,039	—
MOL Thailand	Thailand	51	51	13.27	2,369,400	4,504,237	2,142,429	5,455,858	10,081,682	3,002,499
GameSultan	Turkish Republic of Northern Cyprus	—	30	—	—	1,753,601	—	—	3,558,102	—
Nganluong	Vietnam	—	50	50	—	329,192	316,060	—	4,479,159	4,592,017
PaybyMe	Republic of Turkey	—	—	49	—	—	386,822	—	—	6,814,695
Individually immaterial subsidiaries with non-controlling interests								<u>7,039,454</u>	<u>6,787,248</u>	<u>981,833</u>
								<u>14,815,486</u>	<u>30,620,230</u>	<u>15,391,044</u>



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Summarized financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intragroup eliminations.

	2012	MyCNX	2014	2012	GameSultan	2014	2012	MOL Thailand	2014
	MYR	2013	MYR	MYR	2013	MYR	MYR	2013	MYR
<b>Statement of financial position</b>									
<b>for the year ended</b>									
<b>December 31</b>									
Current assets	<u>10,000,451</u>	<u>10,141,782</u>	<u>15,201,695</u>	<u>—</u>	<u>15,347,529</u>	<u>22,749,315</u>	<u>5,173,128</u>	<u>29,976,327</u>	<u>37,059,748</u>
Non-current assets	<u>5,168,433</u>	<u>9,491,339</u>	<u>8,446,860</u>	<u>—</u>	<u>14,925</u>	<u>12,770</u>	<u>22,545,285</u>	<u>5,129,221</u>	<u>12,018,205</u>
Current liabilities	<u>1,711,045</u>	<u>2,167,222</u>	<u>3,923,522</u>	<u>—</u>	<u>3,502,084</u>	<u>8,099,451</u>	<u>16,204,312</u>	<u>18,571,131</u>	<u>31,928,224</u>
Non-current liabilities	<u>1,857,019</u>	<u>2,271,925</u>	<u>1,825,878</u>	<u>—</u>	<u>30</u>	<u>—</u>	<u>421,163</u>	<u>292,982</u>	<u>956,841</u>
Equity attributable to owners of the Company	<u>11,600,820</u>	<u>15,193,974</u>	<u>17,899,155</u>	<u>—</u>	<u>11,860,340</u>	<u>14,662,634</u>	<u>11,092,938</u>	<u>16,241,435</u>	<u>16,192,888</u>
<b>Statement of profit or loss and other comprehensive income</b>									
<b>for the year ended</b>									
<b>December 31</b>									
Revenue	<u>19,910,201</u>	<u>23,821,267</u>	<u>23,640,134</u>	<u>—</u>	<u>11,951,096</u>	<u>13,690,543</u>	<u>17,127,761</u>	<u>29,375,019</u>	<u>39,109,408</u>
Total comprehensive income	<u>12,846,379</u>	<u>13,834,043</u>	<u>11,669,470</u>	<u>—</u>	<u>6,535,137</u>	<u>5,187,983</u>	<u>4,835,511</u>	<u>8,831,837</u>	<u>6,517,798</u>

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	2012 MYR	MyCNX 2013 MYR	2014 MYR	2012 MYR	GameSultan 2013 MYR	2014 MYR	2012 MYR	MOL Thailand 2013 MYR	2014 MYR
<b>Statement of cash flows for the year ended December 31</b>									
Net cash inflow from operating activities	<u>12,174,572</u>	<u>15,873,343</u>	<u>15,879,704</u>	<u>—</u>	<u>5,390,726</u>	<u>1,023,353</u>	<u>9,747,423</u>	<u>6,953,152</u>	<u>9,285,748</u>
Net cash (outflow)/inflow from investing activities	<u>(4,208,075)</u>	<u>(4,512,358)</u>	<u>(1,621,805)</u>	<u>—</u>	<u>(18,342)</u>	<u>39,077</u>	<u>(290,139)</u>	<u>(3,414,567)</u>	<u>(8,615,921)</u>
Net cash (outflow)/inflow from financing activities	<u>(6,928,669)</u>	<u>(11,236,342)</u>	<u>(9,379,919)</u>	<u>—</u>	<u>(2,464,224)</u>	<u>—</u>	<u>(4,717,636)</u>	<u>(346,479)</u>	<u>151,004</u>

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	2012	Nganluong	2014	2012	PaybyMe	2014
	MYR	2013	MYR	MYR	2013	MYR
		MYR			MYR	
<b>Statement of financial position for the year ended December 31</b>						
Current assets	—	13,238,398	17,424,596	—	—	20,915,360
Non-current assets	—	115,309	450,590	—	—	1,159,821
Current liabilities	—	4,395,389	8,399,272	—	—	16,640,880
Non-current liabilities	—	—	—	—	—	498,503
Equity attributable to owners of the Company	—	8,958,318	9,475,914	—	—	4,935,798
<b>Statement of profit or loss and other comprehensive income for the year ended December 31</b>						
Revenue	—	7,062,561	8,152,591	—	—	13,195,081
Total comprehensive (loss)/income	—	(1,491,458)	675,716	—	—	960,231

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	2012	Nganluong	2014	2012	PaybyMe	2014
	MYR	2013	MYR	MYR	2013	MYR
		MYR			MYR	
<b>Statement of cash flows for the year ended December 31</b>						
Net cash inflow from operating activities	<u>—</u>	<u>836,081</u>	<u>1,703,547</u>	<u>—</u>	<u>—</u>	<u>6,890,741</u>
Net cash outflow from investing activities	<u>—</u>	<u>(3,690,014)</u>	<u>(376,667)</u>	<u>—</u>	<u>—</u>	<u>(32,727)</u>
Net cash inflow/(outflow) from financing activities	<u>—</u>	<u>8,438,000</u>	<u>(158,120)</u>	<u>—</u>	<u>—</u>	<u>37,567</u>

## 18. INVESTMENT IN ASSOCIATES

	2012 MYR	2013 MYR	2014 MYR
<b>At cost</b>			
Unquoted shares in Malaysia	30,000	30,000	—
Unquoted shares outside Malaysia	<u>175,218</u>	<u>96,235</u>	<u>100,984</u>
	205,218	126,235	100,984
Share of post acquisition reserves	<u>(34,876)</u>	<u>(48,135)</u>	<u>(12,191)</u>
	<u>170,342</u>	<u>78,100</u>	<u>88,793</u>

The summarized financial information of equity method investees is illustrated as below:

	2012 MYR	2013 MYR	2014 MYR
<b>Statements of financial position</b>			
Current assets	<u>758,113</u>	<u>1,094,573</u>	<u>1,385</u>
Non-current assets	<u>888,756</u>	<u>954,609</u>	<u>334,280</u>
Current liabilities	<u>2,716,140</u>	<u>4,768,160</u>	<u>142,667</u>
<b>Results</b>			
Revenue	<u>7,039</u>	<u>97,534</u>	<u>157,890</u>
Loss from operations	<u>(1,132,456)</u>	<u>(1,557,239)</u>	<u>(343,471)</u>
Loss for the year	<u>(1,122,297)</u>	<u>(1,486,129)</u>	<u>(343,471)</u>
Share in results of associate	<u>(4,876)</u>	<u>(13,259)</u>	<u>(104,489)</u>

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Details of the associates are as below:

Name of associate	Principal activities	Financial year end	Country of incorporation	Effective equity interest		
				2012	2013	2014
eAuto Sdn Bhd (1)	Provide internet motor based vehicle classified services, transfer of vehicle ownership and motor related internet services activities	December 31	Malaysia	30%	30%	—
<b>Associate of MyCNX Holdings (M) Sdn Bhd (2)</b>						
MMOG Asia (Thailand) Co. Ltd.(2)	Game operation services and support	December 31	Malaysia	39.2%	—	—
<b>Associate of MOL AccessPortal Co. Ltd. (3)</b>						
Loyalty In Motion Co. Ltd.	Business consultant	December 31	Thailand	12.25%	12.25%	21.68%

- (1) On January 27, 2014, the Company has subscribed for additional 87,600 shares in its existing investment in eAuto Sdn Bhd for a total purchase consideration of MYR219,000.  
Subsequently, on March 31, 2014, the Company has disposed its entire equity interest of 117,600 shares in e-Auto Sdn Bhd to MOL Ventures Pte. Ltd. for a total cash consideration of MYR249,000. A gain on disposal of associate is disclosed in Note 12.
- (2) MyCNX held 49% equity interest in MMOG Thai and accounted for the investment as associate. With effect from January 1, 2013, MyCNX consolidates its investment in MMOG Thai upon having the control of the subsidiary.
- (3) As mentioned in Note 17(a), the Group further acquired an indirect 9.43% equity interest in Loyalty in Motion Co. Ltd through the acquisition of a 49% equity interest in each of MOL Group and MOL Holdings.

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19. **OTHER INVESTMENT**

	2012 MYR	2013 MYR	2014 MYR
Unquoted shares	1,235,000	1,235,000	1,235,000
Less: Accumulated impairment loss	<u>(1,234,999)</u>	<u>(1,234,999)</u>	<u>(1,234,999)</u>
	<u>1</u>	<u>1</u>	<u>1</u>

Other investment relates to 180 common shares in EBI Communications, Inc (“EBI”), a company incorporated in Canada, which was impaired due to the continuing losses incurred in previous years.

20. **DEVELOPMENT EXPENDITURE**

	2012 MYR	2013 MYR	2014 MYR
<b>Cost</b>			
As of January 1	9,723,455	11,225,803	13,935,423
Acquisition of subsidiaries (Note 43)	251,001	—	—
Capitalized during the year	2,722,761	2,709,620	3,659,272
Written off	<u>(1,471,414)</u>	<u>—</u>	<u>(302,111)</u>
As of December 31	<u>11,225,803</u>	<u>13,935,423</u>	<u>17,292,584</u>
<b>Accumulated amortisation</b>			
As of January 1	6,217,337	6,738,105	8,748,978
Amortization for the year	1,992,182	2,010,873	2,110,650
Written off	<u>(1,471,414)</u>	<u>—</u>	<u>(125,880)</u>
As of December 31	<u>6,738,105</u>	<u>8,748,978</u>	<u>10,733,748</u>
<b>Net carrying amount</b>			
As of December 31	<u>4,487,698</u>	<u>5,186,445</u>	<u>6,558,836</u>

Included in costs capitalized were the following:

	2012 MYR	2013 MYR	2014 MYR
Depreciation of computer equipment and software (Note 15)	164,948	198,289	231,814
Salaries paid to directors (Note 8)	225,000	28,050	417,426
Rental of development centre	<u>49,598</u>	<u>49,598</u>	<u>62,308</u>

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21. INTANGIBLE ASSETS

	Goodwill MYR	Software and copyright MYR	Electronic payment system MYR	Exclusive licence and distribution rights of online games and reloads MYR	Intellectual property MYR	Trademark MYR	Total MYR
<b>Cost</b>							
As of January 1, 2012	6,750,425	—	875,000	3,939,162	12,034,651	—	23,599,238
Additions	—	38,520	875,000	384,471	—	—	1,297,991
Acquisition of subsidiaries (Note 43)	16,963,118	93,394	—	26,154,135	46,117	22,279	43,279,043
Foreign exchange difference	236,083	(96)	—	—	(1,240)	(257)	234,490
As of December 31, 2012	<u>23,949,626</u>	<u>131,818</u>	<u>1,750,000</u>	<u>30,477,768</u>	<u>12,079,528</u>	<u>22,022</u>	<u>68,410,762</u>
<b>Accumulated Amortization</b>							
As of January 1, 2012	—	—	—	2,501,523	—	—	2,501,523
Acquisition of subsidiaries (Note 43)	—	29,694	—	487,152	—	4,285	521,131
Amortization for the year	—	10,194	826,335	2,129,802	—	1,297	2,967,628
Foreign exchange difference	—	(16)	16	—	—	66	66
As of December 31, 2012	<u>—</u>	<u>39,872</u>	<u>826,351</u>	<u>5,118,477</u>	<u>—</u>	<u>5,648</u>	<u>5,990,348</u>
<b>Net carrying amount</b>							
As of December 31, 2012	<u>23,949,626</u>	<u>91,946</u>	<u>923,649</u>	<u>25,359,291</u>	<u>12,079,528</u>	<u>16,374</u>	<u>62,420,414</u>



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	Goodwill MYR	Software and copyright MYR	Electronic payment system MYR	Exclusive licence and distribution rights of online games and reloads MYR	Intellectual property MYR	Trademark MYR	Total MYR
<b>Cost</b>							
As of January 1, 2013	23,949,626	131,818	1,750,000	30,477,768	12,079,528	22,022	68,410,762
Additions	—	—	—	4,296,422	4,778,805	—	9,075,227
Acquisition of subsidiaries (Note 43)	55,774,073	—	—	27,081,406	—	—	82,855,479
Disposals	—	—	—	(170,256)	—	—	(170,256)
Write-off	—	(72,365)	—	—	—	—	(72,365)
Foreign exchange difference	—	1,327	—	46,489	(3,698)	1,688	45,806
As of December 31, 2013	<u>79,723,699</u>	<u>60,780</u>	<u>1,750,000</u>	<u>61,731,829</u>	<u>16,854,635</u>	<u>23,710</u>	<u>160,144,653</u>

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	Goodwill MYR	Software and copyright MYR	Electronic payment system MYR	Exclusive licence and distribution rights of online games and reloads MYR	Intellectual property MYR	Trademark MYR	Total MYR
<b>Accumulated amortization</b>							
As of January 1, 2013	—	39,872	826,351	5,118,477	—	5,648	5,990,348
Disposals	—	—	—	(95,760)	—	—	(95,760)
Write-off	—	(1,845)	—	—	—	—	(1,845)
Amortization for the year	—	6,230	583,275	14,723,974	42,129	7,341	15,362,949
Foreign exchange difference	—	(26,006)	—	26,248	(950)	431	(277)
As of December 31, 2013	—	18,251	1,409,626	19,772,939	41,179	13,420	21,255,415
<b>Net carrying amount</b>							
As of December 31, 2013	<u>79,723,699</u>	<u>42,529</u>	<u>340,374</u>	<u>41,958,890</u>	<u>16,813,456</u>	<u>10,290</u>	<u>138,889,238</u>

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	Goodwill MYR	Software and copyright MYR	Electronic payment system MYR	Exclusive licence and distribution rights of online games and reloads MYR	Intellectual property MYR	Trademark MYR	Total MYR
<b>Cost</b>							
As of January 1, 2014	79,723,699	60,780	1,750,000	61,731,829	16,854,635	23,710	160,144,653
Additions	—	—	—	1,069,338	1,267	—	1,070,605
Acquisition of subsidiaries (Note 43)	26,100,254	—	12,162,734	—	3,697,437	—	41,960,425
Disposals	(50,083)	—	—	—	—	—	(50,083)
Write-off	—	—	—	(58,077)	—	—	(58,077)
Reclassifications	—	40,488	—	215,218	(93,607)	—	162,099
Foreign exchange difference	—	3,000	36,340	2,295	412,828	1,425	455,888
As of December 31, 2014	<u>105,773,870</u>	<u>104,268</u>	<u>13,949,074</u>	<u>62,960,603</u>	<u>20,872,560</u>	<u>25,135</u>	<u>203,685,510</u>

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	Goodwill MYR	Software and copyright MYR	Electronic payment system MYR	Exclusive licence and distribution rights of online games and reloads MYR	Intellectual property MYR	Trademark MYR	Total MYR
<b>Accumulated amortization</b>							
As of January 1, 2014	—	18,251	1,409,626	19,772,939	41,179	13,420	21,255,415
Amortization for the year	—	10,279	1,136,897	14,000,545	2,626,110	9,031	17,782,862
Reclassifications	—	5,138	(45)	215,268	3,076	—	223,437
Foreign exchange difference	—	1,048	1,666	1,312	11,345	750	16,121
As of December 31, 2014	—	<u>34,716</u>	<u>2,548,144</u>	<u>33,990,064</u>	<u>2,681,710</u>	<u>23,201</u>	<u>39,277,835</u>
<b>Net carrying amount</b>							
As of December 31, 2014	<u>105,773,870</u>	<u>69,552</u>	<u>11,400,930</u>	<u>28,970,539</u>	<u>18,190,850</u>	<u>1,934</u>	<u>164,407,675</u>

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Included in the intellectual property is the domain name of MOL.com used by the Group through internet media.

**Goodwill on consolidation**

	2012 MYR	2013 MYR	2014 MYR
At beginning of year	6,750,425	23,949,626	79,723,699
Acquisition of subsidiaries (Note 43)	16,963,118	55,774,073	26,100,254
Disposal	<u>236,083</u>	<u>—</u>	<u>(50,083)</u>
At end of year	<u>23,949,626</u>	<u>79,723,699</u>	<u>105,773,870</u>

Goodwill acquired is allocated at acquisition to the cash-generating unit (“CGU”) of the Group that is expected to benefit from the business combinations. Before recognition of any impairment losses, the carrying value of goodwill had been allocated to the individual entity of the Group as an independent CGU. The Group’s methodology to test goodwill for impairment is described in Note 4.

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	Carrying Amount of Goodwill and other Intangible Assets			Pre-Tax Discount Rate			Terminal Growth Rate		
	2012 MYR	2013 MYR	2014 MYR	2012	2013	2014	2012	2013	2014
<b>Goodwill</b>									
Game Sultan and PaytoGo (1)	—	45,183,982	45,183,982	—	17.39%	20.8%	—	3.80%	3.00%
Nganluong (1)	—	10,416,362	10,416,362	—	20.57%	28.2%	—	5.60%	5.00%
Rixty Inc. (USA) (1)	9,733,193	9,733,193	9,733,193	10.80%	9.62%	25.1%	2.34%	2.40%	2.00%
MOL AccessPortal, Inc. (MOL Philippines) (1)	6,986,508	6,986,508	6,986,508	17.10%	13.92%	26.1%	4.54%	5.40%	3.00%
MyCNX Holdings (M) Sdn Bhd (MyCNX) (1)	4,893,192	4,893,192	4,893,192	13.10%	11.86%	22.7%	2.98%	4.70%	—
MOL AccessPortal Co. Ltd. (MOL Thailand) (1)	1,877,725	1,877,725	1,877,725	14.50%	13.19%	23.3%	3.86%	4.40%	3.00%
Easy2Pay (1)	—	—	2,421,261	—	—	21.3%	—	—	—
PaybyMe (1)	—	—	23,678,993	—	—	27.5%	—	—	—
Others (2)	459,008	632,737	582,654						
	<u>23,949,626</u>	<u>79,723,699</u>	<u>105,773,870</u>						
<b>Other intangible assets with indefinite useful lives</b>									
<i>Intellectual property</i> MOL Online(1)	<u>12,034,650</u>	<u>12,034,650</u>	<u>12,034,650</u>	19.0%	19.0%	19.0%	—	—	—

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- (1) The recoverable amount of these CGUs is determined based on a value-in-use approach which uses cash flow projections based on financial budgets approved by the directors of the Company covering a five-year period. Cash flows beyond that five-year period have been extrapolated using steady growth rates (see rates shown in table) per annum rate which is the projected long-term average growth rate for each of the CGUs, which is consistent with the industry growth rate. Cash flow projections during the budget period are based on past performance of each of the CGUs and their expectations of market development such as consumer spending, changes on the Information Technology (“IT”) industry and impact to cost of IT staff, and the demand existing in the gaming or entertainment and telecommunication industries. The pre-tax discount rates (see rates shown in table) was applied and is based on weighted average cost of capital adjusted for the difference in currency and specific risks associated with the businesses of such CGUs. With regard to the assessment of value-in-use and fair value less costs to sell, the directors believe that no reasonably possible change in any of the above key assumptions would cause the recoverable amounts of the units to be materially below their carrying amounts.
- (2) Others represent goodwill allocated to MOL AccessPortal Pty Ltd (Australia) and MOLCube Sdn. Bhd. which is not individually or in aggregate significant in comparison with the Group’s total carrying amount of goodwill.

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22. FINANCE LEASE RECEIVABLES

	2012 MYR	2013 MYR	2014 MYR
Current finance lease receivables	35,233	65,506	99,240
Non-current finance lease receivables	<u>243,109</u>	<u>506,871</u>	<u>459,428</u>
	<u>278,342</u>	<u>572,377</u>	<u>558,668</u>

The Group leases MOLReloads terminals with its pre-installed proprietary software to certain retail outlets for the distribution of prepaid airtime and electronic pins. All leases are denominated in Malaysian Ringgit. The average term of the leases is 6 years.

	2012 MYR	2013 MYR	2014 MYR
<b>Minimum lease receivables</b>			
Not later than 1 year	129,360	284,760	309,960
Later than 1 year and not later than 2 years	129,360	284,760	309,960
Later than 2 years and not later than 5 years	258,720	643,475	506,415
Later than 5 years	<u>26,250</u>	<u>72,130</u>	<u>2,100</u>
	543,690	1,285,125	1,128,435
Less: Future finance income	<u>(265,348)</u>	<u>(712,748)</u>	<u>(569,767)</u>
Present value of finance lease assets	<u>278,342</u>	<u>572,377</u>	<u>558,668</u>
	2012 MYR	2013 MYR	2014 MYR
<b>Present value of finance lease assets:</b>			
Not later than 1 year	35,233	65,506	99,240
Later than 1 year and not later than 2 years	50,063	95,636	144,938
Later than 2 years and not later than 5 years	172,258	347,958	312,462
Later than 5 years	<u>20,788</u>	<u>63,277</u>	<u>2,028</u>
	<u>278,342</u>	<u>572,377</u>	<u>558,668</u>



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The components and movements of deferred tax assets/(liabilities) during the financial year prior to offsetting are as follows:

	2012 MYR	2013 MYR	2014 MYR
As of January 1	156,185	(5,645,740)	(9,455,169)
Acquisition of subsidiaries (Note 43)	(6,172,558)	(6,770,352)	(3,792,860)
Recognized in profit or loss (Note 13)	370,633	2,975,084	4,762,126
Effect of foreign currency translation	—	(14,161)	27,061
As of December 31	<u>(5,645,740)</u>	<u>(9,455,169)</u>	<u>(8,458,842)</u>

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The net deferred tax assets and liabilities shown on the consolidated statements of financial position after appropriate offsetting are as follows:

	2012 MYR	2013 MYR	2014 MYR
Deferred tax assets	220,596	203,300	1,293,913
Deferred tax liabilities	<u>(5,866,336)</u>	<u>(9,658,469)</u>	<u>(9,752,755)</u>
Net	<u>(5,645,740)</u>	<u>(9,455,169)</u>	<u>(8,458,842)</u>

24. **AVAILABLE-FOR-SALE FINANCIAL ASSETS**

	2012 MYR	2013 MYR	2014 MYR
<b>At fair value:</b>			
As of January 1	—	—	—
Additions	—	—	791,369
Net fair value gain	—	—	<u>15,258</u>
As of December 31	—	—	<u>806,627</u>

The available-for-sale financial assets represent investment in quoted trust fund managed by a local commercial bank that is not held for trading. The available-for-sale financial assets are recognized initially and subsequently at fair value. The calculation of the fair value of the available-for-sale financial asset is explained in Note 45.

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**Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis**

The following summarises the methods used in determining the fair value of available-for-sale financial asset reflected in the above tables.

	2012 MYR	2013 MYR	2014 MYR
<b>Financial Assets:</b>			
Fair value:			
Available-for-sale financial asset	<u>—</u>	<u>—</u>	<u>806,627</u>

Fair value hierarchy Level 1  
Valuation technique and key input Quoted bid prices in an active market.

25. **INVENTORIES**

	2012 MYR	2013 MYR	2014 MYR
Airtime prepaid electronic pins	12,542,449	11,005,931	14,150,394
Online game pins	10,786,752	12,631,640	10,126,364
Others	—	54,960	—
	<u>23,329,201</u>	<u>23,692,531</u>	<u>24,276,758</u>
Allowance for impairment loss	<u>—</u>	<u>—</u>	<u>(434,343)</u>
	<u>23,329,201</u>	<u>23,692,531</u>	<u>23,842,415</u>

Movement in allowance for impairment loss

	2012 MYR	2013 MYR	2014 MYR
As of January 1	—	—	—
Impairment loss (Note 12)	—	—	468,200
Impairment loss no longer required (Notes 10 and 12)	—	—	(41,945)
Foreign exchange difference	<u>—</u>	<u>—</u>	<u>8,088</u>
As of December 31	<u>—</u>	<u>—</u>	<u>434,343</u>

The Group recognized an impairment amounted to MYR Nil (2013: MYR709,515; 2012: MYR Nil) in respect of write-downs of inventory to its net realizable value.

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	2012 MYR	2013 MYR	2014 MYR
Trade receivables	19,545,316	31,558,106	46,093,738
Amount due from affiliates (Note 28.2)	6,715,553	3,015,095	14,030,525
Accrued revenue	299,444	—	—
Less: Allowance for doubtful debts	<u>(287,347)</u>	<u>(753,094)</u>	<u>(1,823,596)</u>
	<u>26,272,966</u>	<u>33,820,107</u>	<u>58,300,667</u>

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortized cost.

During the financial year, trade receivables of the Group amounting to MYR52,667 (2013: MYR80,000; 2012: MYR Nil) were written off against the allowance for doubtful debts.

Affiliate companies are companies related to a shareholder of the Company. (Note 28).

Trade receivables of the Group comprise amounts receivable from sales of MOLPoints, airtime prepaid electronic pins and online game pins. The Group's normal trade credit term is 30 to 60 days (2013: 30 to 60 days; 2012: 30 to 60 days), other credit terms are assessed and approved on a case-to-case basis.

The Group's historical experience in collection of trade receivables falls within the recorded credit period and management believes that no additional credit risk beyond amount provided for collection losses is inherent in the Group's trade receivables. The Group does not hold any collateral over these balances.

Trade receivables disclosed above include amounts (see below for aged analysis) that are past due at the end of the reporting period but against which the Group has not recognized an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

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Ageing of trade receivables

	2012 MYR	2013 MYR	2014 MYR
Neither past due nor impaired	12,377,421	26,611,867	43,868,028
Past due but not impaired:			
1 to 30 days	11,192,326	3,109,808	4,894,137
31 to 60 days	1,177,942	1,514,754	2,663,298
61 to 90 days	1,333,713	801,656	1,257,178
More than 90 days	478,911	2,535,116	7,441,622
	<u>14,182,892</u>	<u>7,961,334</u>	<u>16,256,235</u>
	26,560,313	34,573,201	60,124,263
Impaired	<u>(287,347)</u>	<u>(753,094)</u>	<u>(1,823,596)</u>
	<u>26,272,966</u>	<u>33,820,107</u>	<u>58,300,667</u>

Receivables that are neither past due nor impaired

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

Receivables that are past due but not impaired

Trade receivables that are past due but not impaired are mainly customers who have never defaulted on payments but are slow paymasters hence, are periodically monitored.

Receivables that are impaired

Trade receivables that were impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	2012 MYR	2013 MYR	2014 MYR
As of January 1	287,347	287,347	753,094
Impairment loss (Note 12)	—	545,747	1,246,054
Written off	—	(80,000)	(52,667)
Impairment loss no longer required (Note 12)	—	—	(93,110)
Foreign exchange difference	—	—	(29,775)
As of December 31	<u>287,347</u>	<u>753,094</u>	<u>1,823,596</u>

During the year, the Group had directly written off trade receivables of MYR196,424 (2013: MYR13,671; 2012: MYR Nil)(See Note12) which were assessed no longer collectible.

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In determining the recoverability of the trade receivable, the Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting date. Accordingly, the Directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

The Group has recognised an allowance for doubtful debts of 100% against all receivables over 1 year because historical experience has been that receivables that are past due beyond 1 year are not recoverable. Allowances for doubtful debts are recognized against trade receivables between 60 days and 360 days based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

The amount due from affiliate companies is assigned for the repayment of short-term borrowings as disclosed in Note 28.

**27. OTHER RECEIVABLES, DEPOSITS AND PREPAID EXPENSES**

	2012 MYR	2013 MYR	2014 MYR
Current portion	9,798,318	14,009,186	25,021,155
Non-current portion	—	—	1,081,930
	<u>9,798,318</u>	<u>14,009,186</u>	<u>26,103,085</u>
	2012 MYR	2013 MYR	2014 MYR
<b>Current portion</b>			
Other receivables	4,494,428	5,445,640	5,690,778
Less: Allowance for doubtful debts	—	(7,580)	(24,588)
	4,494,428	5,438,060	5,666,190
Prepaid expenses	3,728,335	5,222,381	13,551,631
Other deposits	1,121,571	3,149,861	5,589,822
Advances for online games	453,984	198,884	213,512
	<u>9,798,318</u>	<u>14,009,186</u>	<u>25,021,155</u>
<b>Non-current portion</b>			
Other receivables	—	—	1,081,930
	<u>9,798,318</u>	<u>14,009,186</u>	<u>26,103,085</u>

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28. **RELATED PARTY TRANSACTIONS**

In addition to the related party information disclosed elsewhere in the consolidated financial statements, the details of related parties and their relationship with the Company and its subsidiaries are as follows:

<b>Name of related parties</b>	<b>Relationship</b>
Auto Tulin Sdn Bhd	Affiliate of the Company
Berjaya Channel Sdn Bhd	Affiliate of the Company
Berjaya Hospitality Services Sdn Bhd	Affiliate of the Company
Berjaya Roasters (M) Sdn Bhd	Affiliate of the Company
Berjaya Papa John's Pizza Sdn Bhd	Affiliate of the Company
Berjaya Starbucks Coffee Company Sdn Bhd	Affiliate of the Company
Berjaya Sompo Insurance Berhad	Affiliate of the Company
Berjaya Times Square Sdn Bhd	Affiliate of the Company
Berjaya Corporation Berhad	Affiliate of the Company
Berjaya Eden Park London Hotel	Affiliate of the Company
Berjaya Langkawi Beach Resort Sdn Bhd	Affiliate of the Company
Berjaya Higher Education Sdn Bhd	Affiliate of the Company
Berjaya Waterfront Sdn Bhd	Affiliate of the Company
Bermaz Motor Trading Sdn Bhd	Affiliate of the Company
BLoyalty Sdn Bhd	Affiliate of the Company
BTS Car Park Sdn Bhd	Affiliate of the Company
Cyberventures Sdn Bhd	Affiliate of the Company
Cyberport Holdings Sdn Bhd	Affiliate of the Company
Convenience Shopping (Sabah) Sdn Bhd	Affiliate of the Company
eAuto Sdn Bhd	Affiliate of the Company
7-Eleven Malaysia Sdn Bhd	Affiliate of the Company
Juniasia Cyberport Sdn Bhd	Affiliate of the Company
MSC Cyberport Sdn Bhd	Affiliate of the Company
MOL Ventures Pte Ltd	Affiliate of the Company
Perdana Hotel Philippines Inc	Affiliate of the Company
Prime Credit Leasing Sdn Bhd	Affiliate of the Company
Qinetics Solutions Berhad	Affiliate of the Company
Securexpress Services Sdn Bhd	Affiliate of the Company
Singer (Malaysia) Sdn Bhd	Affiliate of the Company
Sports Toto Fitness Sdn Bhd	Affiliate of the Company
Sea Gamer Mall Sdn Bhd	Affiliate of the Company
TConnect Cyberport Sdn Bhd	Affiliate of the Company
U Mobile Sdn Bhd	Affiliate of the Company
Friendster (S.E.Asia) Pte Ltd	Other related parties
Friendster iCafe Sdn Bhd	Other related parties
Friendster Sdn Bhd	Other related parties
Friendster Philippines, Inc	Other related parties
Kakao Malaysia Sdn Bhd	Other related parties
MOL Properties Sdn Bhd	Other related parties
Weshop Malaysia Sdn. Bhd	Other related parties
Ini3 Digital Co.Ltd	Other related parties
Netbuilder (M) Sdn. Bhd	Other related parties
NB Travel Sdn. Bhd	Other related parties

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Amount due from associates, which arose mainly from trade transactions and expenses paid by the associates on behalf of the Company, is unsecured, interest-free and repayable on demand.

Amount due from affiliates, which arose mainly from trade transactions, is unsecured, interest-free and repayable on demand. The total amount outstanding is assigned for the repayment of short-term borrowings.

Amount due from/(to) other related parties, which arose mainly from advances, trade transactions and expenses paid on behalf, is unsecured, interest-free and repayable on demand.

**28.1 Amount due from associates**

	2012 MYR	2013 MYR	2014 MYR
<u>Current:</u>			
Trade amount due from associates	—	216,848	—
Outstanding balances receivable for operating transactions	<u>1,208,124</u>	<u>—</u>	<u>—</u>
	<u>1,208,124</u>	<u>216,848</u>	<u>—</u>

**28.2 Amount due from affiliates**

	2012 MYR	2013 MYR	2014 MYR
<u>Current:</u>			
Trade amount due from affiliates (Note 26)	<u>6,715,553</u>	<u>3,015,095</u>	<u>14,030,525</u>

**28.3 Amount due from/(to) other related parties**

	2012 MYR	2013 MYR	2014 MYR
<u>Current:</u>			
Trade amount due from other related parties	793,263	85,515	354,968
Outstanding balances receivable for operating transactions	<u>1,214,813</u>	<u>499,436</u>	<u>604,655</u>
	<u>2,008,076</u>	<u>584,951</u>	<u>959,623</u>

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	2012 MYR	2013 MYR	2014 MYR
Trade amount due to other related parties	(995,276)	(1,234,971)	(564,527)
Outstanding balances payable for operating and financing transactions	<u>(16,858,631)</u>	<u>(29,512,942)</u>	<u>(37,959)</u>
	<u>(17,853,907)</u>	<u>(30,747,913)</u>	<u>(602,486)</u>

28.4 **Significant Related Party Transactions**

	2012 MYR	2013 MYR	2014 MYR
<b>Associates</b>			
Maintenance support charges to associate	<u>—</u>	<u>216,848</u>	<u>—</u>
<b>Affiliates</b>			
Commission paid to affiliates	(18,977,202)	(20,053,895)	(20,080,595)
Purchase from affiliates	(198,340)	(440,390)	(545,200)
Rental expense paid to affiliates	(679,962)	(709,834)	(874,604)
Contact centre services charges paid to affiliates	(360,000)	(360,000)	(453,250)
Purchase of products and services from affiliates	(400,000)	(200,000)	(202,664)
Handling fees paid to affiliates	—	(71,464)	(170,492)
Programmer fees paid to affiliate	—	—	(113,917)
Interest expense paid to affiliates	(102,768)	(134,283)	(84,147)
Data entry fees paid to affiliate	—	—	(60,000)
Purchase of plant and equipment from affiliate	—	—	(48,000)
Advertisement fees paid to affiliates	(24,500)	(28,000)	(28,330)
Interest charged on advances from affiliate	—	—	(907,738)
Transactions fees received from affiliates	1,223,726	2,551,925	3,267,687
Service fees received from affiliates	360,000	435,285	750,969
Equipment rental income received from affiliate	128,105	288,323	302,544
Interest income received from affiliate	92,177	172,802	240,151
Maintenance support charges to affiliate	—	—	233,030



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	2012 MYR	2013 MYR	2014 MYR
Advertisement income received from affiliates	—	—	155,000
Handling fees received from affiliate	<u>268,472</u>	<u>223,096</u>	<u>32,260</u>
<b>Other related parties</b>			
Purchase of goods from related party	(4,577,746)	(9,323,130)	(7,535,202)
Commission paid to related party	(833,493)	(4,630,009)	(1,449,836)
IT consultancy fees paid to other related parties	—	(504,804)	(349,915)
Marketing fees received from related party	—	—	2,416,667
Payment channel services charges to other related parties	—	24,147	101,781
Advertisement charges paid to related party	—	—	(119,211)
Rental expenses paid to other related parties	(104,460)	(107,439)	(96,282)
Sales from services provided to other related parties	(70,000)	(80,000)	(81,290)
Sales of goods to other related parties	956,525	5,025,319	5,413,086
Revenue sharing from related party	—	—	301,849
Maintenance support charge to related parties	—	44,420	130,885
Excess travelling expenses received from other related parties	<u>—</u>	<u>264,611</u>	<u>—</u>

The related parties transactions described above were carried out based on negotiated terms and conditions and mutually agreed with respective related parties.

Affiliate companies are companies related to a shareholder of the Company.

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## 29. CASH AND BANK BALANCES

	2012 MYR	2013 MYR	2014 MYR
Cash at banks and on hand	29,304,840	38,133,264	131,932,596
Deposits and placement with a licensed banks	<u>2,781,451</u>	<u>11,596,224</u>	<u>18,638,209</u>
	<u>32,086,291</u>	<u>49,729,488</u>	<u>150,570,805</u>
Restricted cash	<u>2,552,389</u>	<u>4,832,435</u>	<u>34,392,659</u>

Cash at bank earns interest at floating rates based on daily bank deposit rates. The deposits and placement with licensed banks are made for varying periods of between one day and 3 months, depending on the immediate cash requirements of the Group, and earn interest ranging from 2.80% - 3.15% (2013: 2.80%; 2012: 2.80%) per annum.

Restricted cash at bank represents an amount under escrow which is required to be at minimum of 1.0 time of value or ratio of 1:1 of unutilized MOLPoints in compliance with the Guideline on Electronic Money issued by Bank Negara Malaysia to be deposited and managed separately from the Group's working capital funds at the end of each month. However, the Group maintains the escrow amount at 1.2 times of value or ratio of 1:1.2 of unutilized MOLPoints as of December 31, 2014.

## 30. SHARE CAPITAL

	2012 MYR	2013 MYR	2014 MYR
<b>Authorized:</b>			
1,000,000,000 ordinary shares of USD1 par value	<u>3,296,500,000</u>	<u>3,296,500,000</u>	<u>3,296,500,000</u>

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	2012		Ordinary shares 2013		2014	
	Number of shares	MYR	Number of shares	MYR	Number of shares	MYR
<b>Issued, fully paid and outstanding:</b>						
Shares of USD1 par value as of January 1	58,897,320	9,816,220	58,897,320	9,816,220	58,897,320	9,816,220
Issuance of new shares of USD1 par value through Initial Public Offering	—	—	—	—	7,485,030	24,573,354
Issuance of shares for the acquisition of non-controlling interests [Note 17(a)]	—	—	—	—	1,056,736	3,463,513
Issuance of shares on redemption of promissory notes (Note 35)	—	—	—	—	65,349	206,156
Issued and outstanding as of December 31	<u>58,897,320</u>	<u>9,816,220</u>	<u>58,897,320</u>	<u>9,816,220</u>	<u>67,504,435</u>	<u>38,059,243</u>

The 58,897,320 ordinary shares issued, fully paid and outstanding as of December 31, 2012 and 2013 and as of January 1, 2014 are presented as a result of the reorganization (See Note 1) of the Company, which is accounted for using merger accounting.

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[Table of Contents](#)**Treasury shares**

Treasury shares relate to ordinary shares of the Company that are held by the Company. The amount consists of the acquisition costs of treasury shares.

On 24 November 2014, the Company's Board of Directors has approved a share repurchase program, authorizing the Company to repurchase at any time during the next twelve months an aggregate of up to US\$15 million of ADSs, from time to time, subject to customary blackout periods, including periodic blackout periods pending the release of its financial results. Purchases by the Company under the share repurchase program may be made from time to time at prevailing market prices in open market purchases, privately negotiated transactions, block purchases or otherwise, as determined by the Company's management. The Share purchases will be funded from the Company's cash balances.

The timing, frequency and amount of repurchase activity will depend on a variety of factors such as levels of cash generation from operations, cash requirements for investment in the Company's business, current stock price, market conditions and other factors. The share repurchase program may be suspended, modified or discontinued at any time and has no set expiration date.

As of December 31, 2014, the Company has repurchased 1,137,789 shares of its ADS, for an aggregate gross value of USD3,330,498 (equivalent to MYR11,638,425) and are held in treasury.

**31. RESERVES**

	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)
<b>Non-distributable:</b>			
Share premium [Note (a)]	2,954,189	2,954,189	305,624,250
Capital contribution reserve [Note (b)]	—	—	7,602,686
Share options reserve [Note (c)]	—	—	8,131,420
Investment revaluation reserve [Note (d)]	—	—	15,258
Foreign currency translation reserve [Note (e)]	148,395	(2,474,580)	8,207,205
<b>Distributable:</b>			
Retained earnings/(accumulated losses)	<u>12,026,610</u>	<u>24,145,038</u>	<u>(85,451,104)</u>
	<u>15,129,194</u>	<u>24,624,647</u>	<u>244,129,715</u>

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(a) **Share premium**

Share premium arose from the premium on the issuance of new ordinary shares, netted off with the underwriting commission and IPO expenses.

(b) **Capital contribution reserve**

The capital contribution reserve represents capital contribution from the Company's shareholder, MOL Investments Pte Ltd for recognition of share-based compensation expense for the Employee Share Options Scheme granted on June 19, 2014.

(c) **Share options reserve**

The share options reserve relates to share options granted by the Company to its employees under its employee share option plan. Further information about the share-based payments to employees is set out in Note 41.

(d) **Investment revaluation reserve**

The investment revaluation reserve represents the cumulative gains and losses arising on the revaluation of available-for-sale financial assets that have been recognized in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or are determined to be impaired.

(e) **Foreign currency translation reserve**

Foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

32. **BORROWINGS**

	2012 MYR	2013 MYR	2014 MYR
<b>Non-current - at amortised cost:</b>			
<b>Secured</b>			
Term loans (i)	2,124,954	1,938,845	1,844,185
Finance lease payables (Note 33)	<u>1,627,746</u>	<u>1,445,027</u>	<u>1,181,749</u>
	<u>3,752,700</u>	<u>3,383,872</u>	<u>3,025,934</u>

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	2012 MYR	2013 MYR	2014 MYR
<b>Current - at amortized cost:</b>			
<b>Secured</b>			
Term loans (i)	522,440	206,340	124,917
Revolving credit (ii)	50,184,596	68,000,000	51,000,000
Finance lease payables (Note 33)	<u>982,885</u>	<u>1,424,654</u>	<u>1,583,193</u>
	<u>51,689,921</u>	<u>69,630,994</u>	<u>52,708,110</u>

(i) **Term loans**

The term loans are repayable by instalments of varying amounts over the following periods:

	2012 MYR	2013 MYR	2014 MYR
<b>Current</b>			
Not later than 1 year	<u>522,440</u>	<u>206,340</u>	<u>124,917</u>
<b>Non-current</b>			
Later than 1 year and not later than 2 years	380,430	135,768	120,398
Later than 2 years and not later than 5 years	1,744,524	425,507	407,056
Later than 5 years	<u>—</u>	<u>1,377,570</u>	<u>1,316,731</u>
	<u>2,124,954</u>	<u>1,938,845</u>	<u>1,844,185</u>

In 2012, Zest Interactive Co. Ltd., a subsidiary of MOL AccessPortal Co. Ltd. obtained a term loan from a local commercial bank in Thailand for the purchase of land and building. The term loan bears interest at 7.40% (2013: 7.63%; 2012: 7.63% to 7.88%) per annum and is secured by mortgage of the land and building of which net carrying amount is MYR1,763,196 (2013: MYR1,299,061; 2012: MYR1,279,161) as disclosed in Note 15.

Also in 2012, MyCNX Holdings (M) Sdn Bhd had entered into a loan agreement with a local commercial bank in Malaysia to obtain financing for the purchase of a commercial building. As at December 31, 2014, the investment property with net carrying amount of MYR2,367,484 (2013: MYR2,393,789; 2012: MYR2,420,095) is partially financed by this term loan amounting to MYR1,800,000 with interest rate of Base Lending Rate (“BLR”) of 2.10% per annum. The loan is secured by mortgage of the investment property as disclosed in Note 16.

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On January 8, 2015, the Group entered into a Sale and Purchase agreement with certain directors of a subsidiary to sell the investment property and a portion of the proceeds therefrom was used to settle on February 27, 2015, the remaining principal, accrued interest and prepayment charges of the term loan amounting to MYR1,696,325 as disclosed in Note 47.

(ii) **Revolving credit**

Revolving credit facility of the Group with Malaysia Debt Ventures Berhad bears interest at 7.25% (2013: 7.25%; 2012: 7.25%) per annum and has an expiry date on December 16, 2015.

The revolving credit is secured by way of personal guarantee of two shareholders of the Company, corporate guarantee from a related party, a fixed and floating charge over all present and future assets and undertakings of the Group and a deed of assignment and memorandum of deposit sinking fund.

During the financial year, the Group has made net repayment of MYR17,000,000 for the revolving credit facility with Malaysia Debts Ventures Berhad by using the proceeds from Initial Public Offering.

33. **FINANCE LEASE PAYABLES**

	2012 MYR	2013 MYR	2014 MYR
<b>Future minimum lease payments:</b>			
Not later than 1 year	1,138,644	1,588,872	1,725,672
Later than 1 year and not later than 2 years	1,055,076	1,109,592	975,570
Later than 2 years and not later than 5 years	<u>672,761</u>	<u>411,172</u>	<u>261,789</u>
Total future minimum lease payments	2,866,481	3,109,636	2,963,031
Less: Future finance charges	<u>(255,850)</u>	<u>(239,955)</u>	<u>(198,089)</u>
Present value of finance lease payables	<u>2,610,631</u>	<u>2,869,681</u>	<u>2,764,942</u>

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	2012 MYR	2013 MYR	2014 MYR
<b>Present value of finance lease payables:</b>			
Not later than 1 year	982,885	1,424,654	1,583,193
Later than 1 year and not later than 2 years	975,732	1,046,826	926,791
Later than 2 years and not later than 5 years	<u>652,014</u>	<u>398,201</u>	<u>254,958</u>
Present value of finance lease payables	2,610,631	2,869,681	2,764,942
Less: Amount due within 12 months	<u>(982,885)</u>	<u>(1,424,654)</u>	<u>(1,583,193)</u>
Amount due after 12 months	<u>1,627,746</u>	<u>1,445,027</u>	<u>1,181,749</u>

The finance lease payables of the Group bear interest at rates ranging from 2.59% to 5.00% (2013: 2.59% to 5.00%; 2012: 2.59% to 5.00%) per annum at the end of the reporting period.

34. **TRADE PAYABLES**

The normal trade credit terms granted to the Group by trade creditors range from 30 to 60 days (2013: 30 to 60 days; 2012: 30 to 60 days).

Included in trade payables of the Group are amounts of MYR8,347,987 (2013: MYR6,637,159; 2012: MYR4,577,815) being accrued purchases.

35. **OTHER PAYABLES AND ACCRUED EXPENSES**

	2012 MYR	2013 MYR	2014 MYR
Other payables	8,183,962	8,940,320	5,783,496
Accrued expenses	1,318,342	2,379,557	10,812,689
Promissory notes	2,748,115	2,748,115	—
Deposit received	2,965,708	4,513,074	8,628,657
Customer's account balances	<u>—</u>	<u>3,710,540</u>	<u>5,086,199</u>
	<u>15,216,127</u>	<u>22,291,606</u>	<u>30,311,041</u>

The promissory notes are issued in October 2012, and are automatically convertible upon (a) a firm commitment of an underwritten offering of the Company's ordinary shares or (b) completion of an equity financing of at least USD1,000,000.



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On May 30, 2014, the Group has issued 65,349 ordinary shares to Javelin Venture Partners, non-controlling shareholder of Rixty Inc., in consideration of the cancellation of the convertible promissory notes amounting to MYR2,748,115. The estimated fair value of the equity shares issued approximates the principal amount of the promissory notes on the transaction day, hence there is no impact to the statement of profit or loss and other comprehensive income.

36. **DERIVATIVE FINANCIAL LIABILITY**

	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)
Financial liability at fair value through profit or loss	<u>—</u>	<u>26,164,107</u>	<u>—</u>

As mentioned in Note 17, on May 6, 2014, the Group entered into a Share Sale and Purchase agreement with non-controlling shareholders to acquire the remaining equity interest of 30% in each of MOL Turkey and GameSultan for a total purchase consideration of USD14,750,000 (equivalent to MYR48,188,250).

At the date of acquisition, the fair value of the put option amounting to MYR22,428,031 has been adjusted against the total purchase consideration, with the corresponding entry being accounted for as derivative financial liability.

At the reporting date, a fair value gain amounting to MYR3,736,076 (Note 10) from the remeasurement of put option has been recognized in the statements of profit or loss and other comprehensive income for the year ended December 31, 2014.

37. **PUT OPTION WRITTEN ON NON-CONTROLLING INTEREST**

As described in Note 17, in connection with the acquisition by MOL AccessPortal Sdn. Bhd. (“MOLAP”), a subsidiary of the Company, of 51% equity interest in PaybyMe, MOLAP entered into a Shareholders Agreement dated September 15, 2014 with the non-controlling shareholders of PaybyMe (“Sellers”) for the acquisition of the 49% non-controlling equity interest in PaybyMe by way of an in-substance forward, comprising a Call Option (the “Call Option”) and a Put Option (the “Put Option”). Both the Call Option and Put Option shall be exercisable at any time during the First Exercise Period (from April 1, 2016 to April 30, 2016) and the Second Exercise Period (from April 1, 2017 to April 1, 2017) for half of the remaining shares held by the Sellers for each periods (“Option Shares”). In the case of the Put Option, the Sellers shall be entitled to, but not obligated, to exercise the right to require MOLAP to purchase the Option Shares.

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In accordance with IAS 32, MOLAP is required to recognize a gross obligation for the present value of the redemption amount of the Put Option because the Sellers have the right to require MOLAP to pay the counterparty cash or another financial asset in exchange for the Option Shares. The gross obligation is recognized at an amount equal to the present value of the estimated amounts that could be required to be paid to the Sellers in accordance with the shareholders agreement. Changes in the measurement of the gross obligation due to the unwinding of the discount or changes in the estimated amounts that the acquirer could be required to pay are recognized in profit or loss.

The directors estimate that any reasonably possible increase/(decrease) of 1% of the discount rate would result in an (decrease)/increase in fair value of the gross obligation on in-substance forward as of December 31, 2014 by approximately (MYR536,226) or MYR549,342, respectively. The directors believe that any reasonably possible change in the other key assumptions would not result in significant impact to the fair value of the put option.

MOLAP's gross obligation as at the end of the reporting period with respect to this put option has been recognized as a financial liability at the fair value in these financial statements. The fair value is determined by applying a pre-tax weighted average cost of capital discount rate of 18% (2014: 19%) per annum together with the following assumptions:

- In the first exercise period, the Option Price shall equal to the amount which equals to the 24.5% of shares to be acquired by MOLAP subject to the option right at earnings multiple of PaybyMe for the financial year ended December 31, 2015 plus Mandatory Capital Loan plus Deferred Conditional Purchase Price; and
- In the second exercise period, the Option Price shall equal to the amount which equals to the 24.5% of shares to be acquired by MOLAP subject to the option right at earnings multiple of PaybyMe for the financial year ending December 31, 2016 plus Mandatory Capital Loan.

The movements of the financial liability on put option during the year are as follows:

	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)
At beginning of year	—	—	—
At date of acquisition	—	—	1,202,000
Put option written on non-controlling interest	—	—	32,944,082
Unwinding of discount and change in estimates of gross obligations	—	—	3,154,269
	<u>—</u>	<u>—</u>	<u>37,300,351</u>

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38. **PENSION LIABILITIES**

The Group has a funded, non-contributory defined benefit and actuarially computed pension plan, covering substantially all permanent employees of five of its subsidiaries. The defined benefit plans are administered by an Investment Manager and/or Trustee bank.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at December 31, 2014. The present value of the defined benefit obligation, and the related current year service cost and past service cost, were measured using the Projected Unit Credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation at December 31		
	2012	2013	2014
Discount rate	6.2%	4.5%	3.3%-8.5%
Expected rate of salary increase	7.0%	4.0%	2.0%-10.0%

Amounts recognised in profit or loss and other comprehensive income in respect of this defined benefit plan are as follows:

	2012 MYR	2013 MYR	2014 MYR
Current service cost	274,148	90,400	416,113
Net interest cost on defined benefit obligation	9,274	26,017	115,483
Amortization of actuarial gain	—	—	(2,594)
Component of defined benefit costs recognized in profit or loss	<u>283,422</u>	<u>116,417</u>	<u>529,002</u>

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	2012 MYR	2013 MYR	2014 MYR
<b>Remeasurement on the net defined benefit liability:</b>			
Actuarial gain (loss) due to:			
Change in financial assumptions	—	82,050	26,041
Experience adjustments	—	66,260	(22,648)
Changes in demographic assumptions	—	13,565	—
Remeasurement loss on plan assets	—	(2,670)	(629)
<b>Components of defined benefit cost recognized in other comprehensive income</b>	<u>—</u>	<u>159,205</u>	<u>2,764</u>

The amount included in the consolidated statements of financial position arising from the Group's obligation in respect of its defined benefit plans is as follows:

	2012 MYR	2013 MYR	2014 MYR
Present value of defined benefit obligation	(423,135)	(374,116)	(909,295)
Fair value of plan assets	—	279,480	306,375
<b>Pension liability</b>	<u>(423,135)</u>	<u>(94,636)</u>	<u>(602,920)</u>

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Movements in the present value of the defined benefit obligation in the current year were as follows:

	2012 MYR	2013 MYR	2014 MYR
<b>Present value of defined benefit obligation:</b>			
At beginning of year	(130,230)	(423,135)	(374,116)
Current service cost	(274,148)	(90,400)	(416,113)
Interest cost	(9,274)	(26,017)	(115,483)
<b>Actuarial loss/(gain) due to:</b>			
Changes in financial assumptions	(45,413)	82,050	26,041
Experience adjustments	35,930	66,260	22,648
Foreign exchange differences	—	3,561	(26,562)
Amortization of actuarial gain	—	—	(2,594)
Changes in demographic assumptions	—	13,565	—
Benefits paid	—	—	(23,116)
At end of year	<u>(423,135)</u>	<u>(374,116)</u>	<u>(909,295)</u>
<b>Fair value of plan assets:</b>			
At beginning of year	—	—	279,480
Contributions made	—	282,150	—
Interest income	—	—	13,220
Actuarial loss on plan assets	—	(2,670)	(629)
Foreign exchange differences	—	—	14,304
At end of year	<u>—</u>	<u>279,480</u>	<u>306,375</u>

The distribution of plan assets as of December 31, is as follows:

	2012 MYR	2013 MYR	2014 MYR
Cash and cash equivalents	—	3.30%	30.14%
<b>Investments in:</b>			
Government securities	—	95.93%	68.12%
Accrued interest receivable	—	0.78%	0.66%
Expected earnings for the fourth quarter	—	—	1.09%
Trust fee payables	—	(0.01%)	(0.01%)
At end of year	<u>—</u>	<u>100.00%</u>	<u>100.00%</u>

The carrying amounts disclosed above reasonably approximate fair values at each financial year-end.

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Sensitivity analysis that has been determined based on reasonably possible changes of each significant assumption on the retirement benefit obligation as of the end of reporting period, assuming all other assumptions were held constant.

		<b>Defined benefit obligation MYR</b>
Discount rate	-1.00%	65,776
Salary rate	+1.00%	65,708

**39. CASH AND CASH EQUIVALENTS**

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

	<b>2012 MYR</b>	<b>2013 MYR</b>	<b>2014 MYR</b>
Cash and bank balances	29,304,840	38,133,264	131,932,596
Deposits and placement with a licensed bank	<u>2,781,451</u>	<u>11,596,224</u>	<u>18,638,209</u>
<b>Total</b>	<b><u>32,086,291</u></b>	<b><u>49,729,488</u></b>	<b><u>150,570,805</u></b>

**40. DEFERRED REVENUE**

	<b>2012 MYR</b>	<b>2013 MYR</b>	<b>2014 MYR</b>
MOLPoints	5,784,010	6,296,993	9,292,940
MMOG Asia	<u>—</u>	<u>—</u>	<u>1,829,193</u>
<b>Total</b>	<b><u>5,784,010</u></b>	<b><u>6,296,993</u></b>	<b><u>11,122,133</u></b>

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41. **OPERATING LEASE COMMITMENT**

The Group has entered into non-cancellable operating lease agreements for the use of office buildings.

The future aggregate minimum lease payments under non-cancellable operating leases contracted for as of the reporting date but not recognized as liabilities are as follows:

	2012 MYR	2013 MYR	2014 MYR
<b>Future minimum lease payments:</b>			
Not later than 1 year	1,552,738	2,549,304	2,961,341
Later than 1 year and not later than 5 years	<u>887,336</u>	<u>2,349,850</u>	<u>3,027,505</u>
	<u>2,440,074</u>	<u>4,899,154</u>	<u>5,988,846</u>

42. **EMPLOYEE SHARE OPTIONS SCHEME (“ESOS”)**

*Senior Executives Option Plan*

During the financial year, MOL Investments Pte. Ltd. (“MOL Investments”), a shareholder of the Company, implemented its ESOS for executives and senior employees (the “senior executives”) for its subsidiaries. On June 19, 2014, MOL Investments granted options to the senior executives to purchase 1,766,920 of the Company’s ordinary shares, with an exercise price of USD8.30 per share. The Group measured the fair value of the ESOS on June 19, 2014, determined as the grant date, which is the date when the ESOS are approved by the shareholder and the terms and conditions of the arrangements have been communicated to the senior executives.

The senior executives’ options are vested upon the continuing services and maintenance of good standings of the senior executives within the different specified vesting periods (i.e. 6 months, 12 months, 24 months and 36 months), and the vesting periods start upon the occurrence of the Company’s Initial Public Offering (the “Effective Date”) on October 9, 2014. The vested options have an exercise period of 5 years and will lapse and not be carried forward after 5 years from the Effective Date, which falls on October 9, 2019.

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### *General Employees Share Option Plan*

On September 18, 2014, the Group adopted the 2014 Share Incentive Plan (the “Plan”) for the purpose of granting share-based compensation awards to employees, directors, and consultants (the “employees”) to incentivise their performance and align their interests with the Group. Under the Plan, the Group may award a maximum number of 6,001,940 ordinary shares including incentive shares such as Restricted Shares Units (“RSUs”), subject to adjustment in accordance with the terms of the Plan. The Company measured the fair value of the options under the Plan on September 18, 2014, determined as the grant date, which is the date when the options are approved by the Board of Directors of the Company and the Employee Stock Option Plan Committee. The employees’ options are vested upon continuing services and maintenance of good standings of the employees with the different specified vesting period.

### Ordinary share options

On September 18, 2014, the Company granted options for the purchase of 3,059,425 ordinary shares with exercise price of 90% of the Initial Public Offering price per ADS of USD12.50.

Ten percent of ordinary share options will vest on the date which is six months from the completion of the date of the Initial Public Offering on October 9, 2014, the effective date, and further ten percent of share options will vest at six months thereafter through the date that is 5 years after the completion of the Initial Public Offering.

### Restricted Shares Units

On September 18, 2014, the Group also granted 266,974 RSUs at nil subscription price to an employee. Thirty percent of such RSUs will vest on the second anniversary of the Effective Date, a further thirty percent of such RSUs will vest on the third anniversary and the remaining forty percent will vest on the fourth anniversary.



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The option fair values and vesting period are as follows:

Ordinary share options	Senior Executives Share Option Plan		General Employees Share Option Plan	
	Number of Options	Grant Date Fair Values in USD	Number of Options	Grant Date Fair Values in USD
<b><u>Vesting Period</u></b>				
6 Months from Effective Date	392,649	6.37	305,943	6.11
12 Months from Effective Date	196,325	6.42	305,943	6.11
18 Months from Effective Date	—	—	305,943	6.13
24 Months from Effective Date	588,973	6.51	305,943	6.18
30 Months from Effective Date	—	—	305,943	6.22
36 Months from Effective Date	588,973	6.59	305,942	6.29
42 Months from Effective Date	—	—	305,942	6.39
48 Months from Effective Date	—	—	305,942	6.48
54 Months from Effective Date	—	—	305,942	6.56
60 Months from Effective Date	—	—	305,942	6.64
	<u>1,766,920</u>		<u>3,059,425</u>	

RSUs	General Employees Share Option Plan	
	Number of Options	Fair Values in USD
<b><u>Vesting Period</u></b>		
24 Months from Effective Date	80,092	13.50
36 Months from Effective Date	80,092	13.50
48 Months from Effective Date	106,790	13.50
	<u>266,974</u>	

Each employee ordinary share option and RSU options convert into one ADS of the Company when exercised. No amounts are paid or payable by the recipient on receipt of the option. The ordinary share options and RSUs carry neither rights to dividends nor voting rights. Option may be exercised at any time after vesting to the date of their expiry.

The Group measured the fair value of goods or services received as consideration for the share option granted indirectly, by reference to the fair value of the share options granted.

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In addition to the above vesting conditions, the employees have also agreed not to offer, pledge, sell, contract to sell, sell any portion or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of any option shares within the shares options agreement and continuing to and including the date that is 180 days after the Initial Public Offering.

As of the end of the financial period, 266,974 RSUs have been forfeited upon the resignation of an employee, and accordingly, the conditions relating to such RSUs are waived in whole.

### Fair value of the share options

The weighted average fair values of the share options granted are as follows:

	2012 USD	2013 USD	2014 USD
Senior Executives Share Option Plan	—	—	6.50
General Employees Share Option Plan	—	—	6.31

The options were valued using the Monte Carlo Simulation pricing model.

### Inputs to the model

	Senior Executives Share Option Plan 6,12,24 and 36 months from effective date, June 19, 2014	General Employees Share Option Plan 6,12,24,36,42,48,54 and 60 months from effective date, September 18, 2014
Grant date		
Grant date ordinary share price (USD)	13.33	13.50
Exercise price (USD)	8.30	12.15
Expected life (years)	5	5
Expected volatility:		
Annual equivalent	35%	40%
Risk-free interest rate:		
Annual equivalent	1.68%	2.61%

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The grant date ordinary share price represents the fully dilutive per share and was determined with reference to the latest transaction of the Company's ordinary share. In February 2014, MOL Ventures Pte. Ltd. (formerly known as MOL Global Pte. Ltd.) sold 15% equity interest in the Company to Sultan Ibrahim, and on May 8, 2014, Sultan Ibrahim's 15% equity interest in the Company was swapped into 15% interest of the Company. On May 30, 2014, the Company agreed to extinguish the aggregate outstanding principal amount and unpaid accrued interest on the Promissory Note with Javelin Venture Partners in consideration for the Company's issuance of 65,349 shares. The grant date share price was determined on the above mentioned precedent transactions as both transactions are entered into with knowledgeable, and non-related parties, on a willing buyer and willing seller basis and such transactions were completed in a timeframe which is in close proximity with the measurement date.

The expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions (including the profitability of meeting market conditions attached to the option), and behavioural considerations. The expected volatility was estimated based on the historical daily share price volatility of comparable companies over a historical period commensurate with the locked-up period of the option shares. Risk free rate used was based on the yield on a United States Treasury Bond as of the grant date with the tenor matching the contractual term of the share options. To allow for the effects of early exercise, it was assumed that the employees would exercise the options after vesting date when the share price is 2.8x multiplied with the exercise price. Historically, the Company has not declared dividends, hence the expected dividend yield is zero.

The expense for employee services received recognized in the statement of profit or loss and other comprehensive income is as follows:

	2012 MYR	2013 MYR	2014 MYR
Senior Executives Share Option Plan	—	—	7,602,994
General Employees Share Option Plan	—	—	8,067,295
Total (Note 7)	—	—	15,670,289
Foreign exchange difference	—	—	63,817
Recognized in statement of changes in equity	—	—	15,734,106

The total amount of unrecognized share-based compensation expense related to the grants is as follows:

	2012 MYR	2013 MYR	2014 MYR
Senior Executives Share Option Plan	—	—	32,474,135
General Employees Share Option Plan	—	—	53,186,070
	—	—	85,660,205

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The following table illustrates the number and weighted average exercise prices (“WAEP”) of, and movement of ordinary share options during the year:

	2014 Number	2014 WAEP MYR
Outstanding at January 1	—	—
Senior Executives Share Option Plan	<u>1,766,920</u>	29.00
General Employees Share Option Plan	3,059,425	39.31
General Employees Share Option Plan (forfeited)	<u>(278,795)</u>	39.31
	<u>2,780,630</u>	
Total	<u>4,547,550</u>	56.40

The weighted average remaining contractual life for the ordinary share options outstanding as of December 31, 2014 was 7.94 years.

43. **BUSINESS COMBINATIONS**

43.1 **Acquisitions of subsidiaries**

As disclosed in Note 17 to the consolidated financial statements, the subsidiaries acquired by the Group during the financial year ended December 31, 2012, 2013 and 2014 are as follows:

Name of Subsidiaries	Date of Acquisition	Proportion of ownership interest and voting power held	Purchase Consideration MYR
<b><u>2012</u></b>			
MOL Thailand	01.01.2012	49.00%	3,925,800
Game Box (M) Sdn. Bhd. (“Game Box”)	03.01.2012	51.20%	600,000
MOL AccessPortal Pty. Ltd. (“MOL Australia”)	01.06.2012	65.00%	1,136,784
Rixty, Inc (“Rixty”)	14.09.2012	54.20%	12,828,210
MyCNX	20.10.2012	79.99%	<u>27,825,582</u>
			<u>46,316,376</u>

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Name of Subsidiaries	Date of Acquisition	Proportion of ownership interest and voting power held	Purchase Consideration MYR
<b>2013</b>			
MOL Turkey and GameSultan	19.02.2013	70.00%	65,018,564
Nganluong	01.03.2013	50.00%	15,641,250
MOLCube	01.04.2013	85.30%	100,000
MMOG Thai	01.01.2013	49.00%	<u>49,000</u>
			<u>80,808,814</u>

Name of Subsidiaries	Date of Acquisition	Proportion of ownership interest and voting power held	Purchase Consideration MYR
<b>2014</b>			
Easy2Pay	06.05.2014	60.00%	6,046,178
PaybyMe	15.09.2014	51.00%	30,282,121
MOL Wallet	28.04.2014	100.00%	<u>2</u>
			<u>36,328,301</u>

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43.2 Considerations transferred and goodwill arising on acquisitions

	MOL Thailand MYR	Game Box MYR	MOL Australia MYR	Rixty MYR	MyCNX MYR	Total MYR	
<b>2012</b>							
Cash paid	—	600,000	1,136,784	10,080,096	—	11,816,880	
Non-cash considerations	<u>3,925,800</u>	<u>—</u>	<u>—</u>	<u>2,748,114</u>	<u>27,825,582</u>	<u>34,499,496</u>	
Total purchase considerations	3,925,800	600,000	1,136,784	12,828,210	27,825,582	46,316,376	
Non-controlling interests	3,894,551	524,139	530,360	2,615,347	5,734,888	13,299,285	
Fair value of identifiable net assets acquired (Note 43.3)	<u>(5,942,626)</u>	<u>(1,074,055)</u>	<u>(1,258,220)</u>	<u>(5,710,364)</u>	<u>(28,667,278)</u>	<u>(42,652,543)</u>	
Goodwill arising on acquisitions (Note 21)	<u>1,877,725</u>	<u>50,084</u>	<u>408,924</u>	<u>9,733,193</u>	<u>4,893,192</u>	<u>16,963,118</u>	
			MOL Turkey and GameSultan MYR	Nganluong MYR	MOLCube MYR	MMOG Thai MYR	Total MYR
<b>2013</b>							
Cash paid			41,894,437	15,641,250	100,000	—	57,635,687
Non-cash consideration			<u>23,124,127</u>	<u>—</u>	<u>—</u>	<u>49,000</u>	<u>23,173,127</u>
Total purchase consideration			65,018,564	15,641,250	100,000	49,000	80,808,814
Non-controlling interests			8,500,537	5,224,888	(12,706)	40,934	13,753,653
Fair value of identifiable net assets acquired (Note 43.3)			<u>(28,335,119)</u>	<u>(10,449,776)</u>	<u>86,435</u>	<u>(89,934)</u>	<u>(38,788,394)</u>
Goodwill arising on acquisition (Note 21)			<u>45,183,982</u>	<u>10,416,362</u>	<u>173,729</u>	<u>—</u>	<u>55,774,073</u>

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<u>2014</u>	<u>Easy2Pay MYR</u>	<u>PaybyMe MYR</u>	<u>MOL Wallet MYR</u>	<u>Total MYR</u>
Cash paid	6,046,178	29,080,121	2	35,126,301
Non-cash consideration	—	1,202,000	—	1,202,000
<b>Total purchase consideration</b>	<b>6,046,178</b>	<b>30,282,121</b>	<b>2</b>	<b>36,328,301</b>
Non-controlling interests	2,437,361	6,344,182	—	8,781,543
Fair value of identifiable net (assets)/liabilities acquired (Note 43.3)	(6,062,278)	(12,947,310)	17,962	(18,991,626)
	<u>2,421,261</u>	<u>23,678,993</u>	<u>17,964</u>	<u>26,118,218</u>
Goodwill arising on acquisitions (Note 21)	2,421,261	23,678,993	—	26,100,254
Bargain purchase gain arising on acquisition (Note 12)	—	—	17,964	17,964
	<u>2,421,261</u>	<u>23,678,993</u>	<u>17,964</u>	<u>26,118,218</u>

The interest of non-controlling shareholders recognized at the acquisition date was measured at the non-controlling interests' proportionate share of the fair value of the acquirees' identifiable net assets.

Goodwill arose in the acquisitions of these subsidiaries because the cost of combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of these subsidiaries. These benefits are not separately recognized from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

The initial accounting for the above business combinations is incomplete at the end of the reporting period and subject to the finalization by management. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

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43.3 Fair value of assets acquired and liabilities assumed at the date of acquisitions

2012	MOL Thailand MYR	Game Box MYR	MOL Australia MYR	Rixty MYR	MyCNX MYR	Total MYR
<b>Non-current assets</b>						
Property, plant and equipment	1,474,878	106,117	—	12,062	654,889	2,247,946
Investment property	—	—	—	—	2,433,228	2,433,228
Development expenditure	—	—	—	—	251,001	251,001
Intangible assets	1,714,395	—	46,117	17,994	24,016,288	25,794,794
<b>Current assets</b>						
Inventories	1,681,812	1,043,402	23,352	204,520	—	2,953,086
Trade receivables	5,364,913	729,773	9,752	590,145	7,862,185	14,556,768
Other receivables, deposits and prepaid expenses	449,424	20,255	959,409	817,843	468,012	2,714,943
Cash and bank balances	5,899,283	811,826	222,722	7,938,207	1,553,024	16,425,062
<b>Non-current liabilities</b>						
Borrowings	(321,755)	—	—	(2,379,171)	(1,980,500)	(4,681,426)
Deferred tax liabilities	(412,674)	—	—	—	(5,759,884)	(6,172,558)
<b>Current liabilities</b>						
Trade payables	(8,281,680)	(1,030,774)	—	—	(725,039)	(10,037,493)
Other payables and accrued expenses	(1,039,942)	(276,244)	—	(839,598)	(105,926)	(2,261,710)
Borrowings	(186,223)	(217,083)	(3,132)	(651,638)	—	(1,058,076)
Tax liabilities	(399,805)	(113,217)	—	—	—	(513,022)
Net identifiable assets	<u>5,942,626</u>	<u>1,074,055</u>	<u>1,258,220</u>	<u>5,710,364</u>	<u>28,667,278</u>	<u>42,652,543</u>



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<u>2013</u>	MOL Turkey and GameSultan MYR	Nganluong MYR	MOLCube MYR	MMOG Thai MYR	Total MYR
<b>Non-current assets</b>					
Property, plant and equipment	255,991	160,404	34,028	61,033	511,456
Intangible assets	27,081,406	—	—	—	27,081,406
<b>Current assets</b>					
Inventories	2,327,726	—	—	—	2,327,726
Trade receivables	10,588,378	796,238	—	—	11,384,616
Other receivables, deposits and prepaid expenses	373,678	1,727,032	19,999	168,216	2,288,925
Cash and bank balances	2,278,259	10,925,089	25,932	2,536	13,231,816
<b>Non-current liabilities</b>					
Deferred tax liabilities	(6,770,352)	—	—	—	(6,770,352)
<b>Current liabilities</b>					
Trade payables	(5,795,240)	(132)	—	—	(5,795,372)
Other payables and accrued expenses	(1,635,916)	(3,158,855)	(166,394)	(141,851)	(5,103,016)
Tax liabilities	(368,811)	—	—	—	(368,811)
Net identifiable assets/(liabilities)	<u>28,335,119</u>	<u>10,449,776</u>	<u>(86,435)</u>	<u>89,934</u>	<u>38,788,394</u>

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<u>2014</u>	Easy2Pay MYR	PaybyMe MYR	MOL Wallet MYR	Total MYR
<b>Non-current assets</b>				
Property, plant and equipment	104,358	86,069	75,650	266,077
Intangible assets	4,189,089	11,671,082	—	15,860,171
Deferred tax assets	—	11,562	—	11,562
<b>Current assets</b>				
Inventories	—	100,965	—	100,965
Trade receivables	5,316,801	6,980,139	—	12,296,940
Other receivables, deposits and prepaid expenses	1,096,099	2,150,568	—	3,246,667
Cash and bank balances	7,418,421	6,764,130	—	14,182,551
<b>Non-current liabilities</b>				
Deferred tax liabilities	(837,818)	(2,966,604)	—	(3,804,422)
<b>Current liabilities</b>				
Trade payables	(7,661,363)	(8,248,031)	—	(15,909,394)
Other payables and accrued expenses	(3,331,542)	(100,783)	—	(3,432,325)
Amount due to other related parties	—	—	(93,612)	(93,612)
Deferred revenue	—	(3,116,578)	—	(3,116,578)
Tax liabilities	(231,767)	(385,209)	—	(616,976)
Net identifiable assets/(liabilities)	<u>6,062,278</u>	<u>12,947,310</u>	<u>(17,962)</u>	<u>18,991,626</u>

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43.4 Net cash outflow on acquisitions of subsidiaries

	MOL Thailand MYR	Game Box MYR	MOL Australia MYR	Rixty MYR	MyCNX MYR	Total MYR
<b>2012</b>						
Considerations paid in cash	—	(600,000)	(1,136,784)	(10,080,096)	—	(11,816,880)
Cash and cash equivalents acquired	<u>5,899,283</u>	<u>811,826</u>	<u>222,722</u>	<u>7,938,207</u>	<u>1,553,024</u>	<u>16,425,062</u>
Net cash inflow/(outflow) on acquisitions	<u>5,899,283</u>	<u>211,826</u>	<u>(914,062)</u>	<u>(2,141,889)</u>	<u>1,553,024</u>	<u>4,608,182</u>
		MOL Turkey and GameSultan MYR	Nganluong MYR	MOLCube MYR	MMOG Thai MYR	Total MYR
<b>2013</b>						
Considerations paid in cash		(41,894,437)	(15,641,250)	(100,000)	—	(57,635,687)
Cash and cash equivalents acquired		<u>2,278,259</u>	<u>10,925,089</u>	<u>25,932</u>	<u>2,536</u>	<u>13,231,816</u>
Net cash inflow/(outflow) on acquisitions		<u>(39,616,178)</u>	<u>(4,716,161)</u>	<u>(74,068)</u>	<u>2,536</u>	<u>(44,403,871)</u>
	Easy2Pay MYR	PaybyMe MYR	MOL Wallet MYR	Total MYR		
<b>2014</b>						
Considerations paid in cash	(6,046,178)	(29,080,121)	(2)	(35,126,301)		
Cash and cash equivalents acquired	<u>7,418,421</u>	<u>6,764,130</u>	—	<u>14,182,551</u>		
Net cash inflow/(outflow) on acquisitions	<u>1,372,243</u>	<u>(22,315,991)</u>	<u>(2)</u>	<u>(20,943,750)</u>		

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The acquired subsidiaries have contributed the following results to the Group during the financial year:

**2012**

	<b>MOL Thailand MYR</b>	<b>Game Box MYR</b>	<b>MOL Australia MYR</b>	<b>Rixty MYR</b>	<b>MyCNX MYR</b>
Revenue	17,127,761	1,070,172	26,346	457,648	3,839,712
Profit/(Loss) for the year	<u>4,835,511</u>	<u>226,950</u>	<u>(264,742)</u>	<u>(1,139,682)</u>	<u>2,213,191</u>

**2013**

	<b>MOL Turkey MYR</b>	<b>GameSultan MYR</b>	<b>Nganluong MYR</b>	<b>MOLCube MYR</b>	<b>MMOG Thai MYR</b>
Revenue	13,021,563	10,154,095	7,062,561	—	261,603
Profit/(Loss) for the year	<u>1,218,615</u>	<u>5,845,338</u>	<u>658,384</u>	<u>(425,363)</u>	<u>(239,731)</u>

**2014**

		<b>Easy2Pay MYR</b>	<b>PaybyMe MYR</b>	<b>MOL Wallet MYR</b>
Revenue		7,219,764	12,589,741	—
Profit/(Loss) for the year		<u>1,369,662</u>	<u>537,614</u>	<u>(135,427)</u>

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If the acquisitions had occurred on 1 January 2012, the Group's results for the current financial year would have been as follows:

	<b>MOL Thailand MYR</b>	<b>Game Box MYR</b>	<b>MOL Australia MYR</b>	<b>Rixty MYR</b>	<b>MyCNX MYR</b>
Revenue	95,573,753	95,573,753	95,580,102	96,308,340	111,644,242
Profit for the year	<u>5,984,996</u>	<u>5,984,996</u>	<u>5,902,371</u>	<u>4,659,853</u>	<u>10,555,149</u>

If the acquisitions had occurred on January 1, 2013, the Group's results for the current financial year would have been as follows:

	<b>MOL Turkey MYR</b>	<b>GameSultan MYR</b>	<b>Nganluong MYR</b>	<b>MOLCube MYR</b>	<b>MMOG Thai MYR</b>
Revenue	173,754,280	173,315,304	172,559,653	171,518,303	171,518,303
Profit for the year	<u>18,076,870</u>	<u>19,295,456</u>	<u>18,640,597</u>	<u>18,557,526</u>	<u>18,672,525</u>

If the acquisition has occurred on January 1, 2014, the Group's results for the current financial year would have been as follows:

	<b>Easy2Pay MYR</b>	<b>PaybyMe MYR</b>	<b>MOL Wallet MYR</b>
Revenue	204,312,016	233,088,663	202,713,170
Loss for the year	<u>(17,756,216)</u>	<u>(13,781,525)</u>	<u>(17,921,007)</u>

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44. **DISPOSAL OF A SUBSIDIARY**

On March 11, 2014, the Group disposed of Gamebox Sdn Bhd which carried out the wholesale and distribution of computer software & computer games.

44.1 **Consideration received**

	2014 MYR
Consideration received in cash and cash equivalents	<u>600,000</u>

44.2 **Analysis of assets and liabilities over which control was lost**

	2014 MYR
<b>Non-current asset</b>	
Property, plant and equipment	90,008
<b>Current assets</b>	
Inventories	502,078
Trade receivables	376,437
Other receivables, deposits and prepaid expenses	81,631
Amount due by holding company	22,291
Amount due by other related parties	2,000
Cash and bank balances	253,771
<b>Current liabilities</b>	
Trade payables	(104,500)
Other payables and accrued expenses	(68,072)
Amount due to holding company	(203,161)
Amount due to other related parties	(49,201)
Net assets disposed of	<u>903,282</u>

44.3 **Gain on disposal of a subsidiary**

	2014 MYR
Consideration received in cash and cash equivalents	600,000
Net assets disposed of	<u>(903,282)</u>
Total	<u>(303,282)</u>
Goodwill on consolidation (Note 21)	(50,083)
Non-controlling interests disposed of	<u>440,802</u>
Gain on disposal of a subsidiary (Note 12)	<u>87,437</u>

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44.4 **Net cash inflows on disposal of a subsidiary**

	2014 MYR
Consideration received in cash and cash equivalents	600,000
Less: Cash and cash equivalents disposed of	<u>(253,771)</u>
Net cash inflow on disposal	<u>346,229</u>

45. **FINANCIAL INSTRUMENTS**

45.1 **Capital Risk Management**

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders.

The Group monitors and reviews its capital structure based on their business and operating requirements.

There were no changes in the Group's approach to capital management during the years presented.

45.2 **Significant Accounting Policies**

Details of the significant accounting policies and methods adopted for each class of financial assets, financial liabilities and equity instruments are disclosed in Note 3.

45.3 Categories of Financial Instruments

	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)
<b>Financial Assets</b>			
Available-for-sale financial assets (Note 24)	—	—	806,627
<b>Loans and receivables:</b>			
Trade receivables (Note 26)	26,272,966	33,820,107	58,300,667
Other receivables and deposits (Note 27)	6,069,983	8,786,805	12,551,454
Finance lease receivables (Note 22)	278,342	572,377	558,668
Amount due from associates (Note 28)	1,208,124	216,848	—
Amount due from related parties (Note 28)	2,008,076	584,951	959,623
Cash and bank balances and restricted cash (Note 29)	<u>34,638,680</u>	<u>54,561,923</u>	<u>184,963,464</u>
Total loans and receivables	<u>70,476,171</u>	<u>98,543,011</u>	<u>258,140,503</u>
<b>Financial Liabilities</b>			
Financial liabilities at FVTPL:			
Derivative financial liability (Note 36)	—	26,164,107	—
At amortized cost:			
Trade payables (Note 34)	32,277,734	48,009,555	82,342,742
Other payables (Note 35)	13,897,785	19,912,049	19,498,352
Financial liability on in-substance forward (Note 37)	—	—	37,300,351
Amount due to related parties (Note 28)	17,853,907	30,747,913	602,486
Borrowings (Note 32)	<u>55,442,621</u>	<u>73,014,866</u>	<u>55,734,044</u>
Total financial liabilities	<u>119,472,047</u>	<u>197,848,490</u>	<u>195,477,975</u>



45.4 **Financial Risk Management Objectives and Policies**

The Group's financial risk management policies seek to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate, foreign exchange, liquidity and credit risks.

(i) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to changes in interest rates relates primarily to the Group's deposits with banks and interest bearing debt obligations. The Group does not use derivative financial instruments to hedge its risk but regularly reviews its debt portfolio to enable it to source low interest funding. The Group's deposits are placed at fixed rates and management endeavours to obtain the best rate available in the market.

Sensitivity analysis for interest rate risk

At December 31, 2014, if interest rates had been 50 basis points lower/higher, with all other variables held constant, the Group's post-tax profit for the financial year would have been MYR98,455 (2013: MYR107,259; 2012: MYR132,370) higher/lower, arising mainly as a result of lower/higher finance costs on floating rate borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on a prudent estimate of the current market environment.

(ii) **Foreign exchange risk**

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Exchange rate exposures are managed within the approved policy parameters.

The Group undertakes certain transactions denominated in foreign currencies where the amounts outstanding are exposed to foreign currency risk. The Group monitors its foreign exchange exposure on an ongoing basis and is managed within approved policy parameters.

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The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	2012 MYR	Assets 2013 MYR	2014 MYR (Restated, see Note 48)
US Dollar ("USD")	17,419,492	7,089,302	88,290,755
Singapore Dollar ("SGD")	1,750,364	3,352,218	4,383,805
Indonesian Rupiah ("IDR")	2,460,301	4,574,655	1,427,374
Philippines Peso ("PHP")	7,146,408	8,625,998	7,471,880
Thai Baht ("THB")	20,627,842	21,734,604	29,566,066
Australian Dollar ("AUD")	62,069	592,168	1,018,984
Euro ("EUR")	116,522	109,129	220,468
Indian Rupee ("INR")	467,706	—	—
Hong Kong Dollar ("HKD")	—	—	2,602
Turkish Lira ("TRY")	—	15,060,468	35,466,846
Vietnamese Dong ("VND")	—	13,194,206	17,349,319
New Zealand Dollar ("NZD")	—	—	31,075
Taiwan New Dollar ("TWD")	—	543,707	497,696
	<u>50,050,704</u>	<u>74,876,455</u>	<u>185,726,870</u>
	2012 MYR	Liabilities 2013 MYR	2014 MYR (Restated, see Note 48)
US Dollar ("USD")	9,626,317	12,980,567	14,396,329
Singapore Dollar ("SGD")	17,381,407	160,231	323,441
Indonesian Rupiah ("IDR")	1,070,823	2,832,210	469,330
Philippines Peso ("PHP")	6,742,121	6,969,636	8,448,642
Thai Baht ("THB")	15,780,790	14,364,943	26,119,704
Australian Dollar ("AUD")	27,879	17,556	97,150
India Rupee ("INR")	—	8,352	7,376
Turkish Lira ("TRY")	—	26,552,546	54,240,140
Euro ("EUR")	457,437	—	512,313
Vietnamese Dong ("VND")	—	4,021,876	7,635,193
Hong Kong Dollar ("HKD")	—	—	2,692
New Zealand Dollar ("NZD")	—	—	43
Taiwan New Dollar ("TWD")	—	—	7,568
British Pound Sterling ("GBP")	—	3,225	—
	<u>51,086,774</u>	<u>67,911,142</u>	<u>112,259,921</u>

Group's foreign currency sensitivity

5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

If the MYR strengthened/weakened by 5% against the foreign currencies with all other variables held constant, the Group's post-tax profit for the financial year would have been MYR5,538,455 (2013: MYR348,266; 2012: MYR51,804) lower/higher.

The above sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the year-end exposure does not reflect the exposure during the year.

(iii) **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and finance lease agreements.

The Group's holding of cash and short term deposits, together with committed funding facilities and net cash flow from operations, are expected to be sufficient to cover its cash flow needs.

The Group financed its operations by shareholders' equity, bank borrowings, amounts due to related parties and internal financial resources. As of December 31, 2014, the Group has net current assets of MYR115,438,953 and net current liabilities, MYR77,713,061, MYR27,075,411 as of December 31, 2013 and 2012, respectively. The Group has implemented a number of measures to mitigate the liquidity risk. Taking into account further advances from the related parties or shareholders as well as the estimated future cash inflows from the Group's operations. The Directors are of the view that the Group will have sufficient positive cash flows to support the Group to operate on a going concern basis for at least the next twelve months from the end of the reporting period. Accordingly, the Directors believe that the Group has the ability to continue with its current line of business and meet its other financial obligations. Hence, the consolidated financial statements have been prepared on a going concern basis.

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The table below summarizes the maturity profile of the Group's financial liabilities as at the reporting date. The table was prepared based on the undiscounted cash flows on financial liabilities on the basis of the earliest date at which the Group can be required to pay. The table includes both interest and principal cash flows.

	Weighted average effective interest rate %	On demand or within 1 year MYR (Restated, see Note 48)	Within 2 to 5 years MYR (Restated, see Note 48)	After 5 years MYR	Total MYR (Restated, see Note 48)
<b>2012</b>					
Non-interest bearing	—	64,029,426	—	—	64,029,426
Variable interest rate instruments	7.63% - 7.88%	560,466	727,710	1,506,050	2,794,226
Fixed interest rate instruments	2.59% - 7.25%	<u>54,833,385</u>	<u>1,673,323</u>	—	<u>56,506,708</u>
		<u>119,423,277</u>	<u>2,401,033</u>	<u>1,506,050</u>	<u>123,330,360</u>
<b>2013</b>					
Non-interest bearing	—	124,833,624	—	—	124,833,624
Variable interest rate instruments	7.63% - 7.88%	220,167	595,512	1,439,752	2,255,431
Fixed interest rate instruments	2.59% - 7.25%	<u>74,394,544</u>	<u>1,485,488</u>	—	<u>75,880,032</u>
		<u>199,448,335</u>	<u>2,081,000</u>	<u>1,439,752</u>	<u>202,969,087</u>
<b>2014</b>					
Non-interest bearing	—	102,443,580	37,300,351	—	139,743,931
Variable interest rate instruments	7.40% - 7.88%	206,097	822,685	1,752,670	2,781,452
Fixed interest rate instruments	2.59% - 7.25%	<u>56,423,172</u>	<u>1,237,359</u>	—	<u>57,660,531</u>
		<u>159,072,849</u>	<u>39,360,395</u>	<u>1,752,670</u>	<u>200,185,914</u>

(iv) **Credit risk**

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Group. Credit risk with respect to trade and other receivables is managed through the application of credit approvals, credit limits and monitoring procedures. Credit is extended to the customers based upon careful evaluation of the customers' financial condition and credit history. Surplus funds are placed with licensed financial institutions to minimize the risk that the counterparties will fail in performing their obligation.

The Group has significant concentration of credit risk from its affiliate amounting to MYR14,030,525 (2013: MYR3,015,095; 2012: MYR6,715,553).

The maximum credit exposure of the Group, without taking into account the fair value of any collateral, is represented by its carrying amounts of financial assets.

(v) **Other price risk**

The Group is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

Equity price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower:

- Profit for the year ended December 31, 2014 would have been unaffected as the equity investments are classified as available-for-sale and no investments were disposed of or impaired; and
- Other comprehensive income for the year ended December 31, 2014 would increase/decrease by MYR40,331 (2013: MYRNil) as a result of the changes in fair value of available-for-sale financial assets.

(vi) **Fair Values**

The fair values of financial instruments refer to the amounts at which the instruments could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction. Fair values have been arrived at based on prices quoted in an active, liquid market or estimated using certain valuation techniques such as discounted future cash flows based upon certain assumptions. Amounts derived from such methods and valuation techniques are inherently subjective and therefore do not necessarily reflect the amounts that would be received or paid in the event of immediate settlement of the instruments concerned.

On the basis of the amounts estimated from the methods and techniques as mentioned in the preceding paragraph, the carrying amount of the various financial assets and financial liabilities reflected on the statements of financial position approximate their fair values.

The methodologies used in arriving at the fair values of the principal financial assets and financial liabilities of the Group are as follows:

- **Cash and cash equivalents, trade and other receivables, amount due from associates, amount due from related parties, trade and other payables and short-term borrowings:** The carrying amounts are considered to approximate the fair values as they are either within the normal credit terms or they have short-term maturity period.
- **Non-current finance receivables:** The fair value represents a present value of discounted estimated future cash flows with the use of market rates effective at the end of reporting period.
- **Available-for-sale financial assets:** Marketable securities quoted in an active market are carried at market value.
- **Derivative instruments:** The fair values of the derivative financial liabilities were estimated using Monte Carlo or Binomial Option Pricing Simulation method.
- **Long-term borrowings:** The fair values of long-term borrowings are determined by estimating future cash flows on a borrowing-by-borrowing basis, and discounting these future cash flows using an interest rate which takes into consideration the Group's incremental borrowing rate at year end for similar types of debt arrangements.

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As of December 31, 2012, 2013 and 2014, the fair value of financial assets and financial liabilities were not significant different from their carrying value.

Fair value measurements recognized in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from 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 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2013	Level 1 MYR	Level 2 MYR	Level 3 MYR	Total MYR
<b>Financial liabilities at FVTPL</b>				
Derivative financial liability	—	—	26,164,107	26,164,107
2014	Level 1 MYR	Level 2 MYR	Level 3 MYR (Restated, see Note 48)	Total MYR
<b>Financial assets at FVTPL</b>				
Available-for-sale financial assets	806,627	—	—	806,627
<b>Financial liabilities at FVTPL</b>				
Derivative financial liability	—	—	—	—

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The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

	2012 MYR	2013 MYR	2014 MYR (Restated, see Note 48)
As of January 1	—	—	26,164,107
Acquisition of subsidiaries (Note 43)	—	23,124,127	—
Exercise of put options (Note 36)	—	—	(22,428,031)
Derivative fair value adjustment (Note 12)	—	3,039,980	(3,736,076)
As of December 31	—	26,164,107	—



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Fair value of the Group's financial liabilities that are measured at fair value on a recurring basis

The Group's derivative financial liability is measured at fair value at the end of each reporting period. The following table gives information about how the fair value of the financial liability is determined (in particular, the valuation technique and inputs used).

Financial instruments	2012 MYR	Fair value 2013 MYR	2014 MYR	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
MOL Turkey and GameSultan - Put option (Note 36)	—	26,164,107	—	Level 3	Monte Carlo Simulation method	Share price, correlation in share price, revenue multiple and gross profit multiple	Higher positive correlation between revenue multiple, gross profit multiple and share price, lower the value of option

If the above unobservable inputs to the valuation model of put option were 5% higher/lower, the carrying amount of the put option would increase/decrease by approximately MYRNil (2013: MYR1,247,000; 2012: MYR Nil).

46. **CONTINGENCIES**

Between November 24, 2014 and December 2, 2014, three putative class actions were commenced against, among others, the Company and certain of its officers and directors, in the United States District Court for the Southern District of New York captioned *Freedman v. MOL Global, Inc., et al.*, 14 CV 9357 (WHP), *Grodko v. MOL Global, Inc., et al.*, 14 CV 9397 (WHP) and *Jewell v. MOL Global, Inc., et al.*, 14 CV 9493 (WHP). Each asserts claims under Sections 11 and 15 of the Securities Act of 1933 on behalf of investors who acquired the Company's American Depositary Shares ("ADSs") between October 9, 2014 and November 20, 2014, and/or who acquired ADSs pursuant and/or traceable to the Registration Statement and Prospectus issued in connection with the Company's October 9, 2014 Initial Public Offering. The *Freedman* and *Grodko* actions also assert claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934.

On December 22, 2014, plaintiffs voluntarily dismissed the Grodko action. Motions for lead plaintiff were due on or about January 23, 2015.

On May 8, 2015, the Court consolidated the actions and appointed Lead Plaintiff and Lead Counsel. A consolidated complaint was filed on July 7, 2015 and a second consolidated amended complaint was filed on October 7, 2015. The Company's motion to dismiss the second consolidated amended complaint was fully briefed as of December 21, 2015.

The parties entered into a stipulation and settlement agreement dated April 11, 2016 to dismiss all claims with prejudice. The settlement is subject to court approval. A motion for preliminary approval of the settlement agreement was filed with the Court on April 12, 2016.

47. **SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD**

- (i) On January 8, 2015, the Group entered into a Sale and Purchase agreement with certain directors of a subsidiary to sell the investment property situated in Bandar Sri Permaisuri, for a total sales consideration of MYR2,500,000. On February 27, 2015, a portion of the proceeds from the sale was used to settle the remaining unpaid principal, accrued interest and prepayment charges of the term loan obtained from a local commercial bank in Malaysia amounting to MYR1,696,325.
- (ii) On January 19, 2015, Nganluong Joint Stock Company ("Nganluong"), a subsidiary of MOL AccessPortal Sdn. Bhd. ("MOLAP") increased its paid-up capital to VND52,737,500,000 divided into 5,273,750 shares of VND10,000. MOLAP acquired further 2,596,875 shares with par value of VND10,000 for a total of VND25,968,750,000 (MYR4,934,063). The effective equity interest remain unchanged at 50.00%.
- (iii) On February 20, 2015, MOL Thailand, a company which is 86.73% owned by the Group, incorporated a 59.98% owned subsidiary in Thailand under the name of MOL Paying with an issued and paid-up ordinary share capital of THB1,000,000 (MYR119,300) comprising 10,000 shares of THB100 each.
- (iv) On March 11, 2015, MyCNX Holdings (M) Sdn. Bhd. ("MyCNX"), a company which is 100.00% owned by the Group, acquired the remaining 49.00% equity interest in Taiko Galaxy Sdn. Bhd. of 735,000 share capital for a nil consideration.
- (v) On March 18, 2015, a board resolution has been passed by the Company to suspend the "General Employees Share Option Plan" which was approved by the Board of Directors on September 18, 2014 with immediate effect. The suspension would indefinitely defer the communications of the share options grants to the employees. The plan will be re-considered through a review process taking into account the share prices and market condition which is uncertain at the present time. The fair value determined at the grant date of the equity-settled share-based payments will continue to be expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

In June 2015, the Directors resolved to cancel the share-based compensation awards. The decision was culminated by the unfavourable movement of the trading prices of the American Depositary Shares ("ADS") and general market conditions. During the year ended December 31, 2015, the Company has recognized the entire unrecognized share-based compensation charge as an expense to profit or loss amounting to MYR85,818,430.

- (vi) On May 25, 2015, Klon Odeme ve Iletisim Teknolojileri Anonim Şirketi ("PaybyMe"), a subsidiary of MOLAP increased its paid-up capital to TRY2,000,000 divided into 20,000 shares of TRY100. MOLAP has invested 9,945 shares with par value of TRY100 for a total amount of TRY994,500 (MYR1,462,711). The effective equity interest remain unchanged at 51.00%.
- (vii) On June 16, 2015, Rixty Brasil Intermediação e Agenciamento de Negócios Ltda, a wholly owned subsidiary of Rixty, Inc increased its paid-up capital to BRL229,907 divided into 229,907 shares of BRL1.00. Rixty, Inc acquired further 228,907 shares with par value of BRL1.00 for a total amount of BRL228,907 (MYR248,327). The effective equity interest remain unchanged at 100.00%.
- (viii) On August 17, 2015, MOL AccessPortal Pvt. Ltd ("MOL India"), a company which is 100.00% owned by the Group, has been deregistered pursuant to sub section (5) of section 560 of the Companies Act, 1956.
- (ix) On August 31, 2015, MOL Thailand entered into a Share Sales Agreement with MOLAP to sell the shares of Sept 3 Technology Sdn. Bhd. to MOLAP for a total consideration of MYR1.00.

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- (x) On October 13, 2015, PaybyMe, a company which is 51.00% owned by the Group, incorporated a 90.00% owned subsidiary in United Arab Emirates under the name of PaybyMe FZ-LLC. MOLAP also directly owns 5.00% equity interest of the company. PaybyMe FZ-LLC is incorporated with an issued and paid-up ordinary share capital of AED60,000 (MYR70,173) comprising 60 shares of AED1,000 each.
- (xi) On October 14, 2015, MOL Payment Co. Ltd., a company which is 99.996% owned by MOL AccessPortal Co. Ltd. (“MOL Thailand”) increased its paid-up capital to THB2,000,000,000 divided into 2,000,000 shares of THB100. MOL Thailand had further acquired 1,950,000 shares with par value of THB100 for a total consideration of THB195,000,000 (MYR23,263,500), out of which THB48,750,000 (MYR5,815,875) has been paid and the remaining of the THB146,250,000 (MYR17,447,625) has subsequently been paid after year end, which is February 5, 2016. The direct equity interest increased to 99.999%.
- (xii) On December 31, 2015 the Group performed an impairment assessment exercise on goodwill. As a result of the impairment assessment, the following impairment loss was recognized for the goodwill of the following CGUs;

	Carrying value before impairment MYR	Impairment loss MYR	Carrying value after impairment MYR
<b>Goodwill – Cash Generating Unit</b>			
GameSultan and PaytoGo <sup>(1)</sup>	45,183,982	(33,293,000)	11,890,982
MOL AccessPortal Pty. Ltd. <sup>(2)</sup> (Australia)	408,928	(408,928)	—
MyCNX Holdings (M) Sdn. Bhd. <sup>(3)</sup> (MyCNX)	4,893,192	(3,155,000)	1,738,192
	<u>50,486,102</u>	<u>(36,856,928)</u>	<u>13,629,174</u>

- (1) GameSultan and PaytoGo’s significant impairment arise due to the shift in the market dynamics of games-pin business and decline in the popularity of Joygame together with loss of exclusivity of certain global contents. In addition, GameSultan has also been adversely affected by the shift from PC games to mobile games impacting its revenue and gross margin.
- (2) MOL AccessPortal Pty. Ltd. (Australia) has been impaired as the business in Australia and New Zealand is growing at a slower rate in 2015 due to the maturity of the markets.
- (3) Impairment of MyCNX Holdings (M) Sdn. Bhd. is due to the rapid shift from PC to mobile games, delays in launching new mobile games, and the inherent competitive environment within the mobile games component leading to lower take rates and shorter life span relative to PC games.
- (xiii) As a result of continuous trading price below USD1, on April 13, 2016, the Company announced its intention to allow its American Depository Shares (“ADSS”) to be delisted from the NASDAQ Global Select Market (“NASDAQ”) and voluntarily effect deregistration under the Securities Exchange Act of 1934, as amended.
- Following delisting, the Company’s ADSs may be quoted on the Over-The-Counter (“OTC”) Market Group’s OTC Pink marketplace, an electronic quotation service for over-the-counter securities.
- Upon deregistration, the Company will no longer be subject to the requirements of the Exchange Act so long as the Company continues to have fewer than 300 holders of record.
- (xiv) In 2015, the Company has repurchased 1,500,000 shares of its ADS, for an aggregate gross value of USD2,752,500 (equivalent to MYR10,418,212) and are held in treasury.

## 48. RESTATEMENT OF THE DECEMBER 31, 2014 FINANCIAL STATEMENTS

As disclosed in Note 37, MOLAP is required to recognize a gross obligation for the present value of the redemption amount of the Put Option because the Sellers have the right to require MOLAP to pay the counterparty cash or another financial asset in exchange for the Option Shares.

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The total gross obligations and unwinding of discount and change in estimates on gross obligations that should be recognized in the consolidated financial statements of the Group as of and for the year ended December 31, 2014 was MYR37,300,351 and MYR3,154,269 respectively. Accordingly, a restatement has been made to the financial statements for the year ended December 31, 2014 and the following accounts have been restated:

	As previously reported MYR	Restatement MYR	As restated MYR
<b>The Group</b>			
<b>As of December 31, 2014</b>			
Statement of financial position:			
Accumulated losses	(82,296,835)	(3,154,269)	(85,451,104)
Put option written on non-controlling interest	—	(32,944,082)	(32,944,082)
Derivative financial liability	1,202,000	(1,202,000)	—
Financial liability on in-substance forward	—	<u>(37,300,351)</u>	<u>(37,300,351)</u>
<b>For the year ended December 31, 2014</b>			
Statement of profit or loss and other comprehensive income:			
Finance costs	(5,987,252)	(3,154,269)	(9,141,521)
Loss for the year	(17,905,945)	(3,154,269)	(21,060,214)
Total comprehensive loss for the year	(7,191,266)	(3,154,269)	(10,345,535)
Loss per share – basic/diluted (sen)	<u>(35.28)</u>	<u>(5.16)</u>	<u>(40.44)</u>

Conforming changes in regard to above restatement adjustment have also been made on Notes 3, 4, 6, 17(b)(i) and 37.

**49. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements were approved by the Board of Directors and authorized for issue on April 27, 2016.

**Certification by the Principal Executive Officer  
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Preecha Praipattarakul, certify that:

1. I have reviewed this annual report on Form 20-F/A of MOL Global, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: May 2, 2016

By: /s/ Preecha Praipattarakul

Name: Preecha Praipattarakul  
Title: Chief Executive Officer

**Certification by the Principal Financial Officer  
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Ramesh Pathmanathan, certify that:

1. I have reviewed this annual report on Form 20-F/A of MOL Global, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent function):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: May 2, 2016

By: /s/ Ramesh Pathmanathan

Name: Ramesh Pathmanathan

Title: Group Chief Financial Officer

**Certification by the Principal Executive Officer  
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of MOL Global, Inc. (the "Company") on Form 20-F/A for the year ended December 31, 2014 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Charles Chee Chaun Ng, Co-Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 2, 2016

By: /s/ Preecha Praipattarakul  
Name: Preecha Praipattarakul  
Title: Chief Executive Officer

**Certification by the Principal Financial Officer  
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of MOL Global, Inc. (the "Company") on Form 20-F/A for the year ended December 31, 2014 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ramesh Pathmanathan, Group Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 2, 2016

By: /s/ Ramesh Pathmanathan  
Name: Ramesh Pathmanathan  
Title: Group Chief Financial Officer