SNAKK MEDIA

ANNUAL REPORT 2013

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CHAIRMAN'S REPORT

Dear Shareholder,

Welcome to the second Annual Report, and first as a listed company, for Snakk Media Limited. First and foremost, you are one of more than 3000 shareholders in Snakk and we thank you all for your continued support.

The period covered in this report is the financial year ended 31 March 2013. This year, as we move towards a paperless Snakk we have presented a traditional report and encourage you to download it to read online or on your e-reading device. As things move quickly with a small and growing start-up, Snakk's primary means of ongoing communication to shareholders, on the progress of the business will be through our emails, webinars and digital dashboards with regular updates. The first of these dashboards will be released following the Snakk AGM in August 2013.

RESULTS FOR THE MARCH 2013 YEAR

All in all, the team at Snakk believe we've had a cracker of a year and are only just getting started.

Revenue for the year ended 31 March 2013 was $3,654,346, showing good growth increasing 83% on the $1,992,958 for the year ended 31 March 2012.The loss before tax for the period year was $1,189,958.

Our performance was in line with Directors expectations given staff growth and expanding offices in New Zealand and Australia. We continue to maintain an attitude of investment to grow as a priority over breaking even or moving into profit in the short term.

During the last year the business grew and matured quickly, both from an operational and revenue perspective. Our growth continues to out-pace analysts predictions that advertisers spend on mobile devices would grow by 46% year-on-year over the next five years[1], and the market continues to expand into the exciting space of tablets and social-media.

Key Highlights to Date
From a financial perspective the company's focus is on growing revenues, and accelerating our plans to explore strategic investment. Across the business some key highlights to date, including post-balance date, are below:

• A successful listing on the NZAX as the first company in New Zealand to float for 2013 and subsequently healthy liquidity and trading for such a small-cap stock – regularly surpassing the daily trade volumes of NZX50 companies

• The appointment of new group CEO Mark Ryan to strengthen the management team

• The successful Share Purchase Plan and capital raising initiative which exceed the goal of raising a minimum $2 million, by more than 300%

• Expansion in Australia with the opening of a new Brisbane office headed by Charlie Raper, and the opening of our first New Zealand office and a new local executive, Rowan Spinks

• Snakk created an Employee Share Option Plan for long-term incentives for both current and future employees, Directors and Advisors. The Plan forms part of the Company's overall long-term strategy to attract and retain the very best people possible

• The first New Zealand listed company and one of the first in the world to be certified as a B Corporation – by meeting meet the rigorous social and environmental performance standards set out by the internationally recognised B Lab. Among many other positive things for the staff and the company, the B-Corporation certification offers investors and the public greater transparency on the company's social and environmental policies, which are all critical to building a better company, for better competitive advantage and better outcomes for all our stakeholders – from our staff to our shareholders.

1. Frost and Sullivan, Australian Online General Mobile Advertising Market 2012 report

OUTLOOK

In the medium term, our plans include:

1. Continued market expansion in both Australia and New Zealand while exploring regional options during the year.
2. Using the capital raised to accelerate investment in sales development and to review investment or strategic opportunities that allow us to scale or differentiate further in the market.
3. Developing and implementing a programme of initiatives building on the B Corp certification to further differentiate and strengthen the business. Many of these initiatives will be designed to ensure Snakk is as attractive and inspiring a company as possible for our staff, clients, partners, shareholders and all key stakeholders who are critical to long term success.

All in all we had a great year and there is a lot of opportunity and work ahead.

As with all high growth start-up ventures in exciting, growing technology and media markets, there will undoubtedly be bumps in the road and unexpected opportunities and challenges – Snakk is building an experienced, passionate and dedicated team and strategy to continue what has already been an amazing start to our journey.

Snakk is a business in the very early stages of a market that is in its infancy – we are embarking on a long-term strategy to build value for all our stakeholders. We remain excited and positive about the future.

Myself, the Board, and the Snakk team all look forward to meeting with you at our Annual Meeting of Shareholders in August 2013.

We are glad to have you on the journey!

Derek Handley
Chairman

STATEMENT OF CORPORATE GOVERNANCE

The objective of the Group is to enhance shareholder value. The Board considers there is a strong link between good corporate governance policies and practices and the achievement of this objective. The Board has adopted a corporate governance policy, which is available at the Company's offices.

The directors are responsible for reviewing and maintaining the corporate governance principles of the Group and consider that they do not materially differ from the principles set out in the NZX Corporate Governance Best Practice Code, which the Board has implemented.

BOARD OF DIRECTORS

The business and affairs of the Group are managed directly by the Board of Directors or by the executive of the operating subsidiaries under the direction of the Board. In particular the Board:

- establishes the long term goals of the Group and strategic plans to achieve those goals;
- reviews and adopts the annual budgets for the financial performance of the Group and monitors results on a monthly basis;
- ensures preparation of the annual and half-yearly financial statements;
- manages risk by ensuring that the Group has implemented adequate systems of internal controls together with appropriate monitoring of compliance activities; and
- works with management to create shareholder value.

The Board consists of two non-executive directors and one executive director. Both Tim Alpe and Michelle Kong are independent directors. Derek Handley provides services to the Company, in addition to his role as director, via a contracting arrangement between the Company and interests associated with Mr Handley.

The Board meets at least monthly on a formally scheduled basis. All available information relating to items to be discussed at a meeting of the Board is provided to each non-conflicted director prior to that meeting.

One third or the whole number nearest one third, of the directors retires by rotation at each Annual Meeting. The directors to retire are those who have been longest in office since the last election. Directors retiring by rotation may, if eligible, stand for re-election. A director appointed since the previous Annual Meeting holds office only until the next Annual Meeting but is eligible for re-election at that meeting. Under the rotation policy Tim Alpe and Michelle Kong offer themselves for re-election at the next Annual Meeting.

Each director has the right to seek independent legal and other professional advice, at the Group's expense with the prior approval of the chairman, concerning any aspect of the Group's operations or undertakings to assist in fulfilling their duties and responsibilities as directors.

The Board has two standing committees, namely audit and remuneration. Other committees are formed for specific purposes and disbanded as required.

Audit committee

The current members of the committee are Michelle Kong and Tim Alpe.

The audit committee provides a forum for the effective communication between the Board and external auditors. The committee reviews the annual and half-yearly financial statements prior to their approval by the Board, the effectiveness of internal control and management information systems and the efficiency and effectiveness of the audit functions.

The committee generally invites the Group's accountant and the auditors to attend audit committee meetings. The committee also meets with and receives regular reports from the auditors concerning any matters that arise in connection with the performance of their respective roles, including the adequacy of internal controls.

Remuneration Committee

The Board as a whole undertakes the role of remuneration committee given the small size of the Board.

The Board reviews the remuneration packages of all directors and the senior management team. The Non-Executive Directors approve the remuneration of Mr Handley, who is also an executive director and a member of the remuneration committee.

The packages of the employees and contractors of the Company and its subsidiaries, which consist of base salary and incentive schemes (including performance-related bonuses) are reviewed with due regard to performance and other relevant factors.

Nomination Committee

The Board as a whole undertakes the role of nomination committee given the small size of the Board. The Board reviews the composition of the Board annually to ensure that the Board comprises a majority of non-executive directors, with an appropriate mix of skills and experience.

The terms and conditions of the appointment of directors are set out in a formal letter of appointment that deals with the following matters:

- duration of appointment; role of the Board; timing and location of Board meetings, and expected time commitment; remuneration including timing of reviews; committee involvement; Board and individual evaluation processes;
- outside interests including other directorships; dealing in company shares;
- induction and development processes; access to independent professional advice; availability of liability insurance; and confidentiality of Group information.

Code of Ethics

As part of the Board's commitment to the highest standards of behaviour and accountability, the Group adopts a code of ethics to guide executives, management and employees in carrying out their duties and responsibilities. The code covers such matters as:

- responsibilities to shareholders;
- relations with customers and suppliers;
- product/service quality;
- protection of Group assets;
- employment practices; and
- responsibilities to the community.

An interests' register is maintained for the Group in which the particulars of certain transactions and matters involving the directors must be recorded. The interests' register is available for inspection at its registered office. When a director has declared an interest in a particular entity, as a shareholder or director, the declaration serves as notice that the director may benefit from any transaction between the Company and the identified entity.

The Board has adopted a specific policy for directors, senior staff and other insiders for trading in the Company's securities. Compliance with this policy is actively managed and a director must declare to the Board any interest in a transaction with the Company, any relationship that might compromise his or her ability to act independently from management and any conflicts of interest that are potentially detrimental to the Group. All directors and senior management of the Company are familiar with the Company's "Insider Trading Policy" that relates to dealing in securities by directors and employees.

Shareholder communication

The board places importance on effective shareholder communication. Half year and annual reports are published each year and posted on the Company's website. From time to time the board may communicate with shareholders outside this regular reporting regime. Consistent with best practice and a policy of continuous disclosure, external communications that may contain market sensitive data are released through NZX in the first instance. Further communication is encouraged with press releases through mainstream media.

The board formally reviews its proceedings at the conclusion of each meeting to determine whether there may be a requirement for a disclosure announcement. Shareholder attendance at annual meetings is encouraged.

Diversity policy

The Company does not have a formal diversity policy. However it recognises the wide-ranging benefits that diversity brings to an organisation and its workplaces. Snakk Media endeavours to ensure diversity at all levels of the organisation to ensure a balance of skills and perspectives are available in the service of our shareholders and customers.

As at 31 March 2013, the gender balance of the Company's directors, officers and all employees was as follows:

	Directors	Officers	Employees
Femaie	1 (33%)	0 (0%)	2 (29%)
Male	2 (66%)	2 (100%)	5 (71%)
Total	3 (100%)	2 (100%)	7 (100%)

DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for ensuring that the financial statements give a true and fair view of the financial position of the Company and the Group as at 31 March 2013 and their financial performance and cash flows for the year ended on that date.

The directors consider that the financial statements of the Company and the Group have been prepared using appropriate accounting principles, consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company and facilitate compliance of the financial statements with the Financial Reporting Act 1993.

The directors consider they have taken adequate steps to safeguard the assets of the Company and the Group to prevent and detect fraud and other irregularities.

The directors have pleasure in presenting the financial statements, set out on pages 9 to 34 of Snakk Media Limited for the year ended 31 March 2013.

The Board of Directors of Snakk Media Limited authorised these financial statements for issue on 14 June 2013.

For and on behalf of the Board

Derek Handley
Chairman

Michelle Kong
Director

INDEPENDENT AUDITORS' REPORT

to the shareholders of Snakk Media Limited

pwc

Report on the Financial Statements

We have audited the financial statements of Snakk Media Limited ("the Company") on pages 9 to 34, which comprise the statements of financial position as at 31 March 2013, the statements of comprehensive income and statements of changes in equity and statements of cash flows for the year then ended, and the notes to the financial statements that include a summary of significant accounting policies and other explanatory information for both the Company and the Group. The Group comprises the Company and the entities it controlled at 31 March 2013 or from time to time during the financial year.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation of these financial statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate and for such internal controls as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand) and International Standards on Auditing. These standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider the internal controls relevant to the Company and the Group's preparation of financial statements that give a true and fair view of the matters to which they relate, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company and the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditors we have no relationship with, or interests in, Snakk Media Limited or any of its subsidiaries.

Opinion

In our opinion, the financial statements on pages 9 to 34:

(i) comply with generally accepted accounting practice in New Zealand;

(ii) comply with International Financial Reporting Standards; and

(iii) give a true and fair view of the financial position of the Company and the Group as at 31 March 2013, and their financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

We also report in accordance with Sections 16(1)(d) and 16(1)(e) of the Financial Reporting Act 1993. In relation to our audit of the financial statements for the year ended 31 March 2013:

(i) we have obtained all the information and explanations that we have required; and

(ii) in our opinion, proper accounting records have been kept by the Company as far as appears from an examination of those records.

Restriction on Distribution or Use

This report is made solely to the Company's shareholders, as a body, in accordance with Section 205(1) of the Companies Act 1993. Our audit work has been undertaken so that we might state to the Company's shareholders those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

PricewaterhouseCoopers

Chartered Accountants
14 June 2013

Auckland

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

SNAKK MEDIA LIMITED

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2013

	Group		Company		
	2013	2012	2013	2012	Notes
	$	$	$	$	
Operating revenue	3,654,346	1,992,958	453,664	178,429	
Direct media costs	(1,745,542)	(886,473)	-	-	
	1,908,804	1,106,485	453,664	178,429	
Finance income	24,250	16,934	63,495	20,939	
Finance costs	(4,958)	(720)	(4)	(719)	
Net finance income	19,292	16,214	63,491	20,220	
Expenses					
Depreciation	(14,812)	(7,244)	(1,731)	-	3
Employee benefits	(1,293,620)	(774,897)	(45,631)	-	3
Other expenses	(1,809,622)	(955,961)	(964,657)	(442,652)	3
Total expenses	(3,118,054)	(1,738,102)	(1,012,019)	(442,652)	
Loss before taxation	(1,189,958)	(615,403)	(494,864)	(244,003)	
Income tax expense	-	(9,346)	-	-	4
Loss after taxation	(1,189,958)	(624,749)	(494,864)	(244,003)	
Other comprehensive income					
Change in foreign currency translation reserve	27,182	14,448	-	-	7
Other comprehensive income after tax	27,182	14,448	-	-	
Total comprehensive loss for the year	(1,162,776)	(610,301)	(494,864)	(244,003)	
Loss per share:					
Basic loss per share (New Zealand Cents):	(0.60)	(0.39)			17
Diluted loss per share (New Zealand Cents):	(0.57)	(0.38)			17

The accompanying notes on pages 15 to 34 form part of these financial statements

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2013

	Attributable to Equity holders of the Company					
	Share capital	Share options Reserve	Foreign currency translation reserve	Accumulated losses	Total equity	
	$	$	$	$	$	Notes
Group						
Balance at 1 April 2011	1,542,539	-	(49,849)	(1,463,397)	29,293	5,6,7
Comprehensive loss for the year						
Loss for the year	-	-	-	(624,749)	(624,749)	
Change in foreign currency translation reserve	-	-	14,448	-	14,448	
Total comprehensive loss for the year	-	-	14,448	(624,749)	(610,301)	
Transactions with owners of the Company						
Issue of ordinary shares	1,267,918	-	-	-	1,267,918	
Share based payment transactions	-	212,720	-	-	212,720	
Total contributions by owners of the Company	1,267,918	212,720	-	-	1,480,638	5
Balance at 31 March 2012	2,810,457	212,720	(35,401)	(2,088,146)	899,630	5,6,7
Balance at 1 April 2012	2,810,457	212,720	(35,401)	(2,088,146)	899,630	5,6,7
Comprehensive loss for the year						
Loss for the year	-	-	-	(1,189,958)	(1,189,958)	
Change in foreign currency translation reserve	-	-	27,182	-	27,182	
Total comprehensive loss for the year	-	-	27,182	(1,189,958)	(1,162,776)	
Transactions with owners of the Company						
Issue of ordinary shares	811,535	-	-	-	811,535	
Share-based payment transactions	-	291,653	-	-	291,653	
Total contributions by owners of the Company	811,535	291,653	-	-	1,103,188	5
Balance at 31 March 2013	3,621,992	504,373	(8,219)	(3,278,104)	840,042	5,6,7

The accompanying notes on pages 15 to 34 form part of these financial statements

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2013 (CONTINUED)

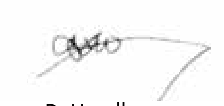
	Attributable to Equity holders of the Company					
	Share capital	Share options Reserve	Foreign currency translation reserve	Accumulated losses	Total equity	
	$	$	$	$	$	Notes
Company						
Balance at 1 April 2011	100	-	-	-	100	5,6,7
Comprehensive loss for the year						
Loss for the year	-	-	-	(244,003)	(244,003)	
Total comprehensive loss for the year	-	-	-	(244,003)	(244,003)	
Transactions with owners of the Company						
Issue of ordinary shares	6,264,100	-	-	-	6,264,100	
Share based payment transactions	-	212,720	-	-	212,720	
Total contributions by owners of the Company	6,264,100	212,720	-	-	6,476,820	5
Balance at 31 March 2012	6,264,200	212,720	-	(244,003)	6,232,917	5,6,7
Balance at 1 April 2012	6,264,200	212,720	-	(244,003)	6,232,917	5,6,7
Comprehensive loss for the year						
Loss for the year	-	-	-	(494,864)	(494,864)	
Total other comprehensive income	-	-	-	-	-	
Total comprehensive loss for the year	-	-	-	(494,864)	(494,864)	
Transactions with owners of the Company						
Issue of ordinary shares	811,535	-	-	-	811,535	
Share-based payment transactions	-	291,653	-	-	291,653	
Total contributions by owners of the Company	811,535	291,653	-	-	1,103,188	5
Balance at 31 March 2013	7,075,735	504,373	-	(738,867)	6,841,241	5,6,7

The accompanying notes on pages 15 to 34 form part of these financial statements

STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013

	Group		Company		
	2013	2012	2013	2012	Notes
	$	$	$	$	
Equity					
Share capital	3,621,992	2,810,457	7,075,735	6,264,200	5
Share option reserve	504,373	212,720	504,373	212,720	5
Accumulated losses	(3,278,104)	(2,088,146)	(738,867)	(244,003)	6
Foreign currency translation reserve	(8,219)	(35,401)	-	-	7
Total equity	840,042	899,630	6,841,241	6,232,917	
Current liabilities					
Trade and other payables	1,363,362	893,950	104,023	157,456	8
Taxation payable	-	20,549	-	-	4
Total current liabilities	1,363,362	914,499	104,023	157,456	
Total liabilities	1,363,362	914,499	104,023	157,456	
Total equity and liabilities	2,203,404	1,814,129	6,945,264	6,390,373	
Assets					
Non-current assets					
Property, plant and equipment	13,320	11,247	3,628	-	11
Investment in subsidiary undertakings	-	-	5,000,000	5,000,000	13
Advances to subsidiary undertakings	-	-	974,901	352,329	14
Total non-current assets	13,320	11,247	5,978,529	5,352,329	
Current assets					
Cash and cash equivalents	1,244,463	1,242,575	932,380	1,032,986	9
Trade and other receivables	923,473	555,249	23,086	-	10
Taxation receivable	22,148	5,058	11,269	5,058	4
Total current assets	2,190,084	1,802,882	966,735	1,038,044	
Total assets	2,203,404	1,814,129	6,945,264	6,390,373	

For and on behalf of the Board



D. Handley
Director
14 June 2013

M. Kong
Director
14 June 2013

The accompanying notes on pages 15 to 34 form part of these financial statements

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2013

	Group		Company		
	2013	2012	2013	2012	Notes
	$	$	$	$	
Operating activities					
Cash was provided from:					
Receipts from customers	3,269,032	1,654,343	-	4,336	
Cash was applied to:					
Payments to suppliers & employees	(4,086,044)	(1,748,993)	(801,369)	(78,253)	
Net cash applied to operating activities	(817,012)	(94,650)	(801,369)	(73,917)	12
Investing activities					
Cash was provided from:					
Finance income	24,250	16,934	63,495	20,939	
Cash was applied to:					
Purchase of property, plant and equipment	(16,885)	(17,629)	(5,359)	-	
Advances to subsidiaries	-	-	(168,908)	(178,236)	
Net cash from/(applied) to investing activities	7,365	(695)	(110,772)	(157,297)	
Financing activities					
Cash was provided from:					
Proceeds from share issue	811,535	1,267,818	811,535	1,264,100	
Net cash provided from financing activities	811,535	1,267,818	811,535	1,264,100	
Net increase/(decrease) in cash and cash equivalents held	1,888	1,172,473	(100,606)	1,032,886	
Cash & cash equivalents at beginning of the year	1,242,575	70,102	1,032,986	100	
Cash & cash equivalents at end of the year	1,244,463	1,242,575	932,380	1,032,986	
Composition of cash and cash equivalents:					
Bank balances	1,244,463	1,242,575	932,380	1,032,986	9

The accompanying notes on pages 15 to 34 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

SNAKK MEDIA LIMITED

1. STATEMENT OF ACCOUNTING POLICIES

Introduction

Snakk Media Limited is a company incorporated in New Zealand, registered under the Companies Act 1993.

Financial statements for Snakk Media Limited (the "Company") and consolidated financial statements are presented.

The consolidated financial statements comprise the Company and its subsidiaries (together the "Group") and the comparative financial period is for the year ended 31 March 2012.

The financial statements have been prepared in accordance with the Financial Reporting Act 1993.

These consolidated financial statements have been approved for issue by the Board of Directors on 14 June 2013.

The principal activity of the Company is the provision of end to end mobile media solutions.

Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The financial statements include separate financial statements for Snakk Media Limited as an individual entity and the Group consisting of Snakk Media Limited and its subsidiaries.

1.1 Basis of preparation

These general purpose financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand. The financial statements comply with the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS's) and any other applicable Financial Reporting Standards as appropriate to profit oriented entities.

Compliance with IFRS
The financial statements comply with International Financial Reporting Standards (IFRS).

Historical cost convention
These financial statements have been prepared under the historical cost convention.

Critical accounting estimates
The preparation of financial statements in conformity with NZ IFRS requires the use of certain critical accounting estimates judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The preparation of financial statements in conformity with NZ IFRS also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

1.2 Changes in accounting policies

There have been no significant changes in accounting policies during the current year.

Accounting policies have been applied on a basis consistent with the prior annual financial statements.

Adoption Status of Relevant New Financial Reporting Standards and Interpretations

The following new standards and amendments to standards were applied during the period:

FRS 44 *New Zealand Additional Disclosures and Harmonisation Amendments*
FRS 44 sets out New Zealand specific disclosures for entities that apply NZ IFRSs. These disclosures have been relocated from NZ IFRSs to clarify that these disclosures are additional to those required by NZ IFRS. Apart from the recognition of imputation credits, adoption of the new rules has not affected any of the amounts recognised in the financial statements.

The Harmonisation Amendments amends various NZ IFRSs for the purpose of harmonising with the source IFRSs and Australian Accounting Standards. The significant amendments include:
- deletion of the requirement for an independent valuer to conduct the valuation of investment property and property, plant and equipment;
- inclusion of the option to account for investment property using either cost or fair value model;
- introduction of the option to use the indirect method of reporting cash flows that is not currently in NZ IAS 7.

In addition, various disclosure requirements have been deleted.

The following new standards and amendments to standards have been issued but are not yet effective;

NZ IAS 1 *Amendments Presentation of Items of Other Comprehensive Income.* The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether they may be recycled to profit or loss in the future. This will not affect the measurement of any of the items recognised in the balance sheet or the profit or loss in the current period. The Group intends to adopt the new standard from 1 April 2013.

NZ IAS 27 *Separate Financial Statements*
NZ IAS 27 is renamed *Separate Financial Statements* and is now a standard dealing solely with separate financial statements. Application of this standard by the Group and parent entity will not affect any of the amounts recognised in the financial statements, but may impact the type of information disclosed in relation to the parent's investments in the separate parent entity financial statements. The Group intends to adopt the new standard from 1 April 2013.

NZ IFRS 9 *Financial Instruments*
This standard addresses the classification, measurement and derecognition of financial assets and financial liabilities. NZ IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of IAS 39 requirements. The main change is that in cases where the fair value option is taken for financial liabilities, the part of the fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Group is yet to assess NZ IFRS 9's full impact and intends to adopt NZ IFRS 9 no later than 1 April 2015.

NZ IFRS 10 *Consolidated Financial Statements*
NZ IFRS 10 replaces all of the guidance on control and consolidation in NZ IAS 27 *Consolidated and Separate Financial Statements*, and NZ SIC 12 *Consolidation – Special Purpose Entities*. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities. It focuses on the need to have both power and rights or exposure to variable returns before control is present. Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. There is also new guidance on participating and protective rights and on agent/principal relationships. The Group does not expect the new standard to have a significant impact on its composition. The Group intends to adopt NZ IFRS 10 from 1 April 2013.

NZ IFRS 12 *Disclosures of interests in other entities*
NZ IFRS 12 sets out the required disclosures for entities reporting under the two new standards, NZ IFRS 10 and NZ IFRS 11, and replaces the disclosure requirements currently found in NZ IAS 28. Application of this standard by the Group will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to the Group's investments. The Group intends to adopt NZ IFRS 12 from 1 April 2013.

NZ IFRS 13 *Fair Value Measurement*
NZ IFRS 13 explains how to measure fair value and aims to enhance fair value disclosures. The Group has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance. It is therefore not possible to state the impact, if any, of the new rules on any of the amounts recognised in the financial statements. However, application of the new standard will impact the type of information disclosed in the notes to the financial statements. The Group intends to adopt NZ IFRS 13 from 1 April 2013.

There are no other NZ IFRSs or NZ IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

1.3 Basis of consolidation

Subsidiaries

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the polices adopted by the Group.

The Company's investments in subsidiaries are shown at cost less impairment losses.

Business Combinations

The acquisition method of accounting is used to account for all business acquisitions regardless of whether equity instruments or other assets are acquired. Consideration is measured as the fair value of the asset given, shares issued or liabilities incurred or assumed at the date of exchange and includes any assets or liabilities arising from contingent consideration. Where equity instruments are issued in an acquisition, the value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity. Other acquisition related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the profit or loss, but only after a reassessment of the identification and measurement of the net assets acquired.

Reverse Acquisition

The consolidated financial statements have been prepared using reverse acquisition accounting. The consolidated financial statements prepared are issued in the name of the legal parent, Snakk Media Limited, but represent a continuation of the financial statements of the legal subsidiary Agent M Group Limited (the accounting acquirer) following the reverse acquisition of Snakk Media Limited (the accounting acquiree) on 16 July 2011.

In reverse acquisition accounting, the cost of the business combination is deemed to have been incurred by the legal subsidiary, Agent M Group Limited, the acquirer for accounting purposes, in the form of equity instruments issued to the owners of the legal parent, Snakk Media Limited (the acquiree for accounting purposes). Details of the acquisition are set out in note 24.

1.4 Revenue

Goods and Services Sold

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services, excluding Goods and Services Tax, after eliminating sales within the Group. Revenue is recognised as follows:

i. Advertising fees
Advertising fees are recognised on a basis that reflects the stage of completion of the advertising services performed. Where amounts are received from clients in advance of services being performed the amounts are recognised as deferred income in the Statements of Financial Position.

This represents the operating revenue of the Group.

ii. Management fee income
Management fee income is recognised on an accruals basis in accordance with the substance of the relevant agreements.

This represents the operating income of the Company.

iii. Interest
Interest is recognised as it is accrues using the effective interest rate method.

1.5 Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short term, highly liquid investments with original maturities of three months or less.

1.6 Intangibles Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired business at the date of acquisition. Goodwill acquired in business combinations is not amortised. Instead, goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill of the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

1.7 Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Depreciation is calculated using the straight line method to allocate the cost, net of their residual values, over the estimated useful lives, which are currently and for the prior year, as follows:

Category	Estimated useful life (years)
Office equipment	2

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statements of Comprehensive Income.

1.8 Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.9 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the Board of Directors.

1.10 Foreign currency translation

Functional and presentation currency

Items included in the financial statements use the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in New Zealand dollars which is Snakk Media Limited's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are translated to the respective functional currencies of Company entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in the Statements of Comprehensive Income.

Group Companies

The results and financial position of all of the Group's entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each Statement of Financial Position presented are translated at the closing rate of the date of that Statement of Financial Position;
- Income and expenses for each profit or loss are translated at the average exchange rate for the month;
- All resulting exchange differences are recognised as a separate component of equity.

1.11 Impairment of assets

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised.

For financial assets measured at amortised cost the reversal is recognised in the Statements of Comprehensive Income.

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). A cash generating unit identified cannot be larger than an operating segment identified per NZ IFRS 8. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. 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.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

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

1.12 Income tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the national income tax rate that is enacted or substantively enacted for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax liabilities are recognised for temporary differences at the tax rates expected to apply when the liabilities are settled based on those tax rates that are enacted or substantively enacted for each jurisdiction at the reporting date. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or liability. No deferred tax liability is recognised in relation to these temporary differences if they arose in a transaction that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and for unused tax losses, at the tax rate expected to apply when the assets are utilised based on the tax rates enacted or substantively enacted for each jurisdiction at the reporting date. A deferred tax asset is recognised to the extent that it is probable that future taxable income will be available against which the temporary difference can be utilised. The deferred tax asset is reviewed at each reporting date and is reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount of tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in other comprehensive income are also recognised directly in other comprehensive income.

1.13 Financial instruments

Financial assets and financial liabilities are recognised on the Company's and the Group's Statements of Financial Position when the Company and the Group becomes a party to the contractual provisions of the instrument. The Group classifies its financial assets as loans and receivables and its financial liabilities as at amortised cost.

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

Financial assets and financial liabilities are only offset if there is a currently legally enforceable right of offset and the Group intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Trade and other receivables

Trade and other receivables are measured at amortised cost using the effective interest method, less impairment losses. Receivables of a short term nature are not discounted.

The collection of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for impairment losses is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period that are unpaid at the reporting date. The amounts are unsecured and are usually paid within 30 days of recognition. These are measured at amortised cost. Payables of a short term nature are not discounted.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts.

1.14 Provisions

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

Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

1.15 Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled on an undiscounted basis. The Group has no obligations in relation to long service or post-employment benefits.

1.16 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statements of Comprehensive Income on a straight-line basis over the lease.

1.17 Earnings per share

Basic earnings or loss per share

Basic earnings or loss per share is calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial period, adjusted by the exchange ratio arising from the reverse acquisition.

Diluted earnings or loss per share

Diluted earnings or loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding during the financial period, adjusted by the exchange ratio arising from the reverse acquisition, to assume conversion of all dilutive potential ordinary shares.

1.18 Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.19 Goods and services tax (GST)

The Statements of Comprehensive Income and Statements of Cash Flows have been prepared so that all components are stated exclusive of GST. All items in the Statements of Financial Position are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

1.20 Finance income and expenses

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method.

Finance expense comprises interest expense on borrowings. All borrowing costs are recognised in the Statements of Comprehensive Income using the effective interest method except if they relate to qualifying assets in which case they are capitalised to that asset.

1.21 Share-based payment

For equity settled share based payment transactions, the grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the options.

1.22 Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the current market rate of interest at the reporting date. Receivables of a short term nature are not discounted.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the current market rate of interest at the reporting date. Payables of a short term nature are not discounted.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below.

i. Carrying value of the investment in subsidiary and advances to subsidiaries
In determining the recoverable values of the Company's investment in its subsidiary and the advances to subsidiaries, the Directors have considered the recent issue price of shares and the future strategic direction of the Group. In the event the strategic direction of the Group is adversely affected the carrying value of the investment in subsidiary of $5 million (2012: $5 million) and advances to subsidiaries of $974,901 (2012: $352,329) may be irrecoverable.

ii. Share based payments
In determining the fair value of options issued to Key Management and Directors certain assumptions have been adopted which have a material impact on the share based payment expense recognised over the vesting period. Significant assumptions are set out in note 22.

iii. Deferred tax asset
The Directors are of the view there is not a reasonable probability that the tax losses available to the Company and Group will be able to be utilised in the foreseeable future. The deferred tax benefit of those tax losses has therefore not been recognised in the Statement of Financial Position. See note 4.

3. EXPENSES

	Group		Company		
	2013	2012	2013	2012	Notes
	$	$	$	$	
Loss before income tax includes the following specific expenses:					
Auditors' remuneration	45,000	50,908	45,000	42,500	
Depreciation expense - office equipment	14,812	7,244	1,731	-	
Directors' fees	183,333	110,002	183,333	110,002	
Operating lease expense	129,273	41,967	10,151	870	
Acquisition costs expensed	-	3,895	-	-	23
Share based payment	291,653	212,720	291,653	212,720	22
Employee benefits					
Salaries and wages	1,199,489	715,525	45,415	-	
Superannuation contributions	94,132	59,372	216	-	
	1,293,621	774,897	45,631	-	

Auditors' remuneration comprises:

The auditor for Snakk Media Limited is PricewaterhouseCoopers.

Fees paid to PricewaterhouseCoopers for:				
Audit of financial statements	45,000	50,908	45,000	42,500

4. INCOME TAX

	Group		Company	
	2013	2012	2013	2012
	$	$	$	$
Income tax expense				
Current tax	-	(9,346)	-	-
Deferred tax	-	-	-	-
Income tax expense	-	(9,346)	-	-
Reconciliation of income tax expense to prima facie tax payable				
Loss before tax:	(1,189,958)	(615,403)	(494,864)	(244,003)
Taxation benefit at the rate of:				
Australia - 30% (2012: 30%) of loss	121,250	86,967	138,562	68,321
NZ - 28% (2012: 28%) of loss	220,021	91,442	-	-
Non-deductible expenses	(86,986)	(61,600)	(82,147)	(59,846)
Taxation effect of temporary differences	(16,670)	(45,981)	-	-
Future benefit of tax losses not recognised	(237,615)	(80,174)	(56,415)	(8,475)
Income tax expense	-	(9,346)	-	-
Tax payable - Australia	-	20,549	-	-
Tax refund - New Zealand	(22,148)	(5,058)	(11,269)	(5,058)

The Company has an unrecognised deferred tax asset in respect of tax losses of $231,748 - tax effect of $64,889 (2012: tax losses of $30,268 – tax effect of $8,475) which are available to be carried forward to reduce future income tax liabilities in New Zealand.

The Company's Australian subsidiary has an unrecognised deferred tax asset in respect of tax losses of $515,159 - tax effect of $154,548 (2012: tax losses of $182,690 - tax effect of $54,807) which are available to be carried forward to reduce future income tax liabilities in Australia.

The Company's New Zealand subsidiary has an unrecognised deferred tax asset in respect of tax losses of $314,927 - tax effect of $88,180 (2012: tax losses of $24,000 – tax effect of $6,720) which are available to be carried forward to reduce future income tax liabilities in New Zealand.

Utilisation of the tax losses is subject to compliance with income tax legislation on continuity of shareholders and/or "business" activities and the availability of future taxable income.

The Directors are of the view there is not a reasonable probability that the tax losses will be utilised in the foreseeable future. The deferred tax benefit of those losses has therefore not been recognised in the Statements of Financial Position.

	Group	
	2013	2012
	$	$
Imputation credits		
Opening balance	5,058	-
Taxes paid	6,341	5,058
Imputation credits available for subsequent reporting periods	11,399	5,058

5. SHARE CAPITAL AND OTHER EQUITY INSTRUMENTS

Issued and paid up capital

All shares issued are ordinary shares with no par value and rank equally with one vote attached to each fully paid share. Issued shares are detailed below.

	Group		Company	
	2013	2012	2013	2012
Issued and paid up capital:	$	$	$	$
Balance at beginning of the year	2,810,457	1,542,539	6,264,200	100
Issue of shares	811,535	1,267,918	811,535	6,264,100
Balance at end of the year	3,621,992	2,810,457	7,075,735	6,264,200

Movement in Ordinary Shares			
Company	Number of shares	Issue Price (Cents)	$
Balance 1 April 2011	5,134,665		100
Movements during the year			
50,000,000 shares issued at $0.009 each on 25/7/2011	50,000,000	0.9	450,000
25,000,000 shares issued at $0.005 each on 25/7/2011	25,000,000	0.5	125,000
100,000,000 shares issued at $0.05 each on 16/7/2011	100,000,000	5.0	5,000,000
10,870,000 shares issued at $0.05 each on 22/11/2011	10,870,000	5.0	543,500
2,910,000 shares issued at $0.05 each on 28/2/2012 - 31/3/2012	2,910,000	5.0	145,500
Balance 31 March 2012	193,914,665		6,264,100
Balance 1 April 2012	193,914,665		6,264,100
Movements during the year			
800,000 shares issued at $0.05 each on 30/4/2012	800,000	5.0	40,000
198,000 shares issued at $0.05 each on 31/8/2012	198,000	5.0	9,900
5,838,465 shares issued at $0.065 each on 1/12/2012	5,838,465	6.5	379,500
5,878,994 shares issued at $0.065 each on 14/1/2013	5,878,994	6.5	382,135
Balance 31 March 2013	206,630,124		7,075,635

Share option reserve

The share option reserve is used to record the accumulated value of unexercised share options and unvested shares rights which have been recognised in the Statements of Comprehensive Income. As at balance date, executives and directors have options over 13,870,000 shares (2012: 11,700,000). See note 22.

	Group		Company	
	2013	2012	2013	2012
	$	$	$	$
Balance at the start of the year	212,720	-	212,720	-
Share based payment	291,653	212,720	291,653	212,720
Balance at the end of the year	504,373	212,720	504,373	212,720

6. ACCUMULATED LOSSES

	Group		Company	
	2013	2012	2013	2012
	$	$	$	$
Balance at the start of the year	(2,088,146)	(1,463,397)	(244,003)	-
Loss for the year	(1,189,958)	(624,749)	(494,864)	(244,003)
Balance at the end of the year	(3,278,104)	(2,088,146)	(738,867)	(244,003)

7. FOREIGN CURRENCY TRANSLATION RESERVE

	Group		Company	
	2013	2012	2013	2012
	$	$	$	$
Balance at the start of the year	(35,401)	(49,849)	-	-
Gain from translation of foreign operations for the year	27,182	14,448	-	-
Balance at end of the year	(8,219)	(35,401)	-	-

Exchange differences arising on translation of the foreign controlled entity are taken to the foreign currency translation reserve.

8. CURRENT LIABILITIES

	Group		Company	
	2013	2012	2013	2012
	$	$	$	$
Trade payables	691,311	283,612	27,146	118,302
Sundry payables and accruals	551,250	484,874	76,877	39,154
Deferred income	120,801	125,464	-	-
	1,363,362	893,950	104,023	157,456

Trade payables are payable within 60 days and are interest free.

9. CASH AND CASH EQUIVALENTS

	Group		Company	
	2013	2012	2013	2012
	$	$	$	$
Cash at bank - on call, interest rate nil (2012: nil)	332,745	265,985	38,360	73,784
Cash at bank - on call, interest rate 1% (2012: 1%)	401,432	966,590	383,734	949,202
Cash at bank - term deposit interest rate 3.6% (2012: 3.5%)	510,286	10,000	510,286	10,000
	1,244,463	1,242,575	932,380	1,032,986

10. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2013	2012	2013	2012
	$	$	$	$
Trade receivables	889,375	527,686	-	-
Other receivables	34,098	27,563	23,086	-
	923,473	555,249	23,086	-

11. PROPERTY, PLANT AND EQUIPMENT

	Group	Company
Office equipment	$	$
Cost		
Balance at 1 April 2011	1,292	-
Additions	17,629	-
Balance at 31 March 2012	18,921	-
Additions	16,885	5,359
Disposals	-	-
Balance at 31 March 2013	35,806	5,359
Accumulated depreciation		
Balance as at 1 April 2011	(430)	-
Depreciation for the year	(7,244)	-
Balance at 31 March 2012	(7,674)	-
Depreciation for the year	(14,812)	(1,731)
Balance at 31 March 2013	(22,486)	(1,731)
Carrying amounts		
At 1 April 2011	862	-
At 31 March 2012	11,247	-
At 31 March 2013	13,320	3,628

12. RECONCILIATION OF OPERATING CASH FLOWS

	Group		Company	
	2013	2012	2013	2012
	$	$	$	$
Loss after tax	(1,189,958)	(624,749)	(494,863)	(244,003)
Items classified as investing/financing				
Interest received	(24,250)	(16,934)	(63,495)	(20,939)
Add non-cash items and investment activities:				
Depreciation	14,812	7,244	1,731	-
Share based payment expense	291,653	212,720	291,653	212,720
Management fee income	-	-	(453,664)	(174,093)
Foreign currency translation reserve	27,182	-	-	-
Add/(Less) movements in working capital:				
Receivables and prepayments	(385,314)	(319,069)	(29,297)	-
Creditors, accruals and taxation	448,863	646,138	(53,433)	152,398
Net cash flow applied to operating activities	(817,012)	(94,650)	(801,369)	(73,917)

13. INVESTMENTS

	Company	
	2013	2012
	$	$
Investments in subsidiaries		
Cost	5,000,000	5,000,000
Less impairment	-	-
Carrying value	5,000,000	5,000,000

The Company's investment in subsidiary is stated at cost less impairment. All subsidiaries have 31 March balance dates except Snakk Media Pty Limited which has a 30 June balance date to align with the Australian income tax year. Other details are:

Name of entity	Principal activities	Incorporated	Group Interest	Value of Investment	
			2013 & 2012	2013	2012
Agent M Group Limited	NZ holding company	NZ	100%	5,000,000	5,000,000
Snakk Media Pty Limited	Provision of end to end mobile media solutions	Aus	100%	-	-
Agent M (US) Inc	Not trading	USA	100%	-	-
				5,000,000	5,000,000

14. ADVANCES TO SUBSIDIARIES

	Company	
	2013	2012
	$	$
Agent M Group Limited	466,605	146,560
Snakk Media Pty Limited	508,296	205,769
	974,901	352,329

Advances to subsidiaries are unsecured and interest bearing. There is no fixed repayment date and advances are not expected to be repaid within 12 months.

15. COMMITMENTS

The following amounts have been committed to but not recognised in the financial statements. Non-cancellable operating lease commitments relate to premises. The Group has no right of renewal or purchase option over the premises.

	Group		Company	
	2013	2012	2013	2012
	$	$	$	$
Less than one year	67,496	43,682	8,940	-
Between one and five years	-	-	-	-
Total commitment	67,496	43,682	8,940	-

At reporting date the Company and the Group had no material outstanding capital expenditure commitments (2012: nil).

16. CONTINGENT LIABILITIES

The Company and Group have no contingent liabilities at balance date (2012: nil).

17. LOSS PER SHARE

The loss of $1,189,958 (2012: $624,749) for the year represented a loss per share shown below based on weighted average ordinary shares on issue during the year.

	Group		Note
	2013	2012	
Weighted average ordinary shares issued	197,907,529	159,849,557	
Weighted average dilutive options issued	11,765,397	4,647,945	22
Weighted average number of ordinary shares for diluted loss per share	209,672,926	164,497,502	
Basic loss per share (cents)	(0.60)	(0.39)	
Diluted loss per share (cents)	(0.57)	(0.38)	

18. FINANCIAL RISK MANAGEMENT

The Group is subject to a number of financial risks including liquidity risk, credit risk and market risk (including interest rate risk and credit risk) which arise as a result of its activities.

(i) Interest rate risk

Interest rates on cash and cash equivalents ranged from 0% to 4.50% (2012: 0% to 4.25% p.a.). The interest rate on advances to subsidiaries was LIBOR plus 3% (2012: LIBOR plus 3%). At reporting date the Company's interest-bearing financial instruments were:

	Group		Company	
	2013	2012	2013	2012
	$	$	$	$
Variable rate instruments				
Financial assets - Cash & cash equivalents	734,177	966,590	422,094	949,202
- Advances to subsidiaries	-	-	974,901	352,329
Fixed rate instruments				
Financial assets - Cash & cash equivalents	510,286	10,000	510,286	10,000

Cash flow sensitivity analysis for interest bearing financial instruments

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below:

	Profit or loss		Equity	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Group	$	$	$	$
31 March 2013				
Cash & cash equivalents	9,117	(9,117)	9,117	(9,117)
31 March 2012				
Cash & cash equivalents	12,426	(9,766)	12,426	(9,766)
Company				
31 March 2013				
Cash & cash equivalents	8,940	(8,940)	8,940	(8,940)
Advances to subsidiaries	9,749	(9,749)	9,749	(9,749)
31 March 2012				
Cash & cash equivalents	10,330	(9,592)	10,330	(9,592)
Advances to subsidiaries	3,523	(3,523)	3,523	(3,523)

(ii) Credit risk

In the normal course of business the Company and the Group incurs credit risk from transactions. The Group has a credit policy which is used to manage this exposure to credit risk. As part of this policy, exposures are monitored on a regular basis. Cash is deposited with reputable financial institutions. At balance date the banking counterparties are Westpac Banking Corporation and Bank of New Zealand. The Group does not require any collateral or security to support financial instruments.

Maximum exposures to credit risk at reporting date are as follows:

	Group		Company	
	2013	2012	2013	2012
	$	$	$	$
Carrying amounts of financial assets				
Cash and cash equivalents	1,244,463	1,242,575	932,380	1,032,986
Trade receivables	889,375	527,686	-	-
Advances to subsidiaries	-	-	974,901	352,329
Receivables by geographic region				
Australia	885,552	526,495	-	-
New Zealand	3,823	1,191	-	-

The Group's largest individual debtor at the reporting date accounts for $137,776 (2012: $133,124) of the trade receivables.

Concentrations of credit risk

The Group's largest customer accounts for 20% (2012: 46%) of total sales and 7% (2012: 25%) of trade receivables at balance date.

78% (2012: 84%) of the Group's reporting date cash was with one bank. The Group does not have any other significant concentrations of credit risk.

(iii) Currency risk

The Group trades in Australian dollars and New Zealand dollars. There is no material currency risk within the individual companies comprising the Group.

(iv) Liquidity risk

Liquidity risk represents the Group's ability to meet its financial obligations on time. The Group generates sufficient cash flows from its operations and financing activities to make timely payments.

The following are the gross contractual cash outflows of financial liabilities:

31 March 2013	Carrying amount	Contractual cash flows	0 – 3 months	4 – 12 months	1 – 2 years	3 – 5 years	5+ years
Group							
Trade and other payables	1,363,362	(1,363,362)	(1,311,177)	(52,185)	-	-	-
Company							
Trade and other payables	104,023	(104,023)	(78,710)	(25,313)	-	-	-
31 March 2012							
Group							
Trade and other payables	622,839	(622,839)	(534,525)	(88,314)	-	-	-
Company							
Trade and other payables	157,456	(157,456)	(157,456)	-	-	-	-

(v) Impairment allowance

The ageing of receivables at reporting date was:

	2013		2012	
	Gross	Impairment	Gross	Impairment
Group	$	$	$	$
0 – 30 days	289,747	-	305,539	-
31 – 60 days	407,382	-	222,147	-
61 – 90 days	74,716	-	-	-
91+ days	117,530	-	-	-
	889,375	-	527,686	-

No impairment of receivables was considered necessary. Factors considered in determining whether any impairment provision was required were the age of the debt, the financial position of the debtor and past payment history. Amounts greater than 60 days old are considered past due but not impaired.

The Company had no impaired receivables at 31 March 2013 (2012: $ nil).

(vi) Fair values

There is no significant difference between the fair values and the carrying amounts of financial assets and liabilities in the Statements of Financial Position as at balance date (2012: $ nil).

(vii) Capital management

The Company's objectives when managing capital are to safeguard the Company's and the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company currently monitors capital on the basis of cash requirements and, in order to maintain or adjust the capital structure, undertakes issues of new shares to investors and existing shareholders. The Group and the Company have not been subject to any externally imposed capital requirements during the period or comparative period. On 6 March 2013, the Company listed on the NZX Alternative Market ("NZAX") operated by the NZ Stock exchange.

(viii) Financial instruments by category

	Group		Company	
	2013	2012	2013	2012
	$	$	$	$
Financial assets	Loans & receivables			
Trade and other receivables	889,375	527,686	-	-
Cash and cash equivalents	1,244,463	1,242,575	932,380	1,032,986
Advances to subsidiaries	-	-	974,901	352,329
	2,133,838	1,770,261	1,907,281	1,385,315
Financial liabilities	Measured at amortised cost			
Trade and other payables	1,207,843	893,950	93,005	157,456

19. SEGMENT INFORMATION

The Group is organised into one operating segment, the provision of mobile phone enabled promotions and marketing services. The segment result is reflected in the financial statements. The Group operates principally in Australia.

Three (2012: two) customers of the Group's media & marketing segment (each of whom individually exceeds 10% of the Groups' revenues) represent approximately $714,000, $482,000 and $422,000 (2012: $911,000, and $246,000) respectively of the Group's total revenues.

20. RELATED PARTY INFORMATION

General

All entities in the Group are considered to be related parties of Snakk Media Limited. Subsidiaries are identified in note 13.

At reporting date the Directors of the Company controlled 24% (2012: 71%) of the voting shares in the Company.

Derek Handley is the sole shareholder of Far East Associated Traders Limited which holds 24.0% (2012: 30.8%) of the shares in the Company at balance date. Derek Handley provides executive services to the Company.

Sean Joyce resigned as a director of the Company on 28 January 2013 and provides legal services to the Company through Corporate Counsel. Payment is due on normal commercial terms.

Companies within the Group are charged on an arm's length basis for services provided to them by other Group companies.

The Company advances amounts to its subsidiaries to fund their operations. Advances to subsidiaries are unsecured and bear interest at a rate of LIBOR plus 3% (2012: LIBOR plus 3%). There is no fixed repayment date and advances are not expected to be repaid within 12 months.

	Group		Company	
	2013	2012	2013	2012
	$	$	$	$
Subsidiaries				
Interest earned from subsidiaries	-	-	41,308	5,611
Advances to subsidiaries	-	-	(352,329)	173,902
Management fee income	-	-	7,075,735	178,427
Amounts receivable from subsidiaries	-	-	-	352,329
Other related parties				
Corporate Counsel	60,213	16,000	60,213	16,000
Really Useful Crew	108,716	-	-	-
Balances outstanding				
Payable to Derek Handley	1,686	62,111	1,686	62,111
Payable to Corporate Counsel	6,808	4,025	6,808	4,025
Payable to Really Useful Crew	47,300	-	-	-
Key management personnel compensation (excluding directors' remuneration) comprised:				
Short term employee benefits	381,831	301,583	50,185	-
Share based payments	208,876	160,255	208,876	160,255
	590,707	461,838	259,061	160,255

Key management personnel and director transactions

In addition to their salaries and directors' fees, the Group also provides non-cash benefits to directors and executive officers in the form of share options (see note 22).

Directors' remuneration

During the period, the Board approved the following fees and remuneration, including all share option benefits, for the directors:

	2013		2012	
	Director's Fees	Other Remuneration	Director's Fees	Other Remuneration
Company & Group	$	$	$	$
Directors of Snakk Media Limited				
D Handley	125,000	25,437	60,419	17,488
T Alpe - Appointed 28 January 2013	-	-	-	-
M Kong - Appointed 28 January 2013	-	-	-	-
S Joyce - Resigned 28 January 2013	29,167	26,497	24,792	17,488
P Norman - Resigned 28 January 2013	29,166	30,843	24,792	17,488
	183,333	82,777	110,003	52,464

21. SIGNIFICANT EVENTS SUBSEQUENT TO REPORTING DATE

On 19 April 2013, the Directors issued a Pre-Break Announcement in accordance with NZAX Listing Rule 10.2 for the issue of 2.0million Options to non-executive Directors. The Company proposed to issue 1.0 million Options to acquire ordinary shares in the Company to each of its two non-executive directors – Tim Alpe and Michelle Kong in accordance with the established share option plan. The proposed exercise price for each Option was 6.5 cents. At the date of the announcement, the average weighted price for the previous ten trading days on the NZAX was 15.5 cents for the ordinary shares of the Company. The proposed exercise price therefore represented a 58.1% discount to that historical average price. However, when setting the exercise price for the Options, regard was had to the last issue price at which capital was raised by the Company at an issue price of 6.5 cents per share. The Options will be issued to Tim Alpe and Michelle Kong on 14 June 2013.

On 22 April 2013, the Directors announced a $2million share purchase plan ("SPP") offer to eligible shareholders registered on the Company's share register on 1 May 2013, the SPP was open from 6 May 2013 to 21 May 2013. Under the SPP, eligible shareholders were entitled to purchase additional ordinary shares at 12 cents per share. The SPP offer represented an approximate 20% discount to the volume weighted average price on the NZAX for the previous 30 days and eligible shareholders had the exclusive opportunity to buy a maximum of $15,000 worth of ordinary shares in the Company. The new capital raised will go toward funding further expansion into new regions or sales teams and exploring strategic investment opportunities. On the closing of the SPP on 21 May 2013, $6.8m had been received and the Directors scaled applications received in accordance with the terms of the SPP. The number of ordinary shares issued under the SPP was 48,198,905 on 27 May 2013 for $5.78 million.

On 25 April 2013, the Directors announced a $1m private placement share offering to select individuals and institutions. The offer was restricted to Eligible Persons as that term is defined in the Securities Act 1978 ("Act"). For the purposes of the Act, a person falls within the definition of an Eligible Person if they are either a "wealthy person", or are "experienced in investing money" or are "experienced in the industry or business to which the security relates" or a "close associate" of the company. Eligible Persons were entitled to purchase additional ordinary shares at 12 cents per share , the minimum investment amount was $10,000 for individuals and $250,000 for institutions. On the closing of the private placement, $0.59m had been received and 4,990,583 ordinary shares are to be issued.

There have been no other events subsequent to reporting date which have a material effect on these financial statements.

22. SHARE BASED PAYMENTS

The Group has an established share option plan that entitles selected directors, executives and contractors to purchase shares in the Company. In accordance with the terms of issue of the options, holders are entitled to acquire shares at the price determined at the time the options were issued. All options are to be delivered by physical delivery of shares.

Terms and conditions of grants are as follows:

Grant date	Personnel entitled	Number of instruments	Vesting conditions	Contractual life of option
7/11/2011	Key executives	7,200,000	Three equal tranches, vesting one on the day of grant & one on each of the next two anniversaries of the grant.	Until 5 calendar years from the date of vesting
7/11/2011	Directors	4,500,000	Three equal tranches, vesting one on each of the first, second and third anniversaries of the grant.	Until 5 calendar years from the date of vesting
As at 1 April 2012		11,700,000		
20/03/2013	Key executives	1,400,000	Three equal tranches, vesting on each of the next three anniversaries of the grant.	Until 2 calendar years from the date of vesting
20/03/2013	Key contractors	770,000	One fully vested tranche issued on 20 March 2013.	Until 2 calendar years from the date of vesting
As at 31 March 2013		13,870,000		

In the year ended 31 March 2013 the vesting period of the share options to S Joyce and P Norman was reduced and the share based payment expense increased to reflect the shorter vesting period.

The number and average exercise price of the shares options is as follows:

	2013		2012	
Company & Group	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at 1 April	5.0 cents	11,700,000	-	-
Granted during the period	6.5 cents	2,170,000	5.0 cents	11,700,000
Exercised during the period		-		-
Outstanding at 31 March	5.2 cents	13,870,000		11,700,000

Options outstanding at 31 March 2013 have a weighted average exercise price of 5.2 cents (2012: 5 cents) and a weighted average contractual life of 4.3 years (2012: 4.6 years). The fair value of services received in return for the share options granted is based on the fair value of share options granted measured using a Black Scholes model with the following inputs:

	Key Executives		Directors	
	2013	2012	2013	2012
Estimated fair value per share at grant date	12.0 cents	3.8 cents	-	3.8 cents
Exercise price per share	6.5 cents	5.0 cents	-	5.0 cents
Expected volatility	100%	100%	-	100%
Option life from date of grant	5 years	5 years	-	5 years
Risk free interest rate	3.51%	4.17%	-	4.17%

Expected volatility was estimated by reference to the volatility of listed equity securities for businesses of a similar nature to the Company operating in the media industry.

	2013	2012
Employee Expenses	$	$
Share based payment expense	291,653	212,720

23. BUSINESS COMBINATION

On 16 July 2011 Snakk Media Limited acquired 100% of the share capital of Agent M Group Limited in a reverse acquisition through which Agent M Group Limited's former shareholders were issued with 100,000,000 shares in Snakk Media Limited as an initial step towards listing on the NZ Stock Exchange. On the conclusion of the transaction, 95.12% of the share capital of Snakk Media Limited was held by the former shareholders of Agent M Group Limited. In accordance with IFRS, the Group financial statements represent the continuation of the Agent M Group Limited and its subsidiaries, with Snakk Media Limited financial statements consolidated into the Group from acquisition date. The acquired company contributed other income of $20,939 and loss after tax of $422,432 to the Group for the period 16 July 2011 to 31 March 2012. It the acquisition had been on 1 April 2011 nothing further would have been included in the Group's results as Snakk Media limited was not trading prior to the date of acquisition.

Details of the net assets acquired and goodwill are as follows:

	2012
Purchase consideration:	$
Shares issued at fair value	3,995
Total purchase consideration	3,995
Cash at bank – fair value of net assets	100
Purchase consideration expensed to the Statement of Comprehensive Income	3,895
	3,995

SHAREHOLDER INFORMATION

1. SHAREHOLDER STATISTICS

Stock Exchange Listing

The Company's shares are listed on the NZX Alternative Market (NZAX) operated by the New Zealand Stock Exchange.

Shares On Issue

As at 30 June 2013, the total number of ordinary shares on issue was 262,862,984.

Distributions of Security Holders

As at 30 June 2013	Shareholders		Ordinary Shares	
Holding Range	Number	%	Number	%
1 to 99	837	25.32%	41,271	0.02%
100 to 199	153	4.63%	19,963	0.01%
200 to 499	258	7.80%	74,948	0.03%
500 to 999	121	3.66%	82,511	0.03%
1,000 to 1,999	111	3.36%	150,410	0.06%
2,000 to 4,999	298	9.01%	943,584	0.36%
5,000 to 9,999	190	5.75%	1,255,559	0.48%
10,000 to 49,999	776	23.47%	17,798,823	6.77%
50,000 to 99,999	211	6.38%	14,602,104	5.55%
100,000 to 499,999	305	9.23%	45,437,391	17.28%
500,000 to 999,999	20	0.60%	13,714,021	5.22%
1,000,000 and above	26	0.79%	168,742,399	64.19%
Total	3,306	100.00%	262,862,984	100.00%

Geographic Distribution of Security Holders

As at 30 June 2013

Country	Holder Count	Holder Count %	Holding Quantity	Holding Quantity %
New Zealand	3,153	95.37	226,555,237	86.19
Australia	97	2.94	9,090,678	3.46
Great Britain	13	0.39	308,150	0.12
Hong Kong	10	0.30	14,600,206	5.55
USA	8	0.24	1,400,206	0.53
Thailand	5	0.15	7,109,107	2.70
Malaysia	3	0.09	3,445	-
Netherlands	3	0.09	63,209	0.02
Canada	2	0.06	1,040	-
China	2	0.06	512	-
Switzerland	2	0.06	10,400	0.01
Taiwan	2	0.06	463	-
France	1	0.03	256,063	0.10
Ireland	1	0.03	668	-
Italy	1	0.03	3,415,797	1.30
Japan	1	0.03	46,000	0.02
Republic of Korea	1	0.03	1,440	-
Vanuatu	1	0.03	363	-
Total	3,306	100.00	262,862,984	100

20 Largest Registered Holders of Quoted Equity Securities

As at 30 June 2013

Shareholder	Number of shares held	Percentage of issued shares
Far East Associated Traders Limited	46,598,821	17.73
Seadragon Limited	25,000,000	9.51
HPF Investments Limited	19,264,110	7.33
Custodian Nominee Company Limited	15,992,196	6.08
China Scot Limited	11,293,540	4.30
Rakia Limited	10,115,940	3.85
Andrew Jacobs	6,000,000	2.28
Keiji Takeuchi	3,415,797	1.30
China Scot International Limited	3,224,126	1.23
K One W One Limited	2,983,174	1.13
John Handley	2,532,376	0.96
Trevor Alan Smith	2,354,317	0.90
Cadre Investments Limited	2,082,834	0.79
Sparkbox Investments Limited	1,875,481	0.71
Bruce Michael Patterson	1,552,333	0.59
Professional Trustees Limited + Annette Presley <Kylie.co.nz A/C>	1,538,462	0.59
Philip John Norman	1,500,000	0.57
Custodial Services Limited <A/C 3>	1,460,366	0.56
Fnz Custodians Limited	1,418,519	0.54
Michael Lookman + Marilyn Somerville <Lookman Family A/C>	1,389,583	0.53
Total	161,591,975	61.48

Substantial Security Holders

As at 30 June 2013 the following persons have given substantial security holder notices as shown by the register kept by the Company in accordance with section 35C of the Securities Markets Act 1988. The number of ordinary shares and the percentage of voting securities set out below are taken from the relevant substantial security holder notices.

Name	Number of shares held	Percentage of issued shares	Date of SSH Notice
Far East Associated Traders Limited	46,598,821	22.55%	6 March 2013
China Scot Limited	11,293,540	5.47%	6 March 2013
SeaDragon Limited	25,000,000	12.10%	6 March 2013
HPF Investments Limited	24,783,898	11.99%	8 March 2013
Snakk Trustee Limited	25,000,000	12.10%	11 March 2013
HPF Investments Limited	22,512,087	10.89%	26 March 2013
Snakk Trustee Limited	22,711,540	10.99%	21 May 2013
China Scot Limited	11,293,540	4.43%	27 May 2013
Far East Associated Traders Limited	46,598,821	18.29%	27 May 2013
SeaDragon Limited	25,000,000	9.81%	27 May 2013
HPF Investments Limited	21,108,087	8.30%	31 May 2013
Snakk Trustee Limited	19,396,745	7.60%	31 May 2013
Snakk Trustee Limited	16,769,499	6.58%	14 June 2013

2. INTERESTS' REGISTER

Each company in the Group is required to maintain an interests' register in which the particulars of certain transactions and matters involving the directors must be recorded. The interests' registers for Snakk Media Limited and its subsidiaries are available for inspection at its registered office. When a director has declared an interest in a particular entity, as a shareholder or director, the declaration serves as notice that the director may benefit from any transaction between the Company and the identified entity.

Entries in the Interests' Register

The following entries were recorded in the interests register during the year:

a. Pursuant to the authority in the Parent company's constitution, the Company has indemnified Derek Handley, Tim Alpe, Michelle Kong, Phil Norman and Sean Joyce for liability as directors and officers.

b. Derek Handley entered into a service agreement with the Company pursuant to which he agreed to provide certain management and operational services to the Company and its subsidiaries for an annual fee of $125,000, which fee includes his remuneration as Chairman of the Board of Directors of the Company;

c. Sean Joyce provides legal services to the Company.

3. DIRECTORS' SHAREHOLDINGS

Details of directors' shareholdings as at 30 June 2013 are set out below:

		Beneficially	Associated Persons
Derek Handley	Shares	-	46,598,821
Derek Handley	Share Options	1,500,000	-
Sean Joyce	Share Options	1,500,000	-
Michelle Kong	Share Options	1,000,000	-
Tim Alpe	Share Options	1,000,000	-

The term of the options is five years.

5. DIRECTORS' AND OFFICERS' INDEMNIFICATION AND INSURANCE

Snakk Media Limited indemnifies all current directors and officers of the Group against all liabilities (other than to the Company or a subsidiary) which arise out of the performance of their normal duties as directors or officers, unless the liability relates to conduct involving lack of good faith. To manage this risk, the Group has obtained indemnity insurance for the period post balance date. The total cost of the insurance during the financial period ending 2013 is anticipated to be approximately $5,245 excluding GST.

6. DIRECTORS' DISCLOSURES

The Boards of the Group's subsidiaries are comprised of members from the Board of the Parent. Where appropriate for jurisdictional or operational issues, outside directors may be introduced.

Snakk Media Limited	Status
D Handley	Executive
T Alpe - Appointed 28 January 2013	Independent, Non-executive
M Kong - Appointed 28 January 2013	Independent, Non-executive
S Joyce - Resigned 28 January 2013	Independent, Non-executive
P Norman - Resigned 28 January 2013	Independent, Non-executive
Agent M Group Limited	
D Handley	Executive
Snakk Media Pty Limited	
D Handley	Executive
M Ryan - Appointed 28 January 2013	Executive
A de Frere - Resigned 28 January 2013	Independent, Non-executive

6. EMPLOYEE REMUNERATION

During the period employees, including executive directors, within the Group received remuneration, termination payments and benefits which exceeded $100,000 as follows:

	Number of Employees	
	2013	2012
110,000 to 120,000	1	-
120,001 to 130,000	3	-
140,001 to 150,000	1	-
150,001 to 160,000	1	-
220,001 to 230,000	1	-
280,001 to 290,000	-	1

7. DONATIONS

No donations were made by the Company during the financial year ended 31 March 2013.

8. PAYMENTS MADE TO AUDITORS

The Company has paid the amount of $45,000 (2012: $50,908) to PWC as auditor for the Company in respect of audit fees for the audit of the financial statements for the Company for the financial years ended 31 March 2013.

DIRECTORY

Registered Office

Level 6
57 Symonds Street
Grafton
Auckland, 1010

Postal Address

PO Box 302430,
North Harbour
Auckland, 0751

Share Registrar

Computershare Investor Services Limited
Private Bag 92119, Auckland
Phone: 09 488 8700

Auditor

PricewaterhouseCoopers
PwC Tower, 188 Quay Street
Auckland

Board of Directors

Derek Handley (appointed 16 July 2011)
Tim Alpe (appointed 28 January 2013)
Michelle Kong (appointed 28 January 2013)
Sean Joyce (resigned 28 January 2013)
Phil Norman (resigned 28 January 2013)

Executive Director

Derek Handley
417 Clinton Street,
Brooklyn, New York,
11231, USA

Company Number

3202682

Incorporated

24 November 2010

Shares Issued

262,862,984 Ordinary shares

Solicitors

Sean Joyce – Corporate Counsel
P.O. Box 105745, Auckland City
Auckland 1143
Phone: 021 865 704

Bankers

BNZ Bank Limited,
80 Queen Street,
Auckland, 1010

Independent Directors

Tim Alpe
61 Kurahaupo Street,
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Auckland, 1071

Michelle Kong
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Mt Eden
Auckland, 1024