

ORIENTED MEDIA GROUP BERHAD (517487-A)
(Incorporated in Malaysia)

**CONDENSED INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2013
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**

	3 Months Ended		6 Months Ended		Cumulative Quarter Ended	
	1st Quarter 30 Sept 2013	1st Quarter 30 Sept 2012	2nd Quarter 31-Dec 2013	2nd Quarter 31-Dec 2012	2013 RM	2012 RM
Revenue	327,828	75,190	363,177	406,796	691,005	481,986
Cost of sales	(184,189)	(28,737)	(339,530)	(92,715)	(523,719)	(121,452)
GROSS PROFIT	143,639	46,453	23,647	314,081	167,286	360,534
Other operating income	20,412	5,423	0	2,927	17,574	8,350
Administrative expenses	(183,457)	(443,639)	(454,910)	(534,570)	(635,529)	(978,209)
OPERATING LOSS	(19,406)	(391,763)	(431,264)	(217,562)	(450,670)	(609,325)
Finance costs	(4,872)	(15,581)	(740)	(15,405)	(5,612)	(30,986)
LOSS BEFORE TAXATION	(24,278)	(407,344)	(432,004)	(232,967)	(456,282)	(640,311)
Taxation	-	-	0	-	-	-
LOSS NET OF TAX	(24,278)	(407,344)	(432,004)	(232,967)	(456,282)	(640,311)
Other comprehensive loss						
Foreign currency translation	5,052	34,417	1,614	(83,098)	6,666	(48,681)
Other comprehensive loss for the quarter, net of tax	5,052	34,417	1,614	(83,098)	6,666	(48,681)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(19,226)	(372,927)	(430,390)	(316,065)	(449,616)	(688,992)
Loss attributable to:						
Owners of the parent	(24,278)	(405,659)	(432,004)	(231,404)	(456,282)	(637,063)
Non-controlling interests	-	(1,685)	-	(1,563)	-	(3,248)
	(24,278)	(407,344)	(432,004)	(232,967)	(456,282)	(640,311)
Total comprehensive loss attributable to:						
Owners of the parent	(19,227)	(469,455)	(430,389)	(315,052)	(449,616)	(784,507)
Non-controlling interests	-	96,528	-	(1,013)	-	95,515
	(19,227)	(372,927)	(430,389)	(316,065)	(449,616)	(688,992)
Loss per share attributable to equity holders of the Company:						
Basic (sen)	(0.01)	(0.21)	(0.24)	(0.18)	(0.25)	(0.39)
Diluted (sen)	N/A	N/A	N/A	N/A	N/A	N/A

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.)

ORIENTED MEDIA GROUP BERHAD (517487-A)

(Incorporated in Malaysia)

**CONDENSED INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2013
STATEMENT OF FINANCIAL POSITION**

	2013	AUDITED
	31-Dec-13	2013
	RM	30 JUNE
	RM	RM
ASSETS		
Non-current assets		
Property, plant and equipment	1,569,134	1,727,852
Intangible assets	1,076,891	1,334,076
Development expenditure	1,229,411	1,278,193
Deferred tax assets	4,864	4,864
Other Investment	767,971	767,971
Total Non-current assets	4,648,271	5,112,956
Current assets		
Other investment	-	-
Trade and other receivables	1,213,037	668,899
Tax recoverable	229,904	184,653
Fixed deposits placed with licensed banks	105,307	1,373,020
Cash and bank balances	165,053	184,726
Total Current Assets	1,713,301	2,411,298
TOTAL ASSETS	6,361,572	7,524,254
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company:		
Share capital	17,790,800	17,790,800
Share premium	3,640,397	3,640,397
Retained profits	(16,177,127)	(15,698,721)
Foreign exchange translation reserve	(127,744)	(156,534)
Reserves	(12,664,474)	(12,214,858)
Share option reserve	-	-
Shareholders' funds	5,126,326	5,575,942
Non-controlling interests	55,569	55,569
Total equity	5,181,895	5,631,511
Current liabilities		
Trade and other payables	1,178,177	1,185,142
Borrowings	-	704,601
Government grant	1,500	3,000
Total Current Liabilities	1,179,677	1,892,743
TOTAL LIABILITIES	1,179,677	1,892,743
TOTAL EQUITY AND LIABILITIES	6,361,572	7,524,254

Notes:

i. The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements

ii. The presentation of the audited figures for the financial year ended 30 June 2013 have been reclassified due to the cancellation of the proposed acquisition of PT Power.

ORIENTED MEDIA GROUP BERHAD (517487-A)
(Incorporated in Malaysia)

**CONDENSED INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2013
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

	←-----Attributable to equity holders of the parent----->							Equity attributable to owners of the parent RM	Total Equity RM
	Issued Capital RM	Share Premium RM	Translation Reserve RM	Option Reserve RM	Share Reserve RM	Accumulated Losses RM	Non-controlling Interests RM		
2nd Quarter ended 31 December 2013									
As at 1 July 2013	17,790,800	3,640,397	(156,534)	-	-	(15,698,721)	55,569	5,575,942	5,631,511
Total comprehensive loss	-	-	28,790	-	-	(478,406)	-	(449,616)	(449,616)
Transaction with owners:									
Issue of Ordinary Shares	-	-	-	-	-	-	-	-	-
Employee share option exercised	-	-	-	-	-	-	-	-	-
Expired of employee share options	-	-	-	-	-	-	-	-	-
As at 31 Dec 2013	<u>17,790,800</u>	<u>3,640,397</u>	<u>(127,744)</u>	<u>-</u>	<u>-</u>	<u>(16,177,127)</u>	<u>55,569</u>	<u>5,126,326</u>	<u>5,181,895</u>
2nd Quarter ended 31 December 2012									
As at 1 July 2012	1,589,900	3,591,352	(174,492)	3,762	-	(13,229,942)	64,124	6,000,580	6,064,704
Total comprehensive loss	-	-	8,394	-	-	(792,901)	95,515	(784,507)	(688,992)
Transaction with owners:									
Issue of Ordinary Shares	250,000	-	-	-	-	-	-	250,000	250,000
Grant of equity-settled share options to employ	-	-	-	-	-	-	-	-	-
Employee share option exercised	-	-	-	-	-	-	-	-	-
As at 31 Dec 2012	<u>1,839,900</u>	<u>3,591,352</u>	<u>(166,098)</u>	<u>3,762</u>	<u>-</u>	<u>(14,022,843)</u>	<u>159,639</u>	<u>5,466,073</u>	<u>5,625,712</u>

ORIENTED MEDIA GROUP BERHAD (517487-A)
(Incorporated in Malaysia)

**CONDENSED INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2013
STATEMENT OF CASH FLOW (UNAUDITED)**

	6 months ended 31.12.2013 (RM)	6 months ended 31.12.2012 (RM)
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(456,282)	(640,311)
Adjustments for:		
Prior year adjustment	-	-
Allowance for doubtful debts	-	-
Amortisation of deferred revenue	(1,500)	(3,577)
Amortisation of development expenditure	170,426	-
Amortisation of intellectual property and licence rights	59,147	75,937
Bad debts written off	(29,938)	(64,067)
Depreciation	185,882	478,900
Impairment losses on other investment	0	-
Impairment of shares	-	-
Interest expenses	5,612	30,986
Interest income	(1,623)	(1,138)
Loss/(Gain) on disposal of property, plant and equipment	-	-
Net unrealised foreign exchange losses/ (gain)	14,801	(15)
Property, plant and equipment written off	(6,218)	-
Share option expenses	-	-
Operating profit before working capital changes	(59,693)	(123,285)
Changes in Working Capital:		
Receivables	544,138	63,467
Payables	(6,965)	10,493
Cash generated from operations	477,480	(49,325)
Interest paid	(5,612)	(30,986)
Tax paid	(4,864)	(1,092)
Tax refunded	-	-
Net Operating Cash Flows	467,004	(81,403)
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of Investment in Associate Company	(36)	(36)
Government grant received	(1,500)	-
Development expenditure incurred	(170,426)	(85,213)
Interest received	1,623	1,138
Purchase of intellectual property and licence rights	-	(178,182)
Purchase of property, plant & equipment	-	7,448
Purchase of shares for investment	36	-
Proceeds from issuance of ordinary shares	-	-
Payment for additional interest in subsidiary companies	-	(138,542)
Proceeds from disposal of property, plant and equipment	-	-
Net Investing Cash Flows	(170,303)	(393,387)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares	-	250,000
Proceeds from issuance of share options	-	-
Dividends paid to shareholders	-	-
Proceeds from borrowings	-	78,860
Term Loan Repayment	-	-
Drawdown of hire purchase	-	-
Hire purchase repayments	(101,775)	(13,341)
Net Financing Cash Flows	(101,775)	315,519
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	194,926	(159,271)
EFFECTS OF EXCHANGE RATE CHANGES	28,790	107,157
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	46,644	98,757
CASH AND CASH EQUIVALENTS AT END OF PERIOD	270,360	46,644
Difference	0	
Per General Ledger	270,359	
Note: Cash and cash equivalents	31.12.2013	31.12.2012
Cash and bank balance	165,053	83,708
Fixed deposit placed with licensed banks	105,307	655,203
	270,359	738,911
Less: Bank overdraft	(0)	(692,268)
Cash and cash equivalents	270,359	46,644

(The unaudited condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.)

ORIENTED MEDIA GROUP BERHAD (517487-A)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2013

A Explanatory Notes Pursuant to Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting

A1. Basis of Preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting, and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (for the ACE Market), and should be read in conjunction with the Group's audited financial statements for the year ended 30 June 2012.

The Group has adopted the MFRS framework issued by Malaysian Accounting Standards board ("MASB") with effect from 1st July 2012. In this condensed consolidated interim financial statements, MFRS 1: First time Adoption of Malaysian Financial Reporting Standards, has been adopted in the transition to MFRS framework. The transition from FRS framework to MFRS framework does not have any significant financial impact to the financial statements of the Group as the accounting policies adopted under the previous FRS framework were already in line with the requirements of the MFRS framework.

A2. Audit Report of the Preceding Annual Financial Statements

The auditors' report of the preceding annual financial statements was not subject to any qualification.

A3. Seasonal or Cyclical Factors of Interim Operations

There were no seasonal or cyclical factors affecting the results of the Group for the current interim period.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income, or Cash

There were no items affecting assets, liabilities, equity, net income, or cash that are unusual in nature, size or incidence for the current interim period.

A5. Material Changes in Estimates

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period.

A6. Debt and equity securities

13,309,000 shares were issued under the private placement exercise for the current financial quarter under review.

A7. Dividend paid

The Board does not recommend any dividend for the current interim period.

A8. Segmental Information

The Group operates in two (2) principal geographical areas in maritime port logistics and digital media industries, namely in Malaysia and Overseas.

Segmental information by geographical segments for the six (6) months period ended 31 December 2013

	Malaysia	Overseas	Consolidated
	RM	RM	RM
Revenue from external customers	691,005	-	691,005
Segment result	(473,856)	-	(473,856)
Other income	17,574	-	17,574
Profit/(loss) before taxation	(456,282)	-	(456,282)
Taxation	-	-	-
Net profit/(loss) after taxation	(456,282)	-	(456,282)

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(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2013**A Explanatory Notes Pursuant to Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting**

Segmental information by geographical segments for the six (6) months period ended 31 December 2013

	Malaysia	Overseas	Consolidated
	RM	RM	RM
Revenue from external customers	363,177	-	363,177
Segment results	(432,004)	-	(432,004)
Other income	-	-	-
Profit/(loss) before taxation	(432,004)	-	(432,004)
Taxation	-	-	-
Net profit/(loss) after taxation	(432,004)	-	(432,004)

A9. Valuations of Property, Plant and Equipment

The property, plant and equipment were acquired at cost during the current interim period.

A10. Material Events Subsequent to the End of the Interim Period

There have been no material events subsequent to the end of the current interim period that have not been reflected in the financial statements for the current interim period.

A11. Changes in the Composition of the Group

There is no other changes in the composition of the Group during the period under review.

A12. Contingent Liabilities/Contingent Assets

The Group does not have any contingent liabilities and contingent assets as at the date of this quarterly report.

A13. Capital commitments

The Group has no material capital commitments in respect of property, plant and equipment in the current quarter under review.

A14. Significant related party transactions

During the current quarter under review, the Directors are of the opinion that the Group has no related party transactions which would have a significant impact on the financial position and business of the Group.

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(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2013

B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (for ACE Market)

B1. Review of Performance

The Group has recorded a net loss after taxation of RM 430,309 for the second quarter ended 31 December 2013 represents an increase compared to RM 316,065 in the preceeding year of the corresponding year due lower gross profit margin reported compared to last year. The cumulative net loss after taxation of RM 456,282 for the financial year ending 31 December 2013 represents a decrease compared to RM 640,211 ending 31 December 2012. The improved performance is mainly due to its continuous efforts in streamlining its costs in light with the challenging IT industry.

The main activities during the period are the provision of maintenance services in the Logistic Software Division, provision of online advertising, online games services and trading of equipment in the Digital Media Division respectively.

B2. Material changes in profit/(loss) before taxation for the current quarter as compared with the immediate

For the quarter ended 31 December 2013, the Group achieved a revenue of RM0.363 million representing an increase of 10.33% as compared to RM0.328 million achieved in the previous quarter ended 30 September 2013. The loss is higher in this quarter of RM432,002 as compared to last quarter RM24,292 in light of lower margin generated in this quarter coupled with more expenses incurred in relation to the AGM activities and cost incurred for professional fees.

The comparison between the current quarter and the immediate preceding quarter are as follows:-

	Current Quarter 31.12.2013	Previous Quarter 30.09.2013
	RM	RM
Revenue	363,177	327,828
Profit/(Loss) before taxation	(432,004)	(24,278)

B3. Current Year Prospects

The Group will continue to derive its income from its operation and trading of equipment in the Logistic Software Division and Digital Media Division. It will continue to seek out new business in the maritime port logistics and digital media industries in the Asia Pacific region.

B4. Forecasts of Profit After Tax

Not applicable as no forecast was disclosed in any public document.

B5. Tax Expenses

No tax expenses were provided during this quarter

B6. Status of Corporate Proposals

On 11 September 2013, the Company announcement of private placement up to 35,581,600 new ordinary shares of RM 0.10 each to raise a possible RM 3,558,160. The proposal is currently pending from Bursa Securities approval.

B7. Group Borrowings and Debt Securities

The Group has no bank borrowings as at 31 December 2013

B8. Realised and unrealised profit/ losses disclosure

On 25 March 2010, Bursa Malaysia Securities Berhad ("Bursa Securities") had issued directives to all listed issuers pursuant to Paragraph 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements.

The directive requires all listed issuers to disclose a breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into unrealised profits or losses.

On 20 December 2010, Bursa Securities further issued guidance on the disclosure and the prescribed format of presentation.

Pursuant to the directive, the breakdown of the accumulated losses of the Group as at 31 December 2013, into realised and unrealised profits or losses is as follows:

	6 months ended 31.12.2013 RM	Audited 12 months ended 30.06.2013 RM
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(15,808,603)	(15,884,791)
- Unrealised	87,758	186,070
	<u>(15,720,845)</u>	<u>(15,698,721)</u>
Less: Consolidation adjustments	(456,282)	-
Total group accumulated losses	<u>(16,177,127)</u>	<u>(15,698,721)</u>

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No.1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements", issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

B9. Changes In Material Litigation

There was no material litigation pending as at the date of this report.

B10. Dividend

The Board does not recommend any dividend for the first quarter financial period under review.

B11. Earnings Per Share

Basic earnings/(loss) per share is calculated by dividing the net profit/(loss) for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

	6 months ended		Cumulative	
	Current Year Quarter 31.12.2013 RM	Preceding Year Corresponding Quarter 31.12.2012 RM	Current Year To Date 31.12.2013 RM	Preceding Year Corresponding period 31.12.2012 RM
Net profit/(loss) for the period attributable to ordinary equity holders of the parent	(432,004)	(231,404)	(456,282)	(637,063)
Weighted average number of ordinary shares of RM0.10 each	177,908,000	160,599,000	177,908,000	160,599,000
EPS (sen) - Basic	(0.24)	(0.14)	(0.26)	(0.40)
- Diluted	N/A	N/A	N/A	N/A

B12. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 25 February 2014

Oriented Media Group Berhad
27 February 2014