

# ASIA MEDIA GROUP BERHAD

(Company No: 813137-V)  
(Incorporated in Malaysia)

Quarterly report on consolidated results for the 1st quarter ended 31 March 2014

## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(These figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2014 RM('000)	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2013 RM('000)	CURRENT YEAR TO DATE 31/03/2014 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2013 RM('000)
Revenue	6,873	11,663	6,873	11,663
Operating expenses	(6,694)	(8,027)	(6,694)	(8,027)
Other operating income	108	79	108	79
Profit / (Loss) from operations	287	3,715	287	3,715
Finance cost	(5)	(42)	(5)	(42)
Profit / (Loss) before taxation ("PBT" / "LBT")	282	3,673	282	3,673
Taxation	-	-	-	-
Profit / (Loss) for the period	282	3,673	282	3,673
Profit / (Loss) for the period attributable to:				
Equity holders of the parent	327	3,675	327	3,675
Non-controlling interests	(45)	(2)	(45)	(2)
	282	3,673	282	3,673
Earning before interest, taxation, depreciation and amortisation ("EBITDA")	3,470	5,792	3,470	5,792
Earning Per Share (Sen)				
(a) Basic	0.03	0.73	0.03	0.73
(b) Fully diluted	N/A	N/A	N/A	N/A

Notes:

(1) Other Income and Expenses highlights

	INDIVIDUAL QUARTER	CUMULATIVE QUARTER
	CURRENT YEAR QUARTER 31/03/2014 RM('000)	CURRENT YEAR TO DATE 31/03/2014 RM('000)
Interest income	108	108
Other income (exclude interest income)	0	0
Finance cost	(5)	(5)
Depreciation and amortisation	(3,291)	(3,291)

There are no provision for and write off of receivables, provision for and write off of inventories, gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets and foreign exchange gain or loss for current quarter and financial year to date.

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(These figures have not been audited)

(2) The following is a reconciliation of PBT to EBITDA:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2014 RM('000)	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2013 RM('000)	CURRENT YEAR TO DATE 31/03/2014 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2013 RM('000)
PBT	282	3,673	282	3,673
Amortisation	65	73	65	73
Depreciation	3,226	2,082	3,226	2,082
Finance costs	5	42	5	42
Interest income	(108)	(78)	(108)	(78)
EBITDA	<u>3,470</u>	<u>5,792</u>	<u>3,470</u>	<u>5,792</u>

(3) The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements of Asia Media Group Berhad ("Company") and its subsidiaries ("Group") for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial report.

# ASIA MEDIA GROUP BERHAD

(Company No: 813137-V)

(Incorporated in Malaysia)

Quarterly report on consolidated results for the 1st quarter ended 31 March 2014

## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(These figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	RM('000)	RM('000)	RM('000)	RM('000)
Profit for the period	282	3,673	282	3,673
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	<u>282</u>	<u>3,673</u>	<u>282</u>	<u>3,673</u>
Total comprehensive income attributable to:				
Equity holders of the parent	327	3,675	327	3,675
Non-controlling interest	<u>(45)</u>	<u>(2)</u>	<u>(45)</u>	<u>(2)</u>
	<u>282</u>	<u>3,673</u>	<u>282</u>	<u>3,673</u>

*Note:*

*The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial report.*

# ASIA MEDIA GROUP BERHAD

(Company No: 813137-V)  
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Quarterly report on consolidated results for the 1st quarter ended 31 March 2014

## CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Unaudited as at 31/03/2014 RM('000)	As at preceding year financial year end (audited) 31/12/2013 RM('000)
PROPERTY, PLANT AND EQUIPMENT	110,352	109,488
DEVELOPMENT COSTS	22	27
INTANGIBLE ASSETS	1,598	1,657
GOODWILL ON CONSOLIDATION	2,571	2,571
<b>CURRENT ASSETS</b>		
Trade Receivables	9,870	10,090
Other Receivables and Prepaid Expenses	9,297	9,360
Deferred Expenditure	-	-
Fixed Deposits Placed with Licenced Banks	179	179
Cash and Bank Balances	19,071	16,673
	38,417	36,302
<b>CURRENT LIABILITIES</b>		
Short Term Borrowings	1,500	-
Hire Purchase Creditor	-	-
Trade Payables	2,059	150
Tax Liabilities	4	4
Other Payables and Accrued Expenses	441	1,117
	4,004	1,271
<b>NET CURRENT ASSETS / (LIABILITIES)</b>	34,413	35,031
	148,956	148,774
<b>FINANCED BY:</b>		
Share Capital	104,132	104,132
Share Premium	3,420	3,520
Retained Earnings	35,182	34,855
	142,734	142,507
Non-Controlling Interests	(13)	32
<b>TOTAL EQUITY</b>	142,721	142,539
<b>NON CURRENT LIABILITIES</b>		
Other Payables	-	-
Hire Purchase Creditor	-	-
Deferred Tax liability	6,235	6,235
	148,956	148,774
Net assets per share attributable to ordinary equity holders of the parent (sen)	13.71	13.69

**Note:**

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial report.

# ASIA MEDIA GROUP BERHAD

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## Quarterly report on consolidated results for the 1st quarter ended 31 March 2014

### CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(These figures have not been audited)

	<-----Attributable to Equity Holders of the Company----->				Non-Controlling Interests	Total Equity
	Share Capital	Share Premium	Retained Earnings	Total		
	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)
<b>3 months period ended 31 March 2014</b>						
Balance as at 1 January 2014	104,132	3,520	34,855	142,507	32	142,539
Issuance of share during the period	-	-	-	-	-	-
Minority interests arising from subscription of shares in a subsidiary company	-	-	-	-	-	-
Total comprehensive income / (loss) for the period	-	-	327	327	(45)	282
Share issue expense	-	(100)	-	(100)	-	(100)
Balance as at 31 March 2014	<u>104,132</u>	<u>3,420</u>	<u>35,182</u>	<u>142,734</u>	<u>(13)</u>	<u>142,721</u>
<b>3 months period ended 31 March 2013</b>						
Balance as at 1 January 2013	50,160	-	29,593	79,753	133	79,886
Total comprehensive income / (loss) for the period	-	-	3,675	3,675	(2)	3,673
Share issue expense	-	-	-	-	-	-
Balance as at 31 March 2013	<u>50,160</u>	<u>-</u>	<u>33,268</u>	<u>83,428</u>	<u>131</u>	<u>83,559</u>

Note:

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial report.

# ASIA MEDIA GROUP BERHAD

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Quarterly report on consolidated results for the 1st quarter ended 31 March 2014

## CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

(These figures have not been audited)

	3 months ended 31/03/2014 RM('000)	3 months ended 31/03/2013 RM('000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	282	3,673
Adjustments for:		
Amortisation of development cost	6	6
Amortisation of intangible assets	59	67
Depreciation of property, plant and equipment	3,226	2,082
Interest income	(108)	(78)
Finance cost	5	42
Gain on disposal of property, plant and equipment	-	-
Over provide of short term deposit interest	-	-
Under provide of fixed deposit interest	-	-
Operating profit before working capital changes	<u>3,470</u>	<u>5,792</u>
Changes in working capital:		
Net change in current assets	283	90
Net change in current liabilities	1,233	(4,902)
Cash generated from operations	<u>4,986</u>	<u>980</u>
Interest received	108	78
Interest paid	(5)	(42)
Tax paid	-	-
<b>Net cash from / (used in) operating activities</b>	<u>5,089</u>	<u>1,016</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(4,091)	(100)
Proceeds from disposal of property, plant and equipment	-	-
Additions in intangible assets	-	(150)
Subscription of shares in a subsidiary company	-	-
<b>Net cash used in investing activities</b>	<u>(4,091)</u>	<u>(250)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceed from drawdown of credit facilities	1,500	1,800
Uplift of fixed deposits	-	-
Repayment of term loan	-	-
Repayment of hire purchase	-	(3)
Repayment of short term borrowings	-	(1,800)
Hire purchase on motor vehicle	-	-
New issuance - share capital	-	-
New issuance - share premium	-	-
Share issue expenses	(100)	-
Placement of fixed deposits as security	-	-
<b>Net cash from financing activities</b>	<u>1,400</u>	<u>(3)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>2,398</u>	<u>763</u>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<u>16,673</u>	<u>12,439</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<u><u>19,071</u></u>	<u><u>13,202</u></u>

Note:

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial report.

# ASIA MEDIA GROUP BERHAD

(Company No: 813137-V)

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## Quarterly report on consolidated results for the 1st quarter ended 31 March 2014

### NOTES

#### A NOTES TO THE INTERIM FINANCIAL REPORT

##### A 1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The quarterly financial report ended 31 March 2014 is unaudited and has been prepared in accordance with Financial Reporting Standards ("FRS") 134 "Interim Financial Reporting" and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2013. The explanatory notes attached to the quarterly financial report provide an explanation on events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2013.

The accounting policies and methods of computation adopted by the Group in the quarterly financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2013. The Group adopted the Malaysian Financial Reporting Standards Framework ("MFRS Framework") relevant to the Group as explained below:

##### **Convergence of the FRS Framework in Malaysia with the IFRS Framework issued by the IASB**

On 19 November 2011, Malaysian Accounting Standard Board ("MASB") issued a new MASB approved accounting framework, the MFRS Framework.

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer ("Transitioning Entities").

The Group and the Company will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2013. In presenting its first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of the MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening undistributed income.

The adoption of the MFRSs does not have any significant impact on the interim financial statements of the Group and the Company.

##### **A2 Audit report of preceding annual financial statements**

The auditors' report on the preceding year's audited financial statements of the Group was not subject to any qualification.

##### **A3 Seasonal or cyclical factors**

The Group's business operations were not subject to any seasonal or cyclical changes.

##### **A4 Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter under review.

##### **A5 Material changes in estimates**

There were no changes in estimates of amounts reported that have a material effect in the current financial quarter under review.

##### **A6 Debt and equity securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter under review.

##### **A7 Dividend paid**

There were no dividends paid during the current financial quarter under review.

**A8 Segment information**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/2014 RM('000)	31/03/2013 RM('000)	31/03/2014 RM('000)	31/03/2013 RM('000)
<b>REVENUE</b>				
Air Time	130	1,789	130	1,789
Programme Sponsorship	3,025	3,674	3,025	3,674
Creative & Production	3,718	6,200	3,718	6,200
	<u>6,873</u>	<u>11,663</u>	<u>6,873</u>	<u>11,663</u>

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/2014 RM('000)	31/03/2013 RM('000)	31/03/2014 RM('000)	31/03/2013 RM('000)
<b>PROFIT BEFORE TAXATION</b>				
Air Time	46	1,223	46	1,223
Programme Sponsorship	632	2,075	632	2,075
Creative & Production	(504)	296	(504)	296
	<u>174</u>	<u>3,594</u>	<u>174</u>	<u>3,594</u>
Other operating income	108	79	108	79
	<u>282</u>	<u>3,673</u>	<u>282</u>	<u>3,673</u>

Indirect costs attributable to Air Time, Programme Sponsorship and Creative & Production segments are based on revenue contributed by each segment at the rate of 2%, 44% and 54% respectively in the current financial quarter under review.

**A9 Valuation of property, plant and equipment**

The Group has not carried out any valuation on its property, plant and equipment.

**A10 Material events subsequent to the end of the quarter**

There were no material events subsequent to the current financial quarter ended 31 March 2014 up to the date of this report which is likely to substantially affect the results of the operations of the Group.

**A11 Changes in the composition of the Group**

There were no changes in the composition of the Group during the current financial quarter under review.

**A12 Contingent liabilities**

There were no contingent liabilities as at the end of the current financial quarter under review.

**A13 Capital commitments**

There were no capital commitments as at the end of the current financial quarter under review.

**A14 Significant related party transactions**

There were no significant related party transactions as at the end of the current financial quarter under review.

**A15 Cash and cash equivalents**

	As at 31/03/2014 RM('000)
Fixed deposits placed with licenced banks	179
Cash and bank balances	<u>19,071</u>
	19,250
Less: Fixed deposit pledged to licensed banks	<u>(179)</u>
	<u>19,071</u>



## B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

### B1 Review of performance

For the current quarter ended 31 March 2014, the Group recorded revenue of RM6.873 million and a profit before tax of RM0.282 million compared to RM11.663 million in revenue and a profit before tax of RM3.673 million for the preceding year corresponding quarter ended 31 March 2013. The reduce in revenue was mainly attributable to the decrease in customers' demand for the financial period ended ("FPE") 31 March 2014. The lower in profitability mainly caused by the higher depreciation charged in current quarter ended 31 March 2014.

The revenue of Air Time segment in the current financial quarter decreased by RM1.659 million (92.73%) to RM0.130 million as compared to the preceding year corresponding quarter, due to lower budget allocated in Air Time segment by existing and new customers of the Group.

The revenue of Programme Sponsorship segment in the current financial quarter decreased by RM0.649 million (17.66%) to RM3.025 million as compared to the preceding year corresponding quarter, due to the decrease in demand by existing and new customers of the Group.

The revenue of Creative and Production segment in the current financial quarter decreased by RM2.482 million (40.03%) to RM3.718 million as compared to the preceding year corresponding quarter, due to the lower demand on creative and production work from the existing and new customers of the Group.

### B2 Variation of results against preceding quarter

For the quarter ended 31 March 2014, the Group recorded a profit before tax of RM0.282 million compared to a profit before tax of RM3.673 million for the preceding quarter ended 31 March 2013. This was mainly due to lower sales volume generated and higher depreciation expenses incurred by the Group in the current quarter.

### B3 Prospects

Based on the above and barring any unforeseen circumstances, the Board of Directors is of the opinion that the prospects for the Group for the next quarter will remain favourable due to increasing customers' demand.

### B4 Profit forecast and profit guarantee

The Group has not provided any profit forecast or profit guarantee during the financial quarter under review.

### B5 Taxation

The taxation for the current financial quarter under review and year to date is as follow:-

	Current Year Quarter 31/03/2014 RM('000)	Current Year To Date 31/03/2014 RM('000)
Taxation based on short term deposit interest received	-	-

Asia Media Sdn Bhd has been awarded Multimedia Super Corridor status. Accordingly, there is no tax charge on the business income for the financial quarter under review as Asia Media Sdn Bhd has been granted pioneer status under the Promotion of Investments (Amendment) Act, 1986.

**B6 Corporate exercises****(i) Proposed SIS**

On 20th March 2014, the Company announced that it proposes to establish and implement a share issuance scheme of up to fifteen percent (15%) of the Company's issued and paid-up share capital (excluding treasury shares, if any) at any one time during the duration of the scheme ("Proposed SIS"), for the Directors and employees of AMEDIA and its subsidiaries ("AMEDIA Group") (excluding dormant subsidiaries) who fulfill the eligibility criteria.

Shareholders' approval for the Proposed SIS were obtained at the Extraordinary General Meeting of the Company held on 28th May 2014.

**(ii) Utilisation of proceeds**

As at 31st March 2014, the Group has utilised the proceeds raised from the renounceable rights issue of 445,052,137 new ordinary shares of RM0.10 each in the Company together with 111,263,033 free new Warrants 2013/2018 ("Rights Issue of Shares with Warrants") in the following manner:

Details of utilisation	Amount raised from the Rights Issue of Shares with Warrants RM'000	Amount utilised as at 31st March 2014 RM'000	Amount unutilised as at 31st March 2014 RM'000	Expected timeframe for the utilisation from the date of receipt in September 2013 RM'000
Capital expenditure	26,192	(26,192)	-	-
Repayment of bank borrowings	5,000	(5,000)	-	-
Working capital	17,158	(13,677)	3,481	Within 18 months
Expenses in relation to the corporate exercises	606	(606)	-	-
<b>Total</b>	<b>48,956</b>	<b>(45,475)</b>	<b>3,481</b>	

As at 31st March 2014, the Group has utilised the proceeds raised from the private placement of 94,665,000 new ordinary shares of RM0.10 each in the Company ("Private Placement") in the following manner:

Details of utilisation	Amount raised from the Private Placement RM'000	Amount utilised as at 31st March 2014 RM'000	Amount unutilised as at 31st March 2014 RM'000	Expected timeframe for the utilisation from the date of receipt in November 2013 RM'000
Purchase of contents and broadcasting rights	9,217	(9,300) <sup>(1)</sup>	(83)	-
Expenses in relation to the Private Placement	250	(167) <sup>(2)</sup>	83	-
<b>Total</b>	<b>9,467</b>	<b>(9,467)</b>	<b>-</b>	

**Notes:**

- (1) Include additional approximately RM83,000 excess from the expenses in relation to the Private Placement.
- (2) The excess of approximately RM83,000 were utilised for the purchase of contents and broadcasting rights.

**B7 Group's borrowings and debt securities**

	As at 31/03/2014 RM('000)
Secured:	
<u>Short term borrowings</u>	
Revolving Financing-i	1,500
Hire purchase	-
	1,500
<u>Long term borrowings</u>	
Hire purchase	-
Total borrowings	<u>1,500</u>

**B8 Off balance sheet financial instruments**

There were no off balance financial instruments as at the date of this report.

**B9 Material litigations**

There were no material litigations pending at the date of this report.

**B10 Dividends**

No dividend has been declared during the current financial quarter under review.

**B11 Earnings per share****(a) Basic earnings per share**

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/2014 RM('000)	31/03/2013 RM('000)	31/03/2014 RM('000)	31/03/2013 RM('000)
Earning attributable to ordinary equity holders of the parent	<u>327</u>	<u>3,675</u>	<u>327</u>	<u>3,675</u>
Weighted average number of ordinary shares in issue ('000)	<u>1,041,317</u>	<u>501,600</u>	<u>1,041,317</u>	<u>501,600</u>
Basic earnings per share (sen)	0.03	0.73	0.03	0.73

**(b) Diluted earnings per share**

The fully diluted earnings per share have not been presented as there is no diluted effect for the shares.

**B12 Realised and Unrealised Retained Earnings**

The following analysis of realised and unrealised retained earnings at the legal entity level is prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, as issued by the Malaysian Institute of Accountants whilst the disclosure at the Group level is based on the prescribed format by the Bursa Malaysia Securities Berhad.

	As at 31/03/2014 RM('000)	As at 31/12/2013 (audited) RM('000)
Retained earnings/(losses) of the Company and its subsidiaries		
- Realised	41,316	41,034
- Unrealised	<u>(6,235)</u>	<u>(6,235)</u>
	35,081	34,799
Add: Consolidation adjustments	<u>101</u>	<u>56</u>
Total retained earnings as per Consolidated Statements of Financial Position	<u>35,182</u>	<u>34,855</u>

**B13 Authorisation for issue**

This quarterly report was authorised for issue by the Board of Directors on 28th May 2014.