

# ASIA MEDIA GROUP BERHAD

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

## Quarterly report on consolidated results for the 2nd quarter ended 30 June 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 |
|   | 30/06/2014           | 30/06/2013                           | 30/06/2014           | 30/06/2013                          |
|   | RM('000)             | RM('000)                             | RM('000)             | RM('000)                            |
| Revenue   | 4,898                | 10,804                               | 11,771               | 22,467                              |
| Operating expenses  | (7,000)              | (8,109)                              | (13,694)             | (16,136)                            |
| Other operating income  | 118                  | 73                                   | 226                  | 152                                 |
| Profit / (Loss) from operations   | (1,984)              | 2,768                                | (1,697)              | 6,483                               |
| Finance cost  | (15)                 | (44)                                 | (20)                 | (86)                                |
| Profit / (Loss) before taxation ("PBT" / "LBT")                             | (1,999)              | 2,724                                | (1,717)              | 6,397                               |
| Taxation  | -                    | -                                    | -                    | -                                   |
| Profit / (Loss) for the period  | (1,999)              | 2,724                                | (1,717)              | 6,397                               |
| Profit / (Loss) for the period attributable to:                             |                      |                                      |                      |                                     |
| Equity holders of the parent  | (1,997)              | 2,726                                | (1,670)              | 6,401                               |
| Non-controlling interests   | (2)                  | (2)                                  | (47)                 | (4)                                 |
|   | (1,999)              | 2,724                                | (1,717)              | 6,397                               |
| Earning before interest, taxation, depreciation and amortisation ("EBITDA") | 1,193                | 4,852                                | 4,663                | 10,644                              |
| Earning / (Loss) Per Share (Sen)  |                      |                                      |                      |                                     |
| (a) Basic   | (0.19)               | 0.54                                 | (0.16)               | 1.28                                |
| (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 | CURRENT YEAR TO DATE |
|  | 30/06/2014           | 30/06/2014           |
|  | RM('000)             | RM('000)             |
| Interest income                        | 115                  | 223                  |
| Other income (exclude interest income) | 3                    | 3                    |
| Finance cost                           | (15)                 | (20)                 |
| Depreciation and amortisation          | (3,292)              | (6,583)              |

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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(Incorporated in Malaysia)

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### CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(These figures have not been audited)

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

|                 | INDIVIDUAL QUARTER                                |  | CUMULATIVE QUARTER                                |   |
|-----------------|---|--|---|---|
|                 | CURRENT YEAR<br>QUARTER<br>30/06/2014<br>RM('000) | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER<br>30/06/2013<br>RM('000) | CURRENT YEAR<br>TO DATE<br>30/06/2014<br>RM('000) | PRECEDING YEAR<br>CORRESPONDING<br>PERIOD<br>30/06/2013<br>RM('000) |
| PBT / (LBT)     | (1,999)   | 2,724  | (1,717)   | 6,397   |
| Amortisation    | 65  | 73   | 130   | 146   |
| Depreciation    | 3,227   | 2,081  | 6,453   | 4,163   |
| Finance costs   | 15  | 44   | 20  | 86  |
| Interest income | (115)   | (70)   | (223)   | (148)   |
| EBITDA          | <u>1,193</u>                                      | <u>4,852</u>   | <u>4,663</u>                                      | <u>10,644</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 2nd quarter ended 30 June 2014

## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(These figures have not been audited)

|   | INDIVIDUAL QUARTER      |  | CUMULATIVE QUARTER      |   |
|---|-------------------------|--|-------------------------|---|
|   | CURRENT YEAR<br>QUARTER | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER | CURRENT YEAR<br>TO DATE | PRECEDING YEAR<br>CORRESPONDING<br>PERIOD |
|   | 30/06/2014              | 30/06/2013                                 | 30/06/2014              | 30/06/2013                                |
|   | RM('000)                | RM('000)                                   | RM('000)                | RM('000)                                  |
| Profit / (Loss) for the period                          | (1,999)                 | 2,724                                      | (1,717)                 | 6,397                                     |
| Other comprehensive income / (loss),<br>net of tax      | -                       | -  | -                       | -   |
| Total comprehensive income / (loss)                     | <u>(1,999)</u>          | <u>2,724</u>                               | <u>(1,717)</u>          | <u>6,397</u>                              |
| Total comprehensive income / (loss)<br>attributable to: |                         |  |                         |   |
| Equity holders of the parent                            | (1,997)                 | 2,726                                      | (1,670)                 | 6,401                                     |
| Non-controlling interest                                | (2)                     | (2)  | (47)                    | (4)                                       |
|   | <u>(1,999)</u>          | <u>2,724</u>                               | <u>(1,717)</u>          | <u>6,397</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)

(Incorporated in Malaysia)

Quarterly report on consolidated results for the 2nd quarter ended 30 June 2014

## CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

|  | Unaudited as at<br>30/06/2014<br>RM('000) | As at preceding year<br>financial year end<br>(audited)<br>31/12/2013<br>RM('000) |
|--|---|---|
| PROPERTY, PLANT AND EQUIPMENT  | 124,405                                   | 109,488   |
| DEVELOPMENT COSTS  | 15  | 27  |
| INTANGIBLE ASSETS  | 1,539                                     | 1,657   |
| GOODWILL ON CONSOLIDATION  | 2,571                                     | 2,571   |
| <b>CURRENT ASSETS</b>  |   |   |
| Trade Receivables  | 9,054                                     | 10,090  |
| Other Receivables and Prepaid Expenses   | 10,596                                    | 9,360   |
| Fixed Deposits Placed with Licenced Banks  | 179                                       | 179   |
| Cash and Bank Balances   | 17,023                                    | 16,673  |
|  | <b>36,852</b>                             | <b>36,302</b>   |
| <b>CURRENT LIABILITIES</b>   |   |   |
| Short Term Borrowings  | 3,000                                     | -   |
| Trade Payables   | 818                                       | 150   |
| Tax Liabilities  | 4   | 4   |
| Other Payables and Accrued Expenses  | 575                                       | 1,117   |
|  | <b>4,397</b>                              | <b>1,271</b>  |
| <b>NET CURRENT ASSETS / (LIABILITIES)</b>  | <b>32,455</b>                             | <b>35,031</b>   |
|  | <b>160,985</b>                            | <b>148,774</b>  |
| <b>FINANCED BY:</b>  |   |   |
| Share Capital  | 118,182                                   | 104,132   |
| Share Premium  | 3,398                                     | 3,520   |
| Retained Earnings  | 33,185                                    | 34,855  |
|  | <b>154,765</b>                            | <b>142,507</b>  |
| Non-Controlling Interests  | (15)                                      | 32  |
| <b>TOTAL EQUITY</b>  | <b>154,750</b>                            | <b>142,539</b>  |
| <b>NON CURRENT LIABILITIES</b>   |   |   |
| Deferred Tax liability   | 6,235                                     | 6,235   |
|  | <b>160,985</b>                            | <b>148,774</b>  |
| Net assets per share attributable to ordinary equity holders of the parent (sen) | 13.10                                     | 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 2nd quarter ended 30 June 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>6 months period ended 30 June 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                | 14,050  | -             | -                 | 14,050         | -                         | 14,050         |
| Total comprehensive income / (loss) for the period | -   | -             | (1,670)           | (1,670)        | (47)                      | (1,717)        |
| Share issue expense                                | -   | (122)         | -                 | (122)          | -                         | (122)          |
| Balance as at 30 June 2014                         | <u>118,182</u>  | <u>3,398</u>  | <u>33,185</u>     | <u>154,765</u> | <u>(15)</u>               | <u>154,750</u> |
| <b>6 months period ended 30 June 2013</b>          |   |               |                   |                |                           |                |
| Balance as at 1 January 2013                       | 50,160  | -             | 29,593            | 79,753         | 133                       | 79,886         |
| Total comprehensive income / (loss) for the period | -   | -             | 6,401             | 6,401          | (4)                       | 6,397          |
| Balance as at 30 June 2013                         | <u>50,160</u>   | <u>-</u>      | <u>35,994</u>     | <u>86,154</u>  | <u>129</u>                | <u>86,283</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

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

Quarterly report on consolidated results for the 2nd quarter ended 30 June 2014

## CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

(These figures have not been audited)

|   | 6 months<br>ended 31/03/2014 | 6 months<br>ended 31/03/2013 |
|---|------------------------------|------------------------------|
|   | RM('000)                     | RM('000)                     |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                 |                              |                              |
| Profit / (loss) before taxation                             | (1,717)                      | 6,397                        |
| Adjustments for:  |                              |                              |
| Amortisation of development cost                            | 12                           | 12                           |
| Amortisation of intangible assets                           | 118                          | 134                          |
| Depreciation of property, plant and equipment               | 6,453                        | 4,163                        |
| Interest income   | (223)                        | (148)                        |
| Finance cost  | 20                           | 86                           |
| Gain on disposal of property, plant and equipment           | -                            | (3)                          |
| Operating profit before working capital changes             | 4,663                        | 10,641                       |
| Changes in working capital:                                 |                              |                              |
| Net change in current assets                                | (200)                        | 467                          |
| Net change in current liabilities                           | 126                          | (11,215)                     |
| Cash generated from operations                              | 4,589                        | (107)                        |
| Interest received   | 223                          | 148                          |
| Interest paid   | (20)                         | (86)                         |
| Tax paid  | -                            | -                            |
| <b>Net cash from / (used in) operating activities</b>       | <b>4,792</b>                 | <b>(45)</b>                  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                 |                              |                              |
| Purchase of property, plant and equipment                   | (21,370)                     | (149)                        |
| Proceeds from disposal of property, plant and equipment     | -                            | 47                           |
| Additions in intangible assets                              | -                            | (150)                        |
| <b>Net cash used in investing activities</b>                | <b>(21,370)</b>              | <b>(252)</b>                 |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                 |                              |                              |
| Proceed from drawdown of credit facilities                  | 3,000                        | 1,800                        |
| Repayment of hire purchase                                  | -                            | (4)                          |
| Full settlement of hire purchase                            | -                            | (37)                         |
| Repayment of short term borrowings                          | -                            | (3,600)                      |
| New issuance - share capital                                | 14,050                       | -                            |
| Share issue expenses  | (122)                        | -                            |
| <b>Net cash from / (used in) financing activities</b>       | <b>16,928</b>                | <b>(1,841)</b>               |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>            | <b>350</b>                   | <b>(2,138)</b>               |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b> | <b>16,673</b>                | <b>12,439</b>                |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>       | <b>17,023</b>                | <b>10,301</b>                |

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)

(Incorporated in Malaysia)

## Quarterly report on consolidated results for the 2nd quarter ended 30 June 2014

### NOTES

#### A NOTES TO THE INTERIM FINANCIAL REPORT

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

The quarterly financial report ended 30 June 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<br>QUARTER | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER | CURRENT YEAR<br>TO DATE | PRECEDING YEAR<br>CORRESPONDING<br>PERIOD |
|                       | 30/06/2014<br>RM('000)  | 30/06/2013<br>RM('000)                     | 30/06/2014<br>RM('000)  | 30/06/2013<br>RM('000)                    |
| <b>REVENUE</b>        |                         |  |                         |   |
| Air Time              | 126                     | 1,629                                      | 256                     | 3,418                                     |
| Programme Sponsorship | 2,098                   | 3,407                                      | 5,123                   | 7,081                                     |
| Creative & Production | 2,674                   | 5,768                                      | 6,392                   | 11,968                                    |
|                       | <u>4,898</u>            | <u>10,804</u>                              | <u>11,771</u>           | <u>22,467</u>                             |

|                               | INDIVIDUAL QUARTER      |  | CUMULATIVE QUARTER      |   |
|-------------------------------|-------------------------|--|-------------------------|---|
|                               | CURRENT YEAR<br>QUARTER | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER | CURRENT YEAR<br>TO DATE | PRECEDING YEAR<br>CORRESPONDING<br>PERIOD |
|                               | 30/06/2014<br>RM('000)  | 30/06/2013<br>RM('000)                     | 30/06/2014<br>RM('000)  | 30/06/2013<br>RM('000)                    |
| <b>PROFIT BEFORE TAXATION</b> |                         |  |                         |   |
| Air Time                      | 16                      | 1,110                                      | 62                      | 2,333                                     |
| Programme Sponsorship         | (183)                   | 1,880                                      | 449                     | 3,955                                     |
| Creative & Production         | (1,950)                 | (339)                                      | (2,454)                 | (43)                                      |
|                               | <u>(2,117)</u>          | <u>2,651</u>                               | <u>(1,943)</u>          | <u>6,245</u>                              |
| Other operating income        | 118                     | 73   | 226                     | 152                                       |
|                               | <u>(1,999)</u>          | <u>2,724</u>                               | <u>(1,717)</u>          | <u>6,397</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 3%, 43% 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 30 June 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 30/06/2014<br>RM('000) |
|---|------------------------------|
| Fixed deposits placed with licenced banks     | 179                          |
| Cash and bank balances                        | <u>17,023</u>                |
|   | 17,202                       |
| Less: Fixed deposit pledged to licensed banks | <u>(179)</u>                 |
|   | <u>17,023</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 30 June 2014, the Group recorded revenue of RM4.898 million and a loss before tax of RM1.999 million compared to RM10.804 million in revenue and a profit before tax of RM2.724 million for the preceding year corresponding quarter ended 30 June 2013. The reduce in revenue was mainly attributable to the decrease in customers' demand for the financial period ended ("FPE") 30 June 2014. The lower in profitability mainly caused by the higher depreciation charged and higher content cost in current quarter ended 30 June 2014.

There is an overall reduction in all three revenue segment includes Air Time segment, Programme Sponsorship segment and Creative and Production segment in the current quarter as compared to preceding year corresponding quarter, due to lower customers demand.

### B2 Variation of results against preceding quarter

For the quarter ended 30 June 2014, the Group recorded a loss before tax of RM1.999 million compared to a profit before tax of RM2.724 million for the preceding quarter ended 30 June 2013. This was mainly due to lower sales volume generated and higher depreciation expenses and higher direct cost 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<br>Quarter<br>30/06/2014<br>RM('000) | Current Year<br>To Date<br>30/06/2014<br>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 ("SIS") 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.

The effective date for the implementation of the SIS was 3rd June 2014, which is the date of full compliance of the SIS in accordance with paragraph 6.43(1) of the Mian Market Listing Requirements of Bursa Malaysia Securities Berhad.

### (ii) Utilisation of proceeds

As at 30th June 2014, the Group has utilised the proceeds raised from the share issuance scheme of new ordinary shares of RM0.10 each in the Company in the following manner:

| Details of utilisation                          | Amount raised from the Share Issuance Scheme<br>RM'000 | Amount utilised as at 30th June 2014<br>RM'000 | Amount unutilised as at 30th June 2014<br>RM'000 | Expected timeframe for the utilisation from the date of receipt in June 2014<br>RM'000 |
|---|--|--|--|--|
| Working capital                                 | 13,950   | (991)  | 12,959   | Within 18 months   |
| Expenses in relation to the corporate exercises | 100  | (69)   | 31   | Within 18 months   |
| <b>Total</b>                                    | <b>14,050</b>  | <b>(1,060)</b>                                 | <b>12,990</b>                                    |  |

As at 30th June 2014, the Group has fully 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<br>RM'000 | Amount utilised as at 30th June 2014<br>RM'000 | Amount unutilised as at 30th June 2014<br>RM'000 | Expected timeframe for the utilisation from the date of receipt in September 2013<br>RM'000 |
|---|---|--|--|---|
| Capital expenditure                             | 26,192  | (26,192)                                       | -  | -   |
| Repayment of bank borrowings                    | 5,000   | (5,000)  | -  | -   |
| Working capital                                 | 17,158  | (17,158)                                       | -  | -   |
| Expenses in relation to the corporate exercises | 606   | (606)  | -  | -   |
| <b>Total</b>                                    | <b>48,956</b>   | <b>(48,956)</b>                                | <b>-</b>   |   |

## B7 Group's borrowings and debt securities

As at  
30/06/2014  
RM('000)

Secured:

### Short term borrowings

Revolving Financing-i  
Hire purchase

|       |
|-------|
| 3,000 |
| -     |
| 3,000 |

### Long term borrowings

Hire purchase

-

Total borrowings

3,000

## 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<br>QUARTER<br>30/06/2014<br>RM('000) | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER<br>30/06/2013<br>RM('000) | CURRENT YEAR<br>TO DATE<br>30/06/2014<br>RM('000) | PRECEDING YEAR<br>CORRESPONDING<br>PERIOD<br>30/06/2013<br>RM('000) |
| Earning / (Loss) attributable to ordinary equity holders of the parent | <u>(1,997)</u>                                    | <u>2,726</u>   | <u>(1,670)</u>                                    | <u>6,401</u>  |
| Weighted average number of ordinary shares in issue ('000)             | <u>1,070,652</u>                                  | <u>501,600</u>   | <u>1,056,066</u>                                  | <u>501,600</u>  |
| Basic earnings / (losses) per share (sen)                              | (0.19)  | 0.54   | (0.16)  | 1.28  |

## (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<br>30/06/2014<br>RM('000) | As at<br>31/12/2013<br>(audited)<br>RM('000) |
|--|---------------------------------|--|
| Retained earnings / (losses) of the Company and its subsidiaries             |                                 |  |
| - Realised   | 39,318                          | 41,034                                       |
| - Unrealised   | <u>(6,235)</u>                  | <u>(6,235)</u>                               |
|  | 33,083                          | 34,799                                       |
| Add: Consolidation adjustments   | <u>102</u>                      | <u>56</u>                                    |
| Total retained earnings as per Consolidated Statements of Financial Position | <u>33,185</u>                   | <u>34,855</u>                                |

**B13 Authorisation for issue**

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