

Unaudited Financial Statement and Dividend Announcement – Second Quarter and Half Year ended 30 June 2015

PART - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Unaudited Consolidated Income Statement

	GROUP			GROUP		
	Quarter Ended 30-Jun-15	Quarter Ended 30-Jun-14	Increase/ (Decrease)	Half Year Ended 30-Jun-15	Half Year Ended 30-Jun-14	Increase/ (Decrease)
	S\$	S\$	%	S\$	S\$	%
Revenue	399,390	2,311,109	-83%	2,027,514	5,698,105	-64%
Cost of media sales	(304,727)	(288,335)	6%	(564,658)	(451,544)	25%
Administrative expenses	(1,539,432)	(2,154,297)	-29%	(2,855,400)	(4,570,639)	-38%
Other income - net	867,581	793,487	9%	1,217,324	1,047,778	16%
Other expenses - net	(1,215,562)	(5,428,627)	-78%	(2,045,205)	(6,981,893)	-71%
Loss from operations	(1,792,750)	(4,766,663)	-62%	(2,220,425)	(5,258,193)	-58%
Finance income	2,928	395,278	-99%	3,074	999,570	-100%
Finance costs	(152,867)	(562,112)	-73%	(729,764)	(1,489,500)	-51%
Share of loss of associated companies	(39,130)	(253,570)	-85%	(543,556)	(774,634)	-30%
Loss before tax	(1,981,819)	(5,187,067)	-62%	(3,490,671)	(6,522,757)	-46%
Income tax expense	-	(133,690)	nm	(2,229)	(133,690)	-98%
Loss after tax	(1,981,819)	(5,320,757)	-63%	(3,492,900)	(6,656,447)	-48%
Loss attributable to:						
Owners of the Company	(1,916,573)	(5,436,181)	-65%	(3,387,328)	(7,388,191)	-54%
Non-controlling interest	(65,246)	115,424	nm	(105,572)	731,744	nm
	(1,981,819)	(5,320,757)	-63%	(3,492,900)	(6,656,447)	-48%

nm = not meaningful

Unaudited Consolidated Statement of Comprehensive Income

	GROUP			GROUP		
	Quarter Ended 30-Jun-15	Quarter Ended 30-Jun-14	Increase / (Decrease)	Half Year Ended 30-Jun-15	Half Year Ended 30-Jun-14	Increase / (Decrease)
	S\$	S\$	%	S\$	S\$	%
Loss after tax	(1,981,819)	(5,320,757)	-63%	(3,492,900)	(6,656,447)	-48%
<u>Other comprehensive income / (loss), net of tax:</u>						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Exchange differences on translation of foreign operations	2,065,968	(183,508)	nm	1,114,549	(126,427)	nm
Net fair value gain on financial assets, available-for-sale	(237,489)	3,752,960	nm	(158,946)	3,659,012	nm
Share of Other Comprehensive income of associated companies	306,623	187,314	nm	306,623	187,067	nm
Other comprehensive income for the period, net of tax	2,135,102	3,756,766	-43%	1,262,226	3,719,652	-66%
Total comprehensive income/(loss) for the period	153,283	(1,563,991)	-110%	(2,230,674)	(2,936,795)	nm
Total comprehensive income/(loss) attributable to:						
Owners of the Company	211,526	(1,679,741)	nm	(2,134,372)	(3,668,873)	-42%
Non-controlling interest	(58,243)	115,750	nm	(96,302)	732,078	nm
	153,283	(1,563,991)	-110%	(2,230,674)	(2,936,795)	nm

nm = not meaningful

Notes to the Statement of Comprehensive Income

Loss before tax is after (charging)/crediting:-

	GROUP		GROUP	
	Quarter Ended 30-Jun-15	Quarter Ended 30-Jun-14	Half Year Ended 30-Jun-15	Half Year Ended 30-Jun-14
	S\$	S\$	S\$	S\$
Depreciation and amortisation expenses	(334,155)	(236,469)	(662,694)	(472,333)
Finance income	2,928	395,278	3,074	999,570
Finance costs	(152,867)	(562,112)	(729,764)	(1,489,500)
Foreign exchange (loss)/gain - net	(2,123,424)	157,877	(1,859,710)	189,065
Gain on disposal of financial assets, available-for-sale	101,321	-	101,321	-
Fair value gain / (loss) on financial assets, at fair value through profit or loss	630,357	(5,423,852)	(171,704)	(6,975,000)
Share of loss of associated companies	(39,130)	(253,570)	(543,556)	(774,634)

1(b)(i) A statement of financial position (issuer and group), together with a comparative statement as at end of the immediately preceding financial year

	GROUP		Company	
	As at 30 June 2015 S\$	As at 31 December 2014 S\$	As at 30 June 2015 S\$	As at 31 December 2014 S\$
ASSETS				
Current Assets:				
Cash and bank balances	904,921	3,125,730	195,824	1,861,352
Financial assets, at fair value through profit or loss	884,000	1,550,000	-	-
Financial assets, available-for-sale	157,576	171,367	-	-
Trade receivables	1,282,002	27,540	-	-
Other current assets	3,106,668	2,120,792	1,219,466	-
Amount due from subsidiaries	-	-	3,915,456	3,959,031
	6,335,167	6,995,429	5,330,746	5,820,383
Assets classified as held-for-sale	21,865,597	-	-	-
Total Current Assets	28,200,764	6,995,429	5,330,746	5,820,383
Non-Current Assets:				
Investments in subsidiaries	-	-	1,956,031	1,956,031
Investments in associated companies	10,479,973	11,134,317	-	-
Financial assets, available-for-sale	2,621,864	24,213,949	-	-
Property, plant and equipment	825,523	946,616	716,876	818,402
Investment properties	2,217,500	2,239,351	-	-
Intangible assets	2,085,069	2,483,619	-	-
Amount due from subsidiaries	-	-	12,398,144	12,398,144
Goodwill	5,825,638	5,825,638	-	-
Total Non-Current Assets	24,055,567	46,843,490	15,071,051	15,172,577
Total Assets	52,256,331	53,838,919	20,401,797	20,992,960
Current Liabilities				
Trade and other payables	4,542,878	12,406,856	855,852	558,997
Income tax payable	916	-	-	-
Borrowings	6,743,778	8,458,921	10,988	21,741
	11,287,572	20,865,777	866,840	580,738
Liabilities directly associated with assets classified as held-for-sale	31,436,552	-	-	-
Total Current Liabilities	42,724,124	20,865,777	866,840	580,738
Non-Current Liabilities				
Other payables	2,868,321	24,078,582	1,222,055	1,100,000
Deferred tax liabilities	347,759	347,759	-	-
Borrowings	975,580	975,580	77,488	77,488
Total Non-Current Liabilities	4,191,660	25,401,921	1,299,543	1,177,488
Total Liabilities	46,915,784	46,267,698	2,166,383	1,758,226
Equity Attributable to Owners of the Company				
Share capital	119,912,067	119,912,067	119,912,067	119,912,067
Accumulated losses	(105,345,805)	(101,958,477)	(101,762,572)	(100,763,252)
Foreign currency translation reserve	1,795,842	383,940	85,919	85,919
Other reserves	(10,626,467)	(10,626,467)	-	-
Fair value reserve	(425,566)	(266,620)	-	-
Total Shareholders' Fund	5,310,071	7,444,443	18,235,414	19,234,734
Non-controlling Interest	30,476	126,778	-	-
Total Equity	5,340,547	7,571,221	18,235,414	19,234,734
Total Liabilities and Equity	52,256,331	53,838,919	20,401,797	20,992,960

1(b)(ii) Aggregate amount of group's borrowings and debt securities

(A) Amount repayable in one year or less, or on demand

As at 30 June 2015		As at 31 December 2014	
S\$	S\$	S\$	S\$
Secured	Unsecured	Secured	Unsecured
6,743,778	Nil	8,458,921	Nil

(B) Amount repayable after one year

As at 30 June 2015		As at 31 December 2014	
S\$	S\$	S\$	S\$
Secured	Unsecured	Secured	Unsecured
975,580	Nil	975,580	Nil

(C) Whether the amounts are secured or unsecured

The amounts are secured by quoted shares, fixed deposit and a property.

(D) Details of any collateral:

- (1) A term loan is granted to a subsidiary of a wholly owned subsidiary from a bank and is secured by quoted securities.
- (2) The Company is a corporate guarantor for a term loan granted to a wholly owned subsidiary. The term loan is for the purchase of a leasehold property and is secured by the said property.
- (3) The Group's motor vehicles are purchased under Hire Purchase and are secured by the said vehicles.
- (4) The Company is a corporate guarantor to a fund managed by a former subsidiary for the fund's investee company secured redeemable notes. The Company has a back to back indemnity from the former subsidiary for the amount guaranteed by the Company and is working towards the eventual release of the corporate guarantee.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	GROUP		GROUP	
	Quarter Ended	Quarter Ended	Half Year Ended	Half Year Ended
	30 June 2015	30 June 2014	30 June 2015	30 June 2014
	S\$	S\$	S\$	S\$
Cash flows from operating activities:				
Loss before tax	(1,981,819)	(5,187,067)	(3,490,671)	(6,522,757)
Adjustments for:				
Depreciation and amortisation expenses	334,155	236,469	662,694	472,333
Fair value (gain)/loss on financial assets, at fair value through profit or loss	(630,357)	5,423,852	171,704	6,975,000
Finance income	(2,928)	(395,278)	(3,074)	(999,570)
Finance costs	152,867	562,112	729,764	1,489,500
Gain on disposal of financial assets, available for sale	(101,321)	-	(101,321)	-
Gain on disposal of property, plant and equipment	-	-	-	(147)
Gain on disposal of subsidiaries	-	(504,672)	-	(504,672)
Impairment loss on financial assets, available-for-sale	(13,791)	-	13,791	-
Loss on disposal of financial asset, at fair value through profit or loss	-	2,074	-	2,074
Share of loss of associated companies	39,130	253,570	543,556	774,634
Write back of impairment loss on other receivables	(987,941)	-	(987,941)	-
Unrealised foreign currency translation (gain)/loss	2,166,117	(182,963)	1,709,748	(125,888)
Operating cash flows before changes in working capital	(1,025,888)	208,097	(751,750)	1,560,507
Changes in working capital:				
Financial assets, available-for-sale	573,555	(1,416,312)	(331,137)	(1,416,312)
Financial assets, at fair value through profit or loss	521,357	1,369	494,296	1,369
Trade and other receivables and other current assets	653,904	700,744	(1,392,270)	(2,476,013)
Trade and other payables	(426,018)	478,133	1,764,486	2,291,619
Net cash generated from / (used in) operations	296,910	(27,969)	(216,375)	(38,830)
Income tax paid	116,273	(207,748)	110,254	(207,748)
Net cash generated from / (used in) operating activities	413,183	(235,717)	(106,121)	(246,578)
Cash flows from investing activities:				
Interest received	2,928	5,198	3,074	10,791
Purchase of intangible assets	(30,202)	(91,904)	(113,706)	(426,330)
Purchase of property, plant and equipment	(953)	(5,968)	(12,203)	(98,252)
Proceeds from disposal of property, plant and equipment	-	908	-	2,228
Net cash outflow from disposal of subsidiaries	-	(539,540)	-	(539,540)
Net cash used in investing activities	(28,227)	(631,306)	(122,835)	(1,051,103)
Cash flows from financing activities:				
Advances from investee company	-	(4,332,448)	-	1,100,000
(Repayment to)/Advances from former subsidiary	(15,000)	2,382,336	(15,000)	2,382,336
Deposit at call pledged	(149,866)	-	(149,866)	-
Dividend paid to non-controlling shareholder	-	(150,000)	-	(150,000)
Repayment of borrowings	(215,110)	(1,913,311)	(1,830,241)	(2,750,911)
Repayment of finance leases	(7,360)	(7,005)	(14,675)	(13,983)
Interest paid	(6,999)	(132,061)	(131,937)	(169,009)
Net cash (used in) / generated from financing activities	(394,335)	(4,152,489)	(2,141,719)	398,433
Net decrease in cash and cash equivalents	(9,379)	(5,019,512)	(2,370,675)	(899,248)
Cash and cash equivalents at the beginning of the year	764,434	14,356,420	3,125,730	10,236,156
Cash and cash equivalent at the end of the quarter	755,055	9,336,908	755,055	9,336,908
Cash and cash equivalent as above	755,055	9,336,908	755,055	9,336,908
Deposit at call pledged	149,866	3,000,000	149,866	3,000,000
Cash and cash equivalent as per balance sheets	904,921	12,336,908	904,921	12,336,908

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distribution to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Share Capital	Foreign Currency Translation Reserve	Accumulated Losses	Fair Value Reserve	Other Reserve	Total	Non-Controlling Interest	Total Equity
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
GROUP								
3 months ended 30 June 2015								
At 1 April 2015	119,912,067	(569,746)	(103,429,232)	(188,077)	(10,626,467)	5,098,545	88,719	5,187,264
Loss	-	-	(1,916,573)	-	-	(1,916,573)	(65,246)	(1,981,819)
Other Comprehensive income/(loss)	-	2,365,588	-	(237,489)	-	2,128,099	7,003	2,135,102
Total comprehensive income/(loss)	-	2,365,588	(1,916,573)	(237,489)	-	211,526	(58,243)	153,283
Balance as at 30 June 2015	119,912,067	1,795,842	(105,345,805)	(425,566)	(10,626,467)	5,310,071	30,476	5,340,547
GROUP								
3 months ended 30 June 2014								
At 1 April 2014	113,671,814	132,788	(45,525,032)	6,982,834	(5,178,639)	70,083,765	1,070,448	71,154,213
Loss	-	-	(5,436,181)	-	-	(5,436,181)	115,424	(5,320,757)
Other Comprehensive income/(loss)	-	(183,885)	-	3,940,325	-	3,756,440	326	3,756,766
Total comprehensive income/(loss)	-	(183,885)	(5,436,181)	3,940,325	-	(1,679,741)	115,750	(1,563,991)
Dividend paid to non-controlling shareholder	-	-	-	-	-	-	(150,000)	(150,000)
Balance as at 30 June 2014	113,671,814	(51,097)	(50,961,213)	10,923,159	(5,178,639)	68,404,024	1,036,198	69,440,222

	Share Capital	Foreign Currency Translation Reserve	Accumulated Losses	Total
	S\$	S\$	S\$	S\$
COMPANY				
3 months ended 30 June 2015				
At 1 April 2015	119,912,067	85,919	(100,890,630)	19,107,356
Loss	-	-	(871,942)	(871,942)
Total comprehensive loss	-	-	(871,942)	(871,942)
Balance as at 30 June 2015	119,912,067	85,919	(101,762,572)	18,235,414
COMPANY				
3 months ended 30 June 2014				
At 1 April 2014	113,671,814	85,919	(15,376,564)	98,381,169
Loss	-	-	(127,206)	(127,206)
Total comprehensive loss	-	-	(127,206)	(127,206)
Balance as at 30 June 2014	113,671,814	85,919	(15,503,770)	98,253,963

ATTILAN Group Limited

Incorporated in the Republic of Singapore
Company Registration Number: 199906459N

	Share Capital	Foreign Currency Translation Reserve	Accumulated Losses	Fair Value Reserve	Other Reserve	Total	Non-Controlling Interest	Total Equity
GROUP	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<u>6 months ended 30 June 2015</u>								
At 1 January 2015	119,912,067	383,940	(101,958,477)	(266,620)	(10,626,467)	7,444,443	126,778	7,571,221
Loss	-	-	(3,387,328)	-	-	(3,387,328)	(105,572)	(3,492,900)
Other Comprehensive income	-	1,411,902	-	(158,946)	-	1,252,956	9,270	1,262,226
Total comprehensive income/(loss)	-	1,411,902	(3,387,328)	(158,946)	-	(2,134,372)	(96,302)	(2,230,674)
Balance as at 30 June 2015	119,912,067	1,795,842	(105,345,805)	(425,566)	(10,626,467)	5,310,071	30,476	5,340,547
<u>6 months ended 30 June 2014</u>								
At 1 January 2014	113,671,814	75,962	(43,573,022)	7,076,782	(5,178,639)	72,072,897	454,120	72,527,017
Loss	-	-	(7,388,191)	-	-	(7,388,191)	731,744	(6,656,447)
Other Comprehensive income/(loss)	-	(127,059)	-	3,846,377	-	3,719,318	334	3,719,652
Total comprehensive income/(loss)	-	(127,059)	(7,388,191)	3,846,377	-	(3,668,873)	732,078	(2,936,795)
Dividend paid to non-controlling shareholder	-	-	-	-	-	-	(150,000)	(150,000)
Balance as at 30 June 2014	113,671,814	(51,097)	(50,961,213)	10,923,159	(5,178,639)	68,404,024	1,036,198	69,440,222

	Share Capital	Foreign Currency Translation Reserve	Accumulated Losses	Total
COMPANY	S\$	S\$	S\$	S\$
<u>6 months ended 30 June 2015</u>				
At 1 January 2015	119,912,067	85,919	(100,763,252)	19,234,734
Loss	-	-	(999,320)	(999,320)
Total comprehensive loss	-	-	(999,320)	(999,320)
Balance as at 30 June 2015	119,912,067	85,919	(101,762,572)	18,235,414
<u>6 months ended 30 June 2014</u>				
At 1 January 2014	113,671,814	85,919	(15,244,696)	98,513,037
Loss	-	-	(259,074)	(259,074)
Total comprehensive loss	-	-	(259,074)	(259,074)
Balance as at 30 June 2014	113,671,814	85,919	(15,503,770)	98,253,963

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

None, not applicable

1(d)(iii) The total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

	As at 30 June 2015	As at 31 December 2014
Total number of issued shares	1,097,505,101	1,097,505,101
Less: Treasury Shares	Nil	Nil
Total number of issued shares excluding treasury shares	1,097,505,101	1,097,505,101

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).

The financial results of the Group for the quarter ended 30 June 2015 have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Financial results for the year ended 30 June 2015 have not been audited or reviewed.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation as in the most recently audited financial statements as at 31 December 2014.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the changes.

The Group has adopted the same accounting policies and method of computations in the financial statements for the current financial period reported as in the last audited financial statements, as well as all the applicable Financial Reporting Standards ("FRS") which became effective for the financial year beginning on or after 1 January 2015. The adoption of these new and revised FRS has no material effect for the current financial period.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

Earnings per share

	Group		Group	
	Quarter ended 30 June 2015	Quarter ended 30 June 2014	Half Year ended 30 June 2015	Half Year ended 30 June 2014
Loss per ordinary share for the year after deducting any provision for preference dividend:-				
Basic and fully diluted				
Group (Singapore cents)	(0.17)	(0.55)	(0.31)	(0.75)
Weighted average number of ordinary shares for the purposes of computing basic and diluted earnings per share	1,097,505,101	979,764,476	1,097,505,101	979,764,476
Loss attributable to owners of the Company (S\$)	(1,916,573)	(5,436,181)	(3,387,328)	(7,388,191)

7. **Net asset value (for the issuer and the group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

	As at 30 June 2015	As at 31 December 2014
Net asset backing per ordinary share based on existing issued share capital as at the end of the period		
(i) Based on number of ordinary		
Group (Singapore cents)	0.48	0.68
Company (Singapore cents)	1.66	1.75
Number of shares in issue applicable to net asset value per ordinary share	1,097,505,101	1,097,505,101

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

(a) **Income Statement**

The Company changed its name from "Asiasons Capital Limited" to "Attilan Group Limited" on 30 April 2015. The change was approved by the shareholders at an Extra Ordinary General meeting on 29 April 2015.

Revenue

For Q2 FY2015, revenue decreased by 83% or by S\$1.9 million from S\$2.3 million in Q2 FY2014 to S\$0.4 million in Q2 FY2015 as the Group recorded lower revenue from its media sales segment from its subsidiary Hub Media Group Pte Ltd ("Hub Media"). The lower sales were mainly due to clients switching to different content genre. This resulted in the push back of content delivery for Hub Media and hence, a lower media sales revenue. The revenue in Q2 FY2014 included revenue from subsidiaries which were disposed off in FY2014.

For HY FY2015, revenue decreased by 64% or by S\$3.7 million from S\$5.7 million in HY FY2014 to S\$2 million in HY FY2015 as the Group recorded lower revenue from its media sales segment as explained earlier. The revenue in HY FY2014 included revenue from wholly-owned subsidiaries which were disposed off in FY2014.

Loss before tax

The Group recorded a loss before tax of approximately S\$2 million and S\$3.5 million in Q2 FY2015 and HY FY2015 respectively as compared to a loss before tax of approximately S\$5.2 million and S\$6.5 million in HY FY2014 and HY FY2014 respectively. The loss before tax in Q2 FY2015 and HY FY2015 were mainly due to lower revenue recorded as explained earlier above.

Comprehensive income

The Group recorded other comprehensive income of approximately S\$2.1 million in Q2 FY2015 as compared to the other comprehensive income of approximately S\$3.8 million in Q2 FY2014.

The Group recorded other comprehensive income of approximately S\$1.3 million in HY FY2015 as compared to the other comprehensive income of approximately S\$3.7 million in HY FY2014.

The comprehensive income and loss in Q2 FY2015 and HY FY2015 were mainly from the exchange differences on translation of foreign operations.

Expenses

- (1) **Cost of media sales** in Q2 FY2015 was attributed to Hub Media mainly for the additional purchase of media content license to increase its media content library to meet sales obligation and future sales and also the amortisation content acquired previously. The media content license are amortized over the period of their estimated useful life of between 2 to 6 years. The breakdown are as follows:

Category	Cost S\$ (nearest \$'000)	Amortisation period	For
Content Agreements	3,400	2 to 3 years	Commitment for delivery of media content to customer as per contract
License Agreements	247	6 years	For future sales – building up of catalogue of content

- (2) **Administrative expenses** decreased by approximately of S\$0.6 million in Q2 FY2015 as compared to Q2 FY2014 due mainly to lower employee cost and other administrative expenses for the period under review from the Group's disposal of four wholly-owned subsidiaries in FY2014.
- (3) **Other income** increased by approximately of S\$0.1 million in Q2 FY2015 as compared to Q2 FY2014 due mainly to the impairment written back made on other receivable in Q2 FY2015. The Group recognised the gain on disposal of two subsidiaries in Q2 FY2014.
- (4) **Other expenses** decreased by approximately of S\$4 million in Q2 FY2015 as compared to Q2 FY2014 as the Group recorded lower fair value loss on financial asset, at fair value through profit or loss which consisted mainly of quoted securities listed in Singapore.
- (5) **Finance income** comprised of interest income from bank deposits and interest income on loan receivable from an investee company. No interest income was recognised in FY2015 on loan receivable taken by an investee company.

	Q2 FY2015 S\$(nearest \$'000)	Q2 FY2014 S\$(nearest \$'000)	Variance S\$(nearest \$'000)
Interest income from bank and fixed deposit	3	5	(2)
Interest income from loan receivable	-	390	(390)
Total	3	395	(392)

- (6) **Finance cost** decreased by S\$0.4 million in Q2 FY2015 as compared to Q2 FY2014. The decrease was due mainly to the decrease in the interest expenses on other payables which comprise of advances from former subsidiary which were interest free beginning from 1 March 2015 as compared to Q2 FY2014. The interest on borrowing also decreased as the Group had made partial repayment in FY2014.

	Q2 FY2015 S\$(nearest \$'000)	Q2 FY2014 S\$(nearest \$'000)	Variance S\$(nearest \$'000)
Interest expenses on borrowings	14	82	(68)
Interest expenses on other payables	139	480	(341)
Total	153	562	(409)

- (7) The Group recorded a lower **share of loss from associated companies** in Q2 FY2015 compared to Q2 FY2014.

(b) **Consolidated Balance Sheet and Cash Flow:**

The **net current liabilities** of the Group was approximately S\$14.5 million as at 30 June 2015 as compared to net current liabilities of S\$13.9 million as at 31 December 2014.

The Group has also announced on 25 May 2015 that it is proposing to dispose of its entire shareholding in its wholly owned subsidiary, Portwell Investment Ltd as part of the Group's overall strategy to lighten its Balance Sheet. The proposed disposal is currently on going and the Group will make further update on the status.

The Group has also announced that it is planning a proposed issuance of 1% unsecured equity linked redeemable structured convertible notes due 2018 of which is ongoing.

The increase of approximately S\$0.6 million in net current liabilities was primarily due to:

- 1a. **Cash and Cash Equivalent** decreased by approximately S\$2.2 million. This was due to the Group using S\$0.1 million in its operating activities, net cash used in investing activities of S\$0.1 million and net cash used in financing activities of S\$2.1 million.

The cash used in investing activities of S\$0.1 million was due mainly to the purchase of intangible assets in the current quarter, see note 8(b) 2(e) below.

The cash used in financing activities of S\$2.1 million was due mainly due to the repayment of borrowings and related interests to former subsidiary and banks.

- 1b. **Financial Assets, Fair Value through Profit and Loss** decreased by S\$0.6 million due mainly to a sale of certain quoted securities. See also note 8(a) (4).
- 1c. **Financial Assets, available for sale** decreased due mainly to further impairment made on quoted securities portfolio during the quarter.
- 1d. The increase in **trade receivables** of S\$1.3 million were mainly from subsidiary Hub Media as delay in payment from customer due to some delivery changes as explained per Note 8(a) Revenue.
- 1e. The increase in **other current assets** by S\$1 million was due to the deposit made for franchise license of S\$0.4 million, recoverable expenses of S\$0.3 million and deposit made for content license of S\$0.2 million.
- 1f. **Trade and other payables** decreased by approximately S\$7.9 million due mainly to the reclassification of the amount due to a former subsidiary to Liabilities directly associated with asset classified as held-for-sale.
- 1g. **Borrowings** decreased by approximately S\$1.7 million due mainly to the partial repayment of a loan to a former subsidiary and fully repayment of bank term loan for the Group's revolving credit facilities ("RCF"). The borrowings as at 30 June 2015 refer to the current portion of the bank term loans for a property, hire purchase creditors and a third party loan.

The net non-current assets of the Group was approximately S\$19.9 million as at 30 June 2015 as compared with S\$21.4 million as at 31 December 2014. The decrease of approximately S\$1.5 million was mainly due to:

- 2a. **Investments in associated companies** decreased mainly from the Group's share in net losses.
- 2b. **Financial assets, available for sale** decreased by approximately S\$21.6 million mainly due to reclassification of certain financial asset, available for sale to that of Asset classified as held-for-sale in Q1 FY2015.
- 2c. The decrease in **Plant, property and equipment** was due to the depreciation charged for the quarter.
- 2d. The decrease in **Investment properties** was due to the depreciation charged for the quarter.
- 2e. The decrease in **Intangible assets** was due to the amortisation charged for the quarter for Content Agreements and License Agreements. See also note 8(a)(1).
- 2f. **Other payables** refer to the non-current portion of the interest bearing advances from a former subsidiary and investee company. The decrease is mainly due to the reclassification of the advances and interest to Liability directly associated with assets classified as held-for-sale in Q1 FY2015.
- 2g. **Borrowings** refer to the long term portion of the bank term loans for property, hire purchase creditors and a third party loan.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

No forecast or prospect statement was made previously.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting year and the next 12 months

Consumer Business

The Group continues to focus and grow its current consumer business and is mindful of the political situation in markets where it operates such as Malaysia. In general, the strengthening of the US currency may result in the consolidation of the Media Content Industry as weaker players may be forced out. Hub Media hopes to capitalize on the situation and is monitoring the development closely.

Investment Management

The Group is currently undertaking a streamlining exercise to lighten its Balance Sheet as well as to raise funds via a proposed convertible bond issue. Further updates will be made by the Group on the progress.

11. Dividend

(a) Current Financial Year Reported On 30 June 2015

Any dividend declared for the current financial year reported on?

Not applicable.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding year of the immediately preceding financial year?

No dividend has been declared for the corresponding year of the immediately preceding financial year ended 31 December 2014.

(c) Date payable

Not Applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

No dividend has been recommended or declared by the Company for the financial year under review.

13. Summary of Interested Person Transactions

Summary of Interested Person Transactions for the financial period ended 30 June 2015

There is no general mandate on Interested Person Transactions.

The aggregate value of interested person transactions for the period ended 30 June 2015 is as follows:

Name of interested person and nature of transactions	Group			
	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transaction conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 excluding (excluding transactions less than S\$100,000)	
	HY ended 30 June 2015	HY ended 30 June 2014	HY ended 30 June 2015	HY ended 30 June 2014
Dato' Mohammed Azlan Bin Hashim *	N.A.	S\$410,695	N.A.	N.A.
Datuk Jared Lim Chih Li	N.A.	S\$108,000	N.A.	N.A.
Mr Ng Teck Wah **	N.A.	S\$108,000	N.A.	N.A.

Material Contracts

Save as disclosed above, there were no other material contracts of the Company and its subsidiaries involving the interests of the Managing Director, any director or controlling shareholders for the Q2 and HY ended 30 June 2015.

14. Confirmation pursuant to the Rule 705(5) of the listing manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim results of the Group for the Q2 and HY ended 30 June 2015 to be false and misleading in any material aspect.

BY ORDER OF THE BOARD

Datuk Jared Lim Chih Li
Managing Director
14 August 2015

Yin Kum Choy
Audit Committee Chairman
14 August 2015