

# **CHINA INTEGRATED MEDIA CORPORATION LIMITED**

ACN 132 653 948

## **Appendix 4E**

### **Preliminary Final Report**

**For the Financial Year Ended 31 December 2014**

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## Appendix 4E Preliminary Final Report

Name of entity

**China Integrated Media Corporation Limited (the “Company”)**

ACN 132 653 948

Financial year ended 31 December 2014

### RESULTS FOR ANNOUNCEMENT TO THE MARKET

	Group		Movements	Movements
	Year ended 31 December 2014	Year ended 31 December 2013		
	A\$	A\$	A\$	%
Revenue from ordinary activities	594,886	1,216,754	(621,868)	(51)
Loss from ordinary activities after tax attributable to members	(899,508)	(341,301)	(558,207)	164
Net loss for the year attributable to members	(899,508)	(341,301)	(558,207)	164

Dividend	Amount per security	Franked amount per security
Final dividend	Nil	Nil
Interim dividend	Nil	Nil
Previous corresponding period	Nil	Nil
Record date for determining entitlements to the dividend	N/A	

**China Integrated Media Corporation Limited**

**Consolidated Statement of Comprehensive Income  
For the year ended 31 December 2014**

	Notes	Group	
		2014 A\$	2013 A\$
<b>REVENUE</b>			
Revenue from operating activities		594,886	1,216,754
Interest income		2,740	4,649
		<u>597,626</u>	<u>1,221,403</u>
Other income		-	354,736
		<u>597,626</u>	<u>1,576,139</u>
<b>EXPENSES</b>			
Cost of revenue		(263,805)	(1,095,642)
Employee benefit expense		(197,599)	(190,213)
Depreciation expense		(124,335)	(108,927)
Professional and consulting expense		(163,130)	(418,810)
Loss on financial assets at fair value through profit or loss		(551,787)	-
Travel and accommodation expense		(29,139)	(53,097)
Other expenses		(167,339)	(49,538)
Finance costs		-	(1,213)
Total expenses		<u>(1,497,134)</u>	<u>(1,917,440)</u>
<b>LOSS BEFORE INCOME TAX</b>		(899,508)	(341,301)
Income tax expense		-	-
<b>LOSS FOR THE YEAR</b>	6	<u>(899,508)</u>	<u>(341,301)</u>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will be re-classified to profit or loss			
Foreign currency translation		368,007	290,610
Other comprehensive income for the year, net of tax		<u>368,007</u>	<u>290,610</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>(531,501)</u>	<u>(50,691)</u>
Loss for the year attributable to Owners of the Company			
		<u>(899,508)</u>	<u>(341,301)</u>
Total comprehensive income for the year attributable to Owners of the Company			
		<u>(531,501)</u>	<u>(50,691)</u>
Loss per share			
Basic		0.02	0.01
Diluted		<u>0.02</u>	<u>0.01</u>

**China Integrated Media Corporation Limited**

**Consolidated Statement of Financial Position  
As at 31 December 2014**

		<b>Group</b>	
	Notes	2014 A\$	2013 A\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		2,227,715	1,422,757
Trade and other receivables		222,427	894,225
Financial assets at fair value through profit or loss		614,133	1,098,618
Other assets		52,642	8,378
Total current assets		<u>3,116,917</u>	<u>3,423,978</u>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment		<u>275,436</u>	<u>454,071</u>
Total non-current assets		<u>275,436</u>	<u>454,071</u>
<b>TOTAL ASSETS</b>		<u>3,392,353</u>	<u>3,878,049</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Other liabilities		83,326	39,822
Provisions		3,090	789
Total current liabilities		<u>86,416</u>	<u>40,611</u>
<b>NET ASSETS</b>		<u>3,305,937</u>	<u>3,837,438</u>
<b>EQUITY</b>			
Issued capital	7	5,132,475	5,132,475
Reserve		589,497	221,490
Accumulated losses	8	<u>(2,416,035)</u>	<u>(1,516,527)</u>
Equity attributable to owners of the Company		<u>3,305,937</u>	<u>3,837,438</u>
<b>TOTAL EQUITY</b>		<u>3,305,937</u>	<u>3,838,438</u>

**China Integrated Media Corporation Limited**

**Consolidated Statement of Changes in Shareholders' Equity**  
**For the year ended 31 December 2014**

	Issued Capital A\$	Attributable to owners of the Company		Total A\$
		Accumulated Losses A\$	Translation Reserve A\$	
Balance at 1 January 2014	5,132,475	(1,516,527)	221,490	3,837,438
Loss for the year	-	(899,508)	-	(899,508)
Other comprehensive income, net of tax	-	-	368,007	368,007
Total comprehensive income for the year	-	(899,508)	368,007	(531,501)
Balance at 31 December 2014	<u>5,132,475</u>	<u>(2,416,035)</u>	<u>589,497</u>	<u>3,305,937</u>

	Issued Capital A\$	Attributable to owners of the Company		Total A\$
		Accumulated Losses A\$	Translation Reserve A\$	
Balance at 1 January 2013	1,552,475	(1,175,226)	(69,120)	308,129
Loss for the year	-	(341,301)	-	(341,301)
Other comprehensive income, net of tax	-	-	290,610	290,610
Total comprehensive income for the year	-	(341,301)	290,610	(50,691)
Issuance of shares	<u>3,580,000</u>	-	-	<u>3,580,000</u>
Balance at 31 December 2013	<u>5,132,475</u>	<u>(1,516,527)</u>	<u>221,490</u>	<u>3,837,438</u>

**China Integrated Media Corporation Limited**

**Consolidated Statement of Cash Flows**  
For the year ended 31 December 2014

	Note	Group	
		2014 A\$	2013 A\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net loss		(899,508)	(341,301)
Adjustment to reconcile net loss to net cash used in operating activities:			
Depreciation		124,335	108,927
Unrealized loss / (gain) on marketable securities		551,787	(354,736)
Net cash flows from changes in working capital	9	664,575	166,910
<b>NET CASH INFLOWS / (OUTFLOWS) FROM OPERATING ACTIVITIES</b>		<u>441,189</u>	<u>(420,200)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of plant and equipment		158,925	-
Acquisition of plant and equipment		(4,187)	(560,512)
<b>NET CASH INFLOWS / (OUTFLOWS) FROM INVESTING ACTIVITIES</b>		<u>154,738</u>	<u>(560,512)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Convertible loan		-	(100)
Loans from related parties		-	(5,780)
Proceeds from issuance of shares		-	2,207,000
<b>NET CASH INFLOWS FROM FINANCING ACTIVITIES</b>		<u>-</u>	<u>2,201,120</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>			
		595,927	1,220,408
Effect of exchange rate changes on cash and cash equivalents		209,031	176,082
Cash and cash equivalents at the beginning of financial year		1,422,757	26,267
<b>CASH AND CASH EQUIVALENT AT THE END OF FINANCIAL YEAR</b>		<u>2,227,715</u>	<u>1,422,757</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1: Basis of Preparation

The financial report includes China Integrated Media Corporation Limited and its controlled entities as a consolidated entity ("Consolidated Group" or "Group"). China Integrated Media Corporation Limited ("Parent" or "Company") is a company limited by shares, incorporated and domiciled in Australia.

The Appendix 4E has been prepared in accordance with the ASX Listing Rules. Information included in the Appendix 4E has been extracted from the Group's full financial report, and is presented in Australian dollars.

A full description of the accounting policies adopted by the Group can be found in the Group's full financial report. These accounting policies have been consistently applied by each entity in the Group.

The full financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

NOTE 2: Compliance with AIFRS

International Financial Reporting Standards ("IFRS") form the basis of Australian Accounting Standards adopted by the AASB, being Australian equivalents to IFRS ("AIFRS"). The financial report of the consolidated entity has been prepared on the basis of AIFRS which also complies with IFRS and interpretations adopted by the International Accounting Standards Board.

NOTE 3: Details of Dividends or Distributions

No dividend was paid or proposed during the year.

NOTE 4: Details of Dividend/Distribution Reinvestment Plan

There was no dividend/distribution reinvestment plan in operation during the year.

NOTE 5: Ratios

Earnings / (loss) per share

	2014 cent	2013 cent
Basic EPS (cents per share)	<u>(1.7)</u>	<u>(0.6)</u>

Net tangible asset backing

	2014 cent	2013 cent
Net tangible asset backing per ordinary security (cents per security)	<u>6.3</u>	<u>7.3</u>

NOTE 6: Loss from Ordinary Activities

	<b>Group</b>	
	Year ended 31 December 2014 A\$	Year ended 31 December 2013 A\$
Finance Costs:		
- Convertible notes	-	1,213
Depreciation of non-current assets:		
- Leasehold improvements	82,862	85,301
- Office furniture and equipment	41,473	23,626
Total depreciation	<u>124,335</u>	<u>108,927</u>
Rental expense on operating lease	16,820	16,252
Income tax expense / (credit)	-	-
Auditor remuneration for:		
- Audit services	<u>36,716</u>	<u>22,989</u>

NOTE 7: Issued Capital

(a) Share capital

**Group and Company**

	31 December 2014 and 2013	
	Number of shares	A\$
Ordinary Shares fully paid	<u>52,912,833</u>	<u>5,132,475</u>

There is only one class of share on issue being ordinary fully paid shares. Holders of ordinary shares are treated equally in all respects regarding voting rights and with respect to the participation in dividends and in the distribution of surplus assets upon winding up.

(b) Options on issue

There were no share options issued and outstanding during and at the end of the financial year.



NOTE 8: Accumulated Losses

	<b>Group</b>	
	Year ended 31 December 2014 A\$	Year ended 31 December 2013 A\$
Balance at the beginning of financial year	1,516,527	1,175,226
Net loss for the financial year	899,508	341,301
Balance at the end of financial year	<u>2,416,035</u>	<u>1,516,527</u>

NOTE 9: Cash Flow Information

	<b>Group</b>	
	Year ended 31 December 2014 A\$	Year ended 31 December 2013 A\$
<b>CASH FLOWS FROM CHANGES IN WORKING CAPITAL</b>		
(Increase) / Decrease in assets:		
Trade receivables	390,998	(621,399)
Other receivables and deposits	231,550	(197,843)
Inventories	-	998,313
Increase / (Decrease) in liabilities:		
Other payables	8,732	(8,684)
Accrued expenses	8,418	8,087
Deferred income	39,838	-
Deposit subscription	-	(5,000)
Related party payables	(14,961)	(6,564)
<b>NET CASH FLOWS FROM CHANGES IN WORKING CAPITAL</b>	<u>664,575</u>	<u>166,910</u>

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NOTE 10: Control Gained or Lost Over Entities During the Year

10.1 Name of entity (or group of entities) over which control was gained	Binario Limited
10.2 Date control was gained	31 May 2014
10.3 Consolidated profit (loss) from ordinary activities after tax of the controlled entity (or group of entities) for the current period from the date of gain of control	A\$ Nil
10.4 Name of entity (or group of entities) over which control was lost	N/A
10.5 Date control was lost	N/A
10.6 Consolidated profit (loss) from ordinary activities after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	N/A

NOTE 11: Contingencies

There are no material contingent liabilities or contingent assets of the Group at balance sheet date.

COMMENTARY ON THE RESULTS FOR THE YEAR 2014

The Group's principal activities during the course of the financial year were advertising, distribution of displays, provision of 3D consultancy services and the lottery gaming business in China.

The Group's main revenue activities during the financial year was the provision of 3D consultancy services and distribution of content management system. The Group's digital advertising in glasses-free 3D (autostereoscopic) and lottery gaming business are still in the development stage and did not contribute any revenue to the Group during the year.

During the financial year, the Group has recorded revenue of A\$594,886 (2013: A\$1,216,754) and recorded loss for the year of A\$899,508 (2013: loss of A\$341,301).

The Group also recognized an unrealized loss of A\$551,787 (2013: unrealized gain of A\$354,736) from its investment in marketable securities.

The focus of the Group is to continue to develop its digital media / advertising in glasses-free 3D (autostereoscopic) and lottery outlet activities, and the Board will be reviewing potential acquisitions that are able to add value to the Group. The future development is dependent on the ability to have sufficient resources in funding, technology and human capital to execute its business plans. Management will also seek synergistic acquisitions to build revenue and bring in resources to complement and to supplement our internal capabilities to become a leader in glasses-free 3D advertising platform.

Events Subsequent to Reporting Date

On 6 February 2015, the Company completed the acquisition of 100% interest in Conco International Co., Ltd. ("CICL"), a company principally engaged in the design, sale and distribution of audio products.

The initial consideration for the acquisition is 307,954 fully paid ordinary shares of the Company at a price of 20 cents per share, which is equivalent to the net asset value of CICL as at the completion date.

Compliance Statement

This report is based on accounts which are in the process of being audited. The audit report will be available with the Company's Annual Report in March 2015.

Sign here: \_\_\_\_\_ /S/ Herbert Ying Chiu Lee

Chairman & CEO

Name: Herbert Ying Chiu Lee

Date: 26 February 2015

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