



ASIA POLY HOLDINGS BERHAD

Company No. 619176-A

(Incorporated in Malaysia)

Unaudited Interim Financial Report for the first quarter ended 30 June 2013

NOTES TO THE INTERIM FINANCIAL REPORT

A EXPLANATORY NOTES PURSUANT TO FRS 134 INTERIM FINANCIAL REPORTING

1 Basis of preparation

The interim financial reports have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") 134: "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2013. These explanatory notes provide an explanation of 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 March 2013.

2 Malaysian Financial Reporting Standards ("MFRSs")

The interim financial reports of the Group have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia.

Adoption of new and revised Financial Reporting Standards

The Group's interim financial report for the financial year ended 31 March 2013 have been prepared in accordance with MFRSs for the first time. In the previous years, these interim financial report were prepared in accordance with Financial Reporting Standards ("FRSs").

The transition to MFRSs is accounted for in accordance with MFRS 1: *First-time Adoption of Malaysian Financial Reporting Standards*, with 1 April 2011 as the date of transition. The adoption of MFRSs has not affected the amounts reported on the interim financial report of the Group.



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Standards and IC Interpretations in Issue but not yet effective

At the date of authorisation for issue of these financial statements, the new and revised Standards and IC Interpretations which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below:

MFRS 7	Financial Instruments: Disclosures (Amendment relating to Disclosures - Offsetting Financial Assets and Liabilities) ¹
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in October 2009) ²
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2010) ²
MFRS 10	Consolidated Financial Statements ¹
MFRS 10	Consolidated Financial Statements (Amendments relating to Transition Guidance) ¹
MFRS 11	Joint Arrangements ¹
MFRS 11	Joint Arrangements (Amendments relating to Transition Guidance) ¹
MFRS 12	Disclosure of Interests in Other Entities ¹
MFRS 12	Disclosure of Interests in Other Entities (Amendments relating to Transition Guidance) ¹
MFRS 13	Fair Value Measurement ¹
MFRS 101	Presentation of Financial Statements (Amendments relating to Presentation of Items of Other Comprehensive Income) ³
MFRS 119	Employee Benefits (IAS 19 as amended by IASB in June 2011) ¹
MFRS 127	Separate Financial Statements (IAS 27 as amended by IASB in May 2011) ¹
MFRS 128	Investment in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011) ¹
MFRS 132	Financial Instruments: Presentation (Amendments relating to Offsetting Financial Assets and Financial Liabilities) ⁴
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine ¹

Amendments to MFRSs contained in the document entitled Annual Improvements 2009-2011 cycle¹

¹ Effective for annual periods beginning on or after 1 January 2013

² Effective for annual periods beginning on or after 1 January 2015 instead of 1 January 2013 immediately upon the issuance of Amendments to MFRS 9 (IFRS 9 issued by IASB in November 2009 and October 2010 respectively) and MFRS 7 relating to "Mandatory Effective Date of MFRS 9 and Transition Disclosures" on 1 March 2012

³ Effective for annual periods beginning on or after 1 July 2012

⁴ Effective for annual periods beginning on or after 1 January 2014



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The directors anticipate that abovementioned Standards and IC Interpretations will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards and IC Interpretations will have no material impact on the financial statements of the Group in the period of initial application except as disclosed below.

Amendments to MFRS 7 and MFRS 132: Offsetting Financial Assets and Financial Liabilities and the related disclosures

The amendments to MFRS 132 clarify existing application issues relating to the offset of the financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of “currently has a legally enforceable right of set-off” and “simultaneous realization and settlement”.

The amendments to MFRS 7 introduce new disclosure requirements relating to rights of offset and related arrangements for financial instruments under an enforceable master netting agreements or similar arrangements. Both MFRS 132 and MFRS 7 require retrospective application upon adoption.

To date, the Group has not entered into any such agreements or similar arrangements. However, the directors anticipate that the application of these amendments to MFRS 132 and MFRS 7 may result in more disclosures being made with regard to offsetting financial statements and financial liabilities in the future.

3 Auditors’ report on preceding annual financial statements

There were no audit qualifications on the annual financial statements for the year ended 31 March 2013.

4 Seasonal or cyclical factors

The Group’s operations were not materially affected by seasonal or cyclical factors during the financial quarter under review.

5 Unusual items affecting assets, liabilities, equity, net income or cash flows

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

6 Material changes in estimates

There were no changes in estimates of amounts which give a material effect for the current financial quarter under review.



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7 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.

8 Dividends paid

There was no dividend paid during the financial quarter under review.

The Board has declared a final tax exempt dividend of 2.5% (RM0.0025) per ordinary share of RM0.10 each in respect of the financial year ended 31 March 2013. The proposed final dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements for the year ended 31 March 2013 nor interim financial report for the period ended 30 June 2013.

9 Segment information

Business segments

The Group is primarily engaged in manufacturing of cast acrylic sheets and trading in chemical products.

	Individual Quarter		Cumulative Quarter	
	Current Quarter ended 30 June 2013 RM'000	Comparative Quarter ended 30 June 2012 RM'000	3 Months Cumulative ended 30 June 2013 RM'000	3 Months Cumulative ended 30 June 2012 RM'000
<u>Segment revenue</u>				
Investment holdings and others	-	-	-	-
Manufacturing	19,352	19,652	19,352	19,652
Trading	316	1,150	316	1,150
	<u>19,668</u>	<u>20,802</u>	<u>19,668</u>	<u>20,802</u>
<u>Segment results</u>				
Investment holdings and others	-	-	-	-
Manufacturing	42	334	42	334
Trading	-	24	-	24
	<u>42</u>	<u>358</u>	<u>42</u>	<u>358</u>

10 Valuation of property, plant and equipment



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There were no changes in the valuation of the property, plant and equipment in the current financial quarter under review.

11 Material events subsequent to the end of the quarter

There were no material events subsequent to the current financial quarter under review.

12 Changes in the composition of Company

There are no changes in the composition of Company during the current financial quarter under review.

13 Contingent liabilities

There were no contingent liabilities for the Group as at the date of this announcement.

14 Capital commitment

There were no capital commitments for the purchase of any property, plant and equipment or any other expenses that were not accounted for in the interim financial report of the quarter under review.

15 Significant related party transactions

There were no significant related party transactions during the current financial quarter under review.



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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET

16 Review of performance

	Individual Quarter		Cumulative Quarter	
	Current Quarter ended 30 June 2013 RM'000	Comparative Quarter ended 30 June 2012 RM'000	3 Months Cumulative ended 30 June 2013 RM'000	3 Months Cumulative ended 30 June 2012 RM'000
Revenue	19,668	20,802	19,668	20,802
Profit before tax	77	447	77	447

For the financial quarter ended 30 June 2013, the Group recorded a revenue of RM19.668 million and a profit before taxation of RM0.077 million compared with a revenue of RM20.802 million and a profit before tax of RM0.447 million for the previous corresponding quarter. However, the Group continued to be affected by the following external factors such as, the price fluctuation of Methyl Methacrylate Monomer and also the fluctuation of the United States Dollars.

17 Variation of result against preceding quarter

	Individual Quarter	
	1st Quarter ended 30 June 2013 RM'000	4th Quarter ended 31 March 2013 RM'000
Revenue	19,668	19,865
Profit for the period	42	630



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18 Realised and Unrealised Profits / (Losses)

	As at 30 June 2013 RM'000	As at 30 June 2012 RM'000
Total retained earnings		
Realised	8,576	7,972
Unrealised	<u>2</u>	<u>2</u>
	8,578	7,974
Consolidation adjustments	<u>872</u>	<u>872</u>
Total retained earnings as per statements of financial position	<u><u>9,450</u></u>	<u><u>8,846</u></u>

19 Business prospects

We expect the current financial year ending 31 March 2014 to be challenging in view of the volatile environment of the current global economy.

20 Profit forecast, profit guarantee and internal targets

The Group did not provide any profit forecast, profit guarantee and internal targets in any public document or any announcement made.

21 Taxation

Income tax on the profit for the period comprise deferred tax.

22 Status of corporate proposals

There were no corporate proposals undertaken or announced by the Group as at the date of this report.

23 Unsecured borrowings and debt securities

There were no unsecured borrowings and debt securities for the current quarter under review.



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24 Material litigation

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

25 Dividends

There was no dividend declared during the financial quarter under review.

The Board has declared a final tax exempt dividend of 2.5% (RM0.0025) per ordinary share of RM0.10 each in respect of the financial year ended 31 March 2013. The proposed final dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements for the year ended 31 March 2013 nor interim financial report for the period ended 30 June 2013.

26 Earnings per share

(a) Basic

Basic earnings per share figures are computed by dividing profits for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Individual Quarter		Cumulative Quarter	
	Current Quarter ended 30 June 2013 RM'000	Comparative Quarter ended 30 June 2012 RM'000	3 Months Cumulative ended 30 June 2013 RM'000	3 Months Cumulative ended 30 June 2012 RM'000
Profit attributable to equity holders of the Company (RM'000)	42	358	42	358
Weighted average number of ordinary shares in issue ('000)	87,915	87,915	87,915	87,915
Basic earnings per share (sen)	<u>0.05</u>	<u>0.41</u>	<u>0.05</u>	<u>0.41</u>

(b) Diluted

There is no dilution effect on the earning per share during the quarter and cumulative year to date.



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27 Authorisation for issue

The interim financial report were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 August 2013.

By order of the Board of Directors

Teoh Cheng Chuan

CEO

28 August 2013