

**LUSTER INDUSTRIES BHD.**  
**Company No. 156148-P**  
(Incorporated in Malaysia)  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2012**

	Unaudited as at 31-Dec-12 RM'000	Audited and restated as at 31-Dec-11 RM'000	* Audited and restated as at 1-Jan-11 RM'000 *
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant & equipment	67,259	26,224	29,084
Goodwill on consolidation	22,077	-	-
	<u>89,336</u>	<u>26,224</u>	<u>29,084</u>
<b>Current assets</b>			
Inventories	10,046	7,474	8,759
Trade receivables	34,715	11,947	11,116
Other receivables, deposits and prepayments	3,902	3,997	2,952
Tax refundable	245	546	496
Fixed deposits with a licensed bank	3,966	22	21
Cash and bank balances	19,240	5,622	6,041
	<u>72,114</u>	<u>29,608</u>	<u>29,385</u>
Non-current assets classified as held for sale	-	1,659	-
	<u>72,114</u>	<u>31,267</u>	<u>29,385</u>
<b>TOTAL ASSETS</b>	<u>161,450</u>	<u>57,491</u>	<u>58,469</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital	108,801	61,183	61,183
Share premium	204	2,338	2,338
Discount on shares	(12,892)	-	-
Other reserves	14,195	8	-
RCCLS	557	-	-
ICULS	18,800	-	-
Accumulated losses	(22,748)	(89,697)	(83,202)
	<u>106,917</u>	<u>(26,168)</u>	<u>(19,681)</u>
Non-controlling interests	8,174	-	-
<b>Total equity</b>	<u>115,091</u>	<u>(26,168)</u>	<u>(19,681)</u>
<b>Non-current liabilities</b>			
Borrowings	15,031	191	118
Deferred tax liabilities	2,850	61	54
	<u>17,881</u>	<u>252</u>	<u>172</u>
<b>Current liabilities</b>			
Trade payables	13,954	1,510	1,661
Other payables and accruals	8,626	2,050	2,266
Borrowings	4,878	79,821	74,008
Provision for taxation	1,020	26	43
	<u>28,478</u>	<u>83,407</u>	<u>77,978</u>
<b>Total liabilities</b>	<u>46,359</u>	<u>83,659</u>	<u>78,150</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>161,450</u>	<u>57,491</u>	<u>58,469</u>
<b>Net assets per share (RM)</b>	<b>0.11</b>	<b>(0.43)</b>	<b>(0.32)</b>

\* Upon the adoption of the MFRS framework, the consolidated statement of financial position as at 31 December 2011 and 1 January 2011 have been restated.

The notes set out on page 8 to 19 form an integral part of and should be read in conjunction with this interim financial report.

**LUSTER INDUSTRIES BHD.**  
**Company No. 156148-P**  
(Incorporated in Malaysia)  
**UNAUDITED CONDENSED CONSOLIDATED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE 12 MONTHS PERIOD ENDED 31 DECEMBER 2012**

	INDIVIDUAL QUARTER ENDED		CUMULATIVE QUARTER TO DATE	
	31-Dec-12 RM'000	31-Dec-11 RM'000	31-Dec-12 RM'000	31-Dec-11 RM'000
Revenue	33,791	9,046	98,529	43,329
Cost of sales	<u>(27,785)</u>	<u>(7,085)</u>	<u>(83,376)</u>	<u>(38,639)</u>
<b>Gross profit</b>	<b>6,006</b>	1,961	<b>15,153</b>	4,690
Other income	<b>1,057</b>	391	<b>34,021</b>	886
Administration expenses	<b>(4,609)</b>	(2,483)	<b>(13,764)</b>	(5,364)
Distribution expenses	<b>(703)</b>	(506)	<b>(1,341)</b>	(1,066)
<b>Results from operating activities</b>	<b>1,751</b>	(637)	<b>34,069</b>	(854)
Finance costs	<b>(321)</b>	(1,388)	<b>(3,069)</b>	(5,657)
Interest expense waived	-	-	<b>2,453</b>	-
<b>Profit/(Loss) before taxation</b>	<b>1,430</b>	(2,025)	<b>33,453</b>	(6,511)
Taxation	<b>(1,168)</b>	36	<b>(1,948)</b>	16
<b>Profit/(Loss) for the year</b>	<b>262</b>	(1,989)	<b>31,505</b>	(6,495)
<b>Other comprehensive income:</b>				
Deconsolidation of a foreign subsidiary	-	2	-	2
Foreign currency translation differences for foreign operations	<b>(5)</b>	6	<b>4</b>	6
<b>Total comprehensive income/(loss) for the year</b>	<b>257</b>	(1,981)	<b>31,509</b>	(6,487)
<b>Profit/(Loss) for the year attributable to:</b>				
Owners of the parent	<b>753</b>	(1,989)	<b>30,239</b>	(6,495)
Non-controlling interests	<b>(491)</b>	-	<b>1,266</b>	-
	<b>262</b>	(1,989)	<b>31,505</b>	(6,495)
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the parent	<b>748</b>	(1,981)	<b>30,243</b>	(6,487)
Non-controlling interests	<b>(491)</b>	-	<b>1,266</b>	-
	<b>257</b>	(1,981)	<b>31,509</b>	(6,487)
Basic earnings per ordinary shares (sen)	<b>0.10</b>	(0.81)	<b>4.17</b>	(2.65)
Diluted earnings per ordinary shares (sen)	<b>0.03</b>	- *	<b>0.89</b>	- *

\* Anti-dilutive in nature.

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**LUSTER INDUSTRIES BHD.**  
**Company No. 156148-P**  
(Incorporated in Malaysia)  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE 12 MONTHS PERIOD ENDED 31 DECEMBER 2012**

	----- Attributable to owners of the parent -----									
	----- Non-distributable -----									
	Share capital	Share premium	Discount on shares	Other reserves	RCSLS	ICULS	Accumulated losses	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2011 (Restated)	61,183	2,338	-	-	-	-	(83,202)	(19,681)	-	(19,681)
Total comprehensive loss for the year	-	-	-	8	-	-	(6,495)	(6,487)	-	(6,487)
As at 31 December 2011	61,183	2,338	-	8	-	-	(89,697)	(26,168)	-	(26,168)
As at 1 January 2012 (Restated)	<b>61,183</b>	<b>2,338</b>	-	<b>8</b>	-	-	<b>(89,697)</b>	<b>(26,168)</b>	-	<b>(26,168)</b>
Total comprehensive income for the year	-	-	-	<b>4</b>	-	-	<b>30,239</b>	<b>30,243</b>	<b>1,266</b>	<b>31,509</b>
<b>Transactions with owners :</b>										
Capital reduction	(36,710)	-	-	-	-	-	36,710	-	-	-
Share premium reduction	-	(2,338)	-	-	-	-	-	(2,338)	-	(2,338)
Issuance of shares pursuant to debt settlement	28,923	-	-	-	-	-	-	28,923	-	28,923
Issuance of shares pursuant to rights issue	3,496	-	-	-	-	-	-	3,496	-	3,496
Issuance of shares pursuant to private placement	3,988	-	-	-	-	-	-	3,988	-	3,988
Issuance of shares pursuant to acquisition of interest in new subsidiaries	31,000	-	-	-	-	-	-	31,000	6,908	37,908
Issuance of shares pursuant to acquisition of property, plant and equipment	16,000	-	-	-	-	-	-	16,000	-	16,000
Issuance of ICULS pursuant to acquisition of equity interest in new subsidiaries	-	-	-	-	-	18,800	-	18,800	-	18,800
Issuance of RCSLS pursuant to debt settlement	-	-	-	-	557	-	-	557	-	557
Issuance of warrants	-	-	(12,892)	12,892	-	-	-	-	-	-
Share-based compensation pursuant to ESOS granted	-	-	-	1,495	-	-	-	1,495	-	1,495
Issuance of shares pursuant to ESOS	921	-	-	-	-	-	-	921	-	921
Transfer upon exercise of ESOS	-	204	-	(204)	-	-	-	-	-	-
Total transactions with owners	47,618	(2,134)	(12,892)	14,183	557	18,800	36,710	102,842	6,908	109,750
As at 31 December 2012	108,801	204	(12,892)	14,195	557	18,800	(22,748)	106,917	8,174	115,091

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**LUSTER INDUSTRIES BHD.**  
**Company No. 156148-P**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE 12 MONTHS PERIOD ENDED 31 DECEMBER 2012**

	31-Dec-12 RM'000	31-Dec-11 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	33,453	(6,511)
Adjustments for:		
Depreciation	3,281	2,091
Gain on disposal of investment in a subsidiary	-	(85)
Gain on disposal of property, plant and equipment	(92)	(79)
Impairment loss on inventories	563	-
Impairment loss on receivables	647	(24)
Interest expense	615	5,657
Interest income	(153)	(21)
Share-based compensation pursuant to ESOS granted	1,495	-
Unrealised loss on foreign exchange	362	8
Waiver of debts	(17,589)	(3)
Waiver of interest	(15,358)	-
Operating profit before working capital changes	7,224	1,033
Decrease in inventories	55	1,285
Decrease/(Increase) in receivables	737	(1,723)
Decrease in payables	(3,708)	(265)
Cash generated from operations	4,308	330
Income tax paid	(1,464)	(117)
Income tax refund	-	60
Interest paid	(574)	(1,607)
Net cash generated from/(used in) operating activities	2,270	(1,334)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Cash flows from deconsolidation/disposal of investment in a subsidiary	-	(1)
Cash flows from acquisition of equity interests in subsidiaries	10,329	-
Interest received	153	21
Placement of fixed deposits	(3,944)	-
Proceeds from disposal of property, plant and equipment	2,092	79
Purchase of property, plant and equipment	(4,788)	(766)
Net cash from/(used in) investing activities	3,842	(666)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of bankers acceptance	(600)	-
Repayment of term loan	(78)	-
Payment of finance lease	(453)	(65)
Issuance of shares pursuant to debt settlement	19,698	-
Proceeds from issuance of shares pursuant to rights issue	3,496	-
Proceeds from issuance of shares pursuant to private placement	3,988	-
Proceeds from issuance of shares pursuant to ESOS	921	-
Net cash from/(used in) financing activities	26,972	(65)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	33,084	(2,065)
Effects of foreign exchange rates changes	116	107
<b>CASH AND CASH EQUIVALENTS AT BEGINNING</b>	(14,076)	(12,118)
<b>CASH AND CASH EQUIVALENTS AT END</b>	19,124	(14,076)
<b>Represented by:</b>		
Cash and bank balances	19,240	5,622
Bank overdrafts	(116)	(19,698)
	19,124	(14,076)

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