

LUSTER INDUSTRIES BHD.
Company No. 156148-P
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	Unaudited as at 31-Dec-13 RM'000	Audited as at 31-Dec-12 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	73,653	67,259
Goodwill on consolidation	20,729	20,729
	<u>94,382</u>	<u>87,988</u>
Current assets		
Inventories	13,429	10,902
Trade receivables	31,736	34,715
Other receivables, deposits and prepayments	3,525	3,902
Tax refundable	113	245
Fixed deposits with a licensed bank	4,859	3,966
Cash and bank balances	28,940	19,240
	<u>82,602</u>	<u>72,970</u>
TOTAL ASSETS	<u>176,984</u>	<u>160,958</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	138,693	108,801
Share premium	846	204
Discount on shares	(22,618)	(12,493)
Warrant reserve	22,618	12,493
Other reserves	1,426	1,304
RCSLS	-	557
ICULS	18,800	18,800
Accumulated losses	(18,925)	(22,489)
	<u>140,840</u>	<u>107,177</u>
Non-controlling interests	11,323	8,835
Total equity	<u>152,163</u>	<u>116,012</u>
Non-current liabilities		
Borrowings	2,708	15,030
Deferred tax liabilities	1,115	1,225
	<u>3,823</u>	<u>16,255</u>
Current liabilities		
Trade payables	13,091	13,954
Other payables and accruals	5,679	8,626
Borrowings	1,678	4,877
Provision for taxation	550	1,234
	<u>20,998</u>	<u>28,691</u>
Total liabilities	<u>24,821</u>	<u>44,946</u>
TOTAL EQUITY AND LIABILITIES	<u>176,984</u>	<u>160,958</u>
Net assets per share (RM)	0.10	0.10

The notes set out on page 6 to 15 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 2013

	INDIVIDUAL QUARTER ENDED		CUMULATIVE QUARTER TO DATE	
	31-Dec-13 RM'000	31-Dec-12 RM'000	31-Dec-13 RM'000	31-Dec-12 RM'000
Revenue	32,841	33,660	148,026	98,398
Cost of sales	<u>(27,035)</u>	<u>(26,801)</u>	<u>(123,607)</u>	<u>(82,392)</u>
Gross profit	5,806	6,859	24,419	16,006
Other income/(expenses)	1,020	(14,262)	2,883	18,702
Administration expenses	(4,942)	(4,937)	(15,309)	(14,092)
Distribution expenses	<u>(884)</u>	<u>(703)</u>	<u>(2,328)</u>	<u>(1,341)</u>
Results from operating activities	1,000	(13,043)	9,665	19,275
Finance costs	<u>(52)</u>	<u>15,057</u>	<u>(631)</u>	<u>14,762</u>
Profit before taxation	948	2,014	9,034	34,037
Taxation	<u>(400)</u>	<u>(1,497)</u>	<u>(2,982)</u>	<u>(2,277)</u>
Profit for the period	548	517	6,052	31,760
Other comprehensive income:				
Foreign currency translation differences for foreign operations	<u>(13)</u>	<u>(4)</u>	<u>(13)</u>	<u>5</u>
Total comprehensive income for the period	<u>535</u>	<u>513</u>	<u>6,039</u>	<u>31,765</u>
Profit for the year attributable to:				
Owners of the parent	414	740	3,564	30,226
Non-controlling interests	<u>134</u>	<u>(223)</u>	<u>2,488</u>	<u>1,534</u>
	<u>548</u>	<u>517</u>	<u>6,052</u>	<u>31,760</u>
Total comprehensive income attributable to:				
Owners of the parent	401	736	3,551	30,231
Non-controlling interests	<u>134</u>	<u>(223)</u>	<u>2,488</u>	<u>1,534</u>
	<u>535</u>	<u>513</u>	<u>6,039</u>	<u>31,765</u>
Basic earnings per ordinary shares (sen)	<u>0.03</u>	<u>0.10</u>	<u>0.28</u>	<u>4.17</u>
Diluted earnings per ordinary shares (sen)	<u>N/A</u>	<u>0.03</u>	<u>N/A</u>	<u>0.89</u>

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LUSTER INDUSTRIES BHD.

Company No. 156148-P

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 12 MONTHS PERIOD ENDED 31 DECEMBER 2013**

	----- Attributable to owners of the parent -----										
	----- Non-distributable -----										
	Share capital RM'000	Share premium RM'000	Discount on shares RM'000	Warrant reserve RM'000	Other reserves RM'000	Equity component of RCSLS RM'000	ICULS RM'000	Accumulated losses RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
As at 1 January 2012 (Restated)	61,183	2,338	-	-	8	-	-	(89,697)	(26,168)	-	(26,168)
Total comprehensive income for the period	-	-	-	-	5	-	-	30,226	30,231	1,534	31,765
Transactions with owners :											
Capital reduction	(36,710)	-	-	-	-	-	-	36,710	-	-	-
Share premium reduction	-	(272)	-	-	-	-	-	272	-	-	-
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	7,301	38,301
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 granted	-	-	(12,493)	12,493	-	-	-	-	-	-	-
	-	-	-	-	1,495	-	-	-	1,495	-	1,495
Issuance of shares pursuant to ESOS	921	-	-	-	-	-	-	-	921	-	921
Transfer upon exercise of ESOS	-	204	-	-	(204)	-	-	-	-	-	-
Restructuring expenses	-	(2,066)	-	-	-	-	-	-	(2,066)	-	(2,066)
Total transactions with owners	47,618	(2,134)	(12,493)	12,493	1,291	557	18,800	36,982	103,114	7,301	110,415
As at 31 December 2012	108,801	204	(12,493)	12,493	1,304	557	18,800	(22,489)	107,177	8,835	116,012

LUSTER INDUSTRIES BHD.
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 12 MONTHS PERIOD ENDED 31 DECEMBER 2013

	----- Attributable to owners of the parent -----										
	----- Non-distributable -----										
	Share capital	Share premium	Discount on shares	Warrant reserve	Other reserves	Equity component of 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	RM'000
As at 1 January 2013	108,801	204	(12,493)	12,493	1,304	557	18,800	(22,489)	107,177	8,835	116,012
Total comprehensive income for the year	-	-	-	-	(13)	-	-	3,564	3,551	2,488	6,039
Transactions with owners :											
Issuance of shares pursuant to private placement	27,000	-	-	-	-	-	-	-	27,000	-	27,000
Issuance of warrants	-	-	(10,125)	10,125	-	-	-	-	-	-	-
Issuance of shares pursuant to ESOS granted	2,892	-	-	-	-	-	-	-	2,892	-	2,892
Settlement of RCSLS	-	-	-	-	777	-	-	-	777	-	777
Transfer upon exercise of ESOS	-	642	-	-	(642)	(557)	-	-	(557)	-	(557)
Total transactions with owners	29,892	642	(10,125)	10,125	135	(557)	-	-	30,112	-	30,112
As at 31 December 2013	138,693	846	(22,618)	22,618	1,426	-	18,800	(18,925)	140,840	11,323	152,163

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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 2013**

	31-Dec-13 RM'000	31-Dec-12 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	9,034	34,037
Adjustments for:		
Bad debts written off	-	53
Depreciation	5,100	3,284
Impairment loss on inventories	-	563
Impairment loss on inventories no longer required	(563)	-
Impairment loss on receivables	799	647
Gain on disposal of property, plant and equipment	(127)	(109)
Gain on disposal of non-current assets held for sale	-	(144)
Gain on deconsolidation of subsidiaries	(13)	-
Interest expense	631	3,075
Interest income	(506)	(141)
Share-based compensation pursuant to ESOS granted	777	1,495
Unrealised (gain)/loss on foreign exchange	(190)	304
Waiver of debts	-	(17,589)
Waiver of interest	-	(17,837)
Operating profit before working capital changes	14,942	7,638
Increase in inventories	(1,964)	(826)
Decrease/(increase) in receivables	2,687	(2,429)
(Decrease)/increase in payables	(3,874)	348
Cash generated from operations	11,791	4,731
Income tax paid	(3,458)	(1,458)
Interest paid	(631)	(106)
Net cash generated from operating activities	7,702	3,167
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash flows on acquisition of equity interests in subsidiaries	-	10,328
Interest received	506	141
Placement of fixed deposits	(795)	(323)
Proceeds from disposal of property, plant and equipment	353	240
Proceeds from disposal of non-current assets held for sale	-	1,803
Purchase of property, plant and equipment	(7,763)	(4,434)
Net cash (used in)/from investing activities	(7,699)	7,755
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of restructuring expenses	-	(557)
Repayment of bankers acceptance	-	(600)
Repayment of term loan	(556)	(75)
Repayment of RCSLS	(17,948)	-
Repayment of finance lease	(1,604)	(623)
Proceed from issuance of shares pursuant to debt settlement	-	19,698
Proceed from issuance of shares pursuant to rights issue	-	3,496
Proceed from issuance of shares pursuant to private placement	27,000	3,988
Proceeds from issuance of shares pursuant to ESOS	2,892	921
RCSLS interest paid	-	(449)
Net cash from financing activities	9,784	25,799
NET INCREASE IN CASH AND CASH EQUIVALENTS	9,787	36,721
Effects of foreign exchange rates changes	126	99
CASH AND CASH EQUIVALENTS AT BEGINNING	22,745	(14,075)
CASH AND CASH EQUIVALENTS AT END	32,658	22,745
Represented by:		
Fixed deposits with licensed banks	3,718	3,621
Cash and bank balances	28,940	19,240
Bank overdrafts	-	(116)
	32,658	22,745

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