

LUSTER INDUSTRIES BHD.
Company No. 156148-P
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Unaudited as at 30-Jun-14 RM'000	Audited as at 31-Dec-13 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	71,464	73,653
Goodwill on consolidation	20,729	20,729
	<u>92,193</u>	<u>94,382</u>
Current assets		
Inventories	11,643	13,204
Trade receivables	25,242	31,736
Other receivables, deposits and prepayments	9,503	3,766
Tax refundable	429	113
Fixed deposits with a licensed bank	5,805	4,859
Cash and bank balances	24,244	29,440
	<u>76,866</u>	<u>83,118</u>
TOTAL ASSETS	<u>169,059</u>	<u>177,500</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	156,826	138,693
Share premium	853	847
Discount on shares	(22,618)	(22,618)
Warrant reserve	22,618	22,618
Other reserves	1,838	1,426
ICULS	697	18,800
Accumulated losses	(20,187)	(19,398)
	<u>140,027</u>	<u>140,368</u>
Non-controlling interests	11,048	11,252
Total equity	<u>151,075</u>	<u>151,620</u>
Non-current liabilities		
Borrowings	1,859	2,720
Deferred tax liabilities	1,405	1,405
	<u>3,264</u>	<u>4,125</u>
Current liabilities		
Trade payables	8,519	13,560
Other payables and accruals	4,026	5,941
Borrowings	2,007	1,665
Provision for taxation	168	589
	<u>14,720</u>	<u>21,755</u>
Total liabilities	<u>17,984</u>	<u>25,880</u>
TOTAL EQUITY AND LIABILITIES	<u>169,059</u>	<u>177,500</u>
Net assets per share (RM)	0.09	0.10

The notes set out on page 6 to 14 form an integral part of and should be read in conjunction with this interim financial report.

LUSTER INDUSTRIES BHD.
Company No. 156148-P
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UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE 3 MONTHS PERIOD ENDED 30 JUNE 2014

	INDIVIDUAL QUARTER ENDED		CUMULATIVE QUARTER TO DATE	
	30-Jun-14 RM'000	30-Jun-13 RM'000	30-Jun-14 RM'000	30-Jun-13 RM'000
Revenue	26,717	43,563	53,004	72,674
Cost of sales	<u>(23,108)</u>	<u>(37,223)</u>	<u>(47,069)</u>	<u>(61,266)</u>
Gross profit	3,609	6,340	5,935	11,408
Other income	315	1,060	663	1,478
Administration expenses	(3,566)	(3,082)	(6,733)	(6,246)
Distribution expenses	<u>(233)</u>	<u>(708)</u>	<u>(375)</u>	<u>(1,093)</u>
Results from operating activities	125	3,610	(510)	5,547
Finance costs	<u>(64)</u>	<u>(212)</u>	<u>(133)</u>	<u>(498)</u>
Profit/(Loss) before taxation	61	3,398	(643)	5,049
Taxation	<u>(133)</u>	<u>(1,187)</u>	<u>(350)</u>	<u>(1,848)</u>
(Loss)/Profit for the period	(72)	2,211	(993)	3,201
Other comprehensive income:				
Foreign currency translation differences for foreign operations	-	-	-	-
Total comprehensive (loss)/income for the period	(72)	2,211	(993)	3,201
(Loss)/Profit for the year attributable to:				
Owners of the parent	(245)	1,019	(789)	1,520
Non-controlling interests	<u>173</u>	<u>1,192</u>	<u>(204)</u>	<u>1,681</u>
	(72)	2,211	(993)	3,201
Total comprehensive (loss)/income attributable to:				
Owners of the parent	(245)	1,019	(789)	1,520
Non-controlling interests	<u>173</u>	<u>1,192</u>	<u>(204)</u>	<u>1,681</u>
	(72)	2,211	(993)	3,201
Basic earnings per ordinary shares (sen)	<u>(0.02)</u>	<u>0.09</u>	<u>(0.06)</u>	<u>0.13</u>
Diluted earnings per ordinary shares (sen)	<u>(0.00)</u>	<u>0.02</u>	<u>(0.01)</u>	<u>0.03</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 3 MONTHS PERIOD ENDED 30 JUNE 2014

	----- 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 RCLS 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 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 period	-	-	-	-	-	-	-	1,520	1,520	1,681	3,201
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	2,572	-	-	-	-	-	-	-	2,572	-	2,572
Settlement of RCLS	-	-	-	-	-	(557)	-	-	(557)	-	(557)
Transfer upon exercise of ESOS	-	6,277	-	-	(6,277)	-	-	-	-	-	-
Total transactions with owners	29,572	6,277	(10,125)	10,125	(6,277)	(557)	-	-	29,015	-	29,015
As at 30 June 2013	138,373	6,481	(22,618)	22,618	(4,973)	-	18,800	(20,969)	137,712	10,516	148,228

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 3 MONTHS PERIOD ENDED 30 JUNE 2014

	----- 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 RCLS 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 2014	138,693	847	(22,618)	22,618	1,426	-	18,800	(19,398)	140,368	11,252	151,620
Total comprehensive income for the year	-	-	-	-	-	-	-	(789)	(789)	(204)	(993)
<i>Transactions with owners :</i>											
Issuance of shares pursuant to ICULS conversion granted	18,103				418		(18,103)		-	-	-
Issuance of shares pursuant to ESOS	30								30	-	30
Transfer upon exercise of ESOS		6			(6)				-	-	-
Total transactions with owners	18,133	6	-	-	412	-	(18,103)	-	448	-	448
As at 30 June 2014	156,826	853	(22,618)	22,618	1,838	-	697	(20,187)	140,027	11,048	151,075

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LUSTER INDUSTRIES BHD.
Company No. 156148-P
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 3 MONTHS PERIOD ENDED 30 JUNE 2014

	30-Jun-14	30-Jun-13
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(643)	5,049
Adjustments for:		
Debts recovered	(204)	(148)
Depreciation	2,736	2,361
Impairment loss on inventories no longer required	-	(563)
Gain on disposal of property, plant and equipment	(17)	(36)
Interest expense	133	498
Interest income	(300)	(178)
Share-based compensation pursuant to ESOS granted	418	-
Unrealised (gain)/loss on foreign exchange	78	(106)
Operating profit before working capital changes	<u>2,201</u>	6,877
Decrease in inventories	1,561	233
Decrease/(Increase) in receivables	886	(2,280)
(Decrease)/Increase in payables	<u>(6,926)</u>	893
Cash (used in)/generated from operations	(2,278)	5,723
Income tax paid	(1,089)	(1,047)
Interest paid	<u>(133)</u>	(498)
Net cash (used in)/generated from operating activities	(3,500)	4,178
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	<u>300</u>	178
Proceeds from disposal of property, plant and equipment	<u>23</u>	136
Purchase of property, plant and equipment	<u>(325)</u>	(7,463)
Net cash used in investing activities	(2)	(7,149)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of finance lease	<u>(732)</u>	(471)
Repayment of RCSLS	-	(17,948)
Repayment of term loan	<u>(15)</u>	(544)
Proceed from issuance of shares pursuant to private placement	-	27,000
Proceeds from issuance of shares pursuant to ESOS	<u>30</u>	2,572
Net cash (used in)/ generated from financing activities	<u>(717)</u>	10,609
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(4,219)	7,638
Effects of foreign exchange rates changes	(31)	10
CASH AND CASH EQUIVALENTS AT BEGINNING	<u>33,158</u>	23,090
CASH AND CASH EQUIVALENTS AT END	<u>28,908</u>	<u>30,738</u>
Represented by:		
Fixed deposits with licensed banks	4,664	19,222
Cash and bank balances	24,244	11,516
	<u>28,908</u>	<u>30,738</u>

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