

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31.12.2013 RM'000	Preceding Year Corresponding Quarter 31.12.2012 RM'000	Current Year to Date 31.12.2013 RM'000	Preceding Year Corresponding Period 31.12.2012 RM'000
Continuing operations					
Revenue	A14	20,354	17,460	79,503	74,611
Other income		1,643	1,515	2,989	2,133
Depreciation		(1,497)	(1,867)	(7,261)	(7,164)
Other expenses		(20,514)	(15,873)	(71,101)	(63,801)
Finance costs		(458)	(495)	(2,001)	(1,982)
Interest income		18	10	19	11
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
(Loss)/Profit before tax		(454)	750	2,148	3,808
Income tax	B5	638	188	504	(145)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Profit for the year from continuing operations		184	938	2,652	3,663
Discontinued operations					
Loss for the year from discontinued operations		(126)	(150)	(503)	(591)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Profit for the year	B6	<u>58</u>	<u>788</u>	<u>2,149</u>	<u>3,072</u>
Attributable to:					
Owners of the Company		(180)	670	1,347	2,562
Non-controlling interests		238	118	802	510
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		<u>58</u>	<u>788</u>	<u>2,149</u>	<u>3,072</u>
Earnings/(Loss) per ordinary share attributable to owners of the Company (sen)					
Basic					
Continuing operations		(0.05)	0.83	1.87	3.18
Discontinued operations		(0.13)	(0.15)	(0.51)	(0.60)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total		<u>(0.18)</u>	<u>0.68</u>	<u>1.36</u>	<u>2.58</u>
Diluted					
Continuing operations		N/A	N/A	N/A	N/A
Discontinued operations		N/A	N/A	N/A	N/A
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2013 RM'000	Preceding Year Corresponding Quarter 31.12.2012 RM'000	Current Year to Date 31.12.2013 RM'000	Preceding Year Corresponding Period 31.12.2012 RM'000
Profit for the year	58	788	2,149	3,072
Other comprehensive income/(loss)				
Exchange differences on translation of foreign operations	1,888	1,078	2,697	(2,201)
Surplus on revaluation of property, plant and equipment, net of deferred tax liabilities	-	289	-	289
Total comprehensive income for the year, net of tax	1,946	2,155	4,846	1,160
Total comprehensive income/(loss) attributable to:				
Owners of the Company	2,023	1,670	4,081	662
Non-controlling interests	(77)	485	765	498
	1,946	2,155	4,846	1,160

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2013

	Note	31.12.2013 Unaudited RM'000	31.12.2012 Audited RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		38,171	43,489
Investment Properties		2,624	2,624
Intangible Assets		34	-
Goodwill on consolidation		9,926	9,926
Deferred tax assets		2,315	1,523
Total Non-Current Assets		<u>53,070</u>	<u>57,562</u>
Current Assets			
Inventories		21,516	19,658
Receivables		20,242	21,984
Derivative financial assets	B9	13	-
Cash and bank balances		6,943	4,472
Total Current Assets		<u>48,714</u>	<u>46,114</u>
Total Assets		<u><u>101,784</u></u>	<u><u>103,676</u></u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Issued capital		29,715	29,715
Reserves		20,295	16,214
Equity attributable to owners of the Company		50,010	45,929
Non-controlling interests		9,309	8,504
Total Equity		<u>59,319</u>	<u>54,433</u>
Non-Current Liabilities			
Hire-purchase payables - non-current portion	B8	2,304	3,543
Long-term borrowings - non-current portion	B8	8,813	11,641
Deferred tax liabilities		-	96
Total Non-Current Liabilities		<u>11,117</u>	<u>15,280</u>
Current Liabilities			
Payables		11,344	14,230
Derivative financial liabilities	B9	-	3
Borrowings	B8	20,004	19,730
Total Current Liabilities		<u>31,348</u>	<u>33,963</u>
Total Liabilities		<u>42,465</u>	<u>49,243</u>
Total Equity and Liabilities		<u><u>101,784</u></u>	<u><u>103,676</u></u>
Net Assets Per Share (RM)		<u><u>0.50</u></u>	<u><u>0.46</u></u>

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012

ABRIC BERHAD
(Company No: 187259-W)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Issued capital RM'000	Share premium RM'000	Translation adjustment account RM'000	Capital reserve RM'000	Warrant reserve RM'000	Revaluation reserve RM'000	Other reserve RM'000	Retained earnings RM'000	Attributable to owners of the Company RM'000	Non- controlling interests RM'000	Total RM'000
As at 1 January 2012	29,715	4,746	(4,143)	2,011	832	-	179	11,927	45,267	8,006	53,273
Profit for the year	-	-	-	-	-	-	-	2,562	2,562	511	3,073
Other comprehensive loss	-	-	(2,189)	-	-	289	-	-	(1,900)	(13)	(1,913)
Total comprehensive income/(loss) for the year, net of tax	-	-	(2,189)	-	-	289	-	2,562	662	498	1,160
As at 31 December 2012	<u>29,715</u>	<u>4,746</u>	<u>(6,332)</u>	<u>2,011</u>	<u>832</u>	<u>289</u>	<u>179</u>	<u>14,489</u>	<u>45,929</u>	<u>8,504</u>	<u>54,433</u>
As at 1 January 2013	29,715	4,746	(6,332)	2,011	832	289	179	14,489	45,929	8,504	54,433
Profit for the year	-	-	-	-	-	-	-	1,347	1,347	802	2,149
Other comprehensive income/(loss)	-	-	2,734	-	-	-	-	-	2,734	(37)	2,697
Total comprehensive income for the year, net of tax	-	-	2,734	-	-	-	-	1,347	4,081	765	4,846
Acquisition of a subsidiary company	-	-	-	-	-	-	-	-	-	40	40
As at 31 December 2013	<u>29,715</u>	<u>4,746</u>	<u>(3,598)</u>	<u>2,011</u>	<u>832</u>	<u>289</u>	<u>179</u>	<u>15,836</u>	<u>50,010</u>	<u>9,309</u>	<u>59,319</u>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2012

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013**

	12 months ended 31.12.2013 RM'000	12 months ended 31.12.2012 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit before tax for the year from:		
Continuing operations	2,148	3,808
Discontinued operations	(503)	(591)
Adjustments for:		
Depreciation	7,700	7,692
Finance costs	2,001	1,982
Unrealised loss/(gain) on foreign exchange	1,020	(789)
Allowance for slow-moving inventories	81	-
Inventories written down	-	89
Allowance for doubtful debts	183	60
Waiver of debts by other payable	-	(178)
Write off of other payable	2,780	-
Fair value (gain)/loss on financial derivatives	(16)	3
Interest income	(19)	(11)
Loss/(Gain) on disposal of property, plant and equipment	2	(4)
Allowance for slow-moving inventories no longer required	-	(195)
Operating Profit Before Working Capital Changes	15,377	11,866
(Increase)/Decrease in:		
Inventories	(1,314)	(874)
Receivables	1,601	(5,426)
(Decrease)/Increase in payables	(4,643)	2,855
Cash Generated From Operations	11,021	8,421
Income tax paid	(665)	(553)
Income tax refunded	104	-
Net Cash Flows From Operating Activities	10,460	7,868
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Acquisition of a subsidiary company, net of cash acquired	40	-
Proceed from disposal of property, plant and equipment	27	318
Additions to property, plant and equipment	(1,923)	(4,298)
Additions to intangible assets	(34)	-
Interest income	19	11
Net Cash Flows Used In Investing Activities	(1,871)	(3,969)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		
Net repayment of long-term loan	(2,851)	(2,770)
Finance costs paid	(2,001)	(1,982)
Payment of hire-purchase payables	(1,745)	(1,491)
Net change in bank borrowings	381	422
Increase in cash and cash equivalents-restricted	(100)	(511)
Net Cash Used In Financing Activities	(6,316)	(6,332)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	2,273	(2,433)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	3,281	5,747
Effect of changes in exchange rates	93	(33)
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note)	5,647	3,281
Note:		
Cash and cash equivalents comprise the followings:		
Cash and bank balances	6,943	4,472
Less: Restricted cash and bank balances	(1,296)	(1,191)
	5,647	3,281

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2012

PART A: EXPLANATORY NOTES AS PER MFRS 134

A1. Basis of Preparation of Interim Financial Statements

The interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2012. The explanatory notes attached to the interim financial statements 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 year ended 31 December 2012.

A2. Changes in Accounting Policies

Standards issued but not yet effective

At the date of authorisation of these interim financial statements, the following Amendments to MFRSs were issued but not yet effective and have not been applied by the Group:

		Effective for annual period beginning on or after
Amendments to MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)	1 January 2015
Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities	1 January 2014
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities	1 January 2014
Amendments to MFRS 127	Consolidated and Separate Financial Statements: Investment Entities	1 January 2014
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014

A3. Qualification of Financial Statements

The preceding year annual audited financial statements were not subject to any qualification.

A4. Seasonal and Cyclical Factors

The Group’s results were not materially affected by any major seasonal or cyclical factors.

A5. Unusual and Extraordinary Items

There were no exceptional and/or extraordinary items affecting assets, liabilities, equity, net income or cash flows during the period under review.

A6. Material Changes in Estimates

There were no significant changes in estimates reported in prior financial years which have a material effect in the current quarter.

A7. Debts and Equity Securities

There were no issuance or repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current quarter ended 31 December 2013.

A8. Dividends Paid

No dividends were paid during the current quarter.

A9. Valuation of Property, Plant and Equipment

There is no revaluation of property, plant and equipment, as the Group does not adopt a revaluation policy on property, plant and equipment.

A10. Subsequent Events

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

A11. Changes in Composition of the Group

There were no changes in the composition of the Group for the current financial year except for the following:

On 2 October 2013, a subsidiary company of the Company, Abric Worldwide Sdn. Bhd. ("AWSB") subscribed 60,000 Ordinary Shares of RM1.00 each, representing 60% equity interest in Abric Encode Sdn. Bhd. ("AESB") for a total cash consideration of RM60,000. Subsequent to the subscription, AESB becomes a subsidiary company of AWSB, which in turn, a subsidiary company of the Company.

A12. Contingent Liabilities

As of to-date, the Company has given unsecured corporate guarantees totaling RM18,435,688 to certain financial institutions for term loan and other credit facilities granted to certain subsidiary companies. Accordingly, the Company is contingently liable to the financial institution to the extent of the amount of credit facilities utilised by the said subsidiary companies. The financial guarantees have not been recognised since the fair value on initial recognition is negligible.

A13. Capital Commitment

As of the date of this report, the Group has capital commitment in respect of purchase of property, plant and equipment not provided for in this report as follows:

	RM'000
Approved and contracted for	<u>172</u>

A14. Segmental Information

For management purposes, the Group is organised as one integrated business segment. The Group however, reviews sales performance by geographical market:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2013 RM'000	Preceding Year Corresponding Quarter 31.12.2012 RM'000	Current Year Quarter 31.12.2013 RM'000	Preceding Year Corresponding Quarter 31.12.2012 RM'000
Asia Pacific	8,842	7,554	35,801	32,343
America	7,870	6,187	29,607	26,567
Europe	3,642	3,719	14,095	15,701
	<u>20,354</u>	<u>17,460</u>	<u>79,503</u>	<u>74,611</u>

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

For the fourth quarter 2013 (“Q4 2013”), the Group recorded a revenue of RM20.354 million, which is 16.6% higher than the corresponding quarter of the preceding year (“Q4 2012”). Revenue from Asia Pacific region and Americas increased by 17.1% and 27.2% respectively. Whereas there was a decline of 2.1% in revenue in the European operation.

Despite the increase in revenue in Q4 2013, the Group incurred a loss before tax of RM0.454 million. This is mainly due to higher raw materials and labour costs which affected the margins from sales.

B2. Variation of Results Against Preceding Quarter

	Current Quarter 31.12.2013 RM'000	Preceding Quarter 30.09.2013 RM'000
Revenue	<u>20,354</u>	<u>19,775</u>
Results		
(Loss)/Profit before tax	(454)	890
Income tax	<u>638</u>	<u>4</u>
Profit from continuing operations	184	894
Loss for the period from discontinued operations	<u>(126)</u>	<u>(126)</u>
Profit for the period	<u>58</u>	<u>768</u>

The Group reported revenue of RM20.354 million in Q4 2013, which represents an increase of 2.9% as compared to RM19.775 million for the third quarter of 2013 (“Q3 2013”).

B3. Prospects of the Group

The Asia Pacific and America regions are expected to continue contributing to the sales growth of the Group. The sluggish European economic condition, together with the shrinking purchasing power in Europe continues to be a challenge to the Group.

Nevertheless, the rising operating expenses especially in raw materials and labour costs continue to pose challenges to the Group.

B4. Profit Forecast or Profit Guarantee

The Group has not provided any quarterly profit forecast for the period under review.

B5. Income Tax Expense

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RM'000	RM'000	RM'000	RM'000
Estimated tax payable:				
Current year:				
Malaysian	53	62	(121)	(135)
Foreign	(202)	(77)	(264)	(77)
Under/(Over) provision in prior years:				
Malaysian	-	(27)	-	(133)
Foreign		53	-	
	(149)	11	(385)	(345)
Deferred tax:				
Current year:				
Malaysian	787	200	889	200
Foreign	-	(23)	-	
	<u>638</u>	<u>188</u>	<u>504</u>	<u>(145)</u>

Domestic current income tax is calculated at the statutory tax rate of 25% of the taxable profit for the period. Taxation for the other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The income tax credit in the current financial year is mainly due to the recognition of deferred tax assets in certain subsidiary companies as a result of changes in the management's accounting estimates in relation to the business prospect and their profitability with a new business plan.

B6. Profit for the Year

Profit for the year is arrived at after the following (credit)/charges:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2013 RM'000	Preceding Year Corresponding Quarter 31.12.2012 RM'000	Current Year Quarter 31.12.2013 RM'000	Preceding Year Corresponding Quarter 31.12.2012 RM'000
Allowance for slow-moving inventories/ (no longer required)	81	8	81	(195)
Loss/(gain) on disposal of property, plant and equipment	2	44	2	(4)
Loss/(gain) on foreign exchange - net	1,665	(1,024)	1,214	(639)
Fair value loss/(gain) on financial derivatives	(84)	8	(13)	3

B7. Status of Corporate Proposals

There were no outstanding corporate proposals as at the date of this report.

B8. Group Borrowings

The Group borrowings as at the end of the reporting period are as follows:

	Current RM'000	Non-current RM'000	Total RM'000
Secured			
Revolving credit	10,474	-	10,474
Long-term borrowings	2,843	8,813	11,656
Hire-purchase payables	1,618	2,304	3,922
Bankers acceptances	2,462	-	2,462
	17,397	11,117	28,514
Unsecured			
Bank overdraft	1,107	-	1,107
Revolving credit	1,500	-	1,500
	2,607	-	2,607
	20,004	11,117	31,121

The group borrowings are denominated in the following currencies:

	RM'000
Ringgit Malaysia	20,623
Thai Baht	10,498
	31,121

B9. Derivative Financial Instruments

Forward foreign currency contracts are entered into by the Group in currencies other than the functional currency to manage exposure to the fluctuations in foreign currency exchange rates on specific transactions.

Forward foreign currency contracts are recognised on the contract dates and are measured at fair value with changes in fair value are recognised in profit or loss.

The outstanding forward foreign currency contracts as at 31 December 2013 are as follows:

Type of Derivative	Notional Value RM'000	Fair Value RM'000	Net Fair Value Gain RM'000
Forward foreign currency contracts			
- Less than 1 year	<u>971</u>	<u>984</u>	<u>(13)</u>

Any forward foreign currency contracts, entered by the Group, were executed with creditworthy financial institutions in Malaysia.

There have been no changes since the end of the previous financial year in respect of the following:

- (i) the Group's exposures to credit risk, market risk and liquidity risk;
- (ii) the types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
- (iii) the risk management policies in place for mitigating and controlling the risks associated with financial derivatives contracts; and
- (iv) the related accounting policies.

B10. Dividend

No dividends has been paid, proposed or declared during the quarter under review.

B11. Disclosure of Realised and Unrealised Profits or Losses

The breakdown of the retained profits of the Group into realised and unrealised profits, pursuant to the directive issued by Bursa Securities on 25 March 2010 and 20 December 2010 is as follows:

	As at 31.12.2013 RM'000	As at 31.12.2012 RM'000
Total retained profits of the Group:		
Realised	17,273	12,813
Unrealised	<u>1,076</u>	<u>2,310</u>
	18,349	15,123
Less: Consolidated adjustments	<u>(2,513)</u>	<u>(634)</u>
Total retained earnings	<u>15,836</u>	<u>14,489</u>

B12. Earnings/(Loss) Per Share

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Basic earnings/(loss) per ordinary shares				
Profit attributable to owners of the Company (RM'000):				
Profit from continuing operations	(54)	820	1,850	3,153
Loss from discontinued operations	(126)	(150)	(503)	(591)
	<u>(180)</u>	<u>670</u>	<u>1,347</u>	<u>2,562</u>
Number of ordinary shares ('000)	99,052	99,052	99,052	99,052
Basic earnings/(loss) per share (sen):				
Continuing operations	(0.05)	0.83	1.87	3.18
Discontinued operations	(0.13)	(0.15)	(0.51)	(0.60)
	<u>(0.18)</u>	<u>0.68</u>	<u>1.36</u>	<u>2.58</u>
Diluted earnings/(loss) per ordinary shares				
Number of shares in issue ('000)	N/A	N/A	N/A	N/A
Shares deemed to be issued through the exercise of warrants	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Diluted earnings/(loss) per share (sen):				
Continuing operations	N/A	N/A	N/A	N/A
Discontinued operations	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

The fully diluted earnings per ordinary share of the Group has not been presented as the warrants have anti-dilutive effect as the exercise price of the warrants is above the average market value of the Company's shares.

By order of the Board,
Dato' Ong Eng Lock
Executive Chairman
Kuala Lumpur