

ASTRAL SUPREME BERHAD
UNAUDITED QUARTERLY REPORT ON THE CONSOLIDATED RESULTS
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2013

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	31-Mar-13 RM'000	31-Mar-12 RM'000	31-Mar-13 RM'000	31-Mar-12 RM'000
Turnover	2,556	2,420	2,556	2,420
Cost of sales	(1,938)	(1,698)	(1,938)	(1,698)
Gross profit	618	722	618	722
Other operating income	17	(28)	17	(28)
Administrative expenses	(407)	(593)	(407)	(593)
Selling and marketing expenses	(111)	(47)	(111)	(47)
Profit/(Loss) from operations	117	54	117	54
Finance cost	(33)	(41)	(33)	(41)
Profit/(Loss) before taxation	84	13	84	13
Taxation	-	-	-	-
Profit/(Loss) for the financial period	84	13	84	13
Attributable to:				
Owners of the Parent	84	13	84	13
Non-Controlling Interest	-	-	-	-
Profit/(Loss) for the financial period	84	13	84	13
	Sen	Sen	Sen	Sen
Earnings per share				
Basic	0.05	0.01	0.05	0.01
Diluted	0.05	0.01	0.05	0.01

(The condensed consolidated statement of comprehensive income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012)

ASTRAL SUPREME BERHAD
UNAUDITED QUARTERLY REPORT ON THE CONSOLIDATED RESULTS
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2013

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Quarter ended 31-Mar-13 (Unaudited) RM'000	Year ended 31-Dec-12 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	7,252	7,432
Investment in associated company	-	-
Deferred tax assets	23	23
	<u>7,275</u>	<u>7,455</u>
Current Assets		
Inventories	2,957	3,210
Trade receivables	4,617	5,294
Other receivables	1,345	1,311
Amount due from associated company	7,988	7,988
Fixed deposit with a licensed bank	50	50
Deposits, bank and cash equivalents	77	49
	<u>17,034</u>	<u>17,902</u>
TOTAL ASSETS	<u>24,309</u>	<u>25,357</u>
EQUITY		
Share capital	34,217	34,217
Reserves	(14,661)	(14,745)
Total equity attributable to the parent's equity holders	<u>19,556</u>	<u>19,472</u>
LIABILITIES		
Non-Current Liabilities		
ICULS	92	92
Deferred taxation	1	1
Bank borrowings	1,017	1,139
	<u>1,110</u>	<u>1,232</u>
Current Liabilities		
Trade Payables	1,042	1,564
Other payables	1,395	1,883
Amount due to directors	398	398
Bank borrowings	808	808
	<u>3,643</u>	<u>4,653</u>
Total Liabilities	<u>4,753</u>	<u>5,885</u>
TOTAL EQUITY AND LIABILITIES	<u>24,309</u>	<u>25,357</u>
	RM	RM
NET ASSETS PER SHARE	0.1143	0.1138

(The condensed consolidated statement of financial position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Parent						Warrant Reserve	Total equity
	Share capital	Share premium	ICULS	Capital Reserve	(Accumulated losses)	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>3 months ended 31 March 2013</u>								
At 1 January 2013	34,217	10,245	1,109	5,527	(33,524)	17,574	1,898	19,472
Iculs Conversion	-	-	-	-	-	-	-	-
Warrant conversion	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	84	84	-	84
At 31 March 2013	34,217	10,245	1,109	5,527	(33,440)	17,658	1,898	19,556

	Attributable to Owners of the Parent						Warrant Reserve	Total equity
	Share capital	Share premium	ICULS	Capital Reserve	(Accumulated losses)	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>3 months ended 31 March 2012</u>								
At 1 January 2012	23,321	10,190	5,617	5,527	(33,903)	10,752	1,953	12,705
Iculs Conversion	5,542	-	(2,823)	-	-	2,719	-	2,719
Total comprehensive income for the period	-	-	-	-	13	13	-	13
At 31 March 2012	28,863	10,190	2,794	5,527	(33,890)	13,484	1,953	15,437

(The condensed consolidated statement of changes of equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	3 months ended 31-Mar-13	3 months ended 31-Mar-12
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from debtors	1,956	420
Cash payments to suppliers and employees	(2,202)	(2,610)
Cash flow used in operations	<u>(246)</u>	<u>(2,190)</u>
Taxation paid	-	-
Taxation refund	-	-
Net operating cash flow	<u>(246)</u>	<u>(2,190)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(585)
Proceeds from conversion of ICULS	-	2,719
Net investing cash flow	<u>-</u>	<u>2,134</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(33)	(41)
Changes in banking facilities	-	1,330
Amount due / from associated company	-	48
Amount due to related parties	463	-
Repayment of hire purchase loan	(155)	(205)
Net financing cash flow	<u>275</u>	<u>1,132</u>
CHANGES IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD	29	1,076
CASH AND CASH EQUIVALENT AT BEGINNING OF THE FINANCIAL PERIOD	98	41
CASH AND CASH EQUIVALENT AT THE END OF THE FINANCIAL PERIOD	<u>127</u>	<u>1,117</u>

(The condensed consolidated statement of cash flow should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012)

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FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2013

Annexure A

NOTES TO THE FINANCIAL INFORMATION

1) Basis of preparation

This interim report is prepared in accordance with Financial Reporting Standard (FRS) 134: Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (MASB) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2011 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2011 annual financial statements. Details of these changes in accounting policies are set out in Note 2.

This interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2011. It contains condensed consolidated financial statements and selected explanatory notes. The notes include 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 previous financial year.

The significant accounting policies and methods of computation adopted in these interim financial statement are consistent with those adopted in the latest audited financial statements, except for the adoption of relevant new Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations with effect from 1 January 2010 as follows:-

FRSs, Amendments to FRSs and Interpretations

FRS 7 and its Amendments	Financial Instruments: Disclosure
FRS 8 and its Amendments	Operating Segments
FRS 101	Presentation of Financial Statements (revised 2009)
FRS 123 and its Amendments	Borrowing costs
FRS 139 and its Amendments	Financial Instruments: Recognition and Measurement
Amendments to FRS 107	Statement of Cash Flows
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to FRS 110	Events after the Reporting Period
Amendments to FRS 116	Property, Plant and Equipment
Amendments to FRS 117	Leases
Amendments to FRS 118	Revenue
Amendments to FRS 120	Accounting for Government Grants and Disclosure of Government Assiatance
Amendments to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment ina subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 128	Investment in Associates
Amendments to FRS 131	Interest in Joint Ventures
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 136	Impairment of Assets
Amendments to FRS 138	Intangible Assets
Amendments to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment

2) Changes in Accounting Policies

Other than for the application of FRS 7, FRS 101, FRS 139 and IC Interpretation 9, the application of the above relevant FRSs, Amendments to FRS and Interpretation did not result in any significant changes in the accounting policies and presentation of th financial statements of th Group.

- (i) FRS 8 *Operating Segments*, requires the Group's segment information to be reported in a manner that is consistent with the internal reporting provided to the chief operating decision-maker, i.e. 'management approach'. The Group presents its segment information based on its business segment, which is consistent to its internal management reports. This standard does not have any significant impact on the financial results of the Group, The Group has identified the Executive Committee as the chief operating decision-maker.
- (ii) FRS 101 *Presentation of financial statements (as recised)*, prohibits the presentation of non-owner changes in equity in the statement of changes in equity. All non-owner changes in equity are required to be shown in the performance statement as total comprehensive income. Comparatives, with the exception of the requirement under FRS 139, had been restated in conformity to this revised standard. This standard does not have any significant impact on the financial results of the Group.

- (iii) FRS 139 *Financial Instruments : Recognition and Measurements*, established principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. Financial instruments are initially recorded at fair value and are subsequently measured in accordance to its classification. The Group determines its classification on initial recognition and on first adoption of the standard on 1 January 2010.

Financial assets are classified as either financial assets at fair value through profit or loss ('FAFVPL'), loans and receivables ('LR'), held to maturity investments ('HTM') or available-for-sale financial assets ('AFS'). The group's financial assets include trade and other receivables, investments and deposits and bank and cash balances.

- Trade receivables: Prior to the adoption of FRS 139, trade receivables were carried at invoice amount less allowance for doubtful debts. Under FRS 139, these are initially stated at fair value and subsequently at amortised cost using effective interest rate (EIR) method. Gain and losses arising from the de-recognition of loans and receivables, EIR amortisation and impairment losses are recognised in the income statement.
 - Investments: Prior to the adoption of FRS 139, investment in quoted unit trusts were stated at the lower of costs or market value on a portfolio basis. Under FRS 139, these investments determined by the Group as AFS financial assets are measured at fair value with unrealised gains or losses recognised as other comprehensive income in the AFS reserve until the investment is de-recognised, at which time the cumulative gain or loss is recognised in the income statement or determined to be impaired and removed from the Fair Value Reserve.
- (iv) In accordance with FRS 139, the recognition, de-recognition, measurement and hedge accounting requirements are applied prospectively from 1 January 2010. The effects of re-measurement on 1 January 2010 of the financial assets and financial liabilities brought forward from the previous financial years are adjusted to the opening retained profits and other opening reserves as disclosed in the Statement of Changes in Equity.
- (v) IC interpretation 9 Reassessment of Embedded Derivatives, requires an entity to assess whether an embedded derivative is required to be separated from the host contract and accounted for as derivative when the entity first becomes a party to the contract.

As at the date of this report, the Group has not applied the following FRSs, Amendments to FRSs and Interpretations which have been issued by the Malaysian Accounting Standards Board, but not yet effective:

FRSS and Interpretations	Effective for financial periods beginning on or after
FRS 3 (revised) Business Combination	1 July 2010
FRS 127 (revised) Consolidated and Separate Financial statements	1 July 2010
IC Interpretation 12 Service Concession Arrangements	1 July 2010

The Group will apply the above applicable standards by the effective dates. The adoption of the above FRSs, Amendments to FRSs and Interpretation upon their effective dates are not expected to have any significant impact on the financial statements of the Group.

3) Audit Report

The audit report of the preceding annual financial statements of the Group was not subject to any qualification.

4) Seasonality or cyclicity of interim operations

The Group's operations were not significantly affected by seasonal and cyclical factors.

5) Individually significant items

There were no significant items for the current financial period under review.

6) Material changes in estimates used

There were no significant changes in the nature and amount of estimates of amounts reported in prior interim periods of the current financial year or prior financial years that have a material effect in the current interim period.

7) **Debt and equity securities**

There were no issuances, cancellations, repurchases, resale and other repayments of debt and equity securities during the current quarter,

8) **Dividends paid**

There were no dividends paid for the current quarter and last year's corresponding quarter.

9) **Segmental reporting**

Segment information is presented in respect of the Group's business segments which are based on the internal reporting structure presented to the management of the Company.

The Group's principal segments business are electronic and electrical consumer and industrial products, and investment holding.

Business segment analysis	Electronic and electrical products RM'000	Investment holding and others RM'000	Consolidated RM'000
Individual Quarter			
<u>3 months ended 31 March 2013</u>			
Revenue	2,556	120	2,676
Inter-segment revenue	(120)	(120)	(120)
	<u>2,436</u>	<u>-</u>	<u>2,556</u>
Results from operations	108	9	117
Finance Cost	(33)	-	(33)
Profit/(Loss) before taxation	<u>75</u>	<u>9</u>	<u>84</u>
Cumulative Quarter			
<u>3 months ended 31 March 2013</u>			
Revenue	2,556	120	2,676
Inter-segment revenue	(120)	(120)	(120)
	<u>2,436</u>	<u>-</u>	<u>2,556</u>
Results from operations	108	9	117
Finance Cost	(33)	-	(33)
Profit/(Loss) before taxation	<u>75</u>	<u>9</u>	<u>84</u>
Individual Quarter			
<u>3 months ended 31 March 2012</u>			
Revenue	2,420	120	2,540
Inter-segment revenue	(120)	(120)	(120)
	<u>2,300</u>	<u>-</u>	<u>2,420</u>
Results from operations	63	(9)	54
Finance Cost	(41)	-	(41)
Profit/(Loss) before taxation	<u>22</u>	<u>(9)</u>	<u>13</u>
Cumulative Quarter			
<u>3 months ended 31 March 2012</u>			
Revenue	2,420	120	2,540
Inter-segment revenue	(120)	(120)	(120)
	<u>2,300</u>	<u>-</u>	<u>2,420</u>
Results from operations	63	(9)	54
Finance Cost	(41)	-	(41)
Profit/(Loss) before taxation	<u>22</u>	<u>(9)</u>	<u>13</u>

10) Carrying value of revalued property, plant and equipment

The carrying value of property, plant and equipment is based on the valuation incorporation in the annual financial statements for the year ended 31 December 2012.

11) Subsequent event

The management is not aware of any material events subsequent to the end of the period reported on that have not been reflected in the financial statements for the interim period.

12) Material changes in the composition of the Group

Save for the divestment of the controlling stake in the silk screen printing and embroidery division last year, there were no material changes in the composition of the Group for the current quarter up to the date of this report.

13) Contingent liabilities and contingent assets

There were no material contingent liabilities or assets at the period ended 31 March 2013 except as disclosed below:

- i. ASB has provided corporate guarantee in favour of Malayan Banking Berhad for Banking Facilities of USD2.537 million to Sing Guan Silk Screen (Cambodian) Co. Ltd., a former subsidiary company of ASB.
- ii. ASB has provided corporate guarantee in favour of RHB Bank Berhad for Hire Purchase Facilities of RM3.354 million to Singatronics (Malaysia) Sdn Bhd a subsidiary company of ASB.
- iii. ASB has provided corporate guarantee in favour of Hong Leong Bank Berhad for Hire Purchase Facilities of RM1.330 million to Singatronics (Malaysia) Sdn Bhd a subsidiary company of ASB.

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FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2013

NOTES ON INFORMATION REQUIRED UNDER THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

1) Review of performance

The turnover for the current quarter and year-to-date under review was RM2.556 million as compared to RM2.420 million in the respective corresponding period in year 2012. The turnover for the current quarter increased by 5.32% when compared to the corresponding period in year 2012.

The Group posted profit before tax of RM0.084 million for current quarter and year-to-date respectively as compared to profit before taxation of RM0.013 million in the corresponding period in year 2012.

2) Material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter

Turnover for the current quarter of RM2.556 million has decreased by 36.78% as compared to immediate preceding quarter of RM3.496 million. The decreased in turnover for electronic and electrical products sector was due to the upgrading of the electronic products firmware.

The profit before taxation of the current quarter was RM0.084 million compared to profit before taxation of RM0.085 million for the immediate preceding quarter.

3) Future prospect

The Group is currently negotiating and exploring for new customers base to improve the Electronic and Electrical division. As at todote, the Company has secured a total of RM53.5million orders from major customers. The Board is cautiously optimistic, that the impending right issue proceeds will be able to further boost our production capacity

4) (a) Variance in profit forecast

This is not applicable in the reporting quarter.

(b) Shortfall in profit guarantee

This is not applicable in the reporting quarter.

5) Taxation

	3 month ended		3 month ended	
	31-Mar-13 00-Jan-00	31-Mar-12 RM'000	31-Mar-13 RM'000	31-Mar-12 RM'000
In respect of current period/year	0	0	0	0
- income tax	0	0	0	0
- Deferred tax	0	0	0	0
- (Under)/over provision in prior years	0	0	0	0

6) Additional notes to the Statement of Comprehensive Income

	3 months ended		3 months ended	
	31-Mar-13 RM'000	31-Mar-12 RM'000	31-Mar-13 RM'000	31-Mar-12 RM'000
(Loss) / profit for the period / year is arrived at after charging / (crediting) :				
Interest Income	-	-	-	-
Interest Expenses	33	41	33	41
Depreciation and amortization	189	107	189	107
Foreign exchange (gain) / loss	(17)	33	(17)	33

7) Corporate Proposals

Status of Corporate Proposals

The Company had on 12 October 2012, 23 November 2012, 6 December 2012, 11 December 2012, 6 February 2013, 13 February 2013, 26 February 2013, 13 March 2013, 15 May 2013 and 16 May 2013 announced the

- i) a renounceable rights issue of up 217,039,750 new ordinary shares of RM0.20 each in Astral ('Astral Share') ("Right Share") at an issue price of RM0.20 per Rights Share on the basis of one (1) existing Astral Share held on an entitlement date to be determined later ("Entitlement Date"), together with up to 130,223,850 free detachable new warrants ("New Warrants") on the basis of three (3) New Warrants for every five (5) Rights Shares subscribed by the entitled shareholders ("Proposed Rights Issue of Shares with Warrants"); and
- ii) an increase in the authorised share capital of the Astral from RM100,000,000 comprising 500,000,000 Astral Shares to RM500,000,000 comprising 2,500,000,000 Astral Shares ("Proposed Increase in Authorised Share Capital").

The Controller of Foreign Exchange had, vide its letter dated 4 December 2012, approved the issuance of the New Warrants to the non-resident shareholders of Astral pursuant to the Proposed Rights Issue of Shares with Warrants

The Ministry of International Trade and Industry ('MITI') had, vide its letter dated 11 December 2012, approved the Proposals. The MITI's approval is conditional upon approvals being obtained from Bursa Securities and Bank Negara Malaysia.

The Bursa Securities had, vide its letter dated 5 February 2013, approved the Proposals.

The resolutions for the Proposal were duly passed at the Extraordinary General Meeting held on 13 March 2013

8) Group Borrowings

Details of the Group's bank borrowings as at 31 Mar 2013 are as follows:-

	<u>Current</u>	<u>Non current</u>
	RM'000	RM'000
Secured	-	-
Unsecured	808	1,017
	<u>808</u>	<u>1,017</u>

9) Material litigations

As at the date of this report, the management is not aware of any pending material litigation which will have a material effect on the financial position or the business of the Group.

10) Dividends

- (a) (i) No dividend has been declared for the current quarter
(ii) Previous corresponding period - Nil

- (b) The total dividend for the current financial period - Nil

11) Earnings per share

	3 month ended		3 month ended	
	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
(a) Basic earnings per share				
Profit/(Loss) attributable to the Owners of the parent (RM'000)	84	13	84	13
Weighted average number of ordinary shares in issues ('000)	171,087	116,607	171,087	116,607
Basic earning per share (sen)	0.05	0.01	0.05	0.01
(b) Diluted earnings per share				
Profit/(Loss) attributable to the Owners of the parent (RM'000)	84	13	84	13
Weighted average number of ordinary shares in issues ('000)	171,087	116,607	171,087	116,607
Adjusted for share options ('000)	-	-	-	-
Weighted average number of ordinary shares for diluted earnings per share ('000)	<u>171,087</u>	<u>116,607</u>	<u>171,087</u>	<u>116,607</u>
Diluted earnings per share (sen)	<u>0.05</u>	<u>0.01</u>	<u>0.05</u>	<u>0.01</u>