



## ANALABS RESOURCES BERHAD

(Company No: 468971-A)  
(Incorporated in Malaysia)

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 3 MONTHS ENDED 31 JULY 2010

Quarterly financial report on consolidated results for the FIRST financial quarter ended 31 July 2010  
(The figures have not been audited.)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/7/2010 RM'000	Preceding Year Quarter 31/7/2009 RM'000	Current Year Quarter 31/7/2010 RM'000	Preceding Year Quarter 31/7/2009 RM'000
<b>Revenue</b>	<b>35,562</b>	<b>10,274</b>	<b>35,562</b>	<b>10,274</b>
Cost of sales	(21,451)	(3,791)	(21,451)	(3,791)
<b>Gross profit</b>	<b>14,111</b>	<b>6,483</b>	<b>14,111</b>	<b>6,483</b>
Other income	46	168	46	168
Other expenses	(9,459)	(3,915)	(9,459)	(3,915)
<b>Profit from operations</b>	<b>4,698</b>	<b>2,736</b>	<b>4,698</b>	<b>2,736</b>
Finance cost	(74)	(16)	(74)	(16)
<b>Profit before taxation</b>	<b>4,624</b>	<b>2,720</b>	<b>4,624</b>	<b>2,720</b>
Income tax expense	(1,506)	(810)	(1,506)	(810)
<b>Profit for the period</b>	<b>3,118</b>	<b>1,910</b>	<b>3,118</b>	<b>1,910</b>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 April 2010.



## ANALABS RESOURCES BERHAD

(Company No: 468971-A)

(Incorporated in Malaysia)

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 3 MONTHS ENDED 31 JULY 2010 (CONT'D)

Quarterly financial report on consolidated results for the FIRST financial quarter ended 31 July 2010  
(The figures have not been audited.)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/7/2010 RM'000	Preceding Year Quarter 31/7/2009 RM'000	Current Year Quarter 31/7/2010 RM'000	Preceding Year Quarter 31/7/2009 RM'000
<b>Profit for the period</b>	<b>3,118</b>	<b>1,910</b>	<b>3,118</b>	<b>1,910</b>
<b>Other comprehensive income, net of tax</b>				
Currency translation differences	(17)	97	(17)	97
Available-for-sale investment's fair value movements	768	-	768	-
<b>Total comprehensive income for the period</b>	<b>3,869</b>	<b>2,007</b>	<b>3,869</b>	<b>2,007</b>
<b>Profit attributable to:</b>				
- owners of the Company	3,118	1,910	3,118	1,910
- minority interest	-	-	-	-
	<b>3,118</b>	<b>1,910</b>	<b>3,118</b>	<b>1,910</b>
<b>Total comprehensive income attributable to:</b>				
- owners of the Company	3,869	2,007	3,869	2,007
- minority interest	-	-	-	-
	<b>3,869</b>	<b>2,007</b>	<b>3,869</b>	<b>2,007</b>
	<b>sen per share</b>	<b>sen per share</b>	<b>sen per share</b>	<b>sen per share</b>
<b>Earnings per share for profit attributable to the owners of the Company</b>				
- basic	<b>5.26</b>	<b>3.22</b>	<b>5.26</b>	<b>3.22</b>
- diluted	n/a	n/a	n/a	n/a

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 April 2010.

**ANALABS RESOURCES BERHAD**  
(Company No: 468971-A)

**CONDENSED CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION AS AT 31 JULY 2010**

Quarterly financial report on consolidated results for the FIRST financial quarter ended 31 July 2010  
(The figures have not been audited.)

	As at End of Current Quarter <b>31 JULY 2010</b> (Unaudited) RM'000	As at Preceding Financial Year End <b>30 APRIL 2010</b> (Audited) RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property plant & equipment	90,574	90,987
Goodwill on consolidation	7,089	7,089
Available-for-sale financial assets	16,465	15,514
	<b>114,128</b>	<b>113,590</b>
<b>CURRENT ASSETS</b>		
Receivables, deposits and prepayments	26,298	26,294
Inventories	15,962	15,811
Tax recoverable	919	1,674
Cash and cash equivalent	13,124	9,049
	<b>56,303</b>	<b>52,828</b>
<b>Total Assets</b>	<b>170,431</b>	<b>166,418</b>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to shareholders of the Company		
Share capital	60,024	60,024
Treasury shares	(629)	(629)
Reserves	74,302	70,250
Total equity	<b>133,697</b>	<b>129,645</b>
<b>NON-CURRENT LIABILITIES</b>		
Borrowings	10	13
Deferred tax liabilities	10,866	10,866
	<b>10,876</b>	<b>10,879</b>
<b>CURRENT LIABILITIES</b>		
Payables and accruals	25,620	25,313
Borrowings	5	5
Provision for taxation	233	576
	<b>25,858</b>	<b>25,894</b>
<b>Total Liabilities</b>	<b>36,734</b>	<b>36,773</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>170,431</b>	<b>166,418</b>
<b>NET ASSETS PER SHARE (RM)</b>	<b>2.26</b>	<b>2.18</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 April 2010.



**ANALABS RESOURCES BERHAD**  
(Company No: 468971-A)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE 3 MONTHS ENDED 31 JULY 2010**

Quarterly financial report on consolidated results for the FIRST financial quarter ended 31 July 2010  
(The figures have not been audited.)

	----- Attributable to owners of the Company ----->						-----<-----			
	-----<-----						----->-----			
	Non-Distributable						Distributable			
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Revaluation reserve RM'000	Fair Value reserve RM'000	Foreign exchange reserve RM'000	Retained profits RM'000	Total shareholders' equity RM'000	Minority interest RM'000	Total equity RM'000
<b>Balance at 1 May 2010 (as previously stated)</b>	60,024	(629)	6,249	11,271	-	(24)	52,754	129,645	-	129,645
Effects of changes in accounting policies - FRS 139	-	-	-	-	183	-	-	183	-	183
<b>Balance at 1 May 2010 (restated)</b>	60,024	(629)	6,249	11,271	183	(24)	52,754	129,828	-	129,828
<b>Total comprehensive income for the period</b>										
Other Comprehensive income	-	-	-	-	768	(17)	-	751	-	751
Profit for the year	-	-	-	-	-	-	3,118	3,118	-	3,118
	-	-	-	-	768	(17)	3,118	3,869	-	3,869
<b>Balance at 31 July 2010</b>	60,024	(629)	6,249	11,271	951	(41)	55,872	133,697	-	133,697

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 April 2010.

**ANALABS RESOURCES BERHAD**  
**(Company No: 468971-A)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE 3 MONTHS ENDED 31 JULY 2010 (CONT'D)**

Quarterly financial report on consolidated results for the FIRST financial quarter ended 31 July 2010  
(The figures have not been audited.)

	----- Attributable to owners of the Company ----->					Retained profits RM'000	Total shareholders equity RM'000	Minority interest RM'000	Total equity RM'000
	<----- Non-Distributable ----->			----- Distributable ----->					
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Revaluation reserve RM'000	Foreign exchange reserve RM'000				
<b>Balance at 1 May 2009</b>	60,024	(509)	6,249	9,518	226	39,587	115,095	-	115,095
<b>Total Comprehensive Income for the period</b>									
Other comprehensive income	-	-	-	-	97	-	97	-	97
Profit for the year	-	-	-	-	-	1,910	1,910	-	1,910
	-	-	-	-	97	1,910	2,007	-	2,007
Treasury shares acquired	-	(13)	-	-	-	-	(13)	-	(13)
<b>Balance at 31 July 2009</b>	<b>60,024</b>	<b>(522)</b>	<b>6,249</b>	<b>9,518</b>	<b>323</b>	<b>41,497</b>	<b>117,089</b>	<b>-</b>	<b>117,089</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 April 2010.

**ANALABS RESOURCES BERHAD**  
**(Company No: 468971-A)**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE 3 MONTHS ENDED 31 JULY 2010**

Quarterly financial report on consolidated results for the FIRST financial quarter ended 31 July 2010  
(The figures have not been audited.)

	Current Quarter To Date <b>31 JUL 2010</b> RM'000	Preceding Year To Date <b>31 JUL 2009</b> RM'000
<b>CASHFLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		
Profit before taxation	4,624	2,720
Adjustments for :-		
Non-cash items	1,213	751
Non-operating items	(18)	(251)
<b>Operating profit before changes in working capital</b>	<b>5,819</b>	<b>3,220</b>
Changes in working capital :		
Net change in current assets	(416)	(5,122)
Net change in current liabilities	566	(38)
Income tax paid	(1,070)	(399)
<b>NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>4,899</b>	<b>(2,339)</b>
<b>CASHFLOWS (USED IN)/FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(826)	(19)
Proceeds from disposal of property, plant and equipment	25	-
Interest received	3	129
Interest paid	(74)	(16)
Dividend received	68	102
<b>NET CASH GENERATED (USED IN)/FROM INVESTING ACTIVITIES</b>	<b>(804)</b>	<b>196</b>
<b>CASHFLOWS USED IN FINANCING ACTIVITIES</b>		
Shares repurchased	-	(13)
Repayment of hire purchase liabilities	(3)	(1)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(3)</b>	<b>(14)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>4,092</b>	<b>(2,157)</b>
<b>EFFECTS OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>(17)</b>	<b>25</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	<b>7,927</b>	<b>28,866</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER</b>	<b>12,002</b>	<b>26,734</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Cash, bank balances and deposits	14,024	30,081
Deposits pledge with licensed banks	(2,022)	(3,084)
Bank overdrafts (included in short term borrowings)	-	(263)
	<b>12,002</b>	<b>26,734</b>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 30 April 2010.

**ANALABS RESOURCES BERHAD**  
**(Company No: 468971-A)**  
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**NOTES TO THE QUARTERLY FINANCIAL REPORT**

**(I) Compliance with Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting**

**(a) Accounting Policies and Methods of Computation**

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard (“FRS”) 134: “Interim Financial Reporting” and paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 April 2010. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 30 April 2010, except for the adoption of new standards, amendments to standards and IC interpretations that are mandatory for the Group for the financial year beginning 1 January 2010. The adoption of these standards, amendments and interpretations do not have material impact on the interim financial information of the Group except for the adoption of the following standards as set out below:

- (a) Presentation of financial statements (FRS 101 (Revised) “Presentation of financial statements”). The revised standards prohibits the presentation of items of income and expenses (that is “non-owner changes in equity”) in the statement of changes in equity, requiring “non-owner changes in equity” to be presented separately from owner changes in equity. All ‘non-owner changes in equity’ are required to be shown in a statement of comprehensive income which can be presented as a single statement or two statements (comprising the income statement and statement of comprehensive income). The Group has elected to present the statement of comprehensive income in a single statement.
- (b) Leasehold land (Amendment to FRS 117 “Leases”)  
Leasehold land is classified as a finance lease if the Group has substantially all the risk and rewards incidental to ownership. Previously, leasehold land was classified as an operating lease unless title is expected to pass to the lessee at the end of the lease term. Following the amendment to FRS 117, the classification of leasehold land has been changed from operating to finance lease. The effect of the change which is adjusted for retrospectively is disclosed in the following notes.



## FRS 139, Financial Instruments: Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments at the balance sheet date reflects the designation of the financial instruments. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at transitional date on 1 January 2010.

### Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, available-for-sale financial assets (AFS), or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group's financial assets include cash and short-term deposits, loans and receivables and AFS investments.

#### (i) Loans and receivables

Prior to 1 January 2010, loans and receivables were stated at gross receivables less provision for doubtful debts. Under FRS 139, loans and receivables are initially measured at fair value and subsequently at amortised cost using the effective interest rate (EIR) method. Gains and losses arising from the derecognition of the loans and receivables, EIR amortisation and impairment losses are recognised in the income statement.

#### (ii) AFS

Prior to 1 January 2010, AFS financial assets such as investment were accounted for at cost adjusted for amortisation of premium and accretion of discount less impairment or at the lower of cost and market value, determined on an aggregate basis. Under FRS 139, AFS financial asset is measured at fair value initially and subsequently with amortisation of premium with accretion of discount and other accrual of income recognised in income statement and with unrealised gains or losses recognised as other comprehensive income in AFS reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the income statement or determined to be impaired, at which time the cumulative loss is recognised in the income statement and removed from the AFS reserve.

### Impact on opening balances

In accordance with the transitional provisions of FRS 139, the above changes are applied prospectively and the comparative as at 30 April 2010 are not restated. Instead, the changes have been accounted for by restating the following opening balances in the statements of financial position as at 1 May 2010:

<b>RM'000</b>	<b>Previously reported</b>	<b>Effects of FRS 117</b>	<b>Effects of FRS 139</b>	<b>As restated</b>
Assets:-				
Investment in quoted shares	14,544	-	242	14,786
Other investment	970	-	(59)	911
Property, plant and equipment	65,832	25,155	-	90,987
Prepaid lease payment	25,155	(25,155)	-	-
Equity:-				
Fair value reserve	-	-	183	183

(l) **Compliance with Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting (Cont’d)**

The significant accounting policies adopted are consistent with those of the audited financial statement for the financial year ended 30 April 2010, except the adoption of the following new Financial Reporting Standards (FRSs), Amendments and IC Interpretations.

<b>FRSs/IC Interpretations</b>	<b>Effective date</b>
Amendment to FRS 1: Additional Exemption for First-time Adopters	1 January 2011
Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 101 and FRS 132: Puttable Financial Instruments and Obligations Arising on Liquidation	1 January 2010
IC Interpretation 4 Determining Whether An Arrangement Contains a Lease	1 January 2011
IC Interpretation 18 Transfers of Assets from Customers	1 January 2011

The above FRSs, amendments and IC interpretations do not have significant impact on the financial statements of the Group.

**(b) Disclosure of Audit Report Qualification and Status of Matters Raised**

Not applicable as the audited financial statements for the financial year ended 30 April 2010 were not qualified.

**(c) Seasonal or Cyclical Factors**

The business and operations of the Group were not significantly affected by any seasonal factors.

**(d) Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence for the current financial quarter and financial period under review.

**(e) Material Changes in Estimates**

There was no material changes in accounting estimates used in the preparation of the financial statements in the current financial quarter as compared with the previous financial quarters or previous financial year.

**(f) Debts and Equity Securities**

There were no issuance or repayment of debts and equity securities, share buy-back, share cancellation, shares held as treasury shares, employment share option scheme and resale of treasury shares for the current financial period.

As at 31 July 2010, the Company held as treasury shares a total of 770,000 of its 60,024,000 issued and fully paid-up ordinary shares.

**(g) Dividend paid**

No dividend has been paid for the current financial quarter ended 31 July 2010.

**Segment Information**

Segment analysis for the current financial quarter under review is set out below.

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	Current Year Quarter 31/7/2010 RM'000	Preceding Year Quarter 31/7/2009 RM'000	Current Year Quarter 31/7/2010 RM'000	Preceding Year Quarter 31/7/2009 RM'000
<b><u>Segment Revenue</u></b>				
Formulation and repackaging and trading of chemical	3,335	3,464	3,335	3,464
Recovery and sale of recycled productions	6,854	6,674	6,854	6,674
Culture and sales of prawns	807	-	807	-
Manufacturing and sale of resin & impregnated papers	24,476	-	24,476	-
Investment holding & property letting	90	136	90	136
<b>REVENUE</b>	<b>35,562</b>	<b>10,274</b>	<b>35,562</b>	<b>10,274</b>
<b><u>Segment Results</u></b>				
Formulation and repackaging and trading of chemical	931	951	931	951
Recovery and sale of recycled productions	1,314	1,893	1,314	1,893
Culture and sales of prawns	86	(64)	86	(64)
Manufacturing and sale of resin & impregnated papers	2,201	-	2,201	-
Investment holding & property letting	163	127	163	127
	4,695	2,907	4,695	2,907
Finance cost	(74)	(16)	(74)	(16)
Interest income	3	129	3	129
<b>PROFIT BEFORE TAXATION</b>	<b>4,624</b>	<b>3,020</b>	<b>4,624</b>	<b>3,020</b>

**(i) Valuation of property, plant and equipment**

The valuations of property, plant and equipment have been brought forward without amendment to the financial statements for the year ended 30 April 2010.

**(j) Material Events Subsequent to the End of the Interim Period**

There were no material events subsequent to the end of the current financial quarter under review up to the date of this report.

**(k) Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current financial quarter under review.

**(l) Contingent Liabilities**

There were no material contingent liabilities in the current financial quarter under review up to the date of this report.

## ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD

### (II) Compliance with Appendix 9B of Bursa Malaysia Listing Requirements

#### 1. Review of the Performance

For the quarter under review, the Group recorded revenue of RM35.6 million, representing an increase of 246% in revenue compared to the corresponding quarter of the preceding year. The newly acquired business of manufacturing and sale of resin impregnated papers contributed RM24.4 million to the increase in revenue while the recovery and sale of recycled products contributed RM6.8 million. Recovery and sale of recycled products recorded a sales growth of 2.6% compared with the corresponding quarter last year.

On the back of the positive and substantial contribution in turnover mainly from the business of manufacturing and sale of resin impregnated papers and relatively lower raw material cost, profit before tax for the current quarter was RM2.2 million.

The Group's profit before tax was higher by 53.1% when compared to the corresponding quarter of the preceding year. The corresponding reduction in the cost of procuring recycled products and the cost savings measures undertaken by the Group was effective in enabling certain operating units to register a higher profit.

#### 2. Material Change in the Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter

	Current Quarter 31/7/2010 RM'000	Preceding Quarter 30/4/2010 RM'000	% + / (-)
Revenue	35,562	36,740	(3.2)
Profit before Taxation	4,624	5,148	(10.2)

Revenue for the current quarter decreased by 3.2% as compared to the immediate preceding quarter this was mainly due to lower turnover of the manufacturing and sale of resin impregnated papers. In line with the lower turnover, profit before taxation decreased by 10.2% as compared to the immediate preceding quarter.

#### 3. Prospects

On the backdrop of an improving economic climate, a positive contribution is anticipated from the acquired business of manufacturing and sale of resin impregnated papers and barring any unforeseen circumstances, the Group's prospects for the current financial period 2010 is expected to be satisfactory.

#### 4. Variance of Actual Profit from Forecast Profit

Not applicable as the Group did not issue any profit forecast or profit guarantee.

## 5. Taxation

The taxation charge for the current financial quarter and financial year to-date ended 31 July 2010 is made up as follows:

	Current Quarter 31/7/2010 RM'000	Year To Date 31/7/2010 RM'000
Current taxation		
Malaysian income tax charge	1,285	1,285
Foreign income tax charge	71	71
Deferred Taxation	150	150
	<u>1,506</u>	<u>1,506</u>

The effective tax rate of the Group for the current quarter under review is above the statutory income tax rate mainly due to losses of certain subsidiaries.

## 6. Profit on Sale of Unquoted Investments and/or Properties

There was no sale of unquoted investment and / or properties for the current financial quarter and financial year to-date under review.

## 7. Purchase or Disposal of Quoted Securities

There were no purchases and disposal of investment in quoted securities by the Group for the current financial quarter.

## 8. Status of Corporate Proposals Announced

There were no corporate proposals that have been announced at the date of this report.

## 9. Group Borrowings and Debt Securities

All the Group's borrowings are short term in nature, secured and denominated in Ringgit Malaysia.

## 10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments entered into by the Group as at the date of this report.

## 11. Changes in Material Litigation

There was no material litigation taken by or against the Group as at the date of this report.

## 12. Dividend Proposed or Declared

No dividend has been proposed or declared for the current quarter under review.

### 13. Earnings Per Share

#### (a) Basic Earnings Per Share

The basic earnings per share for the current financial quarter and financial year-to-date have been calculated as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	Quarter	Quarter
	31/7/2010	31/7/2009	31/7/2010	31/7/2009
Net profit attributable to ordinary shares (RM'000)	3,118	1,910	3,118	1,910
Weighted average number ordinary shares ('000)	59,254	59,349	59,254	59,349
Basic earnings per share (sen)	5.26	3.22	5.26	3.22

#### (b) Diluted Earnings Per Share

The fully diluted earnings per share for the Group are not presented as there were no dilutive potential ordinary shares.

### 14. Approval of Quarterly Financial Report

The quarterly financial report as set out above was approved by the Board of Directors in accordance with their resolution dated 28 September 2010.