

**ANALABS RESOURCES BERHAD**

(Company No: 468971-A)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL QUARTER ENDED 31 JULY 2011**

Quarterly financial report on consolidated results for the FIRST financial quarter ended 31 July 2011  
(The figures have not been audited.)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/7/2011 RM'000	Preceding Year Quarter 31/7/2010 RM'000	Current Year Quarter 31/7/2011 RM'000	Preceding Year Quarter 31/7/2010 RM'000
Revenue	33,140	35,562	33,140	35,562
Cost of sales	(20,433)	(21,451)	(20,433)	(21,451)
Gross profit	12,707	14,111	12,707	14,111
Other income	55	46	55	46
Other expenses	(8,031)	(9,459)	(8,031)	(9,459)
Profit from operations	4,731	4,698	4,731	4,698
Finance cost	(110)	(74)	(110)	(74)
Profit before taxation	4,621	4,624	4,621	4,624
Income tax expense	(1,093)	(1,506)	(1,093)	(1,506)
Profit for the period	3,528	3,118	3,528	3,118

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 April 2011.



## ANALABS RESOURCES BERHAD

(Company No: 468971-A)

(Incorporated in Malaysia)

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 31 JULY 2011 (CONT'D)

Quarterly financial report on consolidated results for the FIRST financial quarter ended 31 July 2011  
(The figures have not been audited.)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/7/2011 RM'000	Preceding Year Quarter 31/7/2010 RM'000	Current Year Quarter 31/7/2011 RM'000	Preceding Year Quarter 31/7/2010 RM'000
<b>Profit for the period</b>	<b>3,528</b>	<b>3,118</b>	<b>3,528</b>	<b>3,118</b>
<b>Other comprehensive income, net of tax</b>				
Currency translation differences	-	(17)	-	(17)
Available-for-sale investment's fair value movements	(455)	768	(455)	768
<b>Total comprehensive income for the period</b>	<b>3,073</b>	<b>3,869</b>	<b>3,073</b>	<b>3,869</b>
<b>Profit attributable to:</b>				
- owners of the Company	3,528	3,118	3,528	3,118
- minority interest	-	-	-	-
	<b>3,528</b>	<b>3,118</b>	<b>3,528</b>	<b>3,118</b>
<b>Total comprehensive income attributable to:</b>				
- owners of the Company	3,073	3,869	3,073	3,869
- minority interest	-	-	-	-
	<b>3,073</b>	<b>3,869</b>	<b>3,073</b>	<b>3,869</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>5.96</b>	<b>5.26</b>	<b>5.96</b>	<b>5.26</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 2011.

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

**CONDENSED CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION AS AT 31 JULY 2011**

Quarterly financial report on consolidated results for the FIRST financial quarter ended 31 July 2011  
(The figures have not been audited.)

	As at End of Current Quarter 31 JULY 2011 (Unaudited) RM'000	As at Preceding Financial Year End 30 APRIL 2011 (Audited) RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property plant & equipment	87,587	87,938
Goodwill on consolidation	7,089	7,089
Available-for-sale financial assets	19,846	20,169
	<b>114,522</b>	<b>115,196</b>
<b>CURRENT ASSETS</b>		
Receivables, deposits and prepayments	29,881	32,362
Inventories	22,757	18,174
Tax recoverable	-	518
Cash and cash equivalent	21,442	14,413
	<b>74,080</b>	<b>65,467</b>
<b>Total Assets</b>	<b>188,602</b>	<b>180,663</b>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to shareholders of the Company		
Share capital	60,024	60,024
Treasury shares	(660)	(660)
Reserves	92,567	89,494
Total equity	<b>151,931</b>	<b>148,858</b>
<b>NON-CURRENT LIABILITIES</b>		
Borrowings	5	6
Deferred tax liabilities	10,562	10,562
	<b>10,567</b>	<b>10,568</b>
<b>CURRENT LIABILITIES</b>		
Amount due to director	292	382
Payables and accruals	23,149	20,850
Borrowings	2,395	5
Provision for taxation	268	-
	<b>26,104</b>	<b>21,237</b>
<b>Total Liabilities</b>	<b>36,671</b>	<b>31,805</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>188,602</b>	<b>180,663</b>
<b>NET ASSETS PER SHARE (RM)</b>	<b>2.56</b>	<b>2.51</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 April 2011.

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL QUARTER ENDED 31 JULY 2011**

Quarterly financial report on consolidated results for the FRS financial quarter ended 31 July 2011  
(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 2011 (as previously stated)</b>	60,024	(660)	6,248	11,272	3,506	269	68,199	148,858	-	148,858
Effects of changes in accounting policies - FRS 139	-	-	-	-	-	-	-	-	-	-
<b>Balance at 1 May 2011 (restated)</b>	60,024	(660)	6,248	11,272	3,506	269	68,199	148,858	-	148,858
<b>Total comprehensive income for the period</b>	-	-	-	-	(455)	-	-	-	-	(455)
Other Comprehensive Income	-	-	-	-	-	-	3,528	3,528	-	3,528
Profit for the year	-	-	-	-	-	-	-	-	-	-
Treasury shares acquired	-	-	-	-	-	-	-	-	-	-
Dividends to shareholders	-	-	-	-	-	-	-	-	-	-
<b>Balance at 31 July 2011</b>	60,024	(660)	6,248	11,272	3,051	269	71,727	151,931	-	151,931

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 April 2011.

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL QUARTER ENDED 31 JULY 2011 (CONT'D)**

*Quarterly financial report on consolidated results for the FIRST financial quarter ended 31 July 2011  
(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</b>	60,024	(629)	6,248	11,272	-	(24)	52,754	129,645	-	129,645
(as previously stated)	-	-	-	-	183	-	-	183	-	183
Effects of changes in accounting policies - FRS 139	60,024	(629)	6,248	11,272	183	(24)	52,754	129,828	-	129,828
<b>Balance at 1 May 2011 (restated)</b>	-	-	-	-	3,323	293	-	3,616	-	3,616
<b>Total comprehensive income for the period</b>	-	-	-	-	-	-	17,668	17,668	-	17,668
Other Comprehensive Income Profit for the year	-	-	-	-	-	-	-	(31)	-	(31)
Treasury shares acquired	-	-	-	-	-	-	-	-	-	-
Dividends to shareholders	-	(31)	-	-	3,323	293	15,445	19,030	-	19,030
<b>Balance at 30 April 2011</b>	60,024	(660)	6,248	11,272	3,506	269	68,199	148,858	-	148,858

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 April 2011.

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

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL QUARTER ENDED 31 JULY 2011**

Quarterly financial report on consolidated results for the FIRST financial quarter ended 31 July 2011  
(The figures have not been audited.)

	Current Quarter To Date 31 JULY 2011 RM'000	Preceding Year To Date 31 JULY 2010 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	4,621	4,624
Adjustments for :-		
Non-cash items	1,278	1,213
Non-operating items	(250)	(18)
<b>Operating profit before changes in working capital</b>	<b>5,649</b>	<b>5,819</b>
Changes in working capital :		
Net change in current assets	(2,101)	(416)
Net change in current liabilities	2,209	566
Income tax paid	(254)	(1,070)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>5,503</b>	<b>4,899</b>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Purchase of equity securities	(133)	-
Acquisition of subsidiaries, net of cash acquired	-	-
Purchase of property, plant and equipment	(817)	(826)
Proceeds from disposal of property, plant and equipment	43	25
Interest received	7	3
Interest paid	(110)	(74)
Dividend received	236	68
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(774)</b>	<b>(804)</b>
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>		
Drawdown of bankers acceptance	2,390	-
Repayment to director	(90)	-
Repayment of hire purchase liabilities	(1)	(3)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>2,299</b>	<b>(3)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>7,028</b>	<b>4,092</b>
<b>EFFECTS OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>-</b>	<b>(17)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	<b>14,414</b>	<b>7,927</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER</b>	<b>21,442</b>	<b>12,002</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Cash, bank balances and deposits	21,442	14,024
Deposits pledge with licensed banks	(2,124)	(2,022)
	<b>19,318</b>	<b>12,002</b>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 30 April 2011.

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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 2011. 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.



(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 2011, except the adoption of the following new Financial Reporting Standards (FRSs), Amendments and IC Interpretations.

<b>FRSs/IC Interpretations</b>	<b>Effective date</b>
FRS 124 (Revised): Related Party Disclosures	1 January 2012
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
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Amendments to IC Interpretation 14: Prepayment of a Minimum Funding Requirement	1 July 2011
Annual Improvements to FRSs (2010)	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 2011 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 2011, the Company held as treasury shares a total of 790,000 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 31 July 2011.

**(h) Segment Information**

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

INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
Current Year	Preceding Year	Current Year	Preceding Year
Quarter	Quarter	Quarter	Quarter
31/7/2011	30/7/2010	31/7/2011	30/7/2010
RM'000	RM'000	RM'000	RM'000

**Segment Revenue**

Formulation and repackaging and trading of chemical	2,185	3,335	2,185	3,335
Recovery and sale of recycled products	7,569	6,854	7,569	6,854
Culture and sales of prawns	145	807	145	807
Manufacturing and sale of resin & impregnated papers	23,024	24,476	23,024	24,476
Investment holding & property letting	217	90	217	90
<b>REVENUE</b>	<b>33,140</b>	<b>35,562</b>	<b>33,140</b>	<b>35,562</b>

**Segment Results**

Formulation and repackaging and trading of chemical	291	931	291	931
Recovery and sale of recycled products	2,867	1,314	2,867	1,314
Culture and sales of prawns	(21)	86	(21)	86
Manufacturing and sale of resin & impregnated papers	1,311	2,201	1,311	2,201
Investment holding & property letting	276	163	276	163
	4,724	4,695	4,724	4,695
Finance cost	(110)	(74)	(110)	(74)
Interest income	7	3	7	3
<b>PROFIT BEFORE TAXATION</b>	<b>4,621</b>	<b>4,624</b>	<b>4,621</b>	<b>4,624</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 2011.

**(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 and due to the current dampened market, the Group recorded a lower revenue of RM33.1 million, representing a decrease of 6.8% in revenue compared to the corresponding quarter of the preceding year. The business of manufacturing and sale of resin impregnated papers contributed RM23 million, representing a decrease of 5.9% in revenue compared with the corresponding quarter last year.

The Group's profit before tax remained at RM4.6 million for the current quarter as compared to the corresponding quarter of the preceding year.

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

	Current Quarter 31/7/2011 RM'000	Preceding Quarter 30/4/2011 RM'000	% + / (-)
Revenue	33,140	36,133	(8.3)
Profit before Taxation	4,621	9,321	(50.4)

Revenue for the current quarter decreased by 8.3% as compared to the immediate preceding quarter mainly due to the lower turnover of the business. Profit before taxation also decreased as compared to the immediate preceding quarter.

#### 3. Prospects

The business of manufacturing and sale of resin impregnated papers are facing pressure from increase in raw material cost which cannot be passed on to the customers. In view thereof, the Group's prospects for the financial period 2012 is expected to be challenging.

#### 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 2011 is made up as follows:

	Current Quarter 31/7/2011 RM'000	Year To Date 31/7/2011 RM'000
Current taxation		
Malaysian income tax charge	1,056	1,056
Foreign income tax charge	37	37
Deferred Taxation	-	-
	<u>1,093</u>	<u>1,093</u>

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

(a) Total purchases and disposal of investment in quoted securities by the Group for the current financial quarter and financial year-to-date under review are as follows:-

	Current Quarter 31/7/2011 RM'000	Year To Date 31/7/2011 RM'000
Total purchases at cost	120	120
Total dividend share allotment at market value	<u>13</u>	<u>13</u>

- (b) The details of investments in quoted securities as at the end of the current financial quarter are set out below :-

As at 31/7/2011 RM'000
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Total investments at cost	21,455
Total investments at carrying value	20,126
Total investments at market value	19,667

**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 undertaken 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	Current Year	Preceding
	Quarter	Year Quarter	Quarter	Year Quarter
	31/7/2011	31/7/2010	31/7/2011	31/7/2010
Net profit attributable to ordinary shares (RM'000)	3,528	3,118	3,528	3,118
Weighted average number ordinary shares (RM'000)	59,234	59,254	59,234	59,254
Basic earnings per share (sen)	5.96	5.26	5.96	5.26

#### (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. Realized and Unrealized Profits/Losses Disclosure

The accumulated profit as at 31 July 2011 and 30 April 2011 is analyzed as follows:

	CUMULATIVE QUARTER	
	Current Year	Preceding
	Quarter	Year Quarter
	31/7/2011	30/4/2011
Total retained profit of the company and subsidiaries:		
-realised retained profits	74,994	71,245
-unrealised retained profits	(3,267)	(3,046)
Total group retained profits as per consolidated financial statements	71,727	68,199

### 15. 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 2011.