



ANALABS RESOURCES BERHAD
 (Company No: 468971-A)
 (Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2014**

*Quarterly financial report on consolidated results for the SECOND financial quarter ended 31 October 2014.
 (The figures have not been audited.)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/10/2014 RM'000	Preceding Year Quarter 31/10/2013 RM'000	Current Year Quarter 31/10/2014 RM'000	Preceding Year Quarter 31/10/2013 RM'000
Revenue	31,187	35,195	68,676	72,509
Cost of sales	(18,958)	(21,606)	(43,981)	(46,177)
Gross Profit	12,229	13,589	24,695	26,332
Other income	81	454	654	1,117
Other expenses	(10,290)	(10,637)	(20,218)	(18,701)
Profit from operations	2,020	3,406	5,131	8,748
Finance cost	(209)	(179)	(424)	(393)
Profit before taxation	1,811	3,227	4,707	8,355
Income tax expense	(450)	(782)	(995)	(1,194)
Profit for the period	1,361	2,445	3,712	7,161

The Condensed Consolidated Statements of Profit or Loss and other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 April 2014.



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 (Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2014
 (CONT'D)**

*Quarterly financial report on consolidated results for the SECOND financial quarter ended 31 October 2014.
 (The figures have not been audited.)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/10/2014 RM'000	Preceding Year Quarter 31/10/2013 RM'000	Current Year Quarter 31/10/2014 RM'000	Preceding Year Quarter 31/10/2013 RM'000
Profit for the period	1,361	2,445	3,712	7,161
Other comprehensive income, net of tax				
Fair value changes of available-for-sale/ financial assets	(333)	(347)	(438)	(372)
Foreign currency translation differences	25	-	(303)	-
Total comprehensive income for the period	1,053	2,098	2,971	6,789
Profit after taxation attributable to:				
- owners of the Company	1,644	2,237	4,303	6,336
- non-controlling interest	(283)	208	(591)	825
	1,361	2,445	3,712	7,161
Total comprehensive income/(expenses) attributable to:				
- owners of the Company	1,330	1,890	3,549	5,964
- non-controlling interest	(277)	208	(578)	825
	1,053	2,098	2,971	6,789
	sen per share	sen per share	sen per share	sen per share
Earnings per share for profit attributable to the owners of the Company				
- basic	2.89	3.89	7.56	11.00
- diluted	n/a	n/a	n/a	n/a

The Condensed Consolidated Statements of Profit or Loss and other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 April 2014.

ANALABS RESOURCES BERHAD

(Company No: 468971-A)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AT 31 OCTOBER 2014

*Quarterly financial report on consolidated results for the SECOND financial quarter ended 31 October 2014.
(The figures have not been audited.)*

	As at End of Current Quarter 31 OCTOBER 2014 (Unaudited) RM'000	As at Preceding Financial Year End 30 APRIL 2014 (Audited) RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	155,704	159,840
Goodwill on consolidation	9,755	9,755
Available-for-sale financial assets	21,448	14,833
	186,907	184,428
CURRENT ASSETS		
Receivables, deposits and prepayments	44,225	50,258
Inventories	25,213	20,203
Tax recoverable	1,499	734
Cash and cash equivalent	25,811	25,203
	96,748	96,398
Total Assets	283,655	280,826
EQUITY AND LIABILITIES		
Equity attributable to shareholders of the Company		
Share capital	60,024	60,024
Treasury shares	(4,431)	(4,320)
Reserves	155,414	151,852
Shareholder's equity	211,007	207,556
Non-controlling interest	(1,112)	(534)
Total equity	209,895	207,022
NON-CURRENT LIABILITIES		
Deferred tax liabilities	19,906	19,955
Hire purchase payable	415	641
Term Loan	15,369	17,859
	35,690	38,455
CURRENT LIABILITIES		
Amount due to a director	150	150
Payables and accruals	26,214	24,375
Hire purchase payable	73	336
Borrowings	11,633	10,488
	38,070	35,349
Total Liabilities	73,760	73,804
TOTAL EQUITY AND LIABILITIES	283,655	280,826
NET ASSETS PER SHARE (RM)	3.69	3.64

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 April 2014.

ANALABS RESOURCES BERHAD
(Company No: 468971-A)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2014**

*Quarterly financial report on consolidated results for the SECOND financial quarter ended 31 October 2014.
(The figures have not been audited.)*

	Attributable to owners of the company			Distributable					
	Share capital	Treasury shares	Share premium	Revaluation reserve	Fair Value reserve	Translation reserve	Retained profits	Non-controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 May 2014	60,024	(4,320)	6,248	47,194	791	1,276	96,343	(534)	207,022
Profit/(loss) after taxation for the financial period	-	-	-	-	-	-	4,303	(591)	3,712
Other comprehensive income for the financial period	-	-	-	-	-	(303)	-	13	(290)
-foreign currency translation differences	-	-	-	-	-	-	-	-	-
-fair value changes of available-for-sale financial assets	-	-	-	-	(438)	-	-	-	(438)
-treasury Share	-	(111)	-	-	-	-	-	-	(111)
Total comprehensive income for the financial period	-	(111)	-	-	(438)	(303)	4,303	(578)	2,873
Balance at 31 October 2014	60,024	(4,431)	6,248	47,194	353	973	100,646	(1,112)	209,895

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 April 2014.

ANALABS RESOURCES BERHAD
(Company No: 468971-A)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2014 (CONT'D)**

*Quarterly financial report on consolidated results for the SECOND financial quarter ended 31 October 2014.
(The figures have not been audited.)*

	Attributable to owners of the company				Distributable		Total equity RM'000		
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Non-Distributable Revaluation reserve RM'000	Fair Value reserve RM'000	Foreign exchange translation reserve RM'000		Retained profits RM'000	Non-controlling interest RM'000
Balance at 1 May 2013	60,024	(3,205)	6,248	10,015	466	710	88,999	-	163,257
Profit/(loss) after taxation for the financial year	-	-	-	-	-	-	9,695	(600)	9,095
Other comprehensive income for the financial year	-	-	-	37,179	-	-	-	74	37,253
- Revaluation of property	-	-	-	-	-	566	-	(8)	558
- Foreign currency translation differences	-	-	-	-	-	-	-	-	-
- Fair value changes of available-for-sale financial assets	-	-	-	-	325	-	-	-	325
Total comprehensive income for the financial year	-	-	-	37,179	325	566	9,695	(534)	47,231
Contributions by and distributions to owners of the company:									
- Treasury shares acquired	-	(1,115)	-	-	-	-	-	-	(1,115)
- Dividends to shareholders	-	-	-	-	-	-	(2,351)	-	(2,351)
Total transactions with owners	-	(1,115)	-	-	-	-	(2,351)	-	(3,466)
Balance at 30 April 2014	60,024	(4,320)	6,248	47,194	791	1,276	96,343	(534)	207,022

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 April 2014.

ANALABS RESOURCES BERHAD
(Company No: 468971-A)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2014**

*Quarterly financial report on consolidated results for the SECOND financial quarter ended 31 October 2014.
(The figures have not been audited.)*

	Current Year To Date 31 October 2014 RM'000	Preceding Year To Date 31 October 2013 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	4,707	8,349
Adjustments for :-		
Non-cash items	4,330	3,592
Non-operating items	168	(66)
Operating profit before changes in working capital	9,205	11,875
Changes in working capital :		
Net change in current assets	1,024	(10,213)
Net change in current liabilities	1,838	7,450
Income tax (paid)/refunded	(1,760)	110
NET CASH GENERATED FROM OPERATING ACTIVITIES	10,307	9,222
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of equity securities	(7,024)	(9)
Acquisition of subsidiaries, net of cash acquired	-	(24,125)
Purchase of property, plant and equipment	(681)	(499)
Share repurchased	(111)	(69)
Proceeds from disposal of property, plant and equipment	16	99
Proceeds from disposal of equity securities	-	2,270
Interest received	154	119
Dividend received	412	145
NET CASH GENERATED USED IN INVESTING ACTIVITIES	(7,234)	(22,069)
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES		
Interest paid	(424)	(393)
Dividend paid	-	-
Advances from director	-	553
(Repayment)/Drawdown of bankers acceptance	1,123	(4,456)
(Repayment)/Drawdown of borrowings	(2,283)	25,035
(Repayment)/Drawdown of hire purchase liabilities	(488)	1,280
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	(2,072)	22,019
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,001	9,172
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	(208)	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	24,710	29,075
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER	25,503	38,247
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash, bank balances and deposits	21,836	33,943
Deposits pledge with licensed banks	3,667	4,304
	25,503	38,247

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 April 2014.

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NOTES TO THE QUARTERLY FINANCIAL REPORT

(I) Compliance with Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting

(a) Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 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 2014. 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 2014, except for the adoption of the following new standards, amendments to standards and IC interpretations with effect from May 2014 where applicable:

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 (2009) Financial Instruments)
MFRS 9 (2010) Financial Instruments) To be
MFRS 9 Financial Instruments (Hedge Accounting and Amendments to MFRS 7, MFRS 9 and MFRS 139)) announced
Amendments to MFRS 9 and MFRS 7 : Mandatory Effective Date of MFRS 9 and Transition Disclosures) by MASB
MFRS 14 Regulatory Deferral Accounts)
Amendments to MFRS 10, MFRS 12 and MFRS 127 (2011): Investment Entities	1 January 2016
Amendments to MFRS 11 : Accounting for Acquisitions of Interests in Joint Operations	1 January 2014
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 119: Defined Benefit Plans – Employee Contributions	1 July 2014
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21 Levies	1 January 2014
Annual Improvements to MFRSs 2010 – 2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011 – 2013 Cycle	1 July 2014

The adoption of the above accountings standards and interpretations did not have any material impact on the interim financial report 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 2014 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 October 2014, the Company held as treasury shares a total of 3,135,100 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 October 2014.

(h) Segment Information

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/10/2014 RM'000	Preceding Year Quarter 31/10/2013 RM'000	Current Year Quarter 31/10/2014 RM'000	Preceding Year Quarter 31/10/2013 RM'000
Segment Revenue				
Manufacturing, formulation and sale of resin, chemicals & building materials	20,171	21,542	46,926	49,332
Recovery and sale of recycled products	6,418	6,972	12,480	13,660
Culture and sales of prawns	151	349	258	452
Investment holding & property letting	66	1	142	162
Contract Work, Pipe Laying and Rehabilitation	4,381	6,331	8,870	8,903
REVENUE	31,187	35,195	68,676	72,509
Segment Results				
Manufacturing, formulation and sale of resin, chemicals & building materials	1,000	1,171	3,688	2,475
Recovery and sale of recycled products	1,678	1,582	2,623	3,335
Culture and sales of prawns	(7)	10	24	192
Investment holding & property letting	(124)	24	(48)	398
Contract Work, Pipe Laying and Rehabilitation	(623)	567	(1,311)	2,229
	1,924	3,354	4,976	8,629
Finance cost	(209)	(179)	(424)	(393)
Interest income	96	52	154	119
PROFIT BEFORE TAXATION	1,811	3,227	4,707	8,355
Income tax expense	(450)	(782)	(995)	(1,194)
PROFIT AFTER TAXATION	1,361	2,445	3,712	7,161
Non-controlling interest	283	(208)	591	(825)
NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS	1,644	2,237	4,303	6,336

(II) 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 period ended 31 October 2014.

(III) 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.

(IV) Changes in the Composition of the Group

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

(V) 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

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

1. Review of the Performance

For the quarter under review, the Group recorded revenue of RM31.2 million, representing an decreased of 11% compared to the corresponding quarter of the preceding year.

The Group's profit before tax was RM1.81 million for the current quarter as compared to the corresponding quarter of the preceding year of profit before tax of RM3.23 million.

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

	Current Quarter 31/10/2014 RM'000	Preceding Quarter 31/07/2014 RM'000	% +/-)
Revenue	31,187	37,489	(17)
Profit before Taxation	1,811	2,896	(37)

Revenue for the current quarter decreased by 17% as compared to the immediate preceding quarter. Profit before taxation decreased by 37% as compared to the immediate preceding quarter.

3. Prospects

On the backdrop of a challenging economic climate, the future contribution by the manufacturing, formulation and sale of resin, chemicals & building materials is expected to be affected by the implementation of Goods and Services Tax and currency fluctuation. Barring any unforeseen circumstances, the Group's prospects for the financial period 2015 is expected to be uncertain.

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 October 2014 is made up as follows:

	Current Quarter 31/10/2014 RM'000	Year To Date 31/10/2014 RM'000
Current Taxation		
Malaysian income tax charge	(450)	(995)
Foreign income tax charge	-	-
	<u>(450)</u>	<u>(995)</u>

The effective tax rate of the Group for the current quarter under review is below 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 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 31/10/2014 RM'000	Year To Date 31/10/2014 RM'000
Total dividend share allotment at market value	45	310
Total disposal proceeds	-	-
Total gain on disposal	-	-

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

	As at 31/10/2014 RM'000
Total investments at cost	23,922
Total investments at carrying value	21,268
Total investments at market value	<u>21,268</u>

8. Status of Corporate Proposals Announced

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

9. Group Borrowings and Debt Securities

All the Group's borrowings are short term and long term in nature, secured and denominated in Ringgit Malaysia, Euro, US Dollar and Singapore Dollar.

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

Save as disclosed below, the Group is not engaged in any material litigation.

On 24 December 2013, the Company announced that Analabs ("1st Plaintiff") and its wholly owned subsidiary, Lux Distributor Sdn Bhd ("2nd Plaintiff"), had filed and served a Writ of Summon and Statement of Claim on Khor Sew Foo ("Defendant") to claim the following amongst others for breach of the Share Sale Agreement ("SSA") and Management Cum Profit Guarantee Agreement ("MPGA") dated 8 March 2012:-

- (a) An order that the Defendant specifically performs the MPGA dated 8 March 2012 by attending to his duties as Chief Executive Officer ("CEO") of Lux Distributor Sdn Bhd until 31 December 2013;
- (b) An audit be conducted on the 2nd Plaintiff after 31 December 2013 for the period 1 January 2012 until 31 December 2013 to ascertain its Net Profit After Tax for the period;
- (c) That the Defendant pays the 2nd Plaintiff the shortfall in the Net Profit After Tax of the 2nd Plaintiff from the sum of RM1,500,000 from the following:-
 - (i) Firstly, the escrow sum of RM750,000 held by Messrs Abdullah Chan in accordance with the MPGA, and the balance if any to be returned to the Defendant;
 - (ii) Secondly, if the escrow sum is insufficient, from the balance dividend of RM1,000,000 payable to the Defendant by the 2nd Plaintiff, the balance if any to be returned to the Defendant;

The Defendant has entered his defence and submitted a counter claim against the Plaintiffs claiming breach by the Plaintiffs, for a declaration that the SSA and the MPGA are repudiated and claims damages arising from the breach and repudiation.

The Company had on 13 January 2014 filed the Reply and Defence to the Counterclaim and the case had further adjourned to October and November 2014 for continued hearing.

The case is currently pending for the parties to file their respective submission to the High Court for decision.

The Company does not anticipate any adverse financial or operational impact from this trial.

12. Dividend Proposed or Declared

The Board of Directors has declared an interim single tier dividend of 3.0 sen per share for the financial year ending 30 April 2015. (31 October 2013: an interim single tier dividend of 4.125 sen). The book closure and payments dates will be announced at a later date.

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 Quarter 31/10/2014	Preceding Year Quarter 31/10/2013	Current Year Quarter 31/10/2014	Preceding Year Quarter 31/10/2013

Net profit attributable to ordinary shares (RM'000)	1,644	2,237	4,303	6,336
Weighted average number ordinary shares (RM'000)	56,889	57,558	56,919	57,590
Basic earnings per share (sen)	2.89	3.89	7.56	11.00

(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. Profit before tax

Individual Current Year Quarter 31-Oct-14 RM'000	Cumulative Current Year Quarter 31-Oct-14 RM'000
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Profit before tax is arrived at after charging:-

Interest expense	209	424
Depreciation and amortisation of property, plant and equipment	2,059	4,347

And crediting:-

Interest income	(95)	(154)
Dividend income	(104)	(412)

15. Realized and Unrealized Profits/Losses Disclosure

The accumulated profit as at 31 October 2014 and 31 October 2013 is analyzed as follows:

	CUMULATIVE QUARTER	
	Current Year Quarter 31/10/2014 RM'000	Preceding Year Quarter 31/10/2013 RM'000
Total retained profit of the company and subsidiaries:		
-realised retained profits	138,199	141,391
-unrealised retained profits	(6,246)	(74)
	<hr/>	<hr/>
	131,953	141,317
Less: Consolidated adjustments	(31,307)	(45,988)
	<hr/>	<hr/>
Total group retained profits as per consolidated financial statements	100,646	95,329
	<hr/> <hr/>	<hr/> <hr/>

16. 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 23 December 2014.