

THETA EDGE BERHAD (260002-W)
(Incorporated in Malaysia)

QUARTERLY REPORT

SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2012

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 31/12/2012 RM'000	Preceding Year Corresponding Quarter Ended 31/12/2011 RM'000	Current Year To Date Ended 31/12/2012 RM'000	Preceding Year Corresponding Period Ended 31/12/2011 RM'000
1. Revenue	23,266	16,015	75,292	58,459
2. Gross Profit	2,876	2,461	4,990	7,113
3. Profit/(Loss) before taxation	1,604	(2,249)	(6,906)	(12,732)
4. Profit/(Loss) after taxation	1,584	(2,286)	(6,972)	(12,795)
5. Profit/(Loss) for the period	1,584	(2,286)	(6,972)	(12,795)
6. Profit/(Loss) attributable to owners of the Company	1,584	(2,286)	(6,972)	(12,795)
7. Basic profit/(loss) per share (sen)	1.48	(2.67)	(6.50)	(14.93)
8. Proposed/Declared dividend per share (sen)	-	-	-	-
			As At End Of Current Quarter	As At Preceding Financial Year End
8. Net assets per share attributable to owners of the Company (RM)			0.74	0.80

Additional Information

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 31/12/2012 RM'000	Preceding Year Corresponding Quarter Ended 31/12/2011 RM'000	Current Year To Date Ended 31/12/2012 RM'000	Preceding Year Corresponding Period Ended 31/12/2011 RM'000
1. Gross income from short term investments	110	122	544	592
2. Gross borrowing costs	(11)	(32)	(227)	(244)

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**UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2012**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 31/12/2012 RM'000	Preceding Year Corresponding Quarter Ended 31/12/2011 RM'000	Current Year To Date Ended 31/12/2012 RM'000	Preceding Year Corresponding Period Ended 31/12/2011 RM'000
Revenue	23,266	16,015	75,292	58,459
Cost of sales	(20,390)	(13,554)	(70,302)	(51,346)
Gross Profit	<u>2,876</u>	<u>2,461</u>	<u>4,990</u>	<u>7,113</u>
Other operating income	-	136	186	136
Operating expenses	<u>(2,014)</u>	<u>(2,772)</u>	<u>(10,403)</u>	<u>(12,475)</u>
Profit/(Loss) from operations	862	(175)	(5,227)	(5,226)
Income from short term investments	110	122	544	592
Depreciation & Amortisation	(920)	(716)	(3,507)	(2,495)
Borrowing costs	(11)	(32)	(227)	(244)
Employee costs pursuant to grant of ESOS	-	(800)	-	(1,897)
Allowances and non cash expenses	1,729	(648)	2,648	(3,462)
Share of loss of equity-accounted investees	<u>(166)</u>	<u>-</u>	<u>(1,137)</u>	<u>-</u>
Profit/(Loss) before taxation	1,604	(2,249)	(6,906)	(12,732)
Taxation	<u>(20)</u>	<u>(37)</u>	<u>(66)</u>	<u>(63)</u>
Profit/(Loss) for the period	<u>1,584</u>	<u>(2,286)</u>	<u>(6,972)</u>	<u>(12,795)</u>
Other comprehensive income, net of taxation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive profit/(loss) for the period	<u>1,584</u>	<u>(2,286)</u>	<u>(6,972)</u>	<u>(12,795)</u>
Profit/(Loss) attributable to :				
Owners of the Company	1,584	(2,286)	(6,972)	(12,795)
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit/(Loss) for the period	<u>1,584</u>	<u>(2,286)</u>	<u>(6,972)</u>	<u>(12,795)</u>
Total comprehensive profit/(loss) attributable to:				
Owners of the Company	1,584	(2,286)	(6,972)	(12,795)
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive profit/(loss) for the period	<u>1,584</u>	<u>(2,286)</u>	<u>(6,972)</u>	<u>(12,795)</u>
Profit/(Loss) per ordinary share (sen)				
Basic	1.48	(2.67)	(6.50)	(14.93)
Diluted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The unaudited condensed Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2011

THETA EDGE BERHAD (260002-W)
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**UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012**

	Unaudited As At 31/12/2012 RM'000	Audited As At 31/12/2011 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	7,944	7,476
Investment	1,863	-
Goodwill on consolidation	657	657
Intangible assets	3,565	2,972
Deferred income tax assets	3,902	3,902
	17,931	15,007
Current assets		
Inventories	15,932	17,560
Receivables	40,763	33,690
Deposits, cash and bank balances	17,842	33,086
	74,537	84,336
Total assets	92,468	99,343
EQUITY		
Capital and reserves attributable to the Company's equity holders		
Share capital	107,241	107,241
Reserves	(27,943)	(20,971)
Shareholder's fund / Total equity	79,298	86,270
LIABILITIES		
Current liabilities		
Payables	12,282	11,544
Hire Purchase	91	20
Bank overdrafts	-	441
Bank borrowings	500	1,000
	12,873	13,005
Non Current liabilities		
Hire Purchase	297	68
	297	68
Total liabilities	13,170	13,073
Total equity and liabilities	92,468	99,343

The unaudited condensed Statements of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2011.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2012**

	<u>Non-distributable</u>		<u>Distributable</u>	Total RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Other Reserves RM'000	Reserves Attributable To Revenue RM'000			
<u>12 months ended 31 December 2011</u>						
At 1 January 2011 (audited)	63,104	-	(10,073)	53,031	-	53,031
Issues of Shares						
- acquisition of a subsidiary company	13,650	-	-	13,650	-	13,650
- New shares issued	30,487	-	-	30,487	-	30,487
Grant of share options to employees	-	1,897	-	1,897	-	1,897
Comprehensive loss for the financial period	-	-	(12,795)	(12,795)	-	(12,795)
At 31 December 2011 (Unaudited)	107,241	1,897	(22,868)	86,270	-	86,270
<u>12 months ended 31 December 2012</u>						
At 1 January 2012 (audited)	107,241	1,897	(22,868)	86,270	-	86,270
Comprehensive loss for the financial period	-	-	(6,972)	(6,972)	-	(6,972)
At 31 December 2012 (Unaudited)	107,241	1,897	(29,840)	79,298	-	79,298

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2011

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2012**

	12 Months Ended	
	Unaudited 31/12/2012 RM'000	Audited 31/12/2011 RM'000
Cash flow used in operating activities		
Net loss before taxation	(6,906)	(12,732)
Adjustments for:		
Depreciation & Amortisation of PPE	3,507	2,495
Borrowing costs	227	244
Income from Short term investments	(544)	(592)
Employee costs pursuant to grant of ESOS	-	1,897
Allowances and other non cash items	(2,648)	3,462
Share of loss of equity-accounted investees	1,137	-
Operating loss before working capital changes	(5,227)	(5,226)
Movements in working capital		
Decrease/(Increase) in inventories	1,493	(3,952)
(Increase)/Decrease In receivables	(3,803)	19,213
Increase/(Decrease) in payables	303	(11,127)
Cash flow used in operations	(7,234)	(1,092)
Taxation (paid) / refund	(82)	10
Borrowing costs paid	(227)	(244)
Income from Short term investments received	544	592
Net cash flow used in operating activities	(6,999)	(734)
Cash flow from investing activities		
Acquisition of property, plant & equipment	(3,656)	(1,051)
Disposal of property, plant & equipment	-	3
Increase in development cost	(593)	(831)
Investment in associated company	(3,000)	-
Net cash flow from acquisition of a subsidiary company	-	3,299
	(7,249)	1,420
Cash flow from financing activities		
Proceeds from issuance of shares	-	30,487
Bank borrowings	(500)	(6,837)
Hire purchase	(55)	(10)
	(555)	23,640
Net movement in cash and cash equivalents	(14,803)	24,326
Cash and cash equivalents at beginning of financial period	32,645	8,319
Cash and cash equivalents at end of financial period	17,842	32,645
Cash and cash equivalents consist of:		
Cash & bank balances	9,087	9,718
Deposits	8,755	23,368
Bank overdrafts	-	(441)
	17,842	32,645

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2011