

**ES CERAMICS TECHNOLOGY BHD**  
**Company No. 627117-P**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 31 AUGUST 2012**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER ENDED 31-Aug-12	CORRESPONDING QUARTER ENDED 31-Aug-11	CURRENT YEAR TO DATE ENDED 31-Aug-12	CORRESPONDING YEAR TO DATE ENDED 31-Aug-11
	RM	RM	RM	RM
Revenue	<u>3,707,952</u>	<u>6,010,163</u>	<u>3,707,952</u>	<u>6,010,163</u>
Operating profit	628,610	897,893	628,610	897,893
Finance costs	(193,040)	(377,152)	(193,040)	(377,152)
Profit before taxation	<u>435,570</u>	<u>520,741</u>	<u>435,570</u>	<u>520,741</u>
Taxation	-	-	-	-
Profit for the period	<u>435,570</u>	<u>520,741</u>	<u>435,570</u>	<u>520,741</u>
Other comprehensive income :				
Foreign exchange translation difference	(132,917)	1,234,737	(132,917)	1,234,737
Total comprehensive income for the period	<u>302,653</u>	<u>1,755,478</u>	<u>302,653</u>	<u>1,755,478</u>
Profit Attributable to :				
Equity holders of the parent	435,568	520,741	435,568	520,741
Non-Controlling Interest	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>
	<u>435,570</u>	<u>520,741</u>	<u>435,570</u>	<u>520,741</u>
Total comprehensive income attributable to:				
Equity holders of the parent	302,651	1,755,478	302,651	1,755,468
Non-Controlling Interest	<u>2</u>	<u>-</u>	<u>2</u>	<u>10</u>
	<u>302,653</u>	<u>1,755,478</u>	<u>302,653</u>	<u>1,755,478</u>
Earnings per share (sen)				
- Basic	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>
- Diluted	<u>N/A</u>	<u>0.3</u>	<u>N/A</u>	<u>0.3</u>

*(The condensed consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2012)*

**ES CERAMICS TECHNOLOGY BHD**  
**Company No. 627117-P**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 AUGUST 2012**

	AS AT 31-Aug-12 (UNAUDITED)	AS AT 31-May-12 (AUDITED)
	RM	RM
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	18,254,935	18,810,797
Intangible Assets	1,402,612	1,434,802
	<u>19,657,547</u>	<u>20,245,599</u>
<b>Current Assets</b>		
Inventories	2,904,905	2,964,295
Trade & Other Receivables	4,306,251	4,108,522
Current Tax Asset	744,783	823,386
Cash and Cash Equivalents	3,638,654	3,846,255
	<u>11,594,593</u>	<u>11,742,458</u>
<b>TOTAL ASSETS</b>	<u><u>31,252,140</u></u>	<u><u>31,988,057</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Equity Holders of the Parent</b>		
Share Capital	16,978,800	16,978,800
Capital Reserve	1,261,872	1,261,872
Exchange Reserve	1,060,565	1,193,482
Retained Profit	138,699	(296,871)
	<u>19,439,936</u>	<u>19,137,283</u>
<b>Non-controlling interest</b>	198	198
<b>TOTAL EQUITY</b>	<u><u>19,440,134</u></u>	<u><u>19,137,481</u></u>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Hire Purchase Payables	446,798	471,655
Term Loan	2,786,994	3,808,616
Deferred Taxation	249,000	249,000
	<u>3,482,792</u>	<u>4,529,271</u>
<b>Current Liabilities</b>		
Trade and Other Payables	1,254,336	1,138,424
Hire Purchase Payables	100,359	106,690
Term Loan	3,989,749	4,026,825
Bank Borrowings	2,984,770	3,049,366
	<u>8,329,214</u>	<u>8,321,305</u>
<b>TOTAL LIABILITIES</b>	<u><u>11,812,006</u></u>	<u><u>12,850,575</u></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>31,252,140</u></u>	<u><u>31,988,056</u></u>
<b>Net assets per share attributable to ordinary equity holders of the parent (sen)</b>	<u><u>11</u></u>	<u><u>11</u></u>

*(The condensed consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2012)*

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to Owners of the Parent					Non-controlling Interest RM	Total Equity RM
	Share Capital RM	Share Premium RM	Capital Reserve RM	Exchange Reserve RM	Retained Profits RM		
Balance at 1 Jun 2012	16,978,800	-	1,261,872	1,193,482	(296,871)	198	19,137,481
Effects of applying FRS 139							
<b>Restated balance</b>	16,978,800	-	1,261,872	1,193,482	(296,871)	198	19,137,481
Issue of Shares							-
Dividends paid							-
Total comprehensive income for the period				(132,917)	435,570		302,653
<b>Balance at 31 August 2012</b>	16,978,800	-	1,261,872	1,060,565	138,699	198	19,440,134

For the Corresponding Quarter Ended 31 August 2011

	Attributable to Owners of the Parent					Non-controlling Interest RM	Total Equity RM
	Share Capital RM	Share Premium RM	Capital Reserve RM	Exchange Reserve RM	Retained Profits RM		
Balance at 1 Jun 2011	16,978,800	-	1,185,505	(191,039)	(1,354,823)	167	16,618,610
Effects of applying FRS 139							
<b>Restated balance</b>	16,978,800	-	1,185,505	(191,039)	(1,354,823)	167	16,618,610
Issue of Shares							-
Dividends paid							-
Total comprehensive income for the period			72,000	1,234,737	571,346		1,878,083
<b>Balance at 31 August 2011</b>	16,978,800	-	1,257,505	1,043,698	(783,477)	167	18,496,693

(The condensed consolidated Statement of changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2012)

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 AUGUST 2012**

	<b>CURRENT QUARTER ENDED 31-Aug-12</b>	<b>PRECEDING YEAR QUARTER ENDED 31-Aug-11</b>
	<b>RM</b>	<b>RM</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	435,570	520,741
Adjustments for :-		
Depreciation, amortisation and impairment losses	451,975	625,270
Interest income and expenses	190,587	366,410
Other non-cash items	19,755	13,875
Operating profit before changes in working capital	<u>1,097,887</u>	<u>1,526,296</u>
Changes in working capital:		
Net change in inventories	59,389	8,633
Net change in receivables	(197,733)	580,626
Net change in payables	120,283	(183,408)
Cash flow from operations	<u>1,079,826</u>	<u>1,932,147</u>
Finance costs	(193,040)	(377,152)
Income tax refunded/(paid)	74,236	(21,855)
<b>Net cash flows from operating activities</b>	<u>961,022</u>	<u>1,533,140</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	14,800	35,903
Interest income	2,453	10,742
<b>Net cash used in investing activities</b>	<u>17,253</u>	<u>46,645</u>
<b>Cash flows from financing activities</b>		
Drawdown / (Repayment) of bank borrowings	(64,596)	214,332
Drawdown / (Repayment) of term loan	(1,058,698)	(7,641,192)
Drawdown / (Repayment) of hire purchase	(31,187)	27,783
<b>Net cash flows from financing activities</b>	<u>(1,154,481)</u>	<u>(7,399,077)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	(176,206)	(5,819,292)
<b>Cash and cash equivalents at beginning of the year</b>	3,846,255	6,644,647
<b>Effect of changes in foreign exchange rates</b>	(56,501)	86,956
<b>Cash and cash equivalents at end of period</b>	<u>3,613,548</u>	<u>912,311</u>
Cash and cash equivalent comprises of:		
- Cash and bank balances	3,613,548	2,335,112
- Fixed Deposits	25,106	24,361
As reported in the balance sheets	<u>3,638,654</u>	<u>2,359,473</u>
<b>Less : Fixed deposits pledged as security</b>	(25,106)	(24,361)
Bank overdrafts	-	(1,422,801)
As reported in cash flow statements	<u>3,613,548</u>	<u>912,311</u>

*(The condensed consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2012)*