

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2012**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Mar 2012 RM	Preceding Year Corresponding Quarter 31 Mar 2011 RM	Current Year Quarter 31 Mar 2012 RM	Preceding Year Corresponding Quarter 31 Mar 2011 RM
Revenue	9,925,414	16,559,444	9,925,414	16,559,444
Cost of sales	<u>(8,463,313)</u>	<u>(15,133,678)</u>	<u>(8,463,313)</u>	<u>(15,133,678)</u>
Gross profit	1,462,101	1,425,766	1,462,101	1,425,766
Other income	354,928	418,874	354,928	418,874
Other items of expenses				
Administrative expenses	(1,441,112)	(1,649,266)	(1,441,112)	(1,649,266)
Selling and marketing expenses	(1,082,326)	(1,344,282)	(1,082,326)	(1,344,282)
Finance costs	(139,979)	(207,812)	(139,979)	(207,812)
Other expenses	<u>(99,708)</u>	<u>(225,479)</u>	<u>(99,708)</u>	<u>(225,479)</u>
Loss before tax	(946,096)	(1,582,199)	(946,096)	(1,582,199)
Income tax benefit/(expense)	<u>(38,269)</u>	<u>(89,231)</u>	<u>(38,269)</u>	<u>(89,231)</u>
Loss net of tax	<u>(984,366)</u>	<u>(1,671,430)</u>	<u>(984,366)</u>	<u>(1,671,430)</u>
Foreign currency translation differences	<u>(119,736)</u>	<u>798,177</u>	<u>(119,736)</u>	<u>798,177</u>
	<u>(119,736)</u>	<u>798,177</u>	<u>(119,736)</u>	<u>798,177</u>
Total Comprehensive loss for the period	<u>(1,104,101)</u>	<u>(873,253)</u>	<u>(1,104,101)</u>	<u>(873,253)</u>
Loss attributable to:				
Owner of the parent	(907,819)	(1,557,390)	(907,819)	(1,557,390)
Non-controlling interest	<u>(76,546)</u>	<u>(114,040)</u>	<u>(76,546)</u>	<u>(114,040)</u>
	<u>(984,365)</u>	<u>(1,671,430)</u>	<u>(984,365)</u>	<u>(1,671,430)</u>
Total comprehensive loss attributable to:				
Owner of the parent	(1,034,647)	(521,854)	(1,034,647)	(521,854)
Non-controlling interest	<u>(69,454)</u>	<u>(351,399)</u>	<u>(69,454)</u>	<u>(351,399)</u>
	<u>(1,104,101)</u>	<u>(873,253)</u>	<u>(1,104,101)</u>	<u>(873,253)</u>
Basic loss per share attributable to owners of the parent - (sen per share)	(0.54)	(0.93)	(0.54)	(0.93)
Diluted (sen)		-	-	-

The Condensed Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011.

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

CONDENSED STATEMENT OF FINANCIAL POSITION**AS AT 31 MARCH 2012**

	As At 31.03.2012 RM	As At 31.12.2011 RM (restated)	As At 01.01.2011 RM (restated)
Assets			
Non-current assets			
Property, plant and equipment	50,451,810	51,292,099	55,471,571
Other Investment	25,000	25,000	25,000
Intangible assets	401,783	401,783	401,783
Deferred tax assets	884,689	889,823	923,151
	<u>51,763,282</u>	<u>52,608,705</u>	<u>56,821,505</u>
Current assets			
Inventories	84,764,658	83,578,158	83,295,707
Trade and other receivables	13,561,352	13,219,409	19,700,089
Prepaid operating expenses	1,240,334	302,285	418,877
Amount due from customers for contract	387,243	200,546	366,695
Derivative asset	-	35,507	73,722
Taxation recoverable	516,927	485,552	600,838
Cash and bank balances	1,055,950	2,199,786	3,537,915
	<u>101,526,465</u>	<u>100,021,243</u>	<u>107,993,843</u>
Total assets	<u>153,289,747</u>	<u>152,629,948</u>	<u>164,815,348</u>
Equity and liabilities			
Current liabilities			
Bank borrowings	15,544,788	14,159,049	14,012,401
Trade and other payables	8,402,086	8,081,463	11,257,685
Derivative liability	27,043	-	-
Tax payable	9,173	7,500	9,000
	<u>23,983,090</u>	<u>22,248,012</u>	<u>25,279,086</u>
Net current assets	77,543,375	77,773,231	82,714,757
Non-current liabilities			
Deferred tax liabilities	4,337,282	4,308,461	4,205,028
	<u>4,337,282</u>	<u>4,308,461</u>	<u>4,205,028</u>
Total liabilities	<u>28,320,372</u>	<u>26,556,473</u>	<u>29,484,114</u>
Net assets	<u>124,969,374</u>	<u>126,073,475</u>	<u>135,331,234</u>
Equity attributable to owners of the parents			
Share capital	84,000,000	84,000,000	84,000,000
Share premium	3,854,541	3,854,541	3,854,541
Other reserves	1,033,645	1,160,473	922,871
Retained earnings	37,050,480	37,958,299	46,553,822
	<u>125,938,666</u>	<u>126,973,313</u>	<u>135,331,234</u>
Non-controlling interest	(969,292)	(899,838)	-
Total equity	<u>124,969,375</u>	<u>126,073,475</u>	<u>135,331,234</u>
Total equity and liabilities	<u>153,289,747</u>	<u>152,629,948</u>	<u>164,815,348</u>

The Condensed Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011.

17/5/2012

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2012**

	←————— Attributable to owners of the parent —————→								
		← Non-distributable →			Distributable	← Non-distributable →			
	Equity, total RM	Equity attributable to owners of the parent, total RM	Share capital RM	Share premium RM	Retained earnings RM	Other reserves, total RM	Foreign Exchange reserve RM	Employee share option reserve RM	Non-controlling interests RM
At 1 January 2011	135,331,234	135,331,234	84,000,000	3,854,541	46,553,822	922,871	-	922,871	-
Foreign exchange difference	798,177	1,035,536	-	-	-	1,035,536	1,035,536	-	(237,359)
Share-based payment under ESOS	3,784	3,784	-	-	-	3,784	-	3,784	-
Total comprehensive loss for the period	(1,671,430)	(1,557,390)	-	-	(1,557,390)	-	-	-	(114,040)
At 31 March 2011	<u>134,461,765</u>	<u>134,813,164</u>	<u>84,000,000</u>	<u>3,854,541</u>	<u>44,996,432</u>	<u>1,962,191</u>	<u>1,035,536</u>	<u>926,655</u>	<u>(351,399)</u>
At 1 January 2012	126,073,475	126,973,313	84,000,000	3,854,541	37,958,299	1,160,473	226,419	934,054	(899,838)
Total comprehensive loss for the year	(1,104,101)	(1,034,647)	-	-	(907,819)	(126,828)	(126,828)	-	(69,454)
At 31 March 2012	<u>124,969,374</u>	<u>125,938,666</u>	<u>84,000,000</u>	<u>3,854,541</u>	<u>37,050,480</u>	<u>1,033,645</u>	<u>99,591</u>	<u>934,054</u>	<u>(969,292)</u>

Notes:

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2011.

**CONDENSED CONSOLIDATED STATEMENT OF CASHFLOW
FOR THE QUARTER ENDED 31 MARCH 2012**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2012	Preceding Year Corresponding Quarter 31.03.2011	Current Year Quarter 31.03.2012	Preceding Year Corresponding Quarter 31.03.2011
Operating activities				
Loss before tax	(946,096)	(1,582,199)	(946,096)	(1,582,199)
Adjustment for :				
Depreciation of property, plant & equipment	906,936	1,001,653	906,936	1,001,653
Gain on disposal of property, plant & equipment	-	(1,319)	-	(1,319)
Property, plant and equipment written off	3	-	3	-
Net fair value loss on derivative	62,550	77,494	62,550	77,494
Unrealised gain on foreign exchange	(138,721)	(299,424)	(138,721)	(299,424)
Reversal of allowance for doubtful debts	(18,239)	-	(18,239)	-
Share options granted under ESOS	-	3,784	-	3,784
Interest expense	139,979	207,812	139,979	207,812
Interest income	-	(5)	-	(5)
Operating cash flows before changes in working capital	6,412	(592,204)	6,412	(592,204)
Changes in working capital:				
Decrease / (Increase) in inventories	(1,317,955)	4,738,271	(1,317,955)	4,738,271
Decrease/(Increase) in receivables	(1,567,250)	(2,031,799)	(1,567,250)	(2,031,799)
Decrease)/(Increase in amount due from customers on contract	(186,697)	(171,377)	(186,697)	(171,377)
Increase / (decrease) in payables	637,787	(282,485)	637,787	(282,485)
Increase/(decrease) in holding company	58,619	27,055	58,619	27,055
Cash (used in) / generated from operations	(2,369,084)	1,687,461	(2,369,084)	1,687,461
Interest paid	(139,979)	(207,812)	(139,979)	(207,812)
Taxation paid	(34,016)	(51,905)	(34,016)	(51,905)
Interest received	-	5	-	5
Net cash (used in) / generated from operating activities	<u>(2,543,079)</u>	<u>1,427,749</u>	<u>(2,543,079)</u>	<u>1,427,749</u>
Investing activities				
Purchase of property, plant & equipment	(67,116)	(166,979)	(67,116)	(166,979)
Proceeds from disposal of property, plant & equipment	-	3,060	-	3,060
Net cash used in investing activities	<u>(67,116)</u>	<u>(163,919)</u>	<u>(67,116)</u>	<u>(163,919)</u>
Cash Flows from Financing Activities				
Net drawdown/(repayment) of bankers' acceptances	(619,000)	(1,636,000)	(619,000)	(1,636,000)
Net drawdown of foreign currency loan	1,376,742	764,150	1,376,742	764,150
Net cash used in financing activities	<u>757,742</u>	<u>(871,850)</u>	<u>757,742</u>	<u>(871,850)</u>
Net (decrease) / increase in cash and cash equivalents	(1,852,453)	391,980	(1,852,453)	391,980
Cash and cash equivalents at beginning of period	1,122,870	2,103,478	1,122,870	2,103,478
Effect of exchange rate differences	26,469	(65,620)	26,469	(65,620)
Cash and cash equivalents at end of period	<u><u>(703,114)</u></u>	<u><u>2,429,838</u></u>	<u><u>(703,114)</u></u>	<u><u>2,429,838</u></u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011.