

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2014**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30 Sept 2014 RM	Preceding Year Corresponding Quarter 30 Sept 2013 RM	Current Year Quarter 30 Sept 2014 RM	Preceding Year Corresponding Quarter 30 Sept 2013 RM
Revenue	12,368,621	13,489,188	32,708,397	38,587,920
Cost of sales	<u>(11,135,247)</u>	<u>(11,840,288)</u>	<u>(28,651,139)</u>	<u>(33,104,582)</u>
Gross profit	1,233,374	1,648,900	4,057,258	5,483,338
Other income	(35,568)	418,368	948,798	761,025
Other items of expenses				
Administrative expenses	(1,367,447)	(1,560,325)	(3,928,236)	(4,766,158)
Selling and marketing expenses	(510,777)	(765,512)	(1,482,762)	(2,290,181)
Finance costs	(227,062)	(177,805)	(626,118)	(520,804)
Other expenses	<u>(286,261)</u>	<u>(212,101)</u>	<u>(1,542,220)</u>	<u>(417,870)</u>
Loss before tax	(1,193,741)	(648,474)	(2,573,280)	(1,750,650)
Income tax	<u>(9,713)</u>	<u>(7,757)</u>	<u>113,366</u>	<u>(35,368)</u>
Loss after tax	<u>(1,203,454)</u>	<u>(656,231)</u>	<u>(2,459,914)</u>	<u>(1,786,018)</u>
Other Comprehensive Income:				
<i>Item that may be recycled to profit or loss:</i>				
Foreign currency translation differences	<u>(538,146)</u>	<u>999,333</u>	<u>(907,841)</u>	<u>1,168,537</u>
	<u>(538,146)</u>	<u>999,333</u>	<u>(907,841)</u>	<u>1,168,537</u>
Total Comprehensive loss for the period	<u>(1,741,600)</u>	<u>343,102</u>	<u>(3,367,755)</u>	<u>(617,483)</u>
Loss attributable to:				
Owner of the parent	(1,204,916)	(635,647)	(2,429,230)	(1,645,848)
Non-controlling interests	<u>1,462</u>	<u>(20,584)</u>	<u>(30,684)</u>	<u>(140,170)</u>
	<u>(1,203,454)</u>	<u>(656,231)</u>	<u>(2,459,914)</u>	<u>(1,786,018)</u>
Total comprehensive loss attributable to:				
Owner of the parent	(2,061,379)	738,438	(3,826,824)	18,123
Non-controlling interests	<u>319,779</u>	<u>(395,336)</u>	<u>459,069</u>	<u>(635,606)</u>
	<u>(1,741,600)</u>	<u>343,102</u>	<u>(3,367,755)</u>	<u>(617,483)</u>
Basic loss per share attributable to owners of the parent				
- (sen per share)	(0.72)	(0.38)	(1.45)	(0.98)
Diluted (sen)	(0.72)	(0.38)	(1.45)	(0.98)

The Condensed Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013.

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

CONDENSED STATEMENT OF FINANCIAL POSITION**AS AT 30 SEPTEMBER 2014**

	As At 30.09.2014 RM	As At 31.12.2013 RM
Assets		
Non-current assets		
Property, plant and equipment	41,860,018	44,615,464
Other Investment	25,000	25,000
Intangible assets	401,783	401,783
Deferred tax assets	723,856	609,150
	<u>43,010,657</u>	<u>45,651,397</u>
Current assets		
Inventories	76,029,749	77,629,054
Trade and other receivables	20,928,131	17,914,464
Prepaid operating expenses	797,330	207,869
Amount due from customers for contract	1,402,619	1,146,868
Derivative asset	373	-
Taxation recoverable	348,663	327,753
Cash and bank balances	2,035,251	2,842,227
	<u>101,542,116</u>	<u>100,068,235</u>
Total assets	<u>144,552,773</u>	<u>145,719,632</u>
Equity and liabilities		
Current liabilities		
Bank borrowings	19,199,457	18,101,974
Trade and other payables	7,513,569	6,320,748
Derivative liability	-	68,512
Amount due to customers for contract	413,598	434,494
	<u>27,126,624</u>	<u>24,925,728</u>
Net current assets	74,415,492	75,142,507
Non-current liabilities		
Deferred tax liabilities	4,096,116	4,096,116
	<u>4,096,116</u>	<u>4,096,116</u>
Total liabilities	<u>31,222,740</u>	<u>29,021,844</u>
Net assets	<u>113,330,033</u>	<u>116,697,788</u>
Equity attributable to owners of the parents		
Share capital	84,000,000	84,000,000
Share premium	3,854,541	3,854,541
Other reserves	549,881	1,947,475
Retained earnings	26,622,957	29,052,187
	<u>115,027,379</u>	<u>118,854,203</u>
Non-controlling interests	<u>(1,697,346)</u>	<u>(2,156,415)</u>
Total equity	<u>113,330,033</u>	<u>116,697,788</u>
Total equity and liabilities	<u>144,552,773</u>	<u>145,719,632</u>

The Condensed Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013.

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2014**

	Equity, total RM	Equity attributable to owners of the parent, total RM	Attributable to owners of the parent		Retained earnings RM	Foreign currency translation reserve RM	Non-Distributable	Non-controlling interests RM
			Non-distributable	Distributable				
			Share capital RM	Share premium RM				
At 1 January 2013	118,730,407	120,092,332	84,000,000	3,854,541	32,404,862	(167,071)		(1,361,925)
Total comprehensive loss for the period	(617,483)	18,123	-	-	(1,645,848)	1,663,971		(635,606)
At 30 Sept 2013	<u>118,112,924</u>	<u>120,110,455</u>	<u>84,000,000</u>	<u>3,854,541</u>	<u>30,759,014</u>	<u>1,496,900</u>		<u>(1,997,531)</u>
At 1 January 2014	116,697,788	118,854,203	84,000,000	3,854,541	29,052,187	1,947,475		(2,156,415)
Total comprehensive loss for the period	(3,367,755)	(3,826,824)	-	-	(2,429,230)	(1,397,594)		459,069
At 30 Sept 2014	<u>113,330,033</u>	<u>115,027,379</u>	<u>84,000,000</u>	<u>3,854,541</u>	<u>26,622,957</u>	<u>549,881</u>		<u>(1,697,346)</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 2013.

EKOWOOD INTERNATIONAL BERHAD (301735-D)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASHFLOW
FOR THE QUARTER ENDED 30 SEPTEMBER 2014**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2014	Preceding Year Corresponding Quarter 30.09.2013	Current Year Quarter 30.09.2014	Preceding Year Corresponding Quarter 30.09.2013
Operating activities				
Loss before tax	(1,193,741)	(648,474)	(2,573,280)	(1,750,650)
Adjustment for :				
Depreciation of property, plant & equipment	824,448	874,223	2,481,725	2,644,375
Gain on disposal of property, plant & equipment	3,760	3,840	(246,301)	(51,388)
Impairment loss on inventories	-	-	1,129,108	-
Reversal of allowance of doubtful debts	-	-	(180,332)	-
Net fair value loss / (gain) on derivative	4,886	36,847	(68,885)	20,332
Unrealised loss/(gain) on foreign exchange	81,563	(204,012)	48,669	(84,088)
PPE written off	24,960	-	25,312	-
Impairment loss on trade receivable	200,261	-	200,261	-
Interest expense	227,061	177,805	626,118	520,804
Interest income	-	-	-	(19)
Operating cash flows before changes in working capital	173,198	240,229	1,442,395	1,299,366
Changes in working capital:				
Decrease / (increase) in inventories	(532,838)	(794,619)	470,198	2,820,480
Increase in receivables	(2,395,206)	(3,680,088)	(3,722,262)	(7,447,303)
(Increase) / Decrease in amount due from customers on contract	(213,226)	1,207,118	(276,647)	55,015
Increase in payables	1,623,152	1,594,835	1,445,147	1,426,400
Decrease in holding company	(308,168)	18,243	(252,327)	426,677
Cash generated from operations	(1,653,089)	(1,414,282)	(893,496)	(1,419,365)
Interest paid	(227,062)	(177,805)	(626,118)	(520,804)
Taxation	(6,750)	6,610	(22,250)	(890)
Interest received	-	-	-	19
Net cash (used in) / generated from operating activities	(1,886,901)	(1,585,477)	(1,541,864)	(1,941,040)
Investing activities				
Withdrawal of pledged deposits	3,537	-	5,357	-
Purchase of property, plant & equipment	(128,643)	(24,961)	(234,830)	(440,649)
Proceeds from disposal of property, plant & equipment	1,200	156,657	722,200	241,885
Net cash generated from /(used in) investing activities	(123,906)	131,696	492,727	(198,764)
Financing Activities				
Net drawdown of bankers' acceptances	4,575,000	1,050,788	7,950,000	2,555,409
Net drawdown / (repayment) of foreign currency trade credit	(716,825)	840,420	(4,973,347)	729,492
Drawdown / (repayment) of revolving credits	(1,000,000)	300,000	(800,000)	100,000
Net cash (used in) /generated from financing activities	2,858,175	2,191,208	2,176,653	3,384,901
Net (decrease) / increase in cash and cash equivalents	847,369	737,427	1,127,517	1,245,096
Cash and cash equivalents at beginning of period	724,489	(79,703)	813,219	(485,094)
Effect of exchange rate differences	(531,623)	428,742	(900,501)	326,463
Cash and cash equivalents at end of period	1,040,235	1,086,466	1,040,235	1,086,465

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013.