

OGAWA WORLD BERHAD (712499 - V)

INTERIM FINANCIAL REPORT FOR THIRD QUARTER ENDED MARCH 31 2009

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE THIRD QUARTER ENDED MARCH 31 2009

(The figures have not been audited)

| | Notes | Individual Quarter | | Cumulative Quarter | |
|--|-------|--|---|--|--|
| | | Current Year Quarter 31.3.2009 RM'000 | Preceding Year Corresponding Quarter 31.3.2008 RM'000 | Current Year To Date 31.3.2009 RM'000 | Preceding Year Corresponding Period 31.3.2008 RM'000 |
| Revenue | | 28,932 | 30,166 | 86,557 | 94,918 |
| Cost of revenue | | (10,996) | (12,239) | (33,480) | (38,894) |
| Gross profit | | <u>17,936</u> | <u>17,927</u> | <u>53,077</u> | <u>56,024</u> |
| Other operating income | | (8) | 293 | 29 | 1,158 |
| Other operating expenses | | (17,827) | (20,556) | (68,512) | (58,369) |
| Profit from operations | | <u>101</u> | <u>(2,336)</u> | <u>(15,406)</u> | <u>(1,187)</u> |
| Finance costs | | (5) | (43) | (18) | (92) |
| Interest income | | 167 | 216 | 522 | 544 |
| Profit / (Loss) before tax | | <u>263</u> | <u>(2,163)</u> | <u>(14,902)</u> | <u>(735)</u> |
| Taxation | B5 | (579) | 117 | (783) | (931) |
| Profit / (loss) for the period | | <u>(316)</u> | <u>(2,046)</u> | <u>(15,685)</u> | <u>(1,666)</u> |
| Attributable to :- | | | | | |
| Equity holders of the Company | | (316) | (2,046) | (15,685) | (1,611) |
| Minority shareholder | | - | 0 | - | (55) |
| | | <u>(316)</u> | <u>(2,046)</u> | <u>(15,685)</u> | <u>(1,666)</u> |
| Earnings per share attributable to equity holders of the Company (sen) | B13 | | | | |
| - Basic | | <u>-0.26</u> | <u>-1.71</u> | <u>-13.07</u> | <u>-1.34</u> |
| - Diluted | | <u>n/a</u> | <u>n/a</u> | <u>n/a</u> | <u>n/a</u> |

The Condensed Consolidated Income Statement should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

OGAWA WORLD BERHAD (712499 - V)

INTERIM FINANCIAL REPORT FOR THIRD QUARTER ENDED MARCH 31 2009

CONDENSED CONSOLIDATED BALANCE SHEET AS AT MARCH 31 2009

(The figures have not been audited)

| | <u>Notes</u> | As At 31.3.2009 RM '000 | As At 30.6.2008 RM '000 |
|--|--------------|-------------------------------|-------------------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | | 12,907 | 14,819 |
| Goodwill on consolidation | | 10 | 10 |
| Other non-current assets | | 53 | 48 |
| | | <u>12,970</u> | <u>14,877</u> |
| Current Assets | | | |
| Inventories | | 13,243 | 17,305 |
| Trade receivables | | 6,847 | 18,973 |
| Other receivables and prepaid expenses | | 9,664 | 11,459 |
| Short-term deposits with licensed bank | | 10,076 | 19,446 |
| Cash and bank balances | | 23,580 | 12,943 |
| | | <u>63,410</u> | <u>80,126</u> |
| TOTAL ASSETS | | <u>76,380</u> | <u>95,003</u> |
| EQUITY AND LIABILITIES | | | |
| Capital and Reserves | | | |
| Issued capital | | 60,000 | 60,000 |
| Reserves | | (6,522) | 9,056 |
| | | <u>53,478</u> | <u>69,056</u> |
| Equity attributable to equity holders of the Company | | 53,478 | 69,056 |
| Minority interest | | 0 | 0 |
| | | <u>53,478</u> | <u>69,056</u> |
| Non-Current Liabilities | | | |
| Hire-purchase payables | B9 | 127 | 225 |
| Deferred tax liabilities | | 134 | 134 |
| | | <u>261</u> | <u>359</u> |
| Current Liabilities | | | |
| Trade payables | | 7,676 | 10,085 |
| Other payables and accrued expenses | | 14,834 | 15,355 |
| Hire-purchase payables | B9 | 131 | 148 |
| Tax liabilities | | - | - |
| | | <u>22,641</u> | <u>25,588</u> |
| TOTAL LIABILITIES | | <u>22,902</u> | <u>25,947</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>76,380</u> | <u>95,003</u> |
| Net assets per share attributable to ordinary equity holders of the parent (RM) | | <u>0.45</u> | <u>0.58</u> |

The Condensed Consolidated Balance Sheet should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

OGAWA WORLD BERHAD (712499 - V)

INTERIM FINANCIAL REPORT FOR THIRD QUARTER ENDED MARCH 31 2009

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR
THE THIRD QUARTER ENDED MARCH 31 2009

(The figures have not been audited)

| | Issued Capital RM'000 | Reverse Acquisition Reserve RM'000 | Reserve on Consolidation RM'000 | Translation Reserve RM'000 | Share Premium RM'000 | Unappropriated Profit RM'000 | Minority Interest RM'000 | Total RM'000 |
|----------------------------------|-----------------------------|---|--|----------------------------------|----------------------------|------------------------------------|--------------------------------|-----------------|
| At Jul 1, 2007 | 60,000 | (27,203) | - | 61 | 7,249 | 39,535 | 1,956 | 81,598 |
| Acquisition of minority interest | - | - | - | - | - | - | (1,901) | (1,901) |
| Translation differences | - | - | - | 5 | - | - | - | 5 |
| Loss for the period | - | - | - | - | - | (8,371) | (55) | (8,426) |
| Dividend paid | - | - | - | - | - | (2,220) | - | (2,220) |
| At June 30, 2008 | 60,000 | (27,203) | - | 66 | 7,249 | 28,944 | - | 69,056 |
| Translation differences | - | - | - | 107 | - | - | - | 107 |
| Loss for the period | - | - | - | - | - | (15,685) | - | (15,685) |
| At Mar 31, 2009 | 60,000 | (27,203) | - | 173 | 7,249 | 13,259 | - | 53,478 |

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

OGAWA WORLD BERHAD (712499 - V)

INTERIM FINANCIAL REPORT FOR THIRD QUARTER ENDED MARCH 31 2009

CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE
THIRD QUARTER ENDED MARCH 31 2009

(The figures have not been audited)

| | Current Year To Date 31.3.2009 RM '000 | Preceding Year To Date 30.6.2008 RM '000 |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit/(Loss) after tax | (15,685) | (8,427) |
| Adjustments for: | | |
| Income tax (credit)/expense | 783 | (129) |
| Depreciation of property, plant and equipment | 3,389 | 3,566 |
| Property Plant & Equipment Written Off | 508 | 449 |
| Finance costs | 18 | 99 |
| Negetive goodwill on acquisition of minority interest | - | (48) |
| Interest income | (522) | (724) |
| Goodwill written off | - | 453 |
| Allowance for doubtful debts | 10,463 | 4,148 |
| Allowance for obsolete stocks | 1,233 | - |
| Bad debts written off | 20 | 12 |
| Gain on disposals of property, plant and equipment | (140) | (53) |
| Operating profit before working capital changes | 67 | (654) |
| (Increase)/Decrease in: | | |
| Inventories | 2,829 | (3,337) |
| Trade receivables | 1,278 | (2,629) |
| Other receivables, deposits and prepaid expenses | 1,487 | 2,718 |
| Increase/(Decrease) in: | | |
| Trade payables | (2,409) | 4,128 |
| Other payables and accrued expenses | (521) | 9,209 |
| Cash (used in) / generated from operations | 2,731 | 9,435 |
| Income tax refunded / (paid) | 355 | (4,754) |
| Net cash (used in) / generated from operating activities | 3,086 | 4,681 |
| CASH FLOWS USED IN INVESTING ACTIVITIES | | |
| Acquisition of property, plant and equipment | (2,350) | (5,718) |
| Acquisition of minority interest | - | (2,003) |
| Proceeds from disposals of property, plant and equipment | 41.00 | 218 |
| Interest received | 522 | 724 |
| Net cash used in investing activities | (1,787) | (6,779) |
| CASH FLOWS USED IN FINANCING ACTIVITIES | | |
| Finance costs paid | (18) | (99) |
| Repayment of hire-purchase payables | (116) | (1,494) |
| Dividend paid | - | (2,220) |
| Net cash from financing activities | (134) | (3,813) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 1,165 | (5,911) |
| Effect of Exchange Rate Changes On Cash & Cash | 102 | (48) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD | 32,389 | 38,348 |
| CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD | 33,656 | 32,389 |

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.