

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

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS**  
For the quarter ended 30 June 2006

	<b>Current quarter ended 30.6.06 RM</b>	<b>Comparative quarter ended 30.06.05 RM</b>	<b>6 months Cumulative to date 30.6.06 RM</b>	<b>6 months Cumulative to date 30.6.05 RM</b>
Revenue	37,705,521	34,920,033	75,161,323	67,017,683
Cost of sales	<u>(26,446,744)</u>	<u>(26,128,539)</u>	<u>(53,420,666)</u>	<u>(47,641,265)</u>
Gross profit	11,258,777	8,791,494	21,740,657	19,376,418
Other operating income	126,096	496,712	140,025	1,198,711
Administrative expenses	(2,598,879)	(3,283,030)	(4,855,305)	(6,381,079)
Selling and marketing Expenses	(2,933,907)	(2,497,829)	(5,711,277)	(4,443,636)
Other operating expenses	<u>(237,926)</u>	<u>(163,612)</u>	<u>(574,605)</u>	<u>(362,977)</u>
Profit from operations	5,614,161	3,343,735	10,739,495	9,387,435
Finance costs	<u>(123,270)</u>	<u>(131,321)</u>	<u>(310,339)</u>	<u>(319,712)</u>
Profit before taxation	5,490,891	3,212,414	10,429,156	9,067,723
Taxation	<u>(1,581,841)</u>	<u>137,565</u>	<u>(1,929,960)</u>	<u>(19,786)</u>
Net profits for the period	<u><u>3,909,050</u></u>	<u><u>3,349,979</u></u>	<u><u>8,499,196</u></u>	<u><u>9,047,937</u></u>
Attributable to:				
Equity holders of the parent	3,876,593	3,341,624	8,458,699	9,026,218
Minority Interests	<u>32,457</u>	<u>8,354</u>	<u>40,497</u>	<u>21,719</u>
	<u><u>3,909,050</u></u>	<u><u>3,349,979</u></u>	<u><u>8,499,196</u></u>	<u><u>9,047,937</u></u>
Earnings per share attributable to equity holders of the parent:				
Basic (sen)	2.31	1.99	5.03	5.37
Diluted (sen)	-	-	-	-

**Notes:**

**The Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Financial Report for the year ended 31st December 2005**

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

**CONDENSED CONSOLIDATED BALANCE SHEETS**  
As at 30 June 2006

	As at Period ended 30.06.2006 RM	As at Year ended 31.12.2005 RM (restated)
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, Plant & Equipment	51,341,568	53,452,604
Other Investment	25,000	25,000
Prepaid lease payments	-	-
Intangible Assets	216,034	278,654
Goodwill on Consolidation	131,783	131,783
Deferred tax assets	-	-
	<u>51,714,384</u>	<u>53,888,041</u>
<b>Current Assets</b>		
Inventories	73,644,328	74,806,552
Trade receivables	36,832,400	29,271,025
Other receivables, deposits and prepayments	5,724,551	4,895,272
Due from customers on contract	1,530,698	1,877,995
Taxation recoverable	1,167,643	1,447,838
Marketable securities	-	-
Cash and bank balances	5,120,693	3,880,058
	<u>124,020,313</u>	<u>116,178,740</u>
<b>TOTAL ASSETS</b>	<u><u>175,734,698</u></u>	<u><u>170,066,781</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	84,000,000	84,000,000
Share premium	3,854,541	3,854,541
Other reserves	(492,429)	(456,128)
Retained profits	50,386,030	46,127,331
	<u>137,748,142</u>	<u>133,525,744</u>
<b>Minority Interests</b>	216,370	151,225
<b>Total equity</b>	<u>137,964,512</u>	<u>133,676,969</u>
<b>Non-current Liabilities</b>		
Deferred income	-	-
Deferred tax liabilities	4,954,055	5,148,024
	<u>4,954,055</u>	<u>5,148,024</u>
<b>Current Liabilities</b>		
Borrowings	13,928,330	13,493,662
Trade payables	5,053,032	7,750,121
Other payables	9,620,961	9,984,751
Tax payable	13,807	13,254
Dividend payable	4,200,000	-
	<u>32,816,131</u>	<u>31,241,788</u>
<b>Total Liabilities</b>	37,770,186	36,389,812
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>175,734,698</u></u>	<u><u>170,066,781</u></u>

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Audited Financial Report for the year ended 31st December 2005

**EKWOOD INTERNATIONAL BERHAD (301735-D)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**  
For the quarter ended 30 June 2006

	Current quarter ended 30.06.06 RM	Comparative quarter ended 30.06.05 RM (restated)	6 months Cumulative to date 30.06.06 RM	6 months Cumulative to date 30.06.05 RM (restated)
<b>Cash Flows from Operating Activities</b>				
Profit before taxation	5,490,891	3,222,232	10,429,156	9,080,885
Adjustment for non-cash flow:-				
Depreciation of property, plant & equipment	1,138,746	1,126,190	2,309,442	2,263,631
Gain on disposal of property, plant & equipment	-	(14,939)	216,795	(14,939)
Written-back for provision of doubtful debt	(4,095)	(47,928)	(4,095)	(254,454)
Amortisation of intangible assets	21,603	24,669	62,621	49,338
Unrealised gain on exchange rate	(74,501)	101,439	(32,752)	224,482
Bad debts written off	978	6,649	978	6,649
Provision for doubtful debts	-	-	-	-
Share-based payment under ESOS	26,427	131,321	45,101	-
Interest expense	123,270	(14,773)	310,339	319,712
Interest income	(1,350)	-	(1,350)	(14,773)
Operating cash flows before working capital changes	6,721,971	4,534,860	13,336,235	11,660,530
(Increase)/decrease in inventories	(1,509,051)	2,289,963	1,670,062	2,716,162
(Increase)/decrease in due to customers on contract	805,591	(11,415)	347,297	(3,702)
(Increase)/decrease in receivables	1,879,981	486,351	(6,707,682)	(5,421,346)
Increase/(decrease) in payables	470,996	(2,563,834)	(2,968,686)	(1,236,661)
Increase/(decrease) in related companies	-	5	-	-
Increase/(decrease) in holding company	(1,712,151)	(250,991)	(1,539,797)	(271,627)
Increase/(decrease) in short term borrowings	(2,535,297)	(3,378,000)	723,568	(6,132,000)
Cash generated from/(absorbed by) operations	4,122,041	1,106,938	4,860,998	1,311,356
Interest paid	(123,270)	(131,321)	(310,339)	(319,712)
Taxation paid	(1,024,532)	(903,999)	(1,843,735)	(1,946,999)
Interest received	1,350	14,773	1,350	14,773
Net cash generated from/(used in) operating activities	2,975,589	86,391	2,708,274	(940,582)
<b>Cash Flows from Investing Activities</b>				
Placement of deposit with financial institution	-	(833,132)	-	(981,402)
Purchase of property, plant & equipment	(636,603)	(877,740)	(1,105,481)	(1,339,192)
Proceeds from disposal of property, plant & equipment	-	28,704	698,241	28,704
Net cash used in investing activities	(636,603)	(1,682,168)	(407,240)	(2,291,890)
<b>Cash Flows from Financing Activities</b>				
Dividend Paid	-	-	-	-
Net cash generated from/(used in) financing activities	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	2,338,987	(1,595,777)	2,301,034	(3,232,472)
Cash and cash equivalents at beginning of period	1,933,655	2,417,574	1,469,227	2,922,849
Effect of exchange rate differences	(1,413,337)	2,850,432	(910,957)	3,981,853
Cash and cash equivalents at end of period	2,859,304	3,672,230	2,859,304	3,672,230

**Notes:**

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Audited Financial Report for the year ended 31st December 2005

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

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
For the quarter ended 30 June 2006

	Attributable to equity holders of the parent					Total RM	Minority interest RM	Total equity RM
	Non-distributable		Distributable					
	Share capital RM	Share premium RM	Foreign Exchange reserve RM	ESOS reserve RM	Retained profits RM			
<b>At 1 January 2005</b>	84,000,000	3,854,541	(1,237,975)	-	36,296,951	122,913,517	127,119	123,040,636
Issue of shares	-	-	-	-	-	-	-	-
Foreign exchange difference	-	-	549,513	-	-	549,513	-	549,513
Issue of bonus shares	-	-	-	-	-	-	-	-
Share-based payment under ESOS	-	-	-	13,162	-	13,162	-	13,162
Dividend payable	-	-	-	-	(4,200,000)	(4,200,000)	-	(4,200,000)
Net profit for the period	-	-	-	-	9,026,218	9,026,218	21,719	9,047,937
<b>At 30 June 2005 (restated)</b>	<u>84,000,000</u>	<u>3,854,541</u>	<u>(688,462)</u>	<u>13,162</u>	<u>41,123,169</u>	<u>128,302,410</u>	<u>148,838</u>	<u>128,451,248</u>
<b>At 1 January 2006</b>								
As previously stated	84,000,000	3,854,541	(506,988)	-	46,178,191	133,525,744	151,225	133,676,969
Prior year adjustment - effects of adopting FRS 2	-	-	-	50,860	(50,860)	-	-	-
<b>At 1 January 2006 (restated)</b>	<u>84,000,000</u>	<u>3,854,541</u>	<u>(506,988)</u>	<u>50,860</u>	<u>46,127,331</u>	<u>133,525,744</u>	<u>151,225</u>	<u>133,676,969</u>
Issue of shares	-	-	-	-	-	-	-	-
Foreign exchange difference	-	-	(81,402)	-	-	(81,402)	24,646	(56,755)
Issue of bonus shares	-	-	-	-	-	-	-	-
Share-based payment under ESOS	-	-	-	45,101	-	45,101	-	45,101
Dividend payable	-	-	-	-	(4,200,000)	(4,200,000)	-	(4,200,000)
Net profit for the period	-	-	-	-	8,458,699	8,458,699	40,497	8,499,196
<b>At 30 June 2006</b>	<u>84,000,000</u>	<u>3,854,541</u>	<u>(588,390)</u>	<u>95,961</u>	<u>50,386,030</u>	<u>137,748,143</u>	<u>216,369</u>	<u>137,964,511</u>

**Notes:**

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Audited Financial Report for the year ended 31st December 2005