

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

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
For the quarter ended 30 June 2007

| | Current quarter ended 30.06.2007 RM | Comparative quarter ended 30.06.2006 RM (Restated) | 6 months Cumulative to date 30.06.2007 RM | 6 months Cumulative to date 30.06.2006 RM (Restated) |
|---------------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------|
| Revenue | 42,337,575 | 37,705,521 | 76,884,434 | 75,161,323 |
| Cost of sales | <u>(31,387,183)</u> | <u>(26,484,294)</u> | <u>(55,067,421)</u> | <u>(53,495,766)</u> |
| Gross profit | 10,950,392 | 11,221,227 | 21,817,013 | 21,665,557 |
| Other operating income | 190,955 | 126,096 | 351,127 | 140,025 |
| Administrative expenses | (3,104,369) | (2,598,879) | (5,951,284) | (4,855,305) |
| Selling and marketing Expenses | (2,561,382) | (2,933,907) | (5,202,062) | (5,711,277) |
| Other operating expenses | <u>(77,695)</u> | <u>(237,926)</u> | <u>(281,934)</u> | <u>(574,605)</u> |
| Profit from operations | 5,397,902 | 5,576,611 | 10,732,861 | 10,664,395 |
| Finance costs | <u>(181,675)</u> | <u>(123,270)</u> | <u>(382,050)</u> | <u>(310,339)</u> |
| Profit before taxation | 5,216,227 | 5,453,341 | 10,350,811 | 10,354,056 |
| Taxation | <u>(196,843)</u> | <u>(1,581,841)</u> | <u>154,523</u> | <u>(1,929,960)</u> |
| Net profits for the period | <u><u>5,019,385</u></u> | <u><u>3,871,500</u></u> | <u><u>10,505,335</u></u> | <u><u>8,424,096</u></u> |
| Attributable to: | | | | |
| Equity holders of the parent | 5,022,294 | 3,839,043 | 10,526,748 | 8,383,599 |
| Minority Interests | <u>(2,909)</u> | <u>32,457</u> | <u>(21,413)</u> | <u>40,497</u> |
| | <u><u>5,019,385</u></u> | <u><u>3,871,500</u></u> | <u><u>10,505,335</u></u> | <u><u>8,424,096</u></u> |
| Earnings per share attributable to equity holders of the parent: | | | | |
| Basic (sen) | 2.99 | 2.29 | 6.27 | 4.99 |
| 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 2006

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

CONDENSED CONSOLIDATED BALANCE SHEETS
As at 30 June 2007

| | As at Period ended 30.06.2007 RM | As at Year ended 31.12.2006 RM (restated) |
|------------------------------------------------------------|-------------------------------------------|-------------------------------------------------------|
| ASSETS | | |
| Non-current Assets | | |
| Property, Plant & Equipment | 50,408,112 | 46,941,893 |
| Other Investment | - | - |
| Prepaid lease payments | 7,275,050 | 7,350,150 |
| Intangible Assets | 129,620 | 172,826 |
| Goodwill on Consolidation | 131,783 | 131,783 |
| Deferred tax assets | - | 564,172 |
| | <u>57,944,565</u> | <u>55,160,824</u> |
| Current Assets | | |
| Inventories | 72,961,520 | 80,678,720 |
| Trade receivables | 51,428,894 | 48,357,588 |
| Other receivables, deposits and prepayments | 2,813,201 | 3,155,604 |
| Due from customers on contract | 1,960,125 | 1,237,412 |
| Taxation recoverable | 694,826 | 80,641 |
| Marketable securities | - | - |
| Cash and bank balances | 3,794,758 | 2,168,674 |
| | <u>133,653,324</u> | <u>135,678,639</u> |
| TOTAL ASSETS | <u><u>191,597,889</u></u> | <u><u>190,839,463</u></u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the parent | | |
| Share capital | 84,000,000 | 84,000,000 |
| Share premium | 3,854,541 | 3,854,541 |
| Other reserves | (10,879) | (357,989) |
| Retained profits | 64,214,057 | 57,887,309 |
| | <u>152,057,719</u> | <u>145,383,861</u> |
| Minority Interests | 223,599 | 245,812 |
| Total equity | <u>152,281,318</u> | <u>145,629,673</u> |
| Non-current Liabilities | | |
| Deferred income | - | - |
| Deferred tax liabilities | 1,822,399 | 3,492,208 |
| | <u>1,822,399</u> | <u>3,492,208</u> |
| Current Liabilities | | |
| Borrowings | 15,112,009 | 19,168,726 |
| Trade payables | 6,550,447 | 8,443,302 |
| Other payables | 11,515,538 | 13,400,571 |
| Tax payable | 116,177 | 704,983 |
| Dividend payable | 4,200,000 | - |
| | <u>37,494,171</u> | <u>41,717,582</u> |
| Total Liabilities | 39,316,570 | 45,209,790 |
| TOTAL EQUITY AND LIABILITIES | <u><u>191,597,888</u></u> | <u><u>190,839,463</u></u> |

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Audited Financial Report for the year ended 31st December 2006

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
For the quarter ended 30 June 2007

| | Current quarter ended 30.06.2007 RM | Comparative quarter ended 30.06.2006 RM (restated) | 6 months Cumulative to date 30.06.2007 RM | 6 months Cumulative to date 30.06.2006 RM (restated) |
|--------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------------------|---------------------------------------------------------------------------------|
| Cash Flows from Operating Activities | | | | |
| Profit before taxation | 5,216,227 | 5,453,341 | 10,350,811 | 10,354,056 |
| Adjustment for non-cash flow:- | | | | |
| Depreciation of property, plant & equipment | 1,162,931 | 1,138,746 | 2,307,674 | 2,309,442 |
| Gain on disposal of property, plant & equipment | (18,295) | - | 20,988 | 216,795 |
| Prepaid land lease payments | 37,550 | 37,550 | 75,100 | 75,100 |
| Government grant receivable | (38,110) | - | (11,962) | - |
| PPE written off | 913 | - | 56,134 | - |
| Inventories written down | - | - | - | - |
| Inventories written off | - | - | - | - |
| Amortisation of intangible assets | 21,604 | 21,604 | 43,207 | 62,621 |
| Unrealised gain on exchange rate | (96,192) | (74,501) | (143,208) | (32,752) |
| Bad debts written off | 387 | 978 | 387 | 978 |
| Provision for doubtful debts | - | - | - | - |
| Provision for doubtful debts written back | - | (4,095) | - | (4,095) |
| Share-based payment under ESOS | 36,772 | 26,427 | 137,766 | 45,101 |
| Interest expense | 181,675 | 123,270 | 382,050 | 310,339 |
| Interest income | (335) | (1,350) | (335) | (1,350) |
| Operating cash flows before working capital changes | 6,505,126 | 6,721,970 | 13,218,611 | 13,336,235 |
| (Increase)/decrease in inventories | 3,496,053 | (1,509,050) | 7,593,771 | 1,670,062 |
| (Increase)/decrease in due to customers on contract | 1,654,965 | 805,591 | (722,713) | 347,297 |
| (Increase)/decrease in receivables | (4,420,164) | 1,879,982 | (3,328,901) | (6,707,682) |
| Increase/(decrease) in payables | (683,645) | 470,996 | (4,588,054) | (2,968,686) |
| Increase/(decrease) in related companies | - | - | - | - |
| Increase/(decrease) in holding company | 482,603 | (1,712,151) | 830,977 | (1,539,797) |
| Increase/(decrease) in short term borrowings | (2,318,081) | (2,535,297) | (4,586,236) | 723,568 |
| Cash generated from/(absorbed by) operations | 4,716,858 | 4,122,041 | 8,417,456 | 4,860,997 |
| Government grant received | 466,117 | - | 660,103 | - |
| Interest paid | (181,675) | (123,270) | (382,050) | (310,339) |
| Taxation paid | (1,000,000) | (1,024,532) | (2,154,687) | (1,843,735) |
| Interest received | 335 | 1,350 | 335 | 1,350 |
| Net cash generated from/(used in) operating activities | 4,001,635 | 2,975,589 | 6,541,157 | 2,708,273 |
| Cash Flows from Investing Activities | | | | |
| Placement of deposit with financial institution | - | - | - | - |
| Purchase of property, plant & equipment | (2,998,158) | (636,603) | (5,912,248) | (1,105,481) |
| Proceeds from disposal of property, plant & equipment | 42,850 | - | 60,085 | 698,241 |
| Net cash used in investing activities | (2,955,308) | (636,603) | (5,852,163) | (407,240) |
| Cash Flows from Financing Activities | | | | |
| Dividend Paid | - | - | - | - |
| Net cash generated from/(used in) financing activities | - | - | - | - |
| Net increase/(decrease) in cash and cash equivalents | 1,046,326 | 2,338,986 | 688,993 | 2,301,033 |
| Cash and cash equivalents at beginning of period | (39,011) | 1,933,655 | (406,962) | 1,469,227 |
| Effect of exchange rate differences | (329,341) | (1,413,338) | 395,943 | (910,957) |
| Cash and cash equivalents at end of period | 677,974 | 2,859,303 | 677,974 | 2,859,303 |

Notes:

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Audited Financial Report for the year ended 31st December 2006

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the quarter ended 30 June 2007

| | 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 | | | |
| At 1 January 2006 | | | | | | | | |
| As previously stated | 84,000,000 | 3,854,541 | (506,988) | 50,860 | 46,127,330 | 133,525,744 | 151,225 | 133,676,969 |
| Prior year adjustment - effects of adopting FRS 117 | - | - | - | - | (1,476,969) | (1,476,969) | - | (1,476,969) |
| At 1 January 2006 (restated) | <u>84,000,000</u> | <u>3,854,541</u> | <u>(506,988)</u> | <u>50,860</u> | <u>44,650,361</u> | <u>132,048,775</u> | <u>151,225</u> | <u>132,200,000</u> |
| Issue of shares | - | - | - | - | - | - | - | - |
| Foreign exchange difference | - | - | (81,402) | - | - | (81,402) | 24,646 | (56,756) |
| 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 | - | - | - | - | 8,383,599 | 8,383,599 | 40,497 | 8,424,096 |
| At 30 June 2006 | <u>84,000,000</u> | <u>3,854,541</u> | <u>(588,390)</u> | <u>95,961</u> | <u>48,833,960</u> | <u>136,196,073</u> | <u>216,368</u> | <u>136,412,441</u> |
| At 1 January 2007 | | | | | | | | |
| As previously stated | 84,000,000 | 3,854,541 | (509,882) | 151,893 | 59,514,478 | 147,011,030 | 245,812 | 147,256,842 |
| Prior year adjustment - effects of adopting FRS 117 | - | - | - | - | (1,627,169) | (1,627,169) | - | (1,627,169) |
| At 1 January 2007 (restated) | <u>84,000,000</u> | <u>3,854,541</u> | <u>(509,882)</u> | <u>151,893</u> | <u>57,887,309</u> | <u>145,383,861</u> | <u>245,812</u> | <u>145,629,673</u> |
| Issue of shares | - | - | - | - | - | - | - | - |
| Foreign exchange difference | - | - | 209,344 | - | - | 209,344 | (800) | 208,544 |
| Issue of bonus shares | - | - | - | - | - | - | - | - |
| Share-based payment under ESOS | - | - | - | 137,766 | - | 137,766 | - | 137,766 |
| Dividend payable | - | - | - | - | (4,200,000) | (4,200,000) | - | (4,200,000) |
| Net profit for the period | - | - | - | - | 10,526,748 | 10,526,748 | (21,413) | 10,505,335 |
| At 30 June 2007 | <u>84,000,000</u> | <u>3,854,541</u> | <u>(300,538)</u> | <u>289,659</u> | <u>64,214,057</u> | <u>152,057,719</u> | <u>223,599</u> | <u>152,281,318</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 2006