

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS**For the quarter ended 30 September 2007**

	Current quarter ended 30.09.2007 RM	Comparative quarter ended 30.09.2006 RM (Restated)	9 months Cumulative to date 30.09.2007 RM	9 months Cumulative to date 30.09.2006 RM (Restated)
Revenue	35,963,640	36,922,901	112,848,074	112,084,225
Cost of sales	<u>(25,286,107)</u>	<u>(26,209,960)</u>	<u>(80,353,528)</u>	<u>(79,705,726)</u>
Gross profit	10,677,533	10,712,941	32,494,546	32,378,499
Other operating income	(8,873)	277,458	342,254	417,483
Administrative expenses	(2,830,181)	(2,547,934)	(8,781,465)	(7,403,239)
Selling and marketing Expenses	(2,793,779)	(3,427,656)	(7,995,841)	(9,138,933)
Other operating expenses	<u>(109,729)</u>	<u>56,638</u>	<u>(391,663)</u>	<u>(517,968)</u>
Profit from operations	4,934,971	5,071,447	15,667,831	15,735,842
Finance costs	<u>(224,494)</u>	<u>(275,760)</u>	<u>(606,544)</u>	<u>(586,099)</u>
Profit before taxation	4,710,477	4,795,687	15,061,287	15,149,743
Taxation	<u>(756,227)</u>	<u>(1,036,489)</u>	<u>(601,704)</u>	<u>(2,966,449)</u>
Net profits for the period	<u><u>3,954,250</u></u>	<u><u>3,759,198</u></u>	<u><u>14,459,583</u></u>	<u><u>12,183,294</u></u>
Attributable to:				
Equity holders of the parent	3,953,627	3,765,423	14,480,373	12,149,022
Minority Interests	<u>623</u>	<u>(6,225)</u>	<u>(20,790)</u>	<u>34,272</u>
	<u><u>3,954,250</u></u>	<u><u>3,759,198</u></u>	<u><u>14,459,583</u></u>	<u><u>12,183,294</u></u>
Earnings per share attributable to equity holders of the parent:				
Basic (sen)	2.35	2.24	8.62	7.23

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 September 2007

	As at Period ended 30.09.2007 RM	As at Year ended 31.12.2006 RM (restated)
ASSETS		
Non-current Assets		
Property, Plant & Equipment	53,455,063	46,941,893
Prepaid lease payments	6,378,886	7,350,150
Intangible Assets	108,017	172,826
Goodwill on Consolidation	131,783	131,783
Deferred tax assets	-	564,172
	<u>60,073,749</u>	<u>55,160,824</u>
Current Assets		
Inventories	80,315,381	80,678,720
Trade receivables	49,198,105	48,357,588
Other receivables, deposits and prepayments	2,786,697	3,155,604
Due from customers on contract	4,056,534	1,237,412
Taxation recoverable	1,403,543	80,641
Cash and bank balances	3,154,563	2,168,674
	<u>140,914,823</u>	<u>135,678,639</u>
TOTAL ASSETS	<u><u>200,988,572</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	(1,509,312)	(357,989)
Retained profits	68,167,683	57,887,309
	<u>154,512,912</u>	<u>145,383,861</u>
Minority Interests	231,247	245,812
Total equity	<u>154,744,159</u>	<u>145,629,673</u>
Non-current Liabilities		
Deferred tax liabilities	2,213,984	3,492,208
	<u>2,213,984</u>	<u>3,492,208</u>
Current Liabilities		
Borrowings	24,421,824	19,168,726
Trade payables	7,791,392	8,443,302
Other payables	11,817,213	13,400,571
Tax payable	-	704,983
	<u>44,030,429</u>	<u>41,717,582</u>
Total Liabilities	46,244,413	45,209,790
TOTAL EQUITY AND LIABILITIES	<u><u>200,988,572</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 September 2007

	Current quarter ended 30.09.2007 RM	Comparative quarter ended 30.09.2006 RM (restated)	9 months Cumulative to date 30.09.2007 RM	9 months Cumulative to date 30.09.2006 RM (restated)
Cash Flows from Operating Activities				
Profit before taxation	4,710,477	4,795,687	15,061,287	15,149,743
Adjustment for non-cash flow:-				
Depreciation of property, plant & equipment	1,161,767	1,147,413	3,469,441	3,456,855
Gain on disposal of property, plant & equipment	(27,496)	(1,849)	(6,508)	214,946
Prepaid land lease payments	37,550	37,550	112,650	112,650
Government grant receivable	33,527	-	21,565	-
PPE written off	1,674	-	57,808	-
Amortisation of intangible assets	21,603	21,603	64,810	84,224
Unrealised gain on exchange rate	14,935	43,234	(128,273)	10,482
Bad debts (recovered)/written off	(4,248)	7	(3,861)	985
Reversal of Allowance for doubtful debts	(19,517)	-	(19,517)	-
Allowance for doubtful debts	-	1	-	(4,094)
Share-based payment under ESOS	62,622	19,673	200,388	64,774
Interest expense	223,879	275,760	605,929	586,099
Interest income	(2,953)	(1,111)	(3,288)	(2,462)
Operating cash flows before working capital changes	6,213,820	6,337,968	19,432,431	19,674,202
(Increase)/decrease in inventories	(7,203,481)	(5,636,590)	390,290	(3,966,528)
(Increase)/decrease in due to customers on contract	(2,096,409)	(1,410,413)	(2,819,122)	(1,063,116)
(Increase)/decrease in receivables	2,170,233	(5,337,340)	(1,158,668)	(12,045,022)
Increase/(decrease) in payables	2,239,661	3,519,008	(2,348,393)	550,322
Increase/(decrease) in holding company	454,488	1,673,441	1,285,465	133,645
Increase/(decrease) in short term borrowings	9,880,765	4,111,432	5,294,529	4,835,000
Cash generated from/(absorbed by) operations	11,659,077	3,257,506	20,076,532	8,118,503
Government grant received	40,995	-	701,098	-
Interest paid	(223,879)	(275,760)	(605,929)	(586,099)
Taxation paid	(1,189,000)	(269,656)	(3,343,687)	(2,113,391)
Interest received	2,953	1,111	3,288	2,462
Net cash generated from/(used in) operating activities	10,290,146	2,713,201	16,831,302	5,421,475
Cash Flows from Investing Activities				
Placement of deposit with financial institution	-	136,982	-	136,982
Purchase of property, plant & equipment	(4,608,068)	(265,162)	(10,520,316)	(1,370,643)
Proceeds from disposal of property, plant & equipment	106,542	6,020	166,627	704,261
Net cash used in investing activities	(4,501,526)	(122,160)	(10,353,689)	(529,400)
Cash Flows from Financing Activities				
Dividend Paid	(4,200,000)	(4,200,000)	(4,200,000)	(4,200,000)
Net cash generated from/(used in) financing activities	(4,200,000)	(4,200,000)	(4,200,000)	(4,200,000)
Net increase/(decrease) in cash and cash equivalents	1,588,620	(1,608,959)	2,277,613	692,075
Cash and cash equivalents at beginning of period	677,974	2,859,304	(406,962)	1,469,227
Effect of exchange rate differences	(1,642,961)	(183,233)	(1,247,018)	(1,094,190)
Cash and cash equivalents at end of period	623,633	1,067,112	623,633	1,067,112

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 September 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)	84,000,000	3,854,541	(506,988)	50,860	44,650,361	132,048,775	151,225	132,200,000
Foreign exchange difference	-	-	(100,799)	-	-	(100,799)	24,516	(76,283)
Share-based payment under ESOS	-	-	-	64,774	-	64,774	-	64,774
Dividend payable	-	-	-	-	(4,200,000)	(4,200,000)	-	(4,200,000)
Net profit for the period	-	-	-	-	12,149,022	12,149,022	34,272	12,183,294
At 30 September 2006	<u>84,000,000</u>	<u>3,854,541</u>	<u>(607,787)</u>	<u>115,634</u>	<u>52,599,383</u>	<u>139,961,772</u>	<u>210,013</u>	<u>140,171,785</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)	84,000,000	3,854,541	(509,882)	151,893	57,887,309	145,383,861	245,812	145,629,673
Foreign exchange difference	-	-	(1,351,711)	-	-	(1,351,711)	6,225	(1,345,486)
Share-based payment under ESOS	-	-	-	200,388	-	200,388	-	200,388
Dividend payable	-	-	-	-	(4,200,000)	(4,200,000)	-	(4,200,000)
Net profit for the period	-	-	-	-	14,480,374	14,480,374	(20,790)	14,459,584
At 30 September 2007	<u>84,000,000</u>	<u>3,854,541</u>	<u>(1,861,593)</u>	<u>352,281</u>	<u>68,167,683</u>	<u>154,512,912</u>	<u>231,247</u>	<u>154,744,159</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