

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2009 RM	Preceding Year Corresponding Quarter 30.06.2008 RM	Current Year Quarter 30.06.2009 RM	Preceding Year Corresponding Quarter 30.06.2008 RM
Revenue	18,384,564	29,836,235	35,050,086	61,097,944
Cost of sales	<u>(15,918,703)</u>	<u>(21,597,922)</u>	<u>(29,868,939)</u>	<u>(42,703,470)</u>
Gross profit	2,465,861	8,238,313	5,181,147	18,394,474
Other operating income	159,823	15,748	234,546	293,053
Administrative expenses	(2,222,135)	(2,696,861)	(4,890,424)	(5,936,925)
Selling and marketing expenses	(1,515,195)	(3,079,264)	(3,413,000)	(5,893,401)
Other operating expenses	<u>14,138</u>	<u>(159,337)</u>	<u>(219,639)</u>	<u>(397,785)</u>
(Loss) / Profit from operations	(1,097,507)	2,318,599	(3,107,370)	6,459,416
Finance costs	<u>(191,705)</u>	<u>(304,172)</u>	<u>(423,260)</u>	<u>(576,862)</u>
(Loss) / Profit before taxation	(1,289,213)	2,014,427	(3,530,630)	5,882,554
Taxation	<u>(466,325)</u>	<u>(352,871)</u>	<u>(593,970)</u>	<u>(812,036)</u>
Net (loss) / profits for the period	<u><u>(1,755,538)</u></u>	<u><u>1,661,556</u></u>	<u><u>(4,124,600)</u></u>	<u><u>5,070,518</u></u>
Attributable to:				
Equity holders of the Company	(1,751,078)	1,624,102	(4,119,506)	5,025,611
Minority Interests	<u>(4,460)</u>	<u>37,454</u>	<u>(5,094)</u>	<u>44,907</u>
	<u><u>(1,755,538)</u></u>	<u><u>1,661,556</u></u>	<u><u>(4,124,600)</u></u>	<u><u>5,070,518</u></u>
Earnings per share attributable to equity holders of the Company:				
- Basic (sen)	(1.04)	0.97	(2.45)	2.99

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008

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

CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 30 JUNE 2009

	As at 30.06.2009 RM	As at 31.12.2008 RM
ASSETS		
Non-current Assets		
Property, plant & equipment	57,377,571	58,882,039
Prepaid land lease payments	6,372,411	6,443,552
Intangible assets	131,783	131,783
Deferred tax assets	2,039,516	1,895,081
	<u>65,921,281</u>	<u>67,352,455</u>
Current Assets		
Inventories	92,565,236	100,020,412
Trade receivables	24,901,165	30,447,803
Other receivables	3,877,511	3,555,627
Due from customers on contract	1,649,903	3,229,357
Taxation recoverable	494,960	1,451,327
Cash and bank balances	1,649,713	1,782,295
	<u>125,138,488</u>	<u>140,486,821</u>
TOTAL ASSETS	<u><u>191,059,769</u></u>	<u><u>207,839,276</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	84,000,000	84,000,000
Share premium	3,854,541	3,854,541
Reserves	64,919,949	69,428,829
	<u>152,774,490</u>	<u>157,283,370</u>
Minority Interests	289,888	289,042
Total equity	<u>153,064,378</u>	<u>157,572,412</u>
Non-current Liabilities		
Deferred tax liabilities	5,179,469	4,625,843
Borrowings	4,250,000	4,250,000
	<u>9,429,469</u>	<u>8,875,843</u>
Current Liabilities		
Borrowings	16,224,523	25,030,230
Trade payables	4,967,704	5,313,242
Other payables	7,355,715	11,025,358
Tax payable	17,980	22,191
	<u>28,565,922</u>	<u>41,391,021</u>
Total Liabilities	37,995,391	50,266,864
TOTAL EQUITY AND LIABILITIES	<u><u>191,059,769</u></u>	<u><u>207,839,276</u></u>

The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

	← Attributable to equity holders of the Company →					Minority Interest	Total Equity	
	← Non-distributable →			Distributable				
	Share capital RM	Share premium RM	Foreign Exchange reserve RM	ESOS reserve RM	Retained earnings RM			Total RM
At 1 January 2008	84,000,000	3,854,541	(658,235)	515,696	72,850,123	160,562,125	283,838	160,845,963
Foreign exchange difference	-	-	(235,786)	-	-	(235,786)	14,924	(220,862)
Share-based payment under ESOS	-	-	-	109,061	-	109,061	-	109,061
Dividends	-	-	-	-	(4,226,880)	(4,226,880)	-	(4,226,880)
Profit for the period	-	-	-	-	5,025,611	5,025,611	44,907	5,070,518
At 30 June 2008	<u>84,000,000</u>	<u>3,854,541</u>	<u>(894,021)</u>	<u>624,757</u>	<u>73,648,854</u>	<u>161,234,131</u>	<u>343,669</u>	<u>161,577,800</u>
At 1 January 2009	84,000,000	3,854,541	(710,271)	736,553	69,402,547	157,283,370	289,042	157,572,412
Foreign exchange difference	-	-	(470,365)	-	-	(470,365)	5,940	(464,425)
Share-based payment under ESOS	-	-	-	80,991	-	80,991	-	80,991
Dividends	-	-	-	-	-	-	-	-
Loss for the period	-	-	-	-	(4,119,506)	(4,119,506)	(5,094)	(4,124,600)
At 30 June 2009	<u>84,000,000</u>	<u>3,854,541</u>	<u>(1,180,636)</u>	<u>817,544</u>	<u>65,283,041</u>	<u>152,774,490</u>	<u>289,888</u>	<u>153,064,378</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008

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

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2009	Preceding Year Corresponding Quarter 30.06.2008	Current Year Quarter 30.06.2009	Preceding Year Corresponding Quarter 30.06.2008
Cash Flows from Operating Activities				
(Loss) / Profit before taxation	(1,289,213)	2,014,425	(3,530,630)	5,882,554
Adjustment for :				
Depreciation of property, plant & equipment	1,337,980	1,161,632	2,666,603	2,325,943
Gain on disposal of property, plant & equipment	(50,678)	(67,485)	(44,652)	(101,029)
Prepaid land lease payments	35,570	33,921	71,140	67,016
Inventories written off	(1,614)	-	127,142	-
Amortisation of intangible assets	-	21,604	-	43,207
Unrealised (gain)/loss on foreign exchange	(56,047)	253,650	(56,744)	62,730
Provision for doubtful debts	(49,252)	26	(57,001)	109,966
Share options granted under ESOS	40,719	27,015	80,991	109,061
Interest expense	191,705	304,172	423,260	576,862
Interest income	(572)	(404)	(528)	(801)
Operating cash flows before working capital changes	158,598	3,748,556	(320,419)	9,075,509
Decrease/(Increase) in inventories	5,863,904	(1,443,743)	7,731,368	(5,667,431)
Decrease in receivables	260,567	1,271,643	4,946,208	6,070,251
Decrease / (Increase) in due from customers on contract	401,018	535,687	1,579,454	(1,294,430)
Decrease in payables	(1,032,959)	215,698	(3,701,095)	(6,426,231)
Increase in holding company	362,843	435,591	494,535	639,736
(Decrease) / Increase in short term borrowings	(4,543,196)	(459,276)	(10,432,703)	(42,559)
Cash generated from operations	1,470,775	4,304,156	297,348	2,354,845
Interest paid	(191,705)	(304,172)	(423,260)	(576,862)
Taxation refunded	(202,251)	-	(394,491)	-
Taxation paid	-	(610,756)	1,161,794	(1,044,089)
Interest received	572	404	528	801
Net cash generated from operating activities	1,077,391	3,389,632	641,919	734,695
Cash Flows from Investing Activities				
Placement of deposit with financial institution	(121)	36,514	(10,247)	36,514
Purchase of property, plant & equipment	(732,112)	(1,654,414)	(1,241,317)	(3,251,647)
Proceeds from disposal of property, plant & equipment	121,300	182,908	126,079	338,704
Net cash used in investing activities	(610,933)	(1,434,992)	(1,125,485)	(2,876,429)
Cash Flows from Financing Activities				
Drawdown of revolving credits	700,000	-	2,500,000	-
Repayment of term loans	(1,250,000)	-	(2,500,000)	-
Proceeds from term loans	-	-	-	4,726,212
Net cash (used in) / generated from financing activities	(550,000)	-	-	4,726,212
Net (decrease) / increase in cash and cash equivalents	(83,542)	1,954,640	(483,566)	2,584,478
Cash and cash equivalents at beginning of period	(435,384)	1,074,577	797,909	1,496,027
Effect of exchange rate differences	(456,125)	(803,761)	(1,289,394)	(1,855,049)
Cash and cash equivalents at end of period	(975,051)	2,225,456	(975,051)	2,225,456

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008