

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPT 2010**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2010 RM	Preceding Year Corresponding Quarter 30.09.2009 RM	Current Year Quarter 30.09.2010 RM	Preceding Year Corresponding Quarter 30.09.2009 RM
Revenue	16,846,715	15,745,497	51,914,375	50,795,583
Cost of sales	<u>(14,836,935)</u>	<u>(12,721,063)</u>	<u>(47,400,636)</u>	<u>(42,590,002)</u>
Gross profit	2,009,780	3,024,434	4,513,739	8,205,581
Other operating income	85,253	657	459,035	235,203
Administrative expenses	(1,981,283)	(2,219,351)	(6,275,448)	(7,109,774)
Selling and marketing Expenses	(1,372,604)	(1,559,958)	(4,185,301)	(4,972,960)
Other operating expenses	<u>449,359</u>	<u>(134,877)</u>	<u>(47,354)</u>	<u>(354,515)</u>
Profit /(Loss) from operations	(809,495)	(889,095)	(5,535,329)	(3,996,465)
Finance costs	<u>(193,534)</u>	<u>(168,778)</u>	<u>(583,292)</u>	<u>(592,039)</u>
Profit / (Loss) before taxation	(1,003,028)	(1,057,873)	(6,118,620)	(4,588,504)
Taxation	<u>351,664</u>	<u>(367,751)</u>	<u>132,167</u>	<u>(961,721)</u>
Profit / (Loss) for the period	<u>(651,364)</u>	<u>(1,425,624)</u>	<u>(5,986,453)</u>	<u>(5,550,225)</u>
Other Comprehensive Income net of tax				
Foreign currency translation differences	<u>1,132,095</u>	<u>(215,766)</u>	<u>(3,496,694)</u>	<u>(680,191)</u>
	<u>1,132,095</u>	<u>(215,766)</u>	<u>(3,496,694)</u>	<u>(680,191)</u>
Total Comprehensive Income	<u>480,731</u>	<u>(1,641,390)</u>	<u>(9,483,147)</u>	<u>(6,230,416)</u>
Loss attributable to:				
Equity holders of the Company	(657,588)	(1,430,097)	(5,986,017)	(5,549,604)
Minority Interests	<u>6,224</u>	<u>4,473</u>	<u>(436)</u>	<u>(621)</u>
	<u>(651,364)</u>	<u>(1,425,624)</u>	<u>(5,986,453)</u>	<u>(5,550,225)</u>
Total Comprehensive Income attributable to:				
Equity holders of the Company	670,398	(1,652,604)	(9,240,546)	(6,242,475)
Minority Interests	<u>(189,667)</u>	<u>11,214</u>	<u>(242,601)</u>	<u>12,059</u>
	<u>480,731</u>	<u>(1,641,390)</u>	<u>(9,483,147)</u>	<u>(6,230,416)</u>
Earnings per share attributable to equity holders of the Company:				
- Basic (sen)	(0.39)	(0.85)	(3.56)	(3.30)

The Condensed Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

**CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2010**

	As At 30.09.2010 RM	As At 31.12.2009 RM
ASSETS		
Non-current Assets		
Property, Plant & Equipment	57,133,289	60,726,626
Other Investment	25,000	25,000
Intangible assets	131,783	131,783
Deferred tax assets	959,179	1,319,105
	<u>58,249,251</u>	<u>62,202,514</u>
Current Assets		
Inventories	82,226,233	91,548,929
Trade receivables	21,802,950	18,809,801
Other receivables	2,571,106	2,968,614
Amount due from customers on contract	1,778,442	1,403,405
Taxation recoverable	544,700	651,736
Cash and bank balances	2,404,828	3,548,385
	<u>111,328,258</u>	<u>118,930,870</u>
TOTAL ASSETS	<u><u>169,577,509</u></u>	<u><u>181,133,384</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	51,486,322	60,678,896
	<u>139,340,864</u>	<u>148,533,437</u>
Minority Interests	-	242,601
Total equity	<u><u>139,340,864</u></u>	<u><u>148,776,038</u></u>
Non-current Liabilities		
Deferred tax liabilities	4,337,104	4,830,070
	<u>4,337,104</u>	<u>4,830,070</u>
Current Liabilities		
Borrowings	14,662,711	14,274,576
Trade payables	3,651,752	4,183,219
Other payables	7,430,622	9,067,865
Derivative liability	154,457	-
Tax payable	-	1,616
	<u>25,899,542</u>	<u>27,527,276</u>
Total Liabilities	30,236,646	32,357,346
TOTAL EQUITY AND LIABILITIES	<u><u>169,577,510</u></u>	<u><u>181,133,384</u></u>

The Condensed Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009

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

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2010**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2010	Preceding Year Corresponding Quarter 30.09.2009	Current Year Quarter 30.09.2010	Preceding Year Corresponding Quarter 30.09.2009
Cash Flows from Operating Activities				
Loss before taxation	(1,003,028)	(1,057,873)	(6,118,620)	(4,588,504)
Adjustment for :				
Depreciation of property, plant & equipment	1,490,222	1,459,670	4,521,957	4,126,273
Prepaid land lease payments	-	29,356	-	100,496
Gain on disposal of property, plant & equipment	(13,998)	2	(29,677)	(44,650)
Inventories written off	-	(1,102)	-	126,040
Unrealised loss/(gain) on foreign exchange	(551,113)	72,128	(140,287)	15,384
Provision for doubtful debts	-	66	-	(56,935)
Share options granted under ESOS	12,761	23,611	39,902	104,602
Interest expense	193,534	168,779	583,292	592,039
Interest income	-	(133)	(1,428)	(661)
Operating cash flows before working capital changes	128,378	694,504	(1,144,861)	374,084
Decrease in inventories	1,672,146	1,731,681	6,031,782	9,463,049
Decrease /(Increase) in receivables	1,892,341	3,523,578	(3,731,133)	8,469,786
Decrease/(Increase) in amount due from customers on contract	(490,201)	89,508	(375,036)	1,668,962
Decrease in payables	(820,700)	(967,538)	(2,313,607)	(4,668,633)
Increase in holding company	259,810	179,336	776,109	673,871
Cash (used in) / generated from operations	2,641,774	5,251,069	(756,746)	15,981,119
Interest paid	(193,534)	(168,779)	(583,292)	(592,039)
Taxation paid	284,166	(166,355)	101,998	(560,845)
Taxation refunded	-	47	-	1,161,840
Interest received	-	133	1,428	661
Net cash (used in) / generated from operating activities	2,732,406	4,916,115	(1,236,612)	15,990,736
Cash Flows from Investing Activities				
Placement of deposit with financial institution	-	10,247	-	-
Purchase of property, plant & equipment	(2,183)	(7,402)	(976,678)	(1,245,415)
Proceeds from disposal of property, plant & equipment	14,000	125,760	64,000	248,535
Net cash used in investing activities	11,817	128,605	(912,678)	(996,880)
Cash Flows from Financing Activities				
Repayment of term loans	(1,250,000)	(1,250,000)	(3,750,000)	(3,750,000)
Net (repayment) / drawdown of short term borrowings	(2,008,000)	622,458	2,534,000	(9,810,245)
Drawdown of revolving credits	-	-	-	2,500,000
Net cash (used in) / generated from financing activities	(3,258,000)	(627,542)	(1,216,000)	(11,060,245)
Net decrease in cash and cash equivalents	(513,777)	4,417,178	(3,365,290)	3,933,611
Cash and cash equivalents at beginning of period	840,952	(975,052)	3,447,788	797,909
Effect of exchange rate differences	383,374	(624,776)	628,051	(1,914,170)
Cash and cash equivalents at end of period	710,549	2,817,350	710,549	2,817,350

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009

EKOWOOD INTERNATIONAL BERHAD (301735-D)
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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the period ended 30 September 2010

	Attributable to equity holders of the parent					Total	Minority interest	Total equity
	Non-distributable		Distributable					
	Share capital	Share premium	Foreign Exchange reserve	ESOS reserve	Retained profits			
RM	RM	RM	RM	RM	RM	RM	RM	
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
Dividend payable	-	-	-	-	-	-	-	-
Total comprehensive 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>
At 1 January 2010	84,000,000	3,854,541	(911,849)	869,556	60,721,189	148,533,437	242,601	148,776,038
Effect arising from adoption of FRS 139	-	-	-	-	8,071	8,071	-	8,071
At 1 January 2010, as restated	84,000,000	3,854,541	(911,849)	869,556	60,729,260	148,541,508	242,601	148,784,109
Foreign exchange difference	-	-	(3,254,529)	-	-	(3,254,529)	(242,165)	(3,496,694)
Share-based payment under ESOS	-	-	-	39,902	-	39,902	-	39,902
Total comprehensive loss for the period	-	-	-	-	(5,986,017)	(5,986,017)	(436)	(5,986,453)
At 30 September 2010	<u>84,000,000</u>	<u>3,854,541</u>	<u>(4,166,378)</u>	<u>909,458</u>	<u>54,743,243</u>	<u>139,340,864</u>	<u>-</u>	<u>139,340,864</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 2009