

**EKOWOOD INTERNATIONAL BERHAD (301735-D)**

(Incorporated in Malaysia)

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2010**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2010 RM	Preceding Year Corresponding Quarter 31.12.2009 RM	Current Year Quarter 31.12.2010 RM	Preceding Year Corresponding Quarter 31.12.2009 RM
Revenue	13,805,740	14,576,522	65,720,115	65,372,105
Cost of sales	<u>(12,764,473)</u>	<u>(12,686,610)</u>	<u>(60,165,109)</u>	<u>(55,276,612)</u>
Gross profit	1,041,266	1,889,912	5,555,005	10,095,493
Other operating income	159,830	207,937	618,865	443,140
Administrative expenses	(1,611,966)	(2,853,541)	(7,887,414)	(9,963,315)
Selling and marketing Expenses	(1,127,306)	(984,309)	(5,312,608)	(5,957,269)
Other operating expenses	<u>(1,973,727)</u>	<u>(1,318,593)</u>	<u>(2,021,081)</u>	<u>(1,673,108)</u>
Loss from operations	(3,511,904)	(3,058,594)	(9,047,232)	(7,055,059)
Finance costs	<u>(133,382)</u>	<u>(120,632)</u>	<u>(716,674)</u>	<u>(712,671)</u>
Loss before taxation	(3,645,286)	(3,179,226)	(9,763,907)	(7,767,730)
Taxation	<u>124,294</u>	<u>(2,573)</u>	<u>256,461</u>	<u>(964,294)</u>
Loss for the period	<u><u>(3,520,992)</u></u>	<u><u>(3,181,799)</u></u>	<u><u>(9,507,445)</u></u>	<u><u>(8,732,024)</u></u>
<b>Other Comprehensive Income net of tax</b>				
Foreign currency translation differences	<u>(502,051)</u>	<u>482,838</u>	<u>(3,998,745)</u>	<u>(197,353)</u>
	<u>(502,051)</u>	<u>482,838</u>	<u>(3,998,745)</u>	<u>(197,353)</u>
Total Comprehensive Income	<u><u>(4,023,043)</u></u>	<u><u>(2,698,961)</u></u>	<u><u>(13,506,190)</u></u>	<u><u>(8,929,377)</u></u>
<b>Loss attributable to:</b>				
Equity holders of the Company	(3,463,432)	(3,131,754)	(9,449,449)	(8,681,358)
Minority Interests	<u>(57,560)</u>	<u>(50,045)</u>	<u>(57,996)</u>	<u>(50,666)</u>
	<u><u>(3,520,992)</u></u>	<u><u>(3,181,799)</u></u>	<u><u>(9,507,445)</u></u>	<u><u>(8,732,024)</u></u>
<b>Total Comprehensive Income attributable to:</b>				
Equity holders of the Company	(4,023,043)	(2,640,461)	(13,263,589)	(8,882,936)
Minority Interests	<u>-</u>	<u>(58,500)</u>	<u>(242,601)</u>	<u>(46,441)</u>
	<u><u>(4,023,043)</u></u>	<u><u>(2,698,961)</u></u>	<u><u>(13,506,190)</u></u>	<u><u>(8,929,377)</u></u>
Earnings per share attributable to equity holders of the Company:				
- Basic (sen)	(2.06)	(1.86)	(5.62)	(5.17)

**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 31 DECEMBER 2010**

	<b>As At 31.12.2010 RM</b>	<b>As At 31.12.2009 RM</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, Plant & Equipment	55,471,571	60,726,626
Other Investment	25,000	25,000
Intangible assets	401,783	131,783
Deferred tax assets	971,954	1,319,105
	<u>56,870,308</u>	<u>62,202,514</u>
<b>Current Assets</b>		
Inventories	83,191,662	91,548,929
Trade receivables	17,524,031	18,809,801
Other receivables	2,171,791	2,968,614
Amount due from customers on contract	366,694	1,403,405
Derivative asset	73,722	-
Taxation recoverable	600,839	651,736
Cash and bank balances	3,537,915	3,548,385
	<u>107,466,654</u>	<u>118,930,870</u>
<b>TOTAL ASSETS</b>	<u><u>164,336,962</u></u>	<u><u>181,133,384</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	84,000,000	84,000,000
Share premium	3,854,541	3,854,541
Reserves	47,476,693	60,678,896
	<u>135,331,234</u>	<u>148,533,437</u>
<b>Minority Interests</b>	-	242,601
<b>Total equity</b>	<u>135,331,234</u>	<u>148,776,038</u>
<b>Non-current Liabilities</b>		
Deferred tax liabilities	4,253,831	4,830,070
	<u>4,253,831</u>	<u>4,830,070</u>
<b>Current Liabilities</b>		
Borrowings	14,012,401	14,274,576
Trade payables	3,903,679	4,183,219
Other payables	6,826,817	9,067,865
Tax payable	9,000	1,616
	<u>24,751,897</u>	<u>27,527,276</u>
<b>Total Liabilities</b>	29,005,728	32,357,346
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>164,336,962</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

**EKOWOOD INTERNATIONAL BERHAD (301735-D)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

For the year ended 31 December 2010

	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 2009</b>	84,000,000	3,854,541	(710,271)	736,553	69,402,547	157,283,370	289,042	157,572,412
Foreign exchange difference	-	-	(201,578)	-	-	(201,578)	4,225	(197,353)
Share-based payment under ESOS	-	-	-	133,003	-	133,003	-	133,003
Dividend payable	-	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	-	(8,681,358)	(8,681,358)	(50,666)	(8,732,024)
<b>At 31 December 2009</b>	<u>84,000,000</u>	<u>3,854,541</u>	<u>(911,849)</u>	<u>869,556</u>	<u>60,721,189</u>	<u>148,533,437</u>	<u>242,601</u>	<u>148,776,038</u>
<b>At 1 January 2010</b>	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
<b>At 1 January 2010, as restated</b>	<u>84,000,000</u>	<u>(911,849)</u>	<u>(911,849)</u>	<u>869,556</u>	<u>60,729,260</u>	<u>148,541,508</u>	<u>242,601</u>	<u>148,784,109</u>
Foreign exchange difference	-	-	(3,814,140)	-	-	(3,814,140)	(184,605)	(3,998,745)
Share-based payment under ESOS	-	-	-	53,315	-	53,315	-	53,315
Total comprehensive loss for the year	-	-	-	-	(9,449,449)	(9,449,449)	(57,996)	(9,507,445)
<b>At 31 December 2010</b>	<u>84,000,000</u>	<u>(911,849)</u>	<u>(4,725,989)</u>	<u>922,871</u>	<u>51,279,811</u>	<u>135,331,234</u>	<u>-</u>	<u>135,331,234</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

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

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2010**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2010	Preceding Year Corresponding Quarter 31.12.2009	Current Year Quarter 31.12.2010	Preceding Year Corresponding Quarter 31.12.2009
<b>Cash Flows from Operating Activities</b>				
Loss before taxation	(3,645,286)	(3,179,226)	(9,763,907)	(7,767,730)
Adjustment for :				
Depreciation of property, plant & equipment	1,341,808	1,402,492	5,863,766	5,528,765
Prepaid land lease payments	-	34,508	-	135,004
Gain on disposal of property, plant & equipment	43,199	577	13,522	(44,073)
Provision for foreseeable losses	-	400,000	-	400,000
Inventories written off	-	(1,364)	-	124,677
Unrealised loss/(gain) on foreign exchange	109,826	(11,607)	(30,461)	3,777
Receivable written off	911,410	-	911,410	-
Provision for doubtful debts	992,097	755,642	992,097	698,707
Share options granted under ESOS	13,413	28,401	53,315	133,003
Interest expense	133,382	120,634	716,674	712,673
Interest income	(502)	(1,111)	(1,930)	(1,772)
Operating cash flows before working capital changes	(100,653)	(451,054)	(1,245,514)	(76,969)
Decrease/(Increase) in inventories	(1,378,712)	(806,362)	4,653,070	8,656,687
Decrease/(Increase) in receivables	2,403,014	2,880,024	(1,328,119)	11,349,810
Decrease/(Increase) in amount due from customers on contract	1,411,747	(243,010)	1,036,711	1,425,952
(Decrease)/Increase in payables	(667,587)	1,012,545	(2,981,194)	(3,656,088)
Increase in holding company	213,936	185,925	990,045	859,796
Cash (used in) / generated from operations	1,881,745	2,578,068	1,124,999	18,559,188
Interest paid	(133,382)	(120,634)	(716,674)	(712,673)
Taxation paid	(18,892)	(6,172)	83,106	(567,017)
Taxation refunded	-	1	-	1,161,840
Interest received	502	344	1,930	1,005
Net cash (used in) / generated from operating activities	1,729,973	2,451,607	493,361	18,442,343
<b>Cash Flows from Investing Activities</b>				
Placement of deposit with financial institution	(426)	-	(426)	-
Acquisition of additional shares in subsidiary company	(270,000)	-	(270,000)	-
Rebate for / (Purchase of) property, plant & equipment	275,042	103,778	(701,636)	(1,141,637)
Investment in club membership	-	(25,000)	-	(25,000)
Proceeds from disposal of property, plant & equipment	-	(125,740)	64,000	122,795
Net cash used in investing activities	4,616	(46,962)	(908,062)	(1,043,842)
<b>Cash Flows from Financing Activities</b>				
Repayment of term loans	(500,000)	(1,250,000)	(4,250,000)	(5,000,000)
(Decrease) / Increase in short term borrowings	108,120	(1,810,772)	2,642,120	(11,621,017)
Drawdown of revolving credits	-	-	-	2,500,000
Net cash (used in) / generated from financing activities	(391,880)	(3,060,772)	(1,607,880)	(14,121,017)
<b>Net decrease in cash and cash equivalents</b>	1,342,709	(656,127)	(2,022,581)	3,277,484
Cash and cash equivalents at beginning of period	710,549	2,817,350	3,447,788	797,909
Effect of exchange rate differences	50,218	1,286,565	678,269	(627,605)
<b>Cash and cash equivalents at end of period</b>	<u>2,103,476</u>	<u>3,447,788</u>	<u>2,103,476</u>	<u>3,447,788</u>

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