

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2011**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.3.2011 RM	Preceding Year Corresponding Quarter 31.3.2010 RM	Current Year Quarter 31.3.2011 RM	Preceding Year Corresponding Quarter 31.3.2010 RM
Revenue	16,559,444	19,263,515	16,559,444	19,263,515
Cost of sales	<u>(15,927,608)</u>	<u>(17,669,916)</u>	<u>(15,927,608)</u>	<u>(17,669,916)</u>
Gross profit	631,836	1,593,600	631,836	1,593,600
Other income	418,874	213,444	418,874	213,444
Other items of expenses				
Administrative expenses	(1,649,266)	(2,159,666)	(1,649,266)	(2,159,666)
Selling and marketing expenses	(550,352)	(1,545,266)	(550,352)	(1,545,266)
Finance costs	(207,812)	(264,052)	(207,812)	(264,052)
Other expenses	<u>(225,479)</u>	<u>(330,245)</u>	<u>(225,479)</u>	<u>(330,245)</u>
Loss before tax	(1,582,199)	(2,492,185)	(1,582,199)	(2,492,185)
Income tax benefit/(expense)	<u>(89,231)</u>	<u>185,940</u>	<u>(89,231)</u>	<u>185,940</u>
Loss net of tax	<u>(1,671,430)</u>	<u>(2,306,245)</u>	<u>(1,671,430)</u>	<u>(2,306,245)</u>
Foreign currency translation differences	<u>798,177</u>	<u>(2,894,497)</u>	<u>798,177</u>	<u>(2,894,497)</u>
	<u>798,177</u>	<u>(2,894,497)</u>	<u>798,177</u>	<u>(2,894,497)</u>
Total Comprehensive loss for the period	<u>(873,253)</u>	<u>(5,200,742)</u>	<u>(873,253)</u>	<u>(5,200,742)</u>
Loss attributable to:				
Owner of the parent	(1,557,390)	(2,301,720)	(1,557,390)	(2,301,720)
Non-controlling interests	<u>(114,040)</u>	<u>(4,525)</u>	<u>(114,040)</u>	<u>(4,525)</u>
	<u>(1,671,430)</u>	<u>(2,306,245)</u>	<u>(1,671,430)</u>	<u>(2,306,245)</u>
Total comprehensive loss attributable to:				
Owner of the parent	(521,854)	(5,171,263)	(521,854)	(5,171,263)
Minority Interests	<u>(351,399)</u>	<u>(29,479)</u>	<u>(351,399)</u>	<u>(29,479)</u>
	<u>(873,253)</u>	<u>(5,200,742)</u>	<u>(873,253)</u>	<u>(5,200,742)</u>
Basic loss per share attributable to owners of the parent - (sen per share)	(0.93)	(1.37)	(0.93)	(1.37)

The Condensed Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010.

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

**CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2011**

	As At 31.03.2011 RM	As At 31.12.2010 RM
Assets		
Non-current assets		
Property, Plant & Equipment	54,637,856	55,471,571
Other Investment	25,000	25,000
Intangible assets	401,783	401,783
Deferred tax assets	925,884	923,151
	<u>55,990,523</u>	<u>56,821,505</u>
Current assets		
Inventories	79,097,884	83,295,707
Trade and other receivables	20,990,154	19,700,089
Prepaid operating expenses	1,402,851	418,877
Amount due from customers on contract	538,071	366,695
Derivative asset	-	73,722
Taxation recoverable	649,890	600,838
Cash and bank balances	2,845,602	3,537,915
	<u>105,524,452</u>	<u>107,993,843</u>
Total assets	<u>161,514,974</u>	<u>164,815,348</u>
Equity and liabilities		
Current liabilities		
Borrowings	12,118,635	14,012,401
Trade and other payables	10,553,942	11,257,685
Derivative liability	77,494	-
Tax payable	9,000	9,000
	<u>22,759,071</u>	<u>25,279,086</u>
Net current assets	82,765,381	82,714,757
Non-current liabilities		
Deferred tax liabilities	4,294,138	4,205,028
	<u>4,294,138</u>	<u>4,205,028</u>
Total liabilities	<u>27,053,209</u>	<u>29,484,114</u>
Net assets	<u>134,461,765</u>	<u>135,331,234</u>
Equity attributable to owners of the parents		
Share capital	84,000,000	84,000,000
Share premium	3,854,541	3,854,541
Other reserves	(2,741,559)	(3,780,879)
Retained earnings	49,700,181	51,257,572
	<u>134,813,164</u>	<u>135,331,234</u>
Non-controlling interests	(351,399)	-
Total equity	<u>134,461,765</u>	<u>135,331,234</u>
Total equity and liabilities	<u>161,514,974</u>	<u>164,815,348</u>

The Condensed Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010.

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the period ended 31 March 2011

	←----- Attributable to owners of the parent -----→								
	←----- Non-distributable -----→			Distributable			←----- Non-distributable -----→		
	Equity, total RM	Equity attributable to owners of the parent, total RM	Share capital RM	Share premium RM	Retained earnings RM	Other reserves, total RM	Foreign Exchange reserve RM	Employee share option reserve RM	Non-controlling interests RM
At 1 January 2010	148,776,038	148,533,437	84,000,000	3,854,541	60,721,189	(42,293)	(911,849)	869,556	242,601
Effect arising from adoption of FRS 139	8,071	8,071	-	-	8,071	-	-	-	-
At 1 January 2010, as restated	148,784,109	148,541,508	84,000,000	3,854,541	60,729,260	(42,293)	(911,849)	869,556	242,601
Foreign exchange difference	(2,894,497)	(2,869,543)	-	-	-	(2,869,543)	(2,869,543)	-	(24,954)
Share-based payment under ESOS	17,960	17,960	-	-	-	17,960	-	17,960	-
Total comprehensive loss for the period	(2,306,245)	(2,301,720)	-	-	(2,301,720)	-	-	-	(4,525)
At 31 March 2010	<u>143,601,327</u>	<u>143,388,205</u>	<u>84,000,000</u>	<u>3,854,541</u>	<u>58,427,540</u>	<u>(2,893,876)</u>	<u>(3,781,392)</u>	<u>887,516</u>	<u>213,122</u>
At 1 January 2011	135,331,234	135,331,234	84,000,000	3,854,541	51,257,572	(3,780,879)	(4,703,750)	922,871	-
Foreign exchange difference	798,177	1,035,536	-	-	-	1,035,536	1,035,536	-	(237,359)
Share-based payment under ESOS	3,784	3,784	-	-	-	3,784	-	3,784	-
Total comprehensive loss for the year	(1,671,430)	(1,557,390)	-	-	(1,557,390)	-	-	-	(114,040)
At 31 March 2011	<u>134,461,765</u>	<u>134,813,164</u>	<u>84,000,000</u>	<u>3,854,541</u>	<u>49,700,182</u>	<u>(2,741,559)</u>	<u>(3,668,214)</u>	<u>926,655</u>	<u>(351,399)</u>

Notes:

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2010.

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

**CONDENSED CONSOLIDATED STATEMENT OF CASHFLOW
FOR THE QUARTER ENDED 31 MARCH 2011**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2011	Preceding Year Corresponding Quarter 31.03.2010	Current Year Quarter 31.03.2011	Preceding Year Corresponding Quarter 31.03.2010
Operating activities				
Loss before tax	(1,582,199)	(2,492,185)	(1,582,199)	(2,492,185)
Adjustment for :				
Depreciation of property, plant & equipment	1,001,653	1,515,946	1,001,653	1,515,946
Gain on disposal of property, plant & equipment	(1,319)	-	(1,319)	-
Net fair value loss on derivative	77,494	5,662	77,494	5,662
Unrealised loss/(gain) on foreign exchange	(299,424)	260,454	(299,424)	260,454
Share options granted under ESOS	3,784	17,960	3,784	17,960
Interest expense	207,812	264,052	207,812	264,052
Interest income	(5)	(1,485)	(5)	(1,485)
Operating cash flows before changes in working capital	(592,204)	(429,596)	(592,204)	(429,596)
Changes in working capital:				
Decrease in inventories	4,738,271	1,961,768	4,738,271	1,961,768
Increase in receivables	(2,031,799)	(4,618,245)	(2,031,799)	(4,618,245)
Decrease/(Increase) in amount due from customers on contract	(171,377)	297,433	(171,377)	297,433
Decrease in payables	(282,485)	(899,851)	(282,485)	(899,851)
Increase in holding company	27,055	222,546	27,055	222,546
Cash (used in) / generated from operations	1,687,461	(3,465,945)	1,687,461	(3,465,945)
Interest paid	(207,812)	(264,052)	(207,812)	(264,052)
Taxation paid	(51,905)	(73,123)	(51,905)	(73,123)
Interest received	5	1,485	5	1,485
Net cash (used in) / generated from operating activities	<u>1,427,749</u>	<u>(3,801,635)</u>	<u>1,427,749</u>	<u>(3,801,635)</u>
Investing activities				
Purchase of property, plant & equipment	(166,979)	(700,044)	(166,979)	(700,044)
Proceeds from disposal of property, plant & equipment	3,060	-	3,060	-
Net cash used in investing activities	<u>(163,919)</u>	<u>(700,044)</u>	<u>(163,919)</u>	<u>(700,044)</u>
Cash Flows from Financing Activities				
Repayment of term loans	-	(1,250,000)	-	(1,250,000)
Net drawdown/(repayment) of bankers' acceptances	(1,636,000)	3,706,000	(1,636,000)	3,706,000
Net drawdown of foreign currency loan	764,150	-	764,150	-
Net cash (used in) / generated from financing activities	<u>(871,850)</u>	<u>2,456,000</u>	<u>(871,850)</u>	<u>2,456,000</u>
Net decrease in cash and cash equivalents	391,980	(2,045,679)	391,980	(2,045,679)
Cash and cash equivalents at beginning of period	2,103,478	3,447,788	2,103,478	3,447,788
Effect of exchange rate differences	(65,620)	10,367	(65,620)	10,367
Cash and cash equivalents at end of period	<u><u>2,429,838</u></u>	<u><u>1,412,476</u></u>	<u><u>2,429,838</u></u>	<u><u>1,412,476</u></u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010.