

EKOWOOD INTERNATIONAL BERHAD (301735-D)

(Incorporated in Malaysia)

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR 6 MONTHS ENDED 30 JUN 2011**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.6.2011 RM	Preceding Year Corresponding Quarter 30.6.2010 RM	Current Year Quarter 30.6.2011 RM	Preceding Year Corresponding Quarter 30.6.2010 RM
Revenue	15,300,391	15,804,145	31,859,835	35,067,660
Cost of sales	<u>(13,806,767)</u>	<u>(14,893,786)</u>	<u>(29,734,375)</u>	<u>(32,563,701)</u>
Gross profit	1,493,624	910,359	2,125,460	2,503,959
Other income	5,480	160,338	424,354	373,782
Other items of expenses				
Administrative expenses	(1,723,794)	(2,134,499)	(3,373,060)	(4,294,165)
Selling and marketing expenses	(526,474)	(1,267,431)	(1,076,826)	(2,812,697)
Finance costs	(150,893)	(125,706)	(358,705)	(389,758)
Other expenses	<u>(9,109)</u>	<u>(166,468)</u>	<u>(234,588)</u>	<u>(496,713)</u>
Loss before tax	(911,166)	(2,623,407)	(2,493,364)	(5,115,592)
Income tax expense	<u>(10,861)</u>	<u>(405,437)</u>	<u>(100,092)</u>	<u>(219,497)</u>
Loss net of tax	<u>(922,027)</u>	<u>(3,028,844)</u>	<u>(2,593,457)</u>	<u>(5,335,089)</u>
Foreign currency translation differences	<u>295,719</u>	<u>(1,734,292)</u>	<u>1,093,896</u>	<u>(4,628,789)</u>
	<u>295,719</u>	<u>(1,734,292)</u>	<u>1,093,896</u>	<u>(4,628,789)</u>
Total Comprehensive loss for the period	<u>(626,308)</u>	<u>(4,763,136)</u>	<u>(1,499,561)</u>	<u>(9,963,878)</u>
Loss attributable to:				
Owner of the parent	(737,890)	(3,026,709)	(2,295,280)	(5,328,429)
Non-controlling interests	<u>(184,137)</u>	<u>(2,135)</u>	<u>(298,177)</u>	<u>(6,660)</u>
	<u>(922,027)</u>	<u>(3,028,844)</u>	<u>(2,593,457)</u>	<u>(5,335,089)</u>
Total comprehensive loss attributable to:				
Owner of the parent	(346,197)	(4,739,681)	(868,051)	(9,910,944)
Minority Interests	<u>(280,111)</u>	<u>(23,455)</u>	<u>(631,510)</u>	<u>(52,934)</u>
	<u>(626,308)</u>	<u>(4,763,136)</u>	<u>(1,499,561)</u>	<u>(9,963,878)</u>
Basic loss per share attributable to owners of the parent - (sen per share)	(0.44)	(1.80)	(1.37)	(3.17)

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 30 JUN 2011**

	As At 30.06.2011 RM	As At 31.12.2010 RM
Assets		
Non-current assets		
Property, Plant & Equipment	53,700,834	55,471,571
Other Investment	25,000	25,000
Intangible assets	401,783	401,783
Deferred tax assets	911,228	923,151
	<u>55,038,845</u>	<u>56,821,505</u>
Current assets		
Inventories	78,590,532	83,295,707
Trade and other receivables	20,361,827	19,700,089
Prepaid operating expenses	1,022,553	418,877
Amount due from customers on contract	338,315	366,695
Derivative asset	-	73,722
Taxation recoverable	724,968	600,838
Cash and bank balances	3,617,788	3,537,915
	<u>104,655,983</u>	<u>107,993,843</u>
Total assets	<u>159,694,828</u>	<u>164,815,348</u>
Equity and liabilities		
Current liabilities		
Borrowings	11,772,274	14,012,401
Trade and other payables	9,771,404	11,257,685
Derivative liability	14,740	-
Tax payable	9,000	9,000
	<u>21,567,418</u>	<u>25,279,086</u>
Net current assets	83,088,565	82,714,757
Non-current liabilities		
Deferred tax liabilities	4,288,322	4,205,028
	<u>4,288,322</u>	<u>4,205,028</u>
Total liabilities	<u>25,855,740</u>	<u>29,484,114</u>
Net assets	<u>133,839,088</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	(2,346,235)	(3,780,879)
Retained earnings	48,962,292	51,257,572
	<u>134,470,598</u>	<u>135,331,234</u>
Non-controlling interests	(631,510)	-
Total equity	<u>133,839,088</u>	<u>135,331,234</u>
Total equity and liabilities	<u>159,694,828</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 STATEMENT OF CASHFLOW
FOR 6 MONTHS ENDED 30 JUN 2011**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2011	Preceding Year Corresponding Quarter 30.06.2010	Current Year Quarter 30.06.2011	Preceding Year Corresponding Quarter 30.06.2010
Operating activities				
Loss before tax	(911,166)	(2,623,407)	(2,493,364)	(5,115,592)
Adjustment for :				
Depreciation of property, plant & equipment	992,623	1,515,789	1,994,276	3,031,735
Gain on disposal of property, plant & equipment	-	(15,679)	(1,319)	(15,679)
Property, plant and equipment written off	58,665	-	58,665	-
Net fair value loss on derivative	(62,754)	-	14,740	-
Unrealised loss/(gain) on foreign exchange	82,346	144,710	(217,078)	410,826
Bad debts written off	2,981	-	2,981	-
Provision for doubtful debts	18,973	-	18,973	-
Share options granted under ESOS	3,631	9,181	7,415	27,141
Interest expense	150,893	125,706	358,705	389,758
Interest income	(220)	-	(225)	(1,428)
Operating cash flows before changes in working capital	335,973	(843,700)	(256,231)	(1,273,239)
Changes in working capital:				
Decrease in inventories	750,812	2,397,868	5,489,082	4,359,636
Decrease/(Increase) in receivables	523,771	(1,005,229)	(1,508,028)	(5,623,474)
Decrease/(Increase) in amount due from customers on contract	199,757	(182,268)	28,380	115,165
Decrease in payables	(308,587)	(593,056)	(591,072)	(1,492,907)
Increase/(decrease) in related companies	-	-	-	-
(Decrease)/Increase in holding company	(16,845)	293,753	10,210	516,299
Increase/(decrease) in related company				
Cash (used in) / generated from operations	1,484,880	67,368	3,172,341	(3,398,520)
Government grant received	-	-	-	-
Interest paid	(150,893)	(125,706)	(358,705)	(389,758)
Taxation paid	(77,100)	(109,045)	(129,005)	(182,168)
Taxation refunded	-	-	-	-
Interest received	220	-	225	1,428
Net cash (used in) / generated from operating activities	<u>1,257,107</u>	<u>(167,383)</u>	<u>2,684,856</u>	<u>(3,969,018)</u>
Investing activities				
Purchase of property, plant & equipment	(113,375)	(274,451)	(280,354)	(974,495)
Proceeds from disposal of property, plant & equipment	-	50,000	3,060	50,000
Net cash used in investing activities	<u>(113,375)</u>	<u>(224,451)</u>	<u>(277,294)</u>	<u>(924,495)</u>
Cash Flows from Financing Activities				
Repayment of term loans	-	(1,250,000)	-	(2,500,000)
Net drawdown/(repayment) of bankers' acceptances	(345,000)	836,000	(1,981,000)	4,542,000
Net drawdown of foreign currency loan	173,516	-	937,666	-
Net cash (used in) / generated from financing activities	<u>(171,484)</u>	<u>(414,000)</u>	<u>(1,043,334)</u>	<u>2,042,000</u>
Net decrease in cash and cash equivalents	972,248	(805,834)	1,364,228	(2,851,513)
Cash and cash equivalents at beginning of period	2,429,838	1,412,476	2,103,478	3,447,788
Effect of exchange rate differences	(26,331)	234,310	(91,951)	244,677
Cash and cash equivalents at end of period	<u>3,375,755</u>	<u>840,952</u>	<u>3,375,755</u>	<u>840,952</u>

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