



EBWORX BERHAD

(Company No.: 521609-T)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011
(Unaudited)**

	Individual Quarter		Cumulative Quarter	
	2011 Current Quarter Ended 30 September RM'000	2010 Comparative Quarter Ended 30 September RM'000	2011 Current 9 Months Cumulative To Date RM'000	2010 Comparative 9 Months Cumulative To Date RM'000
Revenue	13,192	8,186	37,133	24,589
Direct expenses	(7,178)	(4,421)	(19,929)	(14,718)
Gross profit	<u>6,014</u>	<u>3,765</u>	<u>17,204</u>	<u>9,871</u>
General and administrative expenses	(1,175)	(781)	(3,432)	(2,135)
Selling and distribution expenses	(381)	(427)	(1,223)	(1,453)
Other expenses	(1,489)	(1,561)	(4,147)	(4,295)
Other income	171	57	367	1,872
Operating profit	<u>3,140</u>	<u>1,053</u>	<u>8,769</u>	<u>3,860</u>
Finance costs	(8)	(5)	(24)	(17)
Profit before taxation	<u>3,132</u>	<u>1,048</u>	<u>8,745</u>	<u>3,843</u>
Income taxation expense	(114)	(12)	(140)	(29)
Profit for the period	<u>3,018</u>	<u>1,036</u>	<u>8,605</u>	<u>3,814</u>
Other comprehensive income				
Currency translation differences arising from consolidation	80	(7)	80	(7)
Total comprehensive income	<u>3,098</u>	<u>1,029</u>	<u>8,685</u>	<u>3,807</u>
Total comprehensive income attributable to:				
Equity holders of the Company	3,098	1,029	8,685	3,807
Minority interest	-	-	-	-
	<u>3,098</u>	<u>1,029</u>	<u>8,685</u>	<u>3,807</u>
Basic Earnings Per Share (sen)	<u>1.45</u>	<u>0.45</u>	<u>4.14</u>	<u>1.67</u>
Diluted Earnings Per Share (sen)	<u>1.45</u>	<u>0.44</u>	<u>4.14</u>	<u>1.66</u>

Note:

The unaudited Condensed Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2010.



EBWORX BERHAD

(Company No.: 521609-T)

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2011

	As At 30 September 2011 (Unaudited) RM'000	As At 31 December 2010 (Audited) RM'000
Plant and Equipment	1,752	1,710
Goodwill On Consolidation	9,255	9,255
Deferred Development Costs	8,973	9,205
Current Assets		
Trade receivables	6,688	4,777
Unbilled amount due from customers on services rendered	1,582	1,582
Due from contract customers	16,450	24,723
Other receivables	866	797
Cash and bank balances	29,421	19,463
	<u>55,007</u>	<u>51,342</u>
Total Assets	<u>74,987</u>	<u>71,512</u>
Equity and Liabilities		
Equity attributable to equity holders of the Company		
Share capital	20,467	21,767
Share premium	3,881	9,071
Capital redemption reserve	3,353	2,053
Treasury shares	(5,184)	(3,574)
Retained earnings	46,235	37,630
Foreign exchange reserve	25	(55)
	<u>68,777</u>	<u>66,892</u>
Non-current liabilities		
Borrowings	230	454
Current Liabilities		
Borrowings	289	259
Trade payables	145	32
Other payables	5,403	3,789
Tax payables	143	86
	<u>5,980</u>	<u>4,166</u>
Total Liabilities	6,210	4,620
Total Equity and Liabilities	<u>74,987</u>	<u>71,512</u>

Note:

The unaudited Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to this interim financial statements.



EBWORX BERHAD

(Company No.: 521609-T)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011**

(Unaudited)

	Share Capital RM'000	Share Premium RM'000	Capital Redemption Reserve RM'000	Exchange Reserve RM'000	Option Reserve RM'000	Treasury Shares RM'000	Retained Profits RM'000	Total Equity RM'000
<u>9 Months Period Ended 30 September 2011</u>								
At 1 January 2011	21,767	9,071	2,053	(55)	-	(3,574)	37,630	66,892
Total comprehensive income for the period	-	-	-	80	-	-	8,605	8,685
Treasury shares acquired	-	-	-	-	-	(6,800)	-	(6,800)
Cancellation of treasury shares								
- Issued capital diminished transferred to capital redemption reserve	(1,300)	-	1,300	-	-	-	-	-
- Cost of treasury shares cancelled by utilised share premium	-	(5,190)	-	-	-	5,190	-	-
At 30 September 2011	<u>20,467</u>	<u>3,881</u>	<u>3,353</u>	<u>25</u>	<u>-</u>	<u>(5,184)</u>	<u>46,235</u>	<u>68,777</u>

9 Months Period Ended 30 September 2010

At 1 January 2010	23,570	14,253	-	(72)	139	(1,320)	32,880	69,450
Total comprehensive income for the period	-	-	-	(7)	-	-	3,814	3,807
Treasury shares acquired	-	-	-	-	-	(4,293)	-	(4,293)
Cancellation of treasury shares								
- Issued capital diminished transferred to capital redemption reserve	(2,053)	-	2,053	-	-	-	-	-
- Cost of treasury shares cancelled by utilised share premium	-	(5,450)	-	-	-	5,450	-	-
At 30 September 2010	<u>21,517</u>	<u>8,803</u>	<u>2,053</u>	<u>(79)</u>	<u>139</u>	<u>(163)</u>	<u>36,694</u>	<u>68,964</u>

Note:

The unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to this interim financial statements.



EBWORX BERHAD

(Company No.: 521609-T)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011
(Unaudited)**

	9 Months Ended 30 September 2011 RM'000	9 Months Ended 30 September 2010 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	8,745	3,843
Adjustment for:		
Non-cash items	3,090	2,864
Non-operating items	(367)	(145)
Operating profit before working capital changes	11,468	6,562
Net changes in current assets	6,293	1,846
Net changes in current liabilities	2,020	834
Cash generated from operations	19,781	9,242
Interest income received	367	145
Income tax paid	(83)	(47)
Net cash flow from operating activities	20,065	9,340
CASH FLOW FROM INVESTING ACTIVITIES		
Deferred development costs	(2,250)	(2,175)
Acquisition of plant and equipment	(570)	(255)
Net cash flow used in investing activities	(2,820)	(2,430)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of hire purchase obligations	(194)	(162)
Purchase of treasury shares	(7,093)	(4,292)
Net cash flow used in financing activities	(7,287)	(4,454)
NET INCREASE IN CASH AND CASH EQUIVALENTS	9,958	2,456
CASH AND CASH EQUIVALENTS AT 1 JANUARY	19,463	18,244
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	29,421	20,700

Note:

The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to this interim financial statements.



EBWORX BERHAD

(Company No.: 521609-T)

SELECTED EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD 134 - INTERIM FINANCIAL REPORTING

A1 Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the requirement of FRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board and Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2010.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 31 December 2010 except for the adoption of the following new FRS, Amendments to FRSs and Interpretations that are effective for the financial periods beginning on or after 1 July 2010 and 1 January 2011:-

Effective for financial periods beginning on or after 1 July 2010:

FRS 1: First-time Adoption of Financial Reporting Standards
FRS 3: Business Combinations (Revised)
FRS 127: Consolidated and Separate Financial Statements (Amended)
Amendments to FRS 2: Share-based Payment
Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS138: Intangible Assets
Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives
IC Interpretation 12: Service Concession Arrangements
IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17: Distributions of Non-cash Assets to Owners

Effective for financial periods beginning on or after 1 January 2011:

Amendments to FRS 1: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7: Improving Disclosures about Financial Instruments
Amendments to FRSs 'Improvements to FRSs (2010)'
IC Interpretation 4: Determining whether an Arrangement contains a Lease
IC Interpretation 18: Transfers of Assets from Customers
Improvements to FRS issued in 2010

The adoption of the above mentioned FRS, Amendments to FRS and Interpretations will have no material impact on the financial statements of the Group.

A2 Auditor's Report On Preceding Annual Financial Reports

The auditors' report on the financial statements for the year ended 31 December 2010 was not subject to any qualification.

A3 Seasonality or Cyclicity

The operations of the Group are not subject to any seasonality or cyclicity factors.



EBWORX BERHAD

(Company No.: 521609-T)

SELECTED EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD 134 - INTERIM FINANCIAL REPORTING

A4 Unusual Items Affecting Assets, Liabilities, Equities, Net Income or Cash Flow

During the current financial quarter under review, there were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group.

A5 Material Changes in Estimates

There were no changes in estimates of amount reported in prior financial years which may have a material effect in the current financial quarter under review.

A6 Issuance and Repayment of Debts and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities during the current financial quarter under review except for the following:-

Treasury Shares

During the quarter under review, the Company repurchased 4,926,500 of its ordinary shares from the open market at an average price of RM0.5393 per share.

As at 30 September 2011, the total number of shares repurchased and held as treasury shares were 9,904,200.

A7 Dividends Paid Or Proposed

Dividends were neither paid nor proposed during the current interim financial period.

A8 Segmental Information

The Group operates predominantly in one business segment only. The geographical segmental revenue by customers and results during the nine (9) months ended 30 September 2011 are tabulated below:-

Geographical segments

	Local RM'000	Overseas RM'000	Total RM'000
Revenue	20,754	16,379	37,133
Profit before taxation			8,745
Taxation			(140)
Profit for the period			8,605



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SELECTED EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD 134 - INTERIM FINANCIAL REPORTING

A9 Valuation of Property, Plant and Equipment

The Group has not carried out any valuation on its property, plant and equipment.

A10 Material Events Subsequent To The End of The Quarter

There were no material events between the end of the reporting quarter and date of this announcement.

A11 Change In The Composition of The Group

There has been no change in the composition of the Group during the quarter under review.

A12 Contingent Assets and Changes In Contingent Liability

There are no material contingent assets or liabilities as at the date of this report.

A13 Capital Commitments

There were no capital commitments since the last annual balance sheet date.

A14 Significant Related Party Transaction

During the current quarter under review, the Group has no related party transactions which would have a material impact on the financial position and the business of the Group.



EBWORX BERHAD

(Company No.: 521609-T)

**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENT OF
BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET**

B1 Performance Review

During the financial quarter under review, the Group continued to achieve positive performance by recording a revenue and profit before tax ("PBT") of RM13.2 million and RM3.1 million respectively. The Group also continued to generate positive operating cash flow of RM5 million during the quarter under review.

The Group's revenue for the 9-month period of approximately RM37.1 million has grown significantly by 51% as compared to RM24.6 million recorded in the corresponding period ended 30 September 2010.

The Group's PBT for the 9-month period of approximately RM8.7 has improved significantly by 126% as compared to RM 3.8 million recorded in the corresponding period ended 30 September 2010.

The Group also continue to strengthen its financial position by recording a positive operational cash flow of RM17.1 million before share buy back of RM 7.1 million during the 9-month period and this increased the Group's cash reserve to RM29.4 million.

B2 Variation of Results Against Preceding Quarter

	Q3 2011	Q2 2011
	RM'000	RM'000
Revenue	13,192	12,922
PBT	3,132	3,026
PAT	3,018	3,009

The Group recorded a Profit Before Tax ("PBT") and Profit After Tax ("PAT") of approximately RM3.1 million and RM3.0 million respectively for the quarter ended 30 September 2011. The improvement is mainly contributed by the higher revenue recorded from on-going projects and new projects secured during the period.

B3 Prospects

With the increasing number of potential projects from financial institutions across the region, the directors expect the Group's revenue to grow.

With a significant growth in the Group's order book which is almost 3 times the balance as at 31 December 2010, the directors anticipate an improvement in the Group's profitability for the current financial year ending 31 December 2011.

B4 Variation of Actual Profit from Forecast Profit

Not applicable as no forecast was published.



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**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENT OF
BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET**

B5 Taxation

The effective tax rate of the Group is lower than the statutory tax rate as there is no provision for taxation for the Company as it enjoys tax exemption from its Pioneer Status under Section 14A of the Promotion of Investment (Amendment) Act 1986 from 18 March 2002 to 17 March 2012 as a result of it obtaining MSC Status.

B6 Sale of Unquoted Investments and/or Properties

There were no disposal of unquoted investments or properties during the current interim period under review.

B7 Purchase or Disposal of Quoted Securities

There were no purchase or disposal of quoted securities during the current interim period under review.

B8 Corporate Proposal and Utilisation of Proceeds

(1) Status of Corporate Proposal

There was no corporate proposal announced but not completed as at 21 November 2011.

(2) Status of Utilisation of Proceeds

There were no unutilised proceeds.

B9 Group Borrowings and Debt Securities

The total borrowings of the Group as at 30 September 2011 are as follows:-

	RM'000
<i>Short term borrowings</i>	
Hire purchase payables	289
	<hr/>
	289
<i>Long term borrowings</i>	
Hire purchase payables	230
	<hr/>
	519
	<hr/>

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(Company No.: 521609-T)

**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENT OF
BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET****B10 Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments as at 21 November 2011.

B11 Material Litigation

There is no pending material litigation as at the date of this announcement.

B12 Computation of Earnings Per Share ("EPS")

The basic earnings per share for the quarter and cumulative year to date are computed as follows:-

	Individual quarter ended 30 September 2011	Cumulative quarter(s) ended 30 September 2011
Profit for the period (RM'000)	<u>3,018</u>	<u>8,605</u>
Weighted average number of ordinary shares in issue ('000)	<u>207,809</u>	<u>207,809</u>
Basic Earnings Per Share (sen)	<u>1.45</u>	<u>4.14</u>

B13 Disclosure of Realised and Unrealised Profits

The breakdown of the retained profits of the Group as at 30 September 2011, into realised and unrealised profits, is as follows:-

	As at 30 September 2011 RM'000	As at 31 December 2010 RM'000
Total retained profits of the Group		
- Realised	46,211	37,661
- Unrealised	24	(31)
Total retained profits of the Group	<u>46,235</u>	<u>37,630</u>