

# **Ecofuture Bhd.**

Company No. 628026-M  
(Incorporated in Malaysia)

Interim Financial Report  
31 December 2009

**Interim Report  
Ecofuture Bhd.**

(Company No. 628026-M)  
(Incorporated in Malaysia)  
and its subsidiaries

**Condensed Consolidated Balance Sheet as at 31 December 2009**

	Note	As at 31 December 2009 (unaudited) RM	As at 31 December 2008 (audited) RM
<b>Non-current assets</b>			
Property, plant and equipment		68,596,051	74,524,312
Estate development expenditure		239,752	253,322
Intangible assets		784,010	1,012,661
Goodwill on consolidation		2,042,236	2,042,236
Other investment		200,000	200,000
		<u>71,862,048</u>	<u>78,032,531</u>
<b>Current assets</b>			
Inventories		781,671	1,401,875
Trade receivables		818,981	1,371,821
Other receivables, deposits and prepayments		666,302	774,486
Tax refundable		36,734	183,565
Fixed deposits with licensed banks		-	642,203
Cash and bank balances		47,337	(93,067)
		<u>2,351,025</u>	<u>4,280,883</u>
<b>Total assets</b>		<b><u>74,213,073</u></b>	<b><u>82,313,414</u></b>
<b>Equity</b>			
Share capital	A7	24,651,825	22,410,750
Reserves			
- Share Premium		7,820,326	7,424,161
- Accumulated losses		(17,549,758)	(6,438,784)
Total equity attributable to the shareholders of the Company		<u>14,922,393</u>	<u>23,396,127</u>
<b>Non-current liabilities</b>			
Long term borrowings	B9	31,502,178	21,698,813
Deferred income		452,788	565,985
Deferred taxation		580,000	770,474
		<u>32,534,966</u>	<u>23,035,272</u>
<b>Current liabilities</b>			
Trade payables		5,549,709	7,765,964
Other payables and accruals	A15	6,463,799	6,201,407
Advance from directors		5,226,578	1,070,917
Short term borrowings	B9	9,515,628	20,843,727
		<u>26,755,714</u>	<u>35,882,015</u>
<b>Total liabilities</b>		<u>59,290,680</u>	<u>58,917,287</u>
<b>Total equity and liabilities</b>		<b><u>74,213,073</u></b>	<b><u>82,313,414</u></b>
Net assets per share (sen) *		6.1	10.4

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

\* The net assets per share is based on the computation of total asset (including intangibles) minus total liabilities divided by total number of ordinary shares in circulation

**Interim Report****Ecofuture Bhd.**

(Company No. 628026-M)

(Incorporated in Malaysia)

**and its subsidiaries****Condensed Consolidated Income Statement for the year ended 31 December 2009  
(unaudited)**

	<-----Individual Quarter----->		<-----Cumulative year to-date----->	
	Current year 3 months ended 31 December 2009	Preceeding year corresponding 3 months ended 31 December 2008	Current Year 12 months cumulative 31 December 2009	Preceeding year corresponding 12 months cumulative 31 December 2008
<b>Note</b>				
<b>Revenue</b>	<b>1,916,374</b>	<b>10,252,380</b>	<b>7,667,274</b>	<b>94,527,173</b>
Cost of sales	(2,757,516)	(11,410,079)	(12,327,102)	(97,172,887)
Gross loss	<u>841,142</u>	<u>1,157,699</u>	<u>4,659,827</u>	<u>2,645,714</u>
Operating expenses	(1,489,195)	(1,432,936)	(3,663,671)	(5,053,042)
Other operating income	40,435	35,324	225,257	196,872
Operating loss	<u>2,289,902</u>	<u>2,555,311</u>	<u>8,098,241</u>	<u>7,501,884</u>
Financing costs	(940,864)	(719,939)	(3,203,207)	(2,361,592)
Interest income	-	2,396	-	20,912
Loss before taxation	<u>3,230,766</u>	<u>3,272,854</u>	<u>11,301,448</u>	<u>9,842,564</u>
Tax expense	<b>B5</b> 190,474	1,354,030	190,474	1,353,540
<b>Loss for the period from continuing operations attributable to equity holders of the Company</b>	<u><b>3,040,292</b></u>	<u><b>1,918,824</b></u>	<u><b>11,110,974</b></u>	<u><b>8,489,024</b></u>
Basic loss per ordinary share (sen)	<b>B13</b> (1.30)	(1.68)	(4.90)	(3.70)
Diluted earnings per ordinary share (sen)	<b>B13</b> N/A	N/A	N/A	N/A

*Note:**N/A Not applicable as there are no dilutive shares.*

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

**Interim Report****Ecofuture Bhd.**

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**and its subsidiaries****Condensed Consolidated Statement of Changes in Equity for the period ended 31 December 2009  
(unaudited)**

Note	← Attributable to shareholders of the Company →			Total RM
	Share capital RM	Non-distributable Share premium RM	Distributable Retained profits/ (Accumulated Losses) RM	
<b>At 1 January 2008</b>	17,454,000	4,679,880	2,050,240	24,184,120
Issue of shares	4,956,750	2,744,281	-	7,701,031
Loss for the year from continuing operations	-	-	(8,489,024)	(8,489,024)
<b>At 31 December 2008</b>	<u>22,410,750</u>	<u>7,424,161</u>	<u>(6,438,784)</u>	<u>23,396,127</u>
Issue of shares <b>A7</b>	2,241,075	396,165	-	2,637,240
Loss for the period from continuing operations	-	-	(11,110,974)	(11,110,974)
<b>At 31 December 2009</b>	<u><u>24,651,825</u></u>	<u><u>7,820,326</u></u>	<u><u>(17,549,758)</u></u>	<u><u>14,922,393</u></u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

**Interim Report****Ecofuture Bhd.**

(Company No. 628026-M)

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**and its subsidiaries****Condensed Consolidated Cash Flow Statement for the period ended 31 December 2009  
(unaudited)**

	<b>For the 12-month period ended 31 December 2009 RM</b>	<b>For the 12-month period ended 31 December 2008 RM</b>
<b>Cash flows from operating activities</b>		
<b>Loss before taxation</b>	(11,301,448)	(9,842,564)
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	5,966,645	4,840,543
Provision for doubtful debt	678,745	-
Amortisation of deferred income	(113,197)	(113,197)
Amortisation of intangible assets	229,454	152,968
Amortisation of estate development expenditure	13,570	13,570
Gain on disposal of property, plant and equipment	73,205	(10,748)
Plant and equipment written off	-	13,483
Interest expense	3,184,531	2,389,060
Interest income	-	(20,912)
<b>Operating loss before changes in working capital</b>	<u>(1,268,495)</u>	<u>(2,577,797)</u>
<b>Changes in working capital:</b>		
- Inventories	620,204	2,241,953
- Trade and other receivables	(17,721)	5,332,404
- Trade and other payables	<u>(1,953,863)</u>	<u>(7,440,102)</u>
<b>Cash used in from operations</b>	<u>(2,619,875)</u>	<u>(2,443,542)</u>
- Interest paid	(3,184,531)	(2,389,060)
- Income tax refund from Inland Revenue Board	146,831	311,503
<b>Net cash flow used in from operating activities</b>	<u>(5,657,575)</u>	<u>(4,521,099)</u>
<b>Cash flows used in investing activities</b>		
Interest received	-	20,912
Decrease / (Increase) for intangible assets	(802)	(620)
Purchase of property, plant and equipment	(97,155)	(3,901,749)
Proceeds from disposal of property, plant and equipment	129,036	85,000
	-	-
<b>Net cash flow generated from / (used in) investing activities</b>	<u>31,079</u>	<u>(3,796,457)</u>
<b>Cash flows from financing activities</b>		
Hire purchase financing obtained, net of repayments	(885,702)	438,460
Drawdown of term loan, net of repayments	8,442,960	2,917,257
Repayment of bankers' acceptances and revolving credit	(7,493,052)	(4,527,802)
Advance from directors	4,155,661	440,917
Proceeds from issue of shares	2,637,240	7,701,031
<b>Net cash flow from financing activities</b>	<u>6,857,107</u>	<u>6,969,863</u>
Net increase / (decrease) in cash and cash equivalents	1,230,611	(1,347,693)
<b>Cash and cash equivalents at 1 January</b>	<u>(3,917,133)</u>	<u>(2,569,440)</u>
<b>Cash and cash equivalents at 31 December</b>	<u>(2,686,522)</u>	<u>(3,917,133)</u>

@ Cash and cash equivalents comprise the following balance sheet amounts:

Fixed deposits with licensed banks	-	642,203
Cash and bank balances	47,337	(93,067)
Bank overdrafts	<u>(2,733,859)</u>	<u>(4,466,269)</u>
	<u>(2,686,522)</u>	<u>(3,917,133)</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.