EQUATOR LIFE SCIENCE BERHAD (640850-U)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Year Ended 31 December 2006

(The figures have not been audited)

	INDIVIDUAL QUA 31-Dec-06 RM('000)	ARTER ENDED 31-Dec-05 RM('000)	CUMULATIVE P 31-Dec-06 RM('000)	ERIOD ENDED 31-Dec-05 * RM('000)
Revenue	2,525	2,866	15,202	15,851
Cost of sales	(4,255)	(1,412)	(13,594)	(7,401)
Gross profit/(loss)	(1,730)	1,454	1,608	8,450
Other operating income/(expenses) Selling expenses Administration expenses Impairment loss	(445) (786) (3,146) (4,700)	678 (672) (2,970)	(289) (3,290) (7,305) (4,700)	658 (2,679) (5,543)
Profit/(loss) from operations	(10,807)	(1,510)	(13,976)	886
Finance costs	(273)	(41)	(616)	(347)
Profit/(loss) before tax	(11,080)	(1,551)	(14,592)	539
Income tax expense	1,181	(112)	1,189	(702)
Loss for the period	(9,899)	(1,663)	(13,403)	(163)
Loss for the period attributable to:	(0.000)	(4.504)	(40.000)	(0.1)
Equity holders of the parent Minority interest	(9,888) (11)	(1,594) (69)	(13,390) (13)	(94) (69)
•	(9,899)	(1,663)	(13,403)	(163)
Loss per share attributable to equity holders of the parent: - Basic (sen)	(4.21)	(0.68)	(5.70)	(0.04)
- Diluted (sen)	NA	NA	NA	NA

Note:

The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial report.

^{*} The Equator Group completed its acquisition of operating subsidiaries on 24 March 2005 and accordingly, the Group's pre-acquisition profit covers the net profit after tax earned (RM2.64 million) and revenue generated (RM8.95 million) for the period from 1 January 2005 to 23 March 2005, which was not included in the results of cumulative year ended 31 December 2005 as above stated.

EQUATOR LIFE SCIENCE BERHAD (640850-U) (Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEET

As at 31 December 2006

(The figures have not been audited)

	31-Dec-06 RM('000) (Unaudited)	31-Dec-05 RM('000) (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment Research and development expenditure	24,062 52	16,681 -
Plantation development expenditure Other investment	5,149 409	9,303 333
	29,672	26,317
Current Assets		
Inventories	18,869	16,195
Trade receivables	7,213	8,510
Other receivables and prepaid expenses	1,540	4,014
Fixed deposits	3,604	1,354
Cash and bank balances	3,631	10,388
	34,857	40,461
TOTAL ASSETS	64,529	66,778
EQUITY AND LIABILITIES		
Capital and reserves		
Issued capital	23,501	23,501
Share application money	112	-
Share premium	22,027	22,027
Reserves on consolidation	-	-
Unappropriated profit /(Accumulated loss)	(6,752)	6,638
Equity attributable to equity holders of the parent	38,888	52,166
Minority interest	79	67
Total equity	38,967	52,233
Non-current liabilities		
Hire-purchase payables	1,542	359
Bank borrowings	5,079	-
Deferred tax liabilities	-	1,220
	6,621	1,579
Current Liabilities		
Trade navables	3,112	2,783
Trade payables Other payables and accrued expenses		2,763 2,638
Amount owing to directors	4,707 15	2,636 17
Hire-purchase payables	586	127
Bank borrowings	10,521	4,700
Dividend payables	10,521	2,350
Tax liabilities	_	351
. OX INDUITIO	18,941	12,966
Total liabilities	25,562	14,545
TOTAL EQUITY AND LIABILITIES	64,529	66,778
Net Asset per share (RM)	0.17	0.22
• • • •		

The Unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial report.

EQUATOR LIFE SCIENCE BERHAD (640850-U) (Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For The Year Ended 31 December 2006 (The figures have not been audited)

			, , ,					
		Share		ributable	Distributable			
	Issued	Application	Reserve on	Ob	Unappropriated	Total	Minority	Total
	Capital RM('000)	Money RM('000)	Consolidation RM('000)	Share premium RM('000)	Profit RM('000)	RM('000)	Interest RM('000)	RM('000)
Balance as of 1 January 2005	*	-	-	-	(5)	(5)	-	(5)
Issuance of shares	23,501	-	_	22,027	_	45.528	-	45,528
Net loss during the year	-	-	-	-	(94)	(94)	67	(27)
Dividends	-	-	-	-	(2,350)	(2,350)	-	(2,350)
Arising from acquisition of subsidiary								
companies			9,087			9,087		9,087
Balance as of 31 December 2005	23,501		9,087	22,027	(2,449)	52,166	67	52,233
Balance as of 1 January 2006								
Dalance as of 1 Sandary 2000								
As Previously stated	23,501	-	9,087	22,027	(2,449)	52,166	67	52,233
Prior year adjustment:			(0.007)		0.007			
-effect of adopting FRS 3			(9,087)		9,087			
At 1 January 2006 (restated)	23,501	-	-	22,027	6,638	52,166	67	52,233
Addition during the year	_	-	_	-	_	_	25	25
Share application money	_	112	_	_	_	112		112
Net loss during the year	-	-	-	-	(13,390)	(13,390)	(13)	(13,403)
- ,								
Balance as of 31 December 2006	23,501	112		22,027	(6,752)	38,888	79	38,967

 $^{^{\}star}$ This represents RM2 comprising 20 ordinary shares of RM0.10 each.

The Unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial report.

EQUATOR LIFE SCIENCE BERHAD (640850-U)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For The Year Ended 31 December 2006

(The figures have not been audited)

Cash Flows From Operating Activities (14,592) 539 Profit/(loss) before tax (14,592) 539 Adjustment for:		Current Year Ended 31-Dec-06 RM('000)	Preceding Year Corresponding Ended 31-Dec-05 RM('000)
Adjustment for :	Cash Flows From Operating Activities		
Non cash items 2,346 991 Impairment loss 4,700 - Finance costs 616 347 Unrealised foreign exchange loss/(gain) (92) 1,052 Operating Profit/(Loss) Before Working Capital Changes 7,022) 2,929 (Increase)/Decrease in: 504 (4,410) Inventories 503 1,335 Fixed deposit pledged to bank (2,000) - Increase/(Decrease) in: 2,284 (1,661) Payables 2,284 (1,661) Cash Generated From/(Used In) Operations (6,837) (1,747) Interest paid (616) (347) (1,747) Interest paid (666) (347) (915) Net Cash Generated From/(Used In) Operating Activities (7,928) (3,009) Cash Flows From Investing Activities (7,928) (3,009) Cash and cash equivalent arising from acquisition of subsidiary companies - 1,134 Cash and cash equivalent arising from acquisition of subsidiary companies - 1,134 Cash Generated From Investing Activiti		(14,592)	539
Impairment loss	•	2 246	001
Finance costs		·	991
Unrealised foreign exchange loss/(gain) (92) 1.052 Operating Profit/(Loss) Before Working Capital Changes (7,022) 2,929 (Increase)/Decrease in: \$504 (4,410) Receivables 503 1,395 Fixed deposit pledged to bank (2,000) - Increase/(Decrease) in: \$2,264 (1,661) Payables 2,264 (1,661) Cash Generated From/(Used In) Operations (6,837) (1,747) Interest paid (616) (347) Income tax paid (475) (915) Net Cash Generated From/(Used In) Operating Activities (7,928) (3,009) Cash Flows From Investing Activities - 1,134 Cash and cash equivalent arising from acquisition of subsidiary companies - 1,134 (Increase)/Decrease in other investment (8 151 Acquisition of property, plant and equipment (8 331) (2,770) Proceeds from disposal of property, plant and equipment (8 331) (2,770) Proceeds from disposal of property, plant and equipment (8 32) <td>·</td> <td>·</td> <td>347</td>	·	·	347
Increase /Decrease in:			1,052
Inventories 504	Operating Profit/(Loss) Before Working Capital Changes	(7,022)	2,929
Receivables (583) 1,395 Fixed deposit pledged to bank (2,000) - Increase/(Decrease) in: 2,264 (1,661) Payables 2,264 (1,6747) Cash Generated From/(Used In) Operations (6,837) (1,747) Interest paid (616) (347) Increase/(Decrease) (475) (915) Net Cash Generated From/(Used In) Operating Activities - 1,134 Cash and cash equivalent arising from acquisition of subsidiary companies (Increase)/Decrease in other investment (76 151 Acquisition of property, plant and equipment (8,331) (2,770) Proceeds from disposal of property, plant and equipment 5 39 Plantation development expenditure (52) - Net Cash Used in Investing Activities (8,327) (4,587) Cash Flow From Financing Activities 137 30,000 Proceeds from bank borrowings 9,810 17,604 Repayment of bank borrowings 1,874 - Proceeds from hire-purchase 1,874 - Proceeds from hire-purchas			
Increase/(Decrease) in: Payables			
Increase/(Decrease) in:		, ,	1,395
Payables 2,264 (1,661) Cash Generated From/(Used In) Operations (6,837) (1,747) Interest paid Income tax paid (616) (347) Net Cash Generated From/(Used In) Operating Activities (7,928) (3,009) Cash Flows From Investing Activities - 1,134 Cash and cash equivalent arising from acquisition of subsidiary companies (176) 151 Acquisition of property, plant and equipment (176) 151 Acquisition of property, plant and equipment (176) 5 39 Plantation development expenditure (176) 5 39 Net Cash Used in Investing Activities (176) (8,827) (4,587) Cash Flow From Financing Activities 137 30,000 Proceeds from bank borrowings (176) 9,810 17,604 Repayment of bank borrowings (176) 134 (26,194) Proceeds from bine-purchase (17,874) (2350) (2350)	Fixed deposit pleaged to bank	(2,000)	-
Cash Generated From/(Used In) Operations (6,837) (1,747) Interest paid Income tax paid (616) (347) Net Cash Generated From/(Used In) Operating Activities (7,928) (3,009) Cash Flows From Investing Activities - 1,134 Cash and cash equivalent arising from acquisition of subsidiary companies - 1,134 (Increase)/Decrease in other investment (76) 151 Acquisition of property, plant and equipment (8,331) (2,770) Proceeds from disposal of property, plant and equipment 5 39 Plantation development expenditure (373) (3,141) Research and development expenditure (52) - Net Cash Used in Investing Activities (8,827) (4,587) Cash Flow From Financing Activities 137 30,000 Proceeds from bank borrowings 9,810 17,604 Repayment of bank borrowings (134) (26,194) Proceeds from bine-purchase 1,874 - Repayment of hire-purchase (2,350) - Share issue expense - (1,973)			
Interest paid	·		
Income tax paid (475) (915) Net Cash Generated From/(Used In) Operating Activities (7,928) (3,009) Cash Flows From Investing Activities Cash and cash equivalent arising from acquisition of subsidiary companies - 1,134 (Increase)/Decrease in other investment (76) 151 (Acquisition of property, plant and equipment (8,331) (2,770) Proceeds from disposal of property, plant and equipment 5 39 (3,141) Research and development expenditure (373) (3,141) Research and development expenditure (52) - 1 (4,587) Net Cash Used in Investing Activities (8,827) (4,587) Cash Flow From Financing Activities 137 30,000 Proceeds from bank borrowings 9,810 17,604 Repayment of bank borrowings (134) (26,194) Proceeds from hire-purchase (231) (99) Dividend payables (2,350) - 1 (1,973) Share issue expense - (1,973) Net Cash Generated From Financing Activity 9,106 19,338 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742 *	Cash Generated From/(Used In) Operations	(6,837)	(1,/4/)
Net Cash Generated From/(Used In) Operating Activities Cash Flows From Investing Activities Cash and cash equivalent arising from acquisition of subsidiary companies (Increase)/Decrease in other investment (76) 151 Acquisition of property, plant and equipment (8,331) (2,770) Proceeds from disposal of property, plant and equipment 5 39 Plantation development expenditure (373) (3,141) Research and development expenditure (52) Net Cash Used in Investing Activities Cash Flow From Financing Activities Issuance of shares 137 30,000 Proceeds from bank borrowings 9,810 17,604 Repayment of bank borrowings 9,810 17,604 Repayment of hire-purchase 1,874 Repayment of hi	·	(616)	` ,
Cash Flows From Investing Activities Cash and cash equivalent arising from acquisition of subsidiary companies (Increase)/Decrease in other investment (76) 151 Acquisition of property, plant and equipment (8,331) (2,770) Proceeds from disposal of property, plant and equipment 5 39 Plantation development expenditure (373) (3,141) Research and development expenditure (52) - Net Cash Used in Investing Activities Cash Flow From Financing Activities Issuance of shares 137 30,000 Proceeds from bank borrowings 9,810 17,604 Repayment of bank borrowings (134) (26,194) Proceeds from hire-purchase 1,874 - Repayment of hire-purchase (231) (99) Dividend payables (2,350) - Share issue expense - Net Cash Generated From Financing Activity 9,106 19,338 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742	Income tax paid	(475)	(915)
Cash and cash equivalent arising from acquisition of subsidiary companies - 1,134 (Increase)/Decrease in other investment (76) 151 Acquisition of property, plant and equipment (8,331) (2,770) Proceeds from disposal of property, plant and equipment 5 39 Plantation development expenditure (373) (3,141) Research and development expenditure (52) - Net Cash Used in Investing Activities (8,827) (4,587) Cash Flow From Financing Activities 137 30,000 Proceeds from bank borrowings 9,810 17,604 Repayment of bank borrowings (134) (26,194) Proceeds from hire-purchase 1,874 - Repayment of hire-purchase (231) (99) Dividend payables (2,350) - Share issue expense - (1,973) Net Cash Generated From Financing Activity 9,106 19,338 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742 * CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD 11,742 *	Net Cash Generated From/(Used In) Operating Activities	(7,928)	(3,009)
(Increase)/Decrease in other investment (76) 151 Acquisition of property, plant and equipment (8,331) (2,770) Proceeds from disposal of property, plant and equipment 5 39 Plantation development expenditure (373) (3,141) Research and development expenditure (52) - Net Cash Used in Investing Activities (8,827) (4,587) Cash Flow From Financing Activities 137 30,000 Proceeds from bank borrowings 9,810 17,604 Repayment of bank borrowings (134) (26,194) Proceeds from hire-purchase 1,874 - Repayment of hire-purchase (231) (99) Dividend payables (2,350) - Share issue expense - (1,973) Net Cash Generated From Financing Activity 9,106 19,338 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742 CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD 11,742 *	Cash Flows From Investing Activities		
Acquisition of property, plant and equipment (8,331) (2,770) Proceeds from disposal of property, plant and equipment 5 39 Plantation development expenditure (373) (3,141) Research and development expenditure (52) - Net Cash Used in Investing Activities (8,827) (4,587) Cash Flow From Financing Activities 137 30,000 Issuance of shares 137 30,000 Proceeds from bank borrowings 9,810 17,604 Repayment of bank borrowings (134) (26,194) Proceeds from hire-purchase 1,874 - Proceeds from hire-purchase (231) (99) Dividend payables (2,350) - Share issue expense - (1,973) Net Cash Generated From Financing Activity 9,106 19,338 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742 CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD 11,742 *	Cash and cash equivalent arising from acquisition of subsidiary companies	-	1,134
Proceeds from disposal of property, plant and equipment Plantation development expenditure Research and development expenditure (52) (4,587) Cash Flow From Financing Activities Issuance of shares I 137 I 30,000 Proceeds from bank borrowings I 137 Repayment of bank borrowings I 138 I 137 Repayment of bank borrowings I 138 I 137 I 130,000 I 17,604 Repayment of hire-purchase I 1,874 Re			
Plantation development expenditure (373) (3,141) Research and development expenditure (52) - Net Cash Used in Investing Activities (8,827) (4,587) Cash Flow From Financing Activities Issuance of shares 137 30,000 Proceeds from bank borrowings 9,810 17,604 Repayment of bank borrowings (134) (26,194) Proceeds from hire-purchase 1,874 - Repayment of hire-purchase (231) (99) Dividend payables (2,350) - Share issue expense - (1,973) Net Cash Generated From Financing Activity 9,106 19,338 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742 * * *			
Research and development expenditure (52) - Net Cash Used in Investing Activities (8,827) (4,587) Cash Flow From Financing Activities Issuance of shares Issuance of shares 137 30,000 Proceeds from bank borrowings 9,810 17,604 Repayment of bank borrowings (134) (26,194) Proceeds from hire-purchase 1,874 - Repayment of hire-purchase (231) (99) Dividend payables (2,350) - Share issue expense - (1,973) Net Cash Generated From Financing Activity 9,106 19,338 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742 CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD 11,742 *			
Net Cash Used in Investing Activities (8,827) (4,587) Cash Flow From Financing Activities 30,000 Issuance of shares 137 30,000 Proceeds from bank borrowings 9,810 17,604 Repayment of bank borrowings (134) (26,194) Proceeds from hire-purchase 1,874 - Repayment of hire-purchase (231) (99) Dividend payables (2,350) - Share issue expense - (1,973) Net Cash Generated From Financing Activity 9,106 19,338 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742 * * *			(3,141)
Cash Flow From Financing Activities Issuance of shares 137 30,000 Proceeds from bank borrowings 9,810 17,604 Repayment of bank borrowings (134) (26,194) Proceeds from hire-purchase 1,874 - Repayment of hire-purchase (231) (99) Dividend payables (2,350) - Share issue expense - (1,973) Net Cash Generated From Financing Activity 9,106 19,338 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742 * *			(4,587)
Proceeds from bank borrowings 9,810 17,604 Repayment of bank borrowings (134) (26,194) Proceeds from hire-purchase 1,874 - Repayment of hire-purchase (231) (99) Dividend payables (2,350) - Share issue expense - (1,973) Net Cash Generated From Financing Activity 9,106 19,338 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742 * * *			
Proceeds from bank borrowings 9,810 17,604 Repayment of bank borrowings (134) (26,194) Proceeds from hire-purchase 1,874 - Repayment of hire-purchase (231) (99) Dividend payables (2,350) - Share issue expense - (1,973) Net Cash Generated From Financing Activity 9,106 19,338 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742 * * *		127	30 000
Repayment of bank borrowings (134) (26,194) Proceeds from hire-purchase 1,874 - Repayment of hire-purchase (231) (99) Dividend payables (2,350) - Share issue expense - (1,973) Net Cash Generated From Financing Activity 9,106 19,338 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742 * *			,
Proceeds from hire-purchase 1,874 - Repayment of hire-purchase (231) (99) Dividend payables (2,350) - Share issue expense - (1,973) Net Cash Generated From Financing Activity 9,106 19,338 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742 CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD 11,742 *	<u> </u>		•
Dividend payables (2,350) - Share issue expense - (1,973) Net Cash Generated From Financing Activity 9,106 19,338 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742 CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD 11,742 *			-
Share issue expense Net Cash Generated From Financing Activity NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD 11,742 *	Repayment of hire-purchase		(99)
Net Cash Generated From Financing Activity 9,106 19,338 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742 CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD 11,742 *		(2,350)	-
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (7,649) 11,742 CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD 11,742 *		0.400	
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD 11,742 *	Net Cash Generated From Financing Activity	9,106	19,338
	NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(7,649)	11,742
CASH AND CASH EQUIVALENTS AS AT END OF PERIOD 4,093 11,742	CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD	11,742	*
	CASH AND CASH EQUIVALENTS AS AT END OF PERIOD	4,093	11,742

^{*} Represent RM 2

The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial report.