

**Harvest Court Industries Berhad (36998-T)**  
**Condensed Consolidated Statement of Financial Position**  
**As at 30 June 2010**

	<b>As at</b> <b>30 Jun 2010</b> <b>(RM)</b> <b>(Unaudited)</b>	<b>As at</b> <b>31 Dec 2009</b> <b>(RM)</b> <b>(Audited)</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	13,246,835	11,041,364
Prepaid Lease Payment at Cost	5,449,890	5,577,918
	<b>18,696,725</b>	<b>16,619,282</b>
<b>CURRENT ASSETS</b>		
Inventories	8,061,432	7,375,933
Trade receivables	3,047,433	5,393,671
Other receivables, deposits & prepayments	831,152	318,016
Tax recoverable	332	1,267
Cash and bank balances	2,353,140	1,237,851
Fixed deposits with a licensed bank	1,689,673	7,002,685
	<b>15,983,162</b>	<b>21,329,423</b>
<b>TOTAL ASSETS</b>	<b>34,679,887</b>	<b>37,948,705</b>
<b>FINANCED BY:</b>		
Share capital	41,980,593	40,422,812
Reserves	(17,664,403)	(16,310,140)
<b>Equity attributable to equity holders of the parent</b>	<b>24,316,190</b>	<b>24,112,672</b>
<b>Total equity</b>	<b>24,316,190</b>	<b>24,112,672</b>
<b>Non-Current Liabilities</b>		
Finance payables	20,726	42,242
Deferred tax liabilities	134,000	134,000
	<b>154,726</b>	<b>176,242</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	497,156	1,987,123
Other payables	8,811,425	10,737,542
Amount owing to director	5,118	-
Finance payables	30,365	35,383
Short term borrowings	285,493	310,493
Tax payables	579,414	589,250
<b>Total current liabilities</b>	<b>10,208,971</b>	<b>13,659,791</b>
<b>TOTAL LIABILITIES</b>	<b>10,363,697</b>	<b>13,836,033</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>34,679,887</b>	<b>37,948,705</b>
<b>NET ASSETS PER SHARE</b>		
ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (Sen)	<b>14.48</b>	<b>14.91</b>

1) The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

2) The results has undergone the limited review by the external auditors (Messrs. UHY)

**Harvest Court Industries Berhad (36998-T)**  
**Condensed Consolidated Statement of Comprehensive Income**  
**For the period ended 30 June 2010**

Note	2010 Current Qtr ended 30 Jun (RM) (Unaudited)	2009 Comparative Qtr ended 30 Jun (RM) (Unaudited)	2010 6 months cumulative to date (RM) (Unaudited)	2009 Comparative 6 months cumulative to date (RM) (Unaudited)
Revenue	1,388,574	3,589,151	3,075,234	5,141,732
Cost of sales	(1,372,580)	(3,479,318)	(2,882,112)	(5,246,797)
<b>Gross profit /(loss)</b>	<b>15,994</b>	<b>109,833</b>	<b>193,122</b>	<b>(105,065)</b>
Other income	24,829	48,093	77,008	114,387
Administrative expenses	(870,820)	(338,159)	(1,277,597)	(606,766)
Selling and distribution expenses	(97,941)	12,200	(165,021)	(13,269)
Other expenses	(14,896)	-	(149,756)	-
Finance Cost	(19,691)	(788,824)	(32,033)	(1,618,028)
<b>Loss before taxation</b>	<b>(962,525)</b>	<b>(956,857)</b>	<b>(1,354,277)</b>	<b>(2,228,741)</b>
Taxation	-	68,691	14	68,691
<b>Loss for the period</b>	<b>(962,525)</b>	<b>(888,166)</b>	<b>(1,354,263)</b>	<b>(2,160,050)</b>
<b>Total comprehensive income for the period</b>	<b>(962,525)</b>	<b>(888,166)</b>	<b>(1,354,263)</b>	<b>(2,160,050)</b>
Attributable to:				
Equity holders of the parent	(962,525)	(888,166)	(1,354,263)	(2,160,050)
<b>Loss per share attributable to equity holders of the parent:</b>				
Basic, for loss for the period (Sen)	(0.58)	(3.92)	(0.82)	(9.53)
Dilluted	-	-	-	-

1) The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

2) The results has undergone the limited review by the external auditors (Messrs. UHY)

**Harvest Court Industries Berhad (36998-T)**  
**Condensed Consolidated Statement of Changes in Equity**  
**For the financial period ended 30 June 2010**

	Attributable to Equity Holders of the Parent				Total Equity (RM)
	Share Capital (RM)	Share Premium (RM)	Exchange Translation Reserve (RM)	Accumulated Losses (RM)	
<b>6 months ended 30 Jun 2010</b>					
Balance at beginning of period	40,422,812	-	-	(16,310,140)	24,112,672
Issuance of shares pursuant to ESOS	422,000				422,000
Issuance of shares pursuant to Private Placement	1,135,781				1,135,781
Total Comprehensive (Loss) for the period	-	-	-	(1,354,263)	(1,354,263)
<b>Balance at end of period</b>	<b>41,980,593</b>	<b>-</b>	<b>-</b>	<b>(17,664,403)</b>	<b>24,316,190</b>
<b>6 months ended 30 Jun 2009</b>					
Balance at beginning of period	22,669,900	873,000	-	(46,346,664)	(22,803,764)
Total Comprehensive (Loss) for the period	-	-	-	(2,160,050)	(2,160,050)
<b>Balance at end of period</b>	<b>22,669,900</b>	<b>873,000</b>	<b>-</b>	<b>(48,506,714)</b>	<b>(24,963,814)</b>

- 1) The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.
- 2) The results has undergone the limited review by the external auditors (Messrs. UHY)

**Harvest Court Industries Berhad**  
**Condensed Consolidated Statement of Cash Flows**  
**For the financial period ended 30 June 2010**

	<b>2010</b> <b>6 months ended</b> <b>30 Jun</b> <b>(RM'000)</b>	<b>2009</b> <b>6 months ended</b> <b>30 Jun</b> <b>(RM'000)</b>
Net loss before tax	(1,354)	(2,160)
Adjustments for non-cash flow:-		
Non-cash items	826	353
Non-operating items (which are investing/financing)	(47)	1,579
Operating loss before changes in working capital	<u>(575)</u>	<u>(228)</u>
Changes in working capital :-		
Net change in current assets	1,149	(1,201)
Net change in current liabilities	<u>(2,255)</u>	<u>7,509</u>
Cash generated from/(used in) operations	(1,681)	6,080
Interest received	49	-
Net cash from/(used in) operating activities	<u>(1,632)</u>	<u>6,080</u>
Investing Activities		
- Other investments	<u>(2,514)</u>	<u>(74)</u>
Net cash used in investing activities	<u>(2,514)</u>	<u>(74)</u>
Financing Activities		
- Bank borrowing	(25)	(4)
- Finance Lease/ HP	(27)	-
Net cash used in financing activities	<u>(52)</u>	<u>(4)</u>
Net changes in Cash & Cash equivalents	(4,198)	6,002
Cash & Cash Equivalents at beginning of period	8,241	(14,196)
Exchange differences	-	-
Cash & Cash Equivalents at end of period	<u><u>4,043</u></u>	<u><u>(8,194)</u></u>
Cash & Cash Equivalents comprise the following :-		
Cash and bank balances	2,353	1,593
Fixed Deposit	1,690	4,958
Bank overdrafts		<u>(14,745)</u>
	<u><u>4,043</u></u>	<u><u>(8,194)</u></u>

**1) The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.**

**2) The results has undergone the limited review by the external auditors (Messrs. UHY)**