(Incorporated in Malaysia – 7949-M)

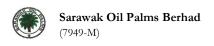
INTERIM REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2008

(The figures have not been audited)

Condensed Consolidated Balance Sheet as at 30 June 2008

	Note	30 June 2008 RM'000	31 December 2007 RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment	A1	582,095	537,130
Prepaid lease payments	A1	180,603	186,428
Other investments		45	45
Intangible assets		1,526	1,526
		764,269	725,129
Current Assets		,	,
Inventories		50,061	28,963
Trade and other receivables		36,253	56,337
Cash and bank balances		274,327	91,917
		360,641	177,217
TOTAL ASSETS		1,124,910	902,346
EQUITY AND LIABILITIES			
Equity attributable to equity holders	s of the narent		
Share capital	A6	203,659	144,153
Share premium	710	94,584	20,291
Other reserve		1,009	642
Retained earnings		377,054	289,943
		676,306	455,029
Minority interest		77,024	68,623
Total equity Non-current liabilities		753,330	523,652
Borrowings		212,352	155,383
Deferred tax liabilities		75,787	61,457
Other deferred liabilities		69	69
		288,208	216,909
Current liabilities		,	_: 0,000
Borrowings		30,992	70,322
Trade and other payables		48,340	90,747
Current tax payable		4,040	716
		83,372	161,785
Total liabilities		371,580	378,694
TOTAL EQUITY AND LIABILITIES		1,124,910	902,346
Net assets per share (RM)		3.32	3.16

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to this report)

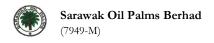


(Incorporated in Malaysia - 7949-M)

Condensed Consolidated Income Statements For the Six-Months Period Ended 30 June 2008

		3 month	L QUARTER ns ended 0 June 2007		QUARTER nths ended) June 2007
	Note	RM'000	RM'000	RM'000	RM'000
Continuing Operations Revenue Cost of sales		188,128 (109,816)	87,971 (53,505)	354,093 (202,058)	148,846 (94,275)
Gross profit Other income Administrative expenses Distribution costs Finance costs		78,312 1,966 (960) (10,793) (2,002)	34,466 507 (808) (5,451) (2,472)	152,035 3,650 (1,698) (20,252) (3,915)	54,571 1,126 (1,671) (9,242) (4,764)
Profit before tax Taxation	B5	66,523 (17,471)	26,242 (4,812)	129,820 (33,708)	40,020 (7,528)
Profit for the period		49,052	21,430	96,112	32,492
Profit for the period attributable to Equity holders of the parent Minority interest	:	44,151 4,901 49,052	19,230 2,200 21,430	87,711 8,401 96,112	29,810 2,682 32,492
Earning per share attributable to Equity holders of the parent (Ser	າ):				
Basic	B13	23.45	13.50	49.66	20.93
Diluted	B13	22.10	12.36	46.77	19.15

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to this report)

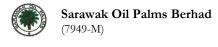


(Incorporated in Malaysia – 7949-M)

Condensed Consolidated Statement of Changes in Equity For the Six-Months Period Ended 30 June 2008

	←	—— Attributat	ole to Equity Ho	olders of the Parent			
	No	n-Distributable F		Distributable Reserve			
	Share Capital	Share Premium	Other Reserve	Retained Profits	Total	Minority Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2008	144,153	20,291	642	289,943	455,029	68,623	523,652
Net profit for the period Issue of ordinary shares:	-	-	-	87,711	87,711	8,401	96,112
Pursuant to ESOS	409	630	367	-	1,406	-	1,406
Warrant conversion	12,292	8,135	-	-	20,427	-	20,427
Rights issue Dividends	46,805	65,528	-	(600)	112,333 (600)	-	112,333 (600)
At 30 June 2008	203,659	94,584	1,009	377,054	676,306	77,024	753,330
At 1 January 2007	142,452	18,994	-	185,913	347,359	31,619	378,978
Net profit for the year Issue of ordinary shares:	-	-	-	109,285	109,285	7,887	117,172
Pursuant to ESOS	53	101			154		154
Warrant Conversion Dilution arising from issuance	1,648	1,104		-	2,752	-	2,752
of share by a subsidiary Issuance of shares to	-	-	-	(55)	(55)	55	-
Minority	-	-	-	-	-	29,062	29,062
Acquisition of a subsidiary	-	-	-	-	-	-	-
Dividends Capitalisation of employees expenses				(5,200)	(5,200)		(5,200)
provision arising from ESOS			734		734	-	734
Exercise of ESOS	-	92	(92)	-	-	_	-
At 31 December 2007	144,153	20,291	642	289,943	455,029	68,623	523,652

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunctions with the Audited Financial Statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to this report)

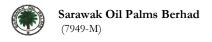


(Incorporated in Malaysia – 7949-M)

Condensed Consolidated Cash Flow Statement For the Six-Months Period Ended 30 June 2008

	Note	30 June 2008 RM'000	30 June 2007 RM'000
Net cash inflow from operating activities		90,889	36,008
Net cash outflow from investing activities		(41,381)	(41,174)
Net cash inflow from financing activities	A4	132,902	805
Net increase/(decrease) in cash and cash equivalents		182,410	(4,361)
Cash and cash equivalents at 1 January		91,917	54,101
Cash and cash equivalents at 31 December		274,327	49,740
Cash and cash equivalents at the end of the financial period comprised the following:			
Wholesale money market deposits Fixed deposits with licensed banks Cash on hand and at bank		36,350 222,069 15,908	14,880 26,750 8,110
Cash and bank balances		274,327	49,740

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to this report)



(Incorporated in Malaysia - 7949-M)

Explanatory Notes To The Interim Report – 30 June 2008

A. FRS (Financial Reporting Standards) 134 – Paragraph 16

A1. Accounting policies

The interim financial statements have been prepared under the historical cost convention except for the revaluation of leasehold land.

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of FRS 134 – Interim Financial Reporting and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB").

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the preparation of the last audited financial statements for the financial year ended 31 December 2007.

A2. Disclosure of audit report qualification and status of matters raised

There were no qualifications in the audit report on the preceding annual financial statements.

A3. Seasonality or cyclicality of interim operations

The Group's performance is subjected to the cropping pattern which normally reaches its peak at the second half of the year, and this is reflected accordingly in the CPO production of the Group.

A4. Unusual Items affecting assets, liabilities, equity, net income, or cash flow

There were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual in nature, size, or incidence during the interim period under review except cash inflow from the financing activities of RM112.33 million from the rights issue exercise mentioned in Note A6(i) and B8(C).

A5. Material changes in estimates

There were no changes in estimates of amounts reported in prior interim periods or changes in estimates of amounts reported in prior financial years, which have a material effect in the current interim period.

A6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale or repayment of debt and equity securities except for the following:-

(i) Rights Issue

During the period under review, a total of 46,805,376 Rights Shares were issued and listed as from 7 April 2008.

(ii) Employees' Share Options Scheme ("ESOS")

As at 30 June 2008, a total of 7,005,350 ESOS options have been granted. Total of ESOS options exercised as at 30 June 2008 were 469,350 shares and were granted listing and quotation.

(iii) Warrants (Year 2005)

As at 30 June 2008, a total of 13,939,472 warrants in relation to the 23,742,060 free detachable warrants attached to the Rights Issue for Ordinary Shares (Year 2005) were exercised and were granted listing and quotation.

A7. Dividends paid

The Company have declared a first and final dividend of 6% less 26% taxation for the financial year ended 31 December 2007. The dividend was paid on 22 July 2008.



(Incorporated in Malaysia – 7949-M)

Explanatory Notes To The Interim Report – 30 June 2008

A8. Segment Information

No segment analysis is prepared as the Company is primarily engaged in the oil palm industry in Malaysia.

A9. Valuation of property, plant and equipment

There were no amendments in the valuations of property, plant and equipment brought forward from previous annual financial statements.

A10. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiary companies and long-term investments, restructurings, and discontinued operations for the current interim period.

A12. Changes in contingent liabilities and contingent assets

There were no contingent liabilities and contingent assets as at 30 June 2008.

A13. Capital Commitments

The amount of commitments for the purchase of property, plant and equipment and for plantation development expenditure not provided for in the financial statements as at 30 June 2008 is as follows:-

	30 June 2008 RM'000
Property, plant and equipment	
Authorised but not contracted for	73,577
Contracted but not provided in the financial statements	49,884
	123,461
	<u></u>
Plantation Development Expenditure	
Authorised but not contracted for	93,208
Contracted but not provided in the financial statements	15,718
	108,926

(Incorporated in Malaysia - 7949-M)

Explanatory Notes To The Interim Report – 30 June 2008

B. BMSB Listing Requirements (Part A of Appendix 9B)

B1. Review of performance

The Group registered a total revenue of RM354.1 million for period ended 30 June 2008 compared with RM148.8 million reported in corresponding period for the preceding year. The increase of RM205.3 million or 138% was mainly attributed to the higher sales volume and average CPO and PK price realized during the period.

In tandem with the increase in total revenue, the Group achieved a profit before taxation for the period ended 30 June 2008 of RM129.8 million, an increase of RM89.8 million over the RM40.0 million achieved in the corresponding period last year.

B2. Material changes in profit before taxation for the quarter as compared with the immediate preceding quarter

For the quarter under review, the Group recorded a profit before tax and minority interest of RM66.5 million compared to RM63.3 million in the preceding quarter. This is due to the increase in CPO and PK production in the current quarter as compared to the preceding quarter. The higher average CPO and PK prices realized during the current quarter resulted in the increase of RM3.2 million in profit before taxation and minority interest.

B3. Prospects for the current financial year

The performance of the Group is largely dependent on developments in the world edible oil market, bio-diesel market, fossil oil market and movement of Ringgit Malaysia and their corresponding effect on CPO prices.

B4. Variance of actual profit from forecast profit

The disclosure requirement for explanatory notes for the variance of actual profit after tax and minority interest and forecast profit after tax and minority interest and for the shortfall in profit guarantee are not applicable.

B5. Taxation

	3 months ended 30 June		6 months ended 30 June	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Current tax expenses	9,274	3,821	19,158	6,537
Under/(Over) provision in prior years	(655)	991	219	991
Deferred tax	8,852	-	14,331	-
	17,471	4,812	33,708	7,528

The Group's effective tax rate is in line with the prevailing corporate tax rate of 26%.

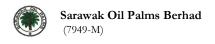
B6. Unquoted Investments and Properties

There was no sale of unquoted investments and/or properties for the current quarter.

B7. Quoted investments

There was no purchase or disposal of quoted securities. The total investments in quoted securities as at 30 June 2008 is as follows:

	Cost	Book Value	Market Value
	RM'000	RM'000	RM'000
Total quoted investments	67	45	61



(Incorporated in Malaysia - 7949-M)

Explanatory Notes To The Interim Report – 30 June 2008

B8. Status of corporate proposal announced

There are no corporate proposals announced but not completed as at the date of issue of this report except for the following:-

(A) Joint Venture with Pelita Holdings Sdn Bhd ("PHSB")

(i) SOP Pelita Bekenu & Niah Plantation Sdn Bhd ("SPBNPSB")

On 15 December 2005, the Company entered into a joint venture agreement with PHSB to develop an area under NCR of approximately 1,250 hectares situated at Kuala Bakas, NCR Land Development Areas, Sibuti, Miri Division, Sarawak into an oil palm plantation. A joint venture company, known as SPBNPSB was incorporated on 23 November 2005 to undertake the project. SOPB and PHSB are in the process of negotiating with the land owners in creating land bank for oil palm development.

(B) Joint Venture with Shin Yang Holding Sdn Bhd ("SYHSB")

(i) Kini Sinar Sdn. Bhd. ("KSSB")

On 25 May 2007, the Company entered into a conditional share subscription agreement ("CSSA") with KSSB for the proposed subscription of a total of 650,000 new shares in KSSB ("**Subscription Shares**") in two separate tranches for a total of RM14,826,500. Presently KSSB is a wholly-owned subsidiary of SYHSB.

The eventual shareholdings of SOPB and SYHSB upon the completion of the 2 tranches will be 650,000 Shares (65%) and 350,000 Shares (35%) respectively.

The proposed share subscription will enable SOPB to take advantage of the strategic location of the land. As the land is near to the Bintulu Port Palm Oil jetty, bulking installation and other refineries, it provides cost savings in piping and discharge lines for SOPB for its future expansion into palm oil downstream activities.

Approval has been obtained from the Foreign Investment Committee (FIC) vide its letter dated 15 August 2007 and 8 January 2008. It is now pending SYHSB to fulfill the conditions of the agreement including the establishment of basic infrastructure of the land.

(C) Status of Utilisation of Proceeds from Rights Issue (Year 2008)

As at 7 August 2008, the status of the utilization of the rights issue of 46,805,376 is as follows:-

Purposes	Approved Amount (RM'000)	Applied Amount (RM'000))
(a) Construction of palm oil mills	20,000	3,809
(b) New area under development	50,000	25,500
(c) Downstream activities	25,000	-
(d) Working capital	16,783	16,584
(e) Expenses for the exercise	550	138
TOTAL	112,333	46,031

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Explanatory Notes To The Interim Report – 30 June 2008

B8. Status of corporate proposal announced

(D) Bonus Issue (Year 2008)

At the EGM convened on 12 August 2008, the shareholders has approved bonus issue of up to 226,825,776 new shares to be credited as fully paid-up by means of capitalisation of the company's share premium reserve and retained earnings accounts on the basis of one(1) new share for every one(1) existing share.

(E) Increase In Authorised Share Capital

At the EGM convened on 12 August 2008, the shareholders has approved the increase in authorised share capital from 500,000,000 shares of RM1.00 each to 5,000,000,000 shares of RM1.00 each by creation of an additional 4,500,000,000 new shares each ranking pari passu in all respects with the existing shares.

B9. Borrowing and debt securities

	30 June 2008 RM'000
Current	
Secured	23,992
Unsecured	7,000
Non-current	
Secured	197,352
Unsecured	15,000
Total	243,344

The above borrowings are denominated in Ringgit Malaysia.

B10. Off balance sheet financial instruments

During the financial year, the Group did not enter into any contract involving off balance sheet financial instruments.

B11. Changes in material litigation

There is no material litigation which need to be disclosed for the period under review.

B12. Dividends

No interim dividend has been declared for the financial period ended 30 June 2008 (30 June 2007: Nil).

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Explanatory Notes To The Interim Report – 30 June 2008

B13. Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the quarter is based on the profit attributable to equity holders of the parent of RM44.2 million and on the weighted average number of ordinary shares of RM1 each in issue during the year of 176,628,409.

	3 months ended		6 months ended		
	30.6.2008 RM'000	30.6.2007 RM'000	30.6.2008 RM'000	30.6.2007 RM'000	
Profit attributable to ordinary equity holders of the parent	44,151	19,230	87,711	29,810	
	3 mon 30.6.2008 '000	ths ended 30.6.2007 '000	6 mont 30.6.2008 '000	hs ended 30.6.2007 '000	
Weighted average number of Ordinary shares in issue	188,289	142,452	176,628	142,452	
	3 mon 30.6.2008 Sen	ths ended 30.6.2007 Sen	6 mont 30.6.2008 Sen	hs ended 30.6.2007 Sen	
Basic earning per share	23.45	13.50	49.66	20.93	

Diluted earnings per share

The diluted earning per share for the quarter is based on the profit attributable to equity holders of the parent of RM44.2 million and on the weighted average number of ordinary shares of RM1 each in issue during the period of 187,539,581.

	3 mon	ths ended	6 months ended		
	30.6.2008 RM'000	30.6.2007 RM'000	30.6.2008 RM'000	30.6.2007 RM'000	
Profit attributable to ordinary equity holders of the parent	44,151	19,230	87,711	29,810	
	3 mon 30.6.2008 '000	ths ended 30.6.2007 '000	6 mont 30.6.2008 '000	hs ended 30.6.2007 '000	
Weighted average number of ordinary shares in issue	199,755	155,649	187,540	155,649	
	3 mon 30.6.2008 Sen	ths ended 30.6.2007 Sen	6 mont 30.6.2008 Sen	hs ended 30.6.2007 Sen	
Diluted earning per share	22.10	12.36	46.77	19.15	

(Incorporated in Malaysia – 7949-M)

Explanatory Notes To The Interim Report – 30 June 2008

B14. Authorised for Issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the Directors on 12th August 2008.

By Order of the Board Eric Kiu Kwong Seng Company Secretary Miri

13th August 2008