

POH HUAT RESOURCES HOLDINGS BERHAD
Condensed Consolidated Income Statement
For The Three-Month Period Ended 31 January 2009

(These figures have not been audited)

	3 months ended		3 months ended	
	31-Jan-09	31-Jan-08	31-Jan-09	31-Jan-08
	RM	RM	RM	RM
Revenue	104,673,272	100,842,317	104,673,272	100,842,317
Cost of sales	(89,104,707)	(86,417,845)	(89,104,707)	(86,417,845)
Gross profit	<u>15,568,565</u>	<u>14,424,472</u>	<u>15,568,565</u>	<u>14,424,472</u>
Other income	741,540	301,424	741,540	301,424
Selling and distribution expenses	(4,601,147)	(4,615,070)	(4,601,147)	(4,615,070)
Administrative expenses	(3,550,412)	(3,639,005)	(3,550,412)	(3,639,005)
Other operating expenses	(777)	(294,649)	(777)	(294,649)
Profit from operations	<u>8,157,769</u>	<u>6,177,172</u>	<u>8,157,769</u>	<u>6,177,172</u>
Finance costs	(885,471)	(985,234)	(885,471)	(985,234)
Profit before tax	<u>7,272,298</u>	<u>5,191,938</u>	<u>7,272,298</u>	<u>5,191,938</u>
Income tax expense	12,227	(349,332)	12,227	(349,332)
Profit for the period	<u>7,284,525</u>	<u>4,842,606</u>	<u>7,284,525</u>	<u>4,842,606</u>
Attributable to :				
Equity holders of the parent	7,285,753	4,758,118	7,285,753	4,758,118
Minority interest	(1,228)	84,488	(1,228)	84,488
	<u>7,284,525</u>	<u>4,842,606</u>	<u>7,284,525</u>	<u>4,842,606</u>
Earnings per share attributable to equity holders of the parent :				
Basic (sen)	8.35	5.46	8.35	5.46
Diluted (sen)	8.35	5.46	8.35	5.46

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31st October 2008)

POH HUAT RESOURCES HOLDINGS BERHAD
Condensed Consolidated Balance Sheet
As At 31 January 2009

(These figures have not been audited)

	As At 31-Jan-09 RM	As At 31-Oct-08 RM (restated)
ASSETS		
Non-current assets		
Property, plant and equipment	125,167,177	133,324,203
Prepaid lease payments	17,979,316	17,482,653
Intangible assets	296,147	296,148
Deferred tax assets		157,417
	<u>143,442,640</u>	<u>151,260,421</u>
Current assets		
Inventories	57,521,577	71,064,367
Trade and other receivables	43,007,520	44,932,756
Deposits, cash and bank balances	19,857,520	20,424,148
	<u>120,386,617</u>	<u>136,421,271</u>
TOTAL ASSETS	<u>263,829,258</u>	<u>287,681,692</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	87,220,850	87,220,850
Reserves	48,573,999	42,719,880
	<u>135,794,849</u>	<u>129,940,730</u>
Minority interest	<u>1,479,613</u>	<u>1,629,139</u>
Total Equity	<u>137,274,462</u>	<u>131,569,869</u>
Non-current liabilities		
Borrowings	6,123,786	3,187,652
Deferred tax liabilities	6,731,000	6,731,000
	<u>12,854,786</u>	<u>9,918,652</u>
Current liabilities		
Trade and other payables	77,091,613	97,441,435
Borrowings	35,184,986	47,261,703
Taxation	1,423,411	1,490,033
	<u>113,700,010</u>	<u>146,193,171</u>
Total Liabilities	<u>126,554,796</u>	<u>156,111,823</u>
TOTAL EQUITY AND LIABILITIES	<u>263,829,258</u>	<u>287,681,692</u>

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31st October 2008)

POH HUAT RESOURCES HOLDINGS BERHAD
Condensed Consolidated Statement of Changes in Equity
For The Three-Month Period Ended 31 January 2009

(These figures have not been audited)

	Attributable to Equity Holders of the Parent						Minority Interest	Total Equity	
	Non-Distributable			Distributable					
	Share Capital RM	Share Premium RM	Capital Reserve RM	Merger Deficit RM	Translation Reserve RM	Retained Profits RM	Total RM	RM	RM
At 1 Nov 2007	87,220,100	144,495	6,644,380	(28,849,998)	(4,299,072)	60,538,911	121,398,816	1,874,311	123,273,127
Issue of new shares pursuant to exercise of Warrants	750						750		750
Profit for the period						4,758,118	4,758,118	84,488	4,842,606
Adoption of FRS 3				28,849,998		(28,849,998)	0		0
Share-based payment							0		0
Dividend paid							0		0
Translation adjustment					(850,705)		(850,705)	(285,788)	(1,136,493)
At 31 January 2008	87,220,850	144,495	6,644,380	0	(5,149,777)	36,447,031	125,306,979	1,673,011	126,979,990
As at 1 Nov 2008	87,220,850	144,495	6,808,380	0	87,281	35,679,724	129,940,730	1,629,139	131,569,869
Issue of new shares pursuant to exercise of Warrants							0		0
Profit for the period						7,285,753	7,285,753	(1,228)	7,284,525
Adoption of FRS 3				0			0		0
Share-based payment							0		0
Dividend paid							0		0
Translation adjustment					(1,431,634)		(1,431,634)	(148,298)	(1,579,932)
At 31 January 2009	87,220,850	144,495	6,808,380	0	(1,344,353)	42,965,477	135,794,849	1,479,613	137,274,462

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st October 2008)

POH HUAT RESOURCES HOLDINGS BERHAD
Condensed Consolidated Cash Flow Statement
For The Three-Month Period Ended 31 January 2009

(These figures have not been audited)

	3 months ended	
	31-Jan-09	31-Jan-08
	RM	RM
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	7,272,298	5,191,938
Adjustment for :-		
Depreciation	2,186,800	2,320,182
Fixed assets written off	6,701,997	-
Other non-cash items	(148,298)	(285,785)
Interest expense	609,054	735,793
Interest income	(75,708)	(262,081)
Operating profit before working capital changes	16,546,143	7,700,047
Changes in working capital		
Inventories	13,542,790	7,404,458
Trade and other receivables	1,925,236	(9,058,778)
Trade and other payables	(20,349,822)	6,882,912
Cash generated from operations	11,664,347	12,928,639
Interest paid	(609,054)	(735,793)
Interest received	75,708	262,081
Tax paid	(54,395)	(432,174)
NET CASH FLOW FROM OPERATING ACTIVITIES	11,076,606	12,022,753
CASH FLOW FROM INVESTING ACTIVITIES		
Net purchase of fixed assets	(1,071,017)	(7,400,203)
NET CASH USED IN INVESTING ACTIVITIES	(1,071,017)	(7,400,203)
CASH FLOW FROM FINANCING ACTIVITIES		
Net movements in borrowings	(9,140,583)	(14,024,849)
Issue of shares - exercise of warrant	0	750
Dividend paid	0	0
NET CASH FLOW FROM FINANCING ACTIVITIES	(9,140,583)	(14,024,099)
Effect on exchange rate changes	(1,431,634)	(850,705)
NET CHANGE IN CASH & CASH EQUIVALENTS	(566,628)	(10,252,254)
Cash & cash equivalents at beginning of financial year	20,424,148	37,649,605
CASH & CASH EQUIVALENTS AT END OF FINANCIAL YEAR	19,857,520	27,397,351
Cash & cash equivalents comprise the followings :		
Deposits, bank and cash balances	19,857,520	27,397,351
Fixed deposit pledged to bank as collateral	-	-
	19,857,520	27,397,351

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31st October 2008)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. BASIS OF PREPARATION

The interim financial statements are unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard (FRS) 134 “Interim Financial Reporting” issued by the Malaysian Accounting Standard Board and paragraph 9.22 and Appendix 9B of the Listing Requirements of the Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the Group’s annual audited financial statements for the year ended 31 October 2008.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 October 2008.

A2. CHANGES IN ACCOUNTING POLICIES

Adoption of New Financial Reporting Standards

The significant accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 October 2008

A3. AUDITOR’S REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditor’s report on the financial statements for the year ended 31 October 2008 was not qualified.

A4. SEASONAL OR CYCLICAL FACTORS

The principal business operations of the Group has historically shown moderate seasonality, where production and sales of furniture are generally lower in the beginning of the calendar year due to the local festive period as well as the summer holiday in the middle of the year.

A5. EXCEPTIONAL, EXTRAORDINARY OR UNUSUAL ITEM

There was no item of exceptional, extraordinary or unusual in nature, size or incidence in the financial quarter under review.

A6. CHANGES IN ESTIMATE

Not applicable.

A7. ISSUANCE, REPURCHASE AND CANCELLATION OF SHARES

Pursuant to the Bye-laws governing the Poh Huat Group's Employees Share Option Scheme ("ESOS"), the expiry of the ESOS was on 27 November 2008. In accordance with the Bye-laws, all options to the extent unexercised on the expiry of the ESOS shall lapse and be null and void and of no further force and effect for any purpose under the ESOS. No options were exercised and hence no shares were issued during the period from 1 November 2008 to the date of expiry of the ESOS.

The Company has not issued any shares, debts or convertible securities during the financial quarter under review.

The Company has been authorised by shareholders to re-purchase its own shares but has not purchased any of its own shares during the financial year. As such, there are no shares being resold, cancelled or retained as treasury shares by the Company.

A8. DIVIDENDS PAID

No dividends were paid for the quarter ended 31 January 2009.

A9. SEGMENTAL REPORTING

No segmental reporting by activities is prepared as the Group is principally involved in a single line of business, namely the manufacture and sale of furniture.

The Group has overseas investments and operations. The year-to-date segmental report by geographical location is as follows:-

	Turnover	Profit / (Loss)
	Year to Date	Before Tax
	RM'000	Year to Date
		RM'000
Malaysia	48,050	5,431
Vietnam	52,932	3,006
South Africa	2,447	(3)
China	1,244	(1,162)
	-----	-----
Total	104,673	7,272
	=====	=====

A10. CARRYING AMOUNT OF REVALUED ASSETS

The carrying values of land and buildings have been brought forward, without amendments from the previous annual financial statements.

A11. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE PERIOD

There were no material events subsequent to the period ended 31 January 2009 that have not been reflected in the financial statements of the interim period.

A12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current quarter ended 31 January 2009.

A13. CHANGES IN CONTINGENT LIABILITIES / ASSETS

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet as at 31 October 2008.

A14. CAPITAL COMMITMENT

As at 31 January 2009, there are no capital commitments incurred by the Group.

A15. SIGNIFICANT RELATED PARTY TRANSACTIONS

As at 31 January 2009, there are no significant related party transactions by the Group.

BMSB LISTING REQUIREMENTS

B1. PERFORMANCE REVIEW

The Group's revenue for the current quarter ended 31 January 2009 increased marginally to RM104.67 million compared to the RM100.84 million recorded in the previous year's corresponding quarter ended 31 January 2008. The higher turnover achieved during the quarter was attributable both to the higher Ringgit sales proceeds realised for the Group's on the back of sustained export sales, particular in Malaysia and Vietnam, despite deteriorating external environment.

In line with the increase in turnover, the gross profit of the Group increased from RM14.42 million for the previous corresponding period ended 31 January 2008 to RM15.57 million for the current quarter under review. The Malaysian and Vietnamese operations continue to do well, registering improvement in profits margin due to the strengthening of the US Dollar against the Ringgit and the easing of raw material prices.

In line with the better performance, the Group profit before taxation improved to RM7.27 million compared to profit before tax of RM5.19 million achieved in the previous corresponding quarter ended 31 January 2008. The profit before tax was also higher due to the higher realised exchange gains and interest income during the quarter as compared to the realised exchange loss in the previous corresponding quarter.

B2. MATERIAL CHANGE IN PROFIT BEFORE TAXATION

The Group's turnover of RM104.67 million achieved during the quarter under review was lower than the turnover of RM108.50 million for the preceding quarter ended 31 October 2008. The lower turnover is attributable general to the lower furniture shipment during the current quarter as the economic turmoil curtails furniture spending in most of the markets that the Group serve.

The lower turnover notwithstanding, the Group's gross margin improved significantly from RM11.66 million in the preceding quarter to RM15.57 million in the current quarter under review. The higher Ringgit sales proceeds realised due to the stronger USD and the easing of raw material prices helped in protecting the Group's against margin erosion from the weaker demand and losses in the China operations.

In line with the higher gross margin, the Group achieved a higher profit before taxation of RM7.27 million compared to a profit before taxation of RM3.11 million registered in the preceding quarter ended 31 October 2008. The bottom line was further boosted by the lower selling and distribution expenses and higher realised exchange gains during the quarter under review.

B3. PROSPECT FOR THE CURRENT FINANCIAL YEAR

Global economic condition continued to deteriorate amidst losses in the financial markets, weaker consumer spending and significant cut in capital expenditure in most developed nation. The housing and credit markets, particularly in the US, have yet to turn the corner. With companies and consumer not having access to credit, business activities and consumer spending cannot resume in any significant manner. US housing starts, which registered an increase in the month of February 2009, are not expected to be sustainable give the weak economic outlook.

Group do not expect a quick recovery in furniture demand in the near future. As before, the Group will continue with its efforts to tackle raising costs, improve manufacturing efficiency and actively pursue alternatives with its customers, both in its products and manufacturing materials/processes, to ensure that the Group's operations remain viable during this challenging period.

B4. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

There is no profit forecast issued for the current financial year under review.

B5. TAXATION

	Quarter Under Review RM'000	Year To Date RM'000
Current income tax expenses	(12)	(12)
Deferred tax expenses	-	-
	-----	-----
	(12)	(12)
	=====	=====

The tax credit for the financial quarter under review is attributable to additional allowance for increase in export sales and tax incentives given to Malaysia and Vietnam subsidiaries and tax refund by the Malaysian tax authority for over assessment for income tax in the prior years.

B6. SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no sales of unquoted investments and/or properties for the financial quarter ended 31 January 2009.

B7. QUOTED SECURITIES

There was no purchase or disposal of quoted securities for the financial quarter ended 31 January 2009.

B8. STATUS OF CORPORATE PROPOSALS / UTILISATION OF PROCEEDS

There were no corporate proposals or utilisation of proceeds announced but not completed as at the date of the report.

B9. GROUP'S BORROWINGS

		As at 31 January 2009 RM'000
Secured Short Term Borrowings		35,185
Secured Long Term Borrowings		6,124

		41,309
		=====
Currency denominations:		
US Dollar	(USD' 000)	18,474
Vietnam Dong	(VND' 000,000)	1,871
South Africa Rand	(ZAR' 000)	Nil

Total Ringgit equivalent	(RM' 000)	20,345
Ringgit borrowings	(RM' 000)	20,964

		41,309
		=====

B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no financial instruments with off balance sheet during the financial quarter ended 31 January 2009.

B11. MATERIAL LITIGATION

The Directors are not aware of any material litigation pending or threatened against the Group.

B12. DIVIDEND

No interim ordinary dividend had been declared for the financial period ended 31 January 2009

B13. EARNINGS PER SHARE

Basic earnings per share

A basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of shares in issue during the period.

		Quarter Under Review	Year To Date
Net Profit	(RM'000)	7,285	7,285
Weighted average number of shares	('000 shares)	87,220	87,220
Basic earnings per share	(sen)	8.35	8.35

Diluted earnings per share

For the purpose of calculating diluted earnings per share, the weighted average number of ordinary shares in issued during the quarter under review have been adjusted for the dilutive effects of all potential shares, i.e. Warrants 2003/2008 and the options under the ESOS.

During the quarter under review, the diluted earnings per share has not been presented as the conversion of each class of potential shares have anti-dilutive effect as the exercise price of the shares are above the average market value of the Company's shares.

For and on behalf of the Board
Poh Huat Resources Holdings Berhad

BOO CHIN LIONG
Independent Non-Executive Director
Chairman
Audit Committee

23 March 2009
Muar, Johor Darul Takzim