

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

(These figures have not been audited)

	<u>3 months ended</u>		<u>9 months ended</u>	
	31-Jul-09 RM	31-Jul-08 RM	31-Jul-09 RM	31-Jul-08 RM
Revenue	79,576,248	96,575,157	249,614,963	279,485,247
Cost of sales	<u>(68,112,639)</u>	<u>(84,874,446)</u>	<u>(213,325,533)</u>	<u>(244,910,185)</u>
Gross profit	11,463,609	11,700,711	36,289,430	34,575,062
Other income	211,682	354,267	895,273	773,121
Selling and distribution expenses	(4,001,915)	(4,635,805)	(12,719,419)	(13,864,609)
Administrative expenses	(3,540,878)	(3,456,570)	(10,539,125)	(10,325,218)
Other operating expenses	<u>(139,110)</u>	<u>239,040</u>	<u>625,044</u>	<u>(934,757)</u>
Profit from operations	3,993,388	4,201,643	14,551,203	10,223,599
Finance costs	<u>(547,835)</u>	<u>(1,041,979)</u>	<u>(2,010,782)</u>	<u>(2,826,890)</u>
Profit before tax	3,445,553	3,159,664	12,540,421	7,396,709
Income tax expense	<u>(176,042)</u>	<u>(571,759)</u>	<u>(492,978)</u>	<u>(1,445,089)</u>
Profit for the period	<u>3,269,511</u>	<u>2,587,905</u>	<u>12,047,443</u>	<u>5,951,620</u>
Attributable to :				
Equity holders of the parent	3,325,885	2,405,067	11,937,451	5,452,834
Minority interest	<u>(56,374)</u>	<u>182,838</u>	<u>109,992</u>	<u>498,786</u>
	<u>3,269,511</u>	<u>2,587,905</u>	<u>12,047,443</u>	<u>5,951,620</u>
Earnings per share attributable to equity holders of the parent :				
Basic (sen)	3.81	2.76	13.69	6.25
Diluted (sen)	3.81	2.76	13.69	6.25

(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 July 2009**

(These figures have not been audited)

	As At 31-Jul-09 RM	As At 31-Oct-08 RM (restated)
ASSETS		
Non-current assets		
Property, plant and equipment	125,731,876	133,324,203
Prepaid lease payments	17,510,020	17,482,653
Intangible assets	296,147	296,148
Deferred tax assets		157,417
	<u>143,538,043</u>	<u>151,260,421</u>
Current assets		
Inventories	54,518,457	71,064,367
Trade and other receivables	38,827,867	44,932,756
Deposits, cash and bank balances	18,867,557	20,424,148
	<u>112,213,881</u>	<u>136,421,271</u>
TOTAL ASSETS	<u>255,751,924</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	50,825,227	42,719,880
	<u>138,046,077</u>	<u>129,940,730</u>
Minority interest	<u>2,009,162</u>	<u>1,629,139</u>
Total Equity	<u>140,055,239</u>	<u>131,569,869</u>
Non-current liabilities		
Borrowings	9,676,889	3,187,652
Deferred tax liabilities	6,731,000	6,731,000
	<u>16,407,889</u>	<u>9,918,652</u>
Current liabilities		
Trade and other payables	64,741,388	97,441,435
Borrowings	33,566,724	47,261,703
Taxation	980,684	1,490,033
	<u>99,288,796</u>	<u>146,193,171</u>
Total Liabilities	<u>115,696,685</u>	<u>156,111,823</u>
TOTAL EQUITY AND LIABILITIES	<u>255,751,924</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 Nine-Month Period Ended 31 July 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
As 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 rights	750						750		750
	87,220,850	144,495	6,644,380	(28,849,998)	(4,299,072)	60,538,911	121,399,566	1,874,311	123,273,877
Profit for the period						5,452,834	5,452,834	498,786	5,951,620
Adoption of FRS 3				28,849,998		(28,849,998)	-		-
Share-based payment							-		-
Dividend paid						(3,017,841)	(3,017,841)		(3,017,841)
Translation adjustment					(2,324,651)		(2,324,651)	(285,788)	(2,610,439)
As At 31 July 2008	87,220,850	144,495	6,644,380	-	(6,623,723)	34,123,906	121,509,908	2,087,309	123,597,217
As at 1 Nov 2008	87,220,850	144,495	6,808,380		87,281	35,679,724	129,940,730	1,629,139	131,569,869
Profit for the period						11,937,451	11,937,451	109,992	12,047,443
Adoption of FRS 3							-		-
Share-based payment							-		-
Dividend paid						(1,308,322)	(1,308,322)		(1,308,322)
Translation adjustment					(2,523,782)		(2,523,782)	270,031	(2,253,751)
As At 31 July 2009	87,220,850	144,495	6,808,380	-	(2,436,501)	46,308,853	138,046,077	2,009,162	140,055,239

(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 Nine-Month Period Ended 31 July 2009

(These figures have not been audited)

	<u>9 months ended</u>	
	<u>31-Jul-09</u>	<u>31-Jul-08</u>
	<u>RM</u>	<u>RM</u>
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	12,540,421	7,396,710
Adjustment for :-		
Depreciation	6,380,815	6,511,082
Fixed assets written off	6,757,029	-
Other non-cash items	270,031	(431,396)
Interest expense	1,321,526	1,981,334
Interest income	(186,516)	(528,494)
Operating profit before working capital changes	<u>27,083,306</u>	<u>14,929,236</u>
Changes in working capital		
Inventories	16,545,910	6,119,003
Trade and other receivables	6,104,889	(10,888,516)
Trade and other payables	<u>(32,700,047)</u>	<u>3,849,079</u>
Cash generated from operations	<u>17,034,058</u>	<u>14,008,802</u>
Interest paid	(1,321,526)	(1,981,334)
Interest received	186,516	528,494
Tax paid	<u>(1,002,327)</u>	<u>(1,498,330)</u>
NET CASH FLOW FROM OPERATING ACTIVITIES	<u>14,896,721</u>	<u>11,057,632</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net purchase of fixed assets	<u>(5,415,466)</u>	<u>(20,549,269)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(5,415,466)</u>	<u>(20,549,269)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Net movements in borrowings	(7,205,742)	(3,332,734)
Dividends paid	(1,308,322)	(3,017,841)
Proceed from issuance of shares	-	750
NET CASH FLOW FROM FINANCING ACTIVITIES	<u>(8,514,064)</u>	<u>(6,349,825)</u>
Effect on exchange rate changes	(2,523,782)	(2,324,651)
NET CHANGE IN CASH & CASH EQUIVALENTS	<u>(1,556,591)</u>	<u>(18,166,113)</u>
Cash & cash equivalents at beginning of financial year	<u>20,424,148</u>	<u>37,649,605</u>
CASH & CASH EQUIVALENTS AT END OF FINANCIAL YEAR	<u>18,867,557</u>	<u>19,483,492</u>
Cash & cash equivalents comprise the followings :		
Deposits, bank and cash balances	18,867,557	19,483,492
Fixed deposit pledged to bank as collateral	-	-
	<u>18,867,557</u>	<u>19,483,492</u>

(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

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

The Company had on 22 May 2009 paid dividends totalling RM1,308,322 being the first and final taxable dividend of 2% less 25% tax for the financial year ended 31 October 2008.

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	113,826	5,418
Vietnam	126,911	8,399
South Africa	7,193	224
China	1,685	(1,501)
	-----	-----
Total	249,615	12,540
	=====	=====

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 July 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 July 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 July 2009, there are no capital commitments incurred by the Group.

A15. SIGNIFICANT RELATED PARTY TRANSACTIONS

As at 31 July 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 July 2009 was lower at RM79.58 million compared to the RM96.58 million recorded in the previous year's corresponding quarter ended 31 July 2008. The lower turnover achieved during the quarter is reflective of the subdued demand for furniture amidst the global economic slowdown. Shipment of furniture was lower for all operating subsidiaries.

In line with the lower turnover, the gross profit of the Group was lower at RM11.464 million for the current quarter under review compared to RM11.701 million in the previous corresponding period. The Group's operations in Vietnam continued to lead the group performance with gross profit of RM6.763 million as compared to the gross profit of RM3.776 made by the Malaysia operations.

The 9 months cumulative gross profit for the current year was higher at RM36.289 million compared to RM34.575 million in the previous corresponding 9 months ended 31 July 2008. The better results were attributable the stronger result for the first 6 months for the current year as compared to the corresponding 6 months for previous financial year.

The Group's profit before taxation increased to RM3.45 million compared to a profit before taxation of RM3.16 million in the previous year's corresponding quarter due mainly to lower selling, distribution and interest costs during the quarter under review.

B2. MATERIAL CHANGE IN PROFIT BEFORE TAXATION

The Group's turnover of 79.58 million achieved during the quarter under review was higher than the turnover of RM65.37 million achieved for the preceding quarter ended 30 April 2009. The higher turnover is attributable generally to the stabilisation of the global economic environment and the increase in orders as importers from the US replenish their inventory.

In line with the higher shipment of furniture, the Group's gross margin increased from RM9.26 million in the preceding quarter to RM11.46 million in the current quarter under review. The operating results from Vietnam also improved significantly as production capacity and orders were restored after the fire incident.

Given the better operating performance, the Group's profit before taxation improved to RM3.45 million compared to a profit before taxation of RM1.82 million registered in the preceding quarter ended 30 April 2009.

B3. PROSPECT FOR THE CURRENT FINANCIAL YEAR

While the repercussions of the global recession are still being felt in most economies, the global economic situation is stabilising. Recent increase in activity in housing sector and recovery of retail spending signal a turning point for the property market in the US. Stability in the global financial markets and sustained recovery in stock markets also point toward a recovery in the real economy in the near future.

Since the bottoming of the global economy in the first quarter of 2009, we have experienced meaningful improvement in our order books. The recovery of consumer spending over the last 3 months has contributed to the improved outlook and confidence of our customers in the US and Middle East markets. Given the positive development we are optimistic that the worst is behind us. We are confident of a sustained recovery in consumer confidence and furniture demand and we look forward to better performance for the remaining quarter of the financial year.

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	176	493
Deferred tax expenses	-	-
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	176	493
	=====	=====

B6. SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

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

B7. QUOTED SECURITIES

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

B8. STATUS OF CORPORATE PROPOSALS / UTILISATION OF PROCEEDS

On 9 July 2009 the Company announced a proposed bonus issue of 26,166,255 new ordinary shares of RM1.00 each in Poh Huat to be credited as fully paid-up on the basis of three (3) new bonus shares for every ten (10) existing Poh Huat Shares held on the entitlement date. The proposal was approved by the shareholders at an EGM

held on 18 of August 2009. The entitlement date for the bonus issue was fixed on 8 September 2009 and the shares relating to the Bonus issue was issued and credited into the accounts of the entitled shareholders on 9 September 2009.

Save for the above, 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 July 2009 RM'000
Secured Short Term Borrowings		33,567
Secured Long Term Borrowings		9,677

		43,244
		=====
Currency denominations:		
US Dollar	(USD' 000)	3,836
Vietnam Dong	(VND' 000,000)	25,534
South Africa Rand	(ZAR' 000)	9,300

Total Ringgit equivalent	(RM' 000)	22,755
Ringgit borrowings	(RM' 000)	20,489

		43,244
		=====

B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Group has no other outstanding off balance sheet financial instruments at the end of financial quarter other than the following contracts to sell forward US Dollars in relation to the Group's confirmed sales.

Currency	Outstanding Contract In USD'000	Average Exchange Rate	Equivalent In RM'000	Expiry Month
US Dollar	500	3.6529	1,826	Sep 2009
US Dollar	500	3.6509	1,825	Oct 2009
US Dollar	500	3.6495	1,825	Nov 2009
US Dollar	500	3.6467	1,823	Dec 2009
US Dollar	500	3.6440	1,822	Jan 2010
US Dollar	500	3.6404	1,820	Feb 2010
	-----		-----	
	3,000		10,941	
	=====		=====	

The related accounting policies for the off balance sheet financial instruments are as disclosed in the audited financial statements for the year ended 31 October 2008.

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 July 2009

B13. EARNINGS PER SHARE

Basic earnings per share

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)	3,326	11,937
Weighted average number of shares	('000 shares)	87,220	87,220
Basic earnings per share	(sen)	3.81	13.69

Diluted earnings per share

The Company has no convertible securities in issue and hence, computation of diluted earnings per share has not been presented.

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

BOO CHIN LIONG
Independent Non-Executive Director
Chairman
Audit Committee

28 September 2009
Muar, Johor Darul Takzim