

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR FOURTH QUARTER ENDED 31 DECEMBER 2006

| | FOURTH QUARTER | | CUMULATIVE QUARTER | |
|---|--|---|--|---|
| | Current year quarter 31/12/2006 RM'000 | Preceding year corresponding period 31/12/2005 RM'000 (restated) | Current year to date 31/12/2006 RM'000 | Preceding year corresponding period 31/12/2005 RM'000 (restated) |
| Revenue | 9,240 | 17,148 | 68,691 | 68,236 |
| Operating expenses | (7,137) | (15,656) | (59,183) | (60,535) |
| Other operating income | 956 | 1,951 | 2,592 | 3,827 |
| | <u>3,059</u> | <u>3,443</u> | <u>12,100</u> | <u>11,528</u> |
| Finance costs | (2,124) | (2,413) | (7,759) | (6,131) |
| Profit before tax | <u>935</u> | <u>1,030</u> | <u>4,341</u> | <u>5,397</u> |
| Taxation | (285) | (438) | (1,401) | (1,547) |
| Profit for the period | <u><u>650</u></u> | <u><u>592</u></u> | <u><u>2,940</u></u> | <u><u>3,850</u></u> |
| Attributable to: | | | | |
| Equity holders of the parent | (1) | 200 | 1,606 | 2,944 |
| Minority interest | 651 | 392 | 1,334 | 906 |
| Net profit for the period | <u><u>650</u></u> | <u><u>592</u></u> | <u><u>2,940</u></u> | <u><u>3,850</u></u> |
| Earning per share attributable to equity holders of the parent | | | | |
| - basic (sen) | <u><u>-</u></u> | <u><u>0.24</u></u> | <u><u>1.95</u></u> | <u><u>3.65</u></u> |
| - diluted (sen) | <u><u>**</u></u> | <u><u>0.24</u></u> | <u><u>**</u></u> | <u><u>3.62</u></u> |

** No diluted EPS is disclosed as the effect is anti-dilutive

(The condensed consolidated income statements should be read in conjunction with the audited annual financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.)

HAISAN RESOURCES BERHAD
Company No. 502213-D

CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 31 DECEMBER 2006

| | AS AT END OF CURRENT QUARTER (Unaudited) RM'000 | AS AT PRECEDING FINANCIAL YEAR END (Audited & Restated) RM'000 |
|---|--|---|
| ASSETS | | |
| <u>Non-current assets</u> | | |
| Property, Plant and Equipment | 177,511 | 137,205 |
| Intangible Assets | 5,447 | 2,725 |
| Deferred expenditure | 775 | 931 |
| Long Term Investment | 4,012 | 4,012 |
| | 187,745 | 144,873 |
| <u>Current Assets</u> | | |
| Inventories | 5,886 | 3,111 |
| Development Expenditure | 75 | - |
| Trade Receivables | 16,042 | 19,460 |
| Other Receivables, Deposits and Prepayments | 14,668 | 6,081 |
| Amount Owing by related companies | 563 | - |
| Amount Due From Customers On Contracts | 5,198 | 9,335 |
| Marketable securities | 4,723 | 8,590 |
| Banker acceptance | - | 564 |
| Fixed Deposit with licensed bank | 13,439 | 3,256 |
| Cash & Bank Balance | 1,656 | 3,022 |
| | 62,250 | 53,419 |
| TOTAL ASSETS | 249,995 | 198,292 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the parent | | |
| Share Capital | 44,010 | 44,010 |
| Treasury Shares | (6,984) | (4,172) |
| Reserves | 36,508 | 25,948 |
| | 73,534 | 65,786 |
| Minority Interest | 12,844 | 10,152 |
| Total Equity | 86,378 | 75,938 |
| Non-current Liabilities | | |
| Hire Purchase and Lease Payables | 3,817 | 1,479 |
| Term loans | 52,789 | 54,493 |
| Redeemable Bonds | 29,314 | 29,144 |
| Deferred Taxation | 9,056 | 7,301 |
| | 94,976 | 92,417 |
| <u>Current Liabilities</u> | | |
| Trade Payables | 11,383 | 13,765 |
| Other Payables & Accruals | 7,809 | 5,750 |
| Amount Due To Customer on Contracts | 1,357 | 459 |
| Hire Purchase and Lease Payables | 2,163 | 973 |
| Term loans | 1,907 | 1,846 |
| Borrowings | 43,876 | 6,937 |
| Provision For Taxation | 146 | 207 |
| | 68,641 | 29,937 |
| Total Liabilities | 163,617 | 122,354 |
| Total Equities and Liabilities | 249,995 | 198,292 |
| Net assets per share attributable to equity holders of the parent (RM) (*) | 0.91 | 0.78 |

* - The net assets per share is based on the computation of total assets (including intangibles) minus liabilities divided by total number of shares in circulation

(The condensed consolidated balance sheets should be read in conjunction with the audited annual financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.)

HAISAN RESOURCES BERHAD
Company No. 502213-D

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2006

| | 12 months ended | |
|---|----------------------------|----------------------------|
| | 31 December 2006 RM'000 | 31 December 2005 RM'000 |
| Profit before tax | 4,341 | 5,397 |
| Adjustments for non cash flow:- | | |
| Non cash items | 14,707 | 13,088 |
| Operating profit before changes in working capital | <u>19,048</u> | <u>18,485</u> |
| Changes in working capital | | |
| Net change in current assets | 11,439 | (4,502) |
| Net change in current liabilities | <u>(10,668)</u> | <u>1,638</u> |
| Net cash flows from operating activities | 19,819 | 15,621 |
| Tax refund | - | 166 |
| Tax paid | (1,422) | (1,231) |
| Interest expense | (7,759) | (6,131) |
| Interest income | 431 | 310 |
| Net cash generated from operating activities | <u>11,069</u> | <u>8,735</u> |
| Investing activities | | |
| Property, plant and equipment | (35,269) | (23,929) |
| Proceeds from sale of property, plant and equipment | 3 | 3,225 |
| Marketable securities | - | (8,590) |
| Acquisition of bankers acceptance | - | (564) |
| Deferred Expenditure | - | (1,041) |
| Other investing activities | (9,691) | (4,000) |
| Equity investments | - | (2,839) |
| Net cash used in investing activities | <u>(44,957)</u> | <u>(37,738)</u> |
| Financing activities | | |
| Repayment of long term loan | (4,516) | 22,323 |
| Dividend paid to shareholders | - | - |
| Issue of shares to minority interests of subsidiary company | - | - |
| Proceeds from the issuance of shares | 10,863 | 4,794 |
| Treasury shares | (2,813) | (4,264) |
| Fixed deposits | (1,969) | 277 |
| Bank borrowings | 14,546 | (5,901) |
| Redeemable secured bonds | - | 29,058 |
| Hire purchase and lease liabilities | (1,602) | (1,275) |
| Net cash generated from financing activities | <u>14,509</u> | <u>45,012</u> |
| Net change in cash and cash equivalents | (19,379) | 16,009 |
| Effects of foreign exchange differences | 3,835 | 512 |
| Cash & cash equivalents at beginning of year | <u>505</u> | <u>(16,017)</u> |
| Cash & cash equivalents at end of year | <u>(15,039)</u> | <u>504</u> |
| Cash and cash equivalents at the end of the financial period comprise the following: | | |
| Bank overdrafts | (27,361) | (4,967) |
| Deposits with licensed banks | 13,439 | 3,255 |
| Cash and bank balances | <u>1,657</u> | <u>3,021</u> |
| | (12,265) | 1,309 |
| Less: Deposits with licensed banks (pledged) | <u>(2,774)</u> | <u>(805)</u> |
| | <u>(15,039)</u> | <u>504</u> |
| | (0) | |

(The condensed consolidated cash flow statement should be read in conjunction with the audited annual financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2006**

| | ← Attributable to Equity Holders of the Parent → | | | | | | Total RM'000 | Minority interest RM'000 | Total Equity RM'000 |
|---|--|------------------------------|----------------------------|----------------------------------|----------------------------------|-------------------------------|-----------------|--------------------------------|---------------------------|
| | Share capital RM'000 | Treasury shares RM'000 | Share premium RM'000 | Revaluation Reserve RM'000 | Translation Reserve RM'000 | Retained profits RM'000 | | | |
| 12 months ended 31 December 2006 | | | | | | | | | |
| Balance as at 1 January 2006 as previously reported | 44,010 | (4,172) | 2,551 | - | 553 | 22,655 | 65,597 | 10,152 | 75,749 |
| Prior year adjustments | | | | | | | | | |
| - Effect of adoption of FRS 3 (negative goodwill) | - | - | - | - | - | 742 | 742 | - | 742 |
| - Effect of revaluation | - | - | - | 724 | - | (537) | 187 | - | 187 |
| Balance as at 1 January 2006, as restated | 44,010 | (4,172) | 2,551 | 724 | 553 | 22,860 | 66,526 | 10,152 | 76,678 |
| Translation difference | - | - | - | - | 1,856 | - | 1,856 | 470 | 2,326 |
| Revaluation of land and buildings | - | - | - | 6,358 | - | - | 6,358 | - | 6,358 |
| Crystallisation of revaluation reserve | - | - | - | (65) | - | 65 | - | - | - |
| <i>Net income recognised directly in equity</i> | - | - | - | 6,293 | 1,856 | 65 | 8,214 | 470 | 8,684 |
| Profit for the period | - | - | - | - | - | 1,606 | 1,606 | 1,334 | 2,940 |
| <i>Total recognised income and expense for the period</i> | - | - | - | 6,293 | 1,856 | 1,671 | 9,820 | 1,804 | 11,624 |
| Shares buyback | - | (2,812) | - | - | - | - | (2,812) | - | (2,812) |
| Issuance of shares to minority interests | - | - | - | - | - | - | - | 888 | 888 |
| Balance as at 31 December 2006 | <u>44,010</u> | <u>(6,984)</u> | <u>2,551</u> | <u>7,017</u> | <u>2,409</u> | <u>24,531</u> | <u>73,534</u> | <u>12,844</u> | <u>86,378</u> |
| 12 months ended 31 December 2005 | | | | | | | | | |
| Balance as at 1 January 2005 as previously reported | 44,010 | - | 2,551 | - | 41 | 19,815 | 66,417 | 158 | 66,575 |
| Prior year adjustments | | | | | | | | | |
| - Effect of Revaluation | - | - | - | 747 | - | (570) | 177 | - | 177 |
| Balance as at 1 January 2005, as restated | 44,010 | - | 2,551 | 747 | 41 | 19,245 | 66,594 | 158 | 66,752 |
| Translation difference | - | - | - | - | 512 | - | 512 | - | 512 |
| Crystallisation of revaluation reserve | - | - | - | (22) | - | 22 | - | - | - |
| <i>Net income recognised directly in equity</i> | - | - | - | (22) | 512 | 22 | 512 | - | 512 |
| Profit for the period | - | - | - | - | - | 2,944 | 2,944 | 906 | 3,850 |
| <i>Total recognised income and expense for the period</i> | - | - | - | (22) | 512 | 2,966 | 3,456 | 906 | 4,362 |
| Shares buyback | - | (4,718) | - | - | - | - | (4,718) | - | (4,718) |
| Share resold | - | 546 | - | - | - | (92) | 454 | - | 454 |
| Acquisition of subsidiary companies | - | - | - | - | - | - | - | 4,635 | 4,635 |
| Issuance of shares to minority interests | - | - | - | - | - | - | - | 4,548 | 4,548 |
| MI loss on accretion | - | - | - | - | - | - | - | (95) | (95) |
| Balance as at 31 December 2005 | <u>44,010</u> | <u>(4,172)</u> | <u>2,551</u> | <u>725</u> | <u>553</u> | <u>22,119</u> | <u>65,786</u> | <u>10,152</u> | <u>75,938</u> |

(The condensed consolidated statements of changes in equity should be read in conjunction with the audited annual financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.)