

**TSH Resources Berhad (049548-D)**

(Incorporated in Malaysia)

**Condensed Consolidated Balance Sheets**

As at 31 Mar 2007

	<b>As at 31.3.2007 RM'000</b>	<b>As at 31.12.2006 RM'000 (restated)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	314,182	296,271
Biological assets	127,124	120,573
Prepaid land lease payments	93,944	105,099
Investment in associate	48	48
Investments in jointly controlled entities	24,784	21,172
Other investments	10,150	10,150
Intangible assets	23,424	23,613
Deferred tax assets	2,126	3,002
	<u>595,783</u>	<u>579,928</u>
<b>Current assets</b>		
Inventories	122,927	126,179
Trade receivables	66,302	94,196
Other receivables	66,988	47,569
Tax recoverable	10,072	9,874
Marketable securities	160	160
Cash and bank balances	17,953	18,086
	<u>284,402</u>	<u>296,064</u>
<b>TOTAL ASSETS</b>	<u><u>880,184</u></u>	<u><u>875,992</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	184,577	184,389
Reserves	267,456	249,953
	<u>452,033</u>	<u>434,342</u>
<b>Minority interests</b>	73,341	70,357
<b>Total equity</b>	<u><u>525,374</u></u>	<u><u>504,699</u></u>
<b>Non-current liabilities</b>		
Borrowings	40,751	43,072
Deferred income	52,167	50,046
Deferred tax liabilities	51,793	52,773
	<u>144,711</u>	<u>145,891</u>
<b>Current liabilities</b>		
Borrowings	154,861	143,056
Trade payables	21,974	23,719
Other payables	30,888	54,695
Current tax payable	2,375	3,932
	<u>210,099</u>	<u>225,402</u>
<b>Total liabilities</b>	<u><u>354,809</u></u>	<u><u>371,293</u></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>880,184</u></u>	<u><u>875,992</u></u>

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Audited Financial Report for the year ended 31st December 2006

**TSH Resources Berhad (049548-D)**  
(Incorporated in Malaysia)

**Condensed Consolidated Income Statements**  
For the period ended 31 Mar 2007

	<b>Current quarter ended 31.3.2007 RM'000</b>	<b>Comparative quarter ended 31.3.2006 RM'000 (restated)</b>	<b>3 months cumulative to date 31.3.2007 RM'000</b>	<b>3 months cumulative to date 31.3.2006 RM'000 (restated)</b>
Revenue	168,813	148,842	168,813	148,842
Cost of sales	<u>(130,690)</u>	<u>(121,895)</u>	<u>(130,690)</u>	<u>(121,895)</u>
<b>Gross profit</b>	38,123	26,947	38,123	26,947
Other operating income	488	830	488	830
Other operating expenses	<u>(18,377)</u>	<u>(15,271)</u>	<u>(18,377)</u>	<u>(15,271)</u>
<b>Operating profit</b>	20,235	12,506	20,235	12,506
Finance costs	(2,561)	(1,280)	(2,561)	(1,280)
Interest income	114	11	114	11
Share of profit/loss of jointly controlled entities	<u>3,612</u>	<u>(3)</u>	<u>3,612</u>	<u>(3)</u>
<b>Profit before taxation</b>	21,400	11,234	21,400	11,234
Taxation	<u>(1,284)</u>	<u>(2,727)</u>	<u>(1,284)</u>	<u>(2,727)</u>
<b>Profit for the period</b>	<u><u>20,117</u></u>	<u><u>8,507</u></u>	<u><u>20,117</u></u>	<u><u>8,507</u></u>
Attributable to :				
Equity holders of the Company	17,127	6,996	17,127	6,996
Minority interests	<u>2,990</u>	<u>1,511</u>	<u>2,990</u>	<u>1,511</u>
	<u><u>20,117</u></u>	<u><u>8,507</u></u>	<u><u>20,117</u></u>	<u><u>8,507</u></u>
<b>Earnings per share attributable to equity holders of the Company</b>				
Basic (sen)	4.64	1.92	4.64	1.92
Diluted (sen)	4.57	1.85	4.57	1.85

**The Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Financial Report for the year ended 31st December 2006**

**Condensed Consolidated Cash Flow Statements**

For the period ended 31 Mar 2007

	<b>Current quarter ended 31.03.2007 RM'000</b>	<b>Comparative quarter ended 31.03.2006 RM'000</b>	<b>3 months cumulative to date 31.03.2007 RM'000</b>	<b>3 months cumulative to date 31.03.2006 RM'000</b>
<b>Cash Flows from Operating Activities</b>				
Profit before taxation	21,400	11,234	21,400	11,234
Adjustments for non-cash flow:-				
Depreciation of property, plant and equipment	5,164	4,126	5,164	4,126
Property, plant and equipment written off	268	-	268	-
Amortisation of prepaid land lease payments	1,868	805	1,868	805
Government grant receivable	26	-	26	-
Amortisation of oil palm planting expenditure	568	568	568	568
(Gain)/loss on disposal of property, plant and equipment	36	218	36	218
Amortisation of intangible assets	22	41	22	41
Net unrealised gain exchange (gains)/loss	(47)	42	(47)	42
Share of (profit) / loss of jointly controlled entities	(3,612)	3	(3,612)	3
Share options granted under ESOS	259	52	259	52
Interest expense	2,560	1,280	2,560	1,280
Interest income	(114)	(11)	(114)	(11)
	<u>28,398</u>	<u>18,358</u>	<u>28,398</u>	<u>18,358</u>
Operating profit before working capital changes				
(Increase)/decrease in inventories	2,992	3,332	2,992	3,332
(Increase)/decrease in receivables	8,141	(37,604)	8,141	(37,604)
Increase/(decrease) in payables	(23,365)	8,210	(23,365)	8,210
	<u>16,167</u>	<u>(7,704)</u>	<u>16,167</u>	<u>(7,704)</u>
Cash generated from/(used in) operations				
Interest paid	(2,560)	(1,280)	(2,560)	(1,280)
Brand promotion grant received	194	-	194	-
Income tax paid	(3,142)	(2,560)	(3,142)	(2,560)
	<u>10,659</u>	<u>(11,544)</u>	<u>10,659</u>	<u>(11,544)</u>
Net cash generated from/(used in) operating activities				
<b>Cash Flows from Investing Activities</b>				
Acquisition of intangible assets	167	-	167	-
Purchase of property, plant and equipment	(14,191)	(8,287)	(14,191)	(8,287)
Payment for oil palm planting expenditure	(3,062)	(7)	(3,062)	(7)
Payment of forest planting expenditure	(3,979)	(2,828)	(3,979)	(2,828)
Proceeds from disposal of property, plant and equipment	19	698	19	698
Interest received	114	11	114	11
	<u>(20,932)</u>	<u>(10,413)</u>	<u>(20,932)</u>	<u>(10,413)</u>
Net cash used in investing activities				
<b>Cash Flows from Financing Activities</b>				
Proceeds from issuance of ordinary shares	246	2,530	246	2,530
Drawdown of term loans	29,429	13,243	29,429	13,243
Repayment of term loans	(18,005)	-	(18,005)	-
Net movement in short term borrowings	(5,144)	15,400	(5,144)	15,400
	<u>6,526</u>	<u>31,173</u>	<u>6,526</u>	<u>31,173</u>
Net cash generated from financing activities				
Net increase / (decrease) in cash and cash equivalents	(3,747)	9,216	(3,747)	9,216
Cash and cash equivalents at beginning of period	15,266	10,994	15,266	10,994
Effect of foreign exchange rate changes	404	720	404	720
	<u>11,923</u>	<u>20,930</u>	<u>11,923</u>	<u>20,930</u>
<b>Cash and cash equivalents at end of period</b>				

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Audited Financial Report for the year ended 31st December 2006

**TSH Resources Berhad (049548-D)**  
(Incorporated in Malaysia)

**Condensed Consolidated Statement Of Changes In Equity**

For the period ended 31 Mar 2007

	← Attributable to equity holders of the Company →							Minority interest	Total equity	
	← Non-distributable →				Distributable					
	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Asset revaluation reserve RM'000	Capital reserve RM'000	Exchange reserve RM'000	Retained profits RM'000			Total RM'000
<b>At 1 January 2006</b>										
As previously stated	182,446	13,119	(166)	1,469	6,100	(1,013)	192,670	394,625	63,804	458,429
Prior year adjustments					156		(1,100)	(944)	(535)	(1,479)
<b>At 1 January 2006 (restated)</b>	<u>182,446</u>	<u>13,119</u>	<u>(166)</u>	<u>1,469</u>	<u>6,256</u>	<u>(1,013)</u>	<u>191,570</u>	<u>393,681</u>	<u>63,269</u>	<u>456,950</u>
Issue of ordinary shares pursuant to:										
Exercise of ESOS	22	7						29		29
Share options granted under ESOS					39		14	53		53
Foreign exchange difference						748		748		748
Profit for the period							6,996	6,996	1,511	8,507
<b>At 31 Mar 2006 (restated)</b>	<u>182,468</u>	<u>13,126</u>	<u>(166)</u>	<u>1,469</u>	<u>6,295</u>	<u>(265)</u>	<u>198,580</u>	<u>401,507</u>	<u>64,780</u>	<u>466,287</u>
<b>At 1 January 2007</b>										
As previously stated	184,389	13,303	(166)	1,469	6,494	(567)	230,477	435,399	70,927	506,326
Prior year adjustments							(1,057)	(1,057)	(570)	(1,627)
<b>At 1 January 2007 (restated)</b>	<u>184,389</u>	<u>13,303</u>	<u>(166)</u>	<u>1,469</u>	<u>6,494</u>	<u>(567)</u>	<u>229,420</u>	<u>434,342</u>	<u>70,357</u>	<u>504,699</u>
Issue of ordinary shares pursuant to:										
Exercise of ESOS	188	61						249		249
Share options granted under ESOS					259			259		259
Foreign exchange difference						56	0	56	(6)	51
Profit for the period							17,127	17,127	2,990	20,117
<b>At 31 Mar 2007</b>	<u>184,577</u>	<u>13,364</u>	<u>(166)</u>	<u>1,469</u>	<u>6,753</u>	<u>(511)</u>	<u>246,547</u>	<u>452,033</u>	<u>73,341</u>	<u>525,374</u>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Audited Report for the year ended 31 December 2006