

TSH Resources Berhad (049548-D)

(Incorporated in Malaysia)

Condensed Consolidated Income Statements

For the period ended 30 June 2007

	Current quarter ended 30.6.2007 RM'000	Comparative quarter ended 30.6.2006 RM'000 (restated)	6 months cumulative to date 30.6.2007 RM'000	6 months cumulative to date 30.6.2006 RM'000 (restated)
Revenue	211,058	158,839	379,870	307,681
Cost of sales	<u>(162,473)</u>	<u>(125,151)</u>	<u>(293,162)</u>	<u>(247,046)</u>
Gross profit	48,585	33,688	86,708	60,635
Other operating income	1,200	136	1,688	966
Other operating expenses	<u>(20,469)</u>	<u>(15,490)</u>	<u>(38,846)</u>	<u>(30,761)</u>
Operating profit	29,316	18,334	49,551	30,840
Finance costs	(2,926)	(1,141)	(5,487)	(2,421)
Interest income	526	79	640	90
Share of profit/(loss) of jointly controlled entities	<u>2,928</u>	<u>(36)</u>	<u>6,540</u>	<u>(39)</u>
Profit before taxation	29,844	17,236	51,244	28,470
Taxation	<u>(3,661)</u>	<u>(1,836)</u>	<u>(4,945)</u>	<u>(4,563)</u>
Profit for the period	<u>26,183</u>	<u>15,400</u>	<u>46,299</u>	<u>23,907</u>
Attributable to :				
Equity holders of the Company	22,439	13,531	39,562	20,527
Minority interests	<u>3,744</u>	<u>1,869</u>	<u>6,737</u>	<u>3,380</u>
	<u>26,183</u>	<u>15,400</u>	<u>46,299</u>	<u>23,907</u>
Earnings per share attributable to equity holders of the Company				
Basic (sen)	5.98	3.71	10.54	5.63
Diluted (sen)	5.87	3.67	10.35	5.56

The Condensed Consolidated Income 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 Balance Sheets

As at 30 June 2007

	As at 30.6.2007 RM'000	As at 31.12.2006 RM'000 (restated)
ASSETS		
Non-current assets		
Property, plant and equipment	325,418	296,271
Biological assets	169,454	120,573
Prepaid land lease payments	150,893	105,099
Investment in associate	48	48
Investments in jointly controlled entities	37,556	31,016
Other investments	10,150	10,150
Intangible assets	38,134	23,613
Deferred tax assets	631	3,002
	<u>732,284</u>	<u>589,772</u>
Current assets		
Inventories	124,315	126,179
Trade receivables	70,880	94,196
Other receivables	67,628	47,569
Tax recoverable	7,875	9,874
Marketable securities	160	160
Cash and bank balances	65,202	18,086
	<u>336,060</u>	<u>296,064</u>
TOTAL ASSETS	<u><u>1,068,344</u></u>	<u><u>885,836</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	203,293	184,389
Reserves	377,765	259,797
	<u>581,058</u>	<u>444,186</u>
Minority interests	76,516	70,357
Total equity	<u>657,574</u>	<u>514,543</u>
Non-current liabilities		
Borrowings	38,629	43,072
Deferred income	52,167	50,046
Deferred tax liabilities	64,074	52,773
	<u>154,870</u>	<u>145,891</u>
Current liabilities		
Borrowings	186,630	143,056
Trade payables	28,882	23,719
Other payables	37,650	54,695
Current tax payable	2,738	3,932
	<u>255,899</u>	<u>225,402</u>
Total liabilities	<u>410,769</u>	<u>371,293</u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,068,344</u></u>	<u><u>885,836</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

Condensed Consolidated Cash Flow Statements

For the period ended 30 June 2007

	Current quarter ended 30.06.2007 RM'000	Comparative quarter ended 30.06.2006 RM'000 (restated)	6 months cumulative to date 30.06.2007 RM'000	6 months cumulative to date 30.06.2006 RM'000 (restated)
Cash Flows from Operating Activities				
Profit before taxation	29,844	17,236	51,244	28,470
Adjustments for non-cash flow:-				
Depreciation of property, plant and equipment	5,199	5,316	10,363	9,442
Property, plant and equipment written off	113	110	381	110
Amortisation of prepaid land lease payments	(321)	(169)	1,547	636
Government grant receivable	(38)	172	(12)	172
Gain on disposal of shares in subsidiary	125	-	125	-
Amortisation of oil palm planting expenditure	1,176	589	1,745	1,157
(Gain)/loss on disposal of property, plant and equipment	(231)	(109)	(195)	109
Amortisation of intangible assets	22	22	43	63
Bad debts written off	0	1	0	1
Provision for doubtful debts	-	(4)	-	(4)
Net unrealised gain exchange (gains)/loss	(96)	(75)	(143)	(33)
Share of (profit) / loss of jointly controlled entities	(2,928)	36	(6,540)	39
Share options granted under ESOS	(28)	78	231	130
Interest expense	2,926	1,141	5,487	2,421
Interest income	(526)	(80)	(641)	(91)
Operating profit before working capital changes	<u>35,238</u>	<u>24,264</u>	<u>63,636</u>	<u>42,622</u>
(Increase)/decrease in inventories	(852)	5,966	2,141	9,298
(Increase)/decrease in receivables	(5,544)	14,597	2,597	(23,007)
Increase/(decrease) in payables	<u>8,586</u>	<u>(11,205)</u>	<u>(14,779)</u>	<u>(2,995)</u>
Cash generated from/(used in) operations	37,428	33,622	53,595	25,918
Interest paid	(2,926)	(1,141)	(5,487)	(2,421)
Brand promotion grant received	466	-	660	-
Income tax paid	<u>(1,627)</u>	<u>(2,405)</u>	<u>(4,769)</u>	<u>(4,965)</u>
Net cash generated from operating activities	<u>33,340</u>	<u>30,076</u>	<u>43,999</u>	<u>18,532</u>
Cash Flows from Investing Activities				
Net cash inflow/(outflow) arising on acquisition of subsidiaries	(56,391)	(41,821)	(56,391)	(41,821)
Acquisition of intangible assets	(144)	-	23	-
Purchase of property, plant and equipment	(13,835)	(22,691)	(28,026)	(30,978)
Payment for oil palm planting expenditure	(6,003)	(7)	(9,065)	(14)
Payment of forest planting expenditure	(1,701)	(5,493)	(5,680)	(8,321)
Proceeds from disposal of property, plant and equipment	666	125	685	823
Interest received	<u>526</u>	<u>80</u>	<u>641</u>	<u>91</u>
Net cash used in investing activities	<u>(76,882)</u>	<u>(69,807)</u>	<u>(97,814)</u>	<u>(80,220)</u>
Cash Flows from Financing Activities				
Proceeds from issuance of ordinary shares	97,138	(805)	97,384	1,725
Drawdown of term loans	112,880	61,211	142,309	74,454
Repayment of term loans	(106,262)	(15,000)	(124,266)	(15,000)
Withdrawal / (Placement) of fixed deposit with financial institutio	(9,482)	-	(9,482)	-
Net movement in short term borrowings	(10,632)	5,700	(15,776)	21,100
Dividends paid to minority interest	(240)	-	(240)	-
Dividends paid	<u>-</u>	<u>(18,400)</u>	<u>-</u>	<u>(18,400)</u>
Net cash generated from financing activities	<u>83,403</u>	<u>32,706</u>	<u>89,929</u>	<u>63,879</u>
Net increase / (decrease) in cash and cash equivalents	39,862	(7,025)	36,115	2,191
Cash and cash equivalents at beginning of period	11,923	20,930	15,266	10,994
Effect of foreign exchange rate changes	<u>(411)</u>	<u>(936)</u>	<u>(7)</u>	<u>(216)</u>
Cash and cash equivalents at end of period	<u>51,374</u>	<u>12,969</u>	<u>51,374</u>	<u>12,969</u>

TSH Resources Berhad (049548-D)

(Incorporated in Malaysia)

Condensed Consolidated Statement Of Changes In Equity

For the period ended 30 June 2007

	←----- Attributable to equity holders of the Company -----→							Minority interests RM'000	Total equity RM'000	
	←----- 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
At 1 January 2006										
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										
- effects of adopting FRS 2					89		(89)	-		-
- effect of adopting FRS 112							(479)	(479)		(479)
- effect of adopting FRS 117							(961)	(961)	(518)	(1,479)
At 1 January 2006 (restated)	<u>182,446</u>	<u>13,119</u>	<u>(166)</u>	<u>1,469</u>	<u>6,189</u>	<u>(1,013)</u>	<u>191,141</u>	<u>393,185</u>	<u>63,286</u>	<u>456,471</u>
Issue of ordinary shares pursuant to:										
Exercise of ESOS	1,619	105						1,724		1,724
Share options granted under ESOS					117		14	131		131
Foreign exchange difference						943		943	24	967
Profit for the period							20,526	20,526	3,380	23,906
Dividends paid to minority interests								-	(1,470)	(1,470)
Dividends paid							(18,400)	(18,400)		(18,400)
At 30 June 2006 (restated)	<u>184,065</u>	<u>13,224</u>	<u>(166)</u>	<u>1,469</u>	<u>6,306</u>	<u>(70)</u>	<u>193,281</u>	<u>398,109</u>	<u>65,220</u>	<u>463,329</u>
At 1 January 2007										
As previously stated	184,389	13,303	(166)	1,469	6,494	(567)	230,477	435,399	70,927	506,326
Prior year adjustments										
- effect of adopting FRS 117							(1,057)	(1,057)	(570)	(1,627)
- recognition of deferred tax asset							9,844	9,844		9,844
At 1 January 2007 (restated)	<u>184,389</u>	<u>13,303</u>	<u>(166)</u>	<u>1,469</u>	<u>6,494</u>	<u>(567)</u>	<u>239,264</u>	<u>444,186</u>	<u>70,357</u>	<u>514,543</u>
Issue of ordinary shares pursuant to:										
Exercise of ESOS	454	398						852		852
Private placement	18,450	79,335						97,785		97,785
Transaction costs		(1,253)						(1,253)		(1,253)
Share options granted under ESOS					231			231		231
Foreign exchange difference						(214)	(91)	(305)	1,132	827
Profit for the period							39,562	39,562	6,737	46,299
Dividends paid to minority interests								-	(1,710)	(1,710)
At 30 June 2007	<u>203,293</u>	<u>91,783</u>	<u>(166)</u>	<u>1,469</u>	<u>6,725</u>	<u>(781)</u>	<u>278,735</u>	<u>581,058</u>	<u>76,516</u>	<u>657,575</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