

TSH Resources Berhad (49548-D)
(Incorporated in Malaysia)

**Condensed Consolidated Statement of Comprehensive Income
For The Second Quarter Ended 30 June 2014**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.6.2014 RM'000	Preceding Year Corresponding Quarter 30.6.2013 RM'000	Current Year To-date 30.6.2014 RM'000	Preceding Year Corresponding Year To-date 30.6.2013 RM'000
Revenue	301,809	239,224	588,927	519,838
Cost of sales	<u>(199,249)</u>	<u>(165,907)</u>	<u>(388,068)</u>	<u>(378,648)</u>
Gross profit	102,560	73,317	200,859	141,190
Other operating income	(5,497)	3,743	17,185	6,731
Other operating expenses	<u>(48,511)</u>	<u>(53,383)</u>	<u>(98,032)</u>	<u>(100,346)</u>
Operating profit	48,552	23,677	120,012	47,576
Finance costs	(3,618)	(5,108)	(9,659)	(10,204)
Share of profit of an associate	862	(187)	1,345	(413)
Share of profit of jointly controlled entities	<u>(2,269)</u>	<u>6,183</u>	<u>4,759</u>	<u>13,814</u>
Profit before taxation	43,527	24,564	116,457	50,772
Taxation	<u>(5,631)</u>	<u>(5,894)</u>	<u>(20,569)</u>	<u>(10,716)</u>
Profit for the period	<u>37,896</u>	<u>18,670</u>	<u>95,888</u>	<u>40,056</u>
Other Comprehensive Income				
<i>Item that may be reclassified subsequently to profit or loss:</i>				
Foreign currency translation differences	(40,222)	1,036	1,218	3,557
Total comprehensive income for the period	<u>(2,326)</u>	<u>19,706</u>	<u>97,106</u>	<u>43,613</u>
Profit attributable to :				
Owners of the parent	35,376	17,250	87,551	37,175
Non-controlling interests	<u>2,520</u>	<u>1,420</u>	<u>8,337</u>	<u>2,881</u>
	<u>37,896</u>	<u>18,670</u>	<u>95,888</u>	<u>40,056</u>
Total comprehensive income attributable to :				
Owners of the parent	(4,475)	19,065	89,141	40,576
Non-controlling interests	<u>2,149</u>	<u>641</u>	<u>7,965</u>	<u>3,037</u>
	<u>(2,326)</u>	<u>19,706</u>	<u>97,106</u>	<u>43,613</u>
Earnings per share attributable to equity holders of the Company				
Basic (sen)	3.94	2.07	9.76	4.46
Diluted (sen)	3.94	2.07	9.76	4.46

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2013

TSH Resources Berhad (49548-D)
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Condensed Consolidated Statement of Financial Position
As at 30 June 2014

	As at 30.6.2014 RM'000	As at 31.12.2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	755,442	732,444
Biological assets	798,791	719,051
Land use rights	137,773	139,640
Investments in associates	60,865	59,520
Investments in jointly controlled entities	85,496	80,737
Investments securities	5,114	5,114
Other receivables	47,958	46,597
Intangible assets	49,504	49,957
Deferred tax assets	18,228	19,810
	<u>1,959,171</u>	<u>1,852,870</u>
Current assets		
Inventories	202,706	207,331
Trade and other receivables	161,290	158,137
Tax recoverable	6,366	6,784
Investments securities	66	58
Cash and bank balances	102,625	143,258
	<u>473,053</u>	<u>515,568</u>
TOTAL ASSETS	<u><u>2,432,224</u></u>	<u><u>2,368,438</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	451,914	451,914
Reserves	667,105	609,361
	<u>1,119,019</u>	<u>1,061,275</u>
Non-controlling interests	108,070	100,105
Total equity	<u><u>1,227,089</u></u>	<u><u>1,161,380</u></u>
Non-current liabilities		
Retirement benefits	8,788	6,039
Deferred income	56,850	54,790
Borrowings	461,913	518,295
Deferred tax liabilities	73,072	73,263
HP creditor	1,667	-
	<u>602,290</u>	<u>652,387</u>
Current liabilities		
Borrowings	454,121	406,074
Trade and other payables	131,809	137,954
Deferred capital grants	4,915	4,915
Derivative liabilities	134	1,341
Current tax payable	11,676	4,387
HP creditor	190	-
	<u>602,845</u>	<u>554,671</u>
Total liabilities	<u><u>1,205,135</u></u>	<u><u>1,207,058</u></u>
TOTAL EQUITY AND LIABILITIES	<u><u>2,432,224</u></u>	<u><u>2,368,438</u></u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2013

TSH Resources Berhad (49548-D)
(Incorporated in Malaysia)

**Condensed Consolidated Statement of Changes In Equity
For The Second Quarter Ended 30 June 2014**

	← Attributable to owners of the parent →						→ Distributable →				
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Non-distributable			Foreign currency Translation Reserves RM'000	Retained Earnings RM'000	Equity attributable to owners of the parent		Non-controlling Interests RM'000
Asset Revaluation Reserves RM'000				Capital Reserves RM'000	Employee Share Option Reserves RM'000	parent Total RM'000			Non-controlling Interests RM'000		
At 1 January 2013	420,624	29,605	(12,251)	1,390	8,022	248	(55,860)	492,901	884,679	104,682	989,361
Total comprehensive income for the period	-	-	-	-	-	-	3,402	37,175	40,577	3,037	43,614
Acquisition of a subsidiary company	-	-	-	-	-	-	-	-	-	802	802
Purchase of treasury shares	-	-	(5)	-	-	-	-	-	(5)	-	(5)
Dividends paid to minority interests	-	-	-	-	-	-	-	-	-	(1,846)	(1,846)
At 30 June 2013	<u>420,624</u>	<u>29,605</u>	<u>(12,256)</u>	<u>1,390</u>	<u>8,022</u>	<u>248</u>	<u>(52,458)</u>	<u>530,076</u>	<u>925,251</u>	<u>106,675</u>	<u>1,031,926</u>
At 1 January 2014	451,914	139,735	(12,259)	1,390	8,035	344	(152,094)	624,210	1,061,275	100,105	1,161,380
Total comprehensive income for the period	-	-	-	-	-	-	1,590	87,551	89,141	7,965	97,106
Purchase of treasury shares	-	-	(4)	-	-	-	-	-	(4)	-	(4)
Dividends paid	-	-	-	-	-	-	-	(31,393)	(31,393)	-	(31,393)
At 30 June 2014	<u>451,914</u>	<u>139,735</u>	<u>(12,263)</u>	<u>1,390</u>	<u>8,035</u>	<u>344</u>	<u>(150,504)</u>	<u>680,368</u>	<u>1,119,019</u>	<u>108,070</u>	<u>1,227,089</u>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2013

**Condensed Consolidated Statement of Cash Flows
For The Second Quarter Ended 30 June 2014**

	Individual Quarter		Cumulative Quarter Cumulative Quarter	
	Current Year Quarter 30.6.2014 RM'000	Preceding Year Corresponding Quarter 30.6.2013 RM'000	Current Year To-date 30.6.2014 RM'000	Current Year To-date 30.6.2013 RM'000
Cash Flows from Operating Activities				
Profit before taxation	43,527	24,564	116,457	50,772
Adjustments for :-				
Depreciation and amortisation of property, plant and equipment	11,336	12,953	22,449	22,869
Property, plant and equipment written off	53	4	62	6
Amortisation of land use rights	1,912	1,272	3,614	2,537
Impairment loss on inventories	1,129	(0)	1,129	32
Gain on fair value changes on quoted investment	5	(4)	(7)	(6)
Loss/ (gain) on disposal of property, plant and equipment	(224)	(61)	(590)	(123)
Allowance for doubtful debt provided / (written back)	32	-	(148)	-
Amortisation of deferred income	(1,229)	(1,303)	(2,458)	(3,007)
Net unrealised foreign exchange loss / (gain)	11,270	8,404	(5,437)	9,201
Fair value loss/ (gain) of the commodity future contract	(251)	-	205	(411)
Share of profit of jointly controlled entities	2,269	(6,183)	(4,759)	(13,814)
Share of profit of an associate	(862)	187	(1,345)	413
Interest expense	3,617	5,108	9,659	10,204
Interest income	(306)	(212)	(563)	(400)
Dividend income	(652)	(560)	(1,162)	(1,119)
Operating profit before working capital changes	<u>71,626</u>	<u>44,169</u>	<u>137,106</u>	<u>77,504</u>
Changes in working capital				
Inventories	8,317	30,240	3,330	35,418
Receivables	5,299	(19,384)	(4,348)	(29,246)
Payables	<u>(13,252)</u>	<u>7,372</u>	<u>(4,274)</u>	<u>(6,947)</u>
Cash generated from operations	71,989	62,397	131,813	76,729
Interest paid	(8,785)	(9,609)	(19,362)	(18,832)
Income tax paid	<u>(5,811)</u>	<u>(1,146)</u>	<u>(9,938)</u>	<u>(8,100)</u>
Net cash generated from operating activities	<u>57,394</u>	<u>51,642</u>	<u>102,513</u>	<u>49,797</u>
Cash Flows from Investing Activities				
Acquisition of subsidiary - net cash inflow	-	-	-	7
Additional investment in subsidiary company	-	-	-	(4,139)
Placement/ (Withdrawal) of fund from investment securities	(15,477)	-	44,713	-
Purchase of property, plant and equipment	(20,929)	(16,931)	(52,265)	(38,437)
Payment for oil palm planting expenditure	(36,223)	(28,439)	(61,117)	(54,076)
Payment of forest planting expenditure	(3,101)	(5,081)	(6,841)	(13,380)
Proceeds from disposal of property, plant and equipment	8,754	457	10,063	536
Interest received	306	212	563	400
Net dividends received	652	560	1,162	1,119
Dividend received from jointly controlled entity	-	-	-	3,750
Net cash used in investing activities	<u>(66,018)</u>	<u>(49,222)</u>	<u>(63,723)</u>	<u>(104,220)</u>
Cash Flows from Financing Activities				
Purchase of treasury shares	(4)	(3)	(4)	(5)
Net movement in term loans/commercial papers/medium term notes	639	(5,336)	(3,741)	(9,309)
Net movement in other borrowings	(29,285)	2,599	434	65,283
Net movement in hire purchase payables	1,858	-	1,858	-
Dividends paid to non-controlling interests	-	(1,846)	-	(1,846)
Dividends paid	<u>(31,393)</u>	<u>-</u>	<u>(31,393)</u>	<u>-</u>
Net cash generated from / (used in) financing activities	<u>(58,185)</u>	<u>(4,586)</u>	<u>(32,846)</u>	<u>54,123</u>
Net increase / (decrease) in cash and cash equivalents	(66,809)	(2,166)	5,945	(300)
Cash and cash equivalents at beginning of period/ year	114,762	49,973	50,574	47,704
Effect of foreign exchange rate changes	7,734	(238)	(453)	(1,108)
Effect of foreign exchange rate changes on cash and cash equivalents	<u>(295)</u>	<u>22</u>	<u>(674)</u>	<u>1,295</u>
Cash and cash equivalents at end of period/ year	<u><u>55,392</u></u>	<u><u>47,591</u></u>	<u><u>55,392</u></u>	<u><u>47,591</u></u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2013