

Financial Statements for Half-Year and Second Quarter ended 30 June 2008

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),
 HALF-YEAR AND FULL YEAR RESULTS**

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group Income Statement for 6 months and 3 months ended 30 June 2008. These figures have not been audited.

	Group			Group		
	6 months to 30/6/2008	6 months to 30/6/2007	% Change	3 months to 30/6/2008	3 months to 30/6/2007	% Change
	S\$	S\$		S\$	S\$	
Revenue	113,192,276	65,955,785	71.6	53,982,389	30,195,817	78.8
Cost of sales	(74,593,583)	(43,011,861)	73.4	(37,299,484)	(19,874,917)	87.7
Gross profit	38,598,693	22,943,924	68.2	16,682,905	10,320,900	61.6
Other operating income	649,328	837,635	(22.5)	337,006	252,015	33.7
Administrative expenses	(4,651,843)	(3,499,049)	32.9	(2,116,042)	(1,953,690)	8.3
Distribution cost	(3,676,343)	(2,627,465)	39.9	(1,987,334)	(1,375,589)	44.5
Other operating expenses	(5,339,810)	(5,418,017)	(1.4)	(2,409,481)	(2,692,970)	(10.5)
Finance costs (#)	(1,727,224)	(1,641,539)	5.2	(746,955)	(850,213)	(12.1)
Foreign currency exchange adjustment loss	(2,088,898)	(358,452)	482.8	(374,255)	(78,237)	378.4
Fair value (loss)/ gain on financial derivatives	(1,512,370)	365,135	NM	(1,623,291)	831,066	NM
Profit before tax	20,251,533	10,602,172	91.0	7,762,553	4,453,282	74.3
Income tax	(2,941,023)	(2,036,928)	44.4	(1,220,955)	(1,097,450)	11.3
Profit after income tax	17,310,510	8,565,244	102.1	6,541,598	3,355,832	94.9
<u>Profit attributable to:</u>						
Shareholders of the company	13,255,522	6,238,704	112.5	4,936,834	2,159,182	128.6
Minority interests	4,054,988	2,326,540	74.3	1,604,764	1,196,650	34.1
	17,310,510	8,565,244	102.1	6,541,598	3,355,832	94.9

Notes:

	6 months to 30/6/2008	6 months to 30/6/2007	3 months to 30/6/2008	3 months to 30/6/2007
	S\$	S\$	S\$	S\$
(a) <u>Other disclosure items included in the above income statement:</u>				
1 Interest income	(610,800)	(768,348)	(316,190)	(273,237)
2 Interest on borrowings (#)	1,727,224	1,641,539	746,955	850,213
3 Depreciation	4,819,619	4,294,099	2,476,002	2,167,516
4 Allowance for doubtful debts and bad debts written off	71,672	-	(3,057)	-
5 (Write-back)/ allowance for stock obsolescence	(48,412)	-	90,599	(11,896)
6 Foreign exchange loss	2,088,898	358,452	374,255	78,237
7 (Gain)/ loss on sale of property, plant and equipment	(243,639)	2,441	(223,323)	7,034
8 Adjustments for under provision of tax in respect of prior years	-	19,820	-	-

(b) Finance cost / Interest on borrowings - \$1,727,224 (#)

This balance includes deemed interest on long term loan of \$205,049 for 6 months ended 30/06/2008. (2007: \$452,166).

(c) NM - not meaningful

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30/6/2008	31/12/2007	30/6/2008	31/12/2007
	S\$	S\$	S\$	S\$
<u>ASSETS</u>				
<u>Current assets</u>				
Cash and bank balances	6,906,075	7,505,886	196,717	92,929
Fixed deposits (*)	34,081,552	31,596,815	341,154	357,048
Trade receivables	31,309,073	23,860,020	-	-
Other receivables and prepayments	15,164,422	12,266,027	4,729,671	9,490,619
Derivative financial instruments	173,390	73,838	-	-
Inventories	23,910,871	28,109,284	-	-
Total current assets	111,545,383	103,411,870	5,267,542	9,940,596
<u>Non-current assets</u>				
Investment in subsidiaries	-	-	184,727,046	184,727,046
Plantation assets	265,447,967	257,880,006	-	-
Property, plant and equipment	24,345,045	23,441,932	877,515	312,403
Deferred tax assets	36,328	37,957	-	-
Total non-current assets	289,829,340	281,359,895	185,604,561	185,039,449
Total assets	401,374,723	384,771,765	190,872,103	194,980,045
<u>LIABILITIES AND EQUITY</u>				
<u>Current liabilities</u>				
Bank borrowings	588	378	-	-
Bills payable	1,688,332	-	-	-
Trade payables	7,814,769	8,381,499	-	-
Other payables	15,234,432	14,338,003	20,011,475	19,831,837
Current portion of long term loans	13,922,685	13,745,791	-	-
Current portion of finance leases	167,043	129,324	91,874	83,643
Derivative financial instruments	2,315,054	753,800	-	-
Income tax payable	4,427,199	5,276,266	2,690	2,690
Total current liabilities	45,570,102	42,625,061	20,106,039	19,918,170
<u>Non-current liabilities</u>				
Long term loans	30,876,347	31,098,290	-	-
Finance leases	754,947	250,186	365,431	46,138
Deferred income tax	980,879	1,039,430	18,990	18,990
Total non-current liabilities	32,612,173	32,387,906	384,421	65,128
<u>Capital and reserves and minority interests</u>				
Share capital	169,616,006	169,616,006	169,616,006	169,616,006
Capital reserves	9,795,262	9,603,615	-	-
Currency translation surplus	10,828,387	9,174,164	-	-
Retained earnings	95,107,831	87,095,468	765,637	5,380,741
Shareholders' funds	285,347,486	275,489,253	170,381,643	174,996,747
Minority interests	37,844,962	34,269,545	-	-
Total equity	323,192,448	309,758,798	170,381,643	174,996,747
Total liabilities and equity	401,374,723	384,771,765	190,872,103	194,980,045

Note:

1.Fixed deposits – S\$ 34,081,552 (*)

A fixed deposit of S\$ 5,088,716 (31 December 2007: S\$4,935,636) is pledged to a bank.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30/6/2008		As at 31/12/2007	
Secured	Unsecured	Secured	Unsecured
S\$	S\$	S\$	S\$
167,043	13,923,273	129,324	13,746,169

Amount repayable after one year

As at 30/6/2008		As at 31/12/2007	
Secured	Unsecured	Secured	Unsecured
S\$	S\$	S\$	S\$
14,370,627	17,260,667	13,728,586	17,619,890

Details of any collateral

The secured facilities of the Group, comprise term loans and finance leases. The finance leases are secured by certain fixed assets of subsidiaries and the Company with a total net book value of \$1,237,378 as at 30 June 2008 (31 December 2007: \$323,019). The term loans are secured by assets of two of the subsidiaries.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Group	
	6 months to 30/6/2008	6 months to 30/6/2007	3 months to 30/6/2008	3 months to 30/6/2007
	S\$	S\$	S\$	S\$
<u>Cash flows from operating activities</u>				
Profit before income tax	20,251,533	10,602,172	7,762,553	4,453,282
Adjustments for:				
Depreciation expense	4,819,619	4,294,099	2,476,002	2,167,516
Fair value loss/ (gain) of financial derivatives	1,512,370	(365,135)	1,623,291	(831,066)
Interest income	(610,800)	(768,348)	(316,190)	(273,237)
Interest expense	1,727,224	1,641,539	746,955	850,213
(Write-back)/ allowance for inventory obsolescence	(48,412)	-	90,599	(11,896)
Allowance for doubtful other receivables	71,672	-	(3,057)	-
(Gain)/ loss on disposal of property, plant and equipment	(243,639)	2,441	(223,323)	7,034
Operating profit before working capital changes	27,479,567	15,406,768	12,156,830	6,361,846
Trade receivables	(7,449,053)	2,530,949	(3,688,513)	2,917,093
Other receivables and prepayments	(2,970,067)	(2,740,001)	(2,445,583)	(562,781)
Inventories	4,246,825	1,465,789	1,069,380	(3,292,240)
Trade payables	(566,730)	(180,929)	1,799,885	1,748,880
Other payables	362,294	1,592,412	2,453,343	2,062,689
Cash generated from operations	21,102,836	18,074,988	11,345,342	9,235,487
Interest income	610,800	768,348	316,190	273,237
Interest paid	(988,040)	(3,136,207)	(237,504)	(2,627,192)
Income tax paid	(3,790,090)	(4,014,186)	(3,392,055)	(3,849,006)
Net cash from operating activities	16,935,506	11,692,943	8,031,973	3,032,526
<u>Cash flows used in investing activities</u>				
Proceeds from sale of property, plant and equipment	243,639	24,873	223,323	20,280
Purchase of property, plant and equipment	(11,642,033)	(11,234,616)	(8,309,588)	(9,072,328)
Net cash used in investing activities	(11,398,394)	(11,209,743)	(8,086,265)	(9,052,048)
<u>Cash flows used in financing activities</u>				
(Payments)/ proceeds from long term loans	(250,098)	2,110,776	(878,669)	649,828
Finance leases	(129,854)	(72,443)	(112,874)	(37,123)
Bills payables	1,688,333	(729,824)	1,688,333	(109,012)
Dividends paid to shareholders attributable	(5,051,512)	(10,103,025)	(5,051,512)	(10,103,025)
Dividends paid to MI	(638,890)	-	(638,890)	-
Capital contribution by MI	-	1,658,389	-	1,658,389
Movement in pledged fixed time deposits	(153,080)	(188,532)	33,078	(148,608)
Net cash used in financing activities	(4,535,101)	(7,324,659)	(4,960,534)	(8,089,551)
Net increase/ (decrease) in cash and cash equivalents	1,002,011	(6,841,459)	(5,014,826)	(14,109,073)
Cash at beginning of period	34,166,688	33,748,223	40,052,697	41,216,869
Net effect of exchange rate changes in consolidating subsidiaries	729,624	(832,665)	860,452	(1,033,697)
Cash at end of period	35,898,323	26,074,099	35,898,323	26,074,099
<u>Note:</u>				
<u>Cash at end of period</u>				
Cash and bank balances	6,906,075	14,112,471	6,906,075	14,112,471
Fixed deposits	34,081,552	17,258,307	34,081,552	17,258,307
Less: pledged deposits	(5,088,716)	(4,709,869)	(5,088,716)	(4,709,869)
Bank overdrafts	(588)	(586,810)	(588)	(586,810)
	35,898,323	26,074,099	35,898,323	26,074,099

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or(ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to equity holders of the company					Minority interests	Total equity
	Issued capital	Capital reserves	Currency translation reserve	Retained Earnings	Total		
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
For 6 months ended 30 June 2008							
<u>Group</u>							
<u>As at 30/6/2008</u>							
Balance at 31/12/2007	169,616,006	9,603,615	9,174,164	87,095,468	275,489,253	34,269,545	309,758,798
Currency translation differences	-	-	1,654,223	-	1,654,223	159,319	1,813,542
Net profit for the period	-	-	-	13,255,522	13,255,522	4,054,988	17,310,510
Total recognised income and expense for the period	-	-	1,654,223	13,255,522	14,909,745	4,214,307	19,124,052
Dividend paid	-	-	-	(5,051,512)	(5,051,512)	(638,890)	(5,690,402)
Transfer from revenue reserve to capital reserves	-	191,647	-	(191,647)	-	-	-
Balance at 30/6/2008	169,616,006	9,795,262	10,828,387	95,107,831	285,347,486	37,844,962	323,192,448
<u>Group</u>							
<u>As at 30/6/2007</u>							
Balance at 31/12/2006	169,616,006	5,415,147	2,567,151	79,335,240	256,933,544	27,726,627	284,660,171
Currency translation differences	-	-	1,616,463	-	1,616,463	313,000	1,929,463
Net profit for the period	-	-	-	6,238,704	6,238,704	2,326,540	8,565,244
Total recognised income and expense for the period	-	-	1,616,463	6,238,704	7,855,167	2,639,540	10,494,707
Dividend paid	-	-	-	(10,103,025)	(10,103,025)	-	(10,103,025)
Capital contribution by MI	-	-	-	-	-	1,658,389	1,658,389
Transfer from revenue reserve to capital reserves	-	3,354,171	-	(3,354,171)	-	-	-
Balance at 30/6/2007	169,616,006	8,769,318	4,183,614	72,116,748	254,685,686	32,024,556	286,710,242

For 3 months ended 30 June 2008	Attributable to equity holders of the company				Minority interests	Total equity	
	Issued capital	Capital reserves	Currency translation reserve	Retained Earnings			Total
	S\$	S\$	S\$	S\$			S\$
Group							
<u>As at 30/6/2008</u>							
Balance at 31/3/2008	169,616,006	9,764,823	12,075,950	95,252,948	286,709,727	37,139,858	323,849,585
Currency translation differences	-	-	(1,247,563)	-	(1,247,563)	(260,770)	(1,508,333)
Net profit for the period	-	-	-	4,936,834	4,936,834	1,604,764	6,541,598
Total recognised income and expense for the period	-	-	(1,247,563)	4,936,834	3,689,271	1,343,994	5,033,265
Dividend paid	-	-	-	(5,051,512)	(5,051,512)	(638,890)	(5,690,402)
Transfer from revenue reserve to capital reserves	-	30,439	-	(30,439)	-	-	-
Balance at 30/6/2008	169,616,006	9,795,262	10,828,387	95,107,831	285,347,486	37,844,962	323,192,448
Group							
<u>As at 30/6/2007</u>							
Balance at 31/3/2007	169,616,006	5,644,072	2,827,975	83,185,835	261,273,888	28,856,518	290,130,406
Currency translation differences	-	-	1,355,639	-	1,355,639	313,000	1,668,639
Net profit for the period	-	-	-	2,159,182	2,159,184	1,196,649	3,355,833
Total recognised income and expense for the period	-	-	1,355,639	2,159,182	3,514,823	1,509,649	5,024,472
Dividend paid	-	-	-	(10,103,025)	(10,103,025)	-	(10,103,025)
Capital contribution by MI	-	-	-	-	-	1,658,389	1,658,389
Transfer from revenue reserve to capital reserves	-	3,125,246	-	(3,125,246)	-	-	-
Balance at 30/6/2007	169,616,006	8,769,318	4,183,614	72,116,748	254,685,686	32,024,556	286,710,242

For 6 months ended 30 June 2008

Company

As at 30/6/2008

Balance at 31/12/2007

Net profit for the period

Dividend paid

Balance at 30/6/2008

Issued capital	Retained Earnings	Total
S\$	S\$	S\$
169,616,006	5,380,741	174,996,747
-	436,408	436,408
-	(5,051,512)	(5,051,512)
169,616,006	765,637	170,381,643

Company

As at 30/6/2007

Balance at 31/12/2006

Net loss for the period

Dividend paid

Balance at 30/6/2007

Issued capital	Retained Earnings	Total
S\$	S\$	S\$
169,616,006	10,606,614	180,222,620
-	(585,868)	(585,868)
-	(10,103,025)	(10,103,025)
169,616,006	(82,279)	169,533,727

For 3 months ended 30 June 2008

Company

As at 30/6/2008

Balance at 31/3/2008

Net profit for the period

Dividend paid

Balance at 30/6/2008

Issued capital	Retained Earnings	Total
S\$	S\$	S\$
169,616,006	5,633,319	175,249,325
-	183,830	183,830
-	(5,051,512)	(5,051,512)
169,616,006	765,637	170,381,643

Company

As at 30/6/2007

Balance at 31/3/2007

Net loss for the period

Dividend paid

Balance at 30/6/2007

Issued capital	Retained Earnings	Total
S\$	S\$	S\$
169,616,006	10,445,382	180,061,388
-	(424,636)	(424,636)
-	(10,103,025)	(10,103,025)
169,616,006	(82,279)	169,533,727

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There has been no changes in the Company's issued share capital. There were no outstanding convertibles or shares held as treasury shares.

- (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	Group		Company	
	30/6/2008	31/12/2007	30/6/2008	31/12/2007
Total number of issued shares excluding treasury shares	2,020,604,940	2,020,604,940	2,020,604,940	2,020,604,940

- (d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by our auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The same accounting policies and methods of computation as in the Company's audited financial statements for the year ended 31 December 2007 have been applied.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group			
	6 months to 30/6/2008	6 months to 30/6/2007	3 months to 30/6/2008	3 months to 30/6/2007
Earnings per ordinary share:				
- Based on the weighted average number of ordinary shares in issue	0.66 cents	0.31 cents	0.24 cents	0.11 cents
- On a fully diluted basis	0.66 cents	0.31 cents	0.24 cents	0.11 cents

The earnings per ordinary share is computed based on the issued and paid-up capital of 2,020,604,940 ordinary shares as at 30 June 2008 (2,020,604,940 ordinary shares as at 30 June 2007).

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-
 (a) current financial period reported on; and
 (b) immediately preceding financial year.

	Group		Company	
	30/6/2008	31/12/2007	31/3/2008	31/12/2007
Net asset value per ordinary share based on issued share capital	14.12 cents	13.63 cents	8.43 cents	8.66 cents

The net asset value per ordinary share is computed based on the issued and paid-up capital of 2,020,604,940 ordinary shares as at 30 June 2008 (2,020,604,940 ordinary shares as at 31 December 2007).

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

8.1 Review commentary on income statement for Q2 2008 and six months ended 30th June 2008

8.1.1 Turnover

Turnover for Q2 2008 was \$53,982,389 (14,198 tons sold) compared with Q1 2008: \$59,209,887 (16,609 tons) and Q2 2007: \$30,195,817 (9,207 tons).

For the six months ended 30th June 2008, turnover was \$113,192,276 with 30,807 tons sold compared with \$65,955,785 and 22,104 tons sold in the corresponding six months of 2007.

	<u>Q1 2008</u>	<u>Q2 2008</u>	<u>6 months to 30.6.2008</u>	<u>Q1 2007</u>	<u>Q2 2007</u>	<u>6 months to 30.6.2007</u>
Turnover	\$59,209,887	\$53,982,389	\$113,192,276	\$35,759,968	\$30,195,817	\$65,955,785
Tonnage sold	16,609	14,198	30,807	12,897	9,207	22,104
Average selling price/ton	\$3,565	\$3,802	\$3,674	\$2,773	\$3,280	\$2,984

Total tonnage sold from each of our operating subsidiaries for the six months ended 30th June 2008 together with the 2007 six months comparatives were:

	<u>Hevecam</u>		<u>TRIC</u>		<u>PT Bumi Jaya</u>		<u>Total</u>	
	2007	2008	2007	2008	2007	2008	2007	2008
Q1	6,466	5,773	6,431	6,098	nil	4,738	12,897	16,609
Q2	3,259	4,418	5,948	4,807	nil	4,973	9,207	14,198
6 mths to 30 June	<u>9,725</u>	<u>10,191</u>	<u>12,379</u>	<u>10,905</u>	<u>nil</u>	<u>9,711</u>	<u>22,104</u>	<u>30,807</u>

The decrease in tonnage in TRCI was due to lesser quantity of supplies received from smallholders.

Cost of sales and gross profit

Cost of sales for Q2 2008 was \$37,299,484 compared with \$37,294,099 for Q1 2008 and \$19,874,917 for Q2 2007.

For the six months ended 30th June 2008, cost of sales totalled \$74,593,583, generating gross profit of \$38,598,693 (GP% of 34.1%). For the six months ended 30 June 2007, cost of sales totalled \$43,011,861 with gross profit of \$22,943,924 (GP% of 34.8%).

8.1.2 Other income

Other income for Q2 2008 was \$337,006 compared with \$312,322 in Q1 2008 and \$252,015 in Q2 2007.

- 8.1.3 Administrative expenses
Administrative expenses for Q2 2008 was \$2,116,042 compared with \$2,535,801 in Q1 2008 and \$1,953,690 for Q2 2007. For the six months ended 30th June 2008, administrative expenses totalled \$4,651,843, an increase of \$1,152,794 over the corresponding six months of 2007. This increase was attributable mainly to an increase in rental of office premises of \$163,000, an increase in staff costs of \$221,457 and first time inclusion of PT Bumi Jaya's administrative expenses of \$631,239.
- 8.1.4 Distribution costs
Distribution cost for Q2 2008 was \$1,987,334 compared with Q1 2008 of \$1,689,009 and Q2 2007 of \$1,375,589. Total for the six months ended 30th June 2008 was \$3,676,343, an increase of \$1,048,878 over the corresponding six months in 2007. First time inclusion of PT Bumi Jaya's distribution costs of \$532,518 and increase in freight costs accounted for the increase over the previous year.
- 8.1.5 Other operating expenditure
Q2 2008 recorded other operating expenditure of \$2,409,481 compared with Q1 2008 of \$2,930,329 and Q2 2007 of \$2,692,970. Other operating expenditure for 6 months to 30th June 2008 was \$5,339,810 down \$78,207 from the corresponding six months of 2007.
- 8.1.6 Finance cost
Finance cost for Q2 2008 was \$746,955 compared with Q1 2008 of \$980,269 and Q2 2007 of \$850,213.

Finance cost for the six months ended 30th June 2008 was \$1,727,224 compared with \$1,641,539 in the corresponding six months of 2007.
- 8.1.7 Foreign exchange loss
Q2 2008 incurred a forex loss of \$374,255, compared with Q1 2008 forex loss of \$1,714,643 and Q2 2007 of \$78,237. Forex loss for the six months ended 30th June 2008 was \$2,088,898 compared with loss of \$358,452 for the corresponding six months of 2007. As reported in the previous quarter's result, realized exchange loss in Euro denominated payables in one of our subsidiaries accounted for this loss.
- 8.1.8 Fair value loss on financial derivatives
Q2 2008 posted a fair value loss on financial derivatives of \$1,623,291 compared with a gain of \$110,921 in Q1 2008 and gain of \$831,066 in Q2 2007. The loss is attributed to the outstanding positions as at end June 2008 on the floor-price hedge contracts covering less than 10% of the Group's planned production for the 2008 fiscal year.
- 8.1.9 Profit attributable to shareholders
Q2 2008 generated profit after tax and minority interest of \$4,936,834 compared with \$8,318,688 in Q1 2008 and \$2,159,182 in Q2 2007.

For the six months ended 30th June 2008, profit attributable to shareholders of the company was \$13,255,522, an increase of \$7,016,818 (or 113%) compared with the \$6,238,704 achieved in the corresponding six months of 2007.
- 8.2 Commentary on Cash Flow Statement
Cash generated from operations for Q2 2008 was \$11,345,342 compared with \$9,757,494 cash generated in Q1 2008 and \$9,235,487 in Q2 2007.

For the six months ended 30th June 2008, total cash generated from operations was \$21,102,836 compared with \$18,074,988 in the corresponding first six months of 2007.

Investment in capital expenditure totalled \$11,642,033 for the six months ended 30th June 2008 (\$11,234,616 in 2007).

As at end of 30th June 2008, the Group had net cash balance of \$35,898,323.
9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.
10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group's performance is highly dependent on:

(a) world market price of natural rubber;

(b) the yields from our plantations and supplies from outgrowers;

- (c) weather conditions that could impact production both from internal and external supply sources;
- (d) fluctuations of the Euro currency and US currency which have a direct impact on the Group's operating costs and profitability;
- (e) our ability and costs of production which may be impacted by the volatility of operating costs vis-a-vis oil prices, inflation and any implementation of new fiscal measures in Cameroon, Ivory Coast and Indonesia; and
- (f) the political conditions in Cameroon, Ivory Coast and Indonesia.

The Group is of the opinion that natural rubber prices will remain volatile in FY 2008, but expects average FY 2007 prices to be sustained unless the major developed countries go into recession that could impact global economic growth.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, a statement to that effect.

No dividend had been recommended.

13. NEGATIVE ASSURANCE CONFIRMATION

Confirmation By Directors Pursuant to Rule 705(4) of the Listing Manual of SGX-ST

We, Elson Ng Keng Kwang and Danny Lo Kan Yu, being two Directors of GMG Global Ltd (the "Company"), confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render these interim financial statements for the period ended 30 June 2008 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors of
GMG Global Ltd

Elson Ng Keng Kwang
Director

Danny Lo Kan Yu
Director

BY ORDER OF THE BOARD

Danny Lo Kan Yu
Director
7 August 2008