Quarterly rpt on consolidated results for the financial period ended 30 Jun 2026

TSH RESOURCES BERHAD

Financial Year End	31 Dec 2026
Quarter	2 Qtr
Quarterly report for the financial period ended	30 Jun 2026
The figures	have not been audited

Attachments

Q2 2026.pdf
578.8 kB

Default Currency | **Other Currency**

Currency: **Malaysian Ringgit (MYR)**

SUMMARY OF KEY FINANCIAL INFORMATION
30 Jun 2026

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		30 Jun 2026	30 Jun 2025	30 Jun 2026	30 Jun 2025
		MYR'000	MYR'000	MYR'000	MYR'000
1	Revenue	250,982	268,775	456,178	544,105
2	Profit/(loss) before tax	81,749	71,365	129,020	150,012
3	Profit/(loss) for the period	60,220	56,321	89,101	114,105
4	Profit/(loss) attributable to ordinary equity holders of the parent	52,513	49,229	73,799	97,420
5	Basic earnings/(loss) per share (Subunit)	4.21	3.72	5.88	7.28
6	Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7	Net assets per share attributable to ordinary equity holders of the parent	1.4520		1.5051	

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Announcement Info

Company Name	TSH RESOURCES BERHAD
Stock Name	TSH
Date Announced	19 Aug 2026
Category	Financial Results
Reference Number	FRA-31072026-00002

TSH RESOURCES BERHAD
Registration No : 197901005269 (49548-D)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Comprehensive Income
For The Quarter and Year-To-Date Ended 30 June 2026

	Quarter Ended			Year-To-Date Ended		
	30.06.2026 RM'000	30.06.2025 RM'000	Changes %	30.06.2026 RM'000	30.06.2025 RM'000	Changes %
Revenue	250,982	268,775	-7%	456,178	544,105	-16%
Cost of sales	(138,045)	(150,210)	-8%	(256,210)	(300,380)	-15%
Gross profit	112,937	118,565	-5%	199,968	243,725	-18%
Other operating income	9,633	7,840	23%	19,403	14,801	31%
Other operating expenses	(45,757)	(58,127)	-21%	(91,083)	(113,807)	-20%
Operating profit	76,813	68,278	13%	128,288	144,719	-11%
Finance costs	(2,616)	(2,732)	-4%	(5,264)	(5,427)	-3%
Share of profit of an associate, net of tax	3,286	3,198	3%	8,186	6,907	19%
Share of profit/(loss) of joint ventures, net of tax	4,536	1,904	>100%	(1,121)	1,900	->100%
Core profit before taxation	82,019	70,648	16%	130,089	148,099	-12%
(Loss)/gain on foreign exchange	(270)	717	->100%	(1,069)	1,913	->100%
Profit before taxation	81,749	71,365	15%	129,020	150,012	-14%
Corporate taxation	(17,304)	(11,132)	55%	(30,424)	(31,995)	-5%
Withholding tax	(4,225)	(3,912)	8%	(9,495)	(3,912)	>100%
Total taxation	(21,529)	(15,044)	43%	(39,919)	(35,907)	11%
Profit for the period	60,220	56,321	7%	89,101	114,105	-22%
Other comprehensive (loss)/income						
Items that may be reclassified subsequently to profit or loss:						
Foreign currency translations	(56,396)	(49,897)	13%	(92,202)	(104,087)	-11%
Net (loss)/gain on financial assets at fair value through other comprehensive income ("FVOCI")	(968)	(57)	>100%	(1,908)	1	->100%
Cumulative gain on financial assets at FVOCI reclassified to profit or loss upon disposal	(310)	-	100%	(155)	-	100%
Other comprehensive loss for the period, net of tax	(57,674)	(49,954)	15%	(94,265)	(104,086)	-9%
Total comprehensive income/(loss) for the period	2,546	6,367	-60%	(5,164)	10,019	->100%
Profit attributable to :						
Owners of the Company	52,513	49,229	7%	73,799	97,420	-24%
Non-controlling interests	7,707	7,092	9%	15,302	16,685	-8%
	60,220	56,321	7%	89,101	114,105	-22%
Total comprehensive income/(loss) attributable to :						
Owners of the Company	1,128	4,704	-76%	(10,725)	7,943	->100%
Non-controlling interests	1,418	1,663	-15%	5,561	2,076	>100%
	2,546	6,367	-60%	(5,164)	10,019	->100%
Earnings per share attributable to owners of the Company						
Basic (sen)	4.21	3.72		5.88	7.28	

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2025

TSH RESOURCES BERHAD
Registration No : 197901005269 (49548-D)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Financial Position
As at 30 June 2026

	As at 30.06.2026 RM'000	As at 31.12.2025 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,122,241	1,181,512
Biological assets	364,682	364,786
Right-of-use assets	216,702	229,114
Intangible assets	36,702	38,456
Investment properties	7,564	-
Investments in associates	82,126	80,769
Investments in joint ventures	111,673	112,794
Deferred tax assets	158	182
Other receivables	28,754	28,392
Investment securities	71,310	69,392
	2,041,912	2,105,397
Current assets		
Biological assets	18,509	16,481
Inventories	113,769	87,719
Trade and other receivables	45,350	49,586
Other current assets	6,356	2,873
Tax recoverable	10,281	8,440
Investment securities	1,364	-
Short term funds	3,111	3,062
Cash and bank balances	303,524	397,339
	502,264	565,500
TOTAL ASSETS	2,544,176	2,670,897
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	686,922	740,512
Treasury shares	(48,885)	(133,572)
Other reserves	(509,985)	(425,461)
Retained earnings	1,674,293	1,728,234
	1,802,345	1,909,713
Non-controlling interests	221,544	237,000
TOTAL EQUITY	2,023,889	2,146,713
Non-current liabilities		
Loans and Borrowings	68,552	70,745
Retirement benefits	23,218	22,201
Lease liabilities	594	870
Deferred tax liabilities	85,577	87,600
	177,941	181,416
Current liabilities		
Loans and Borrowings	232,775	225,547
Trade and other payables	104,325	102,511
Lease liabilities	183	230
Current tax payable	5,063	14,480
	342,346	342,768
TOTAL LIABILITIES	520,287	524,184
TOTAL EQUITY AND LIABILITIES	2,544,176	2,670,897

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2025

TSH RESOURCES BERHAD
Registration No : 197901005269 (49548-D)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes In Equity
For The Year-To-Date Ended 30 June 2026

	Attributable to owners of the Company									
	Non-distributable									
	Share Capital RM'000	Treasury Shares RM'000	Capital Reserves RM'000	Share Of Associate Reserves RM'000	Fair Value Reserves RM'000	Foreign Currency Translation Reserves RM'000	Retained Earnings RM'000	Equity attributable to owners of the Company Total RM'000	Non-controlling Interests RM'000	Equity Total RM'000
Balance as at 1 January 2026	740,512	(133,572)	9,630	100	918	(436,109)	1,728,234	1,909,713	237,000	2,146,713
Profit for the period	-	-	-	-	-	-	73,799	73,799	15,302	89,101
Other comprehensive (loss)/income:										
Foreign currency translations	-	-	-	-	-	(82,461)	-	(82,461)	(9,741)	(92,202)
Net loss on financial assets at FVOCI	-	-	-	-	(1,908)	-	-	(1,908)	-	(1,908)
Cumulative loss on financial assets at FVOCI reclassified to profit or loss upon disposal	-	-	-	-	(155)	-	-	(155)	-	(155)
Other comprehensive loss for the period, net of tax	-	-	-	-	(2,063)	(82,461)	-	(84,524)	(9,741)	(94,265)
Total comprehensive (loss)/income for the period	-	-	-	-	(2,063)	(82,461)	73,799	(10,725)	5,561	(5,164)
Purchase of treasury shares	-	(33,978)	-	-	-	-	-	(33,978)	-	(33,978)
Cancellation of treasury shares	(53,590)	118,665					(65,075)	-	-	-
Dividends paid to owners of the Company	-	-	-	-	-	-	(62,665)	(62,665)	-	(62,665)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(21,017)	(21,017)
Balance as at 30 June 2026	686,922	(48,885)	9,630	100	(1,145)	(518,570)	1,674,293	1,802,345	221,544	2,023,889
Balance as at 1 January 2025	740,512	(17,873)	9,630	100	(63)	(273,684)	1,545,031	2,003,653	257,380	2,261,033
Profit for the period	-	-	-	-	-	-	97,420	97,420	16,685	114,105
Other comprehensive income/(loss):										
Foreign currency translations	-	-	-	-	-	(89,478)	-	(89,478)	(14,609)	(104,087)
Net gain on financial assets at FVOCI	-	-	-	-	1	-	-	1	-	1
Other comprehensive income/(loss) for the period, net of tax	-	-	-	-	1	(89,478)	-	(89,477)	(14,609)	(104,086)
Total comprehensive income/(loss) for the period	-	-	-	-	1	(89,478)	97,420	7,943	2,076	10,019
Purchase of treasury shares	-	(64,857)	-	-	-	-	-	(64,857)	-	(64,857)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(5,087)	(5,087)
Balance as at 30 June 2025	740,512	(82,730)	9,630	100	(62)	(363,162)	1,642,451	1,946,739	254,369	2,201,108

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2025

TSH RESOURCES BERHAD
Registration No : 197901005269 (49548-D)
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Condensed Consolidated Statement of Cash Flows
For The Year-To-Date Ended 30 June 2026

	Year-To-Date Ended	
	30.06.2026	**30.06.2025**
	RM'000	**RM'000**
Cash Flows from Operating Activities		
Profit before taxation	129,020	150,012
Adjustments for :-		
Depreciation	47,398	55,374
Other non cash adjustments	(4,012)	8,830
Share of loss/(profit) of joint ventures	1,121	(1,900)
Share of profit of an associate	(8,186)	(6,907)
Interest expense	5,264	5,427
Interest income	(8,523)	(9,107)
Dividend income	(2,399)	(992)
Operating cash flows before working capital changes	159,683	200,737
Changes in working capital :-		
(Increase)/Decrease in inventories	(28,818)	3,550
Decrease in receivables	828	12,543
Increase/ (Decrease) in payables	5,410	(15,818)
Cash flows from operations	137,103	201,012
Net income tax paid	(51,697)	(35,879)
Net cash flows from operating activities	85,406	165,133
Cash Flows from Investing Activities		
Addition of right-of-use assets	(1,148)	(5,165)
Withdrawal of deposits	635	2,724
Purchase of PPE	(52,374)	(33,637)
Net purchase/movement in investment securities	(3,515)	(8,550)
Forest planting expenditure	(488)	(465)
Disposal of PPE	1,752	1,991
Interest received	8,523	9,107
Dividends received	9,228	14,650
Net cash flows used in investing activities	(37,387)	(19,345)
Cash Flows from Financing Activities		
Net (repayments)/drawdowns of term loans	(13,194)	14,663
Net drawdowns/(repayments) of other borrowings	18,228	(6,361)
Purchase of treasury shares	(34,058)	(63,428)
Payments of lease liabilities and lease interest	(124)	(203)
Interest paid	(5,241)	(5,401)
Dividends paid to non-controlling interests	(21,017)	(5,087)
Dividends paid to owners of the Company	(62,665)	-
Net cash flows used in financing activities	(118,071)	(65,817)
Net (decrease)/increase in cash and cash equivalents	(70,052)	79,971
Cash and cash equivalents at beginning of year	396,339	258,544
Effects of changes in exchange rates	(23,047)	(14,580)
Cash and cash equivalents at end of period	303,240	323,935

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2025

TSH RESOURCES BERHAD
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EXPLANATORY NOTES FOR CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2026

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of preparation

The condensed consolidated interim financial statements (Condensed Report) have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting, IAS 34: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2025.

These explanatory notes attached to the Condensed Report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2025.

The material accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2025 except for the adoption of the following Standards and Amendments to MFRS during the current financial period.

Title	**Effective Date**
Amendments to MFRS 9 and MFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Amendments to MFRS 9 and MFRS 7 *Contracts Referencing Nature-dependent Electricity*	1 January 2026
Annual Improvements to MFRS Accounting Standards-Volume 11	1 January 2026

The adoption of the above Standards and Amendments to MFRS did not give rise to significant effects on the financial statements of the Group.

As at the date of authorisation of these interim financial statements, the MFRSs and Amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group are:

Title	**Effective Date**
MFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027
MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 121 *Translation to a Hyperinflationary Presentation Currency*	1 January 2027
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

The Group will apply the above MFRSs and Amendments to MFRSs that are applicable when they become effective.

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2. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2025 was unmodified.

3. Comments on seasonal or cyclical factors

The Group's operations remained stable during the quarter. Seasonal and cyclical factors impacting operations are explained under Performance Review in Part B.

4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income and cash flows of the Group for the current quarter and year-to-date ended 30 June 2026.

5. Changes in estimates

There were no changes in estimates that have had a material impact in the current quarter results.

6. Debt and equity securities

There were no issuances, repurchases, resale and repayments of debt and equity securities for the current quarter and year-to-date ended 30 June 2026 except for the following:

Treasury shares
The cumulative shares bought back are currently held as treasury shares. The number of treasury shares held as at 30 June 2026 is as follows:

	Quarter Ended		Year-To-Date Ended	
	No. of shares ('000)	Amount (RM'000)	No. of shares ('000)	Amount (RM'000)
Balance as at 31 March 2026/1 January 2026	26,428	31,794	112,945	133,572
Add: Purchase of treasury shares	14,050	17,091	27,533	33,978
Less: Cancellation of treasury shares	-	-	(100,000)	(118,665)
Balance as at 30 June 2026	40,478	48,885	40,478	48,885

7. Dividends paid

During the quarter and year-to-date ended 30 June 2026, a first and final single-tier dividend of 5.0 sen per ordinary share for the year ended 31 December 2025 amounted to RM62.7 million was paid on 30 April 2026.

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8. Segmental information

i) Business segments

Segment Results For Quarter Ended

	Palm Products		Others		Total	
	30.06.2026 RM'000	30.06.2025 RM'000	30.06.2026 RM'000	30.06.2025 RM'000	30.06.2026 RM'000	30.06.2025 RM'000
SEGMENT REVENUE	243,177	255,224	7,805	13,551	250,982	268,775
SEGMENT PROFIT/(LOSS)	87,678	79,408	(4,771)	(5,534)	82,907	73,874
Unallocated corporate expenses					(6,094)	(5,596)
Finance costs					(2,616)	(2,732)
(Loss)/gain on foreign exchange					(270)	717
Share of profit of an associate					3,286	3,198
Share of profit of joint ventures					4,536	1,904
Consolidated profit before tax					81,749	71,365

Segment Results For Year-To-Date Ended

	Palm Products		Others		Total	
	30.06.2026 RM'000	30.06.2025 RM'000	30.06.2026 RM'000	30.06.2025 RM'000	30.06.2026 RM'000	30.06.2025 RM'000
SEGMENT REVENUE	440,286	517,586	15,892	26,519	456,178	544,105
SEGMENT PROFIT/(LOSS)	146,815	161,779	(9,089)	(7,277)	137,726	154,502
Unallocated corporate expenses					(9,438)	(9,783)
Finance costs					(5,264)	(5,427)
(Loss)/gain on foreign exchange					(1,069)	1,913
Share of profit of an associate					8,186	6,907
Share of (loss)/profit of joint ventures					(1,121)	1,900
Consolidated profit before tax					129,020	150,012

TSH RESOURCES BERHAD
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8. Segmental information (Continued)

i) Business segments (continued)

Segment Assets and Liabilities as at Period Ended

	Palm Products		Others		Consolidated	
	30.06.2026 RM'000	30.06.2025 RM'000	30.06.2026 RM'000	30.06.2025 RM'000	30.06.2026 RM'000	30.06.2025 RM'000
SEGMENTS ASSETS	1,690,345	1,829,369	538,988	565,397	2,229,333	2,394,766
Investments in joint ventures					111,673	113,441
Investments in associates					82,126	78,122
Deferred tax assets					158	179
Tax recoverable					10,281	17,764
Unallocated assets					110,605	72,588
Consolidated total assets					2,544,176	2,676,860
SEGMENT LIABILITIES	117,317	101,027	7,138	12,443	124,455	113,470
Borrowings					301,327	266,353
Lease liabilities					777	958
Deferred tax liabilities					85,577	84,888
Unallocated liabilities					8,151	10,083
Consolidated total liabilities					520,287	475,752

ii) Geographical segments

	Quarter Ended		Year-To-Date Ended			
	Total revenue from external customers		Total revenue from external customers		Non-Current Assets	
	30.06.2026	30.06.2025	30.06.2026	30.06.2025	30.06.2026	30.06.2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Malaysia	68,861	86,054	133,954	172,139	983,059	991,297
Indonesia	179,246	174,728	316,742	358,578	958,631	1,088,008
Others	2,875	7,993	5,482	13,388	-	-
Total	**250,982**	**268,775**	**456,178**	**544,105**	**1,941,690**	**2,079,305**

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9. Changes in composition of the Group

There were no changes in the composition of the Group for the quarter including business combination, acquisition or disposal of subsidiaries and long-term investments, and restructuring.

10. Capital commitments

The amount of commitments for capital expenditure as at 30 June 2026 is as follows:

	As at 30.06.2026 RM'000	As at 31.12.2025 RM'000
Approved and contracted for	30,967	19,297
Approved but not contracted for	152,394	187,351
	183,361	206,648

11. Changes in contingent liabilities or contingent assets

Contingent tax expenses pending outcome of court cases were disclosed in the last annual reporting period.

There were no material changes in the contingent liabilities and contingent assets since the last annual reporting period.

12. Material related party transactions

Significant transactions between the Group and its joint venture are as follows:

	Year-To-Date Ended 30 June 2026 RM'000
Sales of crude palm oil	97,906
Sales of palm kernel	19,124

13. Subsequent event

There was no material event subsequent to the end of this reporting period except for those as disclosed in Note 7 of Part B.

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14. Fair Value of Financial Instruments

The Group uses the following hierarchy in determining the fair value of all financial instruments carried at fair value:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 – Unobservable inputs for the asset or liability.

As at 30 June 2026, the Group held the following financial instruments that are measured at fair value:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial Assets				
Non-current assets:				
Financial assets at fair value through other comprehensive income:				
• Investment securities (Unquoted)	-	71,310	-	71,310
Current assets:				
Financial assets at fair value through profit or loss:				
• Short term funds	3,111	-	-	3,111
• Investment securities (Unquoted)	-	1,364	-	1,364

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PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

1. Performance review

	Quarter Ended			Year-To-Date Ended		
	30.06.2026 RM'000	30.06.2025 RM'000	Changes %	30.06.2026 RM'000	30.06.2025 RM'000	Changes %
Revenue	250,982	268,775	-7%	456,178	544,105	-16%
Profit before taxation ("PBT")	81,749	71,365	15%	129,020	150,012	-14%

For the quarter ended 30 June 2026 ("Q2 2026"), the Group recorded a slightly lower revenue of RM251.0 million compared with RM268.8 million for the corresponding period last year ("Q2 2025"), mainly attributable to a RM12.0 million decrease in revenue from the Palm Products segment. In contrast, the PBT for Q2 2026 increased 15% to RM81.7 million compared to RM71.4 million for Q2 2025 primarily attributable to higher profit contribution from the Palm Products segment and joint ventures.

For the six-month period ended 30 June 2026 ("6M 2026"), the Group recorded lower revenue of RM456.2 million compared with RM544.1 million achieved in the corresponding period last year ("6M 2025"). The reduction was mainly due to lower revenue from both the Palm Products and Others segment by RM77.3 million and RM10.6 million respectively.

Similarly, PBT for 6M 2026 also reduced by 14% to RM129.0 million compared to the corresponding period last year mainly attributable to lower profit contribution from the Palm Products segment and higher operating loss from the Others segment, as explained in section 1.2 below.

1.1 Segmental Revenue

Revenue from the respective segments is analysed as follows:

Revenue	Quarter Ended			Year-To-Date Ended		
	30.06.2026 RM'000	30.06.2025 RM'000	Changes %	30.06.2026 RM'000	30.06.2025 RM'000	Changes %
Palm Products	243,177	255,224	-5%	440,286	517,586	-15%
Others	7,805	13,551	-42%	15,892	26,519	-40%
Total	**250,982**	**268,775**	**-7%**	**456,178**	**544,105**	**-16%**

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1. Performance review (Continued)

1.1 Segmental Revenue (Continued)

Lower revenue from Palm segment in Q2 2026 and 6M 2026 was mainly due to lower average CPO selling price as well as lower sales volumes of CPO and PK compared to preceding year corresponding periods.

Average selling prices	Quarter Ended			Year-To-Date Ended		
	30.06.2026 RM/MT	30.06.2025 RM/MT	Changes %	30.06.2026 RM/MT	30.06.2025 RM/MT	Changes %
CPO	3,580	3,695	-3%	3,556	3,932	-10%
PK	3,331	3,315	0.5%	3,175	3,261	-3%

Volume	Quarter Ended			Year-To-Date Ended		
	30.06.2026 MT	30.06.2025 MT	Changes %	30.06.2026 MT	30.06.2025 MT	Changes %
CPO sold	51,407	54,041	-5%	95,027	103,239	-8%
PK sold	10,324	10,964	-6%	18,591	21,166	-12%

Others Segment also recorded lower revenue in Q2 2026 and 6M 2026 mainly attributable to overall lower sales volume of rubber, electricity and wood products and lower average timber selling price.

1.2 Segmental Profit or Loss

1.2.1 Palm Products Segment

Palm Products Segment	Quarter Ended			Year-To-Date Ended		
	30.06.2026 RM'000	30.06.2025 RM'000	Changes %	30.06.2026 RM'000	30.06.2025 RM'000	Changes %
Operating profit	87,678	79,408	10%	146,815	161,779	-9%

In spite of the decrease in revenue as shown in section 1.1, operating profit for the Palm Products segment for Q2 2026 was 10% higher compared with the corresponding period last year mainly due to higher OER and KER, lower operating expenses, as well as the recovery in FFB production in Indonesia during the quarter.

On a year-to-date basis, the Palm Products segment recorded a lower operating profit compared with the corresponding period last year, in line with lower segmental revenue arising from lower FFB production as shown in the table below. Nevertheless, the decline was partially mitigated by lower operating expenses and higher OER and KER, particularly for Indonesia, whereby the OER and KER improved from 20.73% to 22.27% and from 3.75% to 4.05% respectively, compared with the corresponding period last year.

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1. Performance review (Continued)

1.2 Segmental Profit or Loss (Continued)

1.2.1 Palm Products Segment (Continued)

Volume	Quarter Ended			Year-To-Date Ended		
	30.06.2026 MT	30.06.2025 MT	Changes %	30.06.2026 MT	30.06.2025 MT	Changes %
FFB Production	204,951	205,049	0%	374,894	403,161	-7%

Overall, total FFB production for the Group in Q2 2026 was flat, as higher production in Indonesia was offset by lower output from Sabah operations, which was mainly attributable to a smaller harvesting area following accelerated replanting activities over the last two years.

Year-to-date FFB production remained lower, reflecting the weaker crop in Q1 2026 arising from biological stress after the high crop cycle in prior years, the continuing impact of the serious flooding in the Sumbar Region from Q4 2025 to Q1 2026, and the additional replanting carried out in recent years.

Additionally, both the segment revenue and profit for Q2 2026 and 6M 2026 and the corresponding periods last year were impacted by the Indonesia Export Levy and Duty on CPO incurred as shown below:

	Quarter Ended			Year-To-Date Ended		
	30.06.2026 RM'000	30.06.2025 RM'000	Changes %	30.06.2026 RM'000	30.06.2025 RM'000	Changes %
Indonesia Export Levy and Duty on CPO	45,767	25,875	77%	68,999	62,059	11%

1.2.2 Others Segment

Others Segment	Quarter Ended			Year-To-Date Ended		
	30.06.2026 RM'000	30.06.2025 RM'000	Changes %	30.06.2026 RM'000	30.06.2025 RM'000	Changes %
Operating loss	(4,771)	(5,534)	-14%	(9,089)	(7,277)	25%

Despite lower sales recorded in Q2 2026, the Others segment recorded lower operating losses in Q2 2026 compared to Q2 2025. The higher loss in Q2 2025 was mainly attributable to inventories written down in the Wood segment for slow moving stock.

On a year-to-date basis, higher operating losses were recorded in 6M 2026 compared to the same period last year, mainly due to decline in revenue as discussed in section 1.1 above.

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2. Material changes in profit before taxation for the quarter reported on as compared with the immediate preceding quarter

	Q2 2026 RM'000	Q1 2026 RM'000	Changes RM'000
Revenue:	**250,982**	**205,196**	**45,786**
Palm Products	243,177	197,109	46,068
Others	7,805	8,087	(282)
PBT	**81,749**	**47,271**	**34,478**
Profit After Tax (PAT)	**60,220**	**28,881**	**31,339**

PBT of RM81.7 million was 73% higher compared with RM47.3 million for Q1 2026. The improvement was driven by higher profit from Palm Products segment, mainly driven by 20.7% improvement in FFB crop to 205.0 thousand MT, despite RM22.6 million higher Indonesia Export Levy and Duty on CPO. A turnaround in the joint ventures further lifted Group PBT.

The PAT also advanced significantly to RM60.2 million from RM28.9 million giving rise to higher earnings per share of RM4.21 sen in Quarter 2 versus RM1.69 sen in Quarter 1.

The Group's revenue for Q2 2026 increased by 22.3% quarter on quarter to RM251.0 million, from RM205.2 million in Q1 2026, driven primarily by higher CPO and PK sales volume for the quarter, as shown in the table below.

	Q2 2026 MT	Q1 2026 MT	Changes MT
CPO sold	51,407	43,620	7,787
PK sold	10,324	8,267	2,057

3. Commentary on the prospects

Strategically, the Group remains focused on driving estate and mill productivity, as well as oil yield enhancement. Estate productivity will be supported by improvement in field operations, while oil yield enhancement will be driven by better harvesting standards and mill performance. In the coming years, the Group will accelerate its new planting programmes, including the plantation land secured through the recently completed acquisitions in Central Kalimantan. The Group is committed to maintain a prudent capital structure and disciplined capital allocation that balances investment and returns to shareholders, while remaining committed to advancing its sustainability agenda.

On the market front, CPO prices are expected to remain relatively stable in the second half of the year, supported by steady export demand and firm energy price, although the trajectory ahead will depend on the evolution of geopolitical and trade policy developments. The B50 biodiesel policy implemented from 1 July 2026 is expected to increase domestic CPO consumption and raise CPO and FFB prices, albeit moderated by the export levy and duty. Weather-related risks, including the rising probability of an El Niño event, remain a key variable for the outlook, with any adverse developments potentially affecting FFB production, which may nevertheless be counter balanced by higher palm products prices.

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3. Commentary on the prospects (continued)

Despite the external challenges, the Group remains positive on its long-term growth prospects, underpinned by its operating cash flow, a sound financial position and the expected seasonal improvement in FFB production in the second half of the year. Barring any unforeseen circumstances and the uncertainties in the global economic outlook, the Group remains confident of delivering a satisfactory performance for the financial year 2026.

4. Profit forecast or profit guarantee

The Group is not involved in any profit guarantee arrangement or providing any forecast profit.

5. Profit Before Taxation

Profit before taxation was arrived at after charging/(crediting) the following items:

	Quarter Ended 30.06.2026 RM'000	Year-To-Date Ended 30.06.2026 RM'000
Depreciation	23,297	47,398
Interest expense	2,616	5,264
Interest income	(3,858)	(8,523)
Gain from fair value adjustment of FFB	(1,060)	(3,073)
Net foreign exchange loss:		
- Realised	261	1,030
- Unrealised	9	39
Net gain on disposal of PPE	(746)	(974)
Rental income	(398)	(782)
Write back of inventories written down	(105)	(271)
PPE written off	625	714

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6. Taxation

	Quarter Ended 30.06.2026 RM'000	Year-To-Date Ended 30.06.2026 RM'000
Current tax:		
Foreign tax	16,439	28,599
Malaysian income tax	1,420	2,074
Under provision in prior years:		
Foreign tax	107	300
Malaysian income tax	(2)	-
Deferred tax:		
Relating to origination and reversal of temporary differences	(659)	(612)
Under provision in prior years	(1)	63
Withholding tax	4,225	9,495
	21,529	39,919

The effective tax rate of the Group for the year-to-date ended 30 June 2026, excluding the share of profits from associate and joint ventures, is higher than the statutory tax rate mainly due to withholding tax on dividend received from foreign subsidiaries.

7. Corporate Proposal

On 3 July 2026, TSH Resources Berhad ("TSH" or "Company") announced the completion of the following related party transactions, which were first announced on 13 April 2026:

(a) Acquisition of PT Dinamika Alam Segar ("PT DAS")

Acquisition by PT Sarana Prima Multi Niaga ("PT SPMN"), an indirect subsidiary of TSH, of 2,499,999 shares representing 99.99996% equity interest in PT DAS from Bambang Suparno for a purchase consideration of IDR5,499,997,800 (equivalent to approximately RM1,276,000)("PT DAS Acquisition").

PT DAS is principally engaged in oil palm plantation activities and owns a parcel of plantation land located in Kabupaten Kotawaringin Timur, Provinsi Kalimantan Tengah, Indonesia, of which 787 hectares are plantable.

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7. Corporate Proposal (continued)

(b) Acquisition of Konsep Majureka Sdn. Bhd. ("KMSB")

Acquisition by TSH of two ordinary shares representing 100% equity interest in KMSB from Kelvin Tan Aik Pen ("Vendor 1") and Tan Aik Sim ("Vendor 2") for a total purchase consideration of RM35,034,135, comprising the purchase price for the said two ordinary shares of RM22,000,000 and the assumed liabilities due to Vendor 1 of RM8,024,099 and Vendor 2 of RM5,010,036 ("KMSB Acquisition").

KMSB is principally engaged in investment holding and holds a 90% equity interest in PT Katingan Mitra Sejati, which owns a parcel of plantation land located in Kabupaten Katingan, Provinsi Kalimantan Tengah, Indonesia.

8. Group Borrowings and Debt Securities

Comprised:

	As at 30.06.2026					
	Short term		Long term		Total	
	Foreign denomination RM'000	RM denomination RM'000	Foreign denomination RM'000	RM denomination RM'000	Foreign denomination RM'000	RM denomination RM'000
Secured	-	10,000	-	38,552	-	48,552
Unsecured	-	222,775	-	30,000	-	252,775
Total	**-**	**232,775**	**-**	**68,552**	**-**	**301,327**

9. Derivatives

The Group does not hold any derivative financial instruments as at the reporting date.

10. Changes in material litigation

The Group is not engaged in any material litigation and is not aware of any proceedings which might materially affect the Group for the current financial year except as disclosed in Note 11 of Part A.

11. Dividend Payable

The Company did not declare any interim dividend for the current quarter ended 30 June 2026.

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12. Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing profit for the quarter and year-to-date ended attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	Quarter Ended		Year-To-Date Ended	
	30.06.2026	**30.06.2025**	**30.06.2026**	**30.06.2025**
Net profit attributable to owners of the Company (RM'000)	52,513	49,229	73,799	97,420
Weighted average number of ordinary shares in issue ('000)	1,248,467	1,321,831	1,254,947	1,337,433
Basic earnings per ordinary share (sen)	4.21	3.72	5.88	7.28

(b) Diluted earnings per share

This is not applicable as there are no dilutive securities currently issued by the Company.

13. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 19 August 2026.