



**ANNUAL REPORT
2007**

BORDER TIMBERS LIMITED – GROUP

A Subsidiary of
RADAR HOLDINGS LIMITED

BORDER TIMBERS LIMITED - GROUP
A Subsidiary of
RADAR HOLDINGS LIMITED
(Incorporated in Zimbabwe)
Annual Report for the Year ended 30th June 2007
Index

Page No

3	Notice of Annual General Meeting
4	Group Financial Highlights
5	Statutory Information
6	Statement of Corporate Governance
7	Directors Responsibility for the Financial Statements
8	Directors' Report
9	Chairman's Report
10	Operational Report
12	Finance Report
13	Report of the Independent Auditor
14	Statement of Accounting Policies
19	Consolidated Income Statement
20	Consolidated Balance Sheet
21	Group Statement of Changes in Equity
22	Group Cash Flow Statement
23	Notes to the Group Financial Statements
35	Company Financial Statements
45	Five Year Performance Analysis
46	Shareholders Analysis

BORDER TIMBERS LIMITED - GROUP
A Subsidiary of
RADAR HOLDINGS LIMITED
(Incorporated in Zimbabwe)
Annual Report for the Year ended 30th June 2007

NOTICE OF ANNUAL GENERAL MEETING

Time 9.00 am
Date Wednesday 5th December 2007
Place Border Timbers Limited, 1 Aberdeen Road, Nyakamete, Mutare.

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the members of Border Timbers Limited will be held in the Board Room of Border Timbers Limited, 1 Aberdeen Road, Nyakamete, Mutare to conduct the following business:

1. To receive and consider the audited financial statements for the year ended 30th June 2007, together with the reports of the Directors and Auditors.
2. To re-appoint retiring Directors.
3. To determine the remuneration of the non - executive Directors.
4. To confirm the remuneration of the Auditors for past services and to appoint Auditors for the ensuing year.
5. To transact such other business as may be transacted at an Annual General Meeting.

In accordance with the requirements of the Companies Act, members of the Company are notified that they are entitled to appoint one or more proxies to attend, speak and vote at the meeting on their behalf. A proxy need not be a member of the Company. Proxies must be lodged with the Secretaries not less than forty-eight hours before the meeting.

By order of the Board
Radar Investments (Private) Limited
Secretaries

Tanganyika House
Cnr Kwame Nkrumah
Avenue/3rd Street
Harare

Harare
31st October 2007

BORDER TIMBERS LIMITED - GROUP
A Subsidiary of
RADAR HOLDINGS LIMITED
(Incorporated in Zimbabwe)
Annual Report for the Year ended 30th June 2007

GROUP FINANCIAL HIGHLIGHTS

	2007 ZWD\$'000s	2006 ZWD\$'000s
Operating Results		
Turnover	52 422 046	1 482 531
Operating Profit	23 440 444	384 401
Interest paid	(2 981 962)	(362 228)
Income before Taxation	20 458 482	22 173
Income after taxation	20 050 065	79 408

Percentages and Ratios

Income before interest and taxation return on total Assets	0.19%	3.35%
Income after tax return on Shareholders funds	0.21%	1.06%
Debt to Equity	0%	4.45%
Current Ratio	1.10	1.05

Ordinary Share Performance (dollars)

Basic Earnings per Share	\$466.91	\$1.85
Market Price per share at 30 June	\$40	\$27

Shareholders Calendar in respect of year to June 2007

Financial Reports

Interim Results announced	28 th February 2007
Year End results announced	10 th September 2007
Annual report posted to Shareholders	1 st November 2007
Annual General Meeting	28 th November 2007

Shareholders are reminded to notify Radar Investments (Private) Limited, P. O Box 10455, Harare, of any change of address.

STATUTORY INFORMATION

DIRECTORS

P W T Chipudhla (Chairman)
K R R Schofield (Deputy Chairman)
J Gadzikwa (Managing)
C Amira
P Nyemba (Finance)
L Nyathi (Marketing)
H B A J von Pezold
R von Pezold

OPERATIONS BOARD

J Gadzikwa (Chairman)
C Amira
D Benecke
P Nyemba
G Bottger
C Carlsson
T Kachale
L Nyathi
S Sena
M Gratwicke

SECRETARIES

Radar Investments (Private) Limited

AUDITORS

Ernst & Young

ATTORNEYS

Henning Lock Donagher & Winter, Honey & Blackenberg and Wintertons

REGISTERED OFFICE

5th Floor, Charter House
Leopold Takawira Avenue/Fort Street
P O Box 2346
Bulawayo

BANKERS

Kingdom Bank Limited
MBCA Bank Limited
NMB Bank Limited

POSTAL ADDRESS

P O Box 458
Mutare

PERIOD OF FINANCIAL STATEMENTS

Year Ended 30 June 2007

**DATE FINANCIAL STATEMENTS AUTHORISED
FOR ISSUE**

31st October 2007

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

STATEMENT OF CORPORATE GOVERNANCE

General Principles

The Board affirms its commitment to the principles of openness, integrity and accountability and to the provision of timeous, relevant and meaningful reporting to all stakeholders.

The Board

The Board of Directors currently comprises three Executive and five non-Executive Directors. This structure, whilst not in complete concurrence with the principles set out in King II report where a preferred majority of non-Executive Directors is mandated, is considered to be, presently, more appropriate for the decision making and stewardship demands prevailing in the Zimbabwean economy.

The Executive Directors generally have responsibility for making and implementing operational decisions on running the Group's businesses. Non-Executive Directors complement the skills and experience of the Executive Directors, contributing to the formation of policy and decision making through their knowledge and experience of other businesses and sectors. All Directors bring an independent judgement to the issues of strategy, performance and resources, including key appointments and standards of conduct.

The roles of Chairman and Managing Director are separate with responsibilities divided between them.

All Directors are subject to retirement and re-election by Shareholders in accordance with the Articles of Association which provides that all Directors are subject to election at the first annual general meeting following their appointment and thereafter one third of the Directors retire by rotation with the exception of the Managing Director whose appointment is set for a renewable period of five years in terms of Article 118.

The Audit Committee

The Audit Committee, having majority of non-Executive Directors, is chaired by Mr S. Mattinson with its other non-executive member being Mr P.W.T. Chipudhla. The Committee meets three times a year

The Audit Committee is attended by the external auditors, the Managing Director and Financial Director in addition to other members of the management team as required.

The Audit Committee reviews with management, that adequate and appropriate internal controls are in place and are appropriate to meet current and future needs; that significant business, strategic, statutory and financial risks have been identified and are being monitored and managed; that appropriate standards of governance, reporting and compliance are in operation; and it advises the Board on issues relating to the application of accounting standards to published financial information.

It is anticipated that, in the continued turbulence in the economy, the Audit Committee will be required to remain ever vigilant in their role of guardians of the Company.

The Operations Board

The Group has established, as a sub-committee of the Board, an operations board designed to assist the Chairman and Managing Director in managing the Group. Whilst the authority of the Chairman and Managing Director are unrestricted as far as management is concerned, the Board, as a whole, sets the overall tenor and parameters necessary. This Committee is designed to assist in the daily operation of the Group when the Board is not in session but is subject to the prevailing statutory limits and terms of reference set out by the Board.

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

DIRECTORS' RESPONSIBILITY FOR THE ANNUAL FINANCIAL STATEMENTS

The financial statements set out on pages 16 to 44 were approved by the Board of Directors on 31 October 2007 and signed on their behalf.

The Directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements. The financial statements have been prepared in accordance with generally accepted accounting practice and in the manner required by the Companies Act [Chapter 24:03].

In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are also responsible for the Company's systems of internal control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

By order of the Board
Radar Investments (Private) Limited
31st October 2007

CERTIFICATE BY COMPANY SECRETARY

In terms of the Companies Act [Chapter 24:03], Radar Investments (Private) Limited, as Company Secretaries, we confirm that for the year ended 30 June 2007, the Company has lodged with the Registrar of Companies all such Returns as are required of a public company in terms of this Act and that all such Returns are true, correct and up to date.

Radar Investments (Private) Limited
Company Secretary
Harare
31st October 2007

DIRECTORS' REPORT

The activities and results of the Group are summarised in the Operational and Financial Reviews. In addition the following statutory information is provided.

Authorised and Issued Share Capital

Details of the authorised and issued share capital at 30 June 2007 are included in note 10 to the financial statements.

Reserves

The movement in the Reserves of the Company are shown in the Statement of Changes in Equity and included in note 12 to the financial statements.

Results For The Year

	\$ 000's
Earnings attributable to shareholders	20 050 066
Add:	
Distributable reserves at beginning of year	186 740
Transfer from Capital Reserves	184 470
	<hr/>
Distributable reserves at end of year	20 421 276
	<hr/> <hr/>

Borrowing Facilities

Article 86 of the Company's Articles of Association provide that the Company may from time to time, at the discretion of the Directors, borrow, raise or source borrowings up to half the value of the shareholders equity as reflected in the Balance Sheet of the Annual Report. This limit may only be exceeded with the sanction of an ordinary resolution of the Company.

Directors

The following Directors served during the year ended 30 June 2007:

P Chipudhla	Chairman	re-appointed December 2006
J Gadzikwa	Managing Director	re-appointed December 2006
K Schofield	Director	re-appointed December 2005
C Amira	Director	re-appointed December 2006
P Nyemba	Director	appointed February 2007
L Nyathi	Director	appointed April 2005
R Von Pezold	Director	re-appointed December 2005
H B A J von Pezold	Director	re-appointed December 2005

Directors' emoluments for Management Services during the year were \$591 128 000.

Mr. D Benecke resigned during the year. Messrs R Von Pezold , H B A J Von Pezold and P Nyemba retire by rotation and all being eligible, offer themselves for re-election.

Going Concern

The Directors have satisfied themselves that the Group is in a sound financial position and has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements.

Auditors

Members will be asked to approve the Auditor's remuneration for the past audit and to confirm the re-appointment of Messrs Ernst & Young as auditors to the Company for the ensuing year, they having signified their willingness to continue in office.

Annual General Meeting

The annual general meeting is to be held on 5th December 2007 in terms of the notice set out on page 3 of this annual report.

By order of the Board

Radar Investments (Private) Limited

31st October 2007

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

CHAIRMAN'S REVIEW

Dear Shareholder

The macroeconomic environment worsened in the year under review and your company was not spared from the adverse effects of the environment. The official inflation rate at the end of June 2007 was quoted at 7 542% year on year but the increase in input costs of the company were way above the official inflation rate. The shortage of mature timber, unscheduled power outages and the lighting of arson fires contributed greatly to the reduction in the overall performance of your company.

Highlights

	2007	2006
	\$ 000s	\$ 000s
Turnover	52 422 046	1 482 531
Income before tax and, interest	23 440 444	384 401
Net interest payable	(2 981 962)	(362 228)
Shareholder's funds	9 545 241 238	7 476 375
Net current assets	7 337 736	37 300

Financial Performance

The turnover of the company at \$52.4 billion represented a revenue growth of 3 436% over the same period last year. This growth was obviously less than what the official inflation rate was at the end of the financial year. The profits grew by a bigger margin as a result of concessionary funds that were extended to your company by the Central Bank. Unfortunately these funds have not been forthcoming in the new year and the finance charges have been rising at an accelerated rate on a monthly basis.

Contrary to the developments in the labour market in Zimbabwe your company experienced serious labour shortages in its operations in Chimanimani. This was because of the diamond "rush" in Marange and gold panning in Mozambique. The diamond mining has subsequently eased off in the new year but the gold panning is persisting.

The area damaged by arson fire, although greatly reduced when compared with the previous year, was still substantially significant in the eyes of your company. These fires further reduced the timber volumes that were meant to be available in the future. As long as the issue of illegal settlers in the Chimanimani area is not resolved it must be expected that these fires will continue in the future.

The shortage of mature standing timber in the plantations contributed substantially to the reduced production volumes. This, as previously reported, will continue to be the case for a number of years to come. The effort put in by management in sourcing standing timber from outside the company is commendable.

Incessant and unscheduled power cuts at all the operations of your company further reduced the performance of the sawmills and the factories. These

outages have continued in the new year and there seems to be no hope in sight for the situation to improve. The generator at Tilbury Sawmill is working well and two more generators have been ordered to try and alleviate the situation.

Your company's assets were revalued by the directors as at 30 June 2007. This was done in order to report more meaningful values in the balance sheet.

Corporate Governance

The board of directors, the audit committee and the operations continued to meet regularly throughout the year to review strategies and operations.

Markets

Demand in the local market was stable throughout the year and was mainly driven by the furniture sector. The demand in the regional market was high and has continued so in the new year. The overseas markets showed some potential and these will be pursued in the new year.

The reduced production levels that emanated from the shortages of mature timber at the plantations is going to continue for a number of years to come. Management has been tasked to continue with their efforts of procuring timber from other sources outside the company.

Outlook

The power cuts in the country are set to continue for the foreseeable future and as stated above adversely affected production in the past year. Effort will be put in to power generation schemes in order to improve the position your company is currently in.

The reduced production levels that emanated from the shortages of mature timber at the plantations is going to continue for a number of years to come. Management has been tasked to continue with their efforts of procuring timber from other sources outside the company.

Appreciation

I cherish the relationship that exists between the employees and management of your company especially in these really trying times. I would like to thank both management, employees and my fellow directors for their unrelenting efforts that they put in for your company in the past year. I would also like to thank our suppliers and customers for their continued support

P W T Chipudhla
CHAIRMAN
31st October 2007

OPERATIONAL REPORT

OVERVIEW

The company operated under deteriorating economic conditions in the last financial year. It continued to struggle against inflation, power outages, shortage of manpower at its estates, Cyclone Flavio and many other factors.

SILVICULTURE

All plantation estates except Charter received below normal rainfall for the year with the average rainfall received standing at 90% of normal for the year. The average rainfall received in the previous year was at 94% of normal for the year. This contributed significantly to the failure to achieve the targeted planting targets.

The labour shortages experienced in the Chimanimani area adversely affected the silvicultural activities in the south. The shortage was a direct result of gold panning activities in neighbouring Mozambique and later diamond mining in the Marange area. Labour had to be sourced from as far as Masvingo, Buhera and Chivi.

Fires and Forest Protection

A total of 174 hectares of pine and eucalyptus plantation was damaged by Cyclone Flavio at Charter, Sawerombe and Tilbury Estates in February 2007. Timber salvage programme was immediately embarked upon and a total of 18853 m3 was recovered from the damaged stands.

There was a marked decline in the plantation area damaged by fire this year. 208 hectares of plantation were damaged compared to 1690 hectares in the previous year. The loss to fire, however, remains high when it is compared to pre 2000 years. It is interesting to note though that the numbers of fire incidences were similar to those of the previous year.

An increase in baboon damage to pine plantation was noted at Sheba Estate. Baboon pre-baiting and trapping operations were carried out at Charter and Tilbury Estates but success was very limited. The company, through Timber Producers Federation of Zimbabwe, continued to pursue an extension to the derogation from Forest Stewardship Council (FSC) to use Papiol to control the baboons.

Harvesting

Roundwood production for the year did not meet the set targets mainly because of the inability of the sawmills to efficiently process the large

diameter eucalyptus sawlogs. Plans have been put in place to overcome this setback

Again this year the company continued to procure timber from other sources outside the company because of the shortages of mature standing timber at the company's plantations.

Sawmilling

As a result of the previously reported future shortages of mature pine trees in the company's plantations Sheba and Charter Sawmill started operating on a single shift. Tilbury Sawmill was the only mill that operated on a double shift throughout the year.

The numerous unscheduled electricity outages continued to affect all the mills resulting in the total production output falling short of the budget. The situation has persisted in the new year. Plans are underway to purchase generators for Sheba and Charter sawmills. Tilbury already has a generator that runs the whole mill.

The Chimanimani sawmills also suffered from the shortage of manpower as employees preferred to turn to gold panning and diamond mining activities. As pointed out above there are some strategies that have been put in place to try and resolve this issue.

MANUFACTURING

Paulington

The factory continued to operate on a single shift throughout the year. Efforts were concentrated on procuring peeler logs and rough sawn timber. For most of the year, the peeler log receipts were satisfactory, unfortunately rough sawn timber receipts were below budget.

Power outages became progressively worse during the year which resulted in lost production. Added to that the boiler Dutch oven had to be modified because of the damage caused by power outages.

One fatal accident occurred where an employee had severe burns after falling into a log steam tank. Investigations suggested that safety procedures were not followed.

BORDER TIMBERS LIMITED – GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

OPERATIONAL REPORT (continued)

BORDER TIMBERS INTERNATIONAL

The factory also operated on a single shift for the year. After discontinuing the production of engineered doors in the previous year new higher margin product lines were identified and marketed well in the export market.

The biggest challenge for BTI during the year was the inability to procure enough timber to meet the production targets. Efforts were made to purchase timber from sources outside Border Timbers Limited. The benefit of these efforts will only be felt in the new year.

THE MARKETS

The domestic market continued to experience stable demand which was mainly driven by the furniture sector.

Despite the high demand for structural timber this was only available in limited quantities. This was the case also for board products and mouldings because of shortages of lumber and veneer logs.

The South African market remained firm throughout the year which gave way to two price increases. The prices of board products were subdued for most of the year because of competition from China and Brazil.

Increased Public Sector Expenditure in Botswana, particularly in the second half of the year, saw an increase in demand for lumber, doors and treated poles.

Volumes into Mozambique continued to grow with satisfactory prices being realized on all products.

International markets were explored with some reasonable achievements. This will be continued in the new year.

CAPITAL EXPENDITURE

Capital expenditure for the year amounted to \$7.5billion compared to

\$155.3 billion (old money). The breakdown of the capital expenditure was as follows:

- 1.plantation expenditure of \$5.8 billion.
2. plant, machinery, motor vehicles and other capital expenditure amounted to \$1.7 billion.

LAND ISSUES

There were no major changes relating to the land situation as illegal settler activity continued unabated in the Chimanimani plantations. Two settlers were evicted from Imbeza Estate through the court order

HUMAN RESOURCES

Industrial relations continued to improve throughout the year. It is important that management and employees remain close at all times.

J Gadzikwa

MANAGING DIRECTOR

31st October 2007

**A Subsidiary of
RADAR HOLDINGS LIMITED**

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

FINANCE REPORT

Introduction

As highlighted in the Operational report, the business continued to operate under extremely difficult economic conditions. The harsh economic environment coupled with reduced production throughput at all the company's operations saw sales volumes decrease to unprecedented levels. Although the monetary authorities devalued the Zimbabwean dollar twice during the year, the resultant official exchange rates continued to lag behind inflation and unofficial rates. Official Inflation at 7200% as of June 2007 continued to pose serious challenges with regard to cost control and cash flow management. Interest rates remained high throughout the year but however the company benefited considerably from concessionary funds extended by the Reserve Bank of Zimbabwe.

Operating Results

Although sales volume targets for the year were met, the volume throughput in all operations reduced by 20% from prior year. Capacity utilization for the group averaged 43%. Volume throughput was mainly affected by the shortage of mature timber, power outages and labour shortages. Turnover increased by 3436% and this was mainly attributable to inflation and the devaluation of the local currency in August 2006 and April 2007.

The reduction in timber supplies to factories culminated in the retrenchment of employees at the Paulington factory and at Border Timbers International. Management efforts for the year centered on the development of new high value products for Border Timbers International and cost cutting initiatives to mitigate against inflationary pressures. These efforts yielded commendable results as operating margins improved considerably.

Finance charges amounted to \$2.9 billion against prior year actual of \$362 billion. The increase in finance charges was due to the increase in short-term borrowings. However, the weighted average cost of debt was to a considerable extent reduced by the cost of concessionary funds extended to the company by the Central Bank. The interest cover consequently improved from 1.06 times in prior year to current year of 7.86 times.

The introduction of new value added products at Border Timbers International resulted in the subsidiary company contributing commendable earnings to group results.

Assets Replacement and Refurbishment

Plant and machinery break downs were on the increase due to the age of some of the assets in use. It is from this background that the company initiated a programme of fixed asset replacement and refurbishment. This programme was initiated three years ago but however no meaningful progress has been achieved due to funding constraints. Fixed asset acquisitions for the current year amounted to \$7 billion and the bulk of the cash generated was applied to silvicultural operations. Efforts are being made to source funds required to complete this programme.

Working capital

The reduced sales throughput coupled with the hyperinflationary conditions the business operated in throughout the financial year resulted in significant increase in working capital requirements. Current assets increased by \$78 billion. This was mainly financed by increased borrowings of \$13 billion but also by additional amounts owing to creditors of \$58 billion.

Fixed Assets and Plantations

The directors with the assistance of professional valuers conducted a fixed assets and plantation revaluation on 30th June 2007. This was based on depreciated replacement cost in the case of plant and equipment, market value for land, buildings and motor vehicles and estimated fair value in the case of plantations. The revaluation surplus arising out of this exercise amounted to \$10,8 trillion.

The magnitude of the revaluation surplus is reflective of the extent of the hyper-inflationary conditions in the economy.

International Accounting Standard 29 (Hyperinflation)

The accounts have not been prepared in conformity with IAS 29, (Financial Reporting in Hyperinflationary Economies). In that the Radar Group's position as regards this standard remains unchanged, we have not adopted this standard because it is believed that the benefits normally associated with inflation reporting do not truly exist.

International Accounting Standard 41 (Agriculture)

As noted above, directors revalued plantations in compliance with International accounting standards. In consistent with prior years, the surplus on revaluation of plantations has been transferred to the capital reserve and not the income statement as is required by IAS 41.

Outlook

In view of the shortage of mature timber and the persistent power shortages being experienced, operations will continue to be at a much reduced level and accordingly the group's foreign currency earnings are set to come down considerably. Inflationary pressures in the economy will continue to erode operating margins and hence cost control will remain a major challenge to management. Management is hoping that the authorities will institute measures that will result in minimal electricity related disruptions to the operations. The effects of the recently gazetted legislation on pricing coupled with a stagnant exchange rate for exporters are factors that will exacerbate the already difficult economic environment. Management has initiated dialogue with the authorities through The Timber Producers' Federation and it is the company's sincere hope that the negotiations will result in a mutually agreeable pricing formulae for timber products.

It is essential that the asset replacement programme noted above is completed. It is in this regard that management will continue to lobby the Central Bank for funding at concessionary rates.

P Nyemba
FINANCE DIRECTOR
31st October 2007

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS BORDER TIMBERS LIMITED

Report on the Financial Statements

We audited the financial statements of Border Timbers Limited, as set out on pages 19 to 44.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluation of the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

The Zimbabwe economy is recognised as being hyperinflationary for purposes of financial reporting. These financial statements have not been prepared in conformity with International Financial Reporting Standards, in that the requirements of IAS 29, (Financial Reporting in Hyperinflationary Economies) have not been complied with. The Standard requires that financial statements that report in the currency of a hyperinflationary economy should be stated in terms of the measuring unit current at the balance sheet date. The Financial effect of non-compliance with IAS 29 has not been formally established for the reasons given in Note 25.1.

The increase in fair value of plantations has been credited to revaluation reserve rather than the income statement. This is contrary to IAS 41 (Agriculture) Note 25.3

The requirements of all International Reporting Standards have been complied with under the historical cost convention.

Disclaimer of opinion

In view of the material effect of the matter referred to in the previous paragraph, on the overall financial statements presentation, and the effective limitation of scope imposed on our work, as a result of the absence of the information that should have been extracted from the group's records, necessary to assess the materiality of that non-compliance, we are unable to express an opinion on the financial statements as regards conformity with International Financial Reporting Standards.

Opinion

The attached financial statements have been prepared under the historical cost convention (modified by the revaluation of certain assets) and would form the basis for the restatement in terms of IAS 29.

In our opinion, except for the effects on the financial statements of the matters referred to in note 25.1, the historical cost financial statements give a true and fair view, in all material respect, of the financial position of the Company and the Group as at 30 June 2007 and of the results of their operations and group cash flows for the year then ended, as measured by that convention, and in accordance with the Companies Act (Chapter 24:03) and the relevant regulations made thereunder.

Emphasis of matter

Without qualifying our opinion further, we draw your attention to a fundamental uncertainty arising from the nature of implementation of amendment No 17 2005 to Constitution of Zimbabwe (Note 26).

Ernst & Young

Chartered Accountants (Zimbabwe)

Harare

31 October 2007

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

1. GENERAL INFORMATION

The consolidated financial statements of Border Timbers Limited for the year ended 30 June 2007 were authorised for issue in accordance with a resolution of the Directors on 31st October 2007. Border Timbers Limited is a Limited company incorporated and domiciled in Zimbabwe whose shares are publicly traded.

The principle activities of the Group are described in Note 1 on Page 23.

These Financial statements are presented in Zimbabwe Dollars being the currency of the primary economic environment in which the Group operates and being the currency in force at the reporting date.

2. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Judgements

In the process of applying the Group's accounting policies, management has not made any significant judgements apart from estimations stated below, which affect the amounts recognised in the financial statements.

Estimation Uncertainty

The key assumptions made by the Directors at the balance sheet date which have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are in respect of plantation valuations.

Plantations are revalued to fair value based on the international market, which is the market in which the timber is sold. The carrying amount shown in the balance sheet is arrived at by converting this market figure at the ruling rate of exchange with the Zimbabwe Dollar at 30th June 2007.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3. Basis of Preparation

The financial statements have been prepared under the historical cost convention with the exception of freehold land, buildings, plantations and certain plant and machinery which are included at valuation as stated in the policy notes below.

The financial statements have not been prepared in accordance with International Financial Reporting Standards due to the non-adoption of IAS 29 "Financial Reporting in Hyperinflationary Economies", and non application of IAS 41 'Agriculture', further elaborated on note 25.3.

The Directors would like to draw the attention of the shareholders to the inherent shortcomings of inflation adjusted financial statements which include the generality of the inflation indices as well as the lack of uniformity in the interpretation of the **principles** used.

In monitoring and assessing the performance of the Group and Company based on the historical cost financial statements and other relevant factors, the Directors do consider the effects of the high rate of inflation in Zimbabwe. No other procedures have been adopted to reflect the impact of specific price changes or changes in the general level of prices. The financial effects of non-compliance with IAS29 have, accordingly, not been formally established.

The principal policies of the Group, which are set out below, are in all material respects, except where so indicated, consistent with those applied in the previous year.

4. Basis of Consolidation

The financial statements incorporate the financial statements of the company and its subsidiaries. Subsidiary undertakings, which are those companies in which the Group, directly or indirectly has an interest of more than one half of the voting rights or otherwise has power to exercise control over the operations, have been consolidated. Where the Group's interests in the subsidiary undertakings is less than 100 percent, the share attributable to outside shareholders is reflected in the minority interest. Subsidiaries are consolidated from their effective dates of acquisition and consolidation ceases from the date the group loses control of those subsidiaries. Subsidiaries apply uniform along policies and have the same year end as the holding company. The accounts of the subsidiary undertakings are drawn up at 30 June each year.

All material intercompany transactions, balances and unrealised surpluses and deficits have been eliminated.

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

5. Goodwill

Goodwill represents the difference between the cost of acquisition over the group's interest in the fair value of the assets and liabilities of the subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business over the group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually if events or changes in circumstances indicate that the carrying value may be impaired.

The carrying amount after goodwill is included in the determination of the profit and loss on disposal.

6. Foreign currency Transactions

Transactions in foreign currency are translated into Zimbabwe Dollars, which is the group's functional and reporting currency, at rates of exchange ruling at the date of transaction.

Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate prevailing on the balance sheet date. Exchange differences arising on the translation of foreign subsidiaries, if any, are classified as equity and transferred to the group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

7. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are expensed in the period in which they are incurred.

8. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and value added taxes. Turnover from the sale of goods is recognized when the goods are delivered.

The revenue for the group comprises sales of processed and raw timber to local and export market, rentals from property holdings, interest and dividends earned during the financial period.

Sale of Goods

Revenue is recognised when goods are delivered and ownership has passed.

Interest Income

Interest income is recognised as interest accrues using the effective interest method.

Dividend Income

Dividend income is recognised when the group's right to receive the payment is established.

Rental Income

Rental income is accounted for on a straight line basis over the leased terms on ongoing leases.

9. Property, Plant and Equipment

Land, buildings plant, machinery and motor vehicles are shown after revaluation at 30 June 2007. International Accounting Standard 16 "Property, Plant and Equipment" requires that revaluations of Property, Plant and Equipment are undertaken on a regular basis.

Surpluses on revaluation of all relevant property, plant and equipment are transferred to non-distributable reserves. On realization, the appropriate portion of the non-distributable reserves is transferred to distributable reserves. Details of such revaluations are stated in Note 11.3 to the financial statements. Certain direct costs incurred during the development of major capital projects are capitalized until the assets are brought into a working condition for their intended use.

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

Repairs and maintenance are expensed in the year in which they are incurred and only expenditure that increases the future benefits from existing assets beyond their previously assessed standards of performance is included in the gross carrying amounts of the assets.

10. Biological Assets

International Accounting Standard 41 'Agriculture' requires that the company values its 'Biological Assets' at fair value. At the end of each financial year, the Directors revalue plantations assets to their estimated fair value. Surpluses or deficits on revaluation are transferred to capital reserve and not to the income statement as required by the standard.

11. Depreciation

a) For property, plant and equipment, annual depreciation is provided for using the revalued amounts for last year as a base. The provision is calculated at varying rates on a straight line basis over the remaining useful life of vehicles, plant and machinery, Furniture, fittings and office equipment.. Following the changes to International Accounting Standard 16 'Property, Plant and Equipment', which state that useful lives and residual values of Property, Plant and Equipment should be reassessed on an annual basis, the remaining useful life and residual value of each asset was reassessed. The rates used to calculate depreciation are as follows;

Buildings and Improvements (Border only)	4 – 30 years
Plant & Machinery	5 – 33 years
Motor Vehicles and Tractors	5 – 10 years
Furniture, Fittings & Office Equipment	4 – 15 years

b) Surplus or deficits arising on the disposal of property, plant and equipment are dealt with in operating income for the year

12. Impairment

Assets are assessed for potential impairment at each reporting date. If circumstances exist which indicate that there may be impairment, a more detailed exercise is carried out which compares the carrying values of the assets to recoverable value based on either a realisable value or a value in use. Impairment losses are recognised as an expense in the income statement and the carrying value of the asset and its annual depreciation are adjusted accordingly. In the event that, in subsequent period, an asset which has been subject to an impairment loss is considered no longer to be impaired, the value is restored and the gain is recognised in the income statement. The restoration is limited to the value which would have been recorded had the impairment adjustment not taken place.

13. Inventories

Inventories are valued at the lower of cost and net realisable value after appropriate provisions for redundant and slow moving items. Cost is determined on the following basis:-

- a) Raw materials are valued at invoice cost on an average basis. Consumables are expensed in the period in which they are bought.
- b) Finished goods and work-in-progress are valued at cost using weighted average cost method. Cost includes materials, direct labour, and a proportion of direct expenses.
- c) Merchandise is valued at cost on a first in-first out basis.
- d) The values of obsolete and slow moving stocks are reduced, where necessary, to estimated net realizable values.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

14. Taxation

a) **Normal:**

Provision is made for normal taxation, where applicable, at the current rate on the taxable income for the year based on the rates and tax laws enacted at the balance sheet date.

b) **Deferred:**

Deferred taxation is provided for using the full liability method on temporary differences at the balance sheet date, between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes. All deferred tax liabilities are recognised and deferred tax assets are only recognised where it is probably that taxable profits will arise in the future against which these assets can be set off.

c) **Capital Gains:**

Provision is made for capital gains taxation, where applicable, at the current rate on the taxable gains for the year based on the rates and tax laws enacted at the balance sheet date.

d) **Value Added Tax:**

Revenues, expenses and assets are recognised net of the amount of VAT except:

- Where VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; as
- Receivables and payables that are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

15. Pension Funds

a) Group Companies and employees are members of defined contribution funds. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Such funds are not subject to actuarial valuation.

b) Group Companies and all employees contribute to the National Social Security Authority Pension and Other Benefits Scheme.

16. Financial instruments

The Group's financial instruments consist primarily of cash on hand, balances with banks, deposits on call, money-market instruments, trade and other receivables, trade payables, borrowings and investments other than those in subsidiaries. Derivative financial instruments are not used by the group in its management of foreign currency nor are they held for trading purposes.

Accounts Receivable

Accounts receivable are stated at the gross invoice value adjusted for payments received and, where appropriate, provision for doubtful debts to reflect the fair value of the expected economic benefit.

Accounts Payable

Accounts payable are stated at the initial recognized obligation less payments made and any adjustments made to reflect the fair value of the expected economic outflow of resources.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, and investments in money market instruments. In the balance sheet, bank overdrafts are included in interest bearing debt included under current liabilities.

Investments in Associated companies

Investments in associated companies are stated at the cost less applicable goodwill. Account is taken in the Consolidated Financial Statements of the Group's share of post acquisition results and distributable reserves.

Financial Assets held for sale

Investments regarded as financial assets held for sale and for which fair value can be reliably determined are stated at fair value with the change in value being credited or debited to operating income.

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

Unquoted Investments

Unquoted investments and financial assets regarded as available for sale, for which fair value cannot be reliably determined, are shown at cost unless the directors are of the opinion that there has been an impairment in value, in which case provision is made and charged to operating cost.

Financial instruments are initially recorded at fair value which usually approximates cost; subsequent to initial recognition, financial instruments, with the exception of certain fixed maturity investments, are remeasured at fair value. Fixed maturity investments which the company intends to hold to maturity are amortised over the life of the instrument based on the underlying effective interest rate. Assets are valued at amortised cost and are subjected to a test for impairment. Amounts relating to amortisation and fair value adjustments are accounted for in the Income Statement for the year.

Where the Group has financial instruments which have a legally enforceable right of offset and the Group intends to settle them on a net basis or to realise the asset and liability simultaneously, the financial asset and liability and related revenues and expenses are offset and the net amount reported in the balance sheet and income statement respectively.

17. Provisions

Provisions are recognised when the Group and company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Employee entitlement to annual leave is recognised when it accrues. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

18. RELATED PARTY TRANSACTIONS

The group trades with various fellow subsidiary and jointly controlled companies. Outstanding balances at year end are unsecured and interest is charged at a 'mid market rate' set and agreed to by management. No provision for doubtful debts relating to amounts owed by related parties were made in the financial accounts for the year ended 30 June 2007.

19. SEGMENTAL REPORTING

The Group is organised into four primary business segments namely Manufacturing, Forestry, Trading and Services. The forestry segment is involved in the growing and milling of hardwood and softwood timber for both the local and export market. The Manufacturing segment manufactures and supplies timber products to the agricultural, mining, engineering and building sectors. The trading segment supplies timber and other hardware and services to the retail trade. The Services segment provides rental leasing services and corporate office services.

All business segments operate in Zimbabwe and segment sales reflect sales to third parties.

BORDER TIMBERS LIMITED - GROUP
A Subsidiary of
RADAR HOLDINGS LIMITED
(Incorporated in Zimbabwe)
Annual Report for the Year ended 30th June 2007
Consolidated Income Statement

		2007	2006
		ZW\$'000s	ZW\$'000s
	Notes		
TURNOVER	2	52 422 046	1 482 531
Cost of Sales		<u>(22 957 869)</u>	<u>871 543</u>
GROSS PROFIT		29 464 177	610 989
Other operating income		3 867 443	28 023
Other expenses		-	(31 414)
Distribution and selling expenses		(11 359 877)	(111 473)
Administration expenses		<u>1 468 701</u>	<u>(111 723)</u>
INCOME BEFORE INTEREST and TAXATION		23 440 444	384 401
Net interest payable	4	<u>(2 981 962)</u>	<u>(362 228)</u>
INCOME BEFORE TAXATION	5	20 458 482	22 173
Taxation	7	<u>(408 416)</u>	<u>57 235</u>
INCOME AFTER TAXATION		20 050 066	79 408
		<hr/> <hr/>	<hr/> <hr/>
RETAINED BY – HOLDING COMPANY		16 148 325	100 193
- SUBSIDIARY		<u>3 901 741</u>	<u>(20 785)</u>
		<u>20 050 066</u>	<u>79 408</u>
EARNINGS PER SHARE (BASIC) – DOLLARS	8	<u>466.91</u>	<u>\$1.85</u>
EARNINGS PER SHARE (HEADLINE) – DOLLARS	8	<u>466.57</u>	<u>\$1.83</u>

BORDER TIMBERS LIMITED - GROUP
A Subsidiary of
RADAR HOLDINGS LIMITED
(Incorporated in Zimbabwe)
Annual Report for the Year ended 30th June 2007
Consolidated Balance Sheet

	2007 ZW\$'000s	2006 ZW\$'000s
EQUITY AND LIABILITIES		
Issued capital	10 86	86
Share premium	11 48	48
Capital reserve	12 9 524 819 828	7 289 501
Retained income	20 421 276	186 740
TOTAL EQUITY	<u>9 545 241 238</u>	<u>7 476 375</u>
Non – current liabilities		
Deferred taxation	13 2 924 355 651	3 244 958
Interest bearing loans and borrowings	14 -	34 051
	<u>2 924 355 651</u>	<u>3 279 009</u>
Current liabilities		
Trade and other payables	20 40 466 261	203 656
Interest bearing loans and borrowings	12 956 831	298 442
Income tax payable	235 829	-
Provisions	17 467 224	177 493
Inter-group	637 792	316
	<u>71 763 937</u>	<u>679 907</u>
Total Liabilities	2 996 119 587	3 958 916
TOTAL EQUITY AND LIABILITIES	<u>12 541 360 826</u>	<u>11 435 291</u>
ASSETS		
Non-current assets		
Property, plant and equipment	15 10 851 953 841	5 969 717
Biological assets	16 1 606 416 827	4 775 633
Interest in group companies	18 3 888 485	(27 266)
	<u>12 462 259 153</u>	<u>10 718 084</u>
Current assets		
Inventories	19 40 803 614	265 921
Trade and other receivables	35 782 097	387 036
Inter-group indebtedness	1 042 263	10 535
Cash and short term deposits	1 473 699	53 715
	<u>79 101 673</u>	<u>689 941</u>
TOTAL ASSETS	<u>12 541 360 826</u>	<u>11 435 291</u>

The financial statements on pages 14 to 46 were approved by the Board of Directors and authorised for issue on the 31st October 2007 and are signed on its behalf by:

P.W.T. CHIPUDHLA
DIRECTOR

K.R.R. SCHOFIELD
DIRECTOR

BORDER TIMBERS LIMITED - GROUP
A Subsidiary of
RADAR HOLDINGS LIMITED
(Incorporated in Zimbabwe)
Annual Report for the Year ended 30th June 2007
Group Statement of Changes in Equity

	Share Capital ZW\$'000s	Share Premium ZW\$'000s	Capital Reserves ZW\$'000s	Revenue Reserves ZW\$'000s	Total ZW\$'000s
Balance as at 1 July 2005	86	48	1 230 695	35 107	1265 936
Transfer from deferred capital gains tax	-	-	1	-	1
Revaluation – Plantations	-	-	3 922 690	-	3 922 690
Revaluation – Fixed Assets	-	-	4 950 004	-	4 950 004
Transfer to deferred taxation			(2 741 662)		(2 741 662)
Transfer to Revenue Reserves of plantation realizations			(72 226)	72 226	-
Income for the year after taxation attributable to shareholders	-	-	-	79 408	79 408
Balance at 30 June 2006	86	48	7 289 501	186 740	7 476 375
Transfer from deferred capital gains tax	-	-	1	-	1
Revaluation – Plantations	-	-	1 596 067 365	-	1 596 067 364
Revaluation – Fixed Assets	-	-	10 842 589 686	-	10 842 589 685
Transfer to deferred taxation	-	-	(2 920 942 254)	-	(2 920 942 254)
Transfer to Revenue Reserves of plantation realizations	-	-	(184 470)	184 470	-
Income for the year after taxation attributable to shareholders	-	-	-	20 050 066	20 050 066
Balance at 30 June 2007	86	48	9 524 819 828	20 421 276	9 545 241 238

BORDER TIMBERS LIMITED - GROUP
A Subsidiary of
RADAR HOLDINGS LIMITED
(Incorporated in Zimbabwe)
Annual Report for the Year ended 30th June 2007
Group Cash Flow Statement

		2007	2006
	Notes	ZW\$'000s	ZW\$'000s
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before interest		23 440 444	384 401
Non-cash items	24.1	168 361	103 485
		<u>23 608 805</u>	<u>487 886</u>
Increase in working capital	24.2	(18 187 459)	(209 818)
		<u>5 421 345</u>	<u>278 068</u>
Net interest paid	4	(2 981 962)	(362 228)
Taxation paid	24.3	(4 148)	(225)
		<u>(2 986 110)</u>	<u>(362 453)</u>
Net (Outflow) From Operating Activities		<u>2 435 235</u>	<u>(84 386)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets		(1 705 882)	(40 844)
Plantation Expenditure		(5 756 631)	(114 424)
(Increase) in capital work-in-progress		(1 696 336)	(19 307)
Proceeds on disposal of fixed assets		22 219	1 112
Decrease in investments and loans	24.4	-	-
Net Inflow/(Outflow) From Investing Activities		(9 136 629)	(173 463)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest bearing liabilities			
Net Inflow From Financing Activities	24.5	7 720 817	203 577
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		<u>1 019 423</u>	<u>(54 271)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		(55 326)	(1 055)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		<u>964 097</u>	<u>(55 326)</u>

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

Notes to the Group Financial Statements

1, SEGMENT INFORMATION**YEAR ENDED 30 June 2007**

	Forest	Manufacturing	Services	Trading	Group
	ZWD\$'000	ZWD\$'000	ZWD\$'000	ZWD\$'000	ZWD\$'000
Revenue					
Turnover	29 100 788	18 996 270	-	4 324 988	52,422,046
Results					
Operating profit/(loss) before interest & taxation	2 521 060	13 056 541	4 764 048	3 098 795	23,440,444
Net interest payable	-	23,576	2,958,386	-	2,981,962
Taxation	-	852,401	(443 986)	-	408 416
Income attributable to ordinary shareholders	2 521 060	12 180 564	2 249 647	3 098 795	20 050 066
Balance sheet					
Assets	8,673,542,651	1,282,211,780	2,581,717,909	-	12,537,472,340
Liabilities	1,825,534,126	390,471,656	776,225,320	-	2,992,231,102
Other Information					
Capital expenditure	6 664 815	546 038	251 659	-	7,462,513
Depreciation	(24)	4	97	-	77
Employee numbers	1,884	337	97	-	2,318

YEAR ENDED 30 June 2006

	Forestry	Manufacturing	Services	Trading	Group
	ZWD\$'000	ZWD\$'000	ZWD\$'000	ZWD\$'000	ZWD\$'000
Revenue					
Turnover	687 805	384 871	-	409 856	1 482 531
Results					
Operating profit/(loss)/ before interest & taxation	148 308	147 271	(122 767)	211 589	384 401
Net interest payable	-	(175)	(362 054)	-	(362 228)
Taxation	-	607	(57 842)	-	(57 235)
Income attributable to ordinary shareholders	148 308	146 490	(426 979)	211 589	79 408
Balance sheet					
Assets	9 698 544	379 030	1 384 983	-	11 462 557
Liabilities	31 335	200 307	3 754 541	-	3 986 182
Other Information					
Capital expenditure	145 279	1 120	8 869	-	155 268
Depreciation	1 225	8 077	814	-	10 117
Employee numbers	1 883	443	96	-	2 420

The Group is organised into four main business segments, all of which operate in Zimbabwe:

- Forestry: growing and milling of hardwood and softwood timber
- Manufacturing: manufacture and supply of product to the agricultural, mining, engineering, and building sectors
- Services: property holdings and corporate office activities.
- Trading: supplying products to the industrial, wholesale and engineering sectors

2007	2006
ZW\$'000s	ZW\$'000s

2 TURNOVER,

Turnover comprises net sales to and commissions received from, customers and group companies.

Consolidated turnover excludes sales to, and commissions received from, group companies.

52 422 0461 482 531

BORDER TIMBERS LIMITED – GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

Notes to the Group Financial Statements (continued)

3. RELATED PARTY DISCLOSURES

The group trades with various fellow subsidiary and jointly controlled companies. These are conducted on an arms length basis and are not material to the group's results. In addition, the group participates in financial transactions involving the holding company, fellow subsidiaries, a subsidiary and variously other jointly controlled companies.

The consolidated financial statements include the financial statements of Border Timbers Limited and the following subsidiary companies.

Name	Country of Incorporation	Activities	%age Equity Interest	
			2007	2006
Border Timbers International (Pvt) Ltd	Zimbabwe	Manufacturing	100	100
Hangani Development Company (Pvt) Ltd	Zimbabwe	Dormant	100	100
Mercury Developments (Pvt) Ltd	Zimbabwe	Dormant	100	100
			2007	2006
			ZWS'000's	ZWS'000's

a) Key Management Personnel Remuneration and other Compensation			
Directors Fees		-	-
Remuneration			
- Cash Remuneration		529 820	4,325
- Short Term Employee Benefits		13 186	802
- Long Term Employee Benefits		48 122	29
		591 128	5,156
b) Key Management Personnel Transactions			
Current Accounts			
- Opening Balances		-	-
- Net Movement During the Year		-	-
- Closing Balances		-	-
c) Income Statement Information			
Holding Company			
- Interest Paid		-	-
Fellow Subsidiaries			
- Interest Paid		661 444	29,138
- Sales		4 125 820	65 364
- Purchases		762 138	6,491
- Other Amounts Paid		-	157
Jointly Controlled Companies			
- Interest paid		-	48,034
- Sales		369 819	5 906
- Purchases		1 000 460	-
- Other Amounts Paid		-	850
d) Balance Sheet Information			
Closing Balances			
- Forrester Estate		-	(23,966)
- Franconian		-	(16,080)
- Makandi Tea & Coffee		-	591
- Radar Investments		4 025 501	(6,187)
- MacDonald Bricks		(6 750)	(19,213)
- UBM		968 426	8,390
- Radar Properties		(5 516)	(18,006)
- Rift Valley Holdings		-	5,566
- Tradecorp		-	(3,255)

BORDER TIMBERS LIMITED - GROUP
A Subsidiary of
RADAR HOLDINGS LIMITED
(Incorporated in Zimbabwe)
Annual Report for the Year ended 30th June 2007
Notes to the Group Financial Statements (continued)

	2007 ZW\$'000's	2006 ZW\$'000's
4. NET INTEREST		
Short term liabilities/investments		
- paid	2 991 478	364 340
- received	(9 516)	(2 112)
	2 981 962	362 228
5 INCOME BEFORE TAXATION		
Income before taxation is stated after		
- charging:		
Auditors' remuneration		
- current	9 385 109	25 567
- prior year under provision	25 265	807
	9 410 374	26 374
Directors' emoluments		
- as directors	-	-
- for management	591 128	5 156
	591 128	5 156
Plantation Redemption	182 802	94 277
Provisions		
- Depreciation	77 220	10 037
- Doubtful debts charge/(reversal)	961 756	6 020
	1 038 976	16 057
Staff costs (note 6)	12 818 099	345 338
- crediting:		
Exchange profit	29 247 818	143 588
Profit on sale of fixed assets	14 518	907
	29 262 336	144 495
6 STAFF COSTS		
- Salaries and wages	11 416 617	320 913
- Pension costs	714 854	17 855
- Medical aid costs	686 628	6 571
	12 818 099	345 338
Manning levels at 30.06.2007		
Permanent	2 311	1 744
Contract	7	676

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

Notes to the Group Financial Statements (continued)

	2007 ZW\$'000s	2006 ZW\$'000s
7 TAXATION		
Company taxation	239 976	-
Deferred	168 440	(57 235)
	<u>408 416</u>	<u>(57 235)</u>

The Group's effective rate of taxation is below the current rate of 30.90% (2006 - 30.90%) and is reconciled as follows:

	%	%
Taxation at normal rate	30.90	30.90
Tax effect of net disallowable expenses and exempt income	(16.27)	(53.75)
Tax effect of EPZ discounted rate	(0.16)	-
Tax effect of temporary differences arising from exchange rate movements	(22.62)	13.49
Tax effect of accelerated capital allowances	(1.33)	(245.33)
Tax effect of export allowances	(0.42)	(5.30)
Tax effect of tax loss not claimable	11.90	1.87
Effective rate of taxation for the year	<u>2.00</u>	<u>(258.14)</u>

The group has computed income tax losses carried forward amounting to:-

7 881 780 (150 417)

8 HEADLINE EARNINGS PER SHARE

Headline earnings per share is based on the Group's headline earnings divided by the number of shares or where applicable the weighted average number of shares in issue during the year. 42 942 495 shares were in issue for both years.

Reconciliation between earnings and headline earnings:

	2007		2006	
	Net Income ZW\$'000s	Per Share \$'s	Net Income ZW\$'000s	Per Share \$'s
Earnings as reported (Basic)	20 050 066	466.91	79 408	1 849.17
Adjustments:				
Profit on sales of fixed assets	(14 518)	(0.34)	(907)	(21.13)
Headline Earnings	<u>20 035 548</u>	<u>466.57</u>	<u>78 501</u>	<u>1 828.04</u>

9 INCOME AFTER TAXATION

The income after taxation in the accounts of the Holding Company amounts to

	2007 ZW\$'000s	2006 ZW\$'000s
	<u>16 148 325</u>	<u>100 193</u>

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

Notes to the Group Financial Statements (continued)

	2007 ZW\$'000s	2006 ZW\$'000s
10 SHARE CAPITAL		
Ordinary shares of \$2 each		
- authorized	43 000 000	86
- unissued	57 505	-
Issued and fully paid	<u>42 942 495</u>	<u>86</u>
The unissued shares are under the control of the Directors who may issue them on such terms and conditions as they see fit subject to the limitation of the Companies Act (Chapter 24:03) and the Zimbabwe Stock Exchange Regulations. The period of this authority is unlimited.		
11 SHARE PREMIUM		
At 30 June 2007 and 30 th June 2006	<u>48</u>	<u>48</u>
12 CAPITAL RESERVE		
At 30 June 2006	7 289 501	1 230 695
Surplus arising on revaluation of:		
- Plantations	1 596 067 364	3 922 690
- Fixed assets	10 842 589 685	4 950 004
Transfer to Deferred Taxation	(2 920 942 254)	(2 741 662)
Transfer from Deferred Capital Gains	1	1
Transfer of realised portion on plantations	(184 470)	(72 226)
At 30 June 2007	<u>9 524 819 828</u>	<u>7 289 501</u>
Analysis		
Surplus on revaluation of land, buildings, plantations and plant and equipment	<u>9 524 819 828</u>	<u>7 289 501</u>
13. DEFERRED TAXATION		
Temporary Differences		
At 30 June 2006	3 244 955	560 528
Transfer ex Capital Reserve	2 920 942 254	2 741 662
Current year charge to income statement	168 440	(57 235)
	<u>2 924 355 649</u>	<u>3 244 955</u>
Capital Gains	2	3
At 30 June 2007	<u>2 924 355 651</u>	<u>3 244 958</u>
14. LONG AND MEDIUM TERM LIABILITIES		
Interest Bearing – Unsecured		
Radar Properties (Pvt) Ltd	-	17 971
Franconian Zimbabwe Investments (Pvt) Ltd	-	16 080
	<u>-</u>	<u>34 051</u>
The above loans were repaid during the year under review. The loans attracted interest at 338% per annum and were unsecured.		
Interest Free - Unsecured		
Total taxation payable	235 829	735
Deduct:		
Taxation due within one year (Note 20)	235 829	735
	<u>-</u>	<u>34 051</u>

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

Notes to the Group Financial Statements (continued)

15. FIXED ASSETS – Zw\$000's

30 TH JUNE 2007 REVALUATION	LAND AND BUILDINGS	PLANT AND MACHINERY	MOTOR VEHICLES	FURNITURE AND FITTINGS	ELECTRICAL CONNECTION S	2007 TOTAL
OPENING BALANCE – 30 TH JUNE 2006	4 085 043	1 182 459	619 840	44 288	38 087	5 969 717
ADDITIONS	505 811	46 670	752 714	400 686	-	1 705 881
DISPOSALS	-	-	(8 248)	(79)	-	(8 327)
TRANSFERS – OUT	-	-	-	-	-	-
REVALUATION – DIRECTORS AT 30 TH JUNE 2007	7 724 137 559	1 898 451 529	933 145 075	54 457 609	232 397 913	10 842 589 685
CAPITAL WORK IN PROGRESS:						
- (OPENING BALANCE)	-	(13 192)	(6 628)	(464)	-	(20 284)
- CLOSING BALANCE	-	459	1 716 161	-	-	1 716 620
CLOSING BALANCE – 30TH JUNE 2007	7 728 728 413	1 899 667 925	936 218 914	54 902 040	232 436 000	10 851 953 292

30 TH JUNE 2007 DEPRECIATION	LAND AND BUILDINGS	PLANT AND MACHINERY	MOTOR VEHICLES	FURNITURE AND FITTINGS	ELECTRICAL CONNECTION S	2007 TOTAL
OPENING BALANCE – 30 TH JUNE 2006	-	-	-	-	-	-
CURRENT YEAR'S CHARGE	-	-	77	-	-	77
DISPOSALS	-	-	(622)	(4)	-	(626)
TRANSFERS – OUT	-	-	-	-	-	-
REVALUATION – DIRECTORS AT 30 TH JUNE 2007	-	-	-	-	-	-
CLOSING BALANCE – 30TH JUNE 2007	-	-	(545)	(4)	-	(549)

NET BOOK VALUE – 30TH JUNE 2007 7 728 728 413 1 899 667 925 936 219 459 54 902 044 232 436 000 10 851 953 841

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

Notes to the Group Financial Statements (continued)

15. FIXED ASSETS – Zw\$000's (Continued)

30 TH JUNE 2006 REVALUATION	LAND AND BUILDINGS	PLANT AND MACHINERY	MOTOR VEHICLES	FURNITURE AND FITTINGS	ELECTRICAL CONNECTION S	2006 TOTAL
OPENING BALANCE – 30 TH JUNE 2005	691 444	206 287	67 983	4 156	13	969 883
ADDITIONS	-	-	37 313	3 531	-	40 844
DISPOSALS	-	-	(271)	(33)	-	(304)
REVALUATION – DIRECTORS AT 30 TH JUNE 2006	3 398 816	966 453	510 198	36 463	38 074	4 950 004
CAPITAL WORK IN PROGRESS:						
- (OPENING BALANCE)	-	(2)	(776)	(199)	-	(977)
- CLOSING BALANCE	-	13 192	6 628	464	-	20 284
CLOSING BALANCE – 30TH JUNE 2006	4 090 260	1 185 930	621 075	44 382	38 087	5 979 734

30 TH JUNE 2006 DEPRECIATION	LAND AND BUILDINGS	PLANT AND MACHINERY	MOTOR VEHICLES	FURNITURE AND FITTINGS	ELECTRICAL CONNECTION S	2006 TOTAL
OPENING BALANCE – 30 TH JUNE 2006	-	-	-	-	-	-
CURRENT YEAR'S CHARGE	5 217	3 471	1 323	105	-	10 116
DISPOSALS	-	-	(88)	(11)	-	(99)
REVALUATION – DIRECTORS AT 30 TH JUNE 2006						
CLOSING BALANCE – 30TH JUNE 2006	5 217	3 471	1 235	94	-	10 017

NET BOOK VALUE – 30TH JUNE 2006	4 085 043	1 182 459	619,840	44 288	38 087	5 969 717
---	------------------	------------------	----------------	---------------	---------------	------------------

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

Notes to the Group Financial Statements (continued)

15 FIXED ASSETS (continued)**15.1 Encumbered Assets**

There are no encumbered assets

15.2 Capital Commitments

Capital expenditure approved at 30 June 2007

Contracted: ZW\$880,725,000

Not Contracted: Nil

All commitments are to be funded from group resources.

15.3 Revaluation of Fixed AssetsThe directors with the assistance of professional valuers revalued fixed assets at 30th June 2007 as follows:-

- (i) Land and buildings - depreciated replacement cost.
(ii) Plant and machinery - depreciated replacement cost according to age, obsolescence, use and condition.

	2007 ZW\$'000s	2006 ZW\$'000s
15.4 Fully Depreciated Assets		
Buildings and improvements	-	-
Plant machinery and equipment	-	-
	-	-

15.5 Fixed Assets withdrawn from use

There were no assets withdrawn from use this year.

16. PLANTATIONS**Valuation at 30th June 2006**

Expenditure for the period
Plantation depreciation capitalized
Revaluation surplus

ZW\$'000s**ZW\$'000s**

4 775 633

5 756 631

-

1 596 067 364

1 606 599 629

832 796

114 345

79

3 922 690

4 869 909

Deduct:

Destroyed by fire / Cyclone

Felled Timber

Economic Adjustments

Valuation at 30th June 2007

(77 208)

(92 390)

(13 204)

1 606 416 827

(56 754)

(14 351)

(23 172)

4 775 633

Comprising of

1- 6 years

7-12 years

13-18 years

19-24 years

25-30 years

Over 30 years

2007**2006****ZW\$'000s****2006**
ZW\$'000s

7 440

7 502

10 750 679

420 198

7 671

8 192

352 033 607

1 551 988

4 957

4 702

589 915 058

1 205 402

1 879

1 643

372 004 746

574 716

504

452

132 158 305

186 452

1 085

1 105

149 554 434

836 877

23 536

23 596

1 606 416 827

4 775 633

Revaluation of plantationsA director's revaluation was carried out at 30th June 2007 based on estimated fair value based on cost in the region.

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

Notes to the Group Financial Statements (continued)

	2007 ZWS'000s	2006 ZWS'000s
17 INVESTMENTS AND LOANS		
Shares at cost	-	-
- unquoted (Directors' valuation ZW \$ 30 000)		
	<hr/>	
18 INTEREST IN GROUP COMPANIES		
Short Term Loan Accounts	(4 478 277)	(24 683)
Current accounts	(589 792)	(2 583)
	<hr/>	
	(3 888 485)	(27 266)
19 CURRENT ASSETS		
Inventories		
- Raw materials	18 375 716	103 605
- Work-in-progress	14 924 429	105 440
- Finished goods	7 503 468	56 876
	40 803 614	265 921
Trade debtors	33 141 804	299 484
Other debtors and prepayments	2 640 293	87 552
Inter - group indebtedness	1 042 263	10 536
Cash resources	1 473 699	53 715
	79 101 672	717 208
	<hr/>	
Trade debtors are shown after deducting a provision for doubtful debts of	968 111	6 355
	<hr/>	
20. CURRENT LIABILITIES		
Interest Bearing		
- Bank overdraft (unsecured)	509 602	109 041
- Short Term Loans	12 447 229	189 401
	12 956 831	298 442
Interest Free		
- Trade creditors	40 466 261	203 656
- Other creditors and accruals	17 467 224	177 493
- Taxation (Note 14)	235 829	-
- Inter-group indebtedness	637 792	316
	58 807 105	381 465
	<hr/>	
	71 763 936	679 907
	<hr/>	

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

Notes to the Group Financial Statements (continued)

21 BORROWING POWERS

The Articles of Association provide that the Group may from time to time, at the discretion of the Directors, borrow, raise or source borrowings up to half the value of the shareholders equity as reflected in the Balance Sheet of the Annual Report. This limit may only be exceeded with the sanction of an ordinary resolution of the Company.

22 PENSION FUNDS

22.1 The Radar Group Pension Fund

The fund is a defined contribution scheme and is not subject to Actuarial valuation. Employer/employee contributions are 10.0% and 5.0% respectively.

22.2 National Social Security Authority Scheme (NSSA)

This scheme was promulgated under the National Social Security Act (Chapter 17:04) of 1989. Employer/employee contributions under the scheme are limited to specific contributions as legislated from time to time.

23 FINANCIAL RISK MANAGEMENT

23.1 Derivative Financial Instruments

The Group in its management of foreign currency does not use these, nor are they held for trading purposes.

23.2 Board Meetings

The Board executive meets regularly to consider and to adopt effective strategies to manage the following risks:

- exposure to exchange rate fluctuations;
- borrowing facilities in the form of bank overdrafts and acceptance credits are negotiated with approved and registered financial institutions and third parties, at acceptable interest rates;
- investment of surplus funds in the form of treasury bills, bank acceptances and money at call are placed with approved registered financial institutions and building societies at favourable rates on a short-term basis;
- credit risk in the form of trade debtors that consist of a large customer base. However a sales agent who deals directly with many individual customers, represents a major portion of the amount outstanding.
- Specific provisions for doubtful debts are regularly adjusted. Where appropriate, credit guarantee insurance is purchased;
- Insurance of group assets with the exception of plantations, which are not insured.

23.3 Financial Instruments

The estimated net fair values of all financial instruments approximate to the carrying amounts shown in the balance sheet.

23.4 Asset Insurance

Assets are insured on a reinstatement basis. The sums insured are subject to regular review by the Company and its brokers. Plantations are not insured as cover is not available.

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007

Notes to the Group Financial Statements (continued)

	2007 ZW\$'000s	2006 ZW\$'000s
24 CASH FLOW INFORMATION		
24.1 Non cash items and separate disclosures		
- Depreciation	77	10 037
- Plantation depreciation capitalized	-	79
- Plantation redemption	182 802	94 277
- Profit on disposal of fixed assets	(14 518)	(908)
	<u>168 361</u>	<u>103 485</u>
24.2 Movement in working capital		
- Inventories	(40 537 693)	(244 086)
- Debtors	(35 395 061)	(306 220)
- Short term interest free liabilities	57 552 336	342 861
- Inter-group indebtedness	192 958	(3 107)
	<u>(18 187 459)</u>	<u>(210 552)</u>
24.3 Taxation paid		
Taxation movement	<u>(4 148)</u>	<u>(509)</u>
24.4 Financing		
Interest bearing liabilities		
- short term	34 051	19 051
- long and medium term	7 754 867	184 526
	<u>7 720 817</u>	<u>203 577</u>

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2006

Notes to the Group Financial Statements (continued)

25 NON-COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

25.1 These financial statements have not been prepared in conformity with IAS 29, (Financial Reporting in Hyperinflationary Economies) as the directors are of the view that the cost of preparing inflation adjusted financial statements would be out of proportion to the perceived benefits to the members and other stakeholders. The financial effects of non-compliance with IAS29 have, accordingly, not been formally established. In monitoring and assessing the performance of the group based on the historical cost financial statements and other relevant factors, the directors do consider the effects of the high rate of inflation in Zimbabwe.

25.2 The company does not depreciate all property and this is not consistent with the requirements of IAS 16 "Property, plant and equipment".

25.3 IAS 41 "Agriculture" requires Biological assets to be stated at fair value with the changes in fair value being credited/charged to the profit and loss account. Whilst the plantations have been valued at fair value, the corresponding uplift has been credited to Revaluation Reserves. This is contrary to IAS 41 requirements.

26. LAND DESIGNATION

During previous financial years, the Zimbabwe Government de-listed all land previously listed for compulsory acquisition. In 2005 the Constitution of Zimbabwe Amendment (No17) was enacted into Zimbabwe law by the Parliament of Zimbabwe to confirm acquisition of land for resettlement purposes which took place pursuant of the Land Reform Program beginning 2000 and to provide for the acquisition in future of agricultural land for resettlement and other purposes.

The constitutional provision states that:

- All land that has been identified in the Government Gazette between 2 June and 8 July 2005 or identified after that date by the Government, as being Agricultural land required for resettlement purposes is acquired by the state and is vested in the state with full title therein.
- No compensation shall be payable to such land except for any improvements on the land
- The acquisition of such land may not be challenged by the courts except to the extent of amounts payable for improvements.

27 CONTINGENT LIABILITIES

There are no contingent liabilities in existence at 30th June 2007.

28 POST BALANCE SHEET EVENT

Subsequent to the year end the official rate of exchange between the Zimbabwean Dollar and major foreign currencies, depreciated by 148%

BORDER TIMBERS LIMITED
A Subsidiary of
RADAR HOLDINGS LIMITED
COMPANY INCOME STATEMENT
YEAR ENDED 30TH JUNE 2007

		2007	2006
		\$ZW'000s	\$ZW'000s
	Notes		
TURNOVER	1	49 923 551	1,437,324
COST OF SALES		(26 775 871)	(844,828)
GROSS PROFIT		<hr/> 23 147 680	<hr/> 592,496
OTHER OPERATING INCOME		3 464 051	(15,300)
DISTRIBUTION AND SELLING EXPENSES		(10 787 845)	(103,666)
ADMINISTRATION EXPENSES		(2 838 840)	(67,913)
OPERATING PROFIT BEFORE INTEREST AND TAXATION		<hr/> 18 662 726	<hr/> 405,618
Net interest payable	3	2 958 386	362,054
INCOME BEFORE TAXATION	4	<hr/> 15 704 340	<hr/> 43,564
TAXATION	5	(443 986)	(56,629)
INCOME AFTER TAXATION		<hr/> <hr/> 16 148 325	<hr/> <hr/> 100,193

BORDER TIMBERS LIMITED
A Subsidiary of
RADAR HOLDINGS LIMITED
COMPANY BALANCE SHEET
30TH JUNE 2007

	Notes	2007 ZW\$'000s	2006 ZW\$'000s
EQUITY AND LIABILITIES			
Issued capital	6	86	86
Share premium	7	48	48
Capital reserve	8	9 524 819 828	7 289 501
Retained income		16 532 534	199 739
TOTAL EQUITY		<u>9 541 352 496</u>	<u>7 489 374</u>
Non – current liabilities			
Deferred taxation	10	2 923 743 510	3 245 243
Interest bearing loans and borrowings	11	-	34 051
		<u>2 923 743 510</u>	<u>3 279 294</u>
Current liabilities			
Trade and other payables	17	40 372 964	200 904
Interest bearing loans and borrowings		12 899 219	298 442
Income tax payable		1	735
Provisions		11 778 965	123 859
Inter-group		1 138 821	79
		<u>66 189 970</u>	<u>624 019</u>
Total Liabilities		2 989 933 480	3 903 313
TOTAL EQUITY AND LIABILITIES		<u>12 531 285 976</u>	<u>11 392 687</u>
ASSETS			
Non-current assets			
Property, plant and equipment	12	10 851 953 835	5 969 711
Biological assets	13	1 606 416 827	4 775 633
Interest in group companies	15	3 888 491	(27 261)
		<u>12 462 259 153</u>	<u>10 718 083</u>
Current assets			
Inventories	16	36 586 633	210 904
Trade and other receivables		30 548 789	310 283
Inter-group indebtedness		932 181	120 596
Cash and short term deposits		959 220	32 821
		<u>69 026 823</u>	<u>674 604</u>
TOTAL ASSETS		<u>12 531 285 976</u>	<u>11 392 687</u>

BORDER TIMBERS LIMITED
A Subsidiary of
RADAR HOLDINGS LIMITED
COMPANY CASH FLOW STATEMENT
YEAR ENDED 30TH JUNE 2007

	2007		2006
	\$ZW'000s		\$ZW'000s
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before interest	18 662 726		405,618
Non-cash items:			
- Depreciation	77	10,037	
- Plantation depreciation capitalised	-	79	
- Plantation redemption	182 802	94,277	
- (Profit) on disposal of fixed assets	<u>(14 518)</u>	<u>(907)</u>	
	168 361		103,485
	<u>18 831 087</u>		<u>509,103</u>
Working Capital Changes:			
- (Increase) in stocks	(36 375 729)	(198 410)	
- (Increase) in debtors	(30 238 507)	(246 041)	
- Increase in short term liabilities	51 826 432	294 484	
- (Decrease) in Inter-group indebtedness	<u>(914 365)</u>	<u>(101 131)</u>	
	(13 873 438)		(251,097)
Cash Flow From Operations	4 957 649		258,006
Net interest paid	(2 958 386)	(362,054)	
Taxation paid	<u>-</u>	<u>(734)</u>	
	<u>(2 958 386)</u>		<u>(362,788)</u>
NET (OUTFLOW) FROM OPERATING ACTIVITIES	(1 999 263)		(103,314)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets	(7 462 513)	(155,268)	
Increase in capital work-in-progress	(1 696 336)	(19,307)	
Proceeds on disposal of fixed assets	22 219	1,112	
Increase in investments and loans	<u>-</u>	<u>-</u>	
NET OUTFLOW FROM INVESTING ACTIVITIES	(9 136 629)		(173,463)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in interest bearing liabilities - long and medium term	34 051	19,051	
Increase in interest bearing liabilities - short term	<u>7 754 867</u>	<u>184,526</u>	
NET INFLOW FROM FINANCING ACTIVITIES	7 720 817		203,577
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	583 450		(73,200)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	(76 220)		(3,020)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>507 229</u>		<u>(76,220)</u>
CASH AND CASH EQUIVALENTS			
Cash resources	959 220		32,821
Bank overdrafts	<u>(451 990)</u>		<u>(109,041)</u>
	<u>507 229</u>		<u>(76,220)</u>

BORDER TIMBERS LIMITED
A Subsidiary of
RADAR HOLDINGS LIMITED
NOTES TO THE COMPANY FINANCIAL STATEMENTS
YEAR ENDED 30TH JUNE 2007

	2007	2006
	\$	\$
1 TURNOVER		
Turnover comprises net sales to customers, group companies and divisions	49 923 551	1,437,324
2 SIGNIFICANT INTER-GROUP TRANSACTIONS		
Sales	6 678 924	122,098
Purchases	4 380 809	7,956
Paid:		
- Interest	665 227	31,869
- Rent	8 138	319
Received:		
- Administration cost recovery	35 000	25,000
- Interest	3 783	2,731
- Machinery rental	750 000	20,000
- Property rental	6 652	162
3 NET INTEREST (excluding amounts shown in Note 2)		
Short term liabilities		
- paid	2 967 896	364,165
- (received)	(9 510)	(2,111)
	2 958 386	362,054
4 INCOME BEFORE TAXATION		
Stated after -		
Charging:		
Auditors' remuneration		
- current	7 228 216	20,887
- prior year under/(over) provision	25 265	807
	7 253 481	21,694
Provisions		
- Depreciation	77 220	10,037
- Stock obsolescence charge/(reversal)	-	-
- Doubtful debts charge/(reversal)	734 624	8,186
	734 701	18,223
Directors' emoluments		
- as directors	-	-
- for management	591 128	5,156
	591 128	5,156
Staff costs		
- Salaries and wages	9 103 475	290,167
- Pension fund contributions	613 205	14,415
- N.S.S.A. contributions	44 265	1,393
	612	
- Medical aid contributions	271	5,974
	10 373 216	311,949
Manning levels at 30th June 2007		
Permanent	2 201	1,576
Contract	1	676
	2,202	2,252
Crediting:		
Exchange profit	25 473 510	110,369
Profit on sale of fixed assets	14 518	907

BORDER TIMBERS LIMITED
A Subsidiary of
RADAR HOLDINGS LIMITED
NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)
YEAR ENDED 30TH JUNE 2007

	2007	2006
	\$	\$
5 TAXATION		
Normal	-	-
Deferred		
- current	(443 986)	(56,629)
Capital Gains	-	-
	<u>(443 986)</u>	<u>(56,629)</u>
Reconciliation of tax charge		
Accounting Profit Before Taxation	15 704 340	43,564
Taxation credit/(charge) for the year	(443 986)	(56,629)
Effective tax rate for the year	<u>2.83%</u>	<u>-129.99%</u>
Made up as follows:-		
	%	%
Corporate tax rate	30.90	30.90
Tax effect of net disallowable expenses and exempt income	(22.05)	(41.60)
Tax effect of accelerated capital allowances	(0.24)	(124.86)
Tax effect of export allowances	(0.52)	(2.20)
Tax effect of temporary differences arising from exchange rate movements	(21.81)	-
Tax effect of the recognition of taxation losses carried forward	(15.51)	-
Effective tax rate for the year	<u>2.83</u>	<u>(129.99)</u>
The company has a computed income tax loss carried forward amounting to	<u>(7 881 780)</u>	<u>(149,074)</u>
6 SHARE CAPITAL		
Ordinary shares of \$2 each		
- authorised	86	86
- unissued	-	-
Issued and fully paid	<u>86</u>	<u>86</u>
The unissued shares are under the control of the Directors who may issue them on such terms and conditions as they see fit, subject to the limitation of the Companies Act (Chapter 24:03). The period of this authority is unlimited.		
7 SHARE PREMIUM		
At 30 June 2007	<u>48</u>	<u>48</u>
8 CAPITAL RESERVE		
At 30 June 2006	7 289 501	1,230,695
Surplus arising out of directors revaluation of:		
- land and buildings	7 724 137 559	3,398,816
- plant and machinery	2 130 849 442	1,004,527
- furniture and fittings	54 457 608	36,463
- motor vehicles	933 145 075	510,198
- plantations	1 596 067 364	3,922,690
Transfer from Deferred Capital Gains	1	1
Deferred tax arising on revaluations of fixed assets and plantations	(2 920 942 254)	(2,741,662)
Transfer to Retained Income of plantation realisations	(184 470)	(72,226)
At 30 June 2007	<u>9 524 819 828</u>	<u>7 289 501</u>
Analysis		
Surpluses on revaluation		
- motor vehicles	644 357 519	392,306
- furniture and fittings	37 519 847	27,008
- land and buildings	6 266 823 813	2,826,170
- plant and machinery	1 473 396 136	836,513
- plantations	1 102 722 514	3,207,503
	<u>9 524 819 828</u>	<u>7,289,501</u>

BORDER TIMBERS LIMITED
A Subsidiary of
RADAR HOLDINGS LIMITED
NOTES TO THE COMPANY FINANCIAL STATEMENTS
(continued)
YEAR ENDED 30TH JUNE 2007

	2007	2006
	\$	\$
9 SHAREHOLDERS' FUNDS		
At 30 June 2006	7 489 374	1,258,149
Income after taxation for the year	16 148 325	100,193
Net increase/(decrease) in capital reserves	9 517 530 327	6,058,806
Transfer of realised portion of plantations from capital reserve	<u>184 470</u>	<u>72,226</u>
At 30 June 2007	<u><u>9 541 352 496</u></u>	<u><u>7,489,374</u></u>
10 DEFERRED TAXATION		
Timing Differences		
At 30 June 2006	3 245 240	560,206
Transfer ex Capital Reserve	0	131,155
Current year charge to income statement	(443 986)	(56,629)
Arising out of revaluation of fixed assets and plantations	<u>2,920 942 254</u>	<u>2,610,507</u>
At 30 June 2007	2 923 743 508	3,245,240
Capital Gains		
At 30 June 2006	3	4
Transfer ex Capital Reserve	<u>(1)</u>	<u>(1)</u>
At 30 June 2007	2	3
	<u><u>2 923 743 510</u></u>	<u><u>3,245,243</u></u>
11 LONG AND MEDIUM TERM LIABILITIES		
Interest Bearing		
Rate of interest		Repayable
(i) Inter-group		
Radar Properties 338%	2020	-
Repayable in monthly installment of \$6 660 000 000		17,971
Deduct:		
Transfer to short term liabilities	<u>-</u>	<u>-</u>
		17,971
(ii) External		
Franconian Zimbabwe 338%	2020	-
Repayable in monthly installment of \$6 047 000 000		16,080
Deduct:		
Transfer to short term liabilities	<u>-</u>	<u>-</u>
		16,080
	<u><u>-</u></u>	<u><u>34,051</u></u>

BORDER TIMBERS LIMITED
A Subsidiary of
RADAR HOLDINGS LIMITED
(Incorporated in Zimbabwe)
Annual Report for the Year ended 30th June 2007
Notes to the Company Financial Statements (continued)

12. FIXED ASSETS – Zw\$000's

30 TH JUNE 2007 REVALUATION	LAND AND BUILDINGS	PLANT AND MACHINERY	MOTOR VEHICLES	FURNITURE AND FITTINGS	ELECTRICAL CONNECTION S	2007 TOTAL
OPENING BALANCE – 30 TH JUNE 2006	4 085 037	1 182 459	619 840	44 288	38 087	5 969 711
ADDITIONS	505 811	46 670	752 714	400 686	-	1 705 881
DISPOSALS	-	-	(8 248)	(79)	-	(8 327)
TRANSFERS – OUT	-	-	-	-	-	-
REVALUATION – DIRECTORS AT 30 TH JUNE 2007	7 724 137 559	1 898 451 529	933 145 075	54 457 609	232 397 913	10 842 589 685
CAPITAL WORK IN PROGRESS:						
- (OPENING BALANCE)	-	(13 192)	(6 628)	(464)	-	(20 284)
- CLOSING BALANCE	-	459	1 716 161	-	-	1 716 620
CLOSING BALANCE – 30TH JUNE 2007	7 728 728 407	1 899 667 925	936 218 914	54 902 040	232 436 000	10 851 953 286

30 TH JUNE 2007 DEPRECIATION	LAND AND BUILDINGS	PLANT AND MACHINERY	MOTOR VEHICLES	FURNITURE AND FITTINGS	ELECTRICAL CONNECTION S	2007 TOTAL
OPENING BALANCE – 30 TH JUNE 2006	-	-	-	-	-	-
CURRENT YEAR'S CHARGE	-	-	77	-	-	77
DISPOSALS	-	-	(622)	(4)	-	(626)
TRANSFERS – OUT	-	-	-	-	-	-
REVALUATION – DIRECTORS AT 30 TH JUNE 2007						
CLOSING BALANCE – 30TH JUNE 2007	-	-	(545)	(4)	-	(549)

NET BOOK VALUE – 30TH JUNE 2007 7 728 728 407 1 899 667 925 936 219 459 54 902 044 232 436 000 10 851 953 835

BORDER TIMBERS LIMITED
A Subsidiary of
RADAR HOLDINGS LIMITED
(Incorporated in Zimbabwe)
Annual Report for the Year ended 30th June 2007
Notes to the Company Financial Statements (continued)

12. FIXED ASSETS – Zw\$000's (continued)

30 TH JUNE 2006 REVALUATION	LAND AND BUILDINGS	PLANT AND MACHINERY	MOTOR VEHICLES	FURNITURE AND FITTINGS	ELECTRICAL CONNECTION S	2006 TOTAL
OPENING BALANCE – 30 TH JUNE 2005	691 438	206 287	67 983	4 156	13	969 877
ADDITIONS	-	-	37 313	3 531	-	40 844
DISPOSALS	-	-	(271)	(33)	-	(304)
REVALUATION – DIRECTORS AT 30 TH JUNE 2006	3 398 816	966 453	510 198	36 463	38 074	4 950 004
CAPITAL WORK IN PROGRESS:						
- (OPENING BALANCE)	-	(2)	(776)	(199)	-	(977)
- CLOSING BALANCE	-	13 192	6 628	464	-	20 284
CLOSING BALANCE – 30TH JUNE 2006	4 090 254	1 185 930	621 075	44 382	38 087	5 979 728

30 TH JUNE 2006 DEPRECIATION	LAND AND BUILDINGS	PLANT AND MACHINERY	MOTOR VEHICLES	FURNITURE AND FITTINGS	ELECTRICAL CONNECTION S	2006 TOTAL
OPENING BALANCE – 30 TH JUNE 2006	-	-	-	-	-	-
CURRENT YEAR'S CHARGE	5 217	3 471	1 323	105	-	10 116
DISPOSALS	-	-	(88)	(11)	-	(99)
CLOSING BALANCE – 30TH JUNE 2006	5 217	3 471	1 235	94	-	10 017
NET BOOK VALUE – 30TH JUNE 2006	4 085 037	1 182 459	619,840	44 288	38 087	5 969 711

BORDER TIMBERS LIMITED
A Subsidiary of
RADAR HOLDINGS LIMITED
NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)
YEAR ENDED 30TH JUNE 2007

	2007	2006
	\$ZW'000s	\$ZW'000s
13 PLANTATIONS		
Opening Balance - 30th June 2006	4,775,633	832,796
Additions	5 756 631	114,424
Redemptions	(182 802)	(94,277)
Cost Updates		
Directors Revaluation at 30th June 2007	<u>1 596 067 364</u>	<u>3,922 690</u>
Closing Balance - 30th June 2007	<u><u>1 606 416 827</u></u>	<u><u>4,775,633</u></u>
	Hectares	Hectares
Opening Balance - 30th June 2006	23,596	24,494
Clearfelled	(456)	(422)
Destroyed	(383)	(1,672)
Economic adjustments	(61)	(515)
Planted	840	1,711
Closing Balance - 30th June 2007	<u><u>23,536</u></u>	<u><u>23,596</u></u>
At 30th June 2007, the directors revalued plantations at estimated fair value based on cost in the region		
	\$ZW'000s	\$ZW'000s
14 INVESTMENTS AND LOANS		
Shares at cost		
- unquoted (Directors' valuation \$30 000)	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>
15 INTER-GROUP INVESTMENTS		
(all wholly owned subsidiaries or fellow subsidiaries)		
Shares at cost	6	6
Loan Accounts	4 478 277	(24,683)
Current Accounts	<u>(589 792)</u>	<u>(2,583)</u>
	<u><u>3 888 491</u></u>	<u><u>(27,261)</u></u>
16 CURRENT ASSETS		
Stock		
- raw materials	17 162 727	82,241
- work-in-progress	13 177 773	72,836
- finished goods	<u>6 246 133</u>	<u>55,827</u>
	36 586 633	210,904
Trade debtors	28 400 019	238,016
Other debtors and prepayments	2 148 771	72,267
Inter - group indebtedness		
- Border Timbers International	-	110,617
- Macdonald's Bricks - Montgomery	(3 978)	-
- United Builders Merchants	936 159	9,979
- Radar Investments	<u>-</u>	<u>-</u>
	932 181	120,596
Cash resources	959 220	32,821
	<u><u>69 026 823</u></u>	<u><u>674,603</u></u>
Trade debtors are shown after deducting a provision for doubtful debts of	<u>743 145</u>	<u>8,521</u>

BORDER TIMBERS LIMITED
A Subsidiary of
RADAR HOLDINGS LIMITED
NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)
YEAR ENDED 30TH JUNE 2007

	\$	2007 \$	\$	2006 \$
17 CURRENT LIABILITIES				
Interest Bearing				
Bank overdraft	451 990		109,041	
	12 447			
Acceptance credits	229		189,401	
		12 899 219		298,442
Interest Free				
Trade creditors	40 372			
	964		200,903	
	11 778			
Other creditors and accruals	965		124,593	
Taxation	772		772	
Inter-group indebtedness				
- United Builders Merchants	1 138 821		79	
		53 290 751		325,577
		66 189 970		624,019

18 RELATED PARTY DISCLOSURES

The group trades with various fellow subsidiary and jointly controlled companies. These are conducted on an arms length basis and are not material to the group's results. In addition, the group participates in financial transactions involving the holding company, fellow subsidiaries, a subsidiary and various other jointly controlled companies.

a) Key Management Personnel Remuneration and other Compensation

Directors Fees	-		-
Remuneration			
- Cash Remuneration		529 820	4,325
- Short Term Employee Benefits		13 186	802
- Long Term Employee Benefits		48 122	29
		591 128	5,156

b) Key Management Personnel Transactions

	-	-
--	---	---

c) Income Statement Information

Holding Company			
- Interest Paid		-	-
Fellow Subsidiaries			
- Interest Paid		661 444	29,138
- Sales		4 125 820	65,364
- Purchases		762 138	6,491
- Other Amounts Paid		-	157
Subsidiaries			
- Sales		2 553 105	56,734
- Purchases		3 618 671	1,465
- Other Amounts Paid/(Received)		(780 000)	(45,000)
Jointly Controlled Companies			
- Interest Paid		-	48,034
- Sales		369 819	5 906
- Purchases		1 000 460	-
- Other Amounts Paid		-	850

d) Balance Sheet Information

Closing Balances			
- Border Timbers International		(510 029)	110,617
- Forrester Estate		-	(23,966)
- Franconian		-	(16,080)
- Makandi Tea & Coffee Estate		-	-
- Radar Properties		(5 516)	(18,006)
- Radar Investments		(4 025 501)	(6,187)
- MacDonald Bricks		(6 750)	(19,213)
- United Builders Merchants		858 344	8,069
- Rift Valley Holdings		-	5,566
- Tradecorp		-	(3,256)

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007**FIVE YEAR PERFORMANCE ANALYSIS**

	June 2007 ZW\$	June 2006 ZW\$	June 2005 ZW\$	June 2004 ZW\$	June 2003 ZW\$
TURNOVER	52 422 047	1 482 531	165 347	43 929	9 256
Income before taxation and extraordinary item	20 458 482	22 173	13 784	556	599
Taxation	408 416	57 235	(3 237)	(345)	(118)
Income after taxation before extraordinary item	20 050 066	79 408	10 547	211	481
Extraordinary item	-	-	-	(22 334)	(3 959)
Retained Income for the period	20 050 066	79 408	10 547	22 546	4 440
FUNDS EMPLOYED					
Share capital	86	86	86	86	86
Share premium	48	48	48	48	48
Non Distributable Reserves	9 524 819 828	7 289 501	1 230 695	24 708	3 991
Distributable Reserves	20 421 276	186 740	35 107	24 560	4 736
Share holders funds	9 545 241 238	7 476 375	1 265 936	49 401	8 860
Medium Term Loans	0	34 051	15 000	290	330
Deferred Tax	2 924 355 651	3 244 958	560 531	18 084	1 958
	12 469 596 889	10 755 384	1 841 467	67 775	11 148
Represented By					
Fixed assets	10 851 953 292	5 969 717	969 882	4 559	729
Plantations	1 606 416 827	4 775 633	832 796	36 500	5 962
Net current assets/(liabilities) excl. Cash	9 752 522	(43 681)	34 453	20 315	205
Cash resources	1 473 699	53 715	4 336	6 401	4 251
	12 469 596 889	10 755 384	1 841 467	67 775	11 148
Statistics					
Shares in issue (Millions)					
Ordinary Shares	42 942	42 942	42 942	42 942	42 942
Number of shareholders	132	132	134	132	132
Shareholders performance per share (dollars)					
Earnings basic	466.91	1.85	0.25	0.53	0.10
Returns					
Operating income to turnover	44.71%	25.93%	31.57%	22.54%	6.70%
Operating income to total assets	0.19%	3.35%	2.73%	9.07%	3.68%
Profit after tax to shareholders funds	0.21%	1.06%	0.83%	45.64%	50.11%
Ratios					
Debt-Equity	0.00	4.45	3.95	42.96	26.88
Interest Cover	7.86	1.06	1.36	1.06	29.66
Solvency ratios					
Current Ratio	1.10	1.05	1.55	1.64	1.78
Liquidity	0.53	0.66	1.25	1.53	1.62
Number of employees	2 318	2 420	2 789	2 429	3 020

BORDER TIMBERS LIMITED - GROUP

A Subsidiary of

RADAR HOLDINGS LIMITED

(Incorporated in Zimbabwe)

Annual Report for the Year ended 30th June 2007**ANALYSIS OF SHAREHOLDERS**

30 June 2007

		2007				2006			
		Holders	% of Total	Shares (000's)	% of Total	Holders	% of Total	Shares (000's)	% of Total
0 -	1,000	80	57.6	28,722	0.1	75	56.0	25,819	0.1
1,001 -	5,000	25	18.0	74,585	0.2	24	17.9	73,672	0.2
5,001 -	10,000	8	5.8	64,340	0.1	10	7.5	80,145	0.2
10,001 -	50,000	15	107.9	314,789	0.7	13	9.7	228,391	0.5
Over 50,000		11	7.9	42,460,051	98.9	12	9.0	42,534,460	99.0
		<u>139</u>	<u>100.0</u>	<u>42,942,487</u>	<u>100.0</u>	<u>134</u>	<u>100.0</u>	<u>42,942,487</u>	<u>100.0</u>

CLASSIFICATION

		2007				2006			
		Holders	% of Total	Shares (000's)	% of Total	Holders	% of Total	Shares (000's)	% of Total
<u>Resident:</u>									
Banks & Nominee Companies		11	7.9	8,990,469	20.9	12	9.0	8,881,596	20.7
Companies		28	20.1	33,396,332	77.8	29	21.6	33,183,242	77.3
Pension Funds		2	1.4	163,816	0.4	3	2.2	161,816	0.4
Individuals		78	56.1	201,611	0.5	69	51.5	120,766	0.3
<u>Non-Resident:</u>									
Companies		4	2.9	885	0.0	4	3.0	405,451	0.9
Individuals		16	11.5	189,374	0.4	17	12.7	189,624	0.4
		<u>139</u>	<u>100.0</u>	<u>42,942,487</u>	<u>100.0</u>	<u>134</u>	<u>100.0</u>	<u>42,942,495</u>	<u>100.0</u>

MAJOR SHAREHOLDERS

	2007		2006		
	Shares 000s	% of Total	Shares 000s	% of Total	
Radar Holdings Limited	22,005,087	51.2	22,005,087	51.2	
Franconian Zimbabwe Investments (Pvt) Ltd	11,045,468	25.7	11,045,468	25.7	
Kingdom Nominees (Pvt) Ltd	8,711,735	20.3	8,711,735	20.3	
Tudley Holdings NNR	150,000	0.3	238,563	0.6	
Salisbury New Pool Settlement	114,088	0.3	114,088	0.3	
Waughco Nominees (Pvt) Ltd	100,000	0.2	105,574	0.2	
P & R Holdings (Pvt) Ltd Pension Fund	152,816	0.4	152,816	0.4	
		<u>42,279,194</u>	<u>98.5</u>	<u>42,373,331</u>	<u>98.7</u>