

TA ANN HOLDINGS BERHAD
(Incorporated in Malaysia)

Condensed consolidated statement of financial position
As at 30 June 2014 - unaudited

| | Note | 30 June 2014 RM'000 | 31 December 2013 RM'000 |
|-----------------------------------------------------------|------|------------------------|----------------------------|
| Assets | | | |
| Property, plant and equipment | | 896,550 | 886,880 |
| Prepaid lease payments | | 4,605 | 4,709 |
| Oil palm plantation expenditure | | 316,383 | 306,575 |
| Reforestation expenditure | | 83,604 | 79,756 |
| Deferred tax assets | | 322 | 322 |
| Timber concessions | | 44,374 | 48,564 |
| Goodwill | | 11,840 | 12,080 |
| Other intangible assets | | 5,946 | 5,960 |
| Total non-current assets | | 1,363,624 | 1,344,846 |
| Inventories | | 132,113 | 121,954 |
| Property development costs | | 1,473 | 1,441 |
| Trade and other receivables | 14 | 80,943 | 69,099 |
| Current tax recoverable | | 3,497 | 1,025 |
| Cash and bank balances | | 274,835 | 260,790 |
| Total current assets | | 492,861 | 454,309 |
| Total assets | | 1,856,485 | 1,799,155 |
| Financed by: | | | |
| Capital and reserves | | | |
| Share capital | | 370,736 | 370,736 |
| Treasury shares | | (904) | (904) |
| Foreign exchange translation reserve | | 11,602 | 6,103 |
| Retained earnings | 32 | 654,417 | 633,037 |
| Total equity attributable to owners of the Company | | 1,035,851 | 1,008,972 |
| Non-controlling interests | | 28,764 | 30,282 |
| Total equity | | 1,064,615 | 1,039,254 |
| Liabilities | | | |
| Deferred tax liabilities | | 83,418 | 81,254 |
| Deferred income | | 21,620 | 21,528 |
| Borrowings | 26 | 355,445 | 277,767 |
| Employee benefits | | 17,431 | 16,006 |
| Total non-current liabilities | | 477,914 | 396,555 |
| Trade and other payables | | 121,037 | 113,291 |
| Deferred income | | 1,318 | 1,273 |
| Borrowings | 26 | 171,104 | 240,620 |
| Current tax payable | | 20,497 | 8,162 |
| Total current liabilities | | 313,956 | 363,346 |
| Total liabilities | | 791,870 | 759,901 |
| Total equity and liabilities | | 1,856,485 | 1,799,155 |
| Net assets per share (RM) | | 2.79 | 2.72 |

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

TA ANN HOLDINGS BERHAD
(Incorporated in Malaysia)

Condensed consolidated statement of profit or loss and other comprehensive income
For the period ended 30 June 2014 - unaudited

| | Note | Individual Quarter | | Cumulative Quarter | |
|---------------------------------------------------------------------------|------|------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------|
| | | Current Year Quarter Ended 30 June 2014 RM'000 | Preceding Year Corresponding Quarter Ended 30 June 2013 RM'000 | Current Year To date 30 June 2014 RM'000 | Preceding Year Corresponding Period 2013 RM'000 |
| Revenue | 9 | 245,767 | 199,927 | 457,584 | 350,209 |
| Cost of sales | | (174,944) | (159,665) | (322,826) | (278,058) |
| Gross Profit | | 70,823 | 40,262 | 134,758 | 72,151 |
| Finance income | | 1,834 | 1,108 | 3,058 | 1,588 |
| Other operating income | | 2,489 | 64,903 | 4,401 | 66,640 |
| Unrealised gain/ (loss) in foreign exchange | | 106 | 154 | (243) | 146 |
| Distribution costs | | (14,976) | (16,693) | (28,843) | (30,430) |
| Administrative expenses | | (10,973) | (9,450) | (18,911) | (17,516) |
| Other expenses | | (4,124) | (37,578) | (5,634) | (40,133) |
| Profit from operations | | 45,179 | 42,706 | 88,586 | 52,446 |
| Finance costs | | (5,832) | (4,561) | (10,269) | (8,241) |
| Profit before tax | 9 | 39,347 | 38,145 | 78,317 | 44,205 |
| Tax expense | 21 | (10,976) | (14,249) | (21,201) | (17,568) |
| Profit for the period | | 28,371 | 23,896 | 57,116 | 26,637 |
| Other comprehensive (loss)/ income, net of tax | | | | | |
| Item that is or may be reclassified subsequently to profit or loss | | | | | |
| Foreign currency translation differences for foreign operations | | (533) | (17,028) | 5,499 | (14,466) |
| Other comprehensive (loss)/ income for the period, net of tax | | (533) | (17,028) | 5,499 | (14,466) |
| Total comprehensive income for the period | | 27,838 | 6,868 | 62,615 | 12,171 |
| Profit for the period attributable to: | | | | | |
| Owners of the Company | | 29,770 | 24,204 | 58,434 | 28,231 |
| Non-controlling interests | | (1,399) | (308) | (1,318) | (1,594) |
| Profit for the period | | 28,371 | 23,896 | 57,116 | 26,637 |
| Total comprehensive income attributable to: | | | | | |
| Owners of the Company | | 29,237 | 7,176 | 63,933 | 13,765 |
| Non-controlling interests | | (1,399) | (308) | (1,318) | (1,594) |
| Total comprehensive income for the period | | 27,838 | 6,868 | 62,615 | 12,171 |
| Earnings per share attributable to owners of the Company : | | | | | |
| Basic/ Diluted earnings per ordinary share (sen) | | 8.03 | 6.53 | 15.77 | 7.62 |

The unaudited condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

Company No: 419232-K

TA ANN HOLDINGS BERHAD

Condensed consolidated statement of changes in equity
For the period ended 30 June 2014 - unaudited

| | ← Attributable to owners of the Company → | | | | | | |
|--------------------------------------------------------------------|-------------------------------------------|------------------------------|-----------------------------------------------|---------------------------------------|-----------------|----------------------------------|-----------------|
| | ← Non-distributable → | | Foreign exchange translation reserve | Distributable Retained earnings | | Non- controlling interests | Total Equity |
| | Share capital RM'000 | Treasury Shares RM'000 | RM'000 | RM'000 | Total RM'000 | RM'000 | RM'000 |
| At 1 January 2014 | 370,736 | (904) | 6,103 | 633,037 | 1,008,972 | 30,282 | 1,039,254 |
| Foreign currency translation differences for foreign operations | - | - | 5,499 | - | 5,499 | - | 5,499 |
| Total other comprehensive income for the period | - | - | 5,499 | - | 5,499 | - | 5,499 |
| Profit for the period | - | - | - | 58,434 | 58,434 | (1,318) | 57,116 |
| Total comprehensive income for the period | - | - | 5,499 | 58,434 | 63,933 | (1,318) | 62,615 |
| <i>Contributions by and distributions to owners of the Company</i> | | | | | | | |
| - Dividends to owners of the Company | - | - | - | (37,054) | (37,054) | - | (37,054) |
| - Dividends to non-controlling interests | - | - | - | - | - | (200) | (200) |
| Total transactions with owners of the Company | - | - | - | (37,054) | (37,054) | (200) | (37,254) |
| At 30 June 2014 | 370,736 | (904) | 11,602 | 654,417 | 1,035,851 | 28,764 | 1,064,615 |
| At 1 January 2013 | 370,736 | (904) | 13,151 | 578,845 | 961,828 | 30,946 | 992,774 |
| Foreign currency translation differences for foreign operations | - | - | (14,466) | - | (14,466) | - | (14,466) |
| Total other comprehensive income for the period | - | - | (14,466) | - | (14,466) | - | (14,466) |
| Profit for the period | - | - | - | 28,231 | 28,231 | (1,594) | 26,637 |
| Total comprehensive income for the period | - | - | (14,466) | 28,231 | 13,765 | (1,594) | 12,171 |
| <i>Contributions by and distributions to owners of the Company</i> | | | | | | | |
| - Dividends to owners of the Company | - | - | - | (18,527) | (18,527) | - | (18,527) |
| Total transactions with owners of the Company | - | - | - | (18,527) | (18,527) | - | (18,527) |
| At 30 June 2013 | 370,736 | (904) | (1,315) | 588,549 | 957,066 | 29,352 | 986,418 |

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

Company No: 419232-K

TA ANN HOLDINGS BERHAD

**Condensed consolidated statement of cash flows
For the period ended 30 June 2014 - unaudited**

| | 1 January 2014 to 30 June 2014 RM'000 | 1 January 2013 to 30 June 2013 RM'000 |
|----------------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| Cash flows from operating activities | | |
| Profit before tax | 78,317 | 44,205 |
| Adjustments for: | | |
| Amortisation of plantation development expenditure | 6,727 | 6,241 |
| Amortisation of prepaid lease payments | 140 | 140 |
| Amortisation of goodwill | 240 | 240 |
| Amortisation of other intangible assets | 4,254 | 4,253 |
| Depreciation of property, plant and equipment | 27,418 | 26,053 |
| Deferred income recognised as income | (648) | (688) |
| Finance costs | 10,269 | 8,241 |
| Finance income | (3,058) | (1,588) |
| Gain on disposal of property, plant and equipment | (259) | (107) |
| Property, plant and equipment written off | 184 | 182 |
| Unrealised foreign exchange loss/ (gain) | 243 | (146) |
| Employee benefits | 1,425 | 1,043 |
| Impairment of property, plant and equipment | - | 31,077 |
| Operating profit before changes in working capital | <u>125,252</u> | <u>119,146</u> |
| Changes in working capital: | | |
| Inventories | (8,647) | 47,108 |
| Property development costs | (32) | - |
| Trade and other receivables, prepayments and other assets | (11,750) | (23,625) |
| Trade and other payables | 7,412 | 14,861 |
| Cash generated from operations | <u>112,235</u> | <u>157,490</u> |
| Interest paid | (9,673) | (7,660) |
| Income tax paid | (9,166) | (7,402) |
| Employee benefits paid | - | (44) |
| Net cash from operating activities | <u>93,396</u> | <u>142,384</u> |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (24,084) | (34,847) |
| Proceeds from disposal of property, plant and equipment | 1,525 | 641 |
| Plantation development expenditure incurred | (19,582) | (24,060) |
| Movement in fixed deposits with original maturities exceeding three months | - | (22,501) |
| Interest received | 3,058 | 1,588 |
| Net cash used in investing activities | <u>(39,083)</u> | <u>(79,179)</u> |
| Cash flows from financing activities | | |
| Dividends paid to owners of the Company | (37,054) | (18,527) |
| Dividends to non-controlling interests | (200) | - |
| Proceeds from borrowings | 5,940 | 69,595 |
| Repayment of finance lease liabilities | (8,635) | (7,049) |
| Increased in pledged deposits | (266) | (8) |
| Interest paid | (596) | (580) |
| Net cash (used in)/from financing activities | <u>(40,811)</u> | <u>43,431</u> |
| Net increase in cash and cash equivalents | 13,502 | 106,636 |
| Effect of exchange rate fluctuations on cash held | 278 | (12) |
| Cash and cash equivalents at 1 January | <u>259,362</u> | <u>128,543</u> |
| Cash and cash equivalents at 30 June (Note 22) | <u>273,142</u> | <u>235,167</u> |

The unaudited condensed statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.