

TA ANN HOLDINGS BERHAD
(Incorporated in Malaysia)

Condensed consolidated statement of financial position
As at 30 September 2015 - unaudited

	Note	30 September 2015 RM'000	31 December 2014 RM'000
Assets			
Property, plant and equipment		913,684	896,320
Prepaid lease payments		4,180	4,391
Oil palm plantation development expenditure		339,044	326,911
Reforestation expenditure		90,305	87,269
Deferred tax assets		769	797
Timber concessions		33,828	39,049
Goodwill		11,046	11,406
Other intangible assets		5,746	6,797
Total non-current assets		1,398,602	1,372,940
Inventories		136,873	126,074
Property development costs		1,442	1,441
Trade and other receivables	14	87,090	62,519
Current tax recoverable		476	644
Cash and cash equivalents	22	321,828	297,862
Other investments	23	11,967	21,787
Total current assets		559,676	510,327
Total assets		1,958,278	1,883,267
Financed by:			
Capital and reserves			
Share capital		370,736	370,736
Treasury shares		(904)	(904)
Foreign exchange translation reserve		14,475	5,578
Retained earnings	33	773,677	682,777
Total equity attributable to owners of the Company		1,157,984	1,058,187
Non-controlling interests		30,819	31,867
Total equity		1,188,803	1,090,054
Liabilities			
Deferred tax liabilities		88,507	85,915
Deferred income		42,260	40,815
Borrowings	27	337,518	377,831
Employee benefits		20,379	18,604
Total non-current liabilities		488,664	523,165
Trade and other payables		125,075	115,593
Deferred income		2,497	1,250
Borrowings	27	128,006	138,581
Employee benefits		2,246	1,602
Current tax payable		22,987	13,022
Total current liabilities		280,811	270,048
Total liabilities		769,475	793,213
Total equity and liabilities		1,958,278	1,883,267
Net assets per share (RM)		3.13	2.85

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

Condensed consolidated statement of profit or loss and other comprehensive income
For the period ended 30 September 2015 - unaudited

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter Ended 30 September 2015 RM'000	Preceding Year Corresponding Quarter Ended 30 September 2014 RM'000	Current Year To date 30 September 2015 RM'000	Preceding Year Corresponding Period Ended 30 September 2014 RM'000
Revenue	9	298,913	284,707	777,948	742,291
Cost of sales		(188,664)	(203,124)	(536,230)	(525,950)
Gross profit		110,249	81,583	241,718	216,341
Finance income		2,404	1,878	6,151	4,936
Other operating income		12,202	18,848	21,811	23,249
Unrealised gain/ (loss) in foreign exchange		2,226	164	3,803	(79)
Distribution costs		(15,189)	(16,845)	(41,583)	(45,688)
Administrative expenses		(12,790)	(16,015)	(35,103)	(34,926)
Other expenses		(2,565)	(2,977)	(9,939)	(8,611)
Profit from operations		96,537	66,636	186,858	155,222
Finance costs		(5,218)	(5,465)	(16,431)	(15,734)
Profit before tax	9	91,319	61,171	170,427	139,488
Tax expense	21	(20,931)	(14,236)	(42,121)	(35,437)
Profit for the period		70,388	46,935	128,306	104,051
Other comprehensive income/ (loss), net of tax					
Item that is or may be reclassified subsequently to profit or loss					
Foreign exchange translation differences for foreign operations		7,651	(5,418)	8,897	81
Other comprehensive income/ (loss) for the period, net of tax		7,651	(5,418)	8,897	81
Total comprehensive income for the period		78,039	41,517	137,203	104,132
Profit attributable to:					
Owners of the Company		67,424	43,605	127,954	102,039
Non-controlling interests		2,964	3,330	352	2,012
Profit for the period		70,388	46,935	128,306	104,051
Total comprehensive income attributable to:					
Owners of the Company		75,075	38,187	136,851	102,120
Non-controlling interests		2,964	3,330	352	2,012
Total comprehensive income for the period		78,039	41,517	137,203	104,132
Earnings per share attributable to owners of the Company :					
Basic/ Diluted earnings per ordinary share (sen)	31	18.20	11.77	34.53	27.54

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 2014 and the accompanying explanatory notes attached to the interim financial statements.

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Condensed consolidated statement of changes in equity
For the period ended 30 September 2015 - unaudited

	← Attributable to owners of the Company →						
	← Non-distributable →		Foreign exchange translation reserve	Distributable Retained earnings	Total	Non- controlling interests	Total equity
	Share capital RM'000	Treasury shares RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2015	370,736	(904)	5,578	682,777	1,058,187	31,867	1,090,054
Foreign exchange translation differences	-	-	8,897	-	8,897	-	8,897
Total other comprehensive income for the period	-	-	8,897	-	8,897	-	8,897
Profit for the period	-	-	-	127,954	127,954	352	128,306
Total comprehensive income for the period	-	-	8,897	127,954	136,851	352	137,203
<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	-	-	-	-	-	(1,400)	(1,400)
Total transactions with owners of the Company	-	-	-	(37,054)	(37,054)	(1,400)	(38,454)
At 30 September 2015	370,736	(904)	14,475	773,677	1,157,984	30,819	1,188,803
At 1 January 2014	370,736	(904)	6,103	633,037	1,008,972	30,282	1,039,254
Foreign exchange translation differences	-	-	81	-	81	-	81
Total other comprehensive income for the period	-	-	81	-	81	-	81
Profit for the period	-	-	-	102,039	102,039	2,012	104,051
Total comprehensive income for the period	-	-	81	102,039	102,120	2,012	104,132
<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 September 2014	370,736	(904)	6,184	698,022	1,074,038	32,094	1,106,132

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 2014 and the accompanying explanatory notes attached to the interim financial statements.

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**Condensed consolidated statement of cash flows
For the period ended 30 September 2015 - unaudited**

	1 January 2015 to 30 September 2015 RM'000	1 January 2014 to 30 September 2014 RM'000
Cash flows from operating activities		
Profit before tax	170,427	139,488
<i>Adjustments for:</i>		
Amortisation of plantation development expenditure	11,891	10,060
Amortisation of prepaid lease payments	211	211
Amortisation of goodwill	360	360
Amortisation of other intangible assets and timber concessions	6,375	6,379
Depreciation of property, plant and equipment	43,589	40,770
Dividend income	(4)	-
Deferred income recognised as income	(1,087)	(972)
Finance costs	16,431	15,734
Finance income	(6,151)	(4,936)
(Gain)/ Loss on disposal of property, plant and equipment	(195)	15
Property, plant and equipment written off	638	199
Unrealised foreign exchange (gain)/ loss	(3,803)	79
Employee benefits	1,775	1,670
Operating profit before changes in working capital	<u>240,457</u>	<u>209,057</u>
Changes in working capital:		
Inventories	(8,214)	(11,063)
Property development costs	-	(14)
Trade and other receivables, prepayments and other assets	(24,278)	(6,107)
Trade and other payables	8,225	21,700
Cash generated from operations	<u>216,190</u>	<u>213,573</u>
Interest paid	(2,740)	(2,163)
Income tax paid	(29,743)	(18,582)
Net cash from operating activities	<u>183,707</u>	<u>192,828</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(39,308)	(34,242)
Proceeds from disposal of property, plant and equipment	1,615	1,649
Plantation development expenditure incurred	(25,627)	(33,106)
Upliftment of fixed deposits with original maturities exceeding three months	10,550	-
Grant income received	-	18,645
Dividend received	4	-
Interest received	6,151	4,936
Net cash used in investing activities	<u>(46,615)</u>	<u>(42,118)</u>
Cash flows from financing activities		
Dividends paid to owners of the Company	(37,054)	(37,054)
Dividends to non-controlling interests	(1,400)	(200)
Repayment of borrowings	(51,347)	(10,452)
Repayment of finance lease liabilities	(9,415)	(12,400)
Placement of pledged deposits	(730)	(270)
Finance lease interest paid	(2,516)	(906)
Term loan interest/ profit paid	(11,175)	(12,665)
Net cash used in financing activities	<u>(113,637)</u>	<u>(73,947)</u>
Net increase in cash and cash equivalents	23,455	76,763
Effect of exchange rate fluctuations on cash held	511	(987)
Cash and cash equivalents at 1 January	<u>297,862</u>	<u>259,362</u>
Cash and cash equivalents at 30 September (Note 22)	<u>321,828</u>	<u>335,138</u>

The unaudited condensed statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

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Notes to the interim financial report

1 Basis of Preparation

The interim financial report has been prepared in accordance with FRS 134: *Interim Financial Reporting* and paragraph 9.22 of Listing Requirements of the Bursa Malaysia Securities Berhad.

The preparation of an interim financial report in conformity with FRS 134, *Interim Financial Reporting*, requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

This interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2014. It contains unaudited condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the year ended 31 December 2014. The condensed consolidated interim financial report and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Financial Reporting Standards (FRSs).

The statutory financial statements for the year ended 31 December 2014 are available from the Company's registered office.

2 Significant Accounting Policies

2.1 Change in accounting policies

The significant accounting policies adopted in the preparation of this interim financial report are consistent with those in the audited financial statements for the year ended 31 December 2014, except for the adoption of the following standards, amendments and interpretations:

- Amendments to FRS 1, *First-time Adoption of Financial Reporting Standards (Annual Improvements to FRSs 2011-2013 Cycle)*
- Amendments to FRS 3, *Business Combinations (Annual Improvements to FRSs 2010-2012 Cycle and 2011-2013 Cycle)*
- Amendments to FRS 8, *Operating Segments (Annual Improvements to FRSs 2010-2012 Cycle)*
- Amendments to FRS 13, *Fair Value Measurement (Annual Improvements to FRSs 2010-2012 Cycle and 2011-2013 Cycle)*
- Amendments to FRS 116, *Property, Plant and Equipment (Annual Improvements to FRSs 2010-2012 Cycle)*
- Amendments to FRS 119, *Employee Benefits – Defined Benefit Plans: Employee Contributions*
- Amendments to FRS 124, *Related Party Disclosures (Annual Improvements to FRSs 2010-2012 Cycle)*
- Amendments to FRS 138, *Intangible Assets (Annual Improvements to FRSs 2010-2012 Cycle)*
- Amendments to FRS 140, *Investment Property (Annual Improvements to FRSs 2011-2013 Cycle)*

The adoption of the new and revised FRSs, IC Interpretations and Amendments has no material impact to the Group's consolidated financial statements of the current quarter or the comparative consolidated financial statements of the prior financial year.

2.2 Malaysian Financial Reporting Standards (MFRS) Framework

On 8 September 2015, MASB has confirmed that the effective date of MFRS 15 *Revenue from Contracts with Customers* will be deferred to annual periods beginning on or after 1 January 2018. The MASB has consistently used the effective date of MFRS 15 as the basis for setting the effective date for Transitioning Entities (TEs) to apply MFRS. As a result, the effective date for the TEs to apply MFRS will also be deferred to annual periods beginning on or after 1 January 2018.

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Given that certain group entities are TEs, the financial statements of the Group will continue to be prepared in compliance with FRS for the financial year ending 31 December 2015, 31 December 2016 and 31 December 2017. They will be prepared in compliance with MFRS from the financial year beginning on 1 January 2018.

3 Auditors' Report on Preceding Annual Financial Statements

The auditors have expressed an unqualified opinion on the audited financial statements for the year ended 31 December 2014 in their report dated 9 April 2015.

4 Seasonality or Cyclicity of Operations

The Group's operations were not subject to any seasonal or cyclical changes for the current quarter under review.

5 Unusual Items

There are no unusual items that have any material impact on the interim financial report.

6 Changes in Estimates

There were no changes in estimates that have had a material effect on the current quarter and financial year-to-date results.

7 Debt and Equity Securities, Share Buy-back

There were no issuances or repayment of debt or equity securities during the financial quarter under review.

As at 30 September 2015, the number of ordinary shares repurchased in an earlier period and retained as treasury shares is 199,400 shares.

8 Dividend

An interim single-tier ordinary dividend of 10 sen per ordinary share for the financial year ended 31 December 2015, amounting to RM37,053,708 was paid on 17 August 2015 to depositors registered in the Record of Depositors at the close of business on 20 July 2015.

The Board of Directors has declared a second interim single-tier ordinary dividend for the financial year ended 31 December 2015 of 10 sen per ordinary share (corresponding period in Year 2014: 10 sen) to be paid on 22 December 2015 to depositors whose names appear in the Record of Depositors on 3 December 2015.

A depositor shall qualify for entitlement only in respect of:

- (a) Securities transferred into Depositor's Securities Account before 4:00 p.m. on 3 December 2015 in respect of transfers; and
- (b) Securities bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the rules of the Bursa Malaysia Securities Berhad.

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9 Segmental Reporting

	Revenue from external customers		Profit before tax	
	9 months ended 30 September			
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Timber products	454,663	433,737	125,683	88,423
Oil palm	323,187	308,497	46,683	51,850
Reforestation	98	57	(1,735)	(487)
Property development	-	-	(204)	(298)
	<u>777,948</u>	<u>742,291</u>	<u>170,427</u>	<u>139,488</u>

10 Valuation of Property, Plant and Equipment

The valuations of buildings, wharf and jetty have been brought forward, without amendment from the previous audited financial statements.

11 Subsequent Events

There were no significant events that have occurred during the interval between the end of the current quarter and the date of this announcement.

12 Changes in Composition of the Group

There were no changes in the composition of the Group during the financial quarter under review.

13 Contingent Liabilities or Assets

There were no material changes in the contingent liabilities or assets since the last annual reporting date.

14 Trade and Other Receivables

	As At 30 September 2015 RM'000	As At 31 December 2014 RM'000
Current assets		
Trade receivables	57,643	37,302
Interest receivable	45	254
Other receivables	4,335	1,648
Deposits	3,581	2,075
Prepayments		
-Plant and machinery	1,363	6,291
-Land premium	7,062	5,978
-Others	12,233	8,346
Advance to a log supplier	90	90
Other advances	738	535
	<u>87,090</u>	<u>62,519</u>

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Notes to the interim financial report

15 Capital Commitments

	As At 30 September 2015 RM'000
Property, plant and equipment	
- Contracted but not provided for	2,872
- Authorised but not contracted for	33,038
	35,910
Plantation development expenditure	
- Authorised but not contracted for	13,604
Leasehold land held for subsidiaries' use	
- Approved and contracted for	15,130
	64,644

16 Review of Performance

- (a) For the quarter under review, a revenue of RM298.91 million was achieved compared to RM284.71 million of the corresponding quarter of 2014. Profit before tax and net profit for the quarter were RM91.32 million and RM70.39 million, 49% and 50% higher compared to RM61.17 million and RM46.94 million of the corresponding quarter in 2014 respectively.

Main factors contributing to the better performance were as follow:

- (i) Higher fresh fruit bunch ('FFB') production by 8% from the increasing mature palms;
 - (ii) Better export logs and plywood average selling prices which in Ringgit terms were 41% and 26% higher though their respective sales volumes were 31% and 9% lower; and
 - (iii) The Tasmania operation which has started to generate profit in 2015 is reporting higher profit for the quarter.
- (b) For the first nine months of 2015, the revenue and net profit were RM777.95 million and RM128.31 million, 5% and 23% higher than RM742.29 million and RM104.05 million respectively of the corresponding period in 2014.

Higher FFB and CPO production by 11% and 14% respectively and better average selling prices of export logs by 28% and plywood by 13% mainly accounted for the improved performance.

17 Variation of Results as compared to the Preceding Quarter

Revenue in the quarter under review increased by 16% from RM256.90 million of the preceding quarter to RM298.91 million. Profit before tax for the quarter surged by 100% from RM45.43 million of the preceding quarter to RM91.32 million and net profit for the quarter also more than doubled from RM32.98 million to RM70.39 million.

Sales volume of plywood, FFB and CPO increased by 10%, 29% and 27% respectively in the quarter under review. Higher export logs and plywood average selling prices, by 12% and 13% respectively, were the main contributing factors to the better profit.

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18 Current Year Prospects

The Group profit achieved for the first 9 months of 2015 has surpassed the profit recorded for the whole year of 2014.

For the last quarter of 2015, both the timber and palm oil sectors are expected to maintain their positive contribution to Group profit.

Barring unforeseen circumstances, the Directors are confident of a better performance for 2015 than 2014.

19 Profit Forecast

Not applicable as the Group did not publish any profit forecast.

20 Profit for the period

	Individual Quarter		Cumulative Quarter	
	3 months ended 30 September		9 months ended 30 September	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Profit for the period is arrived at after crediting/ (charging):				
Finance income	2,404	1,878	6,151	4,936
Finance costs	(5,218)	(5,465)	(16,431)	(15,734)
Depreciation and amortisation	(22,435)	(19,001)	(62,426)	(57,780)
Gain/ (Loss) on disposal of property, plant and equipment	50	(274)	195	(15)
Property, plant and equipment written off	(391)	(15)	(638)	(199)
Foreign exchange gain/ (loss)				
- realised	6,931	132	9,515	1,721
- unrealised	2,226	164	3,803	(79)

Save as disclosed above, the other items required to be disclosed under Appendix 9B, Part A(16) of the Bursa Listing Requirements are not applicable.

21 Tax Expense

The taxation charges of the Group for the period under review are as follows:

	Individual Quarter		Cumulative Quarter	
	3 months ended 30 September		9 months ended 30 September	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Current tax expense				
- Current year	17,925	13,104	40,004	32,706
- Prior years	-	-	(128)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	17,925	13,104	39,876	32,706
Deferred tax expense				
- Current year	3,006	1,132	2,245	2,731
Total tax expense	<hr/>	<hr/>	<hr/>	<hr/>
	20,931	14,236	42,121	35,437

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Notes to the interim financial report

21 Tax Expense (continued)

Reconciliation of tax expense

	Individual Quarter		Cumulative Quarter	
	3 months ended 30 September		9 months ended 30 September	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Profit for the period	70,388	46,935	128,306	104,051
Total tax expense	20,931	14,236	42,121	35,437
Profit excluding tax	91,319	61,171	170,427	139,488
Tax calculated using Malaysian tax rate of 25%				
- Prima facie income tax expense	22,830	15,293	42,607	34,872
- Non-deductible expenses	53	3,983	4,542	8,854
- Double deduction for certain expenses	(1,816)	(1,754)	(4,892)	(5,003)
- Tax exempt income	(136)	-	(136)	-
- Utilisation of tax losses not recognized in prior year	-	(3,286)	-	(3,286)
Tax expense for the period	20,931	14,236	42,121	35,437

22 Cash and Cash Equivalents

Cash and cash equivalents included in the statement of cash flows comprise the following amounts:

	As at 30 September 2015 RM'000	As at 30 September 2014 RM'000
Cash in hand	46	35
Cash at banks	204,189	171,766
Fixed deposits with original maturities not exceeding three months	117,593	163,337
	321,828	335,138

23 Other Investments

	As at 30 September 2015 RM'000	As at 31 December 2014 RM'000
Fixed deposits with original maturities exceeding three months	10,400	20,950
Fixed deposits pledged to banks	1,567	837
	11,967	21,787

Fixed deposits of subsidiaries amounting to RM1,567,316 (2014: RM837,271) are pledged to licensed banks for bank facilities granted thereto.

24 Unquoted Investment and Properties

There was no sale of unquoted investments and/or properties during the financial quarter under review.

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25 Quoted Investments

There was no purchase or disposal of quoted securities during the financial quarter under review.

26 Status of Corporate Proposal

There were no corporate proposals announced or pending completion as at the date of this announcement.

27 Group Borrowings and Debt Securities

Total Group borrowings as at 30 September 2015 were as follows: -

	As at 30 September 2015 RM'000
<u>Current</u>	
<i>Denominated in Ringgit Malaysia</i>	
Unsecured -	
Bankers' acceptances/ Export Credit Refinancing	7,188
Revolving Credits	56,000
Term loans	
- Conventional	30,990
- Islamic	15,000
Secured -	
Finance lease liabilities	14,142
<i>Denominated in Japanese Yen</i>	
Unsecured -	
Foreign currency loans	4,686
	<u>128,006</u>
<u>Non-current</u>	
<i>Denominated in Ringgit Malaysia</i>	
Unsecured -	
Term loans	
- Conventional	125,100
- Islamic	185,000
Secured -	
Term loans	16,310
Finance lease liabilities	11,108
	<u>337,518</u>
Total	<u><u>465,524</u></u>

28 Material Litigation

There are no pending material litigations as at the date of this announcement other than the following:

- (a) The High Court delivered a ruling on 11 July 2014 allowing claim in a suit action filed by certain inhabitants of long houses and settlements situated at Sg. Bakumah, Igan within the provisional lease of the state land described as Lot 550 Kabang Land District held by a subsidiary company, Ta Ann Pelita Igan Plantation Sdn. Bhd. covering roughly 450 hectares, the writ of Summons of which was filed on 16 February 2012 collectively against the subsidiary and four other defendants.

A Notice of Application for Stay of Execution was filed on 30 October 2014, and the Court of Appeal fixed case management on 17 March 2015, which has been postponed to 11 December 2015.

- (b) On 26 August 2014, certain natives claiming to be inhabitants of Melanau and Iban communities and villages situated at Kampung Kebuaw Lama, Kampung Baru Sungai Sah, Kebuaw and Sungai Ilas Batang Igan within the provisional lease of the state land known as Lot 2 Block 3 Lassa Land District held by a subsidiary company, Ta Ann Pelita Igan Plantation Sdn. Bhd. filed a writ of Summons against the subsidiary and four other defendants. The plaintiffs claimed various orders, relief and

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damages including a declaration that the issuance of the said provisional lease covering the plaintiffs' claimed areas of approximately 719 hectares was unlawful, unconstitutional, null and void.

At the pre-trial case management hearing for this suit in March 2015, the plaintiffs' claim was struck out by the Court with liberty to file afresh due to non-compliance with pre-trial directions.

On 13 October 105, the plaintiff refiled the Writ and Statement of Claim. The High Court Sibu fixed a case management hearing on 11 December 2015.

29 Significant Related Party Transactions

The Group entered into the following transactions with related parties, other than compensations to Directors and other key management personnel (see Note 30), during the current financial period:

	9 months ended 30 September	
	2015	2014
	RM'000	RM'000
Transactions with an associate		
Sales of logs and timber products	(4,993)	(7,893)
Transactions with companies connected to certain Directors of the Company and its subsidiaries		
Contract fees and fuel surcharge	40,866	51,046
Food ration expenses	2,766	2,606
Handling fees, transportation & freight charges	16,288	18,920
Hiring of equipment	2	146
Insurance premium	4,075	3,518
Purchase of fresh fruit bunches	23	554
Purchase of seeds & seedlings	-	104
Purchase of property, plant and equipment	145	9
Rental of premises paid	39	33
Purchase of spare parts, fertilizer & consumables	14,241	11,322
Purchase of logs and timber products	2,713	-
Security charges	66	63
Repair and maintenance	2	1
Computer hardware & software development fees	914	259
Purchase of diesel and lubricants	14,904	16,746
Road toll received	(130)	(140)
Sales of logs and timber products	(8,711)	(9,032)
Sales of fresh fruit bunches	(29,657)	(30,011)
Sales of spare parts, fertilizer & consumables	(57)	-
Empty bunch subsidised	(10)	(2)
Hiring income	(24)	(46)
Income from rental of premises	(107)	(66)
Handling fee received	(1,993)	(2,252)
Transport subsidised	(988)	(827)
	=====	=====

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Notes to the interim financial report

30 Key Management Personnel Compensation

Compensations to key management personnel are as follows:

	9 months ended 30 September	
	2015	2014
	RM'000	RM'000
Directors		
- Fees	805	628
- Remunerations	4,810	2,837
- Other short-term employee benefits	1,799	559
	<u>7,414</u>	<u>4,024</u>
Other key management personnel		
- Fees	90	87
- Remunerations	4,470	3,632
- Other short-term employee benefits	640	431
	<u>5,200</u>	<u>4,150</u>
Total	<u>12,614</u>	<u>8,174</u>

31 Earnings Per Share

	3 months ended	9 months ended
	30 September 2015	30 September 2015
(a) Basic		
Net profit attributable to ordinary owners of the Company ('000)	<u>RM67,424</u>	<u>RM127,954</u>
Weighted average number of ordinary shares in issue ('000)	<u>370,537</u>	<u>370,537</u>
Basic earnings per ordinary share (sen)	<u>18.20</u>	<u>34.53</u>
(b) Diluted	<u>18.20</u>	<u>34.53</u>

32 Gain/Losses arising from Fair Value Changes of Financial Liabilities

There were no gains or losses arising from fair value changes of financial liabilities for the current quarter ended 30 September 2015.

33 Realised and Unrealised Profits Disclosure

The retained earnings is analysed as follows:

	As at	As at
	30 September 2015	30 September 2014
	RM'000	RM'000
Total retained earnings of the Company and its subsidiaries		
- Realised	1,086,071	992,612
- Unrealised	(83,935)	(84,726)
	<u>1,002,136</u>	<u>907,886</u>
Less: Consolidation adjustments	(228,459)	(209,864)
Total Group retained earnings as per consolidated accounts	<u>773,677</u>	<u>698,022</u>

34 Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 16 November 2015.