

TA ANN HOLDINGS BERHAD
(Incorporated in Malaysia)

Condensed consolidated statement of financial position
As at 31 March 2016 - unaudited

	Note	31 March 2016 RM'000	31 December 2015 RM'000
Assets			
Property, plant and equipment		915,337	927,819
Prepaid lease payments		4,007	4,077
Oil palm plantation development expenditure		340,204	341,129
Reforestation expenditure		89,900	88,966
Deferred tax assets		7,811	8,165
Timber concessions		29,701	30,431
Goodwill		10,612	10,732
Other intangible assets		5,592	7,055
Total non-current assets		1,403,164	1,418,374
Inventories		161,275	156,100
Property development costs		1,441	1,441
Trade and other receivables	14	65,957	72,495
Current tax recoverable		13	314
Cash and cash equivalents	22	317,548	319,027
Other investments	23	-	4,500
Total current assets		546,234	553,877
Total assets		1,949,398	1,972,251
Financed by:			
Capital and reserves			
Share capital		370,736	370,736
Treasury shares		(904)	(904)
Foreign exchange translation reserve		10,609	18,152
Retained earnings	33	808,726	796,181
Total equity attributable to owners of the Company		1,189,167	1,184,165
Non-controlling interests		33,308	33,889
Total equity		1,222,475	1,218,054
Liabilities			
Deferred tax liabilities		86,320	85,553
Deferred income		39,738	42,305
Borrowings	27	315,253	327,361
Employee benefits		23,040	22,204
Total non-current liabilities		464,351	477,423
Trade and other payables		121,404	127,544
Deferred income		2,419	2,538
Borrowings	27	126,655	127,810
Employee benefits		2,032	2,012
Current tax payable		10,062	16,870
Total current liabilities		262,572	276,774
Total liabilities		726,923	754,197
Total equity and liabilities		1,949,398	1,972,251
Net assets per share (RM)		3.21	3.19

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2015 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 31 March 2016 - unaudited

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter Ended 31 March 2016 RM'000	Preceding Year Corresponding Quarter Ended 31 March 2015 RM'000	Current Year To date 31 March 2016 RM'000	Preceding Year Corresponding Period Ended 31 March 2015 RM'000
Revenue	9	218,532	222,146	218,532	222,146
Cost of sales		(176,673)	(163,600)	(176,673)	(163,600)
Gross profit		41,859	58,546	41,859	58,546
Finance income		1,889	1,845	1,889	1,845
Other operating income		5,659	4,147	5,659	4,147
Unrealised (loss)/ gain in foreign exchange		(1,684)	972	(1,684)	972
Distribution costs		(13,303)	(13,319)	(13,303)	(13,319)
Administrative expenses		(8,784)	(9,875)	(8,784)	(9,875)
Other expenses		(2,964)	(3,676)	(2,964)	(3,676)
Profit from operations		22,672	38,640	22,672	38,640
Finance costs		(5,060)	(4,958)	(5,060)	(4,958)
Profit before tax	9	17,612	33,682	17,612	33,682
Tax expense	21	(5,648)	(8,745)	(5,648)	(8,745)
Profit for the period		11,964	24,937	11,964	24,937
Other comprehensive loss, net of tax					
Item that is or may be reclassified subsequently to profit or loss					
Foreign exchange translation differences for foreign operations		(7,543)	(1,189)	(7,543)	(1,189)
Other comprehensive loss for the period, net of tax		(7,543)	(1,189)	(7,543)	(1,189)
Total comprehensive income for the period		4,421	23,748	4,421	23,748
Profit attributable to:					
Owners of the Company		12,545	27,081	12,545	27,081
Non-controlling interests		(581)	(2,144)	(581)	(2,144)
Profit for the period		11,964	24,937	11,964	24,937
Total comprehensive income attributable to:					
Owners of the Company		5,002	25,892	5,002	25,892
Non-controlling interests		(581)	(2,144)	(581)	(2,144)
Total comprehensive income for the period		4,421	23,748	4,421	23,748
Earnings per share attributable to owners of the Company :					
Basic/ Diluted earnings per ordinary share (sen)	31	3.39	7.31	3.39	7.31

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 2015 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 31 March 2016 - unaudited

	← Attributable to owners of the Company →				Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Foreign exchange translation reserve RM'000	Distributable Retained earnings RM'000			
At 1 January 2016	370,736	(904)	18,152	796,181	1,184,165	33,889	1,218,054
Foreign exchange translation differences	-	-	(7,543)	-	(7,543)	-	(7,543)
Total other comprehensive loss for the period	-	-	(7,543)	-	(7,543)	-	(7,543)
Profit/ (Loss) for the period	-	-	-	12,545	12,545	(581)	11,964
Total comprehensive (loss)/ income for the period	-	-	(7,543)	12,545	5,002	(581)	4,421
At 31 March 2016	370,736	(904)	10,609	808,726	1,189,167	33,308	1,222,475
At 1 January 2015	370,736	(904)	5,578	682,777	1,058,187	31,867	1,090,054
Foreign exchange translation differences	-	-	(1,189)	-	(1,189)	-	(1,189)
Total other comprehensive loss for the period	-	-	(1,189)	-	(1,189)	-	(1,189)
Profit/ (Loss) for the period	-	-	-	27,081	27,081	(2,144)	24,937
Total comprehensive (loss)/ income for the period	-	-	(1,189)	27,081	25,892	(2,144)	23,748
<i>Contributions by and distributions to owners of the Company</i>							
- Dividends to non-controlling interests	-	-	-	-	-	(1,200)	(1,200)
Total transactions with owners of the Company	-	-	-	-	-	(1,200)	(1,200)
At 31 March 2015	370,736	(904)	4,389	709,858	1,084,079	28,523	1,112,602

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 2015 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 31 March 2016 - unaudited**

	1 January 2016 to 31 March 2016 RM'000	1 January 2015 to 31 March 2015 RM'000
Cash flows from operating activities		
Profit before tax	17,612	33,682
<i>Adjustments for:</i>		
Amortisation of plantation development expenditure	4,897	3,467
Amortisation of prepaid lease payments	70	70
Amortisation of goodwill	120	120
Amortisation of other intangible assets and timber concessions	2,127	2,125
Depreciation of property, plant and equipment	17,390	14,084
Deferred income recognised as income	(612)	(306)
Finance costs	5,060	4,958
Finance income	(1,889)	(1,845)
(Gain)/ Loss on disposal of property, plant and equipment	(14)	14
Property, plant and equipment written off	77	82
Unrealised foreign exchange loss/ (gain)	1,684	(972)
Employee benefits	956	648
Operating profit before changes in working capital	<u>47,478</u>	<u>56,127</u>
Changes in working capital:		
Inventories	(6,908)	(243)
Trade and other receivables, prepayments and other assets	6,106	(3,951)
Trade and other payables	<u>(7,587)</u>	<u>(11,153)</u>
Cash generated from operations	39,089	40,780
Interest paid	(770)	(983)
Income tax paid	(11,902)	(8,186)
Employee benefits paid	<u>(120)</u>	<u>-</u>
Net cash from operating activities	<u>26,297</u>	<u>31,611</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(6,304)	(10,595)
Proceeds from disposal of property, plant and equipment	18	310
Plantation development expenditure incurred	(5,011)	(7,675)
Upliftment of fixed deposits with original maturities exceeding three months	4,500	1,500
Interest received	<u>1,889</u>	<u>1,845</u>
Net cash used in investing activities	<u>(4,908)</u>	<u>(14,615)</u>
Cash flows from financing activities		
Dividends to non-controlling interests	-	(1,200)
Repayment of borrowings	(14,567)	(3,966)
Repayment of finance lease liabilities	(3,694)	(3,547)
Placement of pledged deposits	(3)	(270)
Finance lease interest paid	(292)	(301)
Term loan interest/ profit paid	<u>(3,998)</u>	<u>(3,674)</u>
Net cash used in financing activities	<u>(22,554)</u>	<u>(12,958)</u>
Net (decrease)/ increase in cash and cash equivalents	(1,165)	4,038
Effect of exchange rate fluctuations on cash held	(317)	(362)
Cash and cash equivalents at 1 January	<u>317,716</u>	<u>297,862</u>
Cash and cash equivalents at 31 March (Note 22)	<u><u>316,234</u></u>	<u><u>301,538</u></u>

The unaudited condensed statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2015 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 2015. 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 2015. 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 2015 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 2015, except for the adoption of the following standards, amendments and interpretations:

- Amendments to FRS 7, *Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)*
- Amendments to FRS 10, *Consolidated Financial Statements*, FRS 12, *Disclosure of Interests in Other Entities* and FRS 128, *Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception*
- Amendments to FRS 101, *Presentation of Financial Statements – Disclosure Initiative*
- Amendments to FRS 116, *Property, Plant and Equipment* and FRS 138, *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to FRS 119, *Employee Benefits (Annual Improvements 2012-2014 Cycle)*
- Amendments to FRS 127, *Separate Financial Statements – Equity Method in Separate Financial Statements*
- Amendments to FRS 134, *Interim Financial Reporting (Annual Improvements 2012 – 2014 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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Notes to the interim financial report

2 Significant Accounting Policies (continued)

2.2 Malaysian Financial Reporting Standards (MFRS) Framework (continued)

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 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 2015 in their report dated 30 March 2016.

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 31 March 2016, the number of ordinary shares repurchased in an earlier period and retained as treasury shares is 199,400 shares.

8 Dividend

The Board of Directors has declared an interim single-tier ordinary dividend for the financial year ended 31 December 2016 of 5 sen per ordinary share (corresponding period in Year 2015: 10 sen) to be paid on 23 June 2016 to depositors whose names appear in the Record of Depositors on 3 June 2016.

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 June 2016 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.

9 Segmental Reporting

	Revenue from external customers		Profit before tax	
	Period ended 31 March			
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Timber products	118,710	144,259	9,482	33,039
Oil palm	99,696	77,870	8,010	965
Reforestation	126	17	164	(315)
Property development	-	-	(44)	(7)
	218,532	222,146	17,612	33,682

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Notes to the interim financial report

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 31 March 2016 RM'000	As At 31 December 2015 RM'000
Current assets		
Trade receivables	42,365	45,028
Interest receivable	249	171
Other receivables	4,538	4,913
Deposits	3,917	3,833
Prepayments		
-Plant and machinery	505	2,466
-Land premium	5,978	5,978
-Others	7,822	9,728
Advance to a log supplier	90	90
Other advances	493	288
	<u>65,957</u>	<u>72,495</u>

15 Capital Commitments

	As At 31 March 2016 RM'000
Property, plant and equipment	
- Contracted but not provided for	518
- Authorised but not contracted for	40,667
- Authorised and contracted for	1,521
	<u>42,706</u>
Plantation development expenditure	
- Authorised but not contracted for	26,990
	<u>46,523</u>
Leasehold land held for subsidiaries' use	
- Approved and contracted for	46,523
	<u>116,219</u>

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Notes to the interim financial report

16 Review of Performance

For the first quarter of 2016, a revenue of RM218.53 million was achieved compared to RM222.15 million of the corresponding quarter in 2015. Profit before tax and net profit for the quarter were RM17.61 million and RM11.96 million, compared to RM33.68 million and RM24.94 million of the corresponding quarter in 2015 respectively.

The lower revenue and profit were mainly attributed to:

- Decreased plywood sales volume by 13% and export logs by 33%; and
- Lower export logs average selling price by 6%.

17 Variation of Results as compared to the Preceding Quarter

Revenue and net profit in the quarter under review were RM218.53 million and RM11.96 million compared to RM270.34 million and RM63.19 million respectively of the preceding quarter.

Main factors contributing to the performance were:

- A decrease in sales volume of export logs (by 5%) and plywood (by 7 %) as well as oil palm fresh fruit bunches ('FFB') (by 29%) and crude palm oil ('CPO') (by 32%); and
- Lower average selling price of export logs (by 10%) and plywood products (by 11%).

18 Current Year Prospects

Demand for logs is expected to remain stable. Higher log production is anticipated with the improving weather condition in the second quarter. Plywood demand in Japan is still slow but prices are believed to have hit the bottom. Given the low plywood inventory in Japan, the commencement of the new financial year and a stronger Yen, plywood purchase to replenish the stock should be in the pipeline. Coupled with the infrastructure construction works for the coming Olympics, plywood demand is expected to increase.

For the palm oil sector, FFB production starts to increase in April and is anticipated to continue increasing with the approaching peak crop season. The better CPO price, compared to 2015, and the projected rising trend of CPO price, will raise the contribution of the palm oil sector to the group revenue and profit in the second quarter.

Barring unforeseen circumstances, the Board of Directors expects a better second quarter performance than the first quarter.

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Notes to the interim financial report

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 31 March		Period ended 31 March	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Profit for the period is arrived at after crediting/ (charging):				
Finance income	1,889	1,845	1,889	1,845
Finance costs	(5,060)	(4,958)	(5,060)	(4,958)
Depreciation and amortisation	(24,604)	(19,866)	(24,604)	(19,866)
Gain/ (Loss) on disposal of property, plant and equipment	14	(14)	14	(14)
Property, plant and equipment written off	(77)	(82)	(77)	(82)
Foreign exchange gain/ (loss)				
- realised	2,225	591	2,225	591
- unrealised	(1,684)	972	(1,684)	972

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 31 March		Period ended 31 March	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Current tax expense				
- Current year	5,397	9,154	5,397	9,154
Deferred tax expense/(income)				
- Current year	251	(409)	251	(409)
Total tax expense	5,648	8,745	5,648	8,745

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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 31 March		Period ended 31 March	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Profit for the period	11,964	24,937	11,964	24,937
Total tax expense	5,648	8,745	5,648	8,745
Profit excluding tax	17,612	33,682	17,612	33,682
Tax calculated using Malaysian tax rate of 24% (2015: 25%)				
- Prima facie income tax expense	4,227	8,421	4,227	8,421
- Non-deductible expenses	2,263	1,864	2,263	1,864
- Double deduction for certain expenses	-	(1,540)	-	(1,540)
- Movements in unrecognised deferred tax assets	(842)	-	(842)	-
Tax expense for the period	5,648	8,745	5,648	8,745

22 Cash and Cash Equivalents

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

	As at 31 March 2016 RM'000	As at 31 March 2015 RM'000
Cash in hand	243	35
Cash at banks	135,415	167,207
Fixed deposits with original maturities not exceeding three months	180,576	134,296
	316,234	301,538
Fixed deposits pledged to banks	1,314	1,107
	317,548	302,645

Fixed deposits of subsidiaries amounting to RM1,313,699 (2015: RM1,107,388) are pledged to licensed banks for bank facilities granted thereto.

23 Other Investments

	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000
Fixed deposits with original maturities exceeding three months	-	4,500
	-	4,500

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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Notes to the interim financial report

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 other than the proposal for bonus issue of 1 new share for every 5 existing shares held, which has been approved in the Extraordinary General Meeting held today.

27 Group Borrowings and Debt Securities

Total Group borrowings as at 31 March 2016 were as follows: -

		As at 31 March 2016
		RM'000
<u>Current</u>		
<i>Denominated in Ringgit Malaysia</i>		
Unsecured -	Bankers' acceptances/ Export Credit Refinancing	8,841
	Revolving Credits	56,000
	Term loans	
	- Conventional	28,524
	- Islamic	19,500
Secured -	Finance lease liabilities	13,790
		<hr/>
		126,655
<u>Non-current</u>		
<i>Denominated in Ringgit Malaysia</i>		
Unsecured -	Term loans	
	- Conventional	112,100
	- Islamic	176,000
Secured -	Term loans	16,553
	Finance lease liabilities	10,600
		<hr/>
		315,253
Total		<hr/> 441,908 <hr/>

28 Material Litigation

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

- (a) On 16 February 2012, Amba Anak Balleh and 3 others filed a writ of summons against Ta Ann Pelita Igan Plantation Sdn Bhd ("TAPIPSB"), a subsidiary of Ta Ann and four other external defendants not within the Ta Ann Group where the plaintiffs claimed various orders, relief and damages including a declaration that the issuance of the said provisional lease covering the plaintiffs' claimed areas of approximately 450 hectares within the provisional lease of the state land described as Lot 550 Kabang Land District was unlawful, unconstitutional, null and void. The maximum exposure to liabilities will be confined to the approximately 450 hectares claimed by the plaintiffs and Ta Ann is unable to determine the monetary liability impact pending the outcome of the appeal.

The High Court delivered a ruling on 11 July 2014 allowing the plaintiffs' claim against the defendants. The defendants had filed appeals against the High Court's ruling with the Court of Appeal, and a Notice of Application for Stay of Execution was filed on 30 October 2014. The hearing of the appeal which was initially fixed on 20 April 2016 has now been rescheduled by the Court of Appeal to 22 June 2016.

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Notes to the interim financial report

28 Material Litigation (continued)

- (b) On 26 August 2014, Sumen Bin Gasan and 6 others 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 TAPIPSB and four other external defendants not within the Ta Ann Group filed a claim with the Sibu High Court for various orders, relief and 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. The maximum exposure to liabilities will be confined to the approximately 719 hectares claimed by the plaintiffs and Ta Ann is unable to determine the monetary liability impact pending the outcome of the trial.

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 2015, the plaintiff refiled the Writ and Statement of Claim. The High Court Sibu fixed the final management hearing on 12 April 2016 which was extended to 16 June 2016 and trial on 5 September 2016.

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 year:

	Period ended 31 March	
	2016	2015
	RM'000	RM'000
Transactions with an associate		
Sales of logs and timber products	(1,699)	(2,195)
Transactions with companies connected to certain Directors of the Company and its subsidiaries		
Contract fees and fuel surcharge	11,821	9,418
Food ration expenses	859	878
Handling fees, transportation & freight charges	3,591	5,107
Hiring of equipment	2	1
Insurance premium	795	1,054
Purchase of fresh fruit bunches	159	-
Purchase of property, plant and equipment	54	107
Rental of premises paid	22	12
Purchase of spare parts, fertilizer & consumables	2,519	4,571
Purchase of logs and timber products	1,515	377
Security charges	21	21
Advisory fee	12	-
Computer hardware & software development fees	7	365
Purchase of diesel and lubricants	4,286	4,394
Road toll received	(23)	(33)
Sales of logs and timber products	(2,369)	(2,532)
Sales of fresh fruit bunches	(9,545)	(6,949)
Sales of spare parts, fertilizer & consumables	-	(45)
Empty bunch subsidised	(1)	(3)
Hiring income	-	(10)
Income from rental of premises	(35)	(33)
Handling fee received	(707)	(403)
Transport subsidised	(95)	(302)
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Notes to the interim financial report

30 Key Management Personnel Compensation

Compensations to key management personnel are as follows:

	Period ended 31 March	
	2016 RM'000	2015 RM'000
Directors		
- Fees	271	260
- Remunerations	910	2,687
	<u>1,181</u>	<u>2,947</u>
Other key management personnel		
- Fees	33	29
- Remunerations	1,191	1,985
	<u>1,224</u>	<u>2,014</u>
Total	<u>2,405</u>	<u>4,961</u>

31 Earnings Per Share

	3 months ended 31 March 2016	Period ended 31 March 2016
(a) Basic		
Net profit attributable to ordinary owners of the Company ('000)	<u>RM12,545</u>	<u>RM12,545</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>3.39</u>	<u>3.39</u>
(b) Diluted	<u>3.39</u>	<u>3.39</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 31 March 2016.

33 Realised and Unrealised Profits Disclosure

The retained earnings is analysed as follows:

	As at 31 March 2016 RM'000	As at 31 March 2015 RM'000
Total retained earnings of the Company and its subsidiaries		
- Realised	1,124,814	1,006,421
- Unrealised	(80,193)	(85,907)
	<u>1,044,621</u>	<u>920,514</u>
Less: Consolidation adjustments	(235,895)	(210,656)
Total Group retained earnings as per consolidated accounts	<u>808,726</u>	<u>709,858</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 19 May 2016.