

Company No: 419232-K

TA ANN HOLDINGS BERHAD
(Incorporated in Malaysia)

Condensed consolidated statement of financial position
As at 30 September 2020 - unaudited

	Note	30 September 2020 RM'000	31 December 2019 RM'000
Assets			
Property, plant and equipment		801,459	815,371
Right-of-use assets		213,063	218,907
Bearer plants		516,766	514,573
Biological assets		117,275	115,306
Investment in associates		223,864	214,284
Deferred tax assets		28,249	25,167
Goodwill		79,664	79,664
Other intangible assets		12,706	14,934
Total non-current assets		1,993,046	1,998,206
Inventories		195,900	225,412
Biological assets		69,249	67,264
Trade and other receivables	14	54,702	103,469
Current tax assets		792	599
Cash and cash equivalents	22	254,590	109,979
Total current assets		575,233	506,723
Total assets		2,568,279	2,504,929
Financed by:			
Capital and reserves			
Share capital		444,844	444,844
Treasury shares		(10,417)	(10,417)
Foreign exchange translation reserve		11,304	5,546
Retained earnings		1,061,136	1,009,007
Total equity attributable to owners of the Company		1,506,867	1,448,980
Non-controlling interests		109,331	99,933
Total equity		1,616,198	1,548,913
Liabilities			
Deferred tax liabilities		183,371	179,960
Deferred income		28,470	29,348
Borrowings	26	243,640	270,508
Employee benefits		41,818	38,139
Lease liabilities		16,817	16,125
Total non-current liabilities		514,116	534,080
Trade and other payables		119,405	126,448
Lease liabilities		4,267	7,582
Deferred income		2,390	2,317
Borrowings	26	279,085	271,636
Employee benefits		2,700	3,566
Current tax liabilities		30,118	10,387
Total current liabilities		437,965	421,936
Total liabilities		952,081	956,016
Total equity and liabilities		2,568,279	2,504,929
Net assets per share (RM)		3.39	3.26

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 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 2020 - unaudited

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter Ended 30 September 2020 RM'000	Preceding Year Corresponding Quarter Ended 30 September 2019 RM'000	Current Year to date 30 September 2020 RM'000	Preceding Year Corresponding Period Ended 30 September 2019 RM'000
Revenue	9	353,371	267,919	854,676	662,850
Cost of sales		(258,285)	(187,492)	(658,340)	(504,387)
Gross profit		95,086	80,427	196,336	158,463
Finance income		624	577	1,606	1,875
Other operating income		3,664	445	7,668	6,112
Unrealised gain / (loss) in foreign exchange		1	183	(485)	627
Distribution costs		(18,193)	(14,166)	(49,331)	(39,125)
Administrative expenses		(10,419)	(12,423)	(33,294)	(36,496)
Other expenses		(5,871)	(1,955)	(10,680)	(6,575)
Profit from operations		64,892	53,088	111,820	84,881
Finance costs		(4,335)	(6,165)	(15,267)	(17,062)
Share of profit of equity-accounted investee, net of tax		8,750	1,552	13,829	3,670
Profit before tax	9	69,307	48,475	110,382	71,489
Tax expense	21	(15,291)	(15,532)	(27,928)	(24,202)
Profit after tax		54,016	32,943	82,454	47,287
Change in fair value of biological assets		1,643	59	1,985	173
Profit after change in fair value of biological assets		55,659	33,002	84,439	47,460
Other comprehensive income, net of tax					
Item that is or may be reclassified subsequently to profit or loss					
Foreign exchange translation differences for foreign operations		1,595	(2,687)	5,758	(3,827)
Other comprehensive income for the period, net of tax		1,595	(2,687)	5,758	(3,827)
Total comprehensive income for the period		57,254	30,315	90,197	43,633
Profit attributable to:					
Owners of the Company		42,769	24,777	66,271	37,994
Non-controlling interests		12,890	8,225	18,168	9,466
Profit after change in fair value of biological assets		55,659	33,002	84,439	47,460
Total comprehensive income attributable to:					
Owners of the Company		44,364	22,090	72,029	34,167
Non-controlling interests		12,890	8,225	18,168	9,466
Total comprehensive income for the period		57,254	30,315	90,197	43,633
Earnings per share attributable to owners of the Company :					
Basic/Diluted earnings per ordinary share (sen)	30	9.71	5.62	15.05	8.61

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 2019 and the accompanying explanatory notes attached to the interim financial statements.

Company No: 419232-K

TA ANN HOLDINGS BERHAD
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Condensed consolidated statement of changes in equity
For the period ended 30 September 2020 - 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 2020	444,844	(10,417)	5,546	1,009,007	1,448,980	99,933	1,548,913
Foreign exchange translation differences	-	-	5,758	-	5,758	-	5,758
Total other comprehensive income for the period	-	-	5,758	-	5,758	-	5,758
Profit after change in fair value of biological assets	-	-	-	66,271	66,271	18,168	84,439
Total comprehensive income for the period	-	-	5,758	66,271	72,029	18,168	90,197
<i>Contributions by and distributions to owners of the Company</i>							
- Dividends to owners of the Company	-	-	-	(22,023)	(22,023)	-	(22,023)
- Dividends to non-controlling interests	-	-	-	-	-	(2,600)	(2,600)
Total transactions with owners of the Company	-	-	-	(22,023)	(22,023)	(2,600)	(24,623)
Changes in ownership of interests in subsidiaries	-	-	-	7,881	7,881	(6,170)	1,711
At 30 September 2020	444,844	(10,417)	11,304	1,061,136	1,506,867	109,331	1,616,198
At 1 January 2019	444,844	(8,450)	8,429	952,103	1,396,926	85,951	1,482,877
Foreign exchange translation differences	-	-	(3,827)	-	(3,827)	-	(3,827)
Total other comprehensive income for the period	-	-	(3,827)	-	(3,827)	-	(3,827)
Profit after change in fair value of biological assets	-	-	-	37,994	37,994	9,466	47,460
Total comprehensive income for the period	-	-	(3,827)	37,994	34,167	9,466	43,633
<i>Contributions by and distributions to owners of the Company</i>							
- Dividends to non-controlling interests	-	-	-	-	-	(2,240)	(2,240)
Total transactions with owners of the Company	-	-	-	-	-	(2,240)	(2,240)
Treasury shares purchased	-	(1,967)	-	-	(1,967)	-	(1,967)
At 30 September 2019	444,844	(10,417)	4,602	990,097	1,429,126	93,177	1,522,303

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 2019 and the accompanying explanatory notes attached to the interim financial statements.

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TA ANN HOLDINGS BERHAD
(Incorporated in Malaysia)

Condensed consolidated statement of cash flows
For the period ended 30 September 2020 - unaudited

	1 January 2020 to 30 September 2020	1 January 2019 to 30 September 2019
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	110,382	71,489
<i>Adjustments for:</i>		
Amortisation of bearer plants	19,276	19,837
Depletion of biological asset	1,435	852
Amortisation of other intangible assets	2,221	2,329
Depreciation of property, plant and equipment	43,387	41,133
Depreciation of right-of-use assets	5,484	6,601
Deferred income recognised as income	(1,735)	(1,715)
Finance costs	15,267	17,062
Finance income	(1,606)	(1,875)
Gain on disposal of property, plant and equipment	(294)	(514)
Property, plant and equipment written off	268	266
Unrealised foreign exchange loss / (gain)	485	(627)
Employee benefits	2,535	3,195
Share of profit of equity-accounted investee, net of tax	(13,829)	(3,670)
Operating profit before changes in working capital	<u>183,276</u>	<u>154,363</u>
Changes in working capital:		
Inventories	30,499	(56,079)
Trade and other receivables, prepayments and other assets	49,797	12,328
Trade and other payables	(9,050)	(2,318)
Cash generated from operations	<u>254,522</u>	<u>108,294</u>
Interest paid	(8,987)	(9,159)
Income tax paid	(6,175)	(14,060)
Employee benefits paid	(1,096)	(951)
Net cash from operating activities	<u>238,264</u>	<u>84,124</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(21,422)	(42,479)
Proceeds from disposal of property, plant and equipment	822	806
Proceeds from shares issued to non-controlling interests	5,943	-
Addition to biological assets	(2,919)	(2,424)
Addition to bearer plants	(19,503)	(18,958)
Purchase of treasury shares	-	(1,967)
Acquisition of new associate	-	(8,676)
Dividend received from associate	4,248	-
Interest received	1,606	1,875
Acquisition of non-controlling interests	(4,232)	-
Net cash used in investing activities	<u>(35,457)</u>	<u>(71,823)</u>
Cash flows from financing activities		
Dividends to owners of the Company	(22,023)	-
Dividends to non-controlling interests	(2,600)	(2,240)
(Repayment of) / Proceeds from borrowings/trade financing	(21,711)	14,641
Payment of lease liabilities	(5,261)	(9,215)
Upliftment of pledged deposits	-	932
Hire purchase financing interest paid	(179)	(143)
Term loan interest/profit paid	(6,684)	(10,321)
Net cash used in financing activities	<u>(58,458)</u>	<u>(6,346)</u>
Net increase in cash and cash equivalents	144,349	5,955
Effect of exchange rate fluctuations on cash held	262	(268)
Cash and cash equivalents at 1 January	109,979	127,496
Cash and cash equivalents at 30 September (Note 22)	<u>254,590</u>	<u>133,183</u>

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 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 MFRS 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 MFRS 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 2019. 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 2019. 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 Malaysian Financial Reporting Standards (MFRS).

The statutory financial statements for the year ended 31 December 2019 are available from the Company's registered office.

2 Significant 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 2019, except for the adoption of the following accounting standards, amendments and interpretations:

- Amendments to MFRS 3, *Business Combinations – Definition of a Business*
- Amendments to MFRS 9, *Financial Instruments*, MFRS 139, *Financial Instruments: Recognition and Measurement* and MFRS 7, *Financial Instruments: Disclosures – Interest Rate Benchmark Reform*
- Amendments to MFRS 101, *Presentation of Financial Statements* and MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material*

The adoption of the accounting standards, amendments and interpretations 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.

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 2019 in their report dated 21 May 2020.

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.

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Notes to the interim financial report

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 2020, the number of ordinary shares repurchased in an earlier period and retained as treasury shares is 4,382,000 shares.

8 Dividend

The Board of Directors has declared an interim single-tier ordinary dividend for the financial year ending 31 December 2020 of 10 sen per ordinary share (corresponding period in Year 2019: nil) to be paid on 12 January 2021 to depositors whose names appear in the Record of Depositors on 30 December 2020.

A depositor shall qualify for entitlement only in respect of:

- (a) Securities transferred into Depositor's Securities Account before 4:00 p.m. on 30 December 2020 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	
	9 months ended 30 September			
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Timber products	231,506	224,252	(2,706)	19,210
Oil palm	622,937	438,392	112,655	52,758
Reforestation	126	93	198	(414)
Property development	107	113	235	(65)
	854,676	662,850	110,382	71,489

10 Valuation of Property, Plant and Equipment

There were no valuation of property, plant and equipment of the Group during the financial quarter under review.

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.

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Notes to the interim financial report

14 Trade and Other Receivables

	As At 30 September 2020 RM'000	As At 31 December 2019 RM'000
Current assets		
Trade receivables	40,277	50,587
Interest receivable	-	13
Other receivables	1,076	34,885
Deposits	4,268	5,284
Prepayments		
-Plant and machinery	1,129	1,127
-Others	7,785	11,341
Other advances	167	232
	<u>54,702</u>	<u>103,469</u>

15 Capital Commitments

	As At 30 September 2020 RM'000
Property, plant and equipment	
- Contracted but not provided for	<u>1,051</u>

16. Review of Performance

- (a) For the quarter under review, the Group reported a revenue of RM353.37 million as compared to that of RM267.92 million in the corresponding quarter in 2019. Group's profit before tax and its net profit registered at RM69.31 million and RM55.66 million for the quarter under review as compared to that of RM48.48 million and RM33.00 million respectively of the corresponding quarter in 2019.

Higher profits were mainly contributed by increases in average selling price for the Crude Palm Oil ('CPO') and the Fresh Fruit Bunches ('FFB') of 33% and 42% respectively despite lower sales volume for export logs and FFB by 19% and 10% respectively.

The Group has recognised a profit from the changes in the fair value of the biological assets amounting to RM1.64 million during the current quarter under review as compared to a profit of RM0.06 million in the preceding corresponding quarter.

- (b) For the first nine months of 2020, the Group's revenue and net profit were recorded at RM854.68 million and RM84.44 million as compared to that of RM662.85 million and RM47.46 million respectively in the corresponding period in year 2019.

Better average selling prices of CPO and FFB by 29% and 33% respectively accounted for the higher revenue and profit.

The Group has recognised a gain from the changes in the fair value of the biological assets amounting to RM1.99 million during the current period under review as compared to a gain of RM0.17 million in the preceding corresponding period.

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Notes to the interim financial report

17 Variation of Results compared to the Preceding Quarter

The Group reported a revenue and net profit at RM353.37 million and RM55.66 million in the quarter under review as compared to RM248.70 million and RM17.53 million respectively in the preceding quarter.

The surge in profit was due to the strengthened CPO and FFB average selling prices by 15% and 23% respectively as well as better achievement in sales volume for the export logs, CPO and FFB by 86%, 34% and 33% respectively.

18 Current Year Prospects

Our Group is categorised under the essential service sector of the Malaysian Government's Movement Control Order guidelines and can therefore continue our business operations despite the coronavirus pandemic .

In view of the relatively low CPO inventory at the national level essentially due to the shortage of field workers and the unfavourable prevailing weather conditions in the current year, it is anticipated that the current CPO prices staying above RM3,000 are sustainable at least in the immediate short term. Thus, with the sustainable upward trend of the CPO prices especially during the off peak season, it will continue to contribute positively to the group's profitability.

Meanwhile, the recovery of logs prices in the Indian market and the improvement in plywood demand from Japan have been promising and we expect the recovery trend to continue.

Barring any unforeseen circumstances, the Board of Directors expects the Group to be able to achieve a better than expected performance for the year 2020.

19 Profit Forecast

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

20 Profit after change in fair value of biological assets

	Individual Quarter		Cumulative Quarter	
	3 months ended 30		9 months ended 30	
	September		September	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Profit after change in fair value of biological assets is arrived at after crediting/(charging):				
Finance income	624	577	1,606	1,875
Finance costs	(4,335)	(6,165)	(15,267)	(17,062)
Depreciation and amortisation	(24,547)	(22,289)	(71,803)	(70,752)
Gain on disposal of property, plant and equipment	189	343	294	514
Property, plant and equipment written off	(7)	(180)	(268)	(266)
Foreign exchange gain / (loss)				
- realised	2,030	1,257	4,550	2,910
- unrealised	1	183	(485)	627

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.

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Notes to the interim financial report

21 Tax Expense

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

	Individual Quarter 3 months ended 30 September		Cumulative Quarter 9 months ended 30 September	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Current tax expense				
- Current year	15,307	12,847	25,713	21,630
- Prior years	-	(505)	-	(490)
	<u>15,307</u>	<u>12,342</u>	<u>25,713</u>	<u>21,140</u>
Deferred tax (income) / expense				
- Current year	(16)	3,190	2,215	3,062
Total tax expense	<u>15,291</u>	<u>15,532</u>	<u>27,928</u>	<u>24,202</u>
Reconciliation of tax expense				
	RM'000	RM'000	RM'000	RM'000
Profit after change in fair value of biological assets	55,659	33,002	84,439	47,460
Change in fair value of biological assets	(1,643)	(59)	(1,985)	(173)
Total tax expense	<u>15,291</u>	<u>15,532</u>	<u>27,928</u>	<u>24,202</u>
Profit excluding tax	<u>69,307</u>	<u>48,475</u>	<u>110,382</u>	<u>71,489</u>
Tax calculated using Malaysian tax rate of 24% (2019: 24%)				
- Prima facie income tax expense	16,634	11,634	26,492	17,157
- Non-deductible expenses	478	3,443	2,098	5,904
- Movements in unrecognised deferred tax assets	(687)	455	472	1,141
- others	(1,134)	-	(1,134)	-
Tax expense for the period	<u>15,291</u>	<u>15,532</u>	<u>27,928</u>	<u>24,202</u>

22 Cash and Cash Equivalents

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

	As at 30 September 2020 RM'000	As at 30 September 2019 RM'000
Cash in hand	100	67
Cash at banks	252,983	133,026
Fixed deposits with original maturities not exceeding three months	1,507	90
	<u>254,590</u>	<u>133,183</u>

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Notes to the interim financial report

23 Unquoted Investment and Properties

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

24 Quoted Investments

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

25 Status of Corporate Proposal

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

26 Group Borrowings and Debt Securities

Total Group borrowings as at 30 September 2020 were as follows: -

		As at 30 September 2020
		RM'000
<u>Current</u>		
<i>Denominated in Ringgit Malaysia</i>		
Unsecured -	Bankers' acceptances/ Export credit refinancing	23,036
	Revolving credits	148,000
	Term loans	
	- Conventional	27,914
	- Islamic	21,620
Secured -	Hire purchase financing	2,709
	Revolving credits	26,000
	Term loans	29,806
		<hr/>
		279,085
<u>Non-current</u>		
<i>Denominated in Ringgit Malaysia</i>		
Unsecured -	Term loans	
	- Islamic	64,520
Secured -	Hire purchase financing	2,714
	Revolving credits	65,000
	Term loans	111,406
		<hr/>
		243,640
Total		<hr/> <hr/>
		522,725

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27 Material Litigation

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

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 trial of the case has ended on 4 November 2016. The High Court has given directions to prepare written submissions and bundles of authorities.

During the clarification hearing on 3 February 2017, the Plaintiffs' counsel had informed the Court in light of the decision of the Federal Court case of TR Sandah (which clearly recognise the temudak and cultivated lands although rejecting the claims on pulau galau and pemakai menoa as having no force of law) that he was considering whether to proceed with the case or to concede with survey of the cleared area based on the aerial photograph of the area in question. His clients brought this matter back to their village for discussion but they have not come to a decision yet.

The Honourable Judge asked if the parties could come to an agreement or settlement perhaps to allow the Plaintiffs' claim for the temudak (cleared or cultivated lands), and agree for a survey to be done for the temudak and cleared or cultivated lands guided by the aerial photograph interpretation. This would mean that the Plaintiff will concede their claim for the pemakai menoa and pulau galau. All these will be done on without admission of liability basis.

Sibu High Court dismissed the claim on 13 February 2018.

The plaintiffs had on 9 March 2018 filed a notice of appeal against the SibU High Court's decision and had on 30 May 2018, served a record of appeal to the Court of Appeal.

The Court of appeal had fixed the case for the hearing on 16 July 2020. The hearing of the appeal which was fixed on 16 July 2020 was vacated and was re-fixed on 10 August 2020 for the case management hearing.

After the pre-trial case management hearing for this suit on 10 August 2020, the parties had applied to the High Court on 24 August 2020 to amend the High Court order to correct the claimed land area.

Due to the recent decision of the Federal Court leave granted in TR Rama Bungkong case and TR Samba's case to revisit the TR Sandah case, the Court of Appeal has re-fixed the case for case management hearing on 16 February 2021.

TA ANN HOLDINGS BERHAD

Notes to the interim financial report

28 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 29), during the current financial period:

	9 months ended 30 September	
	2020	2019
	RM'000	RM'000
Transactions with associates		
Purchase of fresh fruit bunches	15,446	5,485
Purchase of palm kernel shell	146	-
Transportation charges	-	6
Sales of fresh fruit bunches	(1,222)	(2,847)
Sales of logs and timber products	(448)	(418)
Sales of property, plant and equipment	-	(227)
Sales of seedling	-	(223)
Contract income	(611)	(767)
Sales of consumables	-	(10)
Hiring income	-	(190)
Income from rental of premises	-	(11)
Visiting fee	-	(3)
Transactions with companies connected to certain Directors of the Company and its subsidiaries		
Contract fees and fuel surcharge	13,918	16,583
Food ration expenses	-	152
Handling fees, transportation & freight charges	8,469	10,395
Repair and maintenance	-	353
Insurance premium	2,585	3,134
Purchase of fresh fruit bunches	114,489	88,023
Purchase of property, plant and equipment	-	225
Rental of premises paid	4	41
Purchase of spare parts, fertiliser & consumables	5,220	7,407
Purchase of logs and timber products	3,150	3,014
Security charges	45	63
Computer hardware & software development fees	267	364
Purchase of diesel and lubricants	15,063	16,166
Sales of logs and timber products	(3,461)	(3,985)
Sales of fresh fruit bunches	(40,212)	(32,110)
Sales of palm kernel shell and bunch ash	(827)	-
Hiring income	-	(153)
Income from rental of premises	(59)	(81)
Handling fee received	(2,144)	(2,110)
Transport subsidised	(1,128)	(1,288)
Sales of spare parts, fertiliser & consumables	-	(131)
Sales of seeds & seedlings	-	(11)
Empty bunch subsidised	-	(3)
	=====	=====

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Notes to the interim financial report

29 Key Management Personnel Compensation

Compensations to key management personnel are as follows:

	9 months ended 30 September	
	2020	2019
	RM'000	RM'000
Directors		
- Fees	858	858
- Remunerations	3,758	3,895
	<u>4,616</u>	<u>4,753</u>
Other key management personnel		
- Fees	54	54
- Remunerations	3,225	3,405
	<u>3,279</u>	<u>3,459</u>
Total	<u>7,895</u>	<u>8,212</u>

30 Earnings Per Share

	3 months ended	9 months ended
	30 September 2020	30 September 2020
(a) Basic		
Net profit attributable to ordinary owners of the Company ('000)	<u>RM42,769</u>	<u>RM66,271</u>
Weighted average number of ordinary shares in issue ('000)	<u>440,462</u>	<u>440,462</u>
Basic earnings per ordinary share (sen)	<u>9.71</u>	<u>15.05</u>
(b) Diluted	<u>9.71</u>	<u>15.05</u>

31 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 2020.

32 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 30 November 2020.