

**Condensed Consolidated Statement of Comprehensive Income
For The First Quarter Ended 31 March 2016**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2016 RM'000	Preceding Year Corresponding Quarter 31.03.2015 RM'000	Current Year To-date 31.03.2016 RM'000	Preceding Year Corresponding Year To-date 31.03.2015 RM'000
Revenue	202,276	206,028	202,276	206,028
Cost of sales	<u>(127,764)</u>	<u>(134,488)</u>	<u>(127,764)</u>	<u>(134,488)</u>
Gross profit	74,512	71,540	74,512	71,540
Other operating income	3,217	27,190	3,217	27,190
Other operating expenses	<u>(48,805)</u>	<u>(66,298)</u>	<u>(48,805)</u>	<u>(66,298)</u>
Operating profit	28,924	32,432	28,924	32,432
Finance costs	(4,897)	(3,255)	(4,897)	(3,255)
Share of profit of an associate	437	465	437	465
Share of profit of jointly controlled entities	<u>768</u>	<u>1,854</u>	<u>768</u>	<u>1,854</u>
Core profit before taxation	25,232	31,496	25,232	31,496
(Loss)/ Gain on foreign exchange	39,155	(22,961)	39,155	(22,961)
Profit before taxation	<u>64,387</u>	<u>8,535</u>	<u>64,387</u>	<u>8,535</u>
Taxation	<u>(7,272)</u>	<u>(1,717)</u>	<u>(7,272)</u>	<u>(1,717)</u>
Profit for the period	<u>57,115</u>	<u>6,818</u>	<u>57,115</u>	<u>6,818</u>
Other Comprehensive Income <i>Item that may be reclassified subsequently to profit or loss:</i>				
Foreign currency translation differences	<u>(92,448)</u>	<u>4,414</u>	<u>(92,448)</u>	<u>4,414</u>
Other Comprehensive income for the period, net of tax	<u>(92,448)</u>	<u>4,414</u>	<u>(92,448)</u>	<u>4,414</u>
Total comprehensive income for the period	<u><u>(35,333)</u></u>	<u><u>11,232</u></u>	<u><u>(35,333)</u></u>	<u><u>11,232</u></u>
Profit attributable to :				
Owners of the parent	54,724	6,437	54,724	6,437
Non-controlling interests	<u>2,391</u>	<u>381</u>	<u>2,391</u>	<u>381</u>
	<u><u>57,115</u></u>	<u><u>6,818</u></u>	<u><u>57,115</u></u>	<u><u>6,818</u></u>
Total comprehensive income attributable to :				
Owners of the parent	(34,809)	10,493	(34,809)	10,493
Non-controlling interests	<u>(524)</u>	<u>739</u>	<u>(524)</u>	<u>739</u>
	<u><u>(35,333)</u></u>	<u><u>11,232</u></u>	<u><u>(35,333)</u></u>	<u><u>11,232</u></u>
Earnings per share attributable to equity holders of the Company				
Basic (sen)	4.07	0.48	4.07	0.48
Diluted (sen)	4.07	0.48	4.07	0.48

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2015

TSH Resources Berhad (49548-D)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Financial Position
As at 31 March 2016

	As at 31.03.2016 RM'000	As at 31.12.2015 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	808,293	829,080
Biological assets	1,356,733	1,381,462
Land use rights	178,657	188,087
Intangible assets	50,286	59,462
Investments in associates	74,088	65,666
Investments in jointly controlled entities	72,101	77,833
Deferred tax assets	16,807	20,295
Other receivables	117,485	118,212
Investments securities	5,064	5,064
	<u>2,679,514</u>	<u>2,745,161</u>
Current assets		
Inventories	203,913	216,949
Trade and other receivables	139,043	121,517
Other current assets	18,925	18,709
Tax recoverable	18,346	16,065
Investments securities	30	27
Derivative assets	1,533	613
Short term funds	145	145
Cash and bank balances	54,496	57,311
	<u>436,431</u>	<u>431,336</u>
TOTAL ASSETS	<u><u>3,115,945</u></u>	<u><u>3,176,497</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	672,706	672,706
Share premium	1,301	1,301
Treasury shares	(6)	(6)
Other reserves	57,904	147,438
Retained earnings	589,965	535,241
	<u>1,321,870</u>	<u>1,356,680</u>
Non-controlling interests	143,647	144,661
Total equity	<u>1,465,517</u>	<u>1,501,341</u>
Non-current liabilities		
Retirement benefits	11,011	11,563
Borrowings	442,188	475,113
Hire purchase payables	-	1
Deferred tax liabilities	148,545	150,535
	<u>601,744</u>	<u>637,212</u>
Current liabilities		
Borrowings	927,248	910,009
Hire purchase payables	251	616
Trade and other payables	119,863	125,459
Derivative liabilities	-	222
Current tax payable	1,322	1,638
	<u>1,048,684</u>	<u>1,037,944</u>
Total liabilities	<u>1,650,428</u>	<u>1,675,156</u>
TOTAL EQUITY AND LIABILITIES	<u><u>3,115,945</u></u>	<u><u>3,176,496</u></u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2015

TSH Resources Berhad (49548-D)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes In Equity
For The First Quarter Ended 31 March 2016

	Attributable to owners of the parent							Equity attributable to owners of the parent			
	Non-distributable			Distributable				Retained Earnings RM'000	parent Total RM'000	Non-controlling Interests RM'000	Equity Total RM'000
Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Asset Revaluation Reserves RM'000	Capital Reserves RM'000	Share Of Associate Reserves RM'000	Foreign currency Translation Reserves RM'000					
At 1 January 2015	672,706	1,301	(2)	1,390	11,594	181	(110,305)	606,605	1,183,470	106,227	1,289,697
- prior year adjustment	-	-	-	-	-	-	-	63,997	63,997	-	63,997
- as restated	672,706	1,301	(2)	1,390	11,594	181	(110,305)	670,602	1,247,467	106,227	1,353,694
Profit for the year	-	-	-	-	-	-	-	6,437	6,437	381	6,818
Other comprehensive income											
Foreign currency translation	-	-	-	-	-	-	4,056	-	4,056	358	4,414
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	4,056	-	4,056	358	4,414
Total comprehensive income for the period	-	-	-	-	-	-	4,056	6,437	10,493	739	11,232
Adjustment of additional interest in subsidiaries					1,481	-	1,481	-	2,962	(1,481)	1,481
Acquisition of subsidiaries										21,173	21,173
Dividends paid to minority interests	-	-	-	-	-	-	-	-	-	(1,470)	(1,470)
At 31 March 2015	<u>672,706</u>	<u>1,301</u>	<u>(2)</u>	<u>1,390</u>	<u>13,075</u>	<u>181</u>	<u>(104,768)</u>	<u>677,039</u>	<u>1,260,922</u>	<u>125,188</u>	<u>1,386,110</u>
At 1 January 2016	672,706	1,301	(6)	114,065	13,074	203	20,096	535,241	1,356,680	144,661	1,501,341
Profit for the year	-	-	-	-	-	-	-	54,724	54,724	2,391	57,115
Other comprehensive income											
Foreign currency translation	-	-	-	-	-	-	(89,534)	-	(89,534)	(2,915)	(92,449)
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	(89,534)	-	(89,534)	(2,915)	(92,449)
Total comprehensive income for the period	-	-	-	-	-	-	(89,534)	54,724	(34,810)	(524)	(35,334)
Dividends paid to minority interests	-	-	-	-	-	-	-	-	-	(490)	(490)
At 31 March 2016	<u>672,706</u>	<u>1,301</u>	<u>(6)</u>	<u>114,065</u>	<u>13,074</u>	<u>203</u>	<u>(69,438)</u>	<u>589,965</u>	<u>1,321,870</u>	<u>143,647</u>	<u>1,465,517</u>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2015

Condensed Consolidated Statement of Cash Flows
For The First Quarter Ended 31 March 2016

	Individual Quarter	Individual Quarter	Cumulative Quarter	Cumulative Quarter
	Current	Preceding Year	Current	Current
	Year	Corresponding	Year	Year
	Quarter	Quarter	To-date	To-date
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	RM'000	RM'000	RM'000	RM'000
Cash Flows from Operating Activities				
Profit before taxation	64,387	8,535	64,387	8,535
Adjustments for :-				
Depreciation and amortisation of property, plant and equipment	11,702	12,349	11,702	12,349
Property, plant and equipment written off	11	8	11	8
Amortisation of land use rights	1,584	1,710	1,584	1,710
Write back of impairment loss on inventories	-	(1,035)	-	(1,035)
Gain on fair value changes on quoted investment	(3)	-	(3)	-
Gain on disposal of property, plant and equipment	(16)	(260)	(16)	(260)
Write back of impairment loss on trade & other receivable	(107)	(731)	(107)	(731)
Net unrealised foreign exchange loss / (gain)	(38,925)	23,258	(38,925)	23,258
Fair value loss/ (Gain) of the commodity future contract	(150)	56	(150)	56
Share of profit of jointly controlled entities	(768)	(1,854)	(768)	(1,854)
Share of profit of an associate	(437)	(465)	(437)	(465)
Interest expense	4,897	3,255	4,897	3,255
Interest income	(229)	(292)	(229)	(292)
Dividend income	-	(3)	-	(3)
Operating profit before working capital changes	<u>41,946</u>	<u>44,531</u>	<u>41,946</u>	<u>44,531</u>
Changes in working capital				
Inventories	13,043	9,813	13,043	9,813
Receivables	(14,659)	(11,971)	(14,659)	(11,971)
Payables/ Retirement Benefit	<u>(5,846)</u>	<u>(26,499)</u>	<u>(5,846)</u>	<u>(26,499)</u>
Cash generated from operations	34,483	15,874	34,483	15,874
Interest paid	(13,364)	(9,804)	(13,364)	(9,804)
Income tax paid	<u>(8,952)</u>	<u>(6,212)</u>	<u>(8,952)</u>	<u>(6,212)</u>
Net cash generated from/ (utilised in) operating activities	<u>12,168</u>	<u>(142)</u>	<u>12,168</u>	<u>(142)</u>
Cash Flows from Investing Activities				
Acquisition of subsidiary	-	(30,826)	-	(30,826)
Additional investment in subsidiary company	-	(1,072)	-	(1,072)
Purchase of share in associate company	(7,985)	-	(7,985)	-
Redemption of short-term investments	-	307	-	307
Withdrawal/ (Placement) of deposits	203	4,345	203	4,345
Purchase of property, plant and equipment	(7,617)	(22,135)	(7,617)	(22,135)
Payment for oil palm planting expenditure	(18,653)	(31,990)	(18,653)	(31,990)
Payment of forest planting expenditure	(3,021)	(2,442)	(3,021)	(2,442)
Withdrawal of pledged deposits	-	66	-	66
Proceeds from disposal of property, plant and equipment	210	2,123	210	2,123
Interest received	229	292	229	292
Net dividends received	-	3	-	3
Dividend received from jointly controlled entity	<u>6,500</u>	<u>15,000</u>	<u>6,500</u>	<u>15,000</u>
Net cash used in investing activities	<u>(30,134)</u>	<u>(66,329)</u>	<u>(30,134)</u>	<u>(66,329)</u>
Cash Flows from Financing Activities				
Net movement in term loans/commercial papers/medium term notes	(27,600)	125,669	(27,600)	125,669
Net movement in other borrowings	48,576	(21,582)	48,576	(21,582)
Net movement in hire purchase payables	(367)	(410)	(367)	(410)
Dividends paid to non-controlling interests	<u>(490)</u>	<u>(1,470)</u>	<u>(490)</u>	<u>(1,470)</u>
Net cash generated from financing activities	<u>20,119</u>	<u>102,207</u>	<u>20,119</u>	<u>102,207</u>
Net increase in cash and cash equivalents	2,153	35,736	2,153	35,736
Cash and cash equivalents at beginning of period	51,385	48,633	51,385	48,633
Effect of foreign exchange rate changes	(9,312)	261	(9,312)	261
Effect of foreign exchange rate changes on cash and cash equivalents	<u>5,950</u>	<u>(1,574)</u>	<u>5,950</u>	<u>(1,574)</u>
Cash and cash equivalents at end of period	<u><u>50,176</u></u>	<u><u>83,056</u></u>	<u><u>50,176</u></u>	<u><u>83,056</u></u>

EXPLANATORY NOTES FOR CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2016

PART A – EXPLANATORY NOTES PURSUANT TO FRS 134

1. Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read in conjunction with the Group’s audited financial statement for the financial year ended 31 December 2015.

These explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2015.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2015 except for the following Amendments to FRSs and Annual improvement which take effect from 1 January 2016.

Description	Effective for annual periods beginning on or after
Annual Improvements to MFRSs 2012 - 2014 Cycle	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 127: Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 101: Disclosure Initiatives	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 14 Regulatory Deferral Accounts	1 January 2016

The adoption of the above did not have any significant effects on the interim financial report upon their initial application.

2. Changes in Accounting Policies (continued)

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all entities other than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities are allowed to defer adoption of the new MFRS framework and continue to use the existing Financial Reporting Standards framework until the MFRS Framework is mandated by the MASB. All Transitioning Entities shall adopt the MFRS framework and prepare their first MFRS financial statements for annual periods beginning on or after 1 January 2018.

The Group and the Company fall within the definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in their first MFRS financial statements for the year ending 31 December 2018. In presenting their first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the period ended 31 March 2016 could be different if prepared under the MFRS Framework.

3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2015 was not qualified.

4. Comments on seasonal or cyclical factors

The effects of seasonal or cyclical fluctuations, if any, are explained under Paragraphs 1 and 2 of Part B i.e. Explanatory Notes pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Securities below.

5. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 March 2016.

6. Changes in estimates

There were no changes in estimates that have had a material impact in the current quarter results.

7. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities except for the following:

Treasury shares

The cumulative shares bought back are currently held as treasury shares. The number of treasury shares held as at 31 March 2016 is as follows:

	No. of shares	Amount (RM)
Balance as at 1 January 2016	3,000	6,632
Add : Purchase of treasury shares	-	-
Balance as at 31 March 2016	3,000	6,632

8. Dividends paid

There were no dividends paid during the quarter ended 31 March 2016.

9. Segmental information

i) Business segments

Cumulative Quarter ended 31 March 2016

	Palm Product RM'000	Wood product manufacturing & forestation RM'000	Bio-Integration & Others RM'000	Consolidated RM'000
SEGMENT REVENUE	168,352	16,073	17,851	202,276
SEGMENT RESULTS	32,479	(1,243)	5,780	37,016
Unallocated corporate expenses				(8,092)
Gains on foreign exchange				39,155
Finance costs				(4,897)
Share of profit of an associate				437
Share of profit of jointly controlled entities				768
Profit before taxation				64,387
Income taxes				(7,272)
Cumulative profit up to 31 December 2015				57,115
OTHER INFORMATION				
SEGMENTS ASSETS	2,218,159	455,084	217,896	2,891,139
Investment in jointly controlled entities				72,101
Investment in associate				74,088
Unallocated assets				78,617
Consolidated total assets				3,115,945
SEGMENT LIABILITIES	765,119	27,924	39,179	832,222
Unallocated liabilities				818,206
Consolidated total liabilities				1,650,428

ii) Geographical segments

	Total revenue from external customers RM'000	Segment Assets RM'000
Malaysia	103,266	1,431,596
Europe	4,434	8,343
United States of America	13,086	5,359
Indonesia	75,866	1,669,549
South West Pacific	1,255	-
Others	4,369	1,098
Total	202,276	3,115,945

10. Changes in composition of the Group

- a) PT Aramico Komoditi (“PTAK”), a 74.42% owned subsidiary of the Company has been placed under voluntary winding-up in accordance with the laws in Indonesia since 26 October 2011. The voluntary winding-up of PTAK is currently pending final completion.
- b) Afromal Cocoa Limited (“Afromal”), a dormant and wholly-owned subsidiary of CocoaHouse Sdn. Bhd., which in turn is a wholly-owned subsidiary of TSH has on 13 December 2013 commenced a voluntary winding-up in accordance with the laws of Accra, Ghana. The voluntary winding-up of Afromal is currently pending final completion.

11. Discontinued operation

There was no discontinued operation during the quarter ended 31 March 2016.

12. Commitments

- a) Capital commitments

The amount of commitments for capital expenditure as at 31 March 2016 is as follows:

	As at 31.03.2016 RM'000	As at 31.12.2015 RM'000
Approved and contracted for	20,042	31,857
Approved but not contracted for	27,427	14,361
	<u>47,469</u>	<u>46,218</u>

- b) Operating lease commitments – as lessee

Future minimum rentals payable under non-cancellable operating lease at the reporting date as follows:

	As at 31.03.2016 RM'000	As at 31.12.2015 RM'000
Not later than 1 year	676	683
Later than 1 year and not later than 5 years	999	1,055
Later than 5 years	908	721
	<u>2,583</u>	<u>2,459</u>

12. Commitments and Contingencies (continued)

c) Operating lease commitments – as lessor

Future minimum rentals receivable under non-cancellable operating lease at the reporting date as follows:

	As at 31.03.2016 RM'000	As at 31.12.2015 RM'000
Not later than 1 year	137	219
Later than 1 year and not later than 5 years	57	26
	<u>194</u>	<u>245</u>

13. Changes in contingent liabilities or contingent assets

	As at 31.03.2016 RM'000	As at 31.12.2015 RM'000
Guarantee given to PT. Bank CIMB Niaga, TBK, to secure loan for Pembangunan Kebun Kelapa Sawit Plasma under a Plasma Scheme	<u>16,649</u>	<u>17,954</u>

14. Material related party transactions

Significant transactions between the Group and its jointly controlled entities are as follows:

	3 months ended 31 March 2016 RM'000
Sales of crude palm oil	76,127
Sales of palm kernel	16,680

15. Subsequent events

There was no material subsequent event to the end of this reporting.

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

1. Performance review

The Group reported revenue of RM202.3 million for the Qtr 1, 2016 compared to RM206.0 million for the preceding year corresponding period.

Core profit for the current quarter of RM25.2 million was lower against RM31.5 million for the preceding year corresponding quarter mainly due to lower average Crude Palm Oil (CPO) price and lower Fresh Fruit Brunch (FFB) production coupled with lower profit contributions from jointly controlled entities. However, profit before taxation for the quarter increased to RM 64.4 million against RM8.5 million for the preceding quarter last year mainly due to higher exchange gain of RM 39.2 million.

Palm Product

For Q1, 2016, this segment reported a lower operating profit of RM 32.5 million mainly attributed to lower crop production of 135,899 metric tonnes compared to 143,258 metric tonnes in Q1, 2015 due to the prolonged dry weather caused by the 2014 droughts and the severe 2015/16 El Nino weather pattern that adversely impacted FFB yield. Lower profit was also due to lower average CPO price of RM 2,143 per MT in Q 1, 2016 compared to RM 2,201 per MT in Q1, 2015.

Wood Product Manufacturing

For Q1, 2016 wood product segment achieved higher export revenue as overseas demand continues to gather strength. This segment achieved a higher revenue of RM16.1 million compared to RM 10.1 million for the corresponding period last year. However, it reported a higher operating loss of RM1.2 million compared to loss of RM119 k in corresponding period in 2015, mainly attributed to disposal of old stocks in overseas subsidiaries.

Bio integration and Other

For Q1, 2016, this segment reported higher revenue of RM 17.9 million compared to RM 15.9 million for the corresponding period in 2015 due to higher sale of cocoa product. However, the operating profit of RM5.8 million was broadly in line with the corresponding period in 2015 year of RM 6.0 million.

2. Material changes in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter

For Q1, 2016, the Group registered revenue of RM 202.3 million compared with the immediate preceding quarter of RM 206.0 million. Core profit before taxation for this quarter was RM 25.2 million against RM 30.5 million for the preceding quarter. The lower revenue and profit were mainly attributed to a decline in FFB production from 198,734 MT decreased to 135,899 MT in Q1 2016. The decline in FFB yield was due to seasonal factor couple with the severe El Nino weather pattern. Profit contribution from jointly controlled entities was also lower. However, higher profit before tax was due to higher exchange gain of RM 39.2 million.

3. Commentary on the prospects

CPO Price has trended higher in early part of the year and expected to peak in the second half of 2016 driven mainly by the reduced crop production and yield from the effect of the El Nino phenomenon. The resultant supply constraint has caused an overall reduction in the inventory level. For the coming months, the above supply and demand scenarios will likely guide the CPO price trend. Nevertheless, management will continue to stay focus on the cost and yield management in 2016.

The Board is optimistic on the long term prospect of the palm oil industry and will continue to focus on oil palm planting programme in Indonesia and Malaysia. Palm products segment which accounts for more than 80% of the revenue and profit for the Group will remain a significant contributor to Group profit.

4. Profit forecast or profit guarantee

The Group is not involved in any profit guarantee arrangement or providing any forecast profit.

5. Profits Before Tax

The following (gain)/loss have been included in arriving at profit before tax:

	Quarter 31.03.2016 <u>RM'000</u>	Year to date 31.03.2016 <u>RM'000</u>
Interest income	(229)	(229)
Interest expenses	4,897	4,897
Rental income	(103)	(103)
Depreciation and amortization	11,702	11,702
Fair value gain on derivatives		
- Forward currency contracts	(992)	(992)
- Commodity future contracts	(150)	(150)
Net foreign exchange (gain)/ loss		
- Realised	(62)	(62)
- Unrealised	(37,933)	(37,933)
Write back of impairment loss on trade and other receivables	(107)	(107)

6. Income Tax Expense

	Quarter 31.03.2016 <u>RM'000</u>	Year to date 31.03.2016 <u>RM'000</u>
Current tax:		
Malaysian income tax	1,949	1,949
Foreign tax	3,756	3,756
Deferred tax:		
Relating to origination and reversal of temporary differences	2,520	2,520
Under provision in prior year	(953)	(953)
	<u>7,272</u>	<u>7,272</u>

The effective tax rate of the Group for the quarter is lower than the statutory rate mainly due to non taxable unrealised translation gain.

7. Corporate proposals

There was no corporate proposal announced at the date of this quarterly report.

8. Group Borrowings and Debt Securities

Comprised:

	As at 31.03.2016 RM'000	As at 31.12.2015 RM'000
Total Group borrowings		
- secured	614,181	641,781
- unsecured	755,255	743,341
Short term borrowings		
- secured	227,483	222,158
- unsecured	699,765	687,851
Long term borrowings		
- secured	386,698	419,623
- secured	55,490	55,490

8. Group Borrowings and Debt Securities (continued)

All borrowings are denominated in Ringgit Malaysia, except for the following loans:

	Foreign currencies (’000)	RM Equivalent (’000)
EURO	31	138
USD	119,265	465,373
AUD	23	70
Total		<u>465,581</u>

9. Changes in material litigation

The Group is not engaged in any material litigation and is not aware of any proceedings which might materially affect the Group for the current financial year.

10. Proposed Dividend

The Company did not declare any interim dividend for the current quarter ended 31 March, 2016.

11. Earnings per share

(a) Basic earnings per share

Basic earnings per share amounts is calculated by dividing profit for the period attributable to ordinary shareholders of TSH Resources Berhad by the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	<u>Quarter ended</u> <u>31 March</u>		<u>YTD ended</u> <u>31 March</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Net profit for the quarter/ year (RM’000)	54,724	6,437	54,724	6,437
Weighted average number of ordinary shares in issue (’000)	1,345,409	1,345,411	1,345,409	1,345,411
Basic earnings per ordinary share (sen)	4.07	0.48	4.07	0.48

(b) Diluted earnings per share

This is not applicable to the Group

12. Supplementary information – breakdown of retained earnings into realised and unrealised

The breakdown of the retained earnings of the Group and of the Company as at 31 March 2016 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profit or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	As at end of current quarter 31.03.2016 RM'000	As at end of preceding year 31.12.2015 RM'000
Total retained profits of TSHR and its Subsidiaries		
- Realised	768,308	767,150
- Unrealised	(214,334)	(213,189)
	553,974	553,961
Total share of retained profits from associated Company		
- Realised	15,216	17,163
- Unrealised	(4,950)	(4,812)
Total share of retained profits from jointly controlled entities		
- Realised	54,981	61,866
- Unrealised	(2,601)	(4,025)
Add: Consolidation adjustments	616,620 (26,655)	624,153 (88,912)
Total group retained profits as per consolidated accounts	589,965	535,241

13. 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 25 May 2016.