

TAHPS Group Berhad (37-K)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2015**

	Unaudited As at 30.09.2015 RM'000	Audited As at 31.03.2015 RM'000
Property, plant and equipment	168,314	167,771
Investments	4,806	5,485
Investment property	3,200	3,210
Land held for property development	147,033	146,858
Goodwill on consolidation	27,100	27,100
	<u>350,453</u>	<u>350,424</u>
Current assets		
Property development costs	64,686	56,363
Inventories	15,352	16,835
Receivables	26,330	18,580
Current tax assets	1,059	1,090
Short-term investments	64,569	108,227
Deposits, cash and bank balances	17,410	25,906
	<u>189,406</u>	<u>227,001</u>
Current liabilities		
Payables	29,516	47,228
Current tax liabilities	-	2,799
	<u>29,516</u>	<u>50,027</u>
Net current assets	159,890	176,974
Long-term liabilities		
Deferred tax liabilities	40,674	40,403
	<u>469,669</u>	<u>486,995</u>
Share capital	74,853	74,853
Reserves	394,816	412,142
Equity attributable to owners of the parent	<u>469,669</u>	<u>486,995</u>
Net Assets per share (RM)	<u>6.27</u>	<u>6.51</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2015 and the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2015

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30 Sep 2015 RM'000	Preceding Year Quarter 30 Sep 2014 RM'000 <i>as adjusted</i>	Current Year To Date 30 Sep 2015 RM'000	Preceding Year To Date 30 Sep 2014 RM'000 <i>as adjusted</i>
Revenue	22,158	34,582	33,581	54,157
Cost of Sales	(11,557)	(11,929)	(16,940)	(17,582)
Gross profit	10,601	22,653	16,641	36,575
Interest income	777	1,167	1,698	2,449
Other income	247	366	548	1,066
Depreciation	(93)	(130)	(244)	(241)
Amortisation of leasehold land	(358)	(359)	(717)	(717)
Administration and other expenses	(4,411)	(3,114)	(8,223)	(7,078)
Profit before taxation	6,763	20,583	9,703	32,054
Income tax expense	(1,658)	(5,248)	(2,397)	(8,029)
Profit net of tax	5,105	15,335	7,306	24,025
Other comprehensive income:				
Changes in fair value of investments	(350)	(205)	(679)	53
Effect of change in tax rate	-	-	-	-
Total comprehensive income	4,755	15,130	6,627	24,078
Profit attributable to owners of the parent	5,105	15,335	7,306	24,025
Total comprehensive income attributable to owners of the parent	4,755	15,130	6,627	24,078
Earnings per share attributable to owners of the parent	sen	sen	sen	sen
Basic / Diluted	6.82	20.49	9.76	32.10

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2015 and the accompanying notes.

TAHPS Group Berhad (37-K)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

	Attributable to owners of the parent						Total RM'000
	Share capital	Non-distributable			Distributable		
		Share premium	Fair value reserve	Revaluation reserve	General reserve	Retained profits	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 April 2015	74,853	92	5,191	26,489	250	380,120	486,995
Total comprehensive income for the period	-	-	(679)	-	-	7,306	6,627
Transfer within reserves	-	-	(100)	-	-	100	-
Dividends	-	-	-	-	-	(23,953)	(23,953)
Balance as at 30 Sep 2015	74,853	92	4,412	26,489	250	363,573	469,669
Balance as at 1 April 2014 (as previously reported)	74,853	92	5,037	27,659	250	360,241	468,132
Effect of change in accounting policy: - Capitalisation of replanting expenditure	-	-	-	-	-	974	974
Balance as at 1 April 2014 (as adjusted)	74,853	92	5,037	27,659	250	361,215	469,106
Total comprehensive income for the period (as previously reported)	-	-	53	-	-	23,002	23,055
Effect of change in accounting policy: - Capitalisation of replanting expenditure	-	-	-	-	-	1,023	1,023
Transfer within reserves for the period (as previously reported)	-	-	-	(671)	-	671	-
Dividends (as previously reported)	-	-	-	-	-	(26,199)	(26,199)
Total comprehensive income for the period (as adjusted)	-	-	53	(671)	-	(1,503)	(2,121)
Balance as at 30 Sep 2014 (as adjusted)	74,853	92	5,090	26,988	250	359,712	466,985

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2015 and the accompanying notes.

TAHPS Group Berhad (37-K)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

	6 months ended	
	30 Sep 2015	30 Sep 2014
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		<i>as adjusted</i>
Profit before taxation	9,703	32,054
Adjustments for :		
Depreciation	244	241
Amortisation of leasehold land	717	717
Gain on disposal of property, plant and equipment	-	(212)
Derecognition of property, plant and equipment	-	2
Gain on disposal of investment property	-	(168)
Dividend Income	(43)	(44)
Interest Income	(1,698)	(2,449)
Operating profit before working capital changes	<u>8,923</u>	<u>30,141</u>
Increase in inventories and property development costs	(6,839)	(3,975)
Increase in receivables	(7,824)	(3,164)
Decrease in payables	(17,709)	(13,448)
Cash (absorbed by)/generated from operations	<u>(23,449)</u>	<u>9,554</u>
Interest received	1,758	2,460
Tax refunded	591	333
Tax paid	(5,485)	(7,724)
Net cash (used in)/from operating activities	<u>(26,585)</u>	<u>4,623</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,495)	(6,894)
Proceeds from disposal of property, plant and equipment	-	542
Payment for land held for property development	(165)	(3,669)
(Placement)/Withdrawal of short-term deposits	(206)	(493)
Dividend received from quoted equity securities in Malaysia	43	44
Net cash used in investing activities	<u>(1,823)</u>	<u>(10,470)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(23,953)	(26,199)
Net cash used in financing activities	<u>(23,953)</u>	<u>(26,199)</u>
Net decrease in cash and cash equivalents	(52,361)	(32,046)
Cash and cash equivalents at 1 April	133,608	177,204
Cash and cash equivalents at 30 September	<u>81,247</u>	<u>145,158</u>
Cash and cash equivalents comprise :		
Short term investments - money market fund	64,569	125,521
Short term deposits	2,768	9,751
Cash and bank balances	14,642	10,481
	<u>81,979</u>	<u>145,753</u>
Pledged short-term deposits	(732)	(595)
Cash and cash equivalents	<u>81,247</u>	<u>145,158</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2015 and the accompanying notes.

Part A – Explanatory Notes Pursuant to FRS134

1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements for the year ended 31 March 2015. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2015.

The significant accounting policies adopted by the Group in the interim financial statements are consistent with those adopted in the financial statements for the year ended 31 March 2015.

The companies within the Group are Transitioning Entities under the Malaysian Financial Reporting Standards ('MFRS') Framework and will continue with the FRS Framework until the MFRS Framework is adopted by the Group in the financial year beginning on 1 April 2018.

2 Seasonal or cyclical factors

The Group's results for the current financial period were not materially impacted by any seasonal or cyclical factors apart from the plantation segment which is influenced by seasonal climatic conditions.

3 Unusual items due to their nature, size or incidence

None.

4 Changes in estimates

Not applicable.

5 Debt and equity securities

There was no issue, repurchase and repayment of debt and equity securities during the financial period.

6 Dividends paid

The first and final dividend of 32 sen per share single tier tax exempt (2014: 35 sen gross per share single tier tax exempt) for the financial year ended 31 March 2015 amounting to RM23.95 million was approved on 23 July 2015 and paid on 27 August 2015.

7 Carrying amount of revalued assets

The valuations of property, plant and equipment and investment properties have been brought forward without amendment from the financial report for the year ended 31 March 2015.

8 Events after the interim period

There was no event after the end of the current quarter.

9 Changes in composition of the Group

There was no change in the composition of the Group during the period under review.

10 Changes in contingent liabilities and contingent assets

There was no change in contingent liability or contingent asset since the end of the last financial year.

11 Capital commitments

Amounts contracted but not provided for properties in progress as at 30 September 2015 amounted to RM5.6 million.

12 Significant Related Party Transactions

None.

13 Segmental information

Segment information for the financial period ended 30 September 2015 is as follows:

	Property development RM'000	Plantation RM'000	Elimination RM'000	Consolidated RM'000
30 September 2015				
Revenue				
External customers	29,053	4,485	-	33,538
Dividend income	-	-	-	43
Total Revenue	<u>29,053</u>	<u>4,485</u>	-	<u>33,581</u>
Results				
Segment results	10,571	1,098	-	11,669
Unallocated income				1,972
Unallocated expenses				(3,938)
Income tax expense				<u>(2,397)</u>
Profit net of tax for the year				<u>7,306</u>
Assets				
Segment assets	323,060	88,629	-	411,689
Unallocated assets				<u>128,170</u>
Total assets				<u>539,859</u>
Liabilities				
Segment liabilities	24,584	2,318	-	26,902
Unallocated liabilities				<u>43,288</u>
Total liabilities				<u>70,190</u>
30 September 2014				
<i>as adjusted</i>				
Revenue				
External customers	48,410	5,703	-	54,113
Dividend income	-	-	-	44
Total Revenue	<u>48,410</u>	<u>5,703</u>	-	<u>54,157</u>
Results				
Segment results	31,558	2,211	-	33,769
Unallocated income				3,039
Unallocated expenses				(4,754)
Income tax expense				<u>(8,029)</u>
Profit net of tax for the year				<u>24,025</u>
Assets				
Segment assets	248,289	87,708	-	335,997
Unallocated assets				<u>197,512</u>
Total assets				<u>533,509</u>
Liabilities				
Segment liabilities	19,946	523	-	20,469
Unallocated liabilities				<u>46,055</u>
Total liabilities				<u>66,524</u>

14. Change in accounting policy

During the previous financial year, the Group changed its accounting policy on the recognition and measurement of replanting expenditure.

Previously, the replanting expenditure is recognized in profit or loss as the expenses are incurred. The Group has changed this accounting policy to capitalize and depreciate the replanting expenditure to profit or loss over the useful lives of the crops when harvesting commences.

The change in accounting policy has been applied retrospectively. The effects of the change in accounting policy are summarised in Note 15 to the Interim Financial Report.

15. Comparative information

The following significant items of comparative information have been restated as a result of change in accounting policy as disclosed in Note 14 to the Interim Financial Report:

	Individual Quarter		Cumulative Quarter	
	As restated	As previously reported	As restated	As previously reported
Items in Condensed Consolidated Statement of Comprehensive Income:				
Cost of sales	11,929	12,708	17,582	18,605
Gross profit	22,653	21,874	36,575	35,552
Profit before taxation	20,583	19,804	32,054	31,031
Profit net of tax	15,335	14,556	24,025	23,002
Total comprehensive income	15,130	14,351	24,078	23,055
Profit attributable to owners of the parent	15,335	14,556	24,025	23,002
Total comprehensive income attributable to owners of the parent	15,130	14,351	24,078	23,055

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia

16 Auditors' Report on preceding Annual Financial Statements

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

17 Review of performance (current quarter and year to date)

For the current quarter, the Group recorded revenue of RM22.2 million and profit before tax of RM6.8 million. These represent a decrease of 35.9% in revenue and 67.1% in profit before tax as compared to the previous corresponding quarter.

For the current year to date, the Group recorded revenue of RM33.6 million and profit before tax of RM9.7 million. These represent a decrease of 37.9% in revenue and 69.7% in profit before tax as compared to the previous corresponding period.

Segmental Performance

(a) Property development

The revenue for the current quarter has decreased by 37.8% to RM19.7 million and profit before tax has decreased by 65.2% to RM7.3 million as compared to the previous corresponding quarter.

The revenue for the current year to date has decreased by 40.0% to RM29.0 million and profit before tax has decreased by 66.5% to RM10.6 million as compared to the previous corresponding period.

The poor performance was mainly due to the completion of BP:Newtown (Phase 2) in the previous financial year and the sales of the current on-going development project have been adversely affected by the poor market conditions.

(b) Plantation

The revenue for the current quarter has decreased by 14.9% to RM2.4 million and profit before tax has decreased by 10% to RM1.0 million before amortization of leasehold land of RM0.2 million as compared to the previous corresponding quarter.

The revenue for the current year to date has decreased by 21.4% to RM4.5 million and profit before tax has decreased by 50.3% to RM1.6 million before amortization of leasehold land of RM0.5 million as compared to the previous corresponding period.

The lower revenue and profit before tax were mainly due to lower CPO prices and lower FFB production as a result of the on-going replanting exercise.

18 Material changes in profit/(loss) before taxation vs. preceding quarter

The Group recorded an increase in revenue by 93.9% to RM22.2 million and an increase in profit before taxation by 130% to RM6.8 million in the current quarter as compared to the preceding quarter.

The improved performance of the current quarter over the preceding quarter was mainly contributed by the increase in sales of BP:Newtown (Phase 2).

19 Commentary on prospects (current financial year)

In view of the current economic challenges and poor market conditions, the property segment is expected to perform worse than the previous financial year.

The plantation segment is undergoing a replanting programme and hence not expected to contribute significantly to the performance of the group in the ensuing financial periods.

20 Statement of board of directors' opinion as to whether the revenue or profit estimate, forecast, projection or internal targets are likely to be achieved

Not applicable. The Company has not announced or disclosed any estimates, forecasts, projections or internal targets.

21 Variance of actual profit from forecast profit or profit guarantee

Not applicable.

22 Taxation

	Quarter 3 months ended 30.09.2015 RM'000	Year to date 6 months ended 30.09.2015 RM'000
Malaysian income tax:		
Current tax	1,881	2,126
Deferred tax	(223)	271
Income tax expense	<u>1,658</u>	<u>2,397</u>

The effective tax rate for the period is higher than the statutory tax rate as certain expenditure is not tax deductible.

23 Corporate proposals

(a) Status of corporate proposals
Not applicable.

(b) Status of utilisation of proceeds
Not applicable.

24 Group borrowings and debt securities

There was no borrowing and debt security as at 30 September 2015.

25 Changes in material litigation

There was no material litigation since the date of the last financial position on 31 March 2015.

26 Dividends

No interim ordinary dividend has been declared for the quarter ended 30 September 2015.

27 Earnings per share**(a) Basic earnings per share**

Basic earnings per share is calculated by dividing the profit net of tax for the period by the weighted average number of shares in issue during the period.

	Quarter 3 months ended 30.09.2015	Year to date 6 months ended 30.09.2015
Profit net of tax for the period (RM'000)	5,105	7,306
Weighted average number of ordinary shares in issue ('000)	74,853	74,853
Basic earnings per share (sen)	6.82	9.76

(b) **Diluted earnings per share** – Not applicable.

28 Disclosure of realised and unrealised profits/(losses)

	As at 30.09.2015 RM'000	As at 31.03.2015 RM'000
Total retained profits of TAHPS Group Berhad and its subsidiaries:		
- Realised profits	445,403	460,821
- Unrealised profits	<u>(565)</u>	<u>(57)</u>
	444,838	460,764
Less: Consolidation adjustments	<u>(81,265)</u>	<u>(80,644)</u>
Total retained profits as per consolidated accounts	<u>363,573</u>	<u>380,120</u>

29 Disclosure requirements to the Statement of Comprehensive Income

	Quarter 3 months ended 30.09.2015 RM'000	Year to date 6 months ended 30.09.2015 RM'000
(a) dividend income	2	43
(b) interest expense		
(c) provision for and write off of receivables		
(d) provision for and write off of inventories		
(e) gain or loss on disposal of quoted or unquoted investments or properties		
(f) impairment of assets	Nil	Nil
(g) foreign exchange gain or loss		
(h) gain or loss on derivatives		
(i) exceptional items		

30 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors.

By Order of the Board

Lim Hooi Mooi (MAICSA 0799764)
Secretary

Kuala Lumpur
Date: 24 November 2015