

TAHPS Group Berhad (37-K)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

	Unaudited As at 31.12.2015 RM'000	Audited As at 31.03.2015 RM'000
Property, plant and equipment	168,390	167,771
Investments	4,894	5,485
Investment property	3,196	3,210
Land held for property development	147,151	146,858
Goodwill on consolidation	27,100	27,100
	<u>350,731</u>	<u>350,424</u>
Current assets		
Property development costs	77,501	56,363
Inventories	15,304	16,835
Receivables	11,433	18,580
Current tax assets	2,388	1,090
Short-term investments	65,309	108,227
Deposits, cash and bank balances	20,082	25,906
	<u>192,017</u>	<u>227,001</u>
Current liabilities		
Payables	28,812	47,228
Current tax liabilities	-	2,799
	<u>28,812</u>	<u>50,027</u>
Net current assets	163,205	176,974
Long-term liabilities		
Deferred tax liabilities	40,793	40,403
	<u>473,143</u>	<u>486,995</u>
Share capital	74,853	74,853
Reserves	398,290	412,142
Equity attributable to owners of the parent	<u>473,143</u>	<u>486,995</u>
Net Assets per share (RM)	<u>6.32</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.

TAHPS Group Berhad (37-K)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2015**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Dec 2015 RM'000	Preceding Year Quarter 31 Dec 2014 RM'000 <i>as adjusted</i>	Current Year To Date 31 Dec 2015 RM'000	Preceding Year To Date 31 Dec 2014 RM'000
Revenue	17,054	18,338	50,635	72,495
Cost of Sales	(9,009)	(7,335)	(25,949)	(24,917)
Gross profit	8,045	11,003	24,686	47,578
Interest income	710	1,163	2,408	3,612
Other income	295	216	843	1,282
Depreciation	(154)	(164)	(398)	(405)
Amortisation of leasehold land	(358)	(358)	(1,075)	(1,075)
Administration and other expenses	(5,013)	(3,128)	(13,236)	(10,206)
Profit before taxation	3,525	8,732	13,228	40,786
Income tax expense	(139)	(1,734)	(2,536)	(9,763)
Profit net of tax	3,386	6,998	10,692	31,023
Other comprehensive income:				
Changes in fair value of investments	88	77	(591)	130
Effect of change in tax rate	-	-	-	-
Total comprehensive income	3,474	7,075	10,101	31,153
Profit attributable to owners of the parent	3,386	6,998	10,692	31,023
Total comprehensive income attributable to owners of the parent	3,474	7,075	10,101	31,153
Earnings per share attributable to owners of the parent	sen	sen	sen	sen
Basic / Diluted	4.52	9.35	14.28	41.45

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 31 DECEMBER 2015**

	Attributable to owners of the parent						Total RM'000
	Share capital RM'000	Non-distributable			Distributable		
		Share premium RM'000	Fair value reserve RM'000	Revaluation reserve RM'000	General reserve RM'000	Retained profits 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	-	-	(591)	-	-	10,692	10,101
Transfer within reserves	-	-	-	(100)	-	100	-
Dividends	-	-	-	-	-	(23,953)	(23,953)
Balance as at 31 Dec 2015	74,853	92	4,600	26,389	250	366,959	473,143
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)	-	-	130	-	-	31,023	31,153
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)	-	-	130	(671)	-	5,495	4,954
Balance as at 31 December 2014 (as adjusted)	74,853	92	5,167	26,988	250	366,710	474,060

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 31 DECEMBER 2015**

	9 months ended	
	31 Dec 2015	31 Dec 2014
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	13,228	40,786
Adjustments for :		
Depreciation	398	405
Amortisation of leasehold land	1,075	1,075
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	(63)	(59)
Interest Income	(2,408)	(3,612)
Operating profit before working capital changes	<u>12,230</u>	<u>38,217</u>
Increase in inventories and property development costs	(19,607)	(18,290)
Decrease/(Increase) in receivables	6,901	(4,664)
Decrease in payables	(18,424)	(4,423)
Cash (absorbed by)/ generated from operations	<u>(18,900)</u>	<u>10,840</u>
Interest received	2,653	3,578
Tax refunded	584	333
Tax paid	(6,826)	(11,418)
Net cash (used in)/from operating activities	<u>(22,489)</u>	<u>3,333</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,079)	(13,137)
Proceeds from disposal of property, plant and equipment	-	542
Payment for land held for property development	(283)	(4,436)
(Placement)/Withdrawal of short-term deposits	211	(421)
Dividend received from quoted equity securities in Malaysia	63	59
Net cash used in investing activities	<u>(2,088)</u>	<u>(17,393)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(23,953)	(26,199)
Net cash from used in financing activities	<u>(23,953)</u>	<u>(26,199)</u>
Net decrease in cash and cash equivalents	(48,530)	(40,259)
Cash and cash equivalents at 1 April	133,608	177,204
Cash and cash equivalents at 31 December	<u>85,078</u>	<u>136,945</u>
Cash and cash equivalents comprise :		
Short term investments - money market fund	65,309	103,972
Short term deposits	1,768	7,144
Cash and bank balances	18,314	26,352
	<u>85,391</u>	<u>137,468</u>
Pledged short-term deposits	(313)	(523)
Cash and cash equivalents	<u>85,078</u>	<u>136,945</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 31 December 2015 amounted to RM5.6 million.

12 Significant Related Party Transactions

None.

13 Segmental information

Segment information for the financial period ended 31 December 2015 is as follows:

	Property development RM'000	Plantation RM'000	Consolidated RM'000
31 December 2015			
Revenue			
External customers	43,659	6,913	50,572
Dividend income	-	-	63
Total Revenue	<u>43,659</u>	<u>6,913</u>	<u>50,635</u>
Results			
Segment results	14,766	1,803	16,569
Unallocated income			2,818
Unallocated expenses			(6,159)
Income tax expense			<u>(2,536)</u>
Profit net of tax for the year			<u>10,692</u>
Assets			
Segment assets	324,900	88,605	413,505
Unallocated assets			<u>129,243</u>
Total assets			<u>542,748</u>
Liabilities			
Segment liabilities	24,435	1,395	25,830
Unallocated liabilities			<u>43,775</u>
Total liabilities			<u>69,605</u>
31 December 2014			
<i>as adjusted</i>			
Revenue			
External customers	64,681	7,755	72,436
Dividend income	-	-	59
Total Revenue	<u>64,681</u>	<u>7,755</u>	<u>72,495</u>
Results			
Segment results	40,201	3,286	43,487
Unallocated income			4,308
Unallocated expenses			(7,009)
Income tax expense			<u>(9,763)</u>
Profit net of tax for the year			<u>31,023</u>
Assets			
Segment assets	263,932	87,172	351,104
Unallocated assets			<u>193,201</u>
Total assets			<u>544,305</u>
Liabilities			
Segment liabilities	25,643	510	26,153
Unallocated liabilities			<u>46,066</u>
Total liabilities			<u>71,219</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 as expenses when it incurred. The Group has changed this accounting policy to capitalize and depreciate the replanting expenditure 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 summarized 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	
	As restated	As previously reported
Items in Condensed Consolidated Statement of Comprehensive Income:		
Cost of sales	7,335	6,312
Gross profit	11,003	12,026
Profit before taxation	8,732	9,775
Profit net of tax	6,998	8,021
Total comprehensive income	7,075	8,098
Profit attributable to owners of the parent	6,998	8,021
Total comprehensive income attributable to owners of the parent	7,075	8,098

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 RM17.1 million and profit before tax of RM3.5 million. These represent a decrease of 7% in revenue and 59.6% in profit before tax as compared to the previous corresponding quarter.

For the current year to date, the Group recorded revenue of RM50.6 million and profit before tax of RM13.2 million. These represent a decrease of 30.2% in revenue and 67.6% 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 10.2% to RM14.6 million and profit before tax has decreased by 51.5% to RM4.2 million as compared to the previous corresponding quarter.

The revenue for the current year to date has decreased by 32.5% to RM43.7 million and profit before tax has decreased by 63.3% to RM14.8 million as compared to the previous corresponding period.

The deterioration in 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 increased by 18.4% to RM2.4 million. However, the profit before tax has decreased by 34.4% to RM0.7 million after amortization of leasehold land of RM0.2 million as compared to the previous corresponding quarter. The reduction in profit before tax was mainly due to increase in operational costs incurred during the quarter.

The revenue for the current year to date has decreased by 10.8% to RM6.9 million and profit before tax has decreased by 45.1% to RM1.8 million after amortization of leasehold land of RM0.7 million as compared to the previous corresponding period. The lower revenue was mainly due to lower CPO prices and lower FFB production as a result of the on-going replanting exercise. The lower profit before tax was mainly due to higher operation cost incurred.

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

The Group recorded a decrease in revenue by 23% to RM17.1 million and a decrease in profit before taxation by 47.9% to RM3.5 million in the current quarter as compared to the preceding quarter.

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 period.

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 31.12.2015 RM'000	Year to date 9 months ended 31.12.2015 RM'000
Malaysian income tax:		
Current tax	(304)	1,822
Deferred tax	443	714
Income tax expense	<u>139</u>	<u>2,536</u>

The effective tax rate for the period is lower than the statutory tax rate due to overprovision of taxation in prior year.

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 31 December 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 31 December 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 31.12.2015	Year to date 9 months ended 31.12.2015
Profit net of tax for the period (RM'000)	3,386	10,692
Weighted average number of ordinary shares in issue ('000)	74,853	74,853
Basic earnings per share (sen)	4.52	14.28

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

28 Disclosure of realised and unrealised profits/(losses)

	As at 31.12.2015 RM'000	As at 31.03.2015 RM'000
Total retained profits of TAHPS Group Berhad and its subsidiaries:		
- Realised profits	449,256	460,821
- Unrealised profits	<u>(771)</u>	<u>(57)</u>
	448,485	460,764
Less: Consolidation adjustments	<u>(81,526)</u>	<u>(80,644)</u>
Total retained profits as per consolidated accounts	<u>366,959</u>	<u>380,120</u>

29 Disclosure requirements to the Statement of Comprehensive Income

	Quarter 3 months ended 31.12.2015 RM'000	Year to date 9 months ended 31.12.2015 RM'000
(a) dividend income	20	63
(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		
(g) foreign exchange gain or loss		
(h) gain or loss on derivatives		
(i) exceptional items		
	Nil	Nil

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 February 2016