

TAHPS Group Berhad (37-K)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017**

	Unaudited As at 30.06.2017 RM'000	Audited As at 31.12.2016 RM'000
Property, plant and equipment	167,194	168,350
Investments	6,070	5,236
Investment property	3,170	3,179
Land held for property development	149,034	147,692
Goodwill on consolidation	27,100	27,100
	<u>352,568</u>	<u>351,557</u>
Current assets		
Property development costs	2,909	50,154
Inventories	92,431	45,443
Receivables	21,254	30,077
Current tax assets	2,286	262
Short-term investments	63,396	54,756
Deposits, cash and bank balances	19,316	16,561
	<u>201,592</u>	<u>197,253</u>
Current liabilities		
Payables	21,600	21,581
Current tax liabilities	34	45
	<u>21,634</u>	<u>21,626</u>
Net current assets	179,958	175,627
Long-term liabilities		
Deferred tax liabilities	41,055	41,219
	<u>491,471</u>	<u>485,965</u>
Share capital	74,853	74,853
Reserves	416,618	411,112
Equity attributable to owners of the Company	<u>491,471</u>	<u>485,965</u>
Net Assets per share (RM)	<u>6.57</u>	<u>6.49</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial period ended 31 December 2016 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2017**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30 Jun 2017 RM'000	Preceding Corresponding Quarter 30 Jun 2016 RM'000	Current Year To Date 30 Jun 2017 RM'000	Preceding Corresponding Year To Date 30 Jun 2016 RM'000
Revenue	6,671	N/A	25,569	N/A
Cost of Sales	(2,826)	N/A	(9,833)	N/A
Gross profit	3,845		15,736	
Interest income	745	N/A	1,445	N/A
Other income	315	N/A	5,001	N/A
Depreciation	(338)	N/A	(692)	N/A
Amortisation of leasehold land	(358)	N/A	(717)	N/A
Administration and other expenses	(4,806)	N/A	(10,088)	N/A
(Loss)/Profit before taxation	(597)	N/A	10,685	N/A
Income tax expense	(217)	N/A	(2,269)	N/A
(Loss)/Profit net of tax	(814)	N/A	8,416	N/A
Other comprehensive income:				
Changes in fair value of investments	192	N/A	834	N/A
Total comprehensive income	(622)	N/A	9,250	N/A
Profit attributable to owners of the parent	(814)	N/A	8,416	N/A
Total comprehensive income attributable to owners of the parent	(622)	N/A	9,250	N/A
Earnings per share attributable to owners of the Company	sen	sen	sen	sen
Basic / Diluted	(1.09)	N/A	11.24	N/A

Due to the change of financial year end from 31 March 2017 to 31 December 2016, there are no comparatives to be presented in this condensed consolidated statement of comprehensive income.

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial period ended 31 December 2016 and the accompanying notes.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2017**

	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 January 2017	74,853	92	4,942	26,272	250	379,556	485,965
Total comprehensive income for the period	-	-	834	-	-	8,416	9,250
Transfer within reserves	-	-	-	(104)	-	104	-
Dividends	-	-	-	-	-	(3,744)	(3,744)
Balance as at 30 June 2017	74,853	92	5,776	26,168	250	384,332	491,471

Due to the change of financial year end from 31 March 2017 to 31 December 2016, there are no comparatives to be presented in this condensed consolidated statement of changes in equity.

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 31 December 2016 and the accompanying notes.

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2017**

	Current Year To Date Ended 30 Jun 2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES	
Profit before taxation	10,685
Adjustments for :	
Depreciation	692
Amortisation of leasehold land	717
Gain on disposal of property, plant and equipment	(4,359)
Dividend Income	(34)
Interest Income	(1,445)
Operating profit before working capital changes	<u>6,256</u>
Decrease in inventories and property development costs	6,254
Decrease in receivables	2,846
Increase in payables	19
Cash generated from operations	<u>15,375</u>
Interest received	1,425
Tax refunded	73
Tax paid	(4,539)
Net cash from operating activities	<u><u>12,334</u></u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property, plant and equipment	(744)
Proceeds from disposal of property, plant and equipment	4,859
Payment for land held for property development	(1,342)
Dividend received from quoted equity securities in Malaysia	34
Net cash from investing activities	<u><u>2,807</u></u>
 CASH FLOWS FROM FINANCING ACTIVITIES	
Dividend paid	(3,744)
Net cash used in financing activities	<u><u>(3,744)</u></u>
Net increase in cash and cash equivalents	11,397
Cash and cash equivalents at 1 January	<u>70,765</u>
Cash and cash equivalents at 30 June	<u><u>82,162</u></u>
 Cash and cash equivalents comprise :	
Short term investments - money market fund	63,396
Short term deposits	1,657
Cash and bank balances	17,659
	<u>82,712</u>
Pledged short-term deposits	(550)
Cash and cash equivalents	<u><u>82,162</u></u>

Due to the change of financial year end from 31 March 2017 to 31 December 2016, there are no comparatives to be presented in this condensed consolidated statement of cash flow.

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial period ended 31 December 2016 and the accompanying notes.

Part A – Explanatory Notes Pursuant to FRS134

1 Change of financial year end

On 16 November 2016, the Company announced a change in its financial year end from 31 March 2016 to 31 December 2017. Thereafter, the financial year shall end on 31 December for subsequent years. There are no comparatives to be presented for the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed statement of cash flows as the amounts are not comparable.

2 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 period ended 31 December 2016. 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 period ended 31 December 2016.

The significant accounting policies adopted by the Group in the interim financial statements are consistent with those adopted in the financial statements for the period ended 31 December 2016.

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 January 2018.

3 Seasonal or cyclical factors

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

4 Unusual items due to their nature, size or incidence

None.

5 Changes in estimates

Not applicable.

6 Debt and equity securities

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

7 Dividends paid

The first and final dividend of 5 sen per share single tier tax exempt (FYE31 Mar 2016: 10 sen per share single tier tax exempt) for the nine (9) months financial period ended 31 December 2016 amounting to RM3.74 million was paid on 22 June 2017.

8 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 period ended 31 December 2016.

9 Events after the interim period

There was no significant event after the current financial quarter.

10 Changes in composition of the Group

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

11 Property, Plant and Equipment

The Group has disposed of two vacant shop offices with a carrying value of RM0.5 million during the financial period ended 31 March 2017 resulting in a gain of RM4.3 million. This gain has been recognized and included in Other Income in the Statement of Comprehensive Income.

12 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.

13 Capital commitments

Amounts contracted but not provided for capital expenditure as at 30 June 2017 amounted to RM0.9 million.

14 Significant Related Party Transactions

None.

15 Segmental information

Segmental information for the financial period ended 30 June 2017 is as follows:

	Property development RM'000	Plantation RM'000	Others RM'000	Consolidated RM'000
31 March 2017				
Revenue				
External customers	19,812	5,723	-	25,535
Dividend income	-	-	34	34
Total Revenue	19,812	5,723	34	25,569
Results				
Segment results	9,480	2,442	(1,237)	10,685
Income tax expense				(2,269)
Profit net of tax for the year				8,416
Assets				
Segment assets	337,188	89,463	127,509	554,160
Liabilities				
Segment liabilities	18,364	830	43,495	62,689

Due to the change in financial year end from 31 March 2017 to 31 December 2016, there are no comparatives to be presented in this section.

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 period ended 31 December 2016 was not qualified.

17 Review of performance

Due to the change in financial year end from 31 March 2017 to 31 December 2016, there is no commentary on the comparison with the previous year corresponding quarter/period since no comparatives are available.

The Group recorded revenue of RM6.7 million and loss of RM0.6 million in the current quarter.

	Current Quarter Ended 30 June 2017		Current Year To Date Ended 30 June 2017	
	RM'000	%	RM'000	%
Revenue				
Property	3,669	55.0	19,812	77.5
Plantation	2,970	44.5	5,723	22.4
Others	32	0.5	34	0.1
Total	<u>6,671</u>	<u>100.0</u>	<u>25,569</u>	<u>100.0</u>
(Loss)/Profit before Tax				
Property	(1,133)	(189.7)	9,480	88.7
Plantation	1,251	209.5	2,442	22.9
Others	(715)	(119.8)	(1,237)	(11.6)
Total	<u>(597)</u>	<u>100.0</u>	<u>10,685</u>	<u>100.0</u>

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

The Group recorded a decrease in revenue by 64.6% from RM18.9 million to RM6.7 million and a decrease in profit before taxation from RM11.3 million to a loss of RM0.6 million as compared to the preceding quarter. The losses were mainly contributed by sales of current stocks have been adversely affected by the poor market conditions and no new development project was launched.

19 Commentary on prospects (current financial year)

For the financial year ending 2017, the Group anticipates that the fundamental conditions of the property sector will remain largely unchanged from 2016. The general outlook remains challenging given the prevailing weaknesses and macro uncertainties both domestically and abroad. During this period of market slowdown in the property sector, the Group is taking the opportunity to focus on the re-planning of its township development in Bandar Bukit Puchong in order to rejuvenate the township with innovative and market receptive products. At the same time, the Group is embarking on a rebranding exercise to refresh the brand and image of the Group which is targeted to complete by second half of 2017.

In August 2017 the property division launched Andira Park, a gated and guarded landed villa project on 8.3 acre freehold land.

The plantation segment is undergoing a replanting programme and hence not expected to contribute significantly to the performance of the Group for the current financial year.

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

	Current Quarter Ended 30 June 2017 RM'000	Current Year To Date Ended 30 June 2017 RM'000
Malaysian income tax:		
Current tax	446	2,432
Deferred tax	(229)	(163)
Income tax expense	217	2,269

The effective tax rate for the year to date is lower than the statutory tax rate owing to the benefit of certain non-taxable income.

23 Corporate proposals

(a) Status of corporate proposals

Not applicable.

(b) Status of utilisation of proceeds

Not applicable.

24 Group borrowings and debt security

There was no borrowing and debt security as at 30 June 2017.

25 Changes in material litigation

There was no material litigation since the date of the last financial position on 31 December 2016.

26 Dividends

No interim ordinary dividend has been declared for the quarter ended 30 June 2017.

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

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

	Current Quarter Ended 30 June 2017	Current Year To Date Ended 30 June 2017
(Loss)/Profit net of tax (RM'000)	(814)	8,416
Weighted average number of ordinary shares in issue ('000)	74,853	74,853
Basic earnings per share (sen)	(1.09)	11.24

(b) **Diluted earnings per share** – Not applicable.**28 Disclosure of realised and unrealised profits/(losses)**

	As at 31 December 2016 RM'000	As at 30 June 2017 RM'000
Total retained profits of TAHPS Group Berhad and its subsidiaries:		
- Realised profits	464,157	470,732
- Unrealised profits	(1,593)	(2,514)
	<u>462,564</u>	<u>468,218</u>
Less: Consolidation adjustments	(83,008)	(83,886)
Total retained profits as per consolidated accounts	<u>379,556</u>	<u>384,332</u>

29 Disclosure requirements to the Statement of Comprehensive Income

	Current Quarter Ended 30 June 2017 RM'000	Current Year to date Ended 30 June 2017 RM'000
(a) dividend income	32	34
(b) interest expense	Nil	Nil
(c) provision for and write off of receivables	1,853	1,853
(d) provision for and write off of inventories		
(e) gain or loss on disposal of quoted or unquoted investments or properties	Nil	4,359
(f) impairment of assets		
(g) foreign exchange gain or loss	Nil	Nil
(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 Lee Kuan (MAICSA 7017753)
Secretary

Kuala Lumpur
Date: 29 August 2017