

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**

for the period ended 31 March 2015

	Note	Current quarter 31.3.2015 RM'000	Cumulative period 15 months 31.3.2015 RM'000
<b>Revenue</b>	A7/B1	20,689	99,814
Cost of sales		<u>(9,597)</u>	<u>(54,503)</u>
		11,092	45,311
Other income		1,267	4,700
Operating expenses		<u>(6,888)</u>	<u>(39,115)</u>
<b>Operating profit/(loss)</b>		5,471	10,896
Finance costs		<u>(149)</u>	<u>(582)</u>
<b>Profit/(Loss) before impairment</b>	A7/B1	5,322	10,314
Gain/(Loss) on disposal of subsidiary		-	(500)
Impairment of Goodwill		<u>(2,285)</u>	<u>(6,793)</u>
<b>Profit/(Loss) before zakat and taxation</b>		3,037	3,021
Zakat		(439)	(439)
Taxation	B5	<u>(1,205)</u>	<u>(3,627)</u>
Profit/(Loss) for the period from continuing operations		1,393	(1,045)
<b>Discontinued Operations</b>			
Profit / (Loss) for the period from discontinued operations, net of tax	A13	-	441
<b>Profit/(Loss) for the period</b>		<u>1,393</u>	<u>(604)</u>
<b>Attributable to:</b>			
Equity holders of the Company		1,273	(678)
Minority interests		<u>120</u>	<u>74</u>
<b>Profit/(Loss) for the period</b>		<u>1,393</u>	<u>(604)</u>
<b>EBITDA</b>		<u>6,296</u>	<u>17,460</u>
<b>Other comprehensive income/(loss), net of tax</b>			
Foreign currency translation differences for foreign operations		<u>(32)</u>	<u>(271)</u>
<b>Total comprehensive income/(loss) for the period</b>		<u>1,361</u>	<u>(875)</u>
<b>Total comprehensive income/(loss) attributable to:</b>			
Equity holders of the Company		1,251	(868)
Minority Interests		<u>110</u>	<u>(7)</u>
		<u>1,361</u>	<u>(875)</u>
<b>Earnings/(Loss) per share attributable to equity holders of the Company (sen):</b>			
Basic	B11	<u>0.19</u>	<u>(0.10)</u>

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the annual audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**

As At 31 March 2015

	Note	Unaudited 31.3.2015 RM'000	Audited 31.12.2013 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	A8	7,114	5,679
Intangible assets		40,975	38,913
Deferred taxation		1,008	1,249
		<u>49,097</u>	<u>45,841</u>
<b>Current assets</b>			
Inventories		4	4
Trade receivables		18,840	8,263
Other receivables		10,492	4,199
Tax recoverable		995	1,077
Marketable securities		15	15
Short term investment		12,218	-
Cash and bank balances		33,236	21,503
		<u>75,800</u>	<u>35,061</u>
Assets of disposal group classified as held for sale	A13	-	71,339
		<u>75,800</u>	<u>106,400</u>
<b>TOTAL ASSETS</b>		<u><u>124,897</u></u>	<u><u>152,241</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital		66,000	66,000
Reserves		46,037	45,960
Shares held by Employee Share Trust Scheme ("ESTS")		(7,097)	(7,097)
		<u>104,940</u>	<u>104,863</u>
<b>Non Controlling Interest</b>		<u>5,565</u>	<u>9,708</u>
<b>Total equity</b>		<u><u>110,505</u></u>	<u><u>114,571</u></u>
<b>Non-current liabilities</b>			
Borrowings	B8	-	-
Deposits		1,171	-
Deferred taxation		-	250
		<u>1,171</u>	<u>250</u>
<b>Current liabilities</b>			
Trade and other payables		13,156	9,807
Borrowings	B8	-	414
Taxation		65	1,214
		<u>13,221</u>	<u>11,435</u>
Liabilities directly associated with the assets classified as held for sale	A13	-	25,985
		<u>13,221</u>	<u>37,420</u>
<b>Total liabilities</b>		<u><u>14,392</u></u>	<u><u>37,670</u></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>124,897</u></u>	<u><u>152,241</u></u>
		RM	RM
Net assets per share attributable to ordinary equity holders of the Company		<u>0.16</u>	<u>0.16</u>

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

for the period ended 31 March 2015

Group	<----- Attributable to equity holders of the Company ----->									
	<----- Non-Distributable ----->					<--Distributable-->			Non-controlling interests	Total equity
	Share capital	Share premium	Capital reserves	Treasury shares	Translation reserve	Retained profits	Shares held by ESTS	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2013	66,000	51,550	3,075	(91)	(1,850)	28,783	(7,097)	140,370	9,280	149,650
Total comprehensive (loss) / income	-	-	-	-	3,432	(38,937)	-	(35,505)	428	(35,077)
Purchase of treasury shares	-	-	-	(2)	-	-	-	(2)	-	(2)
Dividends	-	-	-	-	-	-	-	-	-	-
Distribution of share dividend	-	-	-	-	-	-	-	-	-	-
At 31 December 2013	66,000	51,550	3,075	(93)	1,582	(10,154)	(7,097)	104,863	9,708	114,571
At 1 January 2014	66,000	51,550	3,075	(93)	1,582	(10,154)	(7,097)	104,863	9,708	114,571
Total comprehensive (loss)/income	-	-	-	-	(271)	(677)	-	(948)	73	(875)
Acquisition of non-controlling interest	-	-	-	-	-	1,030	-	1,030	-	1,030
Purchase of treasury shares	-	-	-	(5)	-	-	-	(5)	(4,216)	(4,221)
At 31 March 2015	66,000	51,550	3,075	(98)	1,311	(9,801)	(7,097)	104,940	5,565	110,505

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the annual audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

(Company No : 592563-P)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**

for the period ended 31 March 2015

	<b>Period ended</b> <b>31.3.2015</b> <b>RM'000</b>	<b>Audited</b> <b>31.12.2013</b> <b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before zakat and tax	3,021	(39,556)
- Discontinued operation	441	229
Adjustments for:		
Non cash items	15,596	57,761
Non operating items	(1,176)	1,545
Operating profit before working capital changes	<u>17,882</u>	<u>19,979</u>
Net changes in current assets	(16,738)	5,319
Net changes in current liabilities	<u>412</u>	<u>(2,887)</u>
	1,556	22,411
Tax (paid)/refund	<u>(4,015)</u>	<u>(4,187)</u>
Net cash (used in)/generated from operating activities	<u>(2,459)</u>	<u>18,224</u>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Purchase of plant and equipment	(2,389)	(2,471)
Proceeds from disposal of equipment	-	346
Proceeds from winding up a related company	-	-
Acquisition of a subsidiary/additional equity interest	(4,288)	-
Disposal of subsidiary, net of cash disposed	14,983	(954)
Addition of software development expenditure	(814)	(4,938)
Interest received	<u>1,830</u>	<u>957</u>
Net cash generated from/(used in) investing activities	<u>9,322</u>	<u>(7,060)</u>
<b>CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES</b>		
Purchase of treasury shares	(5)	(2)
Contribution by non-controlling interest	-	-
Release for / (pledge for) borrowings	-	290
Repayment of borrowings	-	(20,000)
Proceeds from banking facilities	-	1,448
Repayment of hire purchase and finance lease	-	(176)
Interest paid	<u>(654)</u>	<u>(2,502)</u>
Net cash used in financing activities	<u>(659)</u>	<u>(20,942)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>6,204</b>	<b>(9,778)</b>
Cash and cash equivalents at beginning of the financial year	27,030	36,808
Foreign exchange differences	<u>2</u>	<u>-</u>
<b>Cash and cash equivalents at end of the reporting period*</b>	<b><u>33,236</u></b>	<b><u>27,030</u></b>
<b>*Cash and cash equivalents at the end of the reporting period comprise the following:</b>		
Cash and bank balances	33,236	21,503
Bank overdrafts (included in short term borrowings)	-	(414)
	<u>33,236</u>	<u>21,089</u>
Cash and bank balances classified as held for sale	-	5,941
Total cash and cash equivalents	<u>33,236</u>	<u>27,030</u>

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the annual audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes

**SYMPHONY HOUSE BERHAD**  
**(Company No : 592563-P)**

**NOTES TO THE INTERIM FINANCIAL REPORT**

**A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134 : Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2013. 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 year ended 31 December 2013.

The accounting policies and methods of the computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2013 except for the newly-issued Malaysian Accounting Standards Board approved accounting framework - Malaysian Financial Reporting Standards (MFRS) and IC Interpretations (IC Int.) to be applied by all Entities Other Than Private Entities for the financial period beginning on 1 January 2014:

MFRS and Amendments to MFRSs

Amendments to MFRS 10 Investment Entities  
MFRS 12 and MFRS 127

Amendments fo MFRS 132 Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 136 Recoverable Amount Disclosures for Non-Financial Assets

Amendments to MFRS 139 Novation of Derivatives and Continuation of Hedge Accounting

IC Interpretation 21 Levies

The adoption of above new FRs, Amendments to FRs and Interpretations did not result in any significant impact on the financial statements of the Company and of the Group.

**A2. Comments about seasonal or cyclical factors**

The Group's interim operations were not materially affected by seasonal or cyclical factors.

**A3. Unusual items due to their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group during the quarter under review.

**A4. Changes in estimates**

There were no changes in estimates that have had a material effect on the results of the Group in the quarter under review.

**A5. Debts and Equity Securities**

Save as disclosed below, there were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review.

As at 31 March 2015, out of the total 660,000,000 issued and fully paid ordinary shares, 350,016 ordinary shares of RM0.10 each were held as treasury shares at an average purchase price of RM0.11 per ordinary share. The share buyback transactions were financed by internally generated funds.

**A6. Dividends paid**

No dividends were paid during the quarter under review.

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**A7. Segmental reporting**

The core business of the Symphony Group consists of outsourcing services (being human resource solutions and corporate services).

There are two primary segments which are identified by service offerings as follows:-

- (a) Outsourcing services consisting of human resource outsourcing solutions and corporate services which include corporate secretarial, share registration, accounting, administering the process of share issuance and offers for sale in relation to initial public offerings and cheque processing;
- (b) Others which include the business of letting properties including to subsidiaries of Symphony, provision of management services and investment holding.

These segments are consistent with the Company's management of business and reflect its internal financial reporting structure and operating focus.

**Primary reporting format**

	Outsourcing			Consolidated
	Services	Others	Elimination	
	RM'000	RM'000	RM'000	RM'000
<u>Quarter ended 31 March 2015</u>				
Revenue from external customers	17,563	3,126	-	20,689
Inter-segment revenue	47	548	(595)	-
Total revenue	<u>17,610</u>	<u>3,674</u>	<u>(595)</u>	<u>20,689</u>
Segment results	4,577	359		4,936
Interest income				535
Interest expense				(149)
Impairment of Goodwill				(2,285)
Profit before zakat and taxation				<u>3,037</u>
Zakat				(439)
Taxation				<u>(1,205)</u>
Profit / (Loss) from continuing operations, after tax				<u>1,393</u>
Profit from discontinued operation, net of tax				-
Profit / (Loss) for the quarter				<u>1,393</u>

	Outsourcing			Consolidated
	Services	Others	Elimination	
	RM'000	RM'000	RM'000	RM'000
<u>Quarter ended 31 March 2014</u>				
Revenue from external customers	15,845	3,037	1,344	20,226
Inter-segment revenue	(27)	(1,317)	(1,344)	(2,688)
Total revenue	<u>15,818</u>	<u>1,720</u>	<u>-</u>	<u>17,538</u>
Segment results	14	(665)		(651)
Interest income				147
Interest expense				(46)
Profit before tax				<u>(550)</u>
Taxation				<u>(532)</u>
Profit / (Loss) from continuing operations, after tax				<u>(1,082)</u>
Gain/(Loss) on disposal of subsidiary				(500)
Profit / (Loss) from discontinued operations, after tax				<u>441</u>
Profit / (Loss) for the quarter				<u>(641)</u>

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**A8. Carrying amount of revalued assets**

The Group did not carry out any valuation on its property, plant and equipment.

**A9. Material events subsequent to the balance sheet date**

There were no material events subsequent to the end of the quarter under review that have not been reflected in the financial statements.

**A10. Changes in the composition of the Group**

There were no changes in the composition of the Group during the quarter under review.

**A11. Changes in contingent liabilities or contingent assets**

There were no changes in the contingent liabilities or contingent assets of the Company for the quarter under review.

**A12. Capital commitments**

The amount of capital commitments contracted but not provided for in respect of purchase of property, plant and equipment in the interim financial statements as at 31 March 2015 is nil.

**A13. Discontinued operation and disposal group classified as held for sale**

The Company has disposed its subsidiary, i.e. Symphony BPO Solutions Sdn Bhd on 13 March 2014. Its result up to the date of disposal is presented as "Profit/(Loss) from discontinued operation, net of tax".

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**B. ADDITIONAL INFORMATION REQUIRED UNDER BURSA SECURITIES MAIN MARKET LISTING REQUIREMENTS**

**B1. Review of group results for the quarter ended 31 March 2015**

The Group recorded revenue of RM20.7 million during the quarter under review. This is an 18% increase compared to the RM17.5 million revenue recorded during the quarter ended 31 March 2014. This is due to the implementation fees charged for certain clients under the international payroll outsourcing business, and increase of transactions in corporate secretarial and SME payroll outsourcing business.

The Group recorded a Profit After Tax (PAT) of RM1.39 million for the quarter under review compared to Loss After Tax of RM1.08 million for the quarter ended 31 March 2014. This is mainly due to higher revenue recorded in the current quarter.

No comparative for the financial year is available as the Company changed its financial year end from 31 December to 31 March during the year.

**B2. Variation of results against the preceding quarter**

	Quarter ended	
	31.3.2015	31.12.2014
	RM'000	RM'000
Revenue	20,689	20,454
Profit / (Loss) before impairment	5,322	1,212
Impairment of Goodwill	(2,285)	-
Profit / (Loss) from continuing operations, before tax	3,037	1,212
Profit / (Loss) from discontinued operations, net of tax	-	-
Profit / (Loss) after tax and minority interest	1,273	124

The current quarter's revenue of RM20.7 million is 1.1% higher than previous quarter's revenue of RM20.45 million mainly due to the higher transactional activities under the international payroll outsourcing business and the corporate secretarial solutions.

The Group recorded a Profit After Tax and Minority Interest of RM1.27 million during the quarter under review compared to RM0.12 million in the previous quarter mainly due to RTO expenses of RM2.5 million recognised in previous quarter and lower operating expenses in the current quarter, notwithstanding the RM2.28 million impairment of goodwill recognised in the current quarter.

**B3. Prospects for the Financial Year ending 31 March 2016**

For Financial Year ending 31 March 2016, the international payroll solutions will continue to focus on the implementation of secured projects in Japan and Asia Pacific whilst the domestic outsourcing business, which remains in the Group's core continuing business, will remain cautiously optimistic with a negative bias on its prospects for the year due to the subdued new stock market listings and the corporate exercises by listed companies.

**B4. Profit forecast**

Not applicable as the Company has not provided a profit forecast for the quarter under review.

**B5. Taxation**

	Individual quarter ended	Cumulative quarter ended	
	31.3.2015	31.3.2015	31.12.2013
	RM'000	RM'000	RM'000
In respect of			
- current period	(1,205)	(3,627)	(3,544)
- prior years	-	-	-
	<u>(1,205)</u>	<u>(3,627)</u>	<u>(3,544)</u>
Deferred taxation	-	-	-
Taxation	<u><u>(1,205)</u></u>	<u><u>(3,627)</u></u>	<u><u>(3,544)</u></u>

The year to date effective tax rate was higher than the statutory tax rate mainly due to the losses of certain subsidiaries which cannot be set-off against taxable profits made by other subsidiaries and certain expenses which are not deductible for tax purpose.

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**B6. Status of corporate proposals**

The Company had announced on 26 March 2014 that it had entered into a Heads of Agreement in relation to the Proposed Reverse Take-Over of the Company by Ranhill Energy and Resources Berhad ("Ranhill Energy") followed by the definitive agreement as announced on 20 June 2014. On 1 December 2014, the Company had announced that it had submitted an application to the Securities Commission ("SC") for the approval of the proposal and to Bursa Securities for its clearance of the contents of the Explanatory Statement/Circular to shareholders of Symphony. Subsequently, on 17 December 2014, Symphony announced that it had submitted an application to Shariah Advisory Council of SC for the classification of Ranhill Holdings Shares as Shariah-compliant securities, an application to the Ministry of International Trade and Industry for the Proposed Offering, and an application to Bursa Securities pursuant to the proposed transfer of listing status of Symphony to Ranhill Holdings, admission of Ranhill Holdings to the Official List of Bursa Securities and the listing of and quotation for Ranhill Holdings Shares on Main Market of Bursa Securities.

The Company had announced on 22 April 2015 that Ranhill Holdings and Ranhill Group Sdn Bhd had entered into a supplemental agreement to the RWorley Call Option Agreement dated 20 June 2014 ("Supplemental Agreement").

The salient terms of the Supplemental Agreement include the following amendments to the RWorley Call Option Agreement: (i) the exercise period for the call option granted by RGSB to Ranhill Holdings to acquire RGSB's entire 51.0% equity interest in RWorley pursuant to the Proposed RWorley Call Option, has been extended from "3rd month to 6th month" to "3rd month to 18th month" from the date of completion of the Proposed Offering; and (ii) the method of settlement of the call option price has been amended from settlement fully made in shares in Ranhill Holdings to settlement via a combination of cash and shares in Ranhill Holdings at an issue price and in a proportion, to be determined and mutually agreed by Ranhill Holdings and RGSB upon the exercise of the call option.

The other terms of the Proposals remain the same. All the proposed transactions are pending the approvals of the relevant authorities.

Save and except for the above, there were no other outstanding corporate proposals announced but not completed as at the date of this report.

**B7. Status of utilisation of proceeds as at 31 March 2015**

The status of the utilisation of proceeds raised from the disposal of SBPO on 31 March 2015 is as follows:

<b>Purpose</b>	<b>Proposed Utilisation</b>	<b>Actual Utilisation</b>	<b>Timeline</b>	<b>Deviation</b>
	<u>RM'000</u>	<u>RM'000</u>		<u>RM'000 %</u>
Working capital	10,377	3,977	12 months	- -
Investments	10,000	10,000	12 months	- -
Estimated expenses	800	800	1 month	- -
Total	<u>21,177</u> <sup>(1)</sup>	<u>14,777</u>		

Note :

(1) Out of RM21.2 million proceeds raised from the disposal of SBPO, RM6.4 million is on deferred payment term and to be received from Essar Services Mauritius upon finalisation of the Escrow Amount and Final Tranche of Purchase Price, as stipulated in the Sale and Purchase Agreement.

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**B8. Group borrowings**

Group borrowings as at 31 March 2015 were as follows:	RM'000
Short term borrowings	-
Long term borrowings	-

**B9. Material litigation**

The Group has no outstanding material litigation which might materially and adversely affect the position or business of the Group.

**B10. Dividend**

There were no dividends declared during the quarter under review.

**B11. Earnings per share ("EPS")**

	Individual quarter ended 31.3.2015	Cumulative period 15 months 31.3.2015
Profit/(loss) attributable to equity holders of the Company (RM'000)	1,273	(678)
Weighted average number of ordinary shares excluding treasury shares	659,661	659,661
Basic EPS (sen)	<u>0.19</u>	<u>(0.10)</u>

**B12. Realised and unrealised profit / (losses) disclosure**

	As at 31.3.2015 RM'000	As at 31.12.2013 RM'000
The retained profits and losses are analysed as follows:-		
Total retained profits of the Company and the subsidiaries:-		
- realised	7,289	3,443
- unrealised	<u>(737)</u>	<u>2,209</u>
	6,552	5,652
Add: consolidation adjustments	<u>(16,353)</u>	<u>(15,806)</u>
Total Group retained profits as per consolidated accounts	<u>(9,801)</u>	<u>(10,154)</u>

By Order of the Board  
Chin Ngeok Mui  
Company Secretary  
20 May 2015