

## QUARTERLY REPORT

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

for the period ended 30 June 2015

	Note	Current Quarter 3 months ended 30.6.2015 RM'000	Cumulative Period 3 months ended 30.6.2015 RM'000
<b>Revenue</b>	A7/B1	25,680	25,680
Cost of sales		<u>(12,116)</u>	<u>(12,116)</u>
		13,564	13,564
Other income		796	796
Operating expenses		<u>(9,408)</u>	<u>(9,408)</u>
<b>Operating profit/(loss)</b>		4,952	4,952
Finance costs		<u>-</u>	<u>-</u>
<b>Profit before zakat and taxation</b>	A7/B1	4,952	4,952
Zakat		-	-
Taxation	B5	<u>(2,159)</u>	<u>(2,159)</u>
<b>Profit for the period</b>		<u>2,793</u>	<u>2,793</u>
<b>Attributable to:</b>			
Equity holders of the Company		2,522	2,522
Minority interests		<u>271</u>	<u>271</u>
<b>Profit for the period</b>		<u>2,793</u>	<u>2,793</u>
<b>EBITDA</b>		<u>6,160</u>	<u>6,160</u>
<b>Other comprehensive income/(loss), net of tax</b>			
Foreign currency translation differences for foreign operations		<u>(4)</u>	<u>(4)</u>
<b>Total comprehensive income/(loss) for the period</b>		<u>2,789</u>	<u>2,789</u>
<b>Total comprehensive income/(loss) attributable to:</b>			
Equity holders of the Company		2,519	2,519
Minority Interests		<u>270</u>	<u>270</u>
		<u>2,789</u>	<u>2,789</u>
<b>Earnings/(Loss) per share attributable to equity holders of the Company (sen):</b>			
Basic	B10	<u>0.38</u>	<u>0.38</u>

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the 15 months period ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

Following the change in the Group's annual reporting date from 31 December to 31 March 2015 in the previous financial period, there are no comparatives presented in respect of a corresponding quarter.

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

As At 30 June 2015

	Note	Unaudited 30.6.2015 RM'000	Audited 31.3.2015 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	A8	6,748	6,918
Intangible assets		40,390	41,171
Deferred taxation		2,856	2,856
		<u>49,994</u>	<u>50,945</u>
<b>Current assets</b>			
Inventories		4	4
Trade receivables		22,879	19,046
Other receivables		7,520	10,498
Tax recoverable		524	1,486
Marketable securities		15	15
Short term investment		23,705	12,218
Cash and bank balances		27,199	33,236
		<u>81,846</u>	<u>76,503</u>
<b>TOTAL ASSETS</b>		<u>131,840</u>	<u>127,448</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital		66,000	66,000
Reserves		48,634	46,115
Shares held by Employee Share Trust Scheme ("ESTS")		(7,097)	(7,097)
		<u>107,537</u>	<u>105,018</u>
<b>Non Controlling Interest</b>		<u>5,835</u>	<u>5,565</u>
<b>Total equity</b>		<u>113,372</u>	<u>110,583</u>
<b>Non-current liabilities</b>			
Trade and other payables		1,171	1,171
Deferred taxation		1,847	1,847
		<u>3,018</u>	<u>3,018</u>
<b>Current liabilities</b>			
Trade and other payables		14,136	13,291
Borrowings	B7	-	-
Taxation		1,314	556
		<u>15,450</u>	<u>13,847</u>
<b>Total liabilities</b>		<u>18,468</u>	<u>16,865</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>131,840</u>	<u>127,448</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 Statement of Financial Position should be read in conjunction with the audited financial statements for the 15 months period ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

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

for the period ended 30 June 2015

Group	<----- Attributable to equity holders of the Company ----->									
	<----- Non-Distributable ----->					<--Distributable-->			Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Capital reserves RM'000	Treasury shares RM'000	Translation reserve RM'000	Accumulated losses RM'000	Shares held by ESTS RM'000	Total RM'000		
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	-	-	-	-	(135)	(735)	-	(870)	72	(798)
Purchase of treasury shares	-	-	-	(5)	-	-	-	(5)	-	(5)
Acquisition of non-controlling interest	-	-	-	-	-	1,030	-	1,030	(4,215)	(3,185)
At 31 March 2015	66,000	51,550	3,075	(98)	1,447	(9,859)	(7,097)	105,018	5,565	110,583
At 1 April 2015	66,000	51,550	3,075	(98)	1,447	(9,859)	(7,097)	105,018	5,565	110,583
Total comprehensive (loss)/income	-	-	-	-	(3)	2,522	-	2,519	270	2,789
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-
At 30 June 2015	66,000	51,550	3,075	(98)	1,444	(7,337)	(7,097)	107,537	5,835	113,372

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the 15 months period ended 31 March 2015 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 30 June 2015

	<b>Period ended 30.6.2015 RM'000</b>	<b>Audited 31.3.2015 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before zakat and tax	4,952	3,097
- Discontinued operation	-	442
Adjustments for:		
Non cash items	1,426	14,805
Non operating items	(498)	(774)
Operating profit before working capital changes	<u>5,880</u>	<u>17,570</u>
Net changes in current assets	(1,075)	(5,097)
Net changes in current liabilities	<u>823</u>	<u>366</u>
	5,628	12,839
Tax (paid)/refund	(419)	(4,000)
Net cash (used in)/generated from operating activities	<u>5,209</u>	<u>8,839</u>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Purchase of plant and equipment	(257)	(2,461)
Proceeds from disposal of equipment	-	13
Acquisition of a subsidiary/additional equity interest	-	(3,185)
Disposal of subsidiary, net of cash disposed	-	14,478
Addition of software development expenditure	-	(1,735)
Investment in marketable securities	(11,487)	(12,218)
Interest received	498	1,512
Net cash generated from/(used in) investing activities	<u>(11,246)</u>	<u>(3,596)</u>
<b>CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES</b>		
Purchase of treasury shares	-	(5)
Proceeds from banking facilities	-	1,257
Interest paid	-	(289)
Net cash used in financing activities	<u>-</u>	<u>963</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(6,037)</b>	<b>6,206</b>
Cash and cash equivalents at beginning of the financial year	33,236	27,030
Foreign exchange differences	-	-
<b>Cash and cash equivalents at end of the reporting period*</b>	<b><u>27,199</u></b>	<b><u>33,236</u></b>

The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the 15 months period ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

**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, IAS 34 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 period 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 period ended 31 March 2015.

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 period ended 31 March 2015 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 July 2014:

MFRS and Amendments to MFRSs

Amendments to MFRS 119 : Defined Benefit Plans : Employee Contributions

Annual Improvements to MFRSs 2010-2012 Cycle

Annual Improvements to MFRSs 2011-2013 Cycle

The adoption of above new standards, Amendments 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 business operations are not materially affect by seasonal 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 30 June 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 RM0.25 per ordinary share. The share buyback transactions were financed by internally generated funds.

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

**A6. Dividends paid**

No dividends were paid during the quarter under review.

**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 Services RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<u>Quarter ended 30 June 2015</u>				
Revenue from external customers	22,491	3,189	-	25,680
Inter-segment revenue	30	548	(578)	-
Total revenue	<u>22,521</u>	<u>3,737</u>	<u>(578)</u>	<u>25,680</u>
Segment results	9,140	(4,686)		4,454
Interest income				498
Profit before zakat and taxation				4,952
Zakat				-
Taxation				(2,159)
Profit / (Loss) for the quarter				<u>2,793</u>

**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.

**SYMPHONY HOUSE BERHAD**  
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**A10. Changes in the composition of the Group**

Save as disclosed below, there were no changes in the composition of the Group during the quarter under review.

On 5 June 2015, the Company's wholly owned subsidiary Symphony BPO Solutions (S) Pte Ltd, which was dormant, was struck off from register by Accounting and Corporate Regulatory of Singapore.

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

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

**A12. Capital commitments**

There is no capital commitments contracted but not provided for in respect of purchase of property, plant and equipment in the current quarter under review.

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

**B1. Review of group results for the quarter ended 30 June 2015**

The Group recorded consolidated revenue of RM25.7 million during the quarter under review. This is mainly due to high transaction fees income recorded by the international payroll outsourcing business, and an increase in corporate exercises for share issuance and registration business.

The Group recorded a Profit After Tax and Minority Interest (PATAMI) of RM2.5 million for the quarter under review. This is mainly contributed by the higher revenue recorded in the current quarter, whilst containing the business expenses.

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

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

	Quarter ended	
	30.6.2015	31.3.2015
	RM'000	RM'000
Revenue	25,680	20,689
Profit / (Loss) before impairment	4,952	5,322
Impairment of Goodwill	-	(2,285)
Profit before tax	4,952	3,037
Profit after tax and minority interest	2,522	1,273

The current quarter's revenue of RM25.7 million is 24% higher than previous quarter's revenue of RM20.7 million mainly due to the higher transactional activities under the international payroll outsourcing business and an increase in corporate exercises for share issuance and registration business.

The Group recorded a higher Profit After Tax and Minority Interest of RM2.52 million during the quarter under review as compared to RM1.27 million in the previous quarter mainly due to impairment of goodwill of RM2.3 million recognised in the previous quarter and higher revenue recorded in the current quarter under review.

**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 is the Group's core continuing business, is expected to remain stable 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.



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**(Company No : 592563-P)**

**B5. Taxation**

	Individual quarter ended 30.6.2015 RM'000	Cumulative quarter ended 30.6.2015 RM'000
In respect of		
- current period	(2,159)	(2,159)
- prior years	-	-
	<u>(2,159)</u>	<u>(2,159)</u>
Deferred taxation	-	-
Taxation	<u>(2,159)</u>	<u>(2,159)</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.

**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 15 July 2015, the Securities Commission Malaysia had approved the Proposed Reverse Take-Over, subject to term and conditions. The completion of the Proposed Reverse Take-Over is subject to the approval of shareholders at an Extraordinary General Meeting to be convened, expected in the 4th quarter of this calendar year.

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. Group borrowings**

The Group has no borrowings outstanding as at 30 June 2015.

**B8. Material litigation**

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

**B9. Dividend**

There were no dividends declared during the quarter under review.

**B10. Earnings per share ("EPS")**

	Individual quarter ended 30.6.2015	Cumulative period 3 months ended 30.6.2015
Profit/(loss) attributable to equity holders of the Company (RM'000)	2,522	2,522
Weighted average number of ordinary shares excluding treasury shares ('000)	659,650	659,650
Basic EPS (sen)	<u>0.38</u>	<u>0.38</u>

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

**B11. Audit report**

The audit report of the Company's preceding financial statements was not subjected to any qualification.

**B12. Profit for the period**

Profit for the period is stated after charging / (crediting) :

	Individual quarter ended 30.6.2015 RM'000	Cumulative period 3 months ended 30.6.2015 RM'000
Interest income	(498)	(498)
Depreciation and amortization	1,208	1,208
Provision of doubtful debts	218	218
Realised foreign exchange gain	(8)	(8)
Unrealised foreign exchange loss	258	258
Expense on Proposed Reverse Take-Over exercise	500	500
Impairment of Other Receivable	648	648

**B13. Realised and unrealised profit / (losses) disclosure**

	As at 30.6.2015 RM'000	As at 31.3.2015 RM'000
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The retained profits and losses are analysed as follows:-

Total retained profits of the Company and the subsidiaries:-		
- realised	10,071	6,180
- unrealised	(759)	339
	<u>9,312</u>	<u>6,519</u>
Add: consolidation adjustments	(16,649)	(16,378)
Total Group retained profits as per consolidated accounts	<u>(7,337)</u>	<u>(9,859)</u>

By Order of the Board  
Chin Ngeok Mui  
Company Secretary  
19 August 2015