

TAHPS Group Berhad (37-K)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016**

	Unaudited As at 31.12.2016 RM'000	Audited As at 31.03.2016 RM'000
Property, plant and equipment	168,350	168,768
Investments	5,236	5,117
Investment property	3,179	3,192
Land held for property development	147,692	145,427
Goodwill on consolidation	27,100	27,100
	<u>351,557</u>	<u>349,604</u>
Current assets		
Property development costs	50,154	48,851
Inventories	45,443	54,712
Receivables	30,077	25,640
Current tax assets	262	173
Short-term investments	54,756	65,825
Deposits, cash and bank balances	16,561	18,376
	<u>197,253</u>	<u>213,577</u>
Current liabilities		
Payables	21,581	37,161
Current tax liabilities	45	19
	<u>21,626</u>	<u>37,180</u>
Net current assets	175,627	176,397
Long-term liabilities		
Deferred tax liabilities	41,219	42,726
	<u>485,965</u>	<u>483,275</u>
Share capital	74,853	74,853
Reserves	411,112	408,422
Equity attributable to owners of the parent	<u>485,965</u>	<u>483,275</u>
Net Assets per share (RM)	<u>6.49</u>	<u>6.46</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 2016 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2016**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31 Dec 2016 RM'000	Preceding Corresponding Quarter Ended 31 Dec 2015 RM'000	Current Nine Months Ended 31 Dec 2016 RM'000	Preceding Corresponding Nine Months Ended 31 Dec 2015 RM'000
Revenue	20,113	n/a	52,505	n/a
Cost of Sales	(10,315)	n/a	(29,919)	n/a
Gross profit	9,798		22,586	
Interest income	657	n/a	2,016	n/a
Other income	609	n/a	3,933	n/a
Depreciation	(345)	n/a	(1,036)	n/a
Amortisation of leasehold land	(359)	n/a	(1,075)	n/a
Administration and other expenses	(4,523)	n/a	(15,031)	n/a
Profit before taxation	5,837	n/a	11,393	n/a
Income tax expense	(678)	n/a	(1,337)	n/a
Profit net of tax	5,159	n/a	10,056	n/a
Other comprehensive income:				
Changes in fair value of investments	344	n/a	119	n/a
Effect of change in tax rate	-	n/a	-	n/a
Total comprehensive income	5,503	n/a	10,175	n/a
Profit attributable to owners of the parent	5,159	n/a	10,056	n/a
Total comprehensive income attributable to owners of the parent	5,503	n/a	10,175	n/a
Earnings per share attributable to owners of the parent	sen	sen	sen	sen
Basic / Diluted	6.89	n/a	13.43	n/a

The financial year end of the Company has been changed from 31 March to 31 December. Accordingly, 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 year ended 31 March 2016 and the accompanying notes.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2016**

	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	valuation reserve RM'000	General reserve RM'000	Retained profits RM'000	
Balance as at 1 April 2016	74,853	92	4,823	26,351	250	376,906	483,275
Total comprehensive income for the period	-	-	119	-	-	10,056	10,175
Transfer within reserves	-	-	-	(79)	-	79	-
Dividends	-	-	-	-	-	(7,485)	(7,485)
Balance as at 31 Dec 2016	74,853	92	4,942	26,272	250	379,556	485,965

The financial year end of the Company has been changed from 31 March to 31 December. Accordingly, 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 year ended 31 March 2016 and the accompanying notes.

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

	Current Nine Months Ended 31 Dec 2016 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES	
Profit before taxation	11,393
Adjustments for :	
Depreciation	1,037
Amortisation of leasehold land	1,075
Gain on disposal of property, plant and equipment	(3)
Derecognition of property, plant and equipment	40
Dividend Income	(179)
Interest Income	(2,015)
Operating profit before working capital changes	<u>11,348</u>
Decrease in inventories and property development costs	7,966
Increase in receivables	(4,874)
Decrease in payables	(15,580)
Cash absorbed by operations	<u>(1,140)</u>
Interest received	2,452
Tax refunded	-
Tax paid	(2,907)
Net cash used in operating activities	<u>(1,595)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property, plant and equipment	(1,721)
Proceeds from disposal of property, plant and equipment	3
Payment for land held for property development	(2,265)
Placement of short-term deposits	137
Dividend received from quoted equity securities in Malaysia	179
Net cash used in investing activities	<u>(3,667)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Dividend paid	(7,485)
Net cash used in financing activities	<u>(7,485)</u>
Net decrease in cash and cash equivalents	(12,747)
Cash and cash equivalents at 1 April	<u>83,514</u>
Cash and cash equivalents at 31 December	<u><u>70,767</u></u>
Cash and cash equivalents comprise :	
Short term investments - money market fund	54,756
Short term deposits	1,670
Cash and bank balances	14,891
	<u>71,317</u>
Pledged short-term deposits	(550)
Cash and cash equivalents	<u><u>70,767</u></u>

The financial year end of the Company has been changed from 31 March to 31 December. Accordingly, 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 year ended 31 March 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 to 31 December. The first set of audited financial statements reflecting the change shall be made up from 1 April 2016 to 31 December 2016 covering a period of 9 months.

Thereafter, the financial year of the Company shall end on 31 December for subsequent years.

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 year ended 31 March 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 year ended 31 March 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 year ended 31 March 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 was no issue, repurchase and repayment of debt and equity securities during the financial year.

7 Dividends paid

The first and final dividend of 10 sen per share single tier tax exempt (2015: 32 sen per share single tier tax exempt) for the financial year ended 31 March 2016 amounting to RM7.49 million was paid on 25 August 2016.

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 year ended 31 March 2016.

9 Events after the interim period

There was no significant event after the current financial year.

10 Changes in composition of the Group

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

11 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.

12 Capital commitments

Amounts contracted but not provided for capital expenditure as at 31 December 2016 amounted to RM0.9 million.

13 Significant Related Party Transactions

None.

14. Segmental information

Segmental information for the financial year ended 31 December 2016 is as follows:

	Property development RM'000	Plantation RM'000	Others RM'000	Consolidated RM'000
31 December 2016				
Revenue				
External customers	44,685	7,641	-	52,326
Dividend income	-	-	179	179
Total Revenue	44,685	7,641	179	52,505
Results				
Segment results	10,158	2,356	(1,121)	11,393
Income tax expense				(1,337)
Profit net of tax for the year				10,056
Assets				
Segment assets	343,171	89,373	116,266	548,810
Liabilities				
Segment liabilities	18,488	955	43,402	62,845

Due to the change in financial year end from 31 March to 31 December, there is no comparative for the segmental information for the current period under review.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia**15 Auditors' Report on preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 March 2016 was not qualified.

16 Review of performance

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

The Group recorded revenue of RM20.1 million and profit before tax of RM5.8 million in the current quarter. For 9 months period to 31 December 2016, the Group recorded revenue of RM52.5 million and profit before tax of RM11.4 million.

Revenue	Current Three Months Ended 31 December 2016		Current Nine Months Ended 31 December 2016	
	RM'000	%	RM'000	%
Property	16,832	83.7	44,685	85.1
Plantation	3,150	15.7	7,641	14.6
Others	131	0.6	179	0.3
Total	20,113	100.0	52,505	100.0

Profit before Tax

Property	5,183	89.5	10,158	89.2
Plantation	1,053	23.5	2,356	20.6
Others	(399)	(13.0)	(1,121)	(9.8)
Total	5,837	100.0	11,393	100.0

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

The Group recorded an increase in revenue by 22.2% to RM20.1 million and profit before taxation by 82.5% to RM5.8 million as compared to the preceding quarter. The improvements were mainly contributed by higher sales achieved by the property and plantation divisions for the current quarter as compared to the preceding quarter.

18 Commentary on prospects (current financial year)

The Group expects another challenging year for its property division for financial year ending 2017. The property sector is expected to remain soft as the weak market sentiment in 2016 is expected to continue into 2017. In addition, stringent controls put in place by banks have created challenges for consumers to obtain financing.

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 year.

19 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.

20 Variance of actual profit from forecast profit or profit guarantee

Not applicable.

21 Taxation

	Current Three Months Ended 31 December 2016 RM'000	Current Nine months ended 31 December 2016 RM'000
Malaysian income tax:		
Current tax	2,393	2,844
Deferred tax	(1,715)	(1,507)
Income tax expense	678	1,337

The effective tax rate for the quarter is lower than the statutory tax rate owing to benefit from non-taxable income.

22 Corporate proposals

- (a) Status of corporate proposals
Not applicable.
- (b) Status of utilisation of proceeds
Not applicable.

23 Group borrowings and debt security

There was no borrowing and debt security as at 31 December 2016.

24 Changes in material litigation

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

25 Dividends

No interim ordinary dividend has been declared for the quarter ended 31 December 2016. The Board of Directors recommend the payment of first and final dividend of 5 sen per share single tier tax exempt (FYE 31 Mar 2016:10 sen per share single tax exempt) for the financial period ended 31 December 2016 amounting to RM3.74 million (FYE 31 Mar 2016: RM7.49 million). The proposed dividend is subject to the approval of shareholders at the forthcoming Annual General Meeting.

26 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 Three Months Ended 31 December 2016 RM'000	Current Nine months ended 31 December 2016 RM'000
Profit net of tax (RM'000)	5,159	10,056
Weighted average number of ordinary shares in issue ('000)	74,853	74,853
Basic earnings per share (sen)	6.89	13.43

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

27 Disclosure of realised and unrealised profits/(losses)

	As at 31 March 2016 RM'000	As at 31 December 2016 RM'000
Total retained profits of TAHPS Group Berhad and its subsidiaries:		
- Realised profits	461,528	464,157
- Unrealised profits	(2,801)	(1,593)
	<u>458,727</u>	<u>462,564</u>
Less: Consolidation adjustments	(81,821)	(83,008)
Total retained profits as per consolidated accounts	<u>376,906</u>	<u>379,556</u>

28 Disclosure requirements to the Statement of Comprehensive Income

	Current Three Months Ended 31 December 2016 RM'000	Current Nine months ended 31 December 2016 RM'000
(a) dividend income	131	179
(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	Nil	Nil
(f) impairment of assets		
(g) foreign exchange gain or loss		
(h) gain or loss on derivatives		
(i) exceptional items		

29 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: 22 February 2017