



TPC PLUS BHD (615330-T)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE SECOND QUARTER 30 JUNE 2017**

The figures have not been audited.

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 30/06/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2016 RM'000	CURRENT YEAR TO DATE 30/06/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2016 RM'000
CONTINUING OPERATIONS :					
Revenue		18,990	20,349	37,999	41,209
Operating expenses		(20,426)	(18,199)	(39,971)	(36,956)
Other operating income		41	136	98	245
(Loss)/Profit from operations		(1,395)	2,286	(1,874)	4,498
Finance costs		(539)	(660)	(1,029)	(1,448)
(Loss)/Profit before taxation	B15	(1,934)	1,626	(2,903)	3,050
Taxation	B6	-	(588)	-	(1,115)
(Loss)/Profit after taxation		(1,934)	1,038	(2,903)	1,935
Other comprehensive (expenses)/income		-	-	-	-
Total comprehensive (expenses)/income for the period		(1,934)	1,038	(2,903)	1,935
(Loss)/Profit after taxation attributable to :					
Equityholders of the Company		(1,934)	1,038	(2,903)	1,935
		<u>(1,934)</u>	<u>1,038</u>	<u>(2,903)</u>	<u>1,935</u>
Total comprehensive (expenses)/income attributable to :					
Equityholders of the Company		(1,934)	1,038	(2,903)	1,935
		<u>(1,934)</u>	<u>1,038</u>	<u>(2,903)</u>	<u>1,935</u>
Earning per share					
- basic (sen)	B17(a)	(0.83)	0.49	(1.24)	0.91
- diluted (sen)	B17(b)	N/A	0.47	N/A	0.88

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2016



TPC PLUS BHD (615330-T)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

The figures have not been audited.

	Note	UNAUDITED AS AT 30/06/2017 RM'000	AUDITED AS AT 31/12/2016 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		103,989	81,026
		<u>103,989</u>	<u>81,026</u>
Current Assets			
Inventories		3,671	1,069
Biological assets		20,351	16,096
Trade receivables		4,645	4,940
Other receivables, deposits and prepayments		4,129	1,504
Amount owing by related companies		-	75
Deposits with financial institutions		970	11,724
Cash and bank balances	B16	4,911	4,380
		<u>38,677</u>	<u>39,788</u>
TOTAL ASSETS		<u>142,666</u>	<u>120,814</u>
EQUITY AND LIABILITIES			
Share capital		46,764	46,755
Share premium		5,245	5,245
Warrant reserves		19,325	19,330
Revaluation reserve		14,732	14,732
Accumulated losses		(15,838)	(12,935)
Shareholders' Equity		<u>70,228</u>	<u>73,127</u>
Non-Current Liabilities			
Long term borrowings	B10	20,973	10,872
Deferred tax liabilities		6,999	6,999
		<u>27,972</u>	<u>17,871</u>
Current Liabilities			
Trade payables		5,476	2,158
Other payables and accruals		1,848	3,091
Amount owing to related companies		18,413	12,069
Short term borrowings	B10	18,660	12,413
Current tax liabilities		69	85
		<u>44,466</u>	<u>29,816</u>
TOTAL LIABILITIES		<u>72,438</u>	<u>47,687</u>
TOTAL EQUITY AND LIABILITIES		<u>142,666</u>	<u>120,814</u>
NET ASSETS PER SHARE (RM)		<u>0.30</u>	<u>0.30</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2016



TPC PLUS BHD (615330-T)
(Incorporated in Malaysia)

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

The figures have not been audited.

	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Warrant Reserve RM'000	Accumulated Losses RM'000	Total Equity RM'000
At 1 January 2017	46,755	5,245	14,732	19,330	(12,935)	73,127
Exercise of warrants	9	-	-	(5)	-	4
Total comprehensive income for the period	-	-	-	-	(2,903)	(2,903)
At 30 JUNE 2017	46,764	5,245	14,732	19,325	(15,838)	70,228

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 JUNE 2016**

	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Warrant Reserve RM'000	Retained Profits/ (Accumulated Losses) RM'000	Total Equity RM'000
At 1 January 2016	16,000	-	4,849	-	3,794	24,643
Right issue with warrants	24,000	-	-	20,616	(20,616)	24,000
Issuance of settlement shares	6,755	5,245	-	-	-	12,000
Share issuance expenses	-	-	-	(1,286)	-	(1,286)
Total comprehensive income for the period	-	-	-	-	1,935	1,935
At 30 JUNE 2016	46,755	5,245	4,849	19,330	(14,887)	61,292



TPC PLUS BHD (615330-T)⁴
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE SECOND QUARTER ENDED 30 JUNE 2017**

The figures have not been audited.

	Period Ended 30/06/2017 RM'000	Period Ended 30/06/2016 RM'000
CASH FLOW FROM/(FOR) OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(2,903)	3,050
Adjustments for :		
Depreciation of property, plant and equipment	4,037	3,392
Interest expenses	1,029	1,448
Interest income	(44)	(178)
Operating profit before working capital changes	<u>2,119</u>	<u>7,712</u>
Net change in inventories	(2,602)	(199)
Net change in biological assets	(4,255)	85
Net change in trade and other receivables	(2,255)	1,393
Net change in trade and other payables	8,419	(10,498)
Cash from/(for) operations	<u>1,426</u>	<u>(1,507)</u>
Tax paid	(15)	(35)
Net cash from/(for) operating activities	<u>1,411</u>	<u>(1,542)</u>
CASH FLOW (FOR)/FROM INVESTING ACTIVITIES		
Interest received	44	178
(Increase)/Decrease in fixed deposit pledged	(420)	1,097
Acquisition of property, plant and equipment	(20,638)	(634)
Net cash (for)/from investing activities	<u>(21,014)</u>	<u>641</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(1,029)	(1,448)
Proceeds from issue of right shares with warrants	-	24,000
Payment of regularisation plan expenses	-	(682)
Net payment from related companies	-	(6)
Proceeds from issuing of shares for warrants exercised	4	-
Repayment of bankers' acceptance	-	(4,500)
Drawdown of bankers' acceptance	1,019	-
Repayment of hire purchase liabilities	(1,247)	(1,028)
Drawdown of term loans	13,000	-
Repayment of term loans	(2,788)	(2,777)
Net cash from financing activities	<u>8,959</u>	<u>13,559</u>
Net changes in cash and cash equivalents	(10,644)	12,658
Cash and cash equivalents at beginning of the financial period	15,555	1,238
Cash and cash equivalents at end of the period	<u>4,911</u>	<u>13,896</u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2016



TPC PLUS BERHAD

(Company No. 615330-T)

A. *Selected explanatory notes pursuant to FRS 134 Interim Financial Reporting*

A1. Basis of preparation

The financial statements are unaudited and have been prepared in compliance with FRS 134 – Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2016.

These explanatory information attached to the 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 this financial statements are consistent with the audited financial statements for the year ended 31 December 2016.

A2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2016, except for the adoption of the following new FRSs, Amendments to FRSs, and IC Interpretations that are effective for the Group from 1 January 2017 :-

FRSs and IC Interpretations (Including the Consequential Amendments)

Amendments to FRS 107: Disclosure Initiative

Amendments to FRS 112 : Recognition of Deferred Tax Assets for Unrealised Losses

Annual Improvements FRS Standard 2014-2016 Cycles

- Amendments to FRS 12 : Clarification of the Scope of Standard

The above accounting standards and interpretations (including the consequential amendments) do not have any material impact on the Group's financial statements.

The Malaysian Accounting Standards Board (“MASB”) has issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRSs”), that are to be applied by all entities other than private entities; with the exception of entities that are within the scope of MFRS 141 (Agriculture) and IC Interpretation 15 (Agreements for Construction of Real Estate), including its parent, significant investor and venture (herein called “transitioning entities”).

As further announced by MASB on 28 October 2015, the transitioning entities are allowed to defer the adoption of MFRSs to annual periods beginning on or after 1 January 2018.



TPC PLUS BERHAD

(Company No. 615330-T)

A2. Changes in Accounting Policies (“Continued”)

Accordingly, as a transitioning entity as defined above the Group has chosen to defer the adoption of MFRSs and will only prepare its first set of MFRS financial statements for the financial year ending 31 December 2018. The Group is currently assessing the possible financial impacts that may arise from the adoption of MFRSs and the process is still ongoing.

A3. Audit Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2016 was not subject to any audit qualification.

A4. Seasonal and Cyclical Factors

The business operations of the Group was not significantly affected by any unusual seasonal or cyclical factors.

A5. 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 that were unusual because of their nature, size, or incidence.

A6. Material Change in Estimates

There were no material changes in estimates of the amounts reported in the current interim period of the current financial year.

A7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale or repayments of debt and equity securities during the current quarter except for those under corporate proposal as disclosed in Note B9.

A8. Acquisition and Disposal of Property, Plant and Equipment

The property, plant and equipment acquired by the Group during the period under review was approximately RM20,638 million. There were no disposal nor write off on property, plant and equipment during the period under review.

A9. Dividends Paid

There were no dividends paid during the current quarter under review.



TPC PLUS BERHAD

(Company No. 615330-T)

A10. Segmental Information

There was no segmental analysis for the period under review as the Company is principally involved in poultry farming for the production of eggs for sale, which is predominantly carried out in Malaysia.

A11. Valuations of Property, Plant and Equipment

There were no valuations carried out on property, plant and equipment of the Group during period under review.

A12. Material Subsequent Events

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

A13. Changes in the Composition of the Group

There were no major changes in the composition of the Group for the current financial quarter under review.

A14. Capital Commitments

The capital commitments of the Group as at 30 June 2017 are as follow:-

<i>Property, plant and equipment:</i>	RM '000
Approved and contracted for	26,080

A15. Changes in Contingent Liabilities

Changes in material contingent liabilities of the Group and Company since 31 December 2016 were as follows:

	Group		Company	
	30.06.2017	30.06.2016	30.06.2017	30.06.2016
	RM'000	RM'000	RM'000	RM'000
Guarantees granted by the Company to third parties for credit facilities extended to subsidiaries	Nil	Nil	56,739	43,997
Outstanding guarantees granted by the Company to third parties for credit facilities extended to subsidiaries	Nil	Nil	30,063	23,376



TPC PLUS BERHAD

(Company No. 615330-T)

B – Selected explanatory notes pursuant to Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. Performance Review

	Individual Period (2 nd quarter)		Changes (%)	Cumulative Period		Changes (%)
	Current Year Quarter (‘000)	Preceding Year Corresponding Quarter (‘000)		Current Year To-date (‘000)	Preceding Year Corresponding Period (‘000)	
	30/6/2017	30/6/2016		30/6/2017	30/6/2016	
Revenue	18,990	20,349	(6.7)	37,999	41,209	(7.8)
(Loss)/Profit from operation	(1,395)	2,286	(161.0)	(1,874)	4,498	(141.7)
Profit Before Tax	(1,934)	1,626	(218.9)	(2,903)	3,050	(195.2)
Profit After Tax	(1,934)	1,038	(286.3)	(2,903)	1,935	(250.0)
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	(1,934)	1,038	(286.3)	(2,903)	1,935	(250.0)

The revenue for the current quarter period ended 30 June 2017 was RM18.990 million, representing a decrease of approximately RM1.359 million or 6.7% over prior year corresponding quarter’s revenue of RM20.349 million. This was mainly attributable to lower average selling prices of eggs despite an increase of 13.9% in the volume of eggs sold in the current quarter as compared to prior year corresponding quarter.

The Group recorded a loss before tax amounting to RM1.934 million in Q2 2017 as compared to a profit before tax of RM1.626 million in Q2 2016. This was mainly due to lower margins in the selling prices of eggs coupled with higher operating expenses after the expansion in layer farm houses. Besides, the operating expenses has increased significantly as a new feedmill has become fully operational starting from May 2017.

B2. Comparison with the Preceding Quarter’s Results

	Current Quarter 30/6/2017 (‘000)	Immediate Preceding Quarter 31/3/2017 (‘000)	Changes (%)
Revenue	18,990	19,009	(0.1)
Loss from operation	(1,395)	(479)	(191.2)
Profit Before Tax	(1,934)	(969)	(99.6)
Profit After Tax	(1,934)	(969)	(99.6)
Loss Attributable to Ordinary Equity Holders of the Parent holders of the parent	(1,934)	(969)	(99.6)



TPC PLUS BERHAD

(Company No. 615330-T)

B2. Comparison with the Preceding Quarter's Results ("Continued")

For the current quarter ended 30 June 2017, the Group registered a lower revenue of RM18.990 million as compared to the preceding quarter of RM19.009 million, indicating a decrease of approximately RM0.019 million or 0.1%. The decreased was mainly due to lower average selling prices of eggs despite an increase of 3.94% in the volume of eggs sold in the current quarter as compared to the preceding quarter.

As the result of the abovementioned coupled with higher operating expenses after the farm expansion and the construction of new feedmill, the Group recorded a loss before taxation of approximately RM1.934 million for the current quarter under review against the pretax loss of RM0.969 million in the immediate preceding quarter.

B3. Commentary on Current Year Prospect

For the past six (6) months, our group's operating result has been affected by an oversupply of eggs situation in the market. The Board expects the egg markets to continue to be under pressure and we do not expect to see any significant improvement until there is a better balance between the supply and demand of eggs. Despite the above, the Group will continue its current expansion projects and is hopeful to achieve satisfactory performance in the future.

B4. Profit Forecast or Profit Guarantee

The Group did not publish any profit forecast or issue any profit guarantee during the reporting year.

B5. Statement by Directors

The Group did not issue any profit forecast or projection in a public document in the current quarter or prior financial period.



TPC PLUS BERHAD

(Company No. 615330-T)

B6. Taxation

Income tax comprises the following:

	Individual Period		Cumulative period	
	Current period quarter	Preceding year corresponding quarter	Current year-to-date (3 months)	Preceding year-to-date (3 months)
	30/06/17	30/06/16	30/06/17	30/06/16
	RM'000	RM'000	RM'000	RM'000
In respect of the financial period Malaysian income tax	-	4	-	(35)
Deferred tax liabilities	-	(592)	-	(1,080)
Total	-	(588)	-	(1,115)

B7. Landed Properties

There was no disposal of any landed properties for the current financial year.

B8. Quoted Investment

There were no purchases or sales of quoted securities for the current financial year.

B9. Status of Corporate Proposal and Utilisation of Proceeds

There were no corporate proposals announced but not completed as at 30 June 2017.

A total proceeds of RM24,000,000 was raised upon the completion of the Right Issue with Warrants on 22 January 2016. As at 30 June 2017, all the proceeds have been fully utilised to purchase layer and pullet houses and equipment, working capital and expenses in relation to the Regularisation Plan.

A total of 80,000,000 free Warrants were issued on 20 January 2016 and listed on Main Market of Bursa Malaysia Securities Berhad on 22 January 2016 with a 5 years' exercise period and each warrant carries the entitlement to subscribe for one (1) new TPC Share at an exercise price of RM0.20 per warrant. The maturity date for the warrants is on 19 January 2021.

As at 30 June 2017, a total of 21,000 warrants have been converted into shares and the proceed has been deposited into TPC Warrant Account for working capital purpose.



TPC PLUS BERHAD

(Company No. 615330-T)

B10. Group Borrowings and Debt Securities

The Group's borrowings as at 30 June 2017 are all denominated in Ringgit Malaysia and are as follows:

	RM'000
<u>Current</u>	
Banker's acceptances - secured	6,520
Term Loan – secured	7,800
Hire Purchase	4,340
	<u>18,660</u>
<u>Non-Current</u>	
Term Loan-secured	15,000
Hire Purchase	5,973
	<u>20,973</u>
TOTAL	<u>39,633</u>

- i. As at 30 June 2017, there were no borrowings denominated in foreign currencies.
- ii. The drawdown of term loans were utilized for the construction of new feedmill.
- iii. Effective average cost of borrowings based on exposure as at 30 June 2017 was 6.00%

B11. Realised and Unrealised Accumulated Losses

The breakdown of accumulated losses of the Group as at reporting date, into realised and unrealised is as follow:

	As at 30/06/2017 RM'000	As at 31/03/2017 RM'000
Total accumulated losses of Company and its subsidiaries :		
- Realised	(9,291)	(7,358)
- Unrealised	(6,999)	(6,999)
Consolidation adjustments	452	452
Total Group accumulated losses	<u>(15,838)</u>	<u>(13,905)</u>

B12. Off Balance Sheet Financial Instrument

There were no off balance sheet financial instruments as at 30 June 2017.

B13. Changes in Material Litigation since the Last Annual Statement of Financial Position

As at the date of this announcement, the Group is not engaged in any material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group.



TPC PLUS BERHAD

(Company No. 615330-T)

B14. Dividend payable

The Group has not recommended or declared any dividend during the current quarter and period to date ended 30 June 2017.

B15. (Loss)/ Profit before Taxation is Derived after Charging / (Crediting)

(Loss)/Profit before tax is stated after charging / (crediting):-

	Current period quarter 30/06/2017 RM'000	Current year- to-date 30/06/2017 RM'000
Other income including investment income	(41)	(98)
Interest expenses	539	1,029
Depreciation	2,100	4,037

Other than the above items, there were no provision for and write off of inventories, gain or loss on disposal of unquoted investment or properties, gain or loss on derivatives and exceptional items for the current and financial year to date.

B16. Cash and cash equivalent at the end of financial period

	RM'000
Cash and bank balances	4,911
Deposit with financial institution	970
	<hr/>
	5,881
Less: Fixed deposits pledged	(970)
	<hr/>
	4,911
	<hr/>



TPC PLUS BERHAD

(Company No. 615330-T)

B17. Earnings Per Share (“EPS”)

	Individual Quarter		Cumulative Quarter	
	30.06.17 RM'000	30.06.16 RM'000	30.06.17 RM'000	30.06.16 RM'000
a) <i>Basic (Loss)/Earnings per Share</i>				
Net (loss)/profit for the period	(1,934)	1,038	(2,903)	1,935
Weighted average number of ordinary shares	233,795	213,619	233,790	213,619
Basic (Loss)/Earnings per share (sen)	(0.83)	0.49	(1.24)	0.91
b) <i>Diluted (Loss)/Earnings Per Share</i>				
Net (loss)/profit for the period	-	1,038	-	1,935
Weighted average number of ordinary shares	-	213,619	-	213,619
Number of shares deemed to have been issued for no consideration – Warrants	-	5,089	-	5,089
Weighted average number of ordinary shares	-	218,708	-	218,708
Diluted (loss)/earnings per share (sen)	-	0.47	-	0.88

**The diluted loss per share is not presented as there is an anti-dilutive effect arising from the assumed exercise of warrants.*

B18. Authorisation for Issue

The financial statement were authorized for issue by the Board of Directors on 29 August 2017.