



TPC PLUS BERHAD (615330-T)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 JUNE 2019**

The figures have not been audited.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Quarter	
	30-06-2019 RM'000	30-06-2018 RM'000	30-06-2019 RM'000	30-06-2018 RM'000	
	Note				
CONTINUING OPERATIONS :					
Revenue		53,520	45,746	114,336	96,449
Operating expenses		(54,391)	(51,714)	(104,023)	(97,261)
Other operating income		478	633	947	1,160
(Loss)/Profit from operations		(393)	(5,335)	11,260	348
Finance costs		(872)	(969)	(1,748)	(1,916)
(Loss)/Profit before taxation	B14	(1,265)	(6,304)	9,512	(1,568)
Taxation	B6	(373)	611	(1,558)	(367)
(Loss)/Profit after taxation		(1,638)	(5,693)	7,954	(1,935)
Other comprehensive income		-	-	-	-
Total comprehensive (expenses)/income for the period		(1,638)	(5,693)	7,954	(1,935)
(Loss)/Profit after taxation attributable to :					
Equity holders of the Company		(1,638)	(5,693)	7,954	(1,935)
		(1,638)	(5,693)	7,954	(1,935)
Total comprehensive (expenses)/income attributable to:					
Equity holders of the Company		(1,638)	(5,693)	7,954	(1,935)
		(1,638)	(5,693)	7,954	(1,935)
(Loss)/Earnings per share					
- basic (sen)	B17(a)	(0.70)	(2.44)	3.40	(0.83)
- diluted (sen)	B17(b)	N/A	N/A	2.89	N/A

The Condensed Consolidated Statement of Profit or Loss and Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018.



TPC PLUS BERHAD (615330-T)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

The figures have not been audited.

	Note	As at Current Quarter Ended 30-06-2019 RM'000 UNAUDITED	As at Preceding Financial Year Ended 31-12-2018 RM'000 AUDITED
ASSETS			
Non-Current Assets			
Property, plant and equipment		99,819	112,599
Right-of-use assets		9,009	-
Investment properties		520	640
		109,348	113,239
Current Assets			
Inventories		5,936	6,245
Biological assets		44,941	35,029
Current tax assets		13	-
Trade receivables	B16	26,354	22,191
Other receivables, deposits and prepayments		1,016	3,424
Fixed deposits with financial institutions		565	460
Short-term investment		605	571
Cash and bank balances		5,590	7,332
		85,020	75,252
TOTAL ASSETS		194,368	188,491
EQUITY AND LIABILITIES			
Share capital		52,009	52,009
Warrant reserve		19,325	19,325
Retained earnings		21,933	13,979
Shareholders' equity		93,267	85,313
Non-Current Liabilities			
Long term borrowings	B10	16,230	23,600
Lease liabilities	B10	3,831	-
Deferred tax liabilities		11,339	9,782
		31,400	33,382
Current Liabilities			
Trade payables		41,383	39,925
Other payables and accruals		3,578	2,529
Amount owing to related companies		26	2,176
Short term borrowings	B10	19,420	24,220
Lease liabilities	B10	3,262	-
Bank overdrafts	B10	2,032	928
Current tax liabilities		-	18
		69,701	69,796
TOTAL LIABILITIES		101,101	103,178
TOTAL EQUITY AND LIABILITIES		194,368	188,491
		-	-
NET ASSETS PER SHARE (RM)		0.40	0.36

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018.

**TPC PLUS BERHAD (615330-T)***(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2019***The figures have not been audited.*

	Share Capital	Share Premium	Warrant Reserve	Retained Earnings	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2019	52,009	-	19,325	13,979	85,313
Total comprehensive income for the period	-	-	-	7,954	7,954
At 30 JUNE 2019	52,009	-	19,325	21,933	93,267

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2018

	Share Capital	Share Premium	Warrant Reserve	Retained Earnings	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2018	46,764	5,245	19,325	10,644	81,978
Reclassification pursuant to S618(2) of CA 2016	5,245	(5,245)	-	-	-
Total comprehensive expenses for the period	-	-	-	(1,935)	(1,935)
At 30 JUNE 2018	52,009	-	19,325	8,709	80,043

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018.



TPC PLUS BERHAD (615330-T)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED
30 JUNE 2019**

The figures have not been audited.

	Current Year-to-Date 30-06-19 RM'000	Preceding Year-to-Date 30-06-18 RM'000 <i>Restated</i>
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	9,512	(1,568)
<i>Adjustments for :</i>		
Assets written off	224	-
Depreciation of property, plant and equipment	4,017	4,337
Depreciation of right-of-use assets	493	-
Depreciation of investment properties	120	120
Impairment losses on trade receivables	251	507
Interest expenses	1,748	1,916
Interest income	(51)	(44)
Operating profit before working capital changes	16,314	5,268
Net change in inventories	309	(1,855)
Net change in biological assets	(9,912)	(2,320)
Net change in trade and other receivables	(2,006)	(8,592)
Net change in trade and other payables	837	8,462
Cash from operations	5,542	963
Tax paid	(31)	(16)
Net cash from operating activities	5,511	947
CASH FLOW FOR INVESTING ACTIVITIES		
Interest received	51	44
Increase in fixed deposit pledged	(105)	-
Acquisition of property, plant and equipment	(292)	(1,741)
Net cash for investing activities	(346)	(1,697)
CASH FLOW (FOR)/FROM FINANCING ACTIVITIES		
Interest paid	(1,748)	(1,916)
Repayment to related companies	(57)	-
(Repayment)/Drawdown of bankers' acceptances	(2,513)	9,787
Repayment of hire purchase obligations	-	(1,968)
Repayment of lease liabilities	(1,789)	-
Repayment of term loans	(1,870)	(4,152)
Net cash (for)/from financing activities	(7,977)	1,751
Net changes in cash and cash equivalents	(2,812)	1,001
Cash and cash equivalents at beginning of the financial period	6,975	3,636
Cash and cash equivalents at end of the period	4,163	4,637

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018.



A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting And Bursa Listing Requirements

A1. Basis of preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 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 2018 and the accompanying explanatory notes attached. These explanatory notes 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.

A2. Changes in Accounting Policies

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020

The adoption of MFRS 16: Leases did not have any material impact and the Group has adopted “Modified Retrospective Approach”.

A3. Auditors’ report

The auditors’ report on the financial statements for the year ended 31 December 2018 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.



TPC PLUS BERHAD (615330-T)

(Incorporated in Malaysia)

A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting And Bursa Listing Requirements (Cont’d)

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 financial period 30 June 2019.

A8. Dividends Paid

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

A9. Segmental Information

The Company is organized into three main reportable segments; that are poultry farming, poultry feed and others.

Three (3) months ended 30.6.2019	Poultry Farming RM'000	Poultry Feed RM'000	Others RM'000	Eliminations RM'000	Group RM'000
Segment revenue					
External revenue	35,850	17,609	61	-	53,520
Inter-segment revenue	-	21,367	-	(21,367)	-
Total revenue	35,850	38,976	61	(21,367)	53,520
Segment results	(1,976)	313	25	-	(1,638)

Six (6) months ended 30.6.2019	Poultry Farming RM'000	Poultry Feed RM'000	Others RM'000	Eliminations RM'000	Group RM'000
Segment revenue					
External revenue	78,507	35,696	133	-	114,336
Inter-segment revenue	-	42,721	-	(42,721)	-
Total revenue	78,507	78,417	133	(42,721)	114,336
Segment results	7,121	800	33	-	7,954

All business operations are predominantly conducted in Malaysia.

A10. Valuations of Property, Plant and Equipment

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



TPC PLUS BERHAD (615330-T)

(Incorporated in Malaysia)

A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting And Bursa Listing Requirements (Cont’d)

A11. 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.

A12. 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.

A13. Capital Commitments

The capital commitments of the Group as at 30 June 2019 are as follow:-

	RM’000
Purchase of property, plant and equipment	<u>3,885</u>

A14. Changes in Contingent Liabilities

Changes in material contingent liabilities of the Group and Company since 31 December 2018 were as follows:

	Group		Company	
	30.6.2019 RM’000	30.6.2018 RM’000	30.6.2019 RM’000	30.6.2018 RM’000
Guarantees granted by the Company to third parties for credit facilities extended to subsidiaries	Nil	Nil	53,719	82,219
Outstanding guarantees granted by the Company to third parties for credit facilities extended to subsidiaries	Nil	Nil	37,683	44,337

A15. Related Party Transactions

The following related party transactions have been entered into the normal course of business at arm’s length:

	Current Period Quarter	Cumulative Year to-Date
	30.6.2019	30.6.2019
	RM’000	RM’000
Immediate holding company		
Sales of eggs and feeds	7,879	14,435
Purchase of eggs, feeds, raw materials and livestock	10,208	21,109
Fellow subsidiaries		
Sales of feeds, raw materials and spent layers	12,894	26,782
Purchase of feeds, raw materials and egg trays	1,123	2,431



B. Explanatory Notes Pursuant To Appendix 9B Of The Bursa Malaysia Securities Berhad Main Market Listing Requirements

B1. Performance Review

	Individual Period (2 nd Quarter)			Cumulative Period		
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes (%)	Current Year To-Date	Preceding Year Corresponding Period	Changes (%)
	30.6.2019	30.6.2018		30.6.2019	30.6.2018	
	RM'000	RM'000		RM'000	RM'000	
Revenue	53,520	45,746	16.99	114,336	96,449	18.55
(Loss) / Profit from operation	(393)	(5,335)	92.63	11,260	348	3,135.63
(Loss) / Profit Before Taxation	(1,265)	(6,304)	79.93	9,512	(1,568)	706.63
(Loss) / Profit After Taxation	(1,638)	(5,693)	71.23	7,954	(1,935)	511.06
(Loss) / Profit After Taxation Attributable to Owners of the Company	(1,638)	(5,693)	71.23	7,954	(1,935)	511.06

For the current quarter period ended 30 June 2019, the Group registered a higher revenue of RM53.52 million as compared to the preceding year quarter of RM45.75 million, indicating an increase of approximately RM7.77 million or 17%. This increase was mainly due to the increase in the number of eggs sold as the result of higher egg production in the current quarter as compared to the preceding quarter.

The Group recorded a loss before taxation of RM1.27 million during Q2 2019 as compared to the loss before taxation of RM6.30 million during Q2 2018, which indicates an improvement of approximately RM5.03 million or 79.93%. This is mainly due to the higher average selling prices of eggs during the current quarter under review compare to the preceding year.

B2. Comparison with the Preceding Quarter's Results

	Current Quarter	Immediate Preceding Quarter	Changes (%)
	30.6.2019	31.3.2019	
	RM'000	RM'000	
Revenue	53,520	60,816	(12.0)
(Loss) / Profit from operation	(393)	11,653	(103.37)
(Loss) / Profit Before Taxation	(1,265)	10,777	(111.74)
(Loss) / Profit After Taxation	(1,638)	9,592	(117.08)
(Loss) / Profit After Taxation Attributable to Owners of the Company	(1,638)	9,592	(117.08)

**B. Explanatory Notes Pursuant To Appendix 9B Of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)****B2. Comparison with the Preceding Quarter's Results (Cont'd)**

For the current quarter ended 30 June 2019, the Group registered a lower revenue of RM53.52 million as compared to the preceding quarter of RM60.82 million, indicating a decrease of approximately RM7.30 million or 12%. This was mainly due to lower average selling prices of eggs despite of the increase in the number of eggs sold.

As the result, the Group recorded a loss before taxation of RM1.27 million during Q2 2019 as compared to the profit before taxation of RM10.78 million during Q1 2019. The loss before taxation for the current quarter was further supported by higher feed costs for the current quarter under review.

B3. Commentary on Current Year Prospect

The Board is confident that the Group's performance will remain satisfactory for the forthcoming quarter since the prices of eggs have slowly improved and the raw materials continue to remain stable.

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.

B6. Taxation

Income tax expense / (income) comprises the following:

	Individual Period		Cumulative Period	
	Current period quarter	Preceding year corresponding quarter	Current year-to-date (6 months)	Preceding year-to-date (6 months)
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
	RM'000	RM'000	RM'000	RM'000
In respect of the financial period Malaysian income tax	-	-	-	-
Deferred tax expense / (income)	373	(611)	1,558	367
Total	373	(611)	1,558	367

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.



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(Incorporated in Malaysia)

B. Explanatory Notes Pursuant To Appendix 9B Of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)

B9. Status of Corporate Proposal and Utilisation of Proceeds

There were no corporate proposals announced but not completed as at 30 June 2019.

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 2019, 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.

B10. Group Borrowings and Debt Securities

The Group's borrowings as at 30 June 2019 are all denominated in Ringgit Malaysia ("RM") and the breakdown of the total borrowings under current and non-current categories are as follows:

	RM'000
<u>Current</u>	
Bankers' acceptances - secured	14,775
Term loan – secured	4,645
Lease liabilities	3,262
Overdrafts – secured	2,032
	<u>24,714</u>
<u>Non-Current</u>	
Term loan – secured	16,230
Lease liabilities	3,831
	<u>20,061</u>
TOTAL	<u>44,775</u>

- i. As at 30 June 2019, there were no borrowings denominated in foreign currencies.
- ii. Effective average cost of borrowings based on exposure as at 30 June 2019 ranges from 5.31-8.62%.

B11. Off Balance Sheet Financial Instrument

There were no off balance sheet financial instruments as at 30 June 2019.

B12. 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.

B13. Dividend payable

The Group has not recommended or declared any dividend during the current quarter and period to date ended 30 June 2019.



B. Explanatory Notes Pursuant To Appendix 9B Of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)

B14. (Loss)/Profit before Taxation is Arrived at after Charging/(Crediting)

	Current Period	Cumulative
	Quarter	Year to-Date
	30.6.2019	30.6.2019
	RM'000	RM'000
(Loss)/Profit before taxation is arrived at after charging/(crediting):-		
Assets written off	-	224
Depreciation of property, plant and equipment	2,127	4,017
Depreciation of right-of-use assets	249	493
Depreciation of investment properties	60	120
Impairment loss on financial assets – MFRS 9	118	251
Interest expenses	872	1,748
Other income including investment income	(478)	(947)

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.

B15. Cash and cash equivalent at the end of the financial period

	RM'000
Cash and bank balances	5,590
Short-term investment	605
Fixed deposits with financial institutions	565
Bank overdrafts (secured)	(2,032)
	<u>4,728</u>
Less: Fixed deposits pledged	(565)
	<u>4,163</u>

B16. Trade receivables

	Cumulative	Cumulative
	Year to-Date	Year to-Date
	30.6.2019	31.3.2019
	RM'000	RM'000
Third parties	8,713	8,537
Fellow subsidiaries	17,892	14,885
Impairment loss on financial assets – MFRS 9	(251)	(133)
Total	26,354	23,289



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(Incorporated in Malaysia)

B. Explanatory Notes Pursuant To Appendix 9B Of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)

B17. (Loss)/Earnings Per Share (“EPS”)

	Individual Quarter		Cumulative Quarter	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
	RM'000	RM'000	RM'000	RM'000
a) Basic (Loss)/Earnings per Share				
Net (Loss)/Earnings for the period	(1,638)	(5,693)	7,954	(1,935)
Weighted average number of ordinary shares	233,795	233,795	233,795	233,795
Basic (Loss)/Earnings per Share (sen)	(0.70)	(2.44)	3.40	(0.83)
b) Diluted Earnings Per Share				
Net Earnings for the period	-	-	7,954	-
Weighted average number of ordinary shares	-	-	233,795	-
Number of shares deemed to have been issued for no consideration – Warrants	-	-	41,167	-
Weighted average number of ordinary shares	-	-	274,962	-
Diluted Earnings per Share (sen)	*-	*-	2.89	*-

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