

## Interim Financial Report

### APPENDIX 3 – INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 JUNE 2015

#### Results for Announcement to the Market

Key Information	Half-year Ended 30 June 2015 \$
Revenue from ordinary activities	941,561
Profit after tax from ordinary activities attributable to members	(211,891)
Net profit attributable to members	(211,891)

There were no dividends paid or proposed for the period ended in June 2015

No comparative and no % movements as it is the first half year since incorporation on 28 November 2014

#### Explanation of Key Information and Dividends

The consolidation was based on TG Agro Seedlings Sdn Bhd being acquired via reverse acquisition by TG AgroSolutions Sdn Bhd which in turn was acquired by TG AgroSolutions Limited. The above transactions resulted in a reverse acquisition whereby TG Agro Seedlings Sdn Bhd was identified as the accounting acquirer of TG AgroSolutions Limited. The consolidated financial statements therefore disclose the equity values of TG Agro Seedlings Sdn Bhd.

The consolidated financial statements for the financial year 2014 have been prepared from the date of incorporation on 28 November 2014 to 31 December 2014. The Group revenue in 6 months ended 30 June 2015 was \$941,561 representing \$513,283 or 120% higher than last financial period. TG Agro Seedlings Sdn Bhd being the operational company reported 6 months profit after tax of \$53,647. However, TG AgroSolutions Sdn Bhd and TG AgroSolutions Limited are the investment holding company in Malaysia and Australia incurred total expenses of \$265,538, mainly due to expenses incurred related to the NSX listing on 16 February 2015. This resulted in group net losses of \$211,891 in 2015.

#### Net Tangible Assets per Share

	Half-year Ended 30 June 2015 cents/Share	28 November 2014 to 31 December 2014 cents/Share
Net tangible assets per share	0.23	0.32

#### Control Gained or Lost over Entities in the Half-year

There have been no entities acquired or disposed during the half-year ended 30 June 2015.

#### Dividend Reinvestment Plans

The Group does not have any dividend reinvestment plans in operation.

#### Audit / Review of Financials

The attached financial statements have been reviewed for the period ended 30 June 2015. The review report is attached at page 10.

#### Attachment

The half year financial report of TG AgroSolutions Limited is attached.

# TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES

A.C.N 60 3108925

## DIRECTORS' REPORT

Your directors present their report on the consolidated entity (referred to herein as the Group) consisting TG AgroSolutions Limited and its controlled entities for the half year ended 30 June 2015.

### Directors

The names of directors who held office during or since the end of the half-year:

Foot Loy Yap (appointed on 15 December 2014)

Bin Khean Ha (appointed on 28 November 2014)

Anson Fucong Qiao (appointed on 28 November 2014)

William Keng Yaw Tan (appointed on 28 November 2014)

Tunku Syed Razman bin Tunku Syed Idrus (appointed on 15 December 2014)

### Principal Activities

The Group principally engages in the business of cultivating and supplying high quality rubber and oil palm seedlings in Malaysia.

### Review of Operations

The consolidation was based on TG Agro Seedlings Sdn Bhd being acquired via reverse acquisition by TG AgroSolutions Sdn Bhd which in turn was acquired by TG AgroSolutions Limited. The above transactions resulted in a reverse acquisition whereby TG Agro Seedlings Sdn Bhd was identified as the accounting acquirer of TG AgroSolutions Limited. The consolidated financial statements therefore disclose the equity values of TG Agro Seedlings Sdn Bhd.

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### Auditor's Independence Declaration

The lead auditor's independence declaration under s 307C of the Corporations Act 2001 is set out on page 3 for the half-year ended 30 June 2015.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director .....  .....


Bin Khean Ha

Dated this 10th day of September 2015

**AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF TG AGROSOLUTIONS LIMITED**

We declare that, to the best of our knowledge and belief, during the half year ended 30 June 2015 there have been:

- (i) no contraventions of the auditors' independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



**Walker Wayland NSW**  
**Chartered Accountants**

**Grant Allsopp**  
**Partner**

Dated this 10th day of September 2015

# TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES

A.C.N 60 3108925

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2015

	Note	Consolidated Group Half-year Ended 30 June 2015 \$
Revenue		941,561
Interest income		19
Cost of Goods Sold		(260,985)
Bad debt written off		(188,511)
Employee and contractor expense		(151,516)
Directors' other emoluments		(126,896)
Professional fees		(80,839)
NSX Listing Cost		(60,654)
Depreciation and amortisation expense		(41,926)
Entertainment		(39,895)
Petrol, parking and tolls		(26,930)
Accommodation		(15,255)
Upkeep of machinery		(15,147)
Upkeep of motor vehicles		(12,072)
Secretarial fees		(11,402)
NSX Annual Fee		(5,894)
Finance costs		(4,298)
Other expenses		(82,117)
<b>(Loss) before income tax</b>		<b>(182,758)</b>
Income tax expense		(29,133)
<b>(Loss) from continuing operations</b>		<b>(211,891)</b>
(Loss) from discontinued operations		-
<b>(Loss) for the period</b>		<b>(211,891)</b>
<b>Other comprehensive income</b>		
<b>Items that will be reclassified subsequently to profit or loss, when specific conditions are met</b>		
Exchange differences on transactions of foreign operations, net of tax		7,664
<b>Other comprehensive income for the period</b>		<b>7,664</b>
<b>Total comprehensive income for the period</b>		<b>(204,227)</b>

The accompanying notes form part of these financial statements.

# TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES

**A.C.N 60 3108925**

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2015

	Note	Consolidated Group Half-year Ended 30 June 2015 \$
Net profit attributable to:		
– members of the parent entity		(211,891)
		<u>(211,891)</u>
Total comprehensive income attributable to:		
– members of the parent entity		(204,227)
		<u>(204,227)</u>
Earnings per share		
From continuing and discontinued operations:		
- Basic earnings per share (cents)		(0.084)
- Diluted earnings per share (cents)		(0.084)
From continuing operations:		
- Basic earnings per share (cents)		(0.084)
- Diluted earnings per share (cents)		(0.084)

The accompanying notes form part of these financial statements.



# TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES

**A.C.N 60 3108925**

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Consolidated Group	
	As at 30 June 2015 \$	As at 31 December 2014 \$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	23,910	172,642
Trade and other receivables	1,188,620	1,699,881
Inventories	1,159,929	862,718
Other assets	28,736	64,822
<b>TOTAL CURRENT ASSETS</b>	<b>2,401,195</b>	<b>2,800,063</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	393,798	313,853
<b>TOTAL NON-CURRENT ASSETS</b>	<b>393,798</b>	<b>313,853</b>
<b>TOTAL ASSETS</b>	<b>2,794,993</b>	<b>3,113,916</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Trade and other payables	1,174,089	1,202,321
Borrowings	55,803	185,141
Current tax liabilities	872,092	868,768
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,101,984</b>	<b>2,256,230</b>
<b>NON-CURRENT LIABILITIES</b>		
Borrowings	88,931	51,014
Deferred tax liabilities	10,353	8,720
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>99,284</b>	<b>59,734</b>
<b>TOTAL LIABILITIES</b>	<b>2,201,268</b>	<b>2,315,964</b>
<b>NET ASSETS</b>	<b>593,725</b>	<b>797,952</b>
<b>EQUITY</b>		
Issued capital	162,904	162,904
Reserves	9,913	2,249
Retained earnings	420,908	632,799
<b>TOTAL EQUITY</b>	<b>593,725</b>	<b>797,952</b>

The accompanying notes form part of these financial statements.

# TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES

A.C.N 60 3108925

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2015

Consolidated Group	Note	Ordinary Share Capital	Retained Earnings	Foreign Currency Translation Reserve	Total
		\$	\$	\$	\$
					-
Balance at 1 January 2015		162,904	632,799	2,249	797,952
Comprehensive income					
Loss for the period		-	(211,891)	-	(211,891)
Other comprehensive income for the period		-	-	7,664	7,664
Total comprehensive income for the period		-	(211,891)	7,664	(204,227)
Balance at 30 June 2015		162,904	420,908	9,913	593,725

The accompanying notes form part of these financial statements.

**TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES****A.C.N 60 3108925****CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED  
30 JUNE 2015****Consolidated Group****Half-year Ended  
30 June 2015  
\$****CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers	1,255,522
Payments to suppliers and employees	(1,516,841)
Interest received	19
Finance costs	(4,298)
Income tax paid	(14,624)
Net cash (used in) operating activities	<u>(280,222)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Cash acquired as a result of business combination	-
Purchase of non-current assets	(125,260)
Net cash (used in) investing activities	<u>(125,260)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from borrowings	106,213
Repayment of borrowings	(57,657)
Related parties loan	207,178
Net cash provided by financing activities	<u>255,715</u>

Net decrease in cash held	(149,767)
Cash and cash equivalents at beginning of period	172,642
Effects of changes in exchange rates	1,035
Cash and cash equivalents at end of period	<u>23,910</u>

The accompanying notes form part of these financial statements.



# TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES

A.C.N 60 3108925

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2015

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a. Basis of Preparation

These general purpose interim financial statements for half-year reporting period ended 30 June 2015 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of TG Agrosolutions Limited and its controlled entities (referred to as the "consolidated group" or "group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2014, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue on 10 September 2015.

TG Agrosolutions Limited was incorporated on 28 November 2014. This is the first half year financial report prepared by the company.

#### b. Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

#### c. Ongoing Viability

At 30 June 2015 the group had cash of \$23,910 which had decreased from the figure of \$172,642 at 31 December 2014. During the period to 30 June 2015 the Group listed on the NSX and had expenditures of \$265,538 relating to head office. In future periods these expenses will reduce. Therefore it is believed that cash flows will be sufficient to ensure there are minimal risks to the ongoing viability of the company.

### NOTE 2: DIVIDENDS

No dividends have been paid or declared during the period

### NOTE 3: CONTINGENT LIABILITIES

There has been no changes to contingent liabilities since the last annual reporting period

### NOTE 4: EVENTS OCCURRING AFTER BALANCE SHEET DATE

No matters have arisen since 30 June 2015 that have significantly affected the group operations in future financial years, the results of those operations in future financial years or the Groups state of affairs in future financial years.

### NOTE 5: RELATED PARTY TRANSACTIONS

No new transactions have arisen since the last annual reporting period.

## TG AGROSOLUTIONS LIMITED AND CONTROLLED ENTITIES

A.C.N 60 3108925

### DIRECTORS' DECLARATION

In accordance with a resolution of the directors of TG Agrosolutions Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 to 9, are in accordance with the *Corporations Act 2001*, including:
  - a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
  - b. giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



Bin Khean HA

Director

Dated this 10th day of September 2015

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF TG AGROSOLUTIONS  
LIMITED

Website: www.wwnsw.com.au

**Report on the Half-year Financial Report**

We have reviewed the accompanying half-year financial report of TG Agrosolutions Limited, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and statement of comprehensive income, the consolidated statement of changes in equity and the consolidated condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

*Directors' Responsibility for the Half-Year Financial Report*

The directors of TG Agrosolutions Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of TG Agrosolutions Limited financial position as at 30 June 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of TG Agrosolutions Limited ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of TG Agrosolutions Limited, would be in the same terms if provided to the directors as at the time of this auditor's review report.

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF TG AGROSOLUTIONS  
LIMITED AND CONTROLLED ENTITIES**

**Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of TG Agrosolutions Limited is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of TG Agrosolutions Limited financial position as at 30 June 2015 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.



**Walker Wayland NSW**  
**Chartered Accountants**

Dated this 10th day of September 2015



**Grant Allsopp**  
**Partner**