

INTERIM FINANCIAL REPORT

THIRD QUARTER
ENDED 31ST MARCH
2015

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INTERIM FINANCIAL REPORT

THIRD QUARTER
ENDED 31ST MARCH
2015



TITIJAYA LAND BERHAD

(Company No. 1009114-M)

(Incorporated in Malaysia under the Companies Act, 1965)

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TITIJAYA LAND BERHAD (Co.No.1009114-M)

(Incorporated In Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 MARCH 2015 (UNAUDITED)⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.01.2015 TO 31.03.2015 RM'000	01.01.2014 TO 31.03.2014 RM'000	01.07.2014 TO 31.03.2015 RM'000	01.07.2013 TO 31.03.2014 RM'000
Revenue	120,240	62,527	274,159	201,033
Costs of sales	(78,723)	(28,086)	(157,081)	(107,520)
Gross Profit	41,517	34,441	117,078	93,513
Other Income	891	1,068	2,626	2,221
Selling and distribution expenses	(6,055)	(6,054)	(16,641)	(13,218)
Administrative expenses	(4,478)	(3,221)	(12,313)	(7,967)
Other expenses	(885)	(973)	(2,810)	(2,676)
Finance costs	(155)	(126)	(494)	(1,192)
Profit before taxation	30,835	25,135	87,446	70,681
Income tax expense	(9,580)	(6,714)	(25,046)	(19,442)
Net profit for the period	21,255	18,421	62,400	51,239
Profit attributable to:				
- Owners of the Company	21,455	18,421	62,600	51,239
- Non-controlling interests	(200)	-	(200)	-
	21,255	18,421	62,400	51,239
Earnings per share (sen) attributable to owners of the Company				
- Basic ⁽²⁾	6.07	5.42	17.77	17.30
- Diluted ⁽³⁾	5.75	4.93	16.82	15.55

TITIJAYA LAND BERHAD (Co.No.1009114-M)
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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 MARCH 2015 (UNAUDITED)⁽¹⁾

Notes:

- (1) *The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to these interim financial statements.*
- (2) *Based on weighted average number of ordinary shares in issue (as detailed in Note B12(a))*
- (3) *Based on weighted average number of ordinary shares in issue (as detailed in Note B12 (b)) and assume the full conversion of balance 60,000,000 Redeemable Convertible Preference Shares of RM0.50 each (“RCPS”) on the basis of one (1) new Share for every three (3) RCPS held.*

TITIJAYA LAND BERHAD (Co.No.1009114-M)

(Incorporated In Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015
(UNAUDITED) ⁽¹⁾

	UNAUDITED As At 31.03.2015 RM'000	AUDITED As At 30.06.2014 RM'000
Non-current assets		
Property, plant and equipment	4,611	4,465
Land held for property development	134,628	114,289
Investment in an associate	-	35
Investment properties	76,421	76,413
Goodwill on consolidation	1,596	1,596
Other investments	2,006	5
Total non-current assets	219,262	196,803
Current assets		
Property development costs	370,425	343,828
Inventories	23,796	21,227
Trade and other receivables	142,475	95,197
Accrued billings in respect of property development costs	13,004	10,800
Tax recoverable	4,353	1,384
Fixed deposits placed with licensed banks	69,108	50,542
Cash and bank balances	110,936	94,091
Total current assets	734,097	617,069
TOTAL ASSETS	953,359	813,872
EQUITY AND LIABILITIES		
Equity		
Share capital	176,667	170,000
RCPS - equity component	7,434	12,388
Share premium	92,957	78,840
Reserve arising from reverse acquisition	(47,426)	(47,426)
Retained earnings	226,775	178,308
Equity attributable to equity holders of the Company	456,407	392,110
Non-Controlling Interests	749	-
Total equity	457,156	392,110
Non-current liabilities		
Hire purchase payables	457	387
Bank borrowings	65,918	104,611
RCPS - liability component	23,130	36,279
Deferred tax liabilities	36,160	38,658
Total non-current liabilities	125,665	179,935
Current liabilities		
Trade and other payables	124,668	132,746
Progress billings in respect of property development costs	187,745	81,555
Hire purchase payables	203	216
Bank borrowings	44,498	21,282
Current tax payables	13,424	6,028
Total current liabilities	370,538	241,827
Total liabilities	496,203	421,762
TOTAL EQUITY AND LIABILITIES	953,359	813,872
Net assets per share attributable to owners of the Company (RM)	1.29⁽²⁾	1.15⁽³⁾

TITIJAYA LAND BERHAD (Co.No.1009114-M)
(Incorporated In Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015
(UNAUDITED)** ⁽¹⁾

Notes:

- (1) *The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to these interim financial statements.*
- (2) *Based on the issued share capital of 353,333,333 ordinary shares of RM0.50 each (“Shares”) after the exercised of the conversion of 40,000,000 Redeemable Convertible Preference Shares of RM0.50 each (“RCPS”) into 13,333,333 new ordinary shares of RM0.50 each on the basis of one (1) new Share for every three (3) RCPS held.*
- (3) *Based on the issued share capital of 340,000,000 ordinary shares of RM0.50 each (“Shares”)*

TITIJAYA LAND BERHAD (Co.No.1009114-M)
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015 (UNAUDITED) ⁽¹⁾

	<-----Attributable to owners of the Company ----->							
	<----- Non-Distributable ----->			<--Distributable -->				
	Share Capital RM'000	Share Premium RM'000	RCPS - Equity Component RM'000	Reserve arising from Reverse Acquisition RM'000	Retained Earnings RM'000	Total RM	Non- Controlling Interests RM	Total Equity RM'000
Group								
At 30 June 2013	129,148	-	12,388	(47,426)	107,013	201,123	-	201,123
Issuance of shares	40,853	78,840	-	-	-	119,693	-	119,693
Total comprehensive income for the financial year	-	-	-	-	71,295	71,295	-	71,295
Balance at 30 June 2014	170,001	78,840	12,388	(47,426)	178,308	392,111	-	392,111
Issuance of shares	6,666	14,117	(4,954)	-	-	15,829	-	15,829
Changes in ownership on subsidiaries	-	-	-	-	-	-	949	949
Dividend Paid	-	-	-	-	(14,133)	(14,133)	-	(14,133)
Total comprehensive income for the financial year	-	-	-	-	62,600	62,600	(200)	62,400
Balance at 31 March 2015	176,667	92,957	7,434	(47,426)	226,775	456,407	749	457,156

Notes:

- (1) The unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to these interim financial statements.

TITIJAYA LAND BERHAD (Co.No.1009114-M)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015 (UNAUDITED) ⁽¹⁾

	01.07.2014 TO 31.03.2015 RM'000	01.07.2013 TO 31.03.2014 RM'000
Profit Before Tax	87,446	70,681
Adjustments for:		
Accretion of interest on RCPS	1,363	-
Goodwill written off	4	-
Depreciation of investment properties	70	70
Depreciation of property, plant and equipment	365	231
Interest expense	494	1,192
Interest income	(1,940)	(1,056)
Operating Profit Before Working Capital Changes	87,802	71,118
Changes In Working Capital		
Property development costs	77,389	(69,034)
Inventories	(2,569)	(10,470)
Receivables	(47,278)	(6,543)
Payables	(8,078)	(20,186)
Net Cash Generated From/(Used In) Operations	107,266	(35,115)
Interest paid	(6)	(505)
Interest received	1,940	1,055
Tax paid	(21,799)	(14,962)
Net Operating Cash Flows	87,401	(49,527)
CASH FLOW USED IN INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(351)	(268)
Investment properties costs incurred	(78)	(9)
Investment in an associate	35	-
Other investment	(2,001)	-
Land held for property development costs incurred	(20,339)	(18,130)
Change in fixed deposits	4,307	(78)
Net Investing Cash Flows	(18,427)	(18,485)
CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES		
Dividend paid	(14,133)	-
Repayment of hire purchase payables	(103)	(129)
Interest paid	(488)	(5,921)
Drawdown of bank borrowings	5,026	83,266
Repayment of bank borrowings	(13,647)	(12,674)
Proceeds from non-controlling interests on acquisition of shares issued by subsidiaries	945	-
Payment of initial public offering expenses	-	(2,865)
Proceed from issuance of shares	-	122,557
Net Financing Cash Flows	(22,400)	184,234

TITIJAYA LAND BERHAD (Co.No.1009114-M)*(Incorporated In Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015 (UNAUDITED) ⁽¹⁾**

	01.07.2014 TO 31.03.2015 RM'000	01.07.2013 TO 31.03.2014 RM'000
NET CHANGE IN CASH AND CASH EQUIVALENTS	46,574	116,222
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	133,470	12,046
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>180,044</u>	<u>128,268</u>
Analysis of cash and cash equivalents :		
Cash and bank balances	69,108	98,199
Fixed deposits placed with licensed banks	110,936	33,845
	<u>180,044</u>	<u>132,044</u>
Less: Fixed deposits held as security	<u>-</u>	<u>(3,776)</u>
Cash and cash equivalents	<u>180,044</u>	<u>128,268</u>

Notes:

- (1) *The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to these interim financial statements.*

TITIJAYA LAND BERHAD *(Co.No.1009114-M)*

(Incorporated In Malaysia)

A EXPLANATORY NOTES PURSUANT TO FRS 134

A1. Accounting Policies and Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standards (“FRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standard Board, and paragraph 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the Group’s annual audited financial statements for the year ended 30 June 2014 and the explanatory notes attached therein.

These explanatory notes attached to these 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 30 June 2014.

The accounting policies and methods of computation adopted by the Group for the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2014, except for the adoption of the following new FRS, Amendments to FRSs and IC Interpretations as disclosed below:

New FRSs, Amendments/Improvements to FRSs and IC Interpretations	Effective For Annual Periods Beginning on or After
FRS 10 Consolidated Financial Statement: Investment Entities (Amendments to FRS 10, FRS 12 and FRS 127)	1 January 2014
FRS 12 Disclosure of Interests in Other Entities: Investment Entities (Amendments to FRS 10, FRS 12 and FRS 127)	1 January 2014
FRS 127 Consolidated and Separate Financial Statements: Investment Entities (Amendments to FRS 10, FRS 12 and FRS 127)	1 January 2014
FRS 132 Financial Instruments: Presentation [Amendments relating to Offsetting Financial Assets and Financial Liabilities]	1 January 2014
FRS 136 Impairment of Assets [Amendments relating to Recoverable Amount Disclosure for Non-Financial Assets]	1 January 2014
FRS 139 Financial Instruments: Recognition and Measurement [Amendments relating to Novation of Derivatives and Continuation Of Hedge Accounting]	1 January 2014
IC Int. 21 Levies	1 January 2014

The adoption of the above revised FRSs, amendments to FRSs and Interpretations does not have any material impact on the financial statements of the Group.

TITIJAYA LAND BERHAD (Co.No.1009114-M)

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A EXPLANATORY NOTES PURSUANT TO FRS 134 (Continued)

A1. Accounting Policies and Basis of Preparation (Continued)

MASB Approved Accounting Standards, MFRSs

In conjunction with the planned convergence of FRSs with International Financial Reporting Standards as issued by the International Accounting Standards Board on 1 January 2012, the MASB had on 19 November 2011 issue a new MASB approved accounting standards, MFRSs (“MFRSs Framework”) for application in the annual periods beginning on or after 1 January 2012.

The MFRSs Framework is mandatory for adoption by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141 *Agriculture* and/or IC Int 15 *Agreements for the Construction of Real Estate* (“Transitioning Entities”). The Transitioning Entities are given an option to defer adoption of the MFRSs framework, and continue to adopt the existing FRSs framework until the MFRSs framework is mandated by the MASB. Transitioning Entities also includes those entities that consolidate or equity account or proportionately consolidate another entity that has chosen to continue to apply the FRSs framework for annual periods beginning on or after 1 January 2012.

Accordingly, the Group which is a Transitioning Entity has chosen to defer the adoption of the MFRSs framework. The Group will prepare its first MFRSs financial statements using the MFRSs framework when the MFRSs framework is mandated by the MASB.

As at 31 March 2015, all FRSs issued under the existing FRSs framework are equivalent to the MFRSs issued under MFRSs framework except for differences in relation to the transitional provisions, the adoption of MFRS 141 *Agriculture* and IC Int 15 *Agreements for the Construction of Real Estate* as well as differences in effective dates contained in certain of the existing FRSs. The main effects arising from the transition to MFRSs Framework has been discussed. The effect is based on the Group’s best estimates at the reporting date. The financial effect may change or additional effects may be identified, prior to the completion of the Group’s first MFRSs based financial statements.

Application of MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards (“MFRS 1”)

MFRS 1 requires comparative information to be restated as if the requirements of MFRSs have always been applied, except when MFRS 1 allows certain elective exemptions from such full retrospective application or prohibits retrospective application of some aspects of MFRSs. The Group are currently assessing the impact of adoption of MFRS 1, including identification of the differences in existing accounting policies as compared to the new MFRSs and the use of optional exemptions as provided for in MFRS 1. As at the date of authorisation of issue of the financial statements, accounting policy decisions or elections have not been finalised. Thus, the impact of adoption of MFRS 1 cannot be determined and estimated reliably until the process is completed.

MFRS 15 Revenue from Contracts with Customers

The core principle of MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with the core principle by applying the following steps:

- Identify the contracts with a customer.
- Identify the performance obligation in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract.
- Recognise revenue when (or as) the entity satisfies a performance obligation.

MFRS 15 also includes new disclosures that would result in an entity providing users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

The Group is currently assessing the impact of the adoption of this standard.

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A EXPLANATORY NOTES PURSUANT TO FRS 134 (Continued)

A2. Auditors' Report on Preceding Annual Financial Statements

There was no audit qualification reported in the Auditors' Report on the financial statements for the financial year ended 30 June 2014.

A3. Seasonality or Cyclicity of Operations

The Group's operations were not significantly affected by any seasonal or cyclical factors.

A4. Unusual Items

There were no significant items affecting the assets, liabilities, equity, net income or cash flows for the current financial period to-date.

A5. Changes in Estimates

There were no changes in the estimates that have had a material effect in the current quarter and current financial period to-date results.

A6. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale or repayment of debt and equity securities during the current financial period under review.

A7. Dividend Paid

There was no dividend paid in the current quarter under review.

A8. Segmental Information

The segmental analysis for the financial period 31 March 2015 was as follows.

Analysis by Operating Divisions:-

	Property Development RM'000	Investment Holding RM'000	Total RM'000
Segment profit/(loss)	65,004	(38)	64,966
Included in the measure of segment profit/(loss) are:-			
Revenue from external customers	274,055	103	274,159
Inter-segment revenue	3,609	12,475	16,084
Interest income	1,200	740	1,940
Interest expense	483	11	494
Depreciation	343	92	435
Accretion of interest on RCPS	-	1,363	1,363
Not included on the measure of segment profit but provided to the Management :-			
Tax expenses	24,646	400	25,046
Segment assets	1,026,792	369,295	1,396,087
Segment liabilities	765,935	87,785	853,720

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A EXPLANATORY NOTES PURSUANT TO FRS 134

A8. Segmental Information (Continued)

Reconciliation of reportable segment revenues, profit and loss, assets and other material items.

	Total RM'000
Total revenue for reportable segments	290,243
Elimination of inter-segment revenue	<u>(16,084)</u>
Consolidated total	<u>274,159</u>
Total profit or loss for reportable segment	64,966
Elimination of inter-segment profits	<u>(2,566)</u>
Consolidated profit before taxation	<u>62,400</u>
Total reportable segments assets	1,396,087
Elimination of inter-segment transactions or balances	<u>(442,728)</u>
Consolidated total	<u>953,359</u>
Total reportable segments liabilities	853,720
Elimination of inter-segment transactions or balances	<u>(357,517)</u>
Consolidated total	<u>496,203</u>

A9. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment have been brought forward, without amendment from the previous audited financial statements.

A10. Material Events subsequent to the End of the Interim Period

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

A11. Changes in Composition of the Group

The Company had on 16 March 2015 acquired the entire equity share interests in Premsdale Development Sdn Bhd for a total cash consideration of RM2.00.

A12. Changes in Contingent Liabilities and Contingent Assets

Contingent Liabilities

	As At 31.03.2015 RM'000	As At 30.06.2014 RM'000
Litigation / Arbitration*	-	4,804
Corporate guarantees for credit facilities granted to subsidiaries	<u>287,022</u>	<u>145,302</u>
	<u>287,022</u>	<u>150,106</u>

Note:

* Please refer to Note B10 for further details on our Group's litigation / arbitration.

Contingent Assets

The Group does not have any material contingent assets to be disclosed as at 31 March 2015.

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A EXPLANATORY NOTES PURSUANT TO FRS 134

A13. Capital Commitments

	As At 31.03.2015 RM'000	As At 30.06.2014 RM'000
Approved and contracted but not provided for:		
- Land held for property development		
Purchase consideration	131,570	131,570
Less: Deposits paid	(2,032)	(2,032)
	<u>129,538</u>	<u>129,538</u>

TITIJAYA LAND BERHAD (Co.No.1009114-M)
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B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Performance

The Group's current quarter revenue has increased by RM57, 713 million or 92.30% as compared to the preceding year corresponding quarter. The increase is mainly due to contribution from property development projects, Sri Alam Phase I and II, and Zone Innovation.

The Group's gross profit margin decreases from 46.52% to 42.70% as compared to the preceding year corresponding quarter. This is resulted from profit recognition on lower margin project, Embun.

The Group reported a higher profit after tax of RM62,405 million, an increase of RM11,166 million or 21.79% as compared to the preceding year corresponding quarter. The increase was mainly contributed by property development progress recognition from Zone Innovation.

B2. Variation of Results for the current quarter ended 31 March 2015 against the immediate preceding quarter

The increase in the Group revenue for the current quarter under review as compared to the preceding quarter mainly due to the property development project, Embun and disposal of inventories, The Galleria by RM26,794 million and RM3,826 million respectively.

The increase in Group profit after tax for current quarter resulted from the higher profit margin project, Zone Innovation and disposal of inventories, The Galleria.

B3. Commentary on Prospects

Based on the Group's on going and upcoming projects, the Board is confident that the profitability of the Group will be sustained through the continuous sales of the development projects as well as the new launches. We are committed to our business and our growth strategies which have been put in place to propel us to be a stronger property player.

B4. Variance of Profit Forecast

No profit forecast has been issued by the Group previously in any public document.

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B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B5. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

The profit before taxation has been arrived at after charging / (crediting):-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.01.2015 TO 31.03.2015 RM'000	01.01.2014 TO 31.03.2014 RM'000	01.07.2014 TO 31.03.2015 RM'000	01.07.2013 TO 31.03.2014 RM'000
After charging:				
Accretion of interest on RCPS	454	-	1,363	-
Depreciation of investment properties	24	24	70	70
Depreciation of property, plant and equipment	122	83	365	231
Directors' remuneration	293	306	927	859
Interest expense	156	126	494	1,192
Rental of sales office	56	260	252	313
Rental of equipment	4	2	8	8
Staff costs	1,777	2,168	6,967	4,934
After crediting:				
Bank interest income	(59)	(214)	(157)	(449)
Fixed deposit interest income	(664)	(342)	(1,677)	(394)
Other interest income	(39)	(164)	(106)	(213)
Rental income	(754)	(3)	(1,078)	(386)

There is no exception items for the current financial quarter under review.

B6. Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.01.2015 TO 31.03.2015 RM'000	01.01.2014 TO 31.03.2014 RM'000	01.07.2014 TO 31.03.2015 RM'000	01.07.2013 TO 31.03.2014 RM'000
Current tax expense for the period	9,689	6,714	25,373	19,442
Deferred taxation	(109)	-	(327)	-
	9,580	6,714	25,046	19,442

Notes:

The Group's effective tax rate for the current financial period is higher than the statutory tax rate of 25% by the Inland Revenue Board due to certain expenses not deductible for tax and non-recognition of deferred tax assets.

B7. Status of Corporate Proposals

City Meridian Development Sdn. Bhd. ("CMD"), a wholly owned subsidiary of Company, had on 21 May 2014, entered into a sale and purchase agreement ("SPA") with Titijaya Group Sdn Bhd ("TGSB") to purchase a parcel of leasehold land held under PN4022, Lot No. 12174, Mukim 12, Daerah Barat Daya, Pulau Pinang for cash consideration at RM126,000,000.

On 19 January 2015, CMD had entered into a supplemental agreement with TGSB in respect of the SPA.

On 27 May 2015, the shareholders of the Company have approved the purchase of the leasehold land from TGSB.

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B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B8. Status of utilisation of proceeds

The gross proceeds raised by the Company from the initial public issue (“IPO”) from the previous financial year amounted to RM122.56 million. The status of the utilisation of the proceeds raised from the IPO as at 31 March 2015 is as follows:-

Purposes	Proposed utilisation RM'000	Actual utilisation RM'000	Balance RM'000	Time frame for Utilisation (from the listing date)
(i) Working capital	49,458	49,677	(219)	Within 12 months
(ii) Repayment of bank borrowings	15,000	15,000	-	Within 6 months
(iii) Repayment of advances from the previous shareholders of Epoch Property Sdn Bhd	24,300	24,300	-	Within 6 months
(iv) Purchase of land bank	30,000	15,000	15,000	Within 30 months*
(v) Estimate listing expenses	3,800	3,581	219	Within 3 months
Total	122,558	107,558	15,000	

* The Board resolved the time frame for eventual utilization of purchase of land bank for a further period of twelve (12) months until 25 May 2016 to facilitate the acquisition of land by the subsidiary, City Meridian Sdn Bhd.

Actual listing expenses incurred were less than the estimated listing expenses by RM0.219 million due mainly to lower than expected underwriting commission, placement fee and brokerage fee incurred in conjunction with the listing exercise. The excess has been utilised for working capital purposes.

B9. Group Borrowings

The Group borrowings as at 31 March 2015 were as follows:

	As at 31.03.2015 RM'000	As at 30.06.2014 RM'000
Current - Secured		
Hire purchase payables	203	216
Bank overdrafts	7,679	6,856
Term loans	36,819	14,426
	44,701	21,498
Non-current - Secured		
Hire purchase payables	457	387
Term loans	65,918	104,611
	66,375	104,998
Total borrowings	111,076	126,496

The above borrowings were denominated in Ringgit Malaysia.

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B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B10. Material Litigation

(a) XL Wood Floors Sdn. Bhd. vs Sendi Bangga Development Sdn. Bhd.

On 22 August 2013, a subsidiary company, Sendi Bangga Development Sdn. Bhd. (“Sendi Bangga”), received a writ of summon and statement of claim from a nominated sub-contractor of Sendi Bangga’s trade payable for a breach of collateral contract. The sub-contractor alleged that it has suffered loss and damage and thereby claimed against Sendi Bangga.

Sendi Bangga filed its defence and striking out application on 19 September 2013. The trial was conducted on 13 August 2014. The court fixed 22 September 2014 for parties to file and exchange submission and submission in reply by 29 September 2014. On 17 October 2014, the court confirmed that hearing of submission / clarifications is fixed on 13 January 2015. Oral submissions were made by other defendants’ solicitor on 13 January 2015 and to continue on 30 January 2015. Counsels for Defendant and Plaintiff presented their oral submission on 30 January 2015. The Court has fixed 13 March 2015 as the decision date.

The management is of the opinion that the claim is not valid as the nominated sub-contractor has no contractual relationship with Sendi Bangga. Accordingly, no provision for liabilities was made.

On 22 May 2015, the Court upon hearing submissions of all parties and evaluating all the evidence adduced, dismissed the Plaintiff’s claim against Sendi Bangga with cost of RM30,000.00 to be paid by the Plaintiff to Sendi Bangga.

B11. Dividend

There was no dividend declared or paid for the current period under review.

B12. Earnings per Share

(a) Basic Earnings Per Share

The basic earnings per share for the current quarter and financial year-to-date are computed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.01.2015 TO 31.03.2015	01.01.2014 TO 31.03.2014	01.07.2014 TO 31.03.2015	01.07.2013 TO 31.03.2014
Profit attributable to owners of the parent (RM'000)	21,455	18,421	62,600	51,239
Weighted average number of ordinary shares in issue ('000)	353,333	340,000	352,246	296,166
Basic earnings per share (sen)	6.07	5.42	17.77	17.30

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B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B12. Earnings per Share (Con't)

(b) Diluted Earnings Per Share

Dilutive earnings per share have been calculated by dividing the profit attributable to owners of the parent for the period by weighted average number of shares that would have been issued upon full conversion of the remaining Redeemable Convertible Preference Shares on the basis of one (1) ordinary share for every three (3) RCPS held.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.01.2015 TO 31.03.2015	01.01.2014 TO 31.03.2014	01.07.2014 TO 31.03.2015	01.07.2013 TO 31.03.2014
Profit attributable to owners of the Parent (RM'000)	21,455	18,421	62,600	51,239
Weighted average number of ordinary shares in issue ('000)	353,333	340,000	352,246	296,166
Effect of dilution: Redeemable Convertible Preference Shares ('000)	20,000	33,333	20,000	33,333
Adjusted weighted average number of ordinary shares ('000)	373,333	373,333	372,246	329,499
Diluted earnings per share (sen)	5.75	4.93	16.82	15.55

B13. Realised and Unrealised Profits or Losses Disclosure

The following analysis of realised and unrealised retaining earnings/ (accumulated losses) is prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants whilst the disclosure is based on the prescribed form by the Bursa Malaysia Securities Berhad.

	As At 31.03.2015 RM'000	As At 30.06.2014 RM'000
Total retained earnings of the Group		
- Realised	169,130	120,864
- Unrealised	(13)	(13)
	169,117	120,851
Consolidation adjustments	57,658	57,458
Total retained earnings as per statement of financial position	226,775	178,309

The unrealised portion within retained earnings as at 31 March 2015 predominantly related to the net deferred tax liabilities.

The consolidation adjustment recognised for the Group mainly related to reserve from reverse acquisition and hence realised.