

# INTERIM FINANCIAL REPORT

FOURTH QUARTER  
ENDED 30<sup>TH</sup> JUNE 2015

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# INTERIM FINANCIAL REPORT

FOURTH QUARTER  
ENDED 30<sup>TH</sup> JUNE 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 FOURTH QUARTER AND TWELVE MONTHS ENDED 30 JUNE 2015 (UNAUDITED)<sup>(1)</sup>**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.04.2015 TO 30.06.2015 RM'000	01.04.2014 TO 30.06.2014 RM'000	01.07.2014 TO 30.06.2015 RM'000	01.07.2013 TO 30.06.2014 RM'000
Revenue	66,491	82,815	340,650	283,848
Costs of sales	(34,133)	(46,511)	(191,214)	(154,031)
<b>Gross Profit</b>	<b>32,358</b>	<b>36,304</b>	<b>149,436</b>	<b>129,817</b>
Other Income	2,169	1,137	4,795	3,358
Selling and distribution expenses	(4,690)	(4,591)	(21,331)	(17,809)
Administrative expenses	(5,203)	(3,173)	(17,516)	(11,140)
Other expenses	(812)	(3,750)	(3,621)	(6,426)
Finance costs	(270)	(165)	(764)	(1,357)
<b>Profit before taxation</b>	<b>23,552</b>	<b>25,762</b>	<b>110,999</b>	<b>96,443</b>
Income tax expense	(5,282)	(5,706)	(30,329)	(25,148)
<b>Net profit for the period</b>	<b>18,270</b>	<b>20,056</b>	<b>80,670</b>	<b>71,295</b>
<b>Profit attributable to:</b>				
- Owners of the Company	18,274	20,056	80,874	71,295
- Non-controlling interests	(4)	-	(204)	-
	<b>18,270</b>	<b>20,056</b>	<b>80,670</b>	<b>71,295</b>
<b>Earnings per share (sen) attributable to owners of the Company</b>				
- Basic <sup>(2)</sup>	5.17	5.90	22.92	23.23
- Diluted <sup>(3)</sup>	4.89	5.37	21.69	20.96

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

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED 30 JUNE 2015 (UNAUDITED)<sup>(1)</sup>**

**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 30 JUNE 2015  
(UNAUDITED) <sup>(1)</sup>**

	<b>UNAUDITED</b> As At <b>30.06.2015</b> RM'000	<b>AUDITED</b> As At <b>30.06.2014</b> RM'000
<b>Non-current assets</b>		
Property, plant and equipment	4,510	4,465
Land held for property development	129,614	114,289
Investment associates	-	35
Investment properties	76,320	76,413
Goodwill on consolidation	3,706	1,596
<b>Total non-current assets</b>	<b>214,150</b>	<b>196,798</b>
<b>Current assets</b>		
Property development costs	373,295	343,828
Inventories	23,406	21,227
Other investments	2,159	5
Trade and other receivables	214,786	95,197
Accrued billings in respect of property development costs	32,233	10,800
Tax recoverable	5,542	1,384
Fixed deposits placed with licensed banks	61,269	50,542
Cash and bank balances	127,996	94,091
<b>Total current assets</b>	<b>840,686</b>	<b>617,074</b>
<b>TOTAL ASSETS</b>	<b>1,054,836</b>	<b>813,872</b>

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

(Incorporated In Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015**  
**(UNAUDITED)** <sup>(1)</sup>

	<b>UNAUDITED</b> As At <b>30.06.2015</b> RM'000	<b>AUDITED</b> As At <b>30.06.2014</b> RM'000
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
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)
Treasury Shares	(42)	-
Retained earnings	245,049	178,308
<b>Equity attributable to equity holders of the Company</b>	<b>474,639</b>	<b>392,110</b>
<b>Non-controlling interest</b>	<b>738</b>	<b>-</b>
<b>Total equity</b>	<b>475,377</b>	<b>392,110</b>
<b>Non-current liabilities</b>		
Hire purchase payables	422	387
Bank borrowings	116,698	104,611
RCPS - liability component	23,585	36,279
Deferred tax liabilities	35,768	38,658
<b>Total non-current liabilities</b>	<b>176,473</b>	<b>179,935</b>
<b>Current liabilities</b>		
Trade and other payables	162,262	132,746
Progress billings in respect of property development costs	190,990	81,555
Hire purchase payables	176	216
Bank borrowings	41,214	21,282
Current tax payables	9,344	6,028
<b>Total current liabilities</b>	<b>403,986</b>	<b>241,827</b>
<b>Total liabilities</b>	<b>580,459</b>	<b>421,762</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,055,836</b>	<b>813,872</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>1.34</b> <sup>(2)</sup>	<b>1.15</b> <sup>(3)</sup>



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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015  
(UNAUDITED)** <sup>(1)</sup>

**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 353,311,333 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 and the purchase of 22,000 treasury shares at RM1.89 each .*
- (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)

(Incorporated In Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015 (UNAUDITED) <sup>(1)</sup>**

	<-----Attributable to owners of the Company ----->								
	<----- Non-Distributable ----->				<--Distributable -->				
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM	RCPS - Equity Component RM'000	Reserve arising from Reverse Acquisition RM'000	Retained Earnings RM'000	Total RM	Non- Controlling Interest RM	Total Equity RM'000
<b>Group</b>									
At 30 June 2013	129,148	-	-	12,388	(47,426)	107,013	201,123	-	201,123
Issuance of shares	40,852	78,840	-	-	-	-	119,692	-	119,692
Total comprehensive income for the financial year	-	-	-	-	-	71,295	71,295	-	71,295
Balance at 30 June 2014	170,000	78,840		12,388	(47,426)	178,308	392,110	-	392,110
Issuance of shares	6,667	14,117	-	(4,954)	-	-	15,830	-	15,830
Changes in ownership of subsidiaries	-	-	-	-	-	-	-	942	942
Share buyback	-	-	(42)	-	-	-	(42)	-	(42)
Dividend Paid	-	-	-	-	-	(14,133)	(14,133)	-	(14,133)
Total comprehensive income for the financial year	-	-	-	-	-	80,874	80,874	(204)	80,670
<b>Balance at 30 June 2015</b>	<b>176,667</b>	<b>92,957</b>	<b>(42)</b>	<b>7,434</b>	<b>(47,426)</b>	<b>245,049</b>	<b>474,639</b>	<b>738</b>	<b>475,377</b>

**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)*(Incorporated In Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015 (UNAUDITED) <sup>(1)</sup>**

	01.07.2014 TO 30.06.2015 RM'000	01.07.2013 TO 30.06.2014 RM'000
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		
Profit Before Tax	110,999	96,443
Adjustments for:		
Accretion of interest on RCPS	1,817	2,796
Depreciation of investment properties	93	93
Depreciation of property, plant and equipment	517	397
Loss on disposal of motor vehicle	7	-
Dividend Income	-	(85)
Interest expense	764	1,357
Interest income	(3,285)	(1,864)
Operating Profit Before Working Capital Changes	<u>110,912</u>	<u>99,137</u>
Changes In Working Capital		
Property development costs	60,468	(130,129)
Inventories	(2,179)	8,747
Receivables	(14,617)	18,051
Payables	(8,442)	(9,314)
Net Cash Generated From/(Used In) Operations	<u>146,142</u>	<u>(13,508)</u>
Interest paid	(764)	(1,357)
Interest received	2,178	1,907
Tax paid	(32,742)	(24,512)
Net Operating Cash Flows	<u>114,814</u>	<u>(37,470)</u>
<b>CASH FLOW USED IN INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(456)	(226)
Proceed from disposal	30	-
Investment properties costs incurred	-	(19,963)
Investment in an associate	35	(35)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	(1,740)	-
Other investment	(2,154)	-
Land held for property development costs incurred	(15,325)	-
Net Investing Cash Flows	<u>(19,610)</u>	<u>(20,224)</u>

**TITIJAYA LAND BERHAD** (Co.No.1009114-M)*(Incorporated In Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015 (UNAUDITED) <sup>(1)</sup>**

	<b>01.07.2014 TO 30.06.2015 RM'000</b>	<b>01.07.2013 TO 30.06.2014 RM'000</b>
<b>CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES</b>		
Change in fixed deposit	5,414	(610)
Dividend paid	(14,133)	43
Repurchase of share	(42)	-
Repayment of hire purchase payables	(148)	(178)
Drawdown of bank borrowings	5,026	91,700
Repayment of bank borrowings	(41,010)	(31,529)
Proceeds from non-controlling interests on acquisition of shares issued by subsidiaries	894	-
Proceed from issuance of shares	-	119,692
Net Financing Cash Flows	<u>(43,999)</u>	<u>179,118</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>51,205</b>	<b>121,424</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<b>133,470</b>	<b>12,046</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<b><u>184,675</u></b>	<b><u>133,470</u></b>
<b>Cash and cash equivalents at end of year comprises:</b>		
Cash and bank balances	127,996	94,091
Fixed deposit placed with licensed banks	61,269	50,542
Bank overdrafts	(4,590)	(6,856)
	<u>184,675</u>	<u>137,777</u>
Less: Fixed deposits held as security values	-	(4,307)
	<u>184,675</u>	<u>133,470</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:

<b>New FRSs, Amendments/Improvements to FRSs and IC Interpretations</b>	<b>Effective For Annual Periods Beginning on or After</b>
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)

*(Incorporated In Malaysia)*

## 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 30 June 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.

**TITIJAYA LAND BERHAD** (Co.No.1009114-M)  
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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, resale or repayment of debt and equity securities during the current financial period under review except the following:-

Repurchase of shares

On 3 June 2015, the Company has repurchased RM 22,000 of its issued ordinary shares from the open market at an overall average price of RM 1.98 per shares.

**A7. Dividend Paid**

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

**TITIJAYA LAND BERHAD** (Co.No.1009114-M)  
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**A EXPLANATORY NOTES PURSUANT TO FRS 134**

**A8. Segmental Information**

The segmental analysis for the financial period 30 June 2015 was as follows.

Analysis by Operating Divisions:-

	<b>Property Development RM'000</b>	<b>Investment Holding RM'000</b>	<b>Total RM'000</b>
<b>Segment profit</b>	104,891	19,352	124,243
Included in the measure of segment profit are:-			
Revenue from external customers	340,569	81	340,650
Inter-segment revenue	23,609	35,952	59,561
Interest income	2,309	976	3,285
Interest expense	749	15	764
Depreciation	464	146	610
Accretion of interest on RCPS	-	1,817	1,817
Not included on the measure of segment profit but provided to the Management :-			
Tax expenses	30,027	302	30,329
<b>Segment assets</b>	1,133,620	388,474	1,522,094
<b>Segment liabilities</b>	869,151	87,646	956,797

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

	<b>Total RM'000</b>
Total revenue for reportable segments	400,211
Elimination of inter-segment revenue	(59,561)
Consolidated total	340,650
Total profit or loss for reportable segment	124,243
Elimination of inter-segment profits	(43,573)
Consolidated profit before taxation	80,670
Total reportable segments assets	1,522,094
Elimination of inter-segment transactions or balances	(466,258)
Consolidated total	1,055,836
Total reportable segments liabilities	956,797
Elimination of inter-segment transactions or balances	(376,338)
Consolidated total	580,459

**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.



**TITIJAYA LAND BERHAD** (Co.No.1009114-M)*(Incorporated In Malaysia)***A EXPLANATORY NOTES PURSUANT TO FRS 134****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 8 May 2015 acquired the entire equity share interests in Tulus Lagenda Sdn Bhd for a total cash consideration of RM3,000,000.

**A12. Changes in Contingent Liabilities and Contingent Assets****Contingent Liabilities**

	As At 30.06.2015 RM'000	As At 30.06.2014 RM'000
Litigation / Arbitration*	-	4,804
Corporate guarantees for credit facilities granted to subsidiaries	287,022	145,302
	<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 30 June 2015.

**A13. Capital Commitments**

	As At 30.06.2015 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)

(Incorporated In Malaysia)

**B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES****B1. Review of Performance**

The Group's revenue for the year has increased by RM56,802 million or 20% as compared to the preceding year. The increase is mainly due to contribution from property development projects, Seri Alam Phase I and II, and Zone Innovation.

The Group's gross profit margin decreases from 45.73% to 43.87% as compared to the preceding year cumulative quarter. This is resulted from profit recognition on lower margin projects, Embun and 3Elements.

**B2. Variation of Results for the current quarter ended 30 June 2015 against the immediate preceding quarter**

The decrease in the Group revenue for the current quarter under review as compared to the preceding quarter mainly due to the lower recognition of property development projects, Seri Alam Phase I and II.

**B3. Commentary on Prospects**

The Board is of the opinion that the environment going forward will be challenging. However, based on the Group's on going and upcoming projects, the Board is hoping that the Group's performance for the financial year ending 30 June 2016 will be satisfactory through the continuous sales of the development projects as well as the new launches.

**B4. Variance of Profit Forecast**

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

**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	
	01.04.2015 TO 30.06.2015 RM'000	01.04.2014 TO 30.06.2014 RM'000	01.07.2014 TO 30.06.2015 RM'000	01.07.2013 TO 30.06.2014 RM'000
Accretion of interest on RCPS	454	2,796	1,817	2,796
Auditor's remuneration	188	195	188	195
Depreciation of investment properties	23	23	93	93
Depreciation of property, plant and equipment	152	166	517	397
Directors' remuneration	551	559	1,478	1,418
Interest expense	270	165	764	1,357
Rental of sales office	113	39	365	352
Rental of equipment	6	4	14	12
Staff costs	2,200	2,167	9,167	7,100
<b>After crediting:</b>				
Bank interest income	(173)	(277)	(330)	(725)
Fixed deposit interest income	(501)	(254)	(2,178)	(648)
Other interest income	(671)	(277)	(777)	(490)
Rental income	(309)	(453)	(1,387)	(529)

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

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

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**B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES****B6. Taxation**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.04.2015 TO 30.06.2015 RM'000	01.04.2014 TO 30.06.2014 RM'000	01.07.2014 TO 30.06.2015 RM'000	01.07.2013 TO 30.06.2014 RM'000
Current tax expense	6,599	7,554	31,972	25,988
Deferred taxation	(1,316)	(840)	(1,643)	(840)
	<u>5,283</u>	<u>6,714</u>	<u>30,329</u>	<u>25,148</u>

**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 provision 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 to vary, amend, modify or alter certain provisions, terms and conditions of the SPA.

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

**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 30 June 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	<u>122,558</u>	<u>107,558</u>	<u>15,000</u>	

\* 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 Development 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.

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The Group borrowings as at 30 June 2015 were as follows:

	As at 30.06.2015 RM'000	As at 30.06.2014 RM'000
<b>Current - Secured</b>		
Hire purchase payables	176	216
Bank overdrafts	4,590	6,856
Term loans	36,624	14,426
	<u>41,390</u>	<u>21,498</u>
<b>Non-current - Secured</b>		
Hire purchase payables	422	387
Term loans	116,698	104,611
	<u>117,120</u>	<u>104,998</u>
<b>Total borrowings</b>	<b><u>158,510</u></b>	<b><u>126,496</u></b>

The above borrowings were denominated in Ringgit Malaysia.

**B10. Dividend**

The Board proposes a single-tier dividend of 4.5 sen per ordinary share in respect of the current financial year, subject to the shareholders' approval at the forthcoming Annual General Meeting.

**B11. 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	
	01.04.2015 TO 30.06.2015 RM'000	01.04.2014 TO 30.06.2014 RM'000	01.07.2014 TO 30.06.2015 RM'000	01.07.2013 TO 30.06.2014 RM'000
Profit attributable to owners of the company (RM'000)	18,274	20,056	80,874	71,295
Weighted average number of ordinary shares in issue ('000)	353,355	340,000	352,787	306,870
Basic earnings per share (sen)	<u>5.17</u>	<u>5.90</u>	<u>22.92</u>	<u>23.23</u>

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**B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES****B11. 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 company 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	
	01.04.2015 TO 30.06.2015 RM'000	01.04.2014 TO 30.06.2014 RM'000	01.07.2014 TO 30.06.2015 RM'000	01.07.2013 TO 30.06.2014 RM'000
Profit attributable to owners of the Company (RM'000)	18,274	20,056	80,874	71,295
Weighted average number of ordinary shares in issue ('000)	353,333	340,000	352,787	306,870
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	372,787	340,203
Diluted earnings per share (sen)	4.89	5.37	21.69	20.96

**B12. 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 30.06.2015 RM'000	As At 30.06.2014 RM'000
Total retained earnings of the Group		
- Realised	188,244	120,863
- Unrealised	(449)	(13)
	187,795	120,850
Consolidation adjustments	57,254	57,458
Total retained earnings as per statement of financial position	245,049	178,308

The unrealised portion within retained earnings as at 30 June 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.