

INTERIM FINANCIAL REPORT

SECOND QUARTER
ENDED 31ST DECEMBER 2019

ASTÉR & ADÁM



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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2019 (UNAUDITED)⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.10.2019 TO 31.12.2019	01.10.2018 TO 31.12.2018 Restated	01.07.2019 TO 31.12.2019	01.07.2018 TO 31.12.2018 Restated
	RM'000	RM'000	RM'000	RM'000
Revenue	42,062	81,261	88,123	146,351
Costs of sales	(27,380)	(54,320)	(58,913)	(97,894)
Gross Profit	14,682	26,941	29,210	48,457
Other Income	1,464	(166)	2,630	3,313
Selling and distribution expenses	(940)	(753)	(2,078)	(2,390)
Administrative expenses	(7,600)	(6,687)	(11,660)	(11,252)
Other expenses	(2,622)	(2,069)	(5,322)	(4,622)
Operating Profit	4,984	17,266	12,780	33,506
Finance income	1,796	2,195	2,633	3,158
Finance costs	(540)	(2,634)	(3,119)	(4,580)
Share of results of associates, net of tax	(1)	(1)	(1)	(1)
Profit before taxation	6,239	16,826	12,293	32,083
Income tax expense	(2,657)	(5,124)	(4,657)	(9,230)
Net profit for the period	3,582	11,702	7,636	22,853
Other comprehensive income for the financial period	-	-	-	-
Total comprehensive income for the financial period	3,582	11,702	7,636	22,853
Profit attributable to:				
- Owners of the Company	2,141	10,742	5,063	20,974
- Non-controlling interests	1,441	960	2,573	1,879
	3,582	11,702	7,636	22,853
Earnings per share (sen) attributable to owners of the Company				
- Basic ⁽²⁾	0.17	0.80	0.40	1.58
- Diluted ⁽³⁾	0.16	0.75	0.37	1.49

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 2019 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 B11 (a)).

(3) Based on weighted average number of ordinary shares in issue (as detailed in Note B11 (b)).

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019
(UNAUDITED) ⁽¹⁾**

	UNAUDITED	AUDITED
	As At	As At
	31.12.2019	30.06.2019
	RM'000	RM'000
Non-current assets		
Property, plant and equipment	11,168	11,584
Inventories - Land held for property development	801,293	769,819
Investment in an associate	448	449
Investment properties	180,699	170,590
Goodwill on consolidation	2,063	2,063
Deferred tax assets	2,498	844
Total non-current assets	998,169	955,349
Current assets		
Inventories - Property development costs	518,309	501,422
Inventories - Completed properties	196,477	202,122
Trade and other receivables	445,969	469,019
Contract assets	560	219
Contract costs	12,191	10,877
Current tax assets	12,336	12,021
Cash and short-term deposits	179,542	137,494
Total current assets	1,365,384	1,333,174
TOTAL ASSETS	2,363,553	2,288,523

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019
(UNAUDITED) (CON'T) ⁽¹⁾**

	UNAUDITED As At 31.12.2019 RM'000	AUDITED As At 30.06.2019 RM'000
EQUITY AND LIABILITIES		
Equity		
Share capital	775,999	773,239
ICPS	68,605	71,365
Redeemable preference shares	141	141
Reserve arising from reverse acquisition	(47,426)	(47,426)
Treasury Shares	(25,226)	(22,230)
Retained earnings	389,599	389,510
Equity attributable to equity holders of the Company	1,161,692	1,164,599
Non-controlling interest	7,836	5,263
Total equity	1,169,528	1,169,862
Non-current liabilities		
Loans and borrowings	321,974	358,877
Deferred tax liabilities	31,430	31,430
Total non-current liabilities	353,404	390,307
Current liabilities		
Trade and other payables	583,565	547,833
Contract liabilities	110,046	50,481
Loans and borrowings	140,781	116,621
Current tax payables	6,229	13,419
Total current liabilities	840,621	728,354
Total liabilities	1,194,025	1,118,661
TOTAL EQUITY AND LIABILITIES	2,363,553	2,288,523
Net assets per share attributable to owners of the Company (RM)	0.92 ⁽¹⁾	0.92

Notes:

(1) The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to these interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2019 (UNAUDITED) ⁽¹⁾

	Share Capital RM'000	Treasury Shares RM'000	Redeemable Preference Shares RM'000	Irredeemable Convertible Preference Shares RM'000	Reserve arising from Reverse Acquisition RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
Group									
Balance at 30 June 2018	773,239	(134)	235	71,365	(47,426)	449,262	1,246,541	2,968	1,249,509
Purchase of treasury shares	-	(22,096)	-	-	-	-	(22,096)	-	(22,096)
Dividend paid	-	-	-	-	-	(8,980)	(8,980)	-	(8,980)
Redemption of RPS of a subsidiary	-	-	(94)	-	-	(83,906)	(84,000)	-	(84,000)
Changes in ownership interests in subsidiaries	-	-	-	-	-	(182)	(182)	(718)	(900)
Total comprehensive income for the financial year	-	-	-	-	-	33,316	33,316	3,013	36,329
Balance at 30 June 2019	773,239	(22,230)	141	71,365	(47,426)	389,510	1,164,599	5,263	1,169,862
Conversion of ICPS	2,760	-	-	(2,760)	-	-	-	-	-
Purchase of treasury shares	-	(2,996)	-	-	-	-	(2,996)	-	(2,996)
Dividend paid	-	-	-	-	-	(4,974)	(4,974)	-	(4,974)
Total comprehensive income for the financial period	-	-	-	-	-	5,063	5,063	2,573	7,636
Balance at 31 December 2019	775,999	(25,226)	141	68,605	(47,426)	389,599	1,161,692	7,836	1,169,528

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 2019 and the accompanying explanatory notes attached to these interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2019 (UNAUDITED) ⁽¹⁾

	01.07.2019 TO 31.12.2019 RM'000	01.07.2018 TO 31.12.2018 Restated RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Tax	12,293	32,083
Adjustments for:		
Non cash item	1,311	489
Operating Profit Before Working Capital Changes	13,604	32,572
Net changes in working capital		
Inventories - property development costs	(19,497)	(14,849)
Inventories - completed properties	5,645	17,608
Receivables	80,960	102,422
Payables	35,742	(23,618)
Net Cash Generated from Operations	116,454	114,135
Interest paid	(3,119)	(992)
Interest received	2,633	3,158
Tax paid	(13,816)	(13,573)
Net Operating Cash Flows	102,152	102,728
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(39)	(140)
Investment properties costs incurred	(10,487)	-
Other investment	-	6
Land held for property development costs incurred	(28,864)	(1,083)
Acquisition of a subsidiary	-	(900)
Net Investing Cash Flows	(39,390)	(2,117)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(4,974)	(4,815)
Payment for treasury shares	(2,996)	-
Changes in hire purchase payables	(122)	(9,927)
Changes in bank borrowings	(63,147)	(161)
Proceed for issuance of shares	-	(37,125)
Withdrawn of fixed deposits	1,507	-
Net Financing Cash Flows	(69,732)	(52,028)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2019 (UNAUDITED) (CON'T) ⁽¹⁾

	01.07.2019 TO 31.12.2019 RM'000	01.07.2018 TO 30.12.2018 Restated RM'000
NET CHANGE IN CASH AND CASH EQUIVALENTS	(6,970)	48,583
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	70,539	134,421
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<hr/> 63,569	<hr/> 183,004
Cash and cash equivalents at end of financial period comprises:		
Cash and bank balances	149,199	226,849
Fixed deposit placed with licensed banks	30,343	40,481
Bank overdraft	(526)	-
Islamic commercial paper	(100,000)	(50,000)
	<hr/> 79,016	<hr/> 217,330
Less: Fixed deposit pledged to licensed banks	(15,447)	(34,326)
	<hr/> 63,569	<hr/> 183,004

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 2019 and the accompanying explanatory notes attached to these interim financial statements*

A EXPLANATORY NOTES

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”) 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 2019 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 2019.

A2. Accounting Policies

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted in the financial statements for the financial year ended 30 June 2019. As a result of early adoption of MFRS 123 *Borrowing Costs*, the following comparatives in the interim financial report have been restated and disclosed as below:

Consolidated Statement of Comprehensive Income

3 months ended 31 December 2018

	As previously announced RM'000	Effects of Adoption of MFRS 123 RM'000	31-Dec-18 Restated RM'000
Revenue	83,094	(1,833)	81,261
Costs of sales	(57,567)	3,247	(54,320)
Gross profit	25,527	1,414	26,941
Other income	(166)	-	(166)
Selling and distribution expenses	(753)	-	(753)
Administrative expenses	(6,687)	-	(6,687)
Other expenses	(2,069)	-	(2,069)
Operating Profit	15,852	1,414	17,266
Finance income	2,195	-	2,195
Finance costs	(1,787)	(847)	(2,634)
Share of result of associates, net of tax	(1)	-	(1)
Profit before taxation	16,259	567	16,826
Income tax expense	(4,988)	(136)	(5,124)
Net profit for the period	11,271	431	11,702
Other comprehensive income	-	-	-
Total comprehensive income for the financial period	11,271	431	11,702
Profit attributable to:			
- Owners of the parent	10,330	412	10,742
- Non-controlling interests	941	19	960
	11,271	431	11,702

A EXPLANATORY NOTES

A2. Accounting Policies (Continued)

Consolidated Statement of Comprehensive Income

6 months ended 31 December 2018

	As previously announced RM'000	Effects of Adoption of MFRS 123 RM'000	31-Dec-18 As Restated RM'000
Revenue	150,187	(3,836)	146,351
Costs of sales	(102,304)	4,410	(97,894)
Gross profit	47,883	574	48,457
Other income	3,313	-	3,313
Selling and distribution expenses	(2,390)	-	(2,390)
Administrative expenses	(11,252)	-	(11,252)
Other expenses	(4,622)	-	(4,622)
Operating Profit	32,932	574	33,506
Finance income	3,158	-	3,158
Finance costs	(2,786)	(1,794)	(4,580)
Share of result of associates, net of tax	(1)	-	(1)
Profit before taxation	33,303	(1,220)	32,083
Income tax expense	(9,523)	293	(9,230)
Net profit for the period	23,780	(927)	22,853
Other comprehensive income	-	-	-
Total comprehensive income for the financial period	23,780	(927)	22,853
Profit attributable to:			
- Owners of the parent	22,064	(1,090)	20,974
- Non-controlling interests	1,716	163	1,879
	23,780	(927)	22,853

A EXPLANATORY NOTES**A2. Accounting Policies (Continued)****Consolidated Statement of Cash Flows****For financial period ended 31 December 2018**

	As previously reported RM'000	Effects of Adoption of MFRS 123 RM'000	31-Dec-18 Restated RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	33,303	(1,220)	32,083
Adjustment for:			
Non cash item	489	-	489
Operating Profit before Working Capital Changes	33,792	(1,220)	32,572
Net changes in current assets			
Inventories - property development costs	(10,439)	(4,410)	(14,849)
Inventories - completed properties	17,608	-	17,608
Receivables	98,586	3,836	102,422
Payables	(23,618)	-	(23,618)
Net Cash Generated from Operation	115,929	(1,794)	114,135
Interest paid	(2,786)	1,794	(992)
Interest received	3,158	-	3,158
Tax paid	(13,573)	-	(13,573)
Net Operating Cash Flows	102,728	-	102,728
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	(140)	-	(140)
Other investment	6	-	6
Land held for property development	(1,083)	-	(1,083)
Acquisition of a subsidiary	(900)	-	(900)
Net Investing Cash Flows	(2,117)	-	(2,117)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceed from treasury shares	(4,815)	-	(4,815)
Changes in hire purchase payables	(9,927)	-	(9,927)
Changes in bank borrowing	(161)	-	(161)
Proceed for issuance of Shares	(37,125)	-	(37,125)
Net Financing Cash Flows	(52,028)	-	(52,028)
Net Change In Cash and Cash Equivalents	48,583	-	48,583
Cash and Cash Equivalents At The			
Beginning of the Financial Period	134,421	-	134,421
Cash and Cash Equivalents At The			
End of the Financial Period	183,004	-	183,004

A EXPLANATORY NOTES

A3. 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 2019.

A4. Seasonality or Cyclicity of Operations

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

A5. Unusual Items

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

A6. 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.

A7. Debt and Equity Securities

Save for the following, there was no issuance, cancellation, share buyback, resale or repayment of debt and equity securities during the current financial period under review.

Repurchase of shares

During the quarter under review, the Company has repurchased 5,545,100 of its ordinary shares from the open market price at average RM 0.291 per shares.

As at 31 December 2019, the Company held a total of 83,338,500 or RM 25,226,530 treasury shares at average price of RM 0.303 per share.

A8. Dividend Paid

On 26 December 2019, the Company paid a total dividend of RM 2,021,548 was paid in respect of the financial year ended 30 June 2019.

A9. Valuation of Property, Plant and Equipment

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

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

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

A11. Changes in Composition of the Group

There were no changes in the composition of the Group under the quarter review.

A EXPLANATORY NOTES**A12. Changes in Contingent Liabilities and Contingent Assets****Contingent Liabilities**

	As At 31.12.2019 RM'000	As At 30.06.2019 RM'000
Corporate guarantees for credit facilities granted to subsidiaries	392,549	393,043

Contingent Assets

The Group does not have any material contingent assets to be disclosed as at 31 December 2019.

A13. Significant Related Party Transactions

There was no significant related party transaction in the current quarter under review.

A14. Segmental Information

The segmental analysis for the financial year ended 31 December 2019 was as follows.

Analysis by Operating Divisions:-

	Property Development RM'000	Investment Holding & Others RM'000	Total RM'000
Segment profit	30,583	2,494	33,077
Included in the measure of segment profit are:-			
Revenue from external customers	87,741	137	88,123
Inter-segment revenue	25,095	14,525	39,621
Interest income	2,067	566	2,633
Interest expense	(938)	(2,182)	(3,119)
Depreciation	(103)	(730)	(833)
Not included on the measure of segment profit but provided to the Management :-			
Tax (expense)/credit	(5,189)	532	(4,657)
Segment assets	2,520,975	1,547,136	4,068,111
Segment liabilities	2,061,113	612,942	2,674,055

A EXPLANATORY NOTES**A14. Segmental Information**

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

	Total RM'000
Total revenue for reportable segments	127,744
Elimination of inter-segment revenue	<u>(39,621)</u>
Consolidated total	<u>88,123</u>
Total profit or loss for reportable segment	33,077
Elimination of inter-segment profits	<u>(20,784)</u>
Consolidated profit before tax	<u>12,293</u>
Total reportable segments assets	4,068,111
Elimination of inter-segment transactions or balances	<u>(1,704,558)</u>
Consolidated total	<u>2,363,553</u>
Total reportable segments liabilities	2,674,055
Elimination of inter-segment transactions or balances	<u>(1,480,030)</u>
Consolidated total	<u>1,194,025</u>

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

B1. Review of Group Performance

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.09.2019 TO 31.12.2019	01.09.2018 TO 31.12.2018 Restated	01.07.2019 TO 31.12.2019	01.07.2018 TO 31.12.2018 Restated
	RM'000	RM'000	RM'000	RM'000
Revenue				
Property Development	41,817	81,038	87,741	145,906
Other Operations	245	223	382	445
	42,062	81,261	88,123	146,351
Profit / (Loss) before tax				
Property Development	10,868	22,995	22,859	43,596
Other Operations	(4,629)	(6,169)	(10,566)	(11,513)
	6,239	16,826	12,293	32,083

Performance of the second quarter against the same quarter in the preceding year (Q2 FY2020 vs Q2 FY2019)

(a) Property Development

The Group's revenue of RM 41.82 million for the current quarter was lower by 48.40% or RM 39.22 million as compared to the revenue of RM 81.04 million registered in the previous year's corresponding quarter. Revenue was attributable to the property developments at H2O and Mizu @ Ara Damansara near completion during previous financial period. Whereas lower revenue for current period mainly contributed by current property developments still in progress that are, projects Neu Suites @3rdNvenue, The Shore @ Kota Kinabalu and The Riv @ Riveria City.

As a result of decrease in revenue which contributed to the lower profit before tax by RM 12.13 million for the current quarter as compared to the previous year's corresponding quarter.

(b) Other Operations

Revenue from Other Operations mainly contributed by rental business. Losses before tax were resulted mainly of the operating expenses and staff costs.

Performance of the second quarter cumulative period against the same period in the preceding year (Q2 YTD FY2020 vs Q2 YTD FY2019)

(a) Property Development

The Group's revenue in the current year to-date of RM 87.74 million is 39.86% lower than the corresponding period in the preceding year. The decline in revenue was partially affected by lower sales in the past years and absence of one-time compensation income from compulsory land acquisition during the previous financial period. Revenue for current financial period mainly contributed by property developments progress recognition from project Neu Suites @3rdNvenue, The Shore @ Kota Kinabalu and The Riv @ Riveria City. The sales of completed projects from H2O & Mizu @ Ara Damansara have also contributed to current year's revenue.

In line with the decrease in revenue, the Group current year to-date profit before tax has decreased by RM 20.74 million.

B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES**B1. Review of Group Performance (con't)**

Performance of the second quarter cumulative period against the same period in the preceding year (Q2 YTD FY2020 vs Q2 YTD FY2019) (con't)

(b) Other Operation

Revenue from Other Operation mainly resulted from rental collection. The decreases in losses before tax were resulted from the operating expenses and staff costs and finance expense on banking facilities utilised for working capital.

B2. Material Changes in the Quarterly Results compared to the Results of the Preceding Quarter

	INDIVIDUAL QUARTER		CHANGES RM'000
	01.10.2019 TO 31.12.2019 RM'000	01.07.2019 TO 30.09.2019 RM'000	
Revenue	42,062	46,061	(3,999)
Gross Profit	14,682	14,528	154
Profit before interest and tax	4,984	7,796	(2,812)
Profit before tax	6,239	6,054	185
Profit after tax	3,582	4,054	(472)
Profit attributable to owners of the Company	2,141	2,922	(781)

The slight decrease on revenue totaling RM 4 million was mainly attributed by the sales of completed units at Zone Innovation @ Klang as the units had been fully sold out in previous financial period. This contributed lower revenue and resulted profit after tax is lower by RM 0.47 million as compare to preceding quarter. The lower in profit attributable to owners of the Company was mainly contributed by the profit sharing on the joint venture development namely The Riv @ Riveria City.

B3. Prospects and progress on previously announced financial estimate**(a) Prospects**

In the upcoming 2nd half of the financial year, the Group will continue to developing properties that are affordable. Furthermore, we will also focus on enhancing marketing initiatives Rent – To – Own (“RTO”) that is, HouzKey – by Maybank’s campaign to attract potential house buyers.

With the above proposed strategies, the group will sustain with the current market challenges and conditions.

(b) Progress and steps to achieve financial estimate, forecast, projection and internal targets previously announced

There was no financial forecast previously announced by the Group.

B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES**B4. Statement of the Board of Directors' opinion on achievability of financial estimate, forecast, projection and internal targets previously announced**

Not applicable.

B5 Financial estimate, forecast or projection

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

B6 Dividend

The Board of Directors does not recommend any interim dividend for the 6-month financial period ended 31 December 2019.

B7. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.10.2019 TO 31.12.2019	01.10.2018 TO 31.12.2018 Restated	01.07.2019 TO 31.12.2019	01.07.2018 TO 31.12.2018 Restated
	RM'000	RM'000	RM'000	RM'000
After charging:				
Auditor's remuneration	(2)	-	-	-
Depreciation of property, plant and equipment	222	242	455	480
Depreciation of investment properties	189	189	378	378
Directors' remuneration	516	438	895	837
Interest expenses	540	2,634	3,119	4,580
Short term and low value asset leases	78	93	135	281
Staff costs	3,356	2,844	5,786	5,377
After crediting:				
Bank interest income	(151)	(1,099)	(220)	(1,361)
Fixed deposit interest income	163	(201)	(173)	(422)
Other interest income	(1,808)	(895)	(2,240)	(1,375)
Liquidated ascertained and damages income	(10)	-	(10)	(94)
Rental income	(1,126)	(1,107)	(2,269)	(4,598)

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

B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES**B8. Income tax expense**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.10.2019 TO 31.12.2019	01.10.2018 TO 31.12.2018 Restated	01.07.2019 TO 31.12.2019	01.07.2018 TO 31.12.2018 Restated
	RM'000	RM'000	RM'000	RM'000
Current tax expense	3,948	5,294	6,677	9,400
Deferred taxation	(1,291)	(170)	(2,020)	(170)
	2,657	5,124	4,657	9,230

The Group's effective tax rate for the current financial period is higher than the statutory tax rate of 24% by the Inland Revenue Board mainly due to certain expenses are not tax deductible and deferred tax assets not recognised in certain subsidiaries.

B9. Status of Corporate Proposal

There were no material transaction or events subsequent to the current quarter ended 31 December 2019 until 25 February 2020 (the latest practicable date which is not earlier than 7 calendar days from the date of issue of this quarterly report).

B10. Group Loans and Borrowings and Debt Securities

The Group's total loans and borrowings and debt securities as were as follows:-

	31.12.2019 RM'000	31.12.2018 RM'000
Non-current:		
Bank borrowings	321,069	357,856
Finance lease liabilities	905	1,021
	<u>321,974</u>	<u>358,877</u>
Current:		
Bank borrowings	140,535	116,369
Finance lease liabilities	246	252
	<u>140,781</u>	<u>116,621</u>
Total loans and borrowings	<u>462,755</u>	<u>475,498</u>

All borrowings were denominated in Ringgit Malaysia.

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

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	
	01.10.2019 TO 31.12.2019	01.10.2018 TO 31.12.2018 Restated	01.07.2019 TO 31.12.2019	01.07.2018 TO 31.12.2018 Restated
Profit attributable to owners of the company (RM'000)	2,141	10,742	5,063	20,974
Weighted average number of ordinary shares in issue ('000)	1,262,851	1,343,487	1,265,706	1,323,745
Basic earnings per share (sen)	0.17	0.80	0.40	1.58

(b) Diluted Earnings Per Share

Dilutive earnings per share of current quarter have been calculated by dividing the profit attributable to owners of the Company for the financial period by the weighted average number of shares that would have been issued upon full conversion of the remaining Irredeemable Convertible Preference Shares ("ICPS") on the basis of one (1) ordinary share for every ten (10) ICPS held.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.10.2019 TO 31.12.2019	01.10.2018 TO 31.12.2018 Restated	01.07.2019 TO 31.12.2019	01.07.2018 TO 31.12.2018 Restated
Profit attributable to owners of the Company (RM'000)	2,141	10,742	5,063	20,974
Weighted average number of ordinary shares in issue ('000)	1,262,851	1,343,487	1,265,706	1,323,745
Effect of dilution: Irredeemable Convertible Preference Shares ('000)	86,503	86,503	86,503	86,503
Adjusted weighted average number of ordinary shares ('000)	1,349,354	1,429,990	1,352,209	1,410,248
Diluted earnings per share (sen)	0.16	0.75	0.37	1.49

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SECOND QUARTER | ENDED 31ST DECEMBER 2019



TITIJAYA LAND BERHAD

Registration No. 201201024624 (1009114-M)

N-16-01, Penthouse, Level 16
First Subang, Jalan SS15/4G
47500 Subang Jaya
Selangor Darul Ehsan
Malaysia

Tel : 603-8022 9999

Fax : 603-8022 9888

www.titijaya.com.my