

INTERIM FINANCIAL REPORT

THIRD QUARTER
ENDED 31st MARCH 2017



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INTERIM FINANCIAL REPORT

THIRD QUARTER | ENDED 31ST MARCH 2017



TITIJAYA LAND BERHAD

(Company No. 1009114-M)

(Incorporated in Malaysia under the Companies Act, 1965)

N-16-01, Penthouse, Level 16

First Subang, Jalan SS15/4G

47500 Subang Jaya

Selangor Darul Ehsan

Malaysia

Tel : 603-8022 9999

H/P Contact : 019-587 6888 / 017-382 1117 / 012-293 1033

Fax : 603-8022 9888

www.titijaya.com.my

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND THREE MONTHS ENDED 31 MARCH 2017 (UNAUDITED)⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.01.2017 TO 31.03.2017 RM'000	01.01.2016 TO 31.03.2016 RM'000	01.07.2016 TO 31.03.2017 RM'000	01.07.2015 TO 31.03.2016 RM'000
Revenue	70,476	103,648	258,700	293,459
Costs of sales	(33,381)	(69,879)	(148,890)	(189,826)
Gross Profit	37,095	33,769	109,810	103,633
Other Income	1,802	812	9,709	4,750
Selling and distribution expenses	(3,371)	(6,621)	(13,480)	(18,244)
Administrative expenses	(4,020)	(5,408)	(13,113)	(13,751)
Other expenses	(1,330)	(1,393)	(7,410)	(4,045)
Finance costs	(1,043)	(531)	(2,433)	(1,145)
Profit before taxation	29,133	20,628	83,083	71,198
Income tax expense	(9,904)	(5,458)	(23,368)	(17,761)
Net profit for the period	19,229	15,170	59,715	53,437
Other comprehensive income	-	-	-	-
Total comprehensive income for the financial period	19,229	15,170	59,715	53,437
Profit attributable to:				
- Owners of the Company	19,232	15,171	59,723	53,434
- Non-controlling interests	(3)	(1)	(8)	3
	19,229	15,170	59,715	53,437
Earnings per share (sen) attributable to owners of the Company				
- Basic ⁽²⁾	4.92	4.30	15.28	15.09
- Diluted ⁽³⁾	4.84	4.14	15.02	14.54

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRDQUARTER AND THREE MONTHS ENDED 31 MARCH 2017 (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 2016 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)) and assume the full conversion of balance 20,000,000 Redeemable Convertible Preference Shares of RM0.50 each (“RCPS”) on the basis of one (1) new Share for every three (3) RCPS held.*

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017
(UNAUDITED) ⁽¹⁾**

	UNAUDITED As At 31.03.2017 RM'000	AUDITED As At 30.06.2016 RM'000
Non-current assets		
Property, plant and equipment	11,565	11,295
Land held for property development	502,636	189,527
Investment in associate	75	-
Investment properties	74,199	74,269
Goodwill on consolidation	3,706	3,706
Total non-current assets	592,181	278,797
Current assets		
Property development costs	341,931	414,599
Inventories	92,992	20,951
Other investments	-	6
Trade and other receivables	254,571	213,403
Accrued billings in respect of property development costs	15,519	60,347
Tax recoverable	8,941	9,267
Fixed deposits placed with licensed banks	22,525	33,590
Cash and bank balances	89,873	61,351
Total current assets	826,352	813,514
TOTAL ASSETS	1,418,533	1,092,311

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017
(UNAUDITED) ⁽¹⁾**

	UNAUDITED	AUDITED
	As At	As At
	31.03.2017	30.06.2016
	RM'000	RM'000
EQUITY AND LIABILITIES		
Equity		
Share capital	341,453	280,451
RCPS - equity component	2,490	4,980
Reserve arising from reverse acquisition	(47,426)	(47,426)
Treasury shares	-	(4,742)
Retained earnings	355,306	297,516
Equity attributable to equity holders of the Company	651,823	530,779
Non-controlling interest	3,773	514
Total equity	655,596	531,293
Non-current liabilities		
Hire purchase payables	907	431
Bank borrowings	257,429	100,681
RCPS - liability component	9,052	17,036
Deferred tax liabilities	33,282	34,019
Total non-current liabilities	300,670	152,167
Current liabilities		
Trade and other payables	279,877	198,781
Progress billings in respect of property development costs	31,078	96,604
Hire purchase payables	195	119
Bank borrowings	128,327	104,619
Current tax payables	22,790	8,728
Total current liabilities	462,267	408,851
Total liabilities	762,937	561,018
TOTAL EQUITY AND LIABILITIES	1,418,533	1,092,311
Net assets per share attributable to owners of the Company (RM)	1.62⁽²⁾	1.49⁽³⁾

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017
(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 2016 and the accompanying explanatory notes attached to these interim financial statements.*
- (2) *Based on the number of issued share capital of 403,333,266 ordinary shares of RM0.50 each (“Shares”) after the exercised of the conversion of 20,000,000 Redeemable Convertible Preference Shares of RM0.50 each (“RCPS”) into 6,666,667 new ordinary shares of RM0.50 each on the basis of one (1) new Share for every three (3) RCPS held, private placement of 36,666,600 ordinary shares at RM1.35 and the disposal of 3,148,800 treasury shares at average price RM1.55 each.*
- (3) *Based on the number of issued share capital of 360,000,000 ordinary shares of RM0.50 each (“Shares”) after the exercise of the conversion of 20,000,000 Redeemable Convertible Preference Shares of RM0.50 each (“RCPS”) into 6,666,667 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 3,148,800 treasury shares at average price of RM1.50 each.*

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2017 (UNAUDITED) ⁽¹⁾

	Non-Distributable				Distributable				Total Equity RM'000
	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	
Group									
At 30 June 2015	176,667	92,957	(42)	7,433	(47,426)	245,283	474,872	569	475,441
Conversion of RCPS	3,333	7,494	-	(2,453)	-	-	8,374	-	8,374
Purchase of treasury shares	-	-	(4,700)	-	-	-	(4,700)	-	(4,700)
Dividend paid	-	-	-	-	-	(16,118)	(16,118)	-	(16,118)
Total comprehensive income for the financial year	-	-	-	-	-	68,351	68,351	(55)	68,296
Balance at 30 June 2016	180,000	100,451	(4,742)	4,980	(47,426)	297,516	530,779	514	531,293
Placement of ordinary shares	18,333	31,167	-	-	-	-	49,500	-	49,500
Conversion of RCPS	3,334	8,030	-	(2,490)	-	-	8,874	-	8,874
Disposal of treasury shares	-	138	4,742	-	-	-	4,880	-	4,880
Dividend paid	-	-	-	-	-	(2,017)	(2,017)	-	(2,017)
Transition to no par value ⁽²⁾	139,786	(139,786)	-	-	-	-	-	-	-
Changes in ownerships interests in subsidiary	-	-	-	-	-	83	83	3,267	3,350
Total comprehensive income for the financial period	-	-	-	-	-	59,724	59,724	(8)	59,716
Balance at 31 March 2017	341,453	-	-	2,490	(47,426)	355,306	651,823	3,773	655,596

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 2016 and the accompanying explanatory notes attached to these interim financial statements.
- (2) With effective from 31 January 2017, the new Companies Acts 2016 (“the Act”) abolished the concept of authorized share capital and par value of share capital. Consequently, the credit balance of the share premium becomes part of the Company’s share capital pursuant to the transitional provision set out in Section 618(2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use this amount for purposes as set out in Section 618(3) of the Act. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR PERIOD ENDED 31 MARCH 2017
(UNAUDITED) ⁽¹⁾**

	01.07.2016 TO 31.03.2017 RM'000	01.07.2015 TO 31.03.2016 RM'000
CASH FLOWS (USED IN)/ FROM OPERATING ACTIVITIES		
Profit Before Tax	83,083	71,198
Adjustments for:		
Non cash item	2,964	(307)
Operating Profit Before Working Capital Changes	<u>86,047</u>	<u>70,891</u>
Changes In Working Capital		
Property development costs	51,970	(97,705)
Inventories	(72,041)	1,200
Receivables	(39,709)	20,052
Payables	(6,674)	29,049
Net Cash Used In Operations	<u>19,593</u>	<u>23,487</u>
Interest paid	(2,170)	(1,145)
Interest received	718	2,857
Tax paid	(9,716)	(25,450)
Net Operating Cash Flows	<u>8,425</u>	<u>(251)</u>
CASH FLOW USED IN INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(771)	(72)
Proceed from disposal of property, plant and equipment	12	-
Investment properties costs incurred	-	(980)
Other investment	6	2,164
Proceed from disposal of subsidiary	175	-
Acquisition of subsidiaries	(7,000)	-
Land held for property development costs incurred	(134,941)	(128,265)
Net Investing Cash Flows	<u>(142,519)</u>	<u>(127,153)</u>
CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES		
Dividend paid	(2,017)	(16,118)
Disposal / (Repurchase) of treasury shares	5,401	(4,689)
Changes in hire purchase payables	552	(141)
Changes in bank borrowings	96,968	15,612
Proceed from issuance of shares	49,335	-
Net Financing Cash Flows	<u>150,239</u>	<u>(5,336)</u>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR PERIOD ENDED 31 MARCH 2017
(UNAUDITED) ⁽¹⁾**

	01.07.2016 TO 31.03.2017 RM'000	01.07.2015 TO 31.03.2016 RM'000
NET CHANGE IN CASH AND CASH EQUIVALENTS	16,145	(132,740)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	60,944	168,521
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>77,089</u>	<u>35,781</u>
Cash and cash equivalents at end of period comprises:		
Cash and bank balances	89,873	45,959
Fixed deposit placed with licensed banks	22,525	34,996
Bank overdrafts	(31,115)	(29,026)
	<u>81,283</u>	<u>51,929</u>
Less: Fixed deposit placed with licensed banks	(4,194)	(16,148)
	<u>77,089</u>	<u>35,781</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 2016 and the accompanying explanatory notes attached to these interim financial statements*

A EXPLANATORY NOTES PURSUANT TO FRS 134

A1. 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 2016 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 2016.

A2. Accounting Policies

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 2016.

New FRS and Amendments/Improvements to FRSs that are issued, but not yet effective and have not been early adopted

The Group has not adopted the following new FRS and amendments/improvements to FRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”):-

		Effective for financial periods beginning on or after
<u>New FRS</u>		
FRS 9	Financial Instruments	1 January 2018
	<u>Amendments/Improvements to FRSs</u>	
FRS 107	Statement of Cash Flows	1 January 2017
FRS 112	Income Taxes	1 January 2017

The financial effects of their adoption are currently still being assessed by the Group.

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 2016.

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.

A EXPLANATORY NOTES PURSUANT TO FRS 134**A7. Debt and Equity Securities**

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

A8. Dividend Paid

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

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 statements.

A11. Changes in Composition of the Group

The Company's wholly owned subsidiary, Titijaya Resources Sdn Bhd, had on 12 January 2017 acquired 7,308,000 ordinary shares of RM1.00 each, representing 70% of the total issued and paid up capital of Ampang Avenue Development Sdn Bhd (Company No. 826971-X) ("AASB") for a total consideration of RM7,000,000. Following the acquisition, AASB is a 70%-owned subsidiary of the Company.

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

	As At 31.03.2017 RM'000	As At 30.06.2016 RM'000
Corporate guarantees for credit facilities granted to subsidiaries	249,710	150,622

Contingent Assets

The Group does not have any material contingent assets to be disclosed as at 31 March 2017.

A13. Capital Commitments

	As At 31.03.2017 RM'000	As At 30.06.2016 RM'000
Approved and contracted but not provided for:		
- Land held for property development		
Purchase consideration	5,570	131,570
Less: Deposits paid	(1,031)	(2,032)
- Proposed acquisition of subsidiaries		
Purchase consideration	186,531	-
Less: Deposits paid	(18,653)	-
	172,417	129,538

A EXPLANATORY NOTES PURSUANT TO FRS 134

A14. Segmental Information

The segmental analysis for the financial period 31 March 2017 was as follows.

Analysis by Operating Divisions:-

	Property Development RM'000	Investment Holding RM'000	Total RM'000
Segment profit	127,135	324	127,459
Included in the measure of segment profit are:-			
Revenue from external customers	258,624	76	258,700
Inter-segment revenue	-	9,432	9,432
Interest income	2,737	334	3,071
Interest expense	1,691	742	2,433
Depreciation	208	363	571
Accretion of interest on RCPS	-	533	533
Not included on the measure of segment profit but provided to the Management :-			
Tax expenses	23,257	111	23,368
Segment assets	1,770,511	532,876	2,303,387
Segment liabilities	1,267,208	177,392	1,444,600

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

	Total RM'000
Total revenue for reportable segments	268,132
Elimination of inter-segment revenue	(9,432)
Consolidated total	<u>258,700</u>
Total profit or loss for reportable segment	127,459
Elimination of inter-segment profits	(44,376)
Consolidated profit before taxation	<u>83,803</u>
Total reportable segments assets	2,303,387
Elimination of inter-segment transactions or balances	(884,854)
Consolidated total	<u>1,418,533</u>
Total reportable segments liabilities	1,444,600
Elimination of inter-segment transactions or balances	(681,663)
Consolidated total	<u>762,937</u>

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

B1. Review of Performance

Current Quarter

The group reported a profit after tax RM19.2 million, representing RM4 million, 27% increase compared to previous corresponding quarter. The year in year improvement is attributable to better cost management.

Cumulative Quarter

The Group's profit before tax has increased by 16.9% to RM83 million compared to previous corresponding quarter. The jump in profit after tax was due to higher recognition from property development projects, namely H2O and 3Elements.

B2. Variation of Results for the current quarter ended 31 March 2017 against the immediate preceding quarter

The profit before tax for the current quarter has showed an increases of 9% amounting to RM2.4 million. The improvement is attributable to better cost management in relation to one of our property development project, 3Elements.

B3. Current prospects and progress on previously announced financial estimate

(a) Current Year Prospects

Given the challenging market condition, the Group will continue to pursue strategic partnership and opportunistic land banking activities. The Board believes that the Group will be able to capitalized on future opportune land-banking activities and the upcoming development launches that will enhance the Group's value incrementally. In addition, the Joint Venture project with the foreign partner is progressing well and is expected to have a positive impact to next year's earnings.

Based on the Group's ongoing and upcoming projects, the Board is hopeful that the Group's performance for the financial year ending 30 June 2017 will be satisfactory through the continuous sales and existing project progress recognition.

(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.

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

There was no dividend declared for the current quarter under review.

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

B7. 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	
	01.01.2017 TO 31.03.2017 RM'000	01.01.2016 TO 31.03.2016 RM'000	01.07.2016 TO 31.03.2017 RM'000	01.07.2015 TO 31.03.2016 RM'000
After charging:				
Accretion of interest on RCPS	176	328	533	984
Depreciation of investment properties	24	24	70	70
Depreciation of property, plant and equipment	162	105	501	351
Directors' remuneration	387	277	1,127	847
Liquidated and ascertain damages expenses	-	-	1,295	-
Rental of sales office	98	34	280	242
Rental of equipment	7	7	20	16
Staff costs	2,935	4,339	7,742	8,979
After crediting:				
Bank interest income	(312)	(102)	(1,030)	(374)
Fixed deposit interest income	(24)	(279)	(279)	(1,483)
Other interest income	(972)	(38)	(1,762)	(1,000)
Liquidated ascertain damages income	-	-	(6,440)	-
Gain on disposal of motor vehicle	-	-	(12)	-
Rental income	(445)	(526)	(1,180)	(1,446)

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

B8. Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.01.2017 TO 31.03.2017 RM'000	01.01.2016 TO 31.03.2016 RM'000	01.07.2016 TO 31.03.2017 RM'000	01.07.2015 TO 31.03.2016 RM'000
Current tax expense	10,280	5,494	23,750	18,745
Deferred taxation	(376)	(36)	(382)	(984)
	9,904	5,458	23,368	17,761

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 due to certain expenses not deductible.

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

B9. Status of Corporate Proposal

- (a) On 26 August 2016, Titijaya Land Berhad (“TLB”) proposed to undertake the following:-
- (i) Proposed renounceable rights issue of up to 614,999,899 new irredeemable convertible preference shares of RM0.05 each in TLB (“ICPS”) on the basis of three (3) ICPS for every two (2) existing ordinary shares of RM0.50 each in TLB (“TLB Share” or “Share”) held at an entitlement date to be determined later (“Proposed Rights Issue of ICPS”);
 - (ii) Proposed increase in the authorised share capital of TLB from RM300,000,000 comprising 500,000,000 TLB Shares and 100,000,000 redeemable convertible preference shares of RM0.50 each in TLB (“RCPS”) to RM1,000,000,000 comprising 1,800,000,000 TLB Shares, 100,000,000 RCPS and 1,000,000,000 ICPS to facilitate the Proposed Rights Issue of ICPS (“Proposed Increase in Authorized Share Capital”); and
 - (iii) Proposed amendments to the Memorandum and Articles of Association of TLB to facilitate the Proposed Rights Issue of ICPS and the Proposed Increase in Authorised Share Capital (“Proposed Amendments”).

(Collectively referred to as “Proposals”)

The Proposals was submitted to Bursa Malaysia Securities Berhad on 20 September 2016.

On 24 February 2017, TLB has decided to withdraw the application in relation to the Proposed Share Split and additional listing applications in relation to the Proposed Rights Issue if ICPS and Proposed Issuance of Consideration Shares to update the relevant information in light of the Companies Act 2016, which came into effect on 31 January 2017.

On 10 March 2017, TLB has re-submitted the additional listing application for the Proposed Right issues of ICPS to Bursa.

On 17 May 2017, Bursa had vide its letter approved the Proposed Rights Issue of ICPS.

- (b) On 11 November 2016, Titijaya Land Berhad (“TLB”) proposed to undertake the following:-
- (i) Proposed share split involving a subdivision of every one (1) ordinary share of RM0.50 each in TLB share into two (2) ordinary shares of RM 0.25 each in TLB held at an entitlement date to be determined later;
 - (ii) Proposed issue of up to 1,104,732,454 free warrants in TLB on the basis of one (1) Warrants for every two (2) Subdivided Shares held after the Proposed Share Split; and
 - (iii) Proposed amendments to the Memorandum and Articles of Association of the Company to facilitate the Proposed Share Split.

(Collectively referred to as “Proposals”)

On 30 November 2016, Titijaya Land Berhad (“TLB”) has submitted an application dated 29 November 2016 to Bursa Securities seeking its approval for an extension of time up to 31 January 2017 for the following: -

- (i) Draft circular to shareholders for the Proposed Issuance of Consideration Shares, Proposed Share Split, Proposed Free Warrants Issue and Proposed Amendments; and
- (ii) The application for the Proposed Share Split.

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

B9. Status of Corporate Proposal (Cont.)

- (b) On 16 December 2016, Bursa Securities had, vide its letter dated 15 December 2016, granted the Company extension of time up to 31 January 2017 to comply with the Paragraph 9.33 (1)(a) and 13.06 (1) of the Main Market Listing Requirement.

On 23 December 2016, TLB after consideration factors such as the Proposed Right issues of ICPS which has been announced but is pending implementation, has decided not to proceed with the Proposed Free Warrants Issue for time being. For the avoidance of doubt, the Company will proceed with the Proposed Share Split and Proposed Amendments. All the relevant sections in relation to the Proposed Free Warrants Issue in the announcement dated 11 November 2016 shall be disregarded.

On 13 January 2017, TLB has submitted an application in relation to the Proposed Share Split as well as the additional listing application for the Proposed Issuance of Consideration Shares.

On 24 February 2017, TLB has decided to withdraw the application in relation to the Proposed Share Split and additional listing applications in relation to the Proposed Rights Issue of ICPS and Proposed Issuance of Consideration Shares to update the relevant information in light of the Companies Act 2016, which came into effect on 31 January 2017.

- (c) On 30 September 2016, Titijaya Land Berhad entered into a proposed acquisition of the entire equity interest in NPO Builders Sdn Bhd and full settlement of advances for a total purchase consideration of RM115,612,302 to be satisfied via the issuance of 79,732,622 new ordinary shares of RM0.50 each at an issue price of RM1.45 per shares. (“Proposed Acquisition”)

The Proposed Acquisition is pending for completion.

- (d) On 8 November 2016, Titijaya Resources Sdn Bhd (Company No. 1078020-X)(“TRSB”), a wholly owned subsidiary of Titijaya Land Berhad entered into the following agreement: -

- (i) A share sales agreement between TRSB, CREC Development (M) Sdn Bhd (Company No. 1206194-U) (“CREC”), Chan Peng Koooh and Rafidah binti Menan for the proposed acquisition of 10,440,000 ordinary share of RM 1.00 each, representing the entire issued and paid-up share capital of Ampang Avenue Development Sdn Bhd (Company No. 826971-X) (“Ampang Avenue”) for a purchase consideration of RM 10,000,000 and assumption of the shareholders’ advances of RM 70,000,000 from Chan Peng Koooh and Rafidah binti Menan arriving at a total purchase consideration of RM 80,000,000 (“Proposed Acquisition”); and
- (ii) A shareholder agreement between TRSB and CREC to regulate their relationship inter se as shareholders of Ampang Avenue (“Proposed Joint Venture”).

The Proposed Acquisition is pending for the completion.

- (e) On 27 February 2017, TLB has entered into Share Sales Agreement with Tan Chuan Cheong and Tee Tiong Lee for the proposed acquisition of 3,000,000 ordinary shares equivalent to RM 3,000,000, representing the entire issued share capital of Sri Komakmur Development Sdn Bhd (Company No. 91489-M) for a purchase consideration of RM 70,919,000.00. (“Proposed Acquisition”)

The Proposed Acquisition is pending for completion.

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

B9. Status of Corporate Proposal (Cont.)

- (f) On 27 February 2017, TLB entered into Framework Agreement with CREC Development (M) Sdn Bhd (Company No. 1206194-U) to record the provisional intention of TLB with respect of the Engineering Procurement Construction and Commission Agreement, the participation in business opportunity with Laksana Wawasan Sdn Bhd, and the joint marketing collaboration with respect to project known as The Shore, Kota Kinabalu, Sabah on a leasehold land held under title TL017526475 (Kota Kinabalu, District of Koata Kinabalu). (“Proposed Acquisition”)

The Proposed Acquisition is pending for completion.

B10. Group Borrowings

The Group borrowings as at 31 March 2017 were as follows:

	As at 31.03.2017 RM'000	As at 30.06.2016 RM'000
Current - Secured		
Hire purchase payables	195	119
Bank overdrafts	31,115	29,803
Term loans	82,212	59,816
Revolving credit	15,000	15,000
	<u>128,522</u>	<u>104,738</u>
Non-current - Secured		
Hire purchase payables	907	431
Term loans	257,429	100,681
	<u>258,336</u>	<u>101,112</u>
Total group borrowings	<u>386,858</u>	<u>205,850</u>

The above borrowings were denominated in Ringgit Malaysia.

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	
	01.01.2017 TO 31.03.2017	01.01.2016 TO 31.03.2016	01.07.2016 TO 31.03.2017	01.07.2015 TO 31.03.2016
Profit attributable to owners of the company (RM'000)	19,232	15,171	59,723	53,434
Weighted average number of ordinary shares in issue ('000)	390,924	352,998	390,924	354,125
Basic earnings per share (sen)	<u>4.92</u>	<u>4.30</u>	<u>15.28</u>	<u>15.09</u>

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

B11. Earnings per Share

(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	
	01.01.2017 TO 31.03.2017	01.01.2016 TO 31.03.2016	01.07.2016 TO 31.03.2017	01.07.2015 TO 31.03.2016
Profit attributable to owners of the Company (RM'000)	19,232	15,171	59,723	53,434
Weighted average number of ordinary shares in issue ('000)	390,924	352,998	390,924	354,125
Effect of dilution: Redeemable Convertible Preference Shares ('000)	6,666	13,333	6,666	13,333
Adjusted weighted average number of ordinary shares ('000)	397,590	366,331	397,590	367,458
Diluted earnings per share (sen)	4.84	4.14	15.02	14.54

B12. Realised and Unrealised Profits or Losses Disclosure

The following analysis of realised and unrealised retaining earnings 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 31.03.2017 RM'000	As At 30.06.2016 RM'000
Total retained earnings of the Group		
- Realised	414,085	321,487
- Unrealised	(306)	(789)
	413,779	320,698
Consolidation adjustments	(58,473)	(23,182)
Total retained earnings as per statement of financial position	355,306	297,516

The unrealised portion within retained earnings as at 31 March 2017 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.