



ASTÉR & ADÁM

INTERIM FINANCIAL REPORT

FOURTH QUARTER
ENDED 30TH JUNE 2020



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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (UNAUDITED) ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.04.2020 TO 30.06.2020 RM'000	01.04.2019 TO 30.06.2019 Restated RM'000	01.07.2019 TO 30.06.2020 RM'000	01.07.2018 TO 30.06.2019 Restated RM'000
Revenue	21,373	44,123	165,311	311,803
Costs of sales	(21,293)	(21,861)	(117,473)	(214,362)
Gross Profit	80	22,262	47,838	97,441
Other Income	21,906	6,907	25,362	10,450
Selling and distribution expenses	(608)	(1,634)	(4,182)	(5,536)
Administrative expenses	(10,714)	(6,109)	(28,686)	(24,621)
Other expenses	(11,489)	(9,901)	(19,758)	(17,448)
Operating (Loss)/Profit	(825)	11,525	20,574	60,286
Finance income	1,388	1,382	4,483	5,128
Finance costs	(3,231)	(6,427)	(8,841)	(12,883)
Share of results of associates, net of tax	(3)	(4)	(4)	(6)
(Loss)/Profit before taxation	(2,671)	6,476	16,212	52,525
Income tax expense	(5,405)	(2,019)	(14,039)	(15,266)
Net (loss)/profit for the year	(8,076)	4,457	2,173	37,259
Other comprehensive income for the financial year	-	-	-	-
Total comprehensive (loss)/income for the financial year	(8,076)	4,457	2,173	37,259
(Loss)/Profit attributable to:				
- Owners of the Company	(9,248)	4,393	(2,132)	34,924
- Non-controlling interests	1,172	64	4,305	2,335
	(8,076)	4,457	2,173	37,259
Earnings per share (sen) attributable to owners of the Company				
- Basic (loss)/earning ⁽²⁾	(0.73)	0.33	(0.17)	2.66
- Diluted (loss)/earning ⁽³⁾	(0.68)	0.31	(0.16)	2.49

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 30 JUNE 2020
(UNAUDITED) ⁽¹⁾**

	UNAUDITED	AUDITED
	As At	As At
	30.06.2020	30.06.2019
	RM'000	RM'000
Non-current assets		
Property, plant and equipment	10,820	11,584
Inventories - Property held for development	828,074	769,819
Investment in an associate	445	449
Investment properties	185,945	170,590
Goodwill on consolidation	2,063	2,063
Deferred tax assets	1,934	844
Total non-current assets	1,029,281	955,349
Current assets		
Inventories - Property under development	519,069	501,422
Inventories - Completed properties	196,476	202,122
Trade and other receivables	421,114	469,019
Contract assets	794	219
Contract costs	11,822	10,877
Current tax assets	13,482	12,021
Cash and short-term deposits	158,705	137,494
Total current assets	1,321,462	1,333,174
TOTAL ASSETS	2,350,743	2,288,523

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020
(UNAUDITED) (CONTINUED) ⁽¹⁾**

	UNAUDITED	AUDITED
	As At	As At
	30.06.2020	30.06.2019
	RM'000	RM'000
EQUITY AND LIABILITIES		
Equity		
Share capital	784,412	773,239
Treasury Shares	(25,291)	(22,230)
Redeemable preference shares	10,141	141
Irredeemable convertible preference shares	60,192	71,365
Other reserves	(47,426)	(47,426)
Retained earnings	373,146	389,510
Equity attributable to equity holders of the Company	1,155,174	1,164,599
Non-controlling interests	10,094	5,263
Total equity	1,165,268	1,169,862
Non-current liabilities		
Trade and other payables	45,057	12,984
Loans and borrowings	307,078	358,877
Deferred tax liabilities	30,608	31,430
Total non-current liabilities	382,743	403,291
Current liabilities		
Trade and other payables	507,744	534,849
Contract liabilities	150,715	50,481
Loans and borrowings	141,883	116,621
Current tax liabilities	2,390	13,419
Total current liabilities	802,732	715,370
Total liabilities	1,185,475	1,118,661
TOTAL EQUITY AND LIABILITIES	2,350,743	2,288,523
Net assets per share attributable to owners of the Company (RM)	0.87 ⁽¹⁾	0.86

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 YEAR ENDED 30 JUNE 2020 (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
Issuance of preference shares	-	-	10,000	-	-	-	10,000	-	10,000
Conversion of ICPS	11,173	-	-	(11,173)	-	-	-	-	-
Repurchase of treasury shares	-	(3,061)	-	-	-	-	(3,061)	-	(3,061)
Dividend paid	-	-	-	-	-	(14,232)	(14,232)	-	(14,232)
Changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	526	526
Total comprehensive (loss)/income for the financial year	-	-	-	-	-	(2,132)	(2,132)	4,305	2,173
Balance at 30 June 2020	784,412	(25,291)	10,141	60,192	(47,426)	373,146	1,155,174	10,094	1,165,268

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 YEAR ENDED 30 JUNE 2020 (UNAUDITED) ⁽¹⁾

	30.06.2020	30.06.2019
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Tax	16,212	52,525
Adjustments for:		
Non cash item	(14,916)	15,722
Operating Profit Before Working Capital Changes	1,296	68,247
Net changes in working capital		
Inventories - property under development	(19,731)	49,803
Inventories - completed properties	5,646	(77,346)
Receivables	146,620	52,349
Payables	72,892	226,248
Net Cash Generated from Operations	206,723	319,301
Interest paid	(8,840)	(12,883)
Interest received	4,483	5,128
Tax paid	(28,441)	(41,110)
Net Operating Cash Flows	173,925	270,436
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(126)	(487)
Investment properties costs incurred	(16,111)	(35,149)
Other investment	-	6
Loss on disposal of motor vehicle	-	1
Property held for development costs incurred	(55,646)	(213,249)
Acquisition of a subsidiary	-	(900)
Net Investing Cash Flows	(71,883)	(249,778)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(14,232)	(8,980)
Payment for treasury shares	(3,061)	(22,096)
Changes in hire purchase payables	(243)	(334)
Changes in bank borrowings	(46,294)	(70,501)
Proceed for issuance of Class A shares	10,000	-
Capital redemption of Class A shares	(47,000)	-
Withdrawn of fixed deposits	1,507	17,372
Net Financing Cash Flows	(99,323)	(84,539)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR FINANCIAL YEAR ENDED 30 JUNE 2020 (UNAUDITED) (CONTINUED) ⁽¹⁾

	30.06.2020	30.06.2019
	RM'000	RM'000
NET CHANGE IN CASH AND CASH EQUIVALENTS	2,719	(63,881)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	70,539	134,421
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>73,258</u>	<u>70,540</u>
Cash and cash equivalents at end of financial year comprises:		
Cash and bank balances	142,655	105,970
Fixed deposit placed with licensed banks	16,050	31,524
Islamic commercial paper	(70,000)	(50,000)
	<u>88,705</u>	<u>87,494</u>
Less: Fixed deposit pledged to licensed banks	(15,447)	(16,954)
	<u>73,258</u>	<u>70,540</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 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 30 June 2019

	As previously announced RM'000	Effects of Adoption of MFRS 123 RM'000	30-Jun-19 Restated RM'000
Revenue	44,047	76	44,123
Costs of sales	(22,623)	762	(21,861)
Gross profit	21,424	838	22,262
Other income	6,907	-	6,907
Selling and distribution expenses	(1,634)	-	(1,634)
Administrative expenses	(6,109)	-	(6,109)
Other expenses	(9,901)	-	(9,901)
Operating Profit	10,687	838	11,525
Finance income	1,382	-	1,382
Finance costs	(8,475)	2,048	(6,427)
Share of result of associates, net of tax	(4)	-	(4)
Profit before taxation	3,590	2,886	6,476
Income tax expense	(1,326)	(693)	(2,019)
Net profit for the period	2,264	2,193	4,457
Other comprehensive income	-	-	-
Total comprehensive income for the financial period	2,264	2,193	4,457
Profit attributable to:			
- Owners of the parent	2,037	2,356	4,393
- Non-controlling interests	227	(163)	64
	2,264	2,193	4,457

A EXPLANATORY NOTES (CONTINUED)

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 year 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 year 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 year under review.

Repurchase of shares

During the quarter under review, there was no repurchase of the Company's issued ordinary shares, nor any resale, cancellation or distribution of treasury shares.

As at 30 June 2020, the Company held a total of 83,572,100 or RM 25,290,710 treasury shares at average price of RM 0.303 per share.

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 year 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 (CONTINUED)**A12. Changes in Contingent Liabilities and Contingent Assets****Contingent Liabilities**

	As At 30.06.2020 RM'000	As At 30.06.2019 RM'000
Corporate guarantees for credit facilities granted to subsidiaries	376,878	393,043

Contingent Assets

The Group does not have any material contingent assets to be disclosed as at 30 June 2020.

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 30 June 2020 was as follows.

Analysis by Operating Divisions:-

	Property Development RM'000	Investment Holding & Others RM'000	Total RM'000
Segment profit	39,523	56,862	96,385
Included in the measure of segment profit are:-			
Revenue from external customers	164,553	758	165,311
Inter-segment revenue	24,892	81,199	106,091
Interest income	3,414	1,069	4,483
Interest expense	(4,043)	(4,798)	(8,841)
Depreciation	(201)	(1,445)	(1,646)
Not included on the measure of segment profit but provided to the Management :-			
Tax (expense)	(13,688)	(351)	(14,039)
Segment assets	2,505,201	1,614,618	4,119,819
Segment liabilities	2,046,654	626,261	2,672,915

A EXPLANATORY NOTES (CONTINUED)**A14. Segmental Information (continued)**

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

	Total RM'000
Total revenue for reportable segments	271,402
Elimination of inter-segment revenue	<u>(106,091)</u>
Consolidated total	<u>165,311</u>
Total profit or loss for reportable segment	96,385
Elimination of inter-segment profits	<u>(80,173)</u>
Consolidated profit before tax	<u>16,212</u>
Total reportable segments assets	4,119,819
Elimination of inter-segment transactions or balances	<u>(1,769,076)</u>
Consolidated total	<u>2,350,743</u>
Total reportable segments liabilities	2,672,915
Elimination of inter-segment transactions or balances	<u>(1,487,440)</u>
Consolidated total	<u>1,185,475</u>

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

B1. Review of Group Performance

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.04.2020 TO 30.06.2020	01.04.2019 TO 30.06.2019 Restated	01.07.2019 TO 30.06.2020	01.07.2018 TO 30.06.2019
	RM'000	RM'000	RM'000	RM'000
Revenue				
Property Development	21,189	43,932	164,553	310,976
Other Operations	184	191	758	827
	21,373	44,123	165,311	311,803
Profit / (Loss) before tax				
Property Development	2,751	16,497	39,961	80,866
Other Operations	(5,422)	(10,021)	(23,749)	(28,341)
	(2,671)	6,476	16,212	52,525

Performance of the fourth quarter against the same quarter in the preceding year (Q4 FY2020 vs Q4 FY2019)

(a) Property Development

The Group's revenue of RM 21.19 million for the current quarter was lower by 51.77% or RM 22.74 million as compared to the revenue of RM 43.93 million registered in the previous year's corresponding quarter. Revenue was attributable to the property developments at Mizu @ Ara Damansara completed and sales of the completed units at Zone Innovation, Primrose and Roseville @ Klang in previous financial period. Whereas lower revenue for current period mainly contributed by property developments still in progress that are, Neu Suites @ Off Jalan Ampang and The Shore @ Kota Kinabalu together with the completed FPCC Phase 1A and 2 @ Lahad Datu which are netted by the liquidated damages of RM6.17million for H2O @ Ara Damansara.

There is a RM7.8million financial gain on the fair value on the financial instrument in Riveria City Sdn Bhd and a RM13 million gain arisen from the redemption of the Class A shares in Epoch Property when are able to offset the operating expenses. Due to the Covid-19 pandemic effect, the Group had decided to written down the value of completed units Embun and Emery @ Kemensah which is amounted to RM4million.

Hence, as a result of significant decrease in revenue, this contributed to the lower profit before tax by RM 13.75 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.

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

B1. Review of Group Performance (continued)

Performance of the fourth quarter cumulative year against the same year in the preceding year (Q4 YTD FY2020 vs Q4 YTD FY2019)

(a) Property Development

The Group's revenue in the current year to-date of RM 164.55 million is 47.08% lower than the compare to previous financial year. The decline in revenue was mainly due to the sales together with the completion project for H2O and Mizu @ Damansara. In addition, the revenue also contributed by the completed units at Neu Estates @ Zone Innovation, Primrose and Roseville in the previous financial year. Revenue for current financial year mainly contributed by property developments progress recognition from project Neu Suites @3rdNvenue, The Shore @ Kota Kinabalu and The Riv @ Riveria City. The sale of completed project from Roseville has 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 40.91 million.

(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
	01.04.2020 TO 30.06.2020 RM'000	01.01.2020 TO 31.03.2020 RM'000	
Revenue	21,373	55,815	(34,442)
Gross Profit	80	18,548	(18,468)
(Loss)/Profit before interest and tax	(825)	8,619	(9,444)
(Loss)/Profit before tax	(2,671)	6,590	(9,261)
(Loss)/Profit after tax	(8,076)	2,613	(10,689)
(Loss)/Profit attributable to owners of the Company	(9,248)	2,053	(11,301)

Overall, the profit for the financial period had been lower compare to the preceding period mainly due to the pandemic – Covid 19 effects. With the Government had implemented the various stages of Movement Control Order (“MCO”), the MCO had restricted the movement of the public and uncertainty of the economy in general, hence, sales made was generally lower to the preceding period resulted the revenue generated were lower.

In conjunction with the revenue generated was lower, hence, this quarter had resulted losses in general.

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

B3. Prospects and progress on previously announced financial estimate

(a) Prospects

Since the outbreak of COVID-19 pandemic, the Government had implemented the various stages of Movement Control Order (“MCO”) to contain the pandemic from spreading further, new launches and marketing and promotional activities has reduced dramatically during this period. Currently the emphasis is placed on the on-going-project and unsold completed units.

Bank Negara Malaysia has reduced the Overnight Policy Rate (“OPR”) to a historic low rate of 1.75% in July 2020 and National Economy Recovery Plan (PENJANA) 2020 which has lined up several initiatives to rejuvenate the property market industry which include exemption of RPGT upon disposal of residential properties for the period between 1 June 2020 to 31 Dec 2021, stamp duty exemption under the Home Ownership Campaign (“HOC”) 2020, will expect to have a positive impact on the overall property market industry sentiment.

Moving forward, other than concentrating on selling the completed inventories, the Group will remain prudent with very few new launches and by refocusing in developing affordable properties. Moreover, the Group will also focus on promoting the marketing initiatives Rent-To-Own (“RTO”) that is, HouzKey – by Maybank’s campaign to attract potential house buyers.

New Paradigm Shift:

The Group has decided in April to make a strategic move to develop business in the marketing and sales, trading and supply of medical and hospital equipment and products and medical industry related real estate with the strategic collaboration agreement with Sinopharm Medical Equipment QuanZhou Co. Ltd (“Sinopharm”), a foreign company incorporate in The People’s Republic of China.

Subsequently, a strategic collaboration agreement was entered with China SINOMACH Heavy Industry Corporation, to jointly develop medical supply security base in Malaysia (i.e. construction base), production plant and equipment and to produce melt-blown fabric and non-woven fabric for medical related products such as personal protection equipment and medical use surgical face mask;

Later, a collaboration and distribution agreement was entered with Rubberex Corporation (M) Berhad (“Rubberex”) to collaborate, distribute, export and sell gloves to the People’s Republic of China (“China”) market via Sinopharm and also, to collaborate, distribute, import and sell the personal protection equipment and medical products from Sinopharm.

Pursuant to the Strategic Collaboration Agreements, the Group is expected to expand and diversify the existing principal activities of Titijaya and its subsidiaries.

B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONTINUED)**B3. Prospects and progress on previously announced financial estimate (continued)****(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

The Board of Directors does not recommend any interim dividend for the 12 month financial year ended 30 June 2020.

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

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.04.2020 TO 30.06.2020	01.04.2019 TO 30.06.2019 Restated	01.07.2019 TO 30.06.2020	01.07.2018 TO 30.06.2019
	RM'000	RM'000	RM'000	RM'000
After charging:				
Auditor's remuneration	-	-	441	414
Depreciation of property, plant and equipment	218	244	890	940
Depreciation of investment properties	189	189	756	756
Directors' remuneration	680	388	2,069	1,985
Interest expenses	3,230	1,876	8,840	12,883
Loss on disposal of motor vehicle	-	1	-	1
Short term and low value asset leases	38	24	246	305
Staff costs	2,222	3,005	11,148	13,133
Liquidated damages	6,177	-	6,177	-
After crediting:				
Bank interest income	(131)	(704)	(443)	(2,196)
Fixed deposit interest income	(348)	(674)	(552)	(2,267)
Other interest income	(909)	(4)	(3,488)	(665)
Liquidated damages income	-	(1,054)	(78)	(1,054)
Rental income	(1,105)	(1,088)	(4,392)	(5,686)
Gain on the redemption of Class A Shares	(13,018)	-	(13,018)	-
Fair value gain on the financial instrument	(7,813)	-	(7,813)	-

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 (CONTINUED)

B8. Income tax expense

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.04.2020 TO 30.06.2020	01.04.2019 TO 30.06.2019 Restated	01.07.2019 TO 30.06.2020	01.07.2018 TO 30.06.2019
	RM'000	RM'000	RM'000	RM'000
Current tax expense	5,498	(1,153)	15,950	12,054
Deferred taxation	(93)	3,172	(1,911)	3,212
	5,405	2,019	14,039	15,266

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

B9. Status of Corporate Proposal

There were no material transaction or events subsequent to the current quarter ended 30 June 2020 until 21 August 2020 (the latest practicable date which is not earlier than 7 calendar days from the date of issue of this quarterly report), save for the 12 August 2020 announcement made behalf of the Titijaya Group by UOB Kay Hian Securities (M) Sdn. Bhd. to proposes to undertake a diversification of the existing principal activities of Titijaya Group to include sales, trading, distribution, production and development of medical and hospital equipment, devices and products, personal protective equipment, and medical related real estate.

B10. Group Loans and Borrowings and Debt Securities

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

	30.06.2020 RM'000	30.06.2019 RM'000
Non-current:		
Bank borrowings	306,290	357,856
Finance lease liabilities	788	1,021
	<u>307,078</u>	<u>358,877</u>
Current:		
Bank borrowings	141,641	116,369
Finance lease liabilities	242	252
	<u>141,883</u>	<u>116,621</u>
Total loans and borrowings	<u>448,961</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 (CONTINUED)

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	
	01.04.2020 TO 30.06.2020	01.04.2019 TO 30.06.2019 Restated	01.07.2019 TO 30.06.2020	01.07.2018 TO 30.06.2019
Profit attributable to owners of the company (RM'000)	(9,248)	4,393	(2,132)	34,924
Weighted average number of ordinary shares in issue ('000)	1,266,917	1,342,453	1,264,288	1,315,166
Basic earnings per share (sen)	(0.73)	0.33	(0.17)	2.66

(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 year 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	
	01.04.2020 TO 30.06.2020	01.04.2019 TO 30.06.2019 Restated	01.07.2019 TO 30.06.2020	01.07.2018 TO 30.06.2019
Profit attributable to owners of the Company (RM'000)	(9,248)	4,393	(2,132)	34,924
Weighted average number of ordinary shares in issue ('000)	1,266,917	1,342,453	1,264,288	1,315,166
Effect of dilution: Irredeemable Convertible Preference Shares ('000)	86,503	86,503	86,503	86,503
Adjusted weighted average number of ordinary shares ('000)	1,353,420	1,428,956	1,350,791	1,401,669
Diluted earnings per share (sen)	(0.68)	0.31	(0.16)	2.49

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