



TAMBUN INDAH LAND BERHAD

(Company No: 810446-U)

(Incorporated in Malaysia)

Interim Financial Report

For The Financial Year Ended 31 December 2010 (Unaudited)

	Page No.
Condensed Consolidated Statement of Financial Position	1
Condensed Consolidated Statement of Comprehensive Income	2
Condensed Consolidated Statement of Changes In Equity	3
Condensed Consolidated Statement of Cash Flows	4
Notes to the Interim Financial Report	5 - 17

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010
Condensed Consolidated Statement of Financial Position

	Unaudited As at 31 December 2010 RM'000	Audited As at 31 December 2009 RM'000
ASSETS:		
Non-Current Assets:		
Property, plant and equipment	732	N/A
Investment properties	8,925	N/A
Goodwill on consolidation	441	N/A
Land held for development	55,318	N/A
	<u>65,416</u>	<u>N/A</u>
Current Assets		
Property development costs	62,528	N/A
Trade and other receivables	56,371	N/A
Tax recoverable	2,477	N/A
Cash and bank balances	27,191	N/A
	<u>148,567</u>	<u>N/A</u>
TOTAL ASSETS	<u>213,983</u>	<u>N/A</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent:		
Share capital	94,500	N/A
Retained profits	25,364	N/A
	<u>119,864</u>	<u>N/A</u>
Minority interests	20,099	N/A
Total Equity	<u>139,963</u>	<u>N/A</u>
Non-Current Liabilities:		
Long-term bank borrowings	5,815	N/A
Deferred taxation	1,046	N/A
	<u>6,861</u>	<u>N/A</u>
Current Liabilities:		
Trade and other payables	47,765	N/A
Short-term bank borrowings	17,254	N/A
Current tax payable	2,140	N/A
	<u>67,159</u>	<u>N/A</u>
TOTAL LIABILITIES	<u>74,020</u>	<u>N/A</u>
TOTAL EQUITY AND LIABILITIES	<u>213,983</u>	<u>N/A</u>
Net assets per share attributable to ordinary equity holders of the company (RM) (Note 3)	<u>0.63</u>	<u>N/A</u>

N/A denotes not applicable

Notes:

- 1 The condensed Consolidated Statement of Financial Position should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the six (6)-month financial period ended 30 June 2010 as disclosed in the Prospectus of the Tambun Indah Land Berhad ("Tambun Indah" or the "Company") dated 29 December 2010 and the accompanying explanatory notes attached to this interim financial report.
- 2 No Comparative figures are available as this is the first interim financial report on the consolidated results for the fourth quarter ended 31 December 2010 announced by the Company in compliance with Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("Listing Requirements").
- 3 Based on the issued and paid-up share capital of 189,000,000 ordinary shares of RM0.50 each in Tambun Indah ("Shares") after the completion of the acquisition of subsidiary companies but prior to public issue.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

Condensed Consolidated Statement of Comprehensive Income

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31-Dec-2010 RM'000	Preceding Year Corresponding Quarter 31-Dec-2009 RM'000	Current Year- To-Date 31-Dec-2010 RM'000	Preceding Year Corresponding Period 31-Dec-2009 RM'000
Revenue	40,001	N/A	40,001	N/A
Cost of sales	(28,061)	N/A	(28,061)	N/A
Gross profit	11,940	N/A	11,940	N/A
Other operating income	129	N/A	129	N/A
Bargain purchase gain	16,902	N/A	16,902	N/A
Sales and marketing expenses	(557)	N/A	(557)	N/A
Administrative expenses	(104)	N/A	(110)	N/A
Depreciation expenses	(22)	N/A	(22)	N/A
Profit before tax	28,288	N/A	28,282	N/A
Income tax expense	(1,883)	N/A	(1,883)	N/A
Profit for the Year	26,405	N/A	26,399	N/A
Other comprehensive income net of tax :	-	N/A	-	N/A
Total comprehensive income for the period	26,405	N/A	26,399	N/A
Profit attributable to :				
Equity holders of the Company	25,380	N/A	25,374	N/A
Minority interests	1,025	N/A	1,025	N/A
	26,405	N/A	26,399	N/A
Total comprehensive income attributable to :				
Equity holders of the Company	25,380	N/A	25,374	N/A
Minority interests	1,025	N/A	1,025	N/A
	26,405	N/A	26,399	N/A
Earnings per share attributable to the equity holders of the Company (Note 3)				
Basic (sen)	24.71	N/A	98.01	N/A
Diluted (sen)	24.71	N/A	98.01	N/A

N/A denotes not applicable

Notes :

- 1 The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the six (6)-month financial period ended 30 June 2010 as disclosed in the Prospectus of the Company dated 29 December 2010 and the accompanying explanatory notes attached to this interim financial report.
- 2 No Comparative figures are available as this is the first interim financial report on the consolidated results for the fourth quarter ended 31 December 2010 announced by the Company in compliance with the Listing Requirements.
- 3 Based on the issued and paid-up share capital of 189,000,000 Shares after the completion of the acquisition of subsidiary companies but prior to public issue.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010
Condensed Consolidated Statement of Changes In Equity

	<u>Attributable to Equity Holders of the Company</u>			Minority Interests RM'000	Total Equity RM'000
	Share Capital RM'000	<u>Distributable</u> Retained Profits RM'000	Total RM'000		
At 1 January 2009	#	(8)	(8)	-	(8)
Total comprehensive loss for the year	-	(2)	(2)	-	(2)
At 31 December 2009	#	(10)	(10)	-	(10)
Changes in equity for the year:					
Issuance of ordinary shares pursuant to acquisition of subsidiary companies	94,500	-	94,500	19,074	113,574
Total comprehensive income for the year	-	25,374	25,374	1,025	26,399
At 31 December 2010	94,500	25,364	119,864	20,099	139,963

Denotes RM2

Notes :

- 1 The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the six (6)-month financial period ended 30 June 2010 as disclosed in the Prospectus of the Company dated 29 December 2010 and the accompanying explanatory notes attached to this interim financial report.*
- 2 No Comparative figures are available as this is the first interim financial report on the consolidated results for the fourth quarter ended 31 December 2010 announced by the Company in compliance with the Listing Requirements.*

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010
Condensed Consolidated Statement of Cash Flows

	12 months ended 31-Dec-2010 RM'000	12 months ended 31-Dec-2009 RM'000
Profit before taxation	28,282	N/A
Adjustments for:-		
Non-cash items	(16,884)	N/A
Non-operating items	(90)	N/A
Operating profit before changes in working capital	11,308	N/A
Net Change in current assets	(54,367)	N/A
Net Change in current liabilities	33,657	N/A
Cash used in operations	(9,402)	N/A
Interest received	90	N/A
Tax paid	(1,218)	N/A
Net cash used in operating activities	(10,530)	N/A
Investing Activities		
Acquisition of subsidiary companies	39,687	N/A
Purchase of investment properties	(389)	N/A
Net cash generated from investing activities	39,298	N/A
Financing Activities		
Changes of fixed deposits pledged to a licensed bank	(124)	N/A
Repayment of bank borrowings	(4,715)	N/A
Net cash used in financing activities	(4,839)	N/A
Net changes in cash and cash equivalents	23,929	N/A
Cash and cash equivalents at 1 January 2010/2009	21	N/A
Cash and cash equivalents at 31 December 2010/2009	23,950	N/A

Cash and cash equivalents included in the cash flows comprise the following balance sheet amounts:-

Fixed deposits with a licensed bank	11,518	N/A
Cash and bank balances	15,673	N/A
Bank overdraft	(3,117)	N/A
	24,074	N/A
Less: Fixed deposits pledged to a licensed bank	(124)	N/A
	23,950	N/A

N/A denotes not applicable

Notes :

- 1 The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the six (6)-month financial period ended 30 June 2010 as disclosed in the Prospectus of the Company dated 29 December 2010 and the accompanying explanatory notes attached to this interim financial report.
- 2 No Comparative figures are available as this is the first interim financial report on the consolidated results for the fourth quarter ended 31 December 2010 announced by the Company in compliance with the Listing Requirements.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

A. Explanatory Notes pursuant to Financial Reporting Standard ("FRS") 134, Interim Reporting and the Listing Requirements

A1. Basis of Preparation

The interim financial report has been prepared in accordance with FRS 134, Interim Financial Reporting and paragraph 9.22 and Appendix 9B of Listing Requirements. The figures for the cumulative period in current quarter ended 31 December 2010 have not been audited.

This is the first interim financial report on the consolidated results for the fourth quarter ended 31 December 2010 announced by the Company in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding financial year's corresponding period.

The interim financial statements should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the six (6)-month financial period ended 30 June 2010 as disclosed in the Prospectus of the Company dated 29 December 2010.

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by Tambun Indah and its subsidiary companies ("Group") for the interim financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2009 except for the mandatory adoption of the following new and revised FRSs and Issues Committee Interpretations ("IC Interpretations") effective for the financial period beginning on 1 January 2010:

FRSs, amendments to FRSs and IC Interpretations

FRS 1	First-time Adoption of Financial Reporting Standards
Amendments to FRS 1 and FRS 127	Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
FRS 2	Share-based Payment
Amendments to FRS 2	Share-based Payment Vesting Conditions and Cancellations
FRS 3	Business Combinations
FRS 5 and Amendment to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 7	Financial Instruments: Disclosures
Amendments to FRS 139, FRS 7 and IC Interpretation 9	Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives
FRS 8 and Amendment to FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 107	Statement of Cash Flows (formerly known as Cash Flow Statements)
FRS 108 and Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
FRS 110	Events after the Reporting Period (formerly known as Events after the Balance Sheet Date)
FRS 112	Income Taxes
FRS 116	Property, Plant and Equipment
FRS 117 and Amendment to FRS 117	Leases
FRS 118 and Amendment to FRS 118	Revenue
FRS 119 and Amendment to FRS 119	Employee Benefits
FRS 120 and Amendment to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
FRS 121	The Effects of Changes in Foreign Exchange Rates
Amendment to FRS 121	The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation
FRS 123 and Amendment to FRS 123	Borrowing Costs

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

A2. Changes in Accounting Policies (continued)

FRSs, amendments to FRSs and IC Interpretations (continued)

FRS 124	Related Party Disclosures
FRS 126	Accounting and Reporting by Retirement Benefit Plans
FRS 127 and Amendment to FRS 127	Consolidated and Separate Financial Statements
FRS 128 and Amendment to FRS 128	Investments in Associates
FRS 131 and Amendment to FRS 131	Interests in Joint Ventures
FRS 132	Financial Instruments: Presentation (formerly known as Financial Instruments: Disclosure and Presentation)
Amendments to FRS 132	Financial Instruments: Presentation
FRS 133	Earnings Per Share
FRS 134 and Amendment to FRS 134	Interim Financial Reporting
FRS 136	Impairment of Assets
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
FRS 138 and Amendment to FRS 138	Intangible Assets
FRS 139	Financial Instruments: Recognition and Measurement
FRS 140 and Amendment to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2: Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group except for those discussed below:

(i) FRS 8 Operating Segment

FRS 8 requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Group presents its segment information based on its business segments, which is also the basis of presenting its monthly internal management reports. The basis of measurement of segment results, segment assets and segment liabilities are same as the basis of measurement for external reporting.

(ii) FRS 139 Financial Instruments: Recognition and Measurement

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group has adopted FRS 139 prospectively on 1 January 2010 in accordance with the transitional provisions. The effects arising from the adoption of this Standard has been accounted for by adjusting the opening balance of retained earnings as at 1 January 2010, if any. Comparatives are not restated.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

A2. Changes in Accounting Policies (continued)

Standards and Interpretations issued but not yet effective

The Group has not adopted the following new and revised FRSs, IC Interpretations and Amendments because they are not yet effective for the current quarter and financial year ended 31 December 2010:

- | | |
|--|---|
| (a) FRS 3 | Business Combinations |
| (b) FRS 127 | Consolidated and Separate Financial Statements |
| (c) IC Interpretation 12 | Service Concession Arrangements |
| (d) IC Interpretation 15 | Agreements for the Construction of Real Estate |
| (e) IC Interpretation 16 | Hedges of a Net Investment in a Foreign Operation |
| (f) IC Interpretation 17 | Distributions of Non-cash Assets to Owners |
| (g) IC Interpretation 18 | Transfer of Assets from Customers |
| (h) Amendments to FRS 2, FRS 5, FRS 7, FRS 138, IC Interpretation 9. | |

The Group will adopt these relevant standards beginning on 1 January 2011 except for IC Interpretation 15, Agreements for the Construction of Real Estate which will be effective for the financial year beginning on 1 January 2012.

Except for the changes in accounting policies arising from the adoption of IC Interpretation 15 and the new disclosures required under the Amendments to FRS 7, the Group expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of IC Interpretation 15 is disclosed below.

IC Interpretation 15 Agreements for the Construction of Real Estate

This Interpretation clarifies when and how revenue and related expenses from the sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. Furthermore, the Interpretation provides guidance on how to determine whether an agreement is within the scope of FRS 111 Construction Contracts or FRS 118 Revenue.

The Group currently recognises revenue arising from property development projects using the stage of completion method. Upon the adoption of IC Interpretation 15, the Group may be required to change its accounting policy to recognise such revenues at completion, or upon or after delivery. The Group is in the process of making an assessment of the impact of this Interpretation.

A3. Explanatory Comments about Seasonality or Cyclicity of Interim Operations

The business operations of the Group during the financial year under review have not been materially affected by any seasonal or cyclical factors.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial quarter.

A5. Material Changes in Estimates

There were no changes in estimates that have had a material effect in the current financial quarter results.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

A6. Debt and Equity Securities

Save as disclosed below, there were no issuance, cancellation, repurchase, resale or repayment of debt and/or equity securities, share buybacks, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial quarter under review and year-to-date:-

(a) Increase in Authorised Share Capital

The authorised share capital of the Company of RM100,000 comprising 200,000 Shares each was increased to RM250,000,000 divided into 500,000,000 Shares by the creation of 499,800,000 Shares.

The increase in authorised share capital was completed on 11 November 2010.

(b) Issuance of Shares Pursuant to Acquisitions

During the financial year under review, the Company undertook acquisitions of subsidiary companies by issuance of 188,999,996 Shares. The acquisitions were completed on 11 November 2010. The acquisitions resulted in the issued and paid-up share capital of the Company being increased from 4 Shares to 189,000,000 Shares.

The details of the issuance of Shares pursuant to the acquisitions are as follows:-

Subsidiary companies	Equity interest acquired (%)	Purchase considerations (RM)	Number of Shares allotted	Date of Allotment
Cenderaman Development Sdn Bhd	100%	3,991,350	7,982,700	11-Nov-2010
Denmas Sdn Bhd	100%	1,789,024	3,578,048	11-Nov-2010
Denmas Development Sdn Bhd	100%	4,994,056	9,988,112	11-Nov-2010
Epiland Properties Sdn Bhd	100%	504,292	1,008,584	11-Nov-2010
Hong Hong Development Sdn Bhd	100%	5,950,384	11,900,768	11-Nov-2010
Intanasia Development Sdn Bhd	100%	4,222,661	8,445,322	11-Nov-2010
Jasnia Sdn Bhd	100%	8,499,242	16,998,484	11-Nov-2010
Juru Heights Sdn Bhd	100%	11,726,244	23,452,488	11-Nov-2010
Langstone Sdn Bhd	100%	8,386,323	16,772,646	11-Nov-2010
Perquest Sdn Bhd	100%	10,395,297	20,790,594	11-Nov-2010
Tambun Indah Development Sdn Bhd	70%	17,720,331	35,440,662	11-Nov-2010
Tambun Indah Sdn Bhd	100%	1,447,283	2,894,566	11-Nov-2010
TID Development Sdn Bhd	100%	4,000,000	8,000,000	11-Nov-2010
TKS Land Sdn Bhd	100%	4,800,002	9,600,004	11-Nov-2010
Tokoh Edaran Sdn Bhd	100%	3,595,522	7,191,044	11-Nov-2010
Zipac Development Sdn Bhd	50%	2,477,987	4,955,974	11-Nov-2010
		<u>94,499,998</u>	<u>188,999,996</u>	

Upon completion of the Public Issue as disclosed in Note B9(a), the issued and paid-up share capital of Tambun Indah will be enlarged to RM110,500,000 comprising 221,000,000 Shares.

A7. Dividend Paid

No dividends have been paid during the current financial quarter and financial year under review.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

A8. Operating Segment

(a) The segment revenue by activities for the financial year ended 31 December 2010 is as follows:

	Property development RM'000	Construction and project management RM'000	Investment holdings RM'000	Adjustments and eliminations RM'000	Total RM'000
Revenue from external customers	27,818	12,085	98	-	40,001
Inter-segment revenues	-	1,087	32	(1,119)	-
	<u>27,818</u>	<u>13,172</u>	<u>130</u>	<u>(1,119)</u>	<u>40,001</u>

(b) The segment profit before tax by activities for the financial year ended 31 December 2010 is as follows:

	Property development RM'000	Construction and project management RM'000	Investment holdings RM'000	Adjustments and eliminations RM'000	Total RM'000
Profit before tax	6,757	3,915	105	17,505 #	28,282
Tax expense					(1,883)
Profit for the year					<u>26,399</u>

included a bargain purchase gain of RM16,902,000 arising from the acquisition of subsidiary companies which was completed on 11 November 2010.

(c) Total segment assets by activities as at 31 December 2010:

	RM'000
Property development	175,618
Construction and project management	27,111
Investment holdings	11,254
Total	<u>213,983</u>

A9. Subsequent Material Events

There are no material events subsequent to the financial quarter ended 31 December 2010 till 10 January 2011 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report), that have not been reflected in the financial statements for the current quarter under review. The Company is scheduled to be listed on the Main Market of Bursa Securities on 18 January 2011.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

A10. Changes in the Composition of the Group

In conjunction with, and as an integral part of the listing of and quotation for the entire enlarged issued and paid-up share capital of the Company on the Main Market of Bursa Securities, the Company had on 11 November 2010 completed the acquisitions of the subsidiary companies involving the following :

Acquisitions of subsidiary companies	Equity interest acquired (%)	* Purchase considerations (RM)	Number of Shares allotted	Date of Allotment
Cenderaman Development Sdn Bhd	100%	3,991,350	7,982,700	11-Nov-2010
Denmas Sdn Bhd	100%	1,789,024	3,578,048	11-Nov-2010
Denmas Development Sdn Bhd	100%	4,994,056	9,988,112	11-Nov-2010
Epiland Properties Sdn Bhd	100%	504,292	1,008,584	11-Nov-2010
Hong Hong Development Sdn Bhd	100%	5,950,384	11,900,768	11-Nov-2010
Intanasia Development Sdn Bhd	100%	4,222,661	8,445,322	11-Nov-2010
Jasnia Sdn Bhd	100%	8,499,242	16,998,484	11-Nov-2010
Juru Heights Sdn Bhd	100%	11,726,244	23,452,488	11-Nov-2010
Langstone Sdn Bhd	100%	8,386,323	16,772,646	11-Nov-2010
Perquest Sdn Bhd	100%	10,395,297	20,790,594	11-Nov-2010
Tambun Indah Development Sdn Bhd	70%	17,720,331	35,440,662	11-Nov-2010
Tambun Indah Sdn Bhd	100%	1,447,283	2,894,566	11-Nov-2010
TID Development Sdn Bhd	100%	4,000,000	8,000,000	11-Nov-2010
TKS Land Sdn Bhd	100%	4,800,002	9,600,004	11-Nov-2010
Tokoh Edaran Sdn Bhd	100%	3,595,522	7,191,044	11-Nov-2010
Zipac Development Sdn Bhd	50%	2,477,987	4,955,974	11-Nov-2010
		<u>94,499,998</u>	<u>188,999,996</u>	

* Based on net tangible assets ("NTA")/adjusted NTA of the respective subsidiary companies as at 31 December 2009.

A11. Changes in Contingent Liabilities and Contingent Assets

There were no material changes in contingent liabilities or contingent assets as at the end of the current financial quarter under review.

A12. Capital Commitments

The amount of capital commitments not provided for in the interim financial report as at 31 December 2010 are as follows:

	RM'000
Purchase of development land	
- Contracted but not provided for	6,762
- Approved but not Contracted	53,223
	<u>59,985</u>

A13. Capital Expenditure

There were no major additions and disposals of property, plant and equipment during the current financial quarter under review and financial year-to-date.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

A14. Significant Related Party Transactions

Related parties are those defined under FRS 124: Related Party Disclosures.

Save as disclosed in the Prospectus of the Company dated 29 December 2010, there were no significant related party transactions entered into by the Group during the current quarter under review and financial year-to-date except for:

	12 months ended 31-Dec-2010 RM'000
Rental received from a company in which a Director has interest	10
Rental paid to a company in which a Director has interest	<u>11</u>

A15. Disclosure of Derivatives

The Group did not have any outstanding derivatives as at the end of the current financial quarter under review.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

B. Explanatory Notes pursuant to Part A of Appendix 9B of the Listing requirements**B1. Review of Performance**

The Group recorded revenue of RM40.0 million and profit before tax of RM28.3 million for current quarter and financial year-to-date.

B2. Variation of results against immediate preceding quarter

No Comparative figures are presented for the immediate preceding quarter as this is the first interim financial report being announced.

B3. Prospect of next financial year

The Group's performance in the financial year ending 31 December 2011 is expected to be favourable due to the strong take up rates of our on going projects, namely Pearl Garden, Juru Heights phase 2, Carissa Park, Dahlia Park and Impian Residence. In addition, the Group plans to launch Pearl Villas, a 335 unit gated and guarded strata title landed home, similar to Pearl Garden, in 2011. In addition, other projects to be launched in 2011 include Tanjung Heights, comprising of a block of 148 condominium and 17 shop offices and BM Residence, comprising of a block of condominiums of 110 units and 38 units of landed houses. The three new launches are expected to contribute positively to the Group's 2011 performance.

B4. Variance of Actual Profit from Forecast Profit or Profit Guarantee

Not applicable as no profit forecast or profit guarantee was published.

B5. Statement by Board of Directors

The Group did not disclose or announce any profit forecast or projection in a public document in the current quarter or financial year-to-date.

B6. Income Tax

Income Tax comprises:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31-Dec-2010 RM'000	Preceding Year Corresponding Quarter 31-Dec-2009 RM'000	Current Year- To-Date 31-Dec-2010 RM'000	Preceding Year Corresponding Period 31-Dec-2009 RM'000
Current income tax	1,173	N/A	1,173	N/A
Deferred taxation	710	N/A	710	N/A
	<u>1,883</u>	<u>N/A</u>	<u>1,883</u>	<u>N/A</u>

The Group's effective taxation rate for the current quarter under review and financial year-to-date of 6.7% was lower than the statutory taxation rate of 25% mainly due to certain income which was not subject to income tax.

B7. Sale of unquoted Investments and/or Properties

There were no sales of unquoted investments and properties during the current quarter under review and financial year-to-date.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

B8. Quoted Securities

There were no purchases or disposals of quoted securities during the current financial quarter under review and financial year-to-date. The Group did not hold any quoted securities as at 31 December 2010.

B9. Status of Corporate Proposals

(a) Status of Corporate Proposals - Initial Public Offering ("IPO")

On 29 December 2010, the Company had issued a Prospectus for the public issue of 32,000,000 new Shares ("Public Issue") and offer for sale of 22,100,000 Shares ("Offer for Sale") at an issue and offer price of RM0.70 per Share ("IPO Price") payable in full on application pursuant to its listing on the Main Market of Bursa Malaysia Securities Berhad as detailed below:

(i) Public Issue

The Public Issue of 32,000,000 Public Issue Shares, representing approximately 14.48% of the enlarged issued and paid-up share capital of Tambun Indah, at an IPO Price of RM0.70 per Share are payable in full on application upon such terms and conditions as set out in the Prospectus dated 29 December 2010 will be allocated and allotted in the following manner:

(aa) Malaysian public via balloting

11,050,000 Public Issue Shares, representing 5.00% of the enlarged issued and paid-up share capital of Tambun Indah, to be allocated via balloting, will be available for application by the Malaysian individuals, companies, co-operatives, societies and institutions, of which at least 50.00% is to be set aside for Bumiputera individuals, companies, co-operatives, societies and institutions to the extent possible.

(bb) Eligible Parties

11,050,000 Public Issue Shares, representing 5% of the enlarged issued and paid-up capital of Tambun Indah will be made available for application by the eligible Directors, employees and business associates of the Group; and

(cc) Identified investors via private placement

9,900,000 Public Issue Shares, representing approximately 4.48% of the enlarged issued and paid-up share capital of Tambun Indah will be made available for application by identified investors via private placement.

(ii) Offer For Sale

The Offer for Sale of 22,100,000 Shares representing 10.00% of the enlarged issued and paid-up share capital of Tambun Indah at the IPO Price of RM0.70 are payable in full on application upon such terms and conditions as set out in the Prospectus dated 29 December 2010 will be allocated and allotted via private placement to identified Bumiputera investors approved by the Ministry of International Trade and Industry. The proceeds from the Offer for Sale will be accrued entirely to the Offerors.

Upon completion of the Public Issue, the issued and paid-up share capital of the Tambun Indah will increase from RM94,500,000 comprising 189,000,000 Shares to RM110,500,000 comprising 221,000,000 Shares.

Upon completion of the Public Issue, the entire enlarged issued and paid-up share capital of the Company is scheduled to be listed on the Main Market of Bursa Securities on 18 January 2011.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

B9. Status of Corporate Proposals (continued)

(b) Status of Utilisation of Proceeds

The total gross proceeds arising from the Public Issue of RM22.40 million which will accrue entirely to Tambun Indah are intended to be utilised in the following manner:

Purpose of utilisation	Estimated time frame for utilisation from date of Listing	Proposed utilisation RM'000	Actual Utilisation RM'000	Deviation RM'000
(i) Working capital	12 months	12,700	-	-
(ii) Repayment of bank borrowings	12 months	7,100	-	-
(iii) Estimated share issue expenses	3 months	2,600	-	-
Total proceeds		<u>22,400</u>	<u>-</u>	<u>-</u>

B10. Borrowings and Debt Securities

Details of the Group's borrowings as at 31 December 2010 are as follows:

	Secured RM'000
<i>Long term borrowings:</i>	
Term loans	5,815
<i>Short term borrowings:</i>	
Term loans	1,285
Bridging loans	12,852
Bank overdrafts	3,117
Total	<u>23,069</u>

The Group has no foreign currency borrowings.

B11. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report.

B12. Material Litigation

The Group is not engaged in any material litigation as at the date of this report.

B13. Dividend

No interim dividend has been declared for the financial year ended 31 December 2010.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

B14. Earnings Per Share

(a) Basic Earnings Per Share

The basic earnings per share for the current financial quarter and current financial year-to-date has been calculated by dividing the Group's profit for the year attributable to equity holders of the Company by the weighted average number of shares in issue.

	Current Quarter 31-Dec-2010	Preceding Year Corresponding Quarter 31-Dec-2009	Current Year- To-Date 31-Dec-2010	Preceding Year Corresponding Period 31-Dec-2009
Profit for the period/year attributable to equity holders of the Company (RM'000)	25,380	N/A	25,374	N/A
Weighted average number of ordinary shares in issue ('000)	102,717	N/A	25,890	N/A
Basic Earnings Per Share (sen)	24.71	N/A	98.01	N/A

The weighted average number of ordinary shares used in the denominator in calculating basic and diluted earnings per share for the financial year ended 31 December 2010 is as follows:

	Current Quarter 31-Dec-2010 '000	Preceding Year Corresponding Quarter 31-Dec-2009 '000	Current Year- To-Date 31-Dec-2010 '000	Preceding Year Corresponding Period 31-Dec-2009 '000
Number of ordinary shares at beginning of the period/year	#	N/A	#	N/A
Effect of shares issued pursuant to acquisition of subsidiary companies	102,717	N/A	25,890	N/A
Weighted average number of ordinary shares	102,717	N/A	25,890	N/A

4 ordinary shares of RM0.50 each

(b) Diluted Earnings per share

Diluted earnings per share were not computed as the Company does not have any dilutive potential ordinary shares in issue as at the end of the financial quarter under review. As such, the diluted earnings per share is presented as equal to basic earnings per share.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

B15. Compliance to the Securities Commission's ("SC") conditions

Details of conditions imposed by the SC	Status of compliance																		
(i) MIMB Investment Bank Berhad ("MIMB")/Tambun Indah to ensure that the resultant audited NTA of the Group's subsidiary companies after the payment of the proposed special dividend would not be less than their respective adjusted audited NTAs as at 31 December 2009 after the capitalisation of shareholders' advances and dividend payment. In this regard, MIMB and Tambun Indah are to also confirm that the payment of the special dividend would not have a significant adverse effect on the financial and liquidity position of the Group in carrying out its business operations;	Met. The resultant audited NTA of the Group's subsidiary companies after the payment of the special dividend was not less than their respective adjusted audited NTA as at 31 December 2009 after the capitalisation of shareholders' advance and dividend payment. In addition, the payment of the special dividend would not have a significant adverse effect on the financial and liquidity position of the Group in carrying out its business operations.																		
(ii) The following promoters' shares in Tambun Indah are subject to moratorium for 6 months from the admission date of Tambun Indah to the Official List of the Main Market of Bursa Securities: <table border="1" data-bbox="217 925 979 1238"> <thead> <tr> <th data-bbox="217 999 341 1025">Promoters</th> <th data-bbox="603 925 778 1025">No. of shares to be held under moratorium</th> <th data-bbox="794 958 948 1025">% of enlarged share capital</th> </tr> </thead> <tbody> <tr> <td data-bbox="217 1066 443 1093">Amal Pintas Sdn Bhd</td> <td data-bbox="655 1066 783 1093">22,951,105</td> <td data-bbox="890 1066 975 1093">10.39%</td> </tr> <tr> <td data-bbox="217 1099 459 1126">Siram Permai Sdn Bhd</td> <td data-bbox="655 1099 783 1126">89,250,001</td> <td data-bbox="890 1099 975 1126">40.39%</td> </tr> <tr> <td data-bbox="217 1133 416 1160">Tah-Wah Sdn Bhd</td> <td data-bbox="655 1133 783 1160">19,853,898</td> <td data-bbox="906 1133 975 1160">8.98%</td> </tr> <tr> <td data-bbox="217 1167 400 1193">Ir. Teh Kiak Seng</td> <td data-bbox="655 1167 783 1193">4,955,974</td> <td data-bbox="922 1167 975 1193">2.24%</td> </tr> <tr> <td></td> <td data-bbox="639 1200 783 1227"><u>137,010,978</u></td> <td data-bbox="890 1200 975 1227"><u>62.00%</u></td> </tr> </tbody> </table>	Promoters	No. of shares to be held under moratorium	% of enlarged share capital	Amal Pintas Sdn Bhd	22,951,105	10.39%	Siram Permai Sdn Bhd	89,250,001	40.39%	Tah-Wah Sdn Bhd	19,853,898	8.98%	Ir. Teh Kiak Seng	4,955,974	2.24%		<u>137,010,978</u>	<u>62.00%</u>	To be complied.
Promoters	No. of shares to be held under moratorium	% of enlarged share capital																	
Amal Pintas Sdn Bhd	22,951,105	10.39%																	
Siram Permai Sdn Bhd	89,250,001	40.39%																	
Tah-Wah Sdn Bhd	19,853,898	8.98%																	
Ir. Teh Kiak Seng	4,955,974	2.24%																	
	<u>137,010,978</u>	<u>62.00%</u>																	
(iii) Tambun Indah allocating 27,625,000 of the shares to the Bumiputera investors, including the shares offered under the balloted public offer portion, in which 50% are to be offered to the retail Bumiputera investors. In the event that Tambun Indah/Ministry of International Trade and Industry ("MITI") is unable to allocate the shares to the potential Bumiputera investors, the unsubscribed shares shall be offered to the Bumiputera public investors via balloting; and	Met. Tambun Indah had allocated 27,625,000 Shares to the Bumiputera investors comprising 22,100,000 Offer Shares and 50% of the 11,050,000 Public Issue Shares allocated for application by the Malaysian public. In the event that Tambun Indah or the MITI is unable to allocate the Offer Shares to potential Bumiputera investors, the unsubscribed Offer Shares shall be offered to the Bumiputera public investors via balloting.																		
(iv) MIMB/Tambun Indah to fully comply with the requirements of the Equity Guidelines and Prospectus Guidelines pertaining to the implementation of the proposal.	Noted.																		
(v) MIMB/Tambun is required to inform the SC upon completion of the proposals.	To be complied.																		

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

B15. Compliance to the SC conditions (continued)

Details of conditions imposed by the SC			Status of compliance
(vi) The SC noted the equity structure relating to Bumiputera, non-Bumiputera and foreign shareholdings in Tambun Indah would change arising from the implementation of the proposal, as follows:			To be complied.
	Before proposal (%)	After proposal (%)	
Shareholders			
Bumiputera	-	12.50	
Non-Bumiputera	100.00	87.50	
Foreign	-	-	
Total	100.00	100.00	

B16. Disclosure of realised and unrealised profits/losses

Total retained profits of Tambun Indah and its subsidiary companies as at 31 December 2010:

	RM'000
- Realised	9,146
- Unrealised	16,218
Total group retained profits as per consolidated accounts	<u>25,364</u>

No Comparative figures for immediate preceding quarter are available as this is the first interim financial report on the consolidated results for the fourth quarter ended 31 December 2010 announced by the Company in compliance with the Listing Requirements.

B17. Auditors' Report on Preceding Annual Financial Statements

There was no qualification to the audited financial statements of the Company and its subsidiary companies for the financial year ended 31 December 2009.

B18. Authorised for Issue

The interim financial statements were authorised for issue by the Board of Directors of Tambun Indah in accordance with a resolution of the Directors on 14 January 2011.

By order of the Board of Directors
Lee Peng Loon
Company Secretary
14 January 2011