



**TAMBUN INDAH LAND BERHAD**  
(Registration No: 200801009158 (810446-U))  
(Incorporated in Malaysia)

Interim Financial Report  
For The Third Quarter Ended 30 September 2021 (Unaudited)

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021  
Condensed Consolidated Statement of Financial Position

		Unaudited As at 30 September 2021 RM'000	(Restated)* As at 31 December 2020 RM'000	(Restated)* As at 1 January 2020 RM'000
	Note			
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, plant and equipment		3,422	3,632	3,347
Right-of-use assets		384	482	623
Investment properties		125,716	125,845	125,574
Inventories	B13	282,546	283,298	284,145
Investment in an associate company		341	341	340
Investment in a joint venture		27,135	28,065	27,815
Deferred tax assets		7,092	8,905	12,760
		<u>446,636</u>	<u>450,568</u>	<u>454,604</u>
<b>Current Assets</b>				
Inventories	B13	152,508	154,590	154,736
Trade and other receivables		39,958	29,764	35,820
Contract assets		77,810	56,615	24,232
Current tax assets		2,543	2,369	2,537
Short term funds		33,580	40,307	62,058
Cash and bank balances		87,331	57,268	96,075
		<u>393,730</u>	<u>340,913</u>	<u>375,458</u>
<b>TOTAL ASSETS</b>		<u>840,366</u>	<u>791,481</u>	<u>830,062</u>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity attributable to owners of the parent:</b>				
Share capital		288,381	288,189	287,637
Option reserve		1,202	1,216	999
Retained earnings		386,971	364,325	351,305
		<u>676,554</u>	<u>653,730</u>	<u>639,941</u>
Non-controlling interests		(2,450)	(1,799)	488
<b>Total Equity</b>		<u>674,104</u>	<u>651,931</u>	<u>640,429</u>
<b>Non-Current Liabilities</b>				
Long-term bank borrowings		90,828	103,346	118,474
Lease liabilities		227	299	408
Deferred tax liability		561	631	518
		<u>91,616</u>	<u>104,276</u>	<u>119,400</u>
<b>Current Liabilities</b>				
Trade and other payables		46,660	21,972	27,838
Short-term bank borrowings		22,081	13,114	41,499
Lease liabilities		94	110	111
Current tax liabilities		5,811	78	785
		<u>74,646</u>	<u>35,274</u>	<u>70,233</u>
<b>TOTAL LIABILITIES</b>		<u>166,262</u>	<u>139,550</u>	<u>189,633</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>840,366</u>	<u>791,481</u>	<u>830,062</u>
<b>Net assets per share attributable to ordinary equity holders of the company (RM) (Note b)</b>		<u>1.56</u>	<u>1.50</u>	<u>1.48</u>

\* Certain amounts shown here do not correspond to the 2020 financial statements and reflect adjustments made, refer to Note A2.

Notes:

- a The condensed Consolidated Statement of Financial Position should be read in conjunction with Tambun Indah Land Berhad's ("Tambun Indah" or "the Company") audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.
- b Based on 434,837,517 (2020: 434,492,017) ordinary shares issued in Tambun Indah ("Shares").

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021  
Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Note	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
		30-Sep-2021	30-Sep-2020	30-Sep-2021	30-Sep-2020
		RM'000	RM'000 (Restated)	RM'000	RM'000 (Restated)
Revenue		33,830	42,683	148,357	70,919
Cost of sales		(20,474)	(23,802)	(91,410)	(41,749)
<b>Gross profit</b>		<u>13,356</u>	<u>18,881</u>	<u>56,947</u>	<u>29,170</u>
Other income	B14	418	720	1,168	2,375
Sales and marketing expenses		(883)	(1,374)	(3,068)	(3,304)
Administrative expenses	B15	(2,030)	(3,640)	(9,098)	(9,781)
Profit from operations		<u>10,861</u>	<u>14,587</u>	<u>45,949</u>	<u>18,460</u>
Finance costs		(886)	(1,002)	(2,692)	(3,618)
Share of profit of an associate		-	1	-	2
Share of profit of a joint venture		1	23	70	176
Profit before tax		<u>9,976</u>	<u>13,609</u>	<u>43,327</u>	<u>15,020</u>
Income tax expense		(2,349)	(3,465)	(10,896)	(4,300)
<b>Profit for the period</b>		<u>7,627</u>	<u>10,144</u>	<u>32,431</u>	<u>10,720</u>
<b>Total other comprehensive income, net of tax</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>		<u>7,627</u>	<u>10,144</u>	<u>32,431</u>	<u>10,720</u>
<b>Profit attributable to :</b>					
Owners of the parent		7,852	10,368	33,082	11,842
Non-controlling interests		(225)	(224)	(651)	(1,122)
		<u>7,627</u>	<u>10,144</u>	<u>32,431</u>	<u>10,720</u>
<b>Total comprehensive income attributable to :</b>					
Owners of the parent		7,852	10,368	33,082	11,842
Non-controlling interests		(225)	(224)	(651)	(1,122)
		<u>7,627</u>	<u>10,144</u>	<u>32,431</u>	<u>10,720</u>
<b>Earnings per share attributable to owners of the parent</b>					
Basic (sen)	B11	1.81	2.39	7.61	2.73
Diluted (sen)	B11	1.80	2.39	7.60	2.73

Note :

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Company's audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021  
Condensed Consolidated Statement of Changes In Equity

	Attributable to Owners of the Parent					Total Equity RM'000
	Non-distributable		Distributable		Non-controlling Interests RM'000	
	Share Capital RM'000	Option Reserve RM'000	Retained earnings RM'000	Total RM'000		
<b>At 1 January 2021</b>	288,189	1,216	364,325	653,730	(1,799)	651,931
Profit for the year	-	-	33,082	33,082	(651)	32,431
Total comprehensive income	-	-	33,082	33,082	(651)	32,431
<b>Transactions with owners</b>						
Issuance of ordinary shares - exercise of Employee shares option scheme ("ESOS")	192	(21)	-	171	-	171
Options granted under ESOS	-	7	-	7	-	7
Dividends	-	-	(10,436)	(10,436)	-	(10,436)
Total transactions with owners	192	(14)	(10,436)	(10,258)	-	(10,258)
<b>At 30 September 2021</b>	288,381	1,202	386,971	676,554	(2,450)	674,104
<b>At 1 January 2020</b>	287,637	999	351,132	639,768	488	640,256
Effect of adopting MFRSs	-	-	173	173	-	173
<b>At 1 January 2020 (As restated)</b>	287,637	999	351,305	639,941	488	640,429
Profit for the year	-	-	25,596	25,596	(1,337)	24,259
Total comprehensive income	-	-	25,596	25,596	(1,337)	24,259
<b>Transactions with owners</b>						
Issuance of ordinary shares - exercise of Employee shares option scheme ("ESOS")	552	(58)	-	494	-	494
Transfer of option reserve to retained earning upon lapse of ESOS	-	(20)	20	-	-	-
Options granted under ESOS	-	295	-	295	-	295
Capital Reduction	-	-	-	-	(200)	(200)
Dividends	-	-	(12,596)	(12,596)	(750)	(13,346)
Total transactions with owners	552	217	(12,576)	(11,807)	(950)	(12,757)
<b>At 31 December 2020</b>	288,189	1,216	364,325	653,730	(1,799)	651,931

Note :

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Company audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**  
**Condensed Consolidated Statement of Cash Flows**

	<b>9 months ended 30-Sep-2021 RM'000</b>	<b>9 months ended 30-Sep-2020 RM'000</b>
<b>Cash Flows from Operating Activities</b>		
Profit before taxation	43,327	15,020
Adjustments for:-		
Non-cash items	408	685
Non-operating items	1,646	1,283
Operating profit before changes in working capital	45,381	16,988
Net changes in inventories	2,834	(8,502)
Net changes in trade and other receivables	(10,194)	7,553
Net changes in contract assets	(21,195)	(20,612)
Net changes in trade and other payables	14,252	928
Net cash from operations	31,078	(3,645)
Interest received	976	2,132
Tax paid	(3,594)	(3,017)
<b>Net cash from/(used in) operating activities</b>	<b>28,460</b>	<b>(4,530)</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant and equipment	(93)	(154)
Addition in investment properties	(156)	(416)
Changes of deposits pledged with licensed banks	(31)	(45)
Proceeds from disposal of property, plant and equipment	-	1
Redemption of redeemable preference shares in a joint venture	1,000	-
Proceeds from disposal of investment properties	285	-
<b>Net cash from/(used in) investing activities</b>	<b>1,005</b>	<b>(614)</b>
<b>Cash Flows from Financing Activities</b>		
Dividends paid	-	(4,335)
Dividends paid to non-controlling interests of subsidiary companies	-	(750)
Drawdown of revolving credit	20,000	5,000
Proceeds from issuance of shares pursuant to options exercised under the ESOS	171	197
Repayment of bank borrowings	(23,551)	(46,364)
Repayment of lease liabilities	(88)	(83)
Interest paid	(2,692)	(3,593)
<b>Net cash used in financing activities</b>	<b>(6,160)</b>	<b>(49,928)</b>
Net changes in cash and cash equivalents	23,305	(55,072)
Cash and cash equivalents at 1 January 2021/2020	94,854	155,467
<b>Cash and cash equivalents at 30 September 2021/2020</b>	<b>118,159</b>	<b>100,395</b>
<b>Cash and cash equivalents included in the cash flows comprise of:-</b>		
Short term funds placed with financial institutions	33,580	55,512
Cash and bank balances	75,223	36,276
Deposits placed with licensed banks	12,108	11,318
	120,911	103,106
Less: Deposits pledged with licensed banks	(2,752)	(2,711)
	118,159	100,395

Note :

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Company audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

## INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021

### A. Explanatory Notes pursuant to Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting

#### A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2020. These explanatory notes attached to the 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 year ended 31 December 2020.

#### 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 2020 except for the mandatory adoption of the following new and revised MFRSs and Issues Committee Interpretations ("IC Interpretations") effective for the financial period beginning on 1 January 2021:

##### MFRSs, amendments to MFRSs and IC Interpretations

Amendments to MFRS 16

Covid-19-Related Rent Concessions

Amendments to MFRS 9, MFRS 139, MFRS 17, MFRS 4 and MFRS 16

Interest Rate Benchmark Reform - Phase 2

##### IFRIC Agenda Decision - Over time transfer of constructed good (IAS 23)

The IFRS Interpretations Committee ("IFRIC") received a submission about the capitalisation of borrowing costs in relation to the construction of a residential multi-unit real estate development.

Based on the fact pattern described in the submission, the request asked whether the entity has a qualifying asset as defined in IAS 23 *Borrowing Costs* and, therefore, capitalises any directly attributable costs.

The IFRIC concluded in March 2019 that, in the fact pattern described in the request:

- i. Any receivable and contract asset that the entity recognises is not a qualifying asset.
- ii. Any inventory (work-in-progress) for unsold units under construction that the entity recognises is also not a qualifying asset because the unsold units are ready for its intended use or sale.

The MASB announced on 20 March 2019 that an entity shall apply the change in accounting policy as a result of this Agenda Decision to financial statements of annual periods beginning on or after 1 July 2020.

The group has adopted the IFRIC Agenda Decision- Over time transfer of constructed good (IAS 23) in its opening statement of financial position as at 1 January 2020 and throughout all comparable interim periods presented, as if these policies had always been in effect. Comparative information in these interim financial statements have been restated to give effect to these changes is disclosed as follows:

#### (a) Reconciliation of financial position and equity

Group 1 January 2020	Previously reported RM'000	Effects of IAS 23 RM'000	Restated RM'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3,347	-	3,347
Right-of-use assets	623	-	623
Investment properties	125,574	-	125,574
Inventories	284,145	-	284,145
Investment in an associate company	340	-	340
Investment in a joint venture	27,815	-	27,815
Deferred tax assets	12,760	-	12,760
	454,604	-	454,604
<b>Current Assets</b>			
Inventories	154,287	449	154,736
Trade and other receivables	35,820	-	35,820
Contract assets	24,522	(290)	24,232
Current tax assets	2,537	-	2,537
Short term funds	62,058	-	62,058
Cash and bank balances	96,075	-	96,075
	375,299	159	375,458
<b>TOTAL ASSETS</b>	829,903	159	830,062

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021

A2. Changes in Accounting Policies (Cont'd)

(a) Reconciliation of financial position and equity (Cont'd)

<b>Group</b>	<b>Previously</b>	<b>Effects of</b>	
<b>1 January 2020</b>	<b>reported</b>	<b>IAS 23</b>	<b>Restated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent:</b>			
Share capital	287,637	-	287,637
Option reserve	999	-	999
Retained earnings	351,132	173	351,305
	<u>639,768</u>	<u>173</u>	<u>639,941</u>
Non-controlling interests	488	-	488
<b>Total Equity</b>	<u>640,256</u>	<u>173</u>	<u>640,429</u>
<b>Non-Current Liabilities</b>			
Long-term bank borrowings	118,474	-	118,474
Lease liabilities	408	-	408
Deferred tax liability	532	(14)	518
	<u>119,414</u>	<u>(14)</u>	<u>119,400</u>
<b>Current Liabilities</b>			
Trade and other payables	27,838	-	27,838
Short-term bank borrowings	41,499	-	41,499
Lease liabilities	111	-	111
Current tax liabilities	785	-	785
	<u>70,233</u>	<u>-</u>	<u>70,233</u>
<b>TOTAL LIABILITIES</b>	<u>189,647</u>	<u>(14)</u>	<u>189,633</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>829,903</u>	<u>159</u>	<u>830,062</u>
<b>Group</b>			
<b>31 December 2020</b>			
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3,632	-	3,632
Right-of-use assets	482	-	482
Investment properties	125,845	-	125,845
Inventories	283,298	-	283,298
Investment in an associate company	341	-	341
Investment in a joint venture	28,065	-	28,065
Deferred tax assets	8,905	-	8,905
	<u>450,568</u>	<u>-</u>	<u>450,568</u>
<b>Current Assets</b>			
Inventories	153,993	597	154,590
Trade and other receivables	29,764	-	29,764
Contract assets	56,615	-	56,615
Current tax assets	2,369	-	2,369
Short term funds	40,307	-	40,307
Cash and bank balances	57,268	-	57,268
	<u>340,316</u>	<u>597</u>	<u>340,913</u>
<b>TOTAL ASSETS</b>	<u>790,884</u>	<u>597</u>	<u>791,481</u>

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021

A2. Changes in Accounting Policies (Cont'd)

(a) Reconciliation of financial position and equity (Cont'd)

Group 31 December 2020	Previously reported RM'000	Effects of IAS 23 RM'000	Restated RM'000
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent:</b>			
Share capital	288,189	-	288,189
Option reserve	1,216	-	1,216
Retained earnings	363,734	591	364,325
	653,139	591	653,730
Non-controlling interests	(1,799)	-	(1,799)
<b>Total Equity</b>	651,340	591	651,931
<b>Non-Current Liabilities</b>			
Long-term bank borrowings	103,346	-	103,346
Lease liabilities	299	-	299
Deferred tax liability	625	6	631
	104,270	6	104,276
<b>Current Liabilities</b>			
Trade and other payables	21,972	-	21,972
Short-term bank borrowings	13,114	-	13,114
Lease liabilities	110	-	110
Current tax liabilities	78	-	78
	35,274	-	35,274
<b>TOTAL LIABILITIES</b>	139,544	6	139,550
<b>TOTAL EQUITY AND LIABILITIES</b>	790,884	597	791,481

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but not yet effective and have not applied by the Group:

Title	Effective Date
Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to MFRS 16 Leases)	1 April 2021
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2023
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2023
Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)	1 January 2023
Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

A3. Explanatory Comments about Seasonality or Cyclicity of Interim Operations

The business operations of the Group during the financial quarter under review had 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-to-date.

A5. Changes in Estimates

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



## INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021

### A6. Debt and Equity Securities

For the financial period under review, there were no issues, 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, save for the disclosure below.

Issuance of 345,500 new ordinary shares pursuant to exercise of ESOS at the following option prices:

Exercise price	(RM)	0.47	0.60
No. of shares issued	('000)	280	66

The total cash proceeds arising from the exercise of ESOS during the current financial period to-date amounted to RM170,900.

### A7. Dividend Paid

There was no dividend paid during the quarter ended 30 September 2021.

### A8. Operating Segment

The segmental analysis for the financial period ended 30 September 2021 is as follows:

	Property development and property management RM'000	Investment holdings RM'000	Other operations RM'000	Adjustments and eliminations RM'000	Total RM'000
<b>Revenue</b>					
Revenue from external customers	146,185	2,172	-	-	148,357
Inter-segment revenues	14,878	356	-	(15,234)	-
	<u>161,063</u>	<u>2,528</u>	<u>-</u>	<u>(15,234)</u>	<u>148,357</u>
<b>Results</b>					
Profit from operations	42,761	2,650	25	(1,989)	43,447
Unallocated amount: - corporate expenses					<u>(120)</u>
Profit before tax					43,327
Tax expense					<u>(10,896)</u>
Profit for the period					<u>32,431</u>

### A9. Subsequent Events

On 10 November 2021, TKS Land Sdn Bhd, a wholly owned subsidiary of Tambun Indah had resolved by way of a special resolution together with the remaining shareholders of Ascention Sdn Bhd, at an Extraordinary General Meeting held on the even date, that Ascention Sdn Bhd be wound up voluntarily pursuant to Section 439 (1) (b) of the Companies Act, 2016. Ascention Sdn Bhd was a 50% owned indirect subsidiary of Tambun Indah, held through TKS Land Sdn Bhd.

Other than the above, there was no material events subsequent to the financial period ended 30 September 2021 until 18 November 2021 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report), that had not been reflected in the financial statements for the current quarter under review.

### A10. Changes in the Composition of the Group

There was no change in the composition of the Group for the current quarter and financial period to-date.

### A11. Changes in contingent liabilities or contingent assets

There were no material changes in contingent liabilities or contingent assets since the end of the last annual reporting period.

### A12. Capital Commitments

There were no outstanding capital commitments for the Group as at 30 September 2021

**A13. Significant Related Party Transactions**

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

*Transactions with directors of the Company and subsidiary companies, members of their family and companies, firms and trust bodies in which they have interests:*

	<b>9 months ended 30-Sep-2021 RM'000</b>
Lease payments made to companies of which a Director has interest	80
Rental received from a Company in which the Director is family member of Directors of the Company	<u>3</u>

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021

B. Explanatory Notes in Compliance with Listing Requirements of the Bursa Malaysia

B1. Review of Performance

Quarter on Quarter review

The quarter on quarter movements in the segment revenues were as follows:

	Current	Preceding Year	Variances	
	30-Sep-2021 RM'000	30-Sep-2020 RM'000 (Restated)	%	RM'000
<b>Revenue</b>				
Property development and property management	32,702	41,372	-21.0%	(8,670)
Investment holdings	1,128	1,311	-14.0%	(183)
	33,830	42,683	-20.7%	(8,853)
Profit before tax	9,976	13,609	-26.7%	(3,633)

The current quarter's revenue and profit before tax of RM33.8 million and RM10 million represented a 20.7% decrease in revenue and 26.7% decrease in profit before tax over the same quarter of the preceding year.

Property development & property management

Revenue was mainly contributed by residential property developments in Pearl City, Simpang Ampat which accounted for approximately 71.5% of the total revenue in the segment for the current quarter under review.

The lower revenue in the current quarter as compared to the same quarter of the preceding year was mainly due to the lower new property sales and minimal site progress as Penang State underwent a full movement control order in Phase 1 of the National Recovery Plan ("NRP") from 1st June 2021 until 7th July 2021. The Group's offices and development sites were temporarily closed from 1st June 2021 and had resumed construction work in stages after 7 July 2021 under strict compliance of Standard Operating Procedures ("SOPs") in Phase 2 of NRP. The Group recorded RM15.9 million of new property sales in the current quarter (same quarter of preceding year 2020 : RM58.8 million).

The lower profit before tax for the current quarter as compared to the preceding year quarter was due to the lower revenue recorded.

Investment holdings

The revenue was mainly derived from rental received from completed investment properties.

B2. Comparison of results against immediate preceding quarter

	Current	Preceding	Variances	
	30-Sep-2021 RM'000	30-Jun-2021 RM'000	%	RM'000
Revenue	33,830	67,045	-49.5%	(33,215)
Profit before tax	9,976	19,489	-48.8%	(9,513)

Compared to the immediate preceding quarter, the revenue and profit before tax decreased by 49.5% and 48.8%, respectively.

The lower revenue and profit before tax were mainly due to the lower property sales and minimal site progress due to the implementation of Phase 1 of NRP during the quarter under review, as explained in B1 above.

## INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021

### B3. Prospects for the current financial year

As at 30 September 2021, seven (7) on-going projects of the Group with a total Gross Development Value of approximately RM607.7 million achieved an average take-up rate of 63.4% and unbilled sales of RM89.1 million which should contribute positively to the Group's earnings for the next two to three years.

The property market remained challenging with uncertainties caused by the continuing Covid-19 pandemic. In the Penang State, a 2<sup>nd</sup> Movement Control Order ("MCO") was reinstated on 13 January 2021, which later moved to Conditional MCO on 5 March 2021. A third MCO was then again reinstated on 10 May 2021 and later moved into a full MCO nationwide from 1 June 2021. On 15 June 2021, the Malaysian Government announced a four-phase National Recovery Plan ("NRP") aimed to steer the nation out of the pandemic. Penang State moved into Phase 2 of the NRP on 7 July 2021 and later into Phase 3 on 18 October 2021.

Under these circumstances, the Group will continue to exercise prudence in new project launches, with focus on affordable and mid-market landed projects.

Based on the foregoing, the Group expects to achieve a moderate performance in current financial year.

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

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

### B5. Statement by Board of Directors

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

### B6. Income Tax

Income tax comprised:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-Sep-2021 RM'000	Preceding Year Corresponding Quarter 30-Sep-2020 RM'000	Current Year-To- Date 30-Sep-2021 RM'000	Preceding Year Corresponding Period 30-Sep-2020 RM'000
Current income tax	2,739	1,158	9,342	1,918
Underprovision of taxation in respect of prior year	(189)	27	(189)	27
Deferred taxation	(201)	2,280	1,743	2,429
Underprovision of deferred tax assets in respect of prior year	-	-	-	(74)
	<u>2,349</u>	<u>3,465</u>	<u>10,896</u>	<u>4,300</u>

The Group's effective tax rate for the financial year-to-date under review was higher compared to the statutory taxation rate mainly due to certain non-tax deductible expenses.

## INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021

### B7. Status of Corporate Proposals

#### Memorandum of Understanding ("MOU")

On 28 January 2020 the Company had entered into a MOU with Show Chwan Medical Care Corporation ("Show Chwan") to collaborate efforts for the proposed establishment of a private specialist hospital at Pearl City (Bandar Tasek Mutiara), Simpang Ampat, Seberang Perai Selatan, Penang, a township under the development of Tambun Indah.

On 1 July 2020, the Company and Show Chwan had mutually agreed to extend the duration of the MOU by six (6) months to 27 January 2021 and subsequently on 28 December 2020, both parties agreed to extend the duration by another six (6) months to 27 July 2021. On 26 July 2021, both parties agreed to extend the duration by another six (6) months to 27 January 2022. The duration of the MOU was extended due to unforeseen circumstances caused by the Covid-19 pandemic.

### B8. Borrowings and Debt Securities

Details of the Group's borrowings as at 30 September 2021 are as follows:

	<b>Secured RM'000</b>
<i>Long term borrowing:</i>	
Term loans	90,828
	<u>90,828</u>
<i>Short term borrowing:</i>	
Revolving credit	5,000
Term loans	17,081
	<u>22,081</u>
<b>Total</b>	<u><u>112,909</u></u>

The Group had no foreign currency borrowings.

### B9. Material Litigation

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

### B10. Dividend

Details of the final tax exempt dividend approved at the Annual General Meeting held on 27 September 2021 are as follows:

(i) Final tax exempt Dividend for the financial year	31 December 2020
(ii) Amount per share (single tier)	2.4 sen
(iii) Previous corresponding period	2.9 sen
(iv) Approved and declared on	27 September 2021
(v) Record of Depositors as at	06 December 2021
(vi) Date of payment	23 December 2021

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021

B11. Earnings Per Share

(a) Basic Earnings Per Share

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

	Current Quarter 30-Sep-2021	Preceding Year Corresponding Quarter 30-Sep-2020 (Restated)	Current Year-To- Date 30-Sep-2021	Preceding Year Corresponding Period 30-Sep-2020 (Restated)
Profit for the period attributable to equity holders of the Company (RM'000)	7,852	10,368	33,082	11,842
Weighted average number of ordinary shares in issue ('000)	434,657	433,478	434,640	433,463
<b>Basic Earnings Per Share (sen)</b>	<b>1.81</b>	<b>2.39</b>	<b>7.61</b>	<b>2.73</b>

The weighted average number of ordinary shares used in the denominator in calculating basic earnings per share was determined as follows:

	Current Quarter 30-Sep-2021 '000	Preceding Year Corresponding Quarter 30-Sep-2020 '000	Current Year-To- Date 30-Sep-2021 '000	Preceding Year Corresponding Period 30-Sep-2020 '000
Number of ordinary shares at beginning of the period/year	434,492	433,456	434,492	433,456
Effect of shares issued pursuant to:				
- exercise of ESOS	165	22	148	7
Weighted average number of ordinary shares	434,657	433,478	434,640	433,463

(b) Diluted Earnings per share

The diluted earnings per share had been calculated by dividing the Group's profit for the period attributable to the equity holders of the Company by the weighted average number of shares that would have been in issue upon full exercise of the remaining options under the ESOS granted, adjusted for the number of such shares that would have been issued at fair value, calculated as follows:

	Current Quarter 30-Sep-2021	Preceding Year Corresponding Quarter 30-Sep-2020 (Restated)	Current Year-To- Date 30-Sep-2021	Preceding Year Corresponding Period 30-Sep-2020 (Restated)
Profit for the period attributable to equity holders of the Company (RM'000)	7,852	10,368	33,082	11,842
Weighted average number of ordinary shares ('000)	435,641	433,658	435,444	433,525
<b>Diluted Earnings Per Share (sen)</b>	<b>1.80</b>	<b>2.39</b>	<b>7.60</b>	<b>2.73</b>

The weighted average number of ordinary shares used in the denominator in calculating diluted earnings per share was determined as follows:

	Current Quarter 30-Sep-2021 '000	Preceding Year Corresponding Quarter 30-Sep-2020 '000	Current Year-To- Date 30-Sep-2021 '000	Preceding Year Corresponding Period 30-Sep-2020 '000
Weighted average number of ordinary shares	434,657	433,478	434,640	433,463
Effect of potential exercise of ESOS	984	180	804	62
Weighted average number of ordinary shares	435,641	433,658	435,444	433,525

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021

**B12. 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 2020.

**B13. Inventories**

	Unaudited As at 30 September 2021 RM'000	(Restated) Audited As at 31 December 2020 RM'000
<b>Non-Current Assets</b>		
Land held for property development	282,546	283,298
<b>Current Assets</b>		
Property development costs	140,607	136,495
Completed properties held for sales	11,901	18,095
	<u>152,508</u>	<u>154,590</u>
<b>Total</b>	<u>435,054</u>	<u>437,888</u>

**B14. Other income**

	Current quarter 30-Sep-2021 RM'000	Financial year to-date 30-Sep-2021 RM'000
Interest income	301	976
Miscellaneous income	117	192
	<u>418</u>	<u>1,168</u>

The Group did not receive any other income including investment income for the financial period ended 30 September 2021.

**B15. Additional disclosures pursuant to para 16, Part A, Appendix 9B of Bursa Malaysia Securities Berhad Listing Requirements**

	Current quarter 30-Sep-2021 RM'000	Financial year to-date 30-Sep-2021 RM'000
Depreciation	103	302
Bad Debts	2	2
	<u>105</u>	<u>304</u>

Save as disclosed above, there were no provision for and written off of receivables and inventories, gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets, foreign exchange gain or loss and gain or loss on derivatives for the financial period ended 30 September 2021.

**B16. Authority 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 25 November 2021.

By order of the Board of Directors  
Lee Peng Loon  
Company Secretary  
25 November 2021