

INTERIM FINANCIAL REPORT

SECOND QUARTER
ENDED 31ST DECEMBER
2014



TITIJAYA LAND BERHAD (Co.No.1009114-M)
(Incorporated In Malaysia)

Interim Financial Report – Second Quarter Ended 31st December 2014

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TITIJAYA LAND BERHAD (Co.No.1009114-M)*(Incorporated In Malaysia)***Interim Financial Report – Second Quarter Ended 31st December 2014****CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2014 (UNAUDITED)⁽¹⁾**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter RM'000	Preceding Year Corresponding Quarter RM'000	Current Year To-Date RM'000	Preceding Year Corresponding Period RM'000
Revenue	66,190	71,776	153,919	138,506
Costs of sales	<u>(30,763)</u>	<u>(43,010)</u>	<u>(78,359)</u>	<u>(79,434)</u>
Gross Profit	35,427	28,766	75,560	59,072
Other Income	900	624	1,735	1,153
Selling and distribution expenses	(5,022)	(4,024)	(10,586)	(7,164)
Administrative expenses	(4,476)	(2,485)	(7,835)	(4,746)
Other expenses	(1,093)	(913)	(1,925)	(1,703)
Finance costs	<u>(164)</u>	<u>(508)</u>	<u>(338)</u>	<u>(1,066)</u>
Profit before taxation	25,572	21,460	56,611	45,546
Income tax expense	(7,419)	(5,858)	(15,466)	(12,728)
Net profit for the period	<u>18,153</u>	<u>15,602</u>	<u>41,145</u>	<u>32,818</u>
Profit attributable to:				
- Owners of the parent	18,153	15,602	41,145	32,818
- Non-controlling interests	-	-	-	-
	<u>18,153</u>	<u>15,602</u>	<u>41,145</u>	<u>32,818</u>
Earnings per share (sen) attributable to owners of the parent				
- Basic ⁽²⁾	5.14	5.36	11.68	11.95
- Diluted ⁽³⁾	4.86	4.81	11.05	10.65

TITIJAYA LAND BERHAD (Co.No.1009114-M)

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Interim Financial Report – Second Quarter Ended 31st December 2014

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2014 (UNAUDITED)⁽¹⁾

Notes:

- (1) *The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2014 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 B12(a))*
- (3) *Based on weighted average number of ordinary shares in issue (as detailed in Note B12 (b)) and assume the full conversion of balance 60,000,000 Redeemable Convertible Preference Shares of RM0.50 each (“RCPS”) on the basis of one (1) new Share for every three (3) RCPS held.*

TITIJAYA LAND BERHAD (Co.No.1009114-M)
(Incorporated In Malaysia)

Interim Financial Report – Second Quarter Ended 31st December 2014

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014
(UNAUDITED) ⁽¹⁾**

	UNAUDITED	AUDITED
	As At	As At
	31.12.2014	30.06.2014
	RM'000	RM'000
Non-current assets		
Property, plant and equipment	4,467	4,465
Land held for property development	116,985	114,289
Investment in an associate	-	35
Investment properties	76,367	76,413
Goodwill on consolidation	1,596	1,596
Other investments	5	5
Total non-current assets	199,420	196,803
Current assets		
Property development costs	351,117	343,828
Inventories	25,316	21,227
Trade and other receivables	126,388	95,197
Accrued billings in respect of property development costs	13,963	10,800
Tax recoverable	2,018	1,384
Fixed deposits placed with licensed banks	80,820	50,542
Cash and bank balances	79,144	94,091
Total current assets	678,766	617,069
TOTAL ASSETS	878,186	813,872
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	176,667	170,000
RCPS - equity component	7,434	12,388
Share premium	92,957	78,840
Reserve arising from reverse acquisition	(47,426)	(47,426)
Retained earnings	205,320	178,308
Total equity	434,952	392,110
Non-current liabilities		
Hire purchase payables	383	387
Bank borrowings	105,976	104,611
RCPS - liability component	22,676	36,279
Deferred tax liabilities	37,123	38,658
Total non-current liabilities	166,158	179,935
Current liabilities		
Trade and other payables	124,505	132,746
Progress billings in respect of property development costs	135,918	81,555
Hire purchase payables	209	216
Bank borrowings	3,579	21,282
Current tax payables	12,865	6,028
Total current liabilities	277,076	241,827
Total liabilities	443,234	421,762
TOTAL EQUITY AND LIABILITIES	878,186	813,872
Net assets per share attributable to owners of the parent (RM)	1.23⁽²⁾	1.15⁽³⁾

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(Incorporated In Malaysia)

Interim Financial Report – Second Quarter Ended 31st December 2014

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014 (UNAUDITED) ⁽¹⁾

Notes:

- (1) *The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to these interim financial statements.*
- (2) *Based on the issued share capital of 353,333,333 ordinary shares of RM0.50 each (“Shares”) after the exercised of the conversion of 40,000,000 Redeemable Convertible Preference Shares of RM0.50 each (“RCPS”) into 13,333,333 new ordinary shares of RM0.50 each on the basis of one (1) new Share for every three (3) RCPS held.*
- (3) *Based on the issued share capital of 340,000,000 ordinary shares of RM0.50 each (“Shares”)*

TITIJAYA LAND BERHAD (Co.No.1009114-M)*(Incorporated In Malaysia)***Interim Financial Report – Second Quarter Ended 31st December 2014****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2014 (UNAUDITED) ⁽¹⁾**

	<i>Attributable to owners of the Parent</i>				<i>Distributable</i>	<i>Total Equity</i>
	<i>Non – Distributable</i>					
	Share Capital	Share Premium	RCPS - Equity Component	Reserve arising from Reverse Acquisition	Retained Earnings	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 30 June 2013	129,147	-	12,388	(47,426)	107,013	201,122
Issuance of shares	40,853	78,840	-	-	-	119,693
Total comprehensive profit for the period	-	-	-	-	71,295	71,295
Balance at 30 June 2014	170,000	78,840	12,388	(47,426)	178,308	392,110
Issuance of shares	6,667	14,117	(4,954)	-	-	15,830
Dividend paid	-	-	-	-	(14,133)	(14,133)
Total comprehensive profit for the period	-	-	-	-	41,145	41,145
Balance at 31 December 2014	176,667	92,957	7,434	(47,426)	205,320	434,952

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 2014 and the accompanying explanatory notes attached to these interim financial statements.*

Interim Financial Report – Second Quarter Ended 31st December 2014

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2014 (UNAUDITED) ⁽¹⁾

	6 Months 31.12.2014 RM'000	6 Months 31.12.2013 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit Before Tax	56,611	45,546
Adjustments for:		
Accretion of interest on RCPS	909	-
Depreciation of investment properties	46	46
Depreciation of property, plant and equipment	243	148
Interest expense	338	1,066
Interest income	(1,178)	(336)
Operating Profit Before Working Capital Changes	56,969	46,470
Changes In Working Capital		
Inventories	(4,089)	6,364
Receivables	(31,191)	23,024
Payables	13,060	(26,994)
Property development costs	43,911	24,079
Net Cash Generated From Operations	78,660	72,943
Interest received	1,178	336
Interest paid	(6)	(487)
Tax paid	(9,480)	(5,282)
Net Operating Cash Flows	70,352	67,510
CASH FLOW USED IN INVESTING ACTIVITIES		
Investment in an associate	35	-
Land held for property development costs incurred	(2,696)	(146,847)
Purchase of property, plant and equipment	(174)	(236)
Net Investing Cash Flows	(2,835)	(147,083)
CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES		
Fixed deposits pledged as security	(20,169)	(52)
Interest paid	(1,103)	(2,012)
Proceed from issuance of shares	-	122,558
Dividend paid	(14,133)	-
Net changes in amounts due from/to related parties	(20,530)	(3,759)
Payment of initial public offering expenses	-	(2,865)
Drawdown of bank borrowings	-	83,100
Repayment of bank borrowings	(9,482)	(13,890)
Repayment of hire purchase payables	(82)	(81)
Net Financing Cash Flows	(65,499)	182,999

TITIJAYA LAND BERHAD (Co.No.1009114-M)*(Incorporated In Malaysia)***Interim Financial Report – Second Quarter Ended 31st December 2014****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2014 (UNAUDITED) ⁽¹⁾**

	6 Months Period Ended 31.12.2014 RM'000	6 Months Period Ended 31.12.2013 RM'000
NET CHANGE IN CASH AND CASH EQUIVALENTS	2,018	103,426
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	133,470	12,046
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>135,488</u>	<u>115,472</u>
Analysis of cash and cash equivalents :		
Cash and bank balances	79,144	75,972
Fixed deposits placed with licensed banks	80,820	43,250
	<u>159,964</u>	<u>119,222</u>
Less: Fixed deposits held as security	<u>(24,476)</u>	<u>(3,750)</u>
Cash and cash equivalents	<u>135,488</u>	<u>115,472</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 2014 and the accompanying explanatory notes attached to these interim financial statements.*

Interim Financial Report – Second Quarter Ended 31st December 2014

A EXPLANATORY NOTES PURSUANT TO FRS 134

A1. Accounting Policies and Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standards (“FRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standard Board, and paragraph 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the Group’s annual audited financial statements for the year ended 30 June 2014 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 2014.

The accounting policies and methods of computation adopted by the Group for the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2014, except for the adoption of the following new FRS, Amendments to FRSs and IC Interpretations as disclosed below:

New FRSs, Amendments/Improvements to FRSs and IC Interpretations	Effective For Annual Periods Beginning on or After
FRS 10 Consolidated Financial Statement: Investment Entities (Amendments to FRS 10, FRS 12 and FRS 127)	1 January 2014
FRS 12 Disclosure of Interests in Other Entities: Investment Entities (Amendments to FRS 10, FRS 12 and FRS 127)	1 January 2014
FRS 127 Consolidated and Separate Financial Statements: Investment Entities (Amendments to FRS 10, FRS 12 and FRS 127)	1 January 2014
FRS 132 Financial Instruments: Presentation [Amendments relating to Offsetting Financial Assets and Financial Liabilities]	1 January 2014
FRS 136 Impairment of Assets [Amendments relating to Recoverable Amount Disclosure for Non-Financial Assets]	1 January 2014
FRS 139 Financial Instruments: Recognition and Measurement [Amendments relating to Novation of Derivatives and Continuation Of Hedge Accounting]	1 January 2014
IC Int. 21 Levies	1 January 2014

The adoption of the above revised FRSs, amendments to FRSs and Interpretations does not have any material impact on the financial statements of the Group.

Interim Financial Report – Second Quarter Ended 31st December 2014

A EXPLANATORY NOTES PURSUANT TO FRS 134 (Continued)

A1. Accounting Policies and Basis of Preparation (Continued)

MASB Approved Accounting Standards, MFRSs

In conjunction with the planned convergence of FRSs with International Financial Reporting Standards as issued by the International Accounting Standards Board on 1 January 2012, the MASB had on 19 November 2011 issue a new MASB approved accounting standards, MFRSs (“MFRSs Framework”) for application in the annual periods beginning on or after 1 January 2012.

The MFRSs Framework is mandatory for adoption by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141 *Agriculture* and/or IC Int 15 *Agreements for the Construction of Real Estate* (“Transitioning Entities”). The Transitioning Entities are given an option to defer adoption of the MFRSs framework, and continue to adopt the existing FRSs framework until the MFRSs framework is mandated by the MASB. Transitioning Entities also includes those entities that consolidate or equity account or proportionately consolidate another entity that has chosen to continue to apply the FRSs framework for annual periods beginning on or after 1 January 2012.

Accordingly, the Group which is a Transitioning Entity has chosen to defer the adoption of the MFRSs framework. The Group will prepare its first MFRSs financial statements using the MFRSs framework when the MFRSs framework is mandated by the MASB.

As at 31 December 2014, all FRSs issued under the existing FRSs framework are equivalent to the MFRSs issued under MFRSs framework except for differences in relation to the transitional provisions, the adoption of MFRS 141 *Agriculture* and IC Int 15 *Agreements for the Construction of Real Estate* as well as differences in effective dates contained in certain of the existing FRSs. The main effects arising from the transition to MFRSs Framework has been discussed. The effect is based on the Group’s best estimates at the reporting date. The financial effect may change or additional effects may be identified, prior to the completion of the Group’s first MFRSs based financial statements.

Application of MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards (“MFRS 1”)

MFRS 1 requires comparative information to be restated as if the requirements of MFRSs have always been applied, except when MFRS 1 allows certain elective exemptions from such full retrospective application or prohibits retrospective application of some aspects of MFRSs. The Group are currently assessing the impact of adoption of MFRS 1, including identification of the differences in existing accounting policies as compared to the new MFRSs and the use of optional exemptions as provided for in MFRS 1. As at the date of authorisation of issue of the financial statements, accounting policy decisions or elections have not been finalised. Thus, the impact of adoption of MFRS 1 cannot be determined and estimated reliably until the process is completed.

MFRS 15 Revenue from Contracts with Customers

The core principle of MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with the core principle by applying the following steps:

- Identify the contracts with a customer.
- Identify the performance obligation in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract.
- Recognise revenue when (or as) the entity satisfies a performance obligation.

MFRS 15 also includes new disclosures that would result in an entity providing users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

The Group is currently assessing the impact of the adoption of this standard.

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A EXPLANATORY NOTES PURSUANT TO FRS 134 (Continued)

A2. 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 2014.

A3. Seasonality or Cyclicity of Operations

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

A4. Unusual Items

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

A5. Changes in Estimates

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

A6. Debt and Equity Securities

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

A7. Dividend Paid

The final single-tier dividend of 4.0 sen per ordinary share in respect of the previous financial year ended 30 June 2014 was paid on 23 December 2014.

A8. Segmental Information

The segmental analysis for the financial period 31 December 2014 was as follows.

Analysis by Operating Divisions:-

	Property Development RM'000	Investment Holding RM'000	Total RM'000
Segment profit/(loss)	41,285	894	42,179
Included in the measure of segment profit/(loss) are:-			
Revenue from external customers	153,850	69	153,919
Inter-segment revenue	2,553	8,999	11,552
Interest income	1,151	27	1,178
Interest expense	332	6	338
Depreciation	224	65	289
Accretion of interest on RCPS	-	909	909
Not included on the measure of segment profit but provided to the Management :-			
Tax expenses	15,573	(107)	15,466
Segment assets	961,514	366,207	1,267,721
Segment liabilities	647,541	83,797	751,338

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A EXPLANATORY NOTES PURSUANT TO FRS 134

A8. Segmental Information (Continued)

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

	Total RM'000
Total revenue for reportable segments	165,471
Elimination of inter-segment revenue	<u>(11,552)</u>
Consolidated total	<u>153,919</u>
Total profit or loss for reportable segment	42,179
Elimination of inter-segment profits	<u>(1,034)</u>
Consolidated profit before taxation	<u>41,145</u>
Total reportable segments assets	1,267,721
Elimination of inter-segment transactions or balances	<u>(389,535)</u>
Consolidated total	<u>878,186</u>
Total reportable segments liabilities	751,338
Elimination of inter-segment transactions or balances	<u>(308,104)</u>
Consolidated total	<u>443,234</u>

A9. Valuation of Property, Plant and Equipment

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

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

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

A11. Changes in Composition of the Group

There were no changes in the composition of the Group since the previous quarter.

A12. Changes in Contingent Liabilities and Contingent Assets

Contingent Liabilities

	As At 31.12.2014 RM'000	As At 30.06.2014 RM'000
Litigation / Arbitration*	-	4,804
Corporate guarantees for credit facilities granted to related companies	<u>287,022</u>	<u>145,302</u>
	<u>287,022</u>	<u>150,106</u>

Note:

* Please refer to Note B10 for further details on our Group's litigation / arbitration.

Contingent Assets

The Group does not have any material contingent assets to be disclosed as at 31 December 2014.

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A EXPLANATORY NOTES PURSUANT TO FRS 134

A13. Capital Commitments

	As At	As At
	31.12.2014	30.06.2014
	RM'000	RM'000
Approved and contracted but not provided for:		
- Land held for property development		
Purchase consideration	131,570	131,570
Less: Deposits paid	(2,032)	(2,032)
	<u>129,538</u>	<u>129,538</u>

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

B1. Review of Performance

The Group's revenue was RM66.19 million for the current quarter, a decrease of RM21.54 million or 7.79% as compared to the preceding year corresponding quarter due mainly to completion of its projects, Subang Parkhomes and Galleria.

The Group reported a higher profit after tax of RM18.15 million, an increase of RM1.16 million or 7.46% as compared to the preceding year corresponding quarter due mainly to contribution from higher margin project, Seri Alam.

B2. Variation of Results for the current quarter ended 31 December 2014 against the immediate preceding quarter

The lower revenue for the current quarter as compared to the immediate preceding quarter was due mainly to completion of its property development projects, Subang Parkhomes. The lower profit after tax is in line with the lower revenue for the current quarter.

B3. Commentary on Prospects

Based on the Group's on going and upcoming projects, the Board is confident that the profitability of the Group will be sustained through the continuous sales of the development projects as well as the new launches. We are committed to our business and our growth strategies which have been put in place to propel us to be a stronger property player.

B4. Variance of Profit Forecast

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

B5. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter RM'000	Preceding Year Corresponding Quarter RM'000	Current Year To-Date RM'000	Preceding Year Corresponding Period RM'000
After charging:				
Accretion of interest on RCPS	455	-	909	-
Depreciation of investment properties	23	23	46	46
Depreciation of property, plant and equipment	128	77	243	148
Directors' remuneration	350	277	634	553
Interest expense	164	508	338	1,066
Rental of sales office	106	21	196	53
Rental of equipment	2	3	4	6
Staff costs	3,096	1,444	5,190	2,766
After crediting:				
Bank interest income	(31)	(154)	(98)	(235)
Fixed deposit interest income	(468)	(26)	(1,013)	(52)
Other interest income	(63)	-	(67)	(49)
Rental income	(171)	(171)	(324)	(383)

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

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

B6. Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter RM'000	Preceding Year Corresponding Quarter RM'000	Current Year To-Date RM'000	Preceding Year Corresponding Period RM'000
Current tax expense for the period	7,491	5,858	15,647	12,728
Deferred taxation	(109)	-	(218)	-
	<u>7,382</u>	<u>5,858</u>	<u>15,429</u>	<u>12,728</u>

Notes:

The Group's effective tax rate for the current financial period is higher than the statutory tax rate of 25% by the Inland Revenue Board due to certain expenses not deductible for tax and non-recognition of deferred tax assets.

B7. Status of Corporate Proposals

City Meridian Development Sdn. Bhd. ("CMD"), a wholly owned subsidiary of Company, had on 21 May 2014, entered into a sale and purchase agreement ("SPA") with Titijaya Group Sdn Bhd ("TGSB") to purchase a parcel of leasehold land held under PN4022, Lot No. 12174, Mukim 12, Daerah Barat Daya, Pulau Pinang for cash consideration at RM126,000,000.

On 19 January 2015, CMD had entered into a supplemental agreement with TGSB in respect of the SPA

B8. Status of utilisation of proceeds

The gross proceeds raised by the Company from the initial public issue ("IPO") from the previous financial year amounted to RM122.56 million. The status of the utilisation of the proceeds raised from the IPO as at 31 December 2014 is as follows :-

Purposes	Proposed utilisation RM'000	Actual utilisation RM'000	Balance RM'000	Time frame for Utilisation (from the listing date)
(i) Working capital	49,458	49,458	-	Within 12 months
(ii) Repayment of bank borrowings	15,000	15,000	-	Within 6 months
(iii) Repayment of advances from the previous shareholders of Epoch Property Sdn Bhd	24,300	24,300	-	Within 6 months
(iv) Purchase of land bank	30,000	-	30,000	Within 18 months
(v) Estimate listing expenses	3,800	3,581	219	Within 3 months
Total	<u>122,558</u>	<u>92,339</u>	<u>30,219</u>	

Actual listing expenses incurred were less than the estimated listing expenses by RM0.219 million due mainly to lower than expected underwriting commission, placement fee and brokerage fee incurred in conjunction with the listing exercise. The excess has been utilised for working capital purposes.

Interim Financial Report – Second Quarter Ended 31st December 2014

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

B9. Group Borrowings

The Group borrowings as at 31 December 2014 were as follows:

	As at 31.12.2014 RM'000	As at 30.06.2014 RM'000
Current - Secured		
Hire purchase payables	209	216
Bank overdrafts	-	6,856
Term loans	3,579	14,426
	<u>3,788</u>	<u>21,498</u>
Non-current - Secured		
Hire purchase payables	383	387
Term loans	105,976	104,611
	<u>106,359</u>	<u>104,998</u>
Total borrowings	<u>110,147</u>	<u>126,496</u>

The above borrowings were denominated in Ringgit Malaysia.

B10. Material Litigation

(a) XL Wood Floors Sdn. Bhd. vs Sendi Bangga Development Sdn. Bhd.

On 22 August 2013, a subsidiary company, Sendi Bangga Development Sdn. Bhd. (“Sendi Bangga”), received a writ of summon and statement of claim from a nominated sub-contractor of Sendi Bangga’s trade payable for a breach of collateral contract. The sub-contractor alleged that it has suffered loss and damage and thereby claimed against Sendi Bangga.

Sendi Bangga filed its defence and striking out application on 19 September 2013. The trial was conducted on 13 August 2014. The court fixed 22 September 2014 for parties to file and exchange submission and submission in reply by 29 September 2014. On 17 October 2014, the court confirmed that hearing of submission / clarifications is fixed on 13 January 2015. Oral submissions were made by other defendants’ solicitor on 13 January 2015 and to continue on 30 January 2015. Counsels for Defendant and Plaintiff presented their oral submission on 30 January 2015. The Court has fixed 13 March 2015 as the decision date.

The management is of the opinion that the claim is not valid as the nominated sub-contractor has no contractual relationship with Sendi Bangga. Accordingly, no provision for liabilities was made.

B11. Dividend

There was no dividend declared or paid for the current period under review.

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

B12. 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	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-Date	Preceding Year Corresponding Period
Profit attributable to owners of the parent (RM'000)	18,153	15,602	41,145	32,818
Weighted average number of ordinary shares in issue ('000)	353,333	291,155	352,246	274,725
Basic earnings per share (sen)	5.14	5.36	11.68	11.95

(b) Diluted Earnings Per Share

Dilutive earnings per share have been calculated by dividing the profit attributable to owners of the parent for the period by weighted average number of shares that would have been issued upon full conversion of the remaining Redeemable Convertible Preference Shares on the basis of one (1) ordinary share for every three (3) RCPS held.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-Date	Preceding Year Corresponding Period
Profit attributable to owners of the Parent (RM'000)	18,153	15,602	41,145	32,818
Weighted average number of ordinary shares in issue ('000)	353,333	291,155	352,246	274,725
Effect of dilution: Redeemable Convertible Preference Shares ('000)	20,000	33,333	20,000	33,333
Adjusted weighted average number of ordinary shares ('000)	373,333	324,488	372,246	308,058
Diluted earnings per share (sen)	4.86	4.81	11.05	10.65

TITIJAYA LAND BERHAD *(Co.No.1009114-M)*

(Incorporated In Malaysia)

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

B13. Realised and Unrealised Profits or Losses Disclosure

The following analysis of realised and unrealised retaining earnings/ (accumulated losses) is prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants whilst the disclosure is based on the prescribed form by the Bursa Malaysia Securities Berhad.

	As At 31.12 2014 RM'000	As At 30.06.2014 RM'000
Total retained earnings of the Group		
- Realised	147,875	120,864
- Unrealised	(13)	(13)
	<u>147,862</u>	<u>120,851</u>
Consolidation adjustments	57,458	57,458
Total retained earnings as per statement of financial position	<u>205,320</u>	<u>178,309</u>

The unrealised portion within retained earnings as at 31 December 2014 predominantly related to the net deferred tax liabilities.

The consolidation adjustment recognised for the Group mainly related to reserve from reverse acquisition and hence realised.