



INTERIM FINANCIAL REPORT
SECOND QUARTER ENDED 31ST DECEMBER 2015

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SECOND QUARTER ENDED 31ST DECEMBER 2015



TITIJAYA LAND BERHAD

(Company No. 1009114-M)

(Incorporated in Malaysia under the Companies Act, 1965)

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REPORT

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

(Incorporated In Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND THREE MONTHS ENDED 31 DECEMBER 2015 (UNAUDITED)⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.10.2015 TO 31.12.2015 RM'000	01.10.2014 TO 31.12.2014 RM'000	01.07.2015 TO 31.12.2015 RM'000	01.07.2014 TO 31.12.2014 RM'000
Revenue	105,281	66,190	189,811	153,919
Costs of sales	(71,376)	(30,763)	(119,947)	(78,359)
Gross Profit	33,905	35,427	69,864	75,560
Other Income	2,405	900	3,938	1,735
Selling and distribution expenses	(6,964)	(5,022)	(11,623)	(10,586)
Administrative expenses	(4,385)	(4,476)	(8,343)	(7,835)
Other expenses	(1,533)	(1,093)	(2,652)	(1,925)
Finance costs	(403)	(164)	(614)	(338)
Profit before taxation	23,025	25,572	50,570	56,611
Income tax expense	(5,392)	(7,419)	(12,303)	(15,466)
Net profit for the period	17,633	18,153	38,267	41,145
Other comprehensive income	-	-	-	-
Total comprehensive income for the financial period	17,633	18,153	38,267	41,145
Profit attributable to:				
- Owners of the Company	17,631	18,153	38,263	41,145
- Non-controlling interests	2	-	4	-
	17,633	18,153	38,267	41,145
Earnings per share (sen) attributable to owners of the Company				
- Basic ⁽²⁾	4.98	5.14	10.80	11.68
- Diluted ⁽³⁾	4.80	4.86	10.41	11.05

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

(Incorporated In Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND THREE MONTHS ENDED 31 DECEMBER 2015 (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 2015 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 B10 (a)).*
- (3) *Based on weighted average number of ordinary shares in issue (as detailed in Note B10 (b)) and assume the full conversion of balance 40,000,000 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)***CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015
(UNAUDITED) ⁽¹⁾**

	UNAUDITED As At 31.12.2015 RM'000	AUDITED As At 30.06.2015 RM'000
Non-current assets		
Property, plant and equipment	4,310	4,510
Land held for property development	137,116	135,179
Investment properties	76,904	76,320
Goodwill on consolidation	3,706	3,706
Total non-current assets	222,036	219,715
Current assets		
Property development costs	413,893	365,850
Inventories	22,580	23,406
Other investments	51	2,164
Trade and other receivables	212,161	217,715
Accrued billings in respect of property development costs	45,703	33,233
Tax recoverable	8,433	5,543
Fixed deposits placed with licensed banks	33,919	61,269
Cash and bank balances	95,241	127,990
Total current assets	831,981	837,170
TOTAL ASSETS	1,054,017	1,056,885

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

(Incorporated In Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015
(UNAUDITED)** ⁽¹⁾

	UNAUDITED As At 31.12.2015 RM'000	AUDITED As At 30.06.2015 RM'000
EQUITY AND LIABILITIES		
Equity		
Share capital	180,000	176,667
RCPS - equity component	4,980	7,433
Share premium	100,451	92,957
Reserve arising from reverse acquisition	(47,426)	(47,426)
Treasury shares	(2,836)	(42)
Retained earnings	267,428	245,283
Equity attributable to equity holders of the Company	502,597	474,872
Non-controlling interest	573	569
Total equity	503,170	475,441
Non-current liabilities		
Hire purchase payables	368	422
Bank borrowings	101,819	103,357
RCPS - liability component	16,380	23,585
Deferred tax liabilities	34,310	35,768
Total non-current liabilities	152,877	163,132
Current liabilities		
Trade and other payables	173,973	163,262
Progress billings in respect of property development costs	142,688	190,990
Hire purchase payables	122	176
Bank borrowings	67,598	54,537
Current tax payables	13,589	9,347
Total current liabilities	397,970	418,312
Total liabilities	550,847	581,444
TOTAL EQUITY AND LIABILITIES	1,054,017	1,056,885
Net assets per share attributable to owners of the Company (RM)	1.42 ⁽²⁾	1.34 ⁽³⁾

TITIJAYA LAND BERHAD (Co.No.1009114-M)*(Incorporated In Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015
(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 2015 and the accompanying explanatory notes attached to these interim financial statements.*
- (2) *Based on the weighted average issued share capital of 354,311,933 ordinary shares of RM0.50 each ("Shares") after the exercised of the conversion of 20,000,000 Redeemable Convertible Preference Shares of RM0.50 each ("RCPS") into 3,333,334 new ordinary shares of RM0.50 each on the basis of one (1) new Share for every three (3) RCPS held and the purchase of 1,827,100 treasury shares at average price of RM1.52 each.*
- (3) *Based on the weighted average issued share capital of 353,311,333 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 and the purchase of 22,000 treasury shares at RM1.89 each.*

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

(Incorporated In Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2015 (UNAUDITED) ⁽¹⁾

	<-----Attributable to owners of the Company ----->								
	<----- Non-Distributable ----->				<--Distributable -->				
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM	RCPS - Equity Component RM'000	Reserve arising from Reverse Acquisition RM'000	Retained Earnings RM'000	Total RM	Non- Controlling Interest RM	Total Equity RM'000
Group									
At 30 June 2014	170,000	78,840	-	12,388	(47,426)	178,309	392,111	-	392,111
Issuance of shares	6,667	14,117	(42)	(4,955)	-	-	15,787	-	15,787
Dividend paid	-	-	-	-	-	(14,133)	(14,133)	-	(14,133)
Changes in ownership on subsidiaries	-	-	-	-	-	171	171	754	925
Total comprehensive income for the financial year	-	-	-	-	-	80,936	80,936	(185)	80,751
Balance at 30 June 2015	176,667	92,957	(42)	7,433	(47,426)	245,283	474,872	569	475,441
Issuance of shares	3,333	7,494	(2,794)	(2,453)	-	-	5,580	-	5,580
Dividend paid	-	-	-	-	-	(16,118)	(16,118)	-	(16,118)
Total comprehensive income for the financial period	-	-	-	-	-	38,263	38,263	4	38,267
Balance at 31 December 2015	180,000	100,451	(2,836)	4,980	(47,426)	267,428	502,597	573	503,170

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 2015 and the accompanying explanatory notes attached to these interim financial statements.

TITIJAYA LAND BERHAD (Co.No.1009114-M)*(Incorporated In Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2015 (UNAUDITED) ⁽¹⁾**

	UNAUDITED 01.07.2015 TO 31.12.2015 RM'000	AUDITED 01.07.2014 TO 30.06.2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Tax	50,570	111,083
Adjustments for:		
Accretion of interest on RCPS	656	1,818
Depreciation of investment properties	46	93
Depreciation of property, plant and equipment	246	517
Loss on disposal of motor vehicle	-	8
Dividend Income	-	(154)
Receivables written off	-	9
Interest expense	614	764
Interest income	(272)	(2,936)
Operating Profit Before Working Capital Changes	<u>51,860</u>	<u>111,202</u>
Changes In Working Capital		
Property development costs	(108,355)	(21,913)
Inventories	826	4,988
Receivables	39,225	(41,126)
Payables	10,711	101,943
Net Cash Generated From / (Used In) Operations	<u>(5,733)</u>	<u>155,094</u>
Interest paid	(614)	(764)
Interest received	272	2,936
Tax paid	(11,896)	(32,743)
Net Operating Cash Flows	<u>(17,971)</u>	<u>124,523</u>
CASH FLOW USED IN INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(46)	(351)
Proceed from disposal of property, plant and equipment	-	30
Investment properties costs incurred	(630)	-
Investment in an associate	-	35
Net cashflow from acquisition of subsidiary companies	-	(1,845)
Other investment	2,113	(1,500)
Land held for property development costs incurred	(36,068)	(25,232)
Net Investing Cash Flows	<u>(34,631)</u>	<u>(28,863)</u>

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

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2015 (UNAUDITED) ⁽¹⁾

	UNAUDITED 01.07.2015 TO 31.12.2015 RM'000	AUDITED 01.07.2014 TO 30.06.2015 RM'000
CASH FLOW USED IN FINANCING ACTIVITIES		
Change in fixed deposit	-	(11,841)
Dividend paid	(16,118)	(14,133)
Repurchase of treasury share	(2,794)	(42)
Repayment of hire purchase payables	(108)	(254)
Drawdown of bank borrowings	45,388	5,026
Repayment of bank borrowings	(45,523)	(39,759)
Proceeds from non-controlling interests on acquisition of shares issued by subsidiaries	-	900
Net Financing Cash Flows	<u>(19,155)</u>	<u>(60,103)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(71,757)	35,557
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	168,521	132,964
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD / YEAR	<u>96,764</u>	<u>168,521</u>
Cash and cash equivalents at end of period/year comprises:		
Cash and bank balances	95,241	127,990
Fixed deposit placed with licensed banks	33,919	61,269
Bank overdrafts	(16,248)	(4,590)
	<u>112,912</u>	<u>184,669</u>
Less: Fixed deposits held as security values	(16,148)	(16,148)
	<u>96,764</u>	<u>168,521</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 2015 and the accompanying explanatory notes attached to these interim financial statements

TITIJAYA LAND BERHAD (Co.No.1009114-M)*(Incorporated In Malaysia)***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 2015 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 2015.

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 2015.

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

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

		Effective for financial periods beginning on or after
<u>New FRS</u>		
FRS 9	Financial Instruments	1 January 2018
FRS 14	Regulatory Deferral Accounts	1 January 2016
<u>Amendments/Improvements to FRSs</u>		
FRS 5	Non-current Asset Held for Sale and Discontinued Operations	1 January 2016
FRS 7	Financial Instruments: Disclosures	1 January 2016
FRS 10	Consolidated Financial Statements	1 January 2016
FRS 11	Joint Arrangements	1 January 2016
FRS 12	Disclosure of Interests in Other Entities	1 January 2016
FRS 101	Presentation of Financial Statements	1 January 2016
FRS 116	Property, Plant and Equipment	1 January 2016
FRS 119	Employee Benefits	1 January 2016
FRS 127	Separate Financial Statements	1 January 2016
FRS 128	Investments in Associates and Joint Ventures	1 January 2016
FRS 134	Interim Financial Reporting	1 January 2016
FRS 138	Intangible Assets	1 January 2016

Due to the complexity of these new standards, the financial effects of their adoption are currently still being assessed by the Group.

TITIJAYA LAND BERHAD (Co.No.1009114-M)*(Incorporated In Malaysia)***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 issued 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 the adoption of MFRSs Framework and shall apply the MFRSs framework for annual periods beginning on or after 1 January 2017. Transitioning Entities also include 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 Transitioning Entity has chosen to defer the adoption of the MFRSs framework. As such, the Group will prepare its Second MFRSs financial statements using the MFRSs framework for financial year ended 30 June 2018.

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 is 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 interim 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.

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

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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 2015.

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 was no issuance, cancellation, resale or repayment of debt and equity securities during the current financial period under review except the following:-

Repurchase of shares

During the quarter under review, the Company has repurchased 151,000 of its issued ordinary shares from the open market at RM 1.78 per shares.

As at 31 December 2015, the Company held a total of 1,827,100 or RM 2,836,074 treasury shares at an average price of RM 1.52 per shares.

A7. Dividend Paid

Since the end of the previous financial year, the Company paid a final single-tier of 4.5 sen per ordinary share totaling RM 16,117,860 in respect of the financial year ended 30 June 2015 on 15 December 2015

TITIJAYA LAND BERHAD (Co.No.1009114-M)*(Incorporated In Malaysia)***A EXPLANATORY NOTES PURSUANT TO FRS 134****A8. Segmental Information**

The segmental analysis for the financial period 31 December 2015 was as follows.

Analysis by Operating Divisions:-

	Property Development RM'000	Investment Holding RM'000	Total RM'000
Segment profit	114,526	44,018	158,544
Included in the measure of segment profit are:-			
Revenue from external customers	189,761	50	189,811
Inter-segment revenue	-	6,953	6,953
Interest income	1,635	804	2,439
Interest expense	607	7	614
Depreciation	205	88	293
Accretion of interest on RCPS	-	656	656
Not included on the measure of segment profit but provided to the Management :-			
Tax expenses	12,246	57	12,303
Segment assets	1,162,704	422,131	1,584,835
Segment liabilities	889,445	87,880	977,325

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

	Total RM'000
Total revenue for reportable segments	196,764
Elimination of inter-segment revenue	(6,953)
Consolidated total	189,811
Total profit or loss for reportable segment	158,544
Elimination of inter-segment profits	(107,974)
Consolidated profit before taxation	50,570
Total reportable segments assets	1,584,835
Elimination of inter-segment transactions or balances	(530,818)
Consolidated total	1,054,017
Total reportable segments liabilities	977,325
Elimination of inter-segment transactions or balances	(426,478)
Consolidated total	550,847

A9. Valuation of Property, Plant and Equipment

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

TITIJAYA LAND BERHAD (Co.No.1009114-M)*(Incorporated In Malaysia)***A EXPLANATORY NOTES PURSUANT TO FRS 134****A10. Material Events subsequent to the End of the Interim Period**

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

A11. Changes in Composition of the Group

There were no changes in the composition of the Group under the quarter review.

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

	As At 31.12.2015 RM'000	As At 30.06.2015 RM'000
Corporate guarantees for credit facilities granted to subsidiaries	537,822	467,822

Contingent Assets

The Group does not have any material contingent assets to be disclosed as at 31 December 2015.

A13. Capital Commitments

	As At 31.12.2015 RM'000	As At 30.06.2015 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)
	129,538	129,538

TITIJAYA LAND BERHAD (Co.No.1009114-M)*(Incorporated In Malaysia)***B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES****B1. Review of Performance**

The Group's revenue increased by 23%, amounting to RM35 million compared to previous corresponding quarter. The increase is resulted from the progress recognition in 3Elements, Zone Innovation and Embun respectively.

Gross profit decreased by 13% mainly due to the higher recognition of lower profit margin project during the period and cost saving from Subang Parkhome I & II in previous corresponding quarter.

B2. Variation of Results for the current quarter ended 31 December 2015 against the immediate preceding quarter

The revenue for current quarter increased by 23% or RM20 million to RM105.28 million, as compared to RM84.53 million recorded in the immediate preceding quarter. Higher revenue was contributed by ongoing project in, 3Elements. Despite the increase in revenue, gross profit dropped by 12% to RM33.90 million in the current quarter due to higher progress recognition from lower profit margin project 3Elements.

B3. Commentary on Prospects

The Board is of the opinion that the environment going forward will be challenging. However, based on the Group's on going and upcoming projects, the Board is hoping that the Group's performance for the financial year ending 30 June 2016 will be satisfactory through the continuous sales of the development projects as well as the new launches.

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	
	01.10.2015 TO 31.12.2015 RM'000	01.10.2014 TO 31.12.2014 RM'000	01.07.2015 TO 31.12.2015 RM'000	01.07.2014 TO 30.09.2015 RM'000
After charging:				
Accretion of interest on RCPS	328	455	656	909
Depreciation of investment properties	23	23	46	46
Depreciation of property, plant and equipment	104	128	246	243
Directors' remuneration	293	350	570	634
Interest expense	403	164	614	338
Rental of sales office	115	106	208	196
Rental of equipment	5	2	9	4
Staff costs	4,374	3,096	4,640	5,190
After crediting:				
Bank interest income	(215)	(31)	(272)	(98)
Fixed deposit interest income	(931)	(468)	(1,204)	(1,013)
Other interest income	(699)	(63)	(962)	(67)
Rental income	(477)	(171)	(920)	(324)

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

TITIJAYA LAND BERHAD (Co.No.1009114-M)*(Incorporated In Malaysia)***B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES****B6. Taxation**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.10.2015 TO 31.12.2015 RM'000	01.10.2014 TO 31.12.2014 RM'000	01.07.2015 TO 31.12.2015 RM'000	01.07.2014 TO 30.09.2015 RM'000
Current tax expense	5,830	7,491	13,248	15,647
Deferred taxation	(438)	(109)	(945)	(218)
	<u>5,392</u>	<u>7,382</u>	<u>12,303</u>	<u>15,429</u>

Notes:

The Group's effective tax rate for the current financial period is lower than the statutory tax rate of 24% by the Inland Revenue Board due to certain income not subject to tax.

B7. Status of Corporate Proposal

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 to vary, amend, modify or alter certain provisions, terms and conditions of the SPA.

On 27 May 2015, the shareholders of the Company have approved the purchase of the leasehold land from TGSB.

On 28 September 2015, CMD and TGSB had on 21 September 2015 mutually agreed to extend the date for fulfillment of the Conditions Precedent stipulated in the SPA and Supplemental Agreement from 21 September 2015 until 10 November 2015.

On 10 November 2015 and 10 February 2016, CMD and TGSB mutually agreed to further extend the date for fulfilment of the Conditions Precedent stipulated in the SPA and Supplemental Agreement from 10 November 2015 until 10 February 2016 and from 10 February 2016 until 10 May 2016 respectively, so as to allow sufficient time between TGSB and CMD to complete the necessary conveyancing process for the completion of the Proposed Acquisition.

Any further extension after the expiry of the above-mentioned date will be subject to agreement between both parties.

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

(Incorporated In Malaysia)

B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES**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 2015 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	49,677	(219)	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	15,000	15,000	Within 30 months*
(v) Estimate listing expenses	3,800	3,581	219	Within 3 months
Total	122,558	107,558	15,000	

* The Board resolved the time frame for eventual utilization of purchase of land bank for a further period of twelve (12) months until 25 May 2016 to facilitate the acquisition of land by the subsidiary, City Meridian Development Sdn Bhd.

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.

B9. Group Borrowings

The Group borrowings as at 31 December 2015 were as follows:

	As at 31.12.2015 RM'000	As at 30.06.2015 RM'000
Current - Secured		
Hire purchase payables	122	176
Bank overdrafts	16,248	4,590
Term loans	51,350	49,947
	<u>67,720</u>	<u>54,713</u>
Non-current - Secured		
Hire purchase payables	368	422
Term loans	101,819	103,357
	<u>102,187</u>	<u>103,779</u>
Total group borrowings	<u>169,907</u>	<u>158,492</u>

The above borrowings were denominated in Ringgit Malaysia.

TITIJAYA LAND BERHAD (Co.No.1009114-M)*(Incorporated In Malaysia)***B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES****B10. Earnings per Share**

(a) Basic Earnings Per Share

The basic earnings per share for the current quarter and financial year-to-date are computed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.10.2015 TO 31.12.2015 RM'000	01.10.2014 TO 31.12.2014 RM'000	01.07.2015 TO 31.12.2015 RM'000	01.07.2014 TO 31.12.2014 RM'000
Profit attributable to owners of the company (RM'000)	17,631	18,153	38,263	41,145
Weighted average number of ordinary shares in issue ('000)	354,312	353,333	354,235	352,246
Basic earnings per share (sen)	4.98	5.14	10.80	11.68

(b) Diluted Earnings Per Share

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.10.2015 TO 31.12.2015 RM'000	01.10.2014 TO 31.12.2014 RM'000	01.07.2015 TO 31.12.2015 RM'000	01.07.2014 TO 31.12.2014 RM'000
Profit attributable to owners of the Company (RM'000)	17,631	18,153	38,263	41,145
Weighted average number of ordinary shares in issue ('000)	354,312	353,333	354,312	352,246
Effect of dilution: Redeemable Convertible Preference Shares ('000)	13,333	20,000	13,333	20,000
Adjusted weighted average number of ordinary shares ('000)	367,645	373,333	367,645	372,246
Diluted earnings per share (sen)	4.80	4.86	10.41	11.05

TITIJAYA LAND BERHAD (Co.No.1009114-M)*(Incorporated In Malaysia)***B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES****B11. Realised and Unrealised Profits or Losses Disclosure**

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

	As At 31.12.2015 RM'000	As At 30.06.2015 RM'000
Total retained earnings of the Group		
- Realised	291,490	265,746
- Unrealised	(1,018)	(1,610)
	<u>290,472</u>	<u>264,136</u>
Consolidation adjustments	(23,044)	(18,853)
Total retained earnings as per statement of financial position	<u>267,428</u>	<u>245,283</u>

The unrealised portion within retained earnings as at 31 December 2015 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.