

# INTERIM FINANCIAL REPORT

THIRD QUARTER  
ENDED 31<sup>ST</sup> MARCH 2019



THE  
**shore**  
CBD KOTA KINABALU



**citadines**  
Waterfront  
Kota Kinabalu

# INTERIM FINANCIAL REPORT

THIRD QUARTER | ENDED 31<sup>st</sup> MARCH 2019



## **TITIJAYA LAND BERHAD**

(Company No. 1009114-M)

(Incorporated in Malaysia under the Companies Act, 2016)

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND THREE MONTHS ENDED 31 MARCH 2019 (UNAUDITED)<sup>(1)</sup>**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.01.2019 TO 31.03.2019 RM'000	01.01.2018 TO 31.03.2018 Restated RM'000	01.07.2018 TO 31.03.2019 RM'000	01.07.2017 TO 31.03.2018 Restated RM'000
Revenue	117,569	88,277	267,756	337,129
Costs of sales	(89,435)	(47,341)	(191,739)	(222,171)
<b>Gross Profit</b>	<b>28,134</b>	<b>40,936</b>	<b>76,017</b>	<b>114,958</b>
Other Income	818	839	7,289	4,107
Selling and distribution expenses	(1,512)	(1,203)	(3,902)	(4,341)
Administrative expenses	(7,260)	(7,762)	(18,512)	(21,591)
Other expenses	(2,925)	(934)	(7,547)	(3,676)
<b>Operating Profit</b>	<b>17,255</b>	<b>31,876</b>	<b>53,345</b>	<b>89,457</b>
Finance costs	(1,622)	(2,024)	(4,408)	(4,605)
Share of results of associates, net of tax	(1)	(5)	(2)	(16)
<b>Profit before taxation</b>	<b>15,632</b>	<b>29,847</b>	<b>48,935</b>	<b>84,836</b>
Income tax expense	(4,417)	(6,813)	(13,940)	(22,783)
<b>Net profit for the period</b>	<b>11,215</b>	<b>23,034</b>	<b>34,995</b>	<b>62,053</b>
Other comprehensive income for the financial period	-	-	-	-
<b>Total comprehensive income for the financial period</b>	<b>11,215</b>	<b>23,034</b>	<b>34,995</b>	<b>62,053</b>
<b>Profit attributable to:</b>				
- Owners of the Company	10,823	23,578	32,887	62,780
- Non-controlling interests	392	(544)	2,108	(727)
	<b>11,215</b>	<b>23,034</b>	<b>34,995</b>	<b>62,053</b>
<b>Earnings per share (sen) attributable to owners of the Company</b>				
- Basic <sup>(2)</sup>	0.81	1.75	2.49	5.16
- Diluted <sup>(3)</sup>	0.76	1.65	2.34	4.82

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND THREE MONTHS ENDED 31 MARCH 2019 (UNAUDITED)<sup>(1)</sup>**

**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 2018 and the accompanying explanatory notes attached to these interim financial statements.*
- (2) *Based on weighted average number of ordinary shares in issue (as detailed in Note B11 (a)).*
- (3) *Based on weighted average number of ordinary shares in issue (as detailed in Note B11 (b)).*

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019  
(UNAUDITED) <sup>(1)</sup>**

	<b>UNAUDITED As At 31.03.2019 RM'000</b>	<b>RESTATED As At 30.06.2018 RM'000</b>
Property, plant and equipment	11,500	12,039
Inventories - Land held for property development	515,087	465,297
Investment in an associate	453	456
Investment properties	138,595	136,197
Goodwill on consolidation	2,063	2,063
Deferred tax assets	2,439	2,439
<b>Total non-current assets</b>	<b>670,137</b>	<b>618,491</b>
<b>Current assets</b>		
Inventories - Property development costs	510,368	670,830
Inventories - Completed Properties	242,057	125,445
Other investments	-	5
Trade and other receivables	516,975	515,705
Contract assets	5,088	54,150
Tax recoverable	9,731	7,890
Fixed deposits placed with licensed banks	32,610	49,056
Cash and bank balances	195,332	169,691
<b>Total current assets</b>	<b>1,512,161</b>	<b>1,592,772</b>
<b>TOTAL ASSETS</b>	<b>2,182,298</b>	<b>2,211,263</b>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019  
(UNAUDITED) <sup>(1)</sup>**

	<b>UNAUDITED As At 31.03.2019 RM'000</b>	<b>RESTATED As At 30.06.2018 RM'000</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	773,239	773,239
ICPS	71,365	71,365
Reserve arising from reverse acquisition	(47,426)	(47,426)
Treasury Shares	(13,726)	(134)
Retained earnings	478,034	454,127
<b>Equity attributable to equity holders of the Company</b>	<b>1,261,486</b>	<b>1,251,171</b>
<b>Non-controlling interest</b>	<b>4,776</b>	<b>3,568</b>
<b>Total equity</b>	<b>1,266,262</b>	<b>1,254,739</b>
<b>Non-current liabilities</b>		
Hire purchase payables	1,108	1,316
Bank borrowings	386,102	397,056
Deferred tax liabilities	30,490	31,864
<b>Total non-current liabilities</b>	<b>417,700</b>	<b>430,236</b>
<b>Current liabilities</b>		
Trade and other payables	330,269	305,489
Contract liabilities	47,841	35,551
Hire purchase payables	256	291
Bank borrowings	96,281	147,670
Current tax payables	23,689	37,287
<b>Total current liabilities</b>	<b>498,336</b>	<b>526,288</b>
<b>Total liabilities</b>	<b>916,036</b>	<b>956,524</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,182,298</b>	<b>2,211,263</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>0.97</b>	<b>0.93</b>

**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 2018 and the accompanying explanatory notes attached to these interim financial statements.*

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019 (UNAUDITED) <sup>(1)</sup>

	Share Capital RM'000	Treasury Shares RM'000	Irredeemable Convertible Preference Shares RM'000	Reserve arising from Reverse Acquisition RM'000	Retained Earnings RM'000	Total RM	Non- Controlling Interest RM	Total Equity RM'000
<b>Group</b>								
At 30 June 2017	352,695	-	-	(47,426)	371,601	676,870	4,016	680,886
Changes in ownership interest in subsidiaries	-	-	-	-	-	-	12	12
Conversion of ICPS to ordinary shares	301,092	-	(30,110)	-	-	270,982	-	270,982
Dividend paid	-	-	-	-	(3,577)	(3,577)	-	(3,577)
Issuance of ordinary shares	119,599	-	-	-	-	119,599	-	119,599
Issuance of ICPS	-	-	101,475	-	-	101,475	-	101,475
Repurchase of treasury shares	-	(134)	-	-	-	(134)	-	(134)
Transaction costs of share issue	(147)	-	-	-	-	(147)	-	(147)
Total comprehensive income for the financial year	-	-	-	-	72,568	72,568	(1,344)	71,224
Balance at 30 June 2018	773,239	(134)	71,365	(47,426)	440,592	1,237,636	2,684	1,240,320
Effects of adoption of MFRS Framework	-	-	-	-	13,535	13,535	884	14,419
Balance at 30 June 2018 (restated)	773,239	(134)	71,365	(47,426)	454,127	1,251,171	3,568	1,254,739
Purchase of treasury shares	-	(13,592)	-	-	-	(13,592)	-	(13,592)
Dividend paid	-	-	-	-	(8,980)	(8,980)	-	(8,980)
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	(900)	(900)
Total comprehensive income for the financial period	-	-	-	-	32,887	32,887	2,108	34,995
<b>Balance at 31 March 2019</b>	<b>773,239</b>	<b>(13,726)</b>	<b>71,365</b>	<b>(47,426)</b>	<b>478,034</b>	<b>1,261,486</b>	<b>4,776</b>	<b>1,266,262</b>

**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 2018 and the accompanying explanatory notes attached to these interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR FINANCIAL PERIOD ENDED 31 MARCH 2019 (UNAUDITED) <sup>(1)</sup>**

	<b>01.07.2018 TO 31.03.2019  RM'000</b>	<b>01.07.2017 TO 31.03.2018  Restated RM'000</b>
<b>CASH FLOWS FROM/ (USED IN) OPERATING ACTIVITIES</b>		
Profit Before Tax	48,935	84,836
Adjustments for:		
Non cash item	4,088	4,537
Operating Profit Before Working Capital Changes	<u>53,023</u>	<u>89,373</u>
Net changes In working capital		
Inventories	3,283	(27,800)
Receivables	58,651	(44,582)
Payables	24,081	(389,395)
Net Cash Generated From/(Used In) Operations	<u>139,038</u>	<u>(372,404)</u>
Interest paid	(4,408)	(4,605)
Interest received	3,746	692
Tax paid	(29,339)	(22,207)
Net Operating Cash Flows	<u>109,037</u>	<u>(398,524)</u>
<b>CASH FLOW USED IN INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(188)	(591)
Proceeds from disposal of motor vehicle	-	28
Investment properties cost incurred	(3,595)	-
Other investment	6	6
Land held for property development costs incurred	(10,008)	-
Acquisition of subsidiary	(900)	(70,919)
Acquisition of associate	-	(99)
Net Investing Cash Flows	<u>(14,685)</u>	<u>(71,575)</u>
<b>CASH FLOW (USED IN)/GENERATE FROM FINANCING ACTIVITIES</b>		
Dividend paid	(8,980)	(3,577)
Payment for share issue expenses	-	(147)
Purchase of treasury shares	(13,591)	(122)
Changes in hire purchase payable	(243)	(63)
Changes in bank borrowings	(62,343)	168,952
Proceeds from issuance of shares	-	376,630
Proceeds from issuance of preferences shares	-	47,000
Changes in fixed deposits	18,146	-
Net Financing Cash Flows	<u>(67,011)</u>	<u>588,673</u>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR FINANCIAL PERIOD ENDED 31 MARCH 2019 (UNAUDITED) <sup>(1)</sup>**

	<b>01.07.2018 TO 31.03.2019 RM'000</b>	<b>01.07.2017 TO 31.03.2018 RM'000 Restated</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	27,341	118,574
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	134,421	79,691
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<u>161,762</u>	<u>198,265</u>
<b>Cash and cash equivalents at end of financial period comprises:</b>		
Cash and bank balances	195,332	180,517
Fixed deposit placed with licensed banks	32,610	45,672
Bank overdrafts	-	(4,051)
Islamic commercial paper	(50,000)	-
	<u>177,942</u>	<u>222,138</u>
Less: Fixed deposit pledged to licensed banks	(16,180)	(23,873)
	<u>161,762</u>	<u>198,265</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 2018 and the accompanying explanatory notes attached to these interim financial statements*

## A EXPLANATORY NOTES PURSUANT TO FRS 134

### A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”) 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standard Board, and paragraph 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the Group’s annual audited financial statements for the year ended 30 June 2018 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 2018.

### A2. Accounting Policies

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted in the financial statements for the financial year ended 30 June 2018, except for the effects arising from the transition from Financial Reporting Standards (“FRSs”) to MFRSs, which are disclosed below.

The interim financial statements of the Group for the three months period ended 30 September 2018 are the first set of interim financial statements prepared in accordance with the MFRSs Framework issued by MASB. The MFRS Framework was introduced by MASB in order to fully converge Malaysia’s existing Financial Reporting Standards Framework with the International Financial Reporting Standards (“IFRSs”) framework issued by the International Accounting Standards Board.

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 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 2018.

Accordingly, the Group and the Company which are Transitioning Entities have chosen to defer the adoption of MFRSs framework. As such, the Group and the Company are required to prepare their first MFRSs financial statements using MFRSs framework for financial year ending 30 June 2019. Upon the adoption of MFRSs, the Group and the Company will be applying MFRS1 “*First-time Adoption of MFRS*”. 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 or prohibits retrospective application of some aspects of MFRSs.

#### MFRS 9 Financial Instruments

The MFRS 9 introduce a new, expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, this Standard required entities to account for expected credit losses from when financial instruments are first recognized and to recognized full lifetime expected losses on a more timely basis. The model required an entity to recognized expected credit losses at all times and to update the amount of expected credit losses recognized at each reporting date to reflects changes in the credit risk of financial instruments. This model eliminates the threshold for the recognition of expected credit losses, so that it is no longer necessary for a trigger event to have occurred before credit losses are recognized.

**A EXPLANATORY NOTES PURSUANT TO FRS 134****A2. Accounting Policies (Continued)****MFRS 15 Revenue from Contracts with Customer**

The core principle of MFRS 15 is that an entity recognizes revenue to depict the transfer of promised goods and 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 recognizes revenue in accordance with the core principle by applying the following steps:

- (i) Identify the contracts with a customer;
- (ii) Identify the performance obligation in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations in the contract;
- (v) Recognize 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.

As a result of adoption of MFRSs Frameworks, the following comparatives in the interim financial report have been restated.

**A EXPLANATORY NOTES PURSUANT TO FRS 134****A2. Accounting Policies (Continued)****Consolidated Statement of Comprehensive Income****3 months period ended 31 March 2018**

	<b>As previously stated under FRS RM'000</b>	<b>Effects of Adoption of MFRS 15 RM'000</b>	<b>31-Mar-18 As Restated RM'000</b>
Revenue	79,968	8,309	88,277
Costs of sales	(38,871)	(8,470)	(47,341)
<b>Gross profit</b>	<b>41,097</b>	<b>(161)</b>	<b>40,936</b>
Other income	839	-	839
Selling and distribution expenses	(4,054)	2,851	(1,203)
Administrative expenses	(7,762)	-	(7,762)
Other expenses	(934)	-	(934)
<b>Operating Profit</b>	<b>29,186</b>	<b>2,690</b>	<b>31,876</b>
Finance costs	(2,024)	-	(2,024)
Share of result of associates, net of tax	(5)	-	(5)
<b>Profit before taxation</b>	<b>27,157</b>	<b>2,690</b>	<b>29,847</b>
Income tax expense	(6,049)	(764)	(6,813)
<b>Net profit for the period</b>	<b>21,108</b>	<b>1,926</b>	<b>23,034</b>
Other comprehensive income	-	-	-
<b>Total comprehensive income for the financial period</b>	<b>21,108</b>	<b>1,926</b>	<b>23,034</b>
<b>Profit attributable to:</b>			
- Owners of the parent	21,681	1,897	23,578
- Non-controlling interests	(573)	29	(544)
	<b>21,108</b>	<b>1,926</b>	<b>23,034</b>

**A EXPLANATORY NOTES PURSUANT TO FRS 134****A2. Accounting Policies (Continued)****Consolidated Statement of Comprehensive Income****9 months period ended 31 March 2018**

	<b>As previously stated under FRS RM'000</b>	<b>Effects of Adoption of MFRS 15 RM'000</b>	<b>31-Mar-18 As Restated RM'000</b>
Revenue	326,542	10,587	337,129
Costs of sales	(207,249)	(14,922)	(222,171)
<b>Gross profit</b>	<b>119,293</b>	<b>(4,335)</b>	<b>114,958</b>
Other income	4,107	-	4,107
Selling and distribution expenses	(10,203)	5,862	(4,341)
Administrative expenses	(21,591)	-	(21,591)
Other expenses	(3,676)	-	(3,676)
<b>Operating Profit</b>	<b>87,930</b>	<b>1,527</b>	<b>89,457</b>
Finance costs	(4,605)	-	(4,605)
Share of result of associates, net of tax	(16)	-	(16)
<b>Profit before taxation</b>	<b>83,309</b>	<b>1,527</b>	<b>84,836</b>
Income tax expense	(22,446)	(337)	(22,783)
<b>Net profit for the period</b>	<b>60,863</b>	<b>1,190</b>	<b>62,053</b>
Other comprehensive income	-	-	-
<b>Total comprehensive income for the financial period</b>	<b>60,863</b>	<b>1,190</b>	<b>62,053</b>
<b>Profit attributable to:</b>			
- Owners of the parent	62,254	526	62,780
- Non-controlling interests	(1,391)	664	(727)
	<b>60,863</b>	<b>1,190</b>	<b>62,053</b>

**A EXPLANATORY NOTES PURSUANT TO FRS 134****Consolidated Statement of Financial Position****As at 30 June 2018**

	As previously stated under FRSs/ RM'000	Effects of Adoption of MFRS 15 RM'000	30-Jun-18 As Restated RM'000
<b>Non-current assets</b>			
Property, plant and equipment	12,039	-	12,039
Inventories - Land held for property development	465,297	-	465,297
Investment associates	456	-	456
Investment properties	136,197	-	136,197
Goodwill on consolidation	2,063	-	2,063
Deferred tax assets	2,439	-	2,439
<b>Total non-current assets</b>	<b>618,491</b>	<b>-</b>	<b>618,491</b>
<b>Current assets</b>			
Inventories - Property development costs	652,173	18,657	670,830
Inventories - Completed properties	125,636	(191)	125,445
Other investments	5	-	5
Trade and other receivables	515,705	-	515,705
Contract assets	60,077	(5,927)	54,150
Tax recoverable	7,890	-	7,890
Fixed deposits placed with licensed banks	49,056	-	49,056
Cash and bank balances	169,691	-	169,691
<b>Total current assets</b>	<b>1,580,233</b>	<b>12,539</b>	<b>1,592,772</b>
<b>TOTAL ASSETS</b>	<b>2,198,724</b>	<b>12,539</b>	<b>2,211,263</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	773,239	-	773,239
ICPS	71,365	-	71,365
Reserve arising from reverse acquisition	(47,426)	-	(47,426)
Treasury Shares	(134)	-	(134)
Retained earnings	440,592	13,535	454,127
<b>Equity attributable to equity holders of the Company</b>	<b>1,237,636</b>	<b>13,535</b>	<b>1,251,171</b>
Non-controlling interest	2,684	884	3,568
<b>Total equity</b>	<b>1,240,320</b>	<b>14,419</b>	<b>1,254,739</b>

**A EXPLANATORY NOTES PURSUANT TO FRS 134****Consolidated Statement of Financial Position (continued)****As at 30 June 2018**

	<b>As previously stated under FRSs RM'000</b>	<b>Effects of Adoption of MFRS 15 RM'000</b>	<b>30-Jun-18 As Restated RM'000</b>
<b>Non-current liabilities</b>			
Hire purchase payables	1,316	-	1,316
Borrowings	397,056	-	397,056
Deferred tax liabilities	31,686	178	31,864
<b>Total non-current liabilities</b>	<b>430,058</b>	<b>178</b>	<b>430,236</b>
<b>Current liabilities</b>			
Trade and other payables	304,058	1,431	305,489
Contract liabilities	39,415	(3,864)	35,551
Hire purchase payables	291	-	291
Borrowings	147,670	-	147,670
Current tax payables	36,912	375	37,287
<b>Total current liabilities</b>	<b>528,346</b>	<b>(2,058)</b>	<b>526,288</b>
<b>Total liabilities</b>	<b>958,404</b>	<b>(1,880)</b>	<b>956,524</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,198,724</b>	<b>12,539</b>	<b>2,211,263</b>



**A EXPLANATORY NOTES PURSUANT TO FRS 134****Consolidated Statement of Cashflows****For financial period ended 31 March 2018**

	<b>As previously stated under FRSs RM'000</b>	<b>transition from FRSs to MFRSs RM'000</b>	<b>31-Mar-18 Restated RM'000</b>
<b>CASH FLOWS USED IN OPERATING ACTIVITIES</b>			
Profit before tax	83,309	1,527	84,836
Adjustment for:			
Other non cash item	4,537	-	4,537
Operating Profit before working capital changes	<b>87,846</b>	<b>1,527</b>	<b>89,373</b>
Net changes in current assets			
Inventories	(26,273)	(1,527)	(27,800)
Receivables	(44,582)	-	(44,582)
Payables	(389,395)	-	(389,395)
Net Cash Used Operation	(372,404)	-	(372,404)
Interest paid	(4,605)	-	(4,605)
Interest received	692	-	692
Tax paid	(22,207)	-	(22,207)
Net Operating Cash Flows	(398,524)	-	(398,524)
<b>CASH FLOW USED IN INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	(591)	-	(591)
Proceed from disposal of motor vehicle	28	-	28
Investment properties costs incurred	-	-	-
Other investment	6	-	6
Acquisition of subsidiaries	(70,919)	-	(70,919)
Acquisition of associate	(99)	-	(99)
Net Investing Cash Flows	(71,575)	-	(71,575)
<b>CASH FLOW GENERATED FROM FINANCING ACTIVITIES</b>			
Dividend paid	(3,577)	-	(3,577)
Payment of share issue expenses	(147)	-	(147)
Proceed from treasury shares	(122)	-	(122)
Repayment of finance lease liabilities	(63)	-	(63)
Net changes in bank borrowing	168,952	-	168,952
Proceed for issuance of shares	376,630	-	376,630
Proceed for issuance of preferences shares	47,000	-	47,000
Net Financing Cash Flows	588,673	-	588,673
<b>Net Change In Cash and Cash Equivalents</b>	<b>118,574</b>	<b>-</b>	<b>118,574</b>
<b>Cash and Cash Equivalents At The</b>			
<b>Beginning of the Financial Period</b>	<b>79,691</b>	<b>-</b>	<b>79,691</b>
<b>Cash and Cash Equivalents At The</b>			
<b>End of the Financial Period</b>	<b>198,265</b>	<b>-</b>	<b>198,265</b>

**A EXPLANATORY NOTES PURSUANT TO FRS 134****A3. Auditors' Report on Preceding Annual Financial Statements**

There was no audit qualification reported in the Auditors' Report on the financial statements for the financial year ended 30 June 2018.

**A4. Seasonality or Cyclicity of Operations**

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

**A5. Unusual Items**

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

**A6. Changes in Estimates**

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

**A7. Debt and Equity Securities**

Save for the following, there was no issuance, cancellation, resale or repayment of debt and equity securities during the current financial period under review.

Repurchase of shares

During the quarter under review, the Company has repurchased 11,480,200 of its ordinary shares from the open market price at average RM 0.30 per shares.

As at 31 March 2019, the Company held a total of 44,237,700 or RM 13,725,866 treasury shares at average price of RM 0.31 per share.

**A8. Dividend Paid**

There was no dividend paid in the current quarter under review.

**A9. Valuation of Property, Plant and Equipment**

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

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

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

**A11. Changes in Composition of the Group**

On 22 April 2019, Titijaya Land Berhad ("TLB") entered into a Mutual Termination Agreement ("MTA") with Bina Puri Properties Sdn Bhd ("BPPSB") to mutually agree to transfer the remaining 30% equity interest comprising 120,000 ordinary shares in Riveria City Sdn Bhd ("RCSB") held by BPPSB for a total consideration of RM120,000. The completion of the MTA is subject to the fulfillment of the Transfer Documents conditions stipulated in the Agreement. Upon the completion of the Acquisition of shares, RCSB shall become a wholly-owned subsidiary of TLB.

**A EXPLANATORY NOTES PURSUANT TO FRS 134****A12. Changes in Contingent Liabilities and Contingent Assets****Contingent Liabilities**

	31.03.2019	30.06.2018
	RM'000	RM'000
Corporate guarantees for credit facilities granted to subsidiaries	400,729	443,748

**Contingent Assets**

The Group does not have any material contingent assets to be disclosed as at 31 March 2019.

**A13. Significant Related Party Transactions**

There was no significant related party transaction in the current quarter under review.

**A14. Segmental Information**

The segmental analysis for the financial period ended 31 March 2019 was as follows.

Analysis by Operating Divisions:-

	Property Development RM'000	Investment Holding & Others RM'000	Total RM'000
<b>Segment profit</b>	66,816	8,303	75,119
Included in the measure of segment profit are:-			
Revenue from external customers	267,120	636	267,756
Inter-segment revenue	28,497	13,396	41,893
Interest income	2,968	778	3,746
Interest expense	258	4,150	4,408
Depreciation	614	678	1,292
Not included on the measure of segment profit but provided to the Management :-			
Tax expenses	13,631	309	13,940
<b>Segment assets</b>	2,387,796	1,426,504	3,814,300
<b>Segment liabilities</b>	1,776,285	474,702	2,250,987

**A EXPLANATORY NOTES PURSUANT TO FRS 134****A14. Segmental Information**

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

	<b>Total RM'000</b>
Total revenue for reportable segments	309,649
Elimination of inter-segment revenue	<u>(41,893)</u>
Consolidated total	<u>267,756</u>
Total profit or loss for reportable segment	75,119
Elimination of inter-segment profits	<u>(26,184)</u>
Consolidated profit before taxation	<u>48,935</u>
Total reportable segments assets	3,814,300
Elimination of inter-segment transactions or balances	<u>(1,632,002)</u>
Consolidated total	<u>2,182,298</u>
Total reportable segments liabilities	2,250,987
Elimination of inter-segment transactions or balances	<u>(1,334,951)</u>
Consolidated total	<u>916,036</u>

**B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES****B1. Review of Group Performance**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.01.2019 TO 31.03.2019	01.01.2018 TO 31.03.2018 Restated	01.07.2018 TO 31.03.2019	01.07.2017 TO 31.03.2018 Restated
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>				
Property Development	117,378	87,927	267,120	336,239
Other Operations	191	350	636	890
	117,569	88,277	267,756	337,129
<b>Profit before tax</b>				
Property Development	17,237	33,437	53,665	94,207
Other Operations	(1,605)	(3,590)	(4,730)	(9,371)
	15,632	29,847	48,935	84,836

**Performance of the third quarter against the same quarter in the preceding year (Q3 FY2019 vs Q3 FY2018)****(a) Property Development**

The Group's revenue of RM 117 million for the current quarter was higher by 33% or RM 29 million as compared to the revenue of RM 88 million generated in the previous year's corresponding quarter. The increase was contributed by the completion of the overall H2O project including Blocks A, C & D and Mizu ("H2O Project") and early stage of progressive project recognition for Neu Suites @ 3rdNvenue, The Riv @ Riveria City, The Shore @ Kota Kinabalu and Roseville @ Taman Seri Residensi, Klang during the current quarter.

The Group recorded a lower profit before tax of RM 17 million for the current quarter as compared to the previous year corresponding quarter. This was due to finalization of cost for the H2O Project upon completion and higher marketing expenses in particularly sales commission for ongoing projects namely Neu Suites @ 3rdNvenue, The Shore @ Kota Kinabalu and The Riv @ Riveria City.

**(b) Other Operation**

Revenue from Other Operation mainly resulted from rental collection. Losses before tax were mainly resulted from depreciation expenses and financing cost for investment properties.

**Performance of the third quarter cumulative period against the same period in the preceding year (Q3 YTD FY2019 vs Q3 YTD FY2018)****(a) Property Development**

The Group recorded a 21% decrease in revenue equivalent to RM 69 million compared to the corresponding period in the preceding year. The lower revenue was attributable to the completion of the H2O Project completion and the early stage of project progressive recognition for Neu Suites @ 3rdNvenue, The Shore @ Kota Kinabalu, The Riv @ Riveria City and the sales of inventories – completed properties mainly from Zone Innovation Park @ Klang.

The Group recorded a lower profit before tax of RM 54 million as compared to RM 94 million in the corresponding period in preceding year. It was due to the higher marketing expenses in particularly sales commission for ongoing projects progress which still at early stage of development.

**(b) Other Operation**

Revenue from Other Operation mainly resulted from rental collection. Losses before tax were mainly consists of administrative expenses for untenanted investment property and banking facilities. The decreased in losses before tax were caused by one off expense incurred for corporate exercise in previous year.

**B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES****B2. Material Changes in the Quarterly Results compared to the Results of the Preceding Quarter**

	INDIVIDUAL QUARTER		CHANGES
	01.01.2019 TO 31.03.2019	01.10.2018 TO 31.12.2018	
	RM'000	RM'000	RM'000
Revenue	117,569	83,094	34,475
Gross Profit	28,134	25,527	2,607
Profit before interest and tax	17,255	18,047	(792)
Profit before tax	15,632	16,259	(627)
Profit after tax	11,215	11,271	(56)
Profit attributable to owners of the Company	10,823	10,330	493

For the current quarter under review, the Group's revenue increases RM 34 million compared to the preceding quarter ended 31 December 2018. The increases in revenue during the quarter as compared to previous quarter was mainly attributable to project completion in H2O Project. The lower gross profit margin of 24% for current quarter compared to previous quarter of 31% was attributable by the finalization of cost in H2O upon completion, and lower contribution from ongoing projects namely Neu Suites @ 3rdNvenue, The Shore @ Kota Kinabalu and The Riv @ Riveria City as these projects are still at the early stage of recognition.

**B3. Prospects and progress on previously announced financial estimate****(a) Prospects**

The Group are of the opinion that the performance for the remaining financial period ending 30 June 2019 is expected to remain challenging due to the weak market sentiment.

Despite the property market is seeing a slowdown in activities, The Group's long-term growth prospect remains positive based on a strong competitive position and consistent demand for the type of residential properties the Group has offered.

Moving forward, the Group will continue to focus on market-driven products with attractive price offering scheme to attract potential sales and unlock the value of its strategic landbank across the Klang valley.

**(b) Progress and steps to achieve financial estimate, forecast, projection and internal targets previously announced**

There was no financial forecast previously announced by the Group.

**B4. Statement of the Board of Directors' opinion on achievability of financial estimate, forecast, projection and internal targets previously announced**

Not applicable.

**B5 Financial estimate, forecast or projection**

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

**B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES****B6 Dividend**

There was no dividend declared for the current quarter under review.

**B7. 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	
	01.01.2019 TO 31.03.2019	01.01.2018 TO 31.03.2018	01.07.2018 TO 31.03.2019	01.07.2017 TO 31.03.2018
	RM'000	RM'000	RM'000	RM'000
<b>After charging:</b>				
Depreciation of property, plant and equipment	244	174	725	586
Depreciation of investment properties	189	24	567	70
Directors' remuneration	388	423	1,226	1,319
Interest expenses	1,622	2,024	4,408	4,605
Rental of sales office	15	149	273	364
Rental of equipment	9	10	32	29
Staff costs	3,817	3,649	9,195	8,837
Liquidated and ascertained damages	2,130	-	2,132	-
<b>After crediting:</b>				
Bank interest income	(132)	(342)	(1,493)	(630)
Fixed deposit interest income	(239)	(72)	(661)	(192)
Other interest income	(216)	(1,018)	(1,592)	(1,303)
Liquidated and ascertained damages income	-	(6,934)	-	(7,691)
Gain on disposal of motor vehicle	-	-	-	(48)
Rental income	(1,087)	(593)	(5,686)	(1,425)

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

**B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES****B8. Taxation**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.01.2019 TO 31.03.2019	01.01.2018 TO 31.03.2018 Restated	01.07.2018 TO 31.03.2019	01.07.2017 TO 31.03.2018 Restated
	RM'000	RM'000	RM'000	RM'000
Current tax expense	4,207	6,738	13,900	22,811
Deferred taxation	210	75	40	(28)
	4,417	6,813	13,940	22,783

The Group's effective tax rate for the current financial period is higher than the statutory tax rate of 24% by the Inland Revenue Board due to certain expenses not tax deductible and deferred tax assets on losses not recognized.

**B9. Status of Corporate Proposal**

There were no material transaction or events subsequent to the current quarter ended 31 March 2019 until 29 May 2019 (the latest practicable date which is not earlier than 7 days from the date of issues of this quarterly report).

**B10. Group Borrowings and Debt Securities**

Total group borrowings and debt securities as at 31 March 2019 were as follows:-

	Secured RM'000
Short Term Bank Borrowings	96,281
Long Term Bank Borrowings	386,102
	<u>482,383</u>

The above borrowings were denominated in Ringgit Malaysia.



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

### B11. Earnings per Share

#### (a) Basic Earnings Per Share

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.01.2019 TO 31.03.2019	01.01.2018 TO 31.03.2018 Restated	01.07.2018 TO 31.03.2019	01.07.2017 TO 31.03.2018 Restated
Profit attributable to owners of the company (RM'000)	10,823	23,578	32,887	62,780
Weighted average number of ordinary shares in issue ('000)	1,343,718	1,344,237	1,319,433	1,216,199
Basic earnings per share (sen)	0.81	1.75	2.49	5.16

#### (b) Diluted Earnings Per Share

Dilutive earnings per share of current quarter have been calculated by dividing the profit attributable to owners of the company for the financial period by weighted average number of shares that would have been issued upon full conversion of the remaining Irredeemable Convertible Preference Shares on the basis of one (1) ordinary share for every ten (10) ICPS held.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	01.01.2019 TO 31.03.2019	01.01.2018 TO 31.03.2018 Restated	01.07.2018 TO 31.03.2019	01.07.2017 TO 31.03.2018 Restated
Profit attributable to owners of the Company (RM'000)	10,823	23,578	32,887	62,780
Weighted average number of ordinary shares in issue ('000)	1,343,718	1,344,237	1,319,433	1,216,199
Effect of dilution: Irredeemable Convertible Preference Shares ('000)	86,503	86,503	86,503	86,503
Adjusted weighted average number of ordinary shares ('000)	1,430,221	1,430,740	1,405,936	1,302,702
Diluted earnings per share (sen)	0.76	1.65	2.34	4.82