

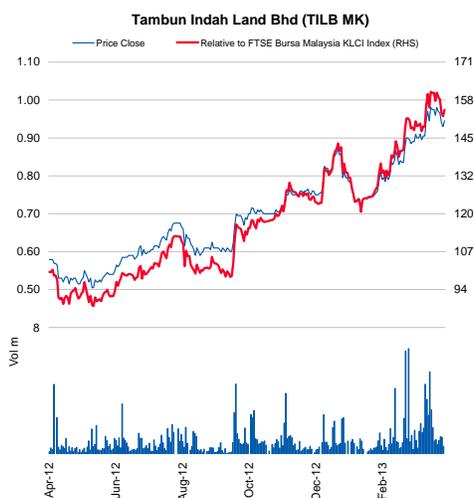
Tambun Indah Land (TILB MK)

Property - Real Estate
Market Cap: USD96.7m

Buy
Target Price: MYR1.28
Price: MYR0.95

The Best Penang Mainland Play

Macro
Risks
Growth
Value



Source: Bloomberg

Avg Turnover (MYR/USD)	1.05m/0.34m
Cons. Upside (%)	na
Upside (%)	35.4
52-wk Price low/high (MYR)	0.51 - 0.98
Free float (%)	50.0
Shareholders (%)	
Ir. Teh Kiak Seng	47.0

Shariah compliant

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We initiate coverage on Tambun Indah with a Buy rating and fair value of MYR1.28. The stock is our top small cap pick. Despite the 57% share price appreciation since our first report in Oct last year, we believe the growth prospect of its 600-acre anchor landbank at Simpang Empat has yet to be fully priced in. The upcoming opening of the Penang Second Bridge (PSB) will provide significant economic impact at Batu Kawan area and visibility on the mainland property market.

- ◆ **Deep value embedded.** Tambun Indah (TILB) has garnered significant investors' interest since we first issued our non-rated note in Oct 2012. TILB's value is underpinned by its strategic anchor landbank, capable management, quality products, solid balance sheet and attractive dividend yield. TILB's Pearl City township is just 15-min away from the PSB. This is a growing township as it is just 50% developed, with remaining landbank of 600 acres. Being close to many industrial parks, the growing working population creates a natural demand for properties particularly in a proper township. Therefore, although share price has appreciated by 57%, value will continue to be realised particularly upon the opening of PSB in Sept this year. Its market cap has almost hit MYR300m mark, a good level to be included in small cap radar.
- ◆ **Four re-rating catalysts.** Key re-rating catalysts for the stock include: (i) The best Penang mainland play to capture the significant economic impact from the opening of PSB. Other players on the mainland are typically smaller cap companies and lacking earnings track record; (ii) Upside in product pricing suggests room for margin and RNAV expansion. We estimate that, a 10% increase in Pearl City's GDV will translate into an additional 8-10 sen to RNAV/share; (iii) Landbanking activities to top up RNAV. Management may look to continue penetrate the mainland market and possibly venture into the Klang Valley; and (iv) Solid balance sheet and earnings growth enable sustainable dividend payout. Yield is attractive at about 6-7%.
- ◆ **Earnings forecasts.** We expect an earnings growth of at least 20% p.a. over the next two years. Sales at Pearl City will accelerate to meet our forecast of MYR450m for 2013 (vs. MYR400m achieved in 2012).
- ◆ **Top small cap pick for the sector.** We initiate coverage on TILB with a Buy rating and fair value of MYR1.28, at 25% discount to RNAV.

Forecasts and Valuations	Dec-10	Dec-11	Dec-12	Dec-13F	Dec-14F
Total turnover (MYRm)	40	192	297	376	475
Recurring net profit (MYRm)	25.2	23.4	40.8	50.2	62.6
Net profit growth (%)	0.0	(7.3)	74.6	23.1	24.7
EPS (MYR)	0.27	0.15	0.15	0.16	0.20
DPS (MYR)	0.00	0.05	0.05	0.06	0.07
Dividend Yield (%)	0.0	5.7	4.9	6.1	7.6
Return on average assets (%)	0.0	8.7	10.7	10.2	10.6
Return on average equity (%)	0.0	17.0	21.6	21.0	22.8
P/E (x)	3.54	6.38	6.16	5.85	4.69
P/B (x)	0.75	1.34	1.32	1.15	1.00
Net debt to equity (%)	(3.1)	20.6	(4.6)	(3.4)	(5.6)

Source: Company data, RHB Estimates

SWOT Analysis

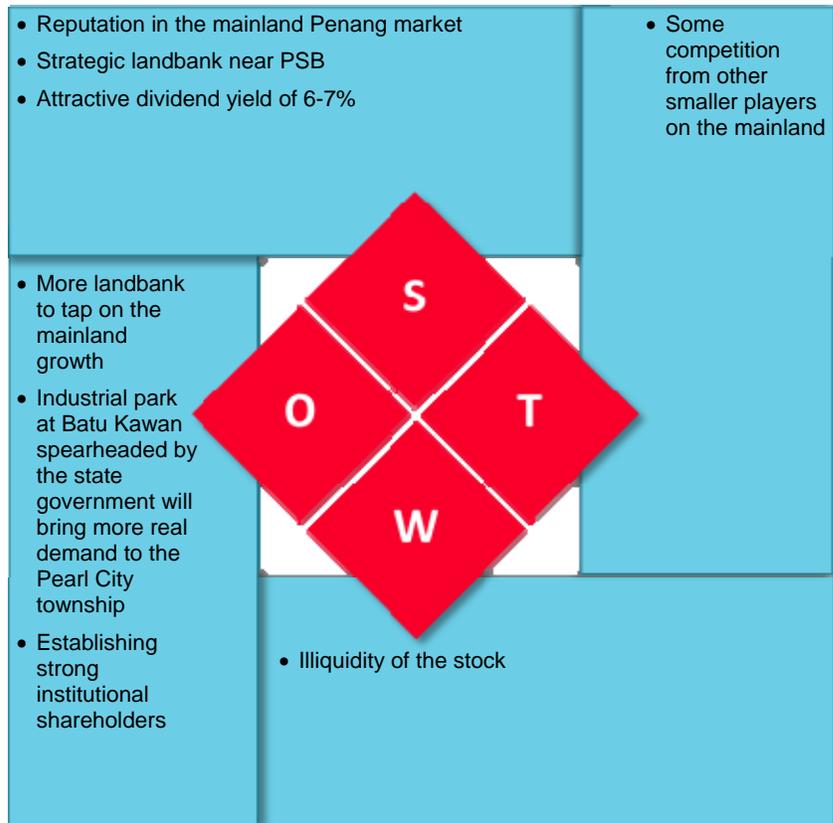
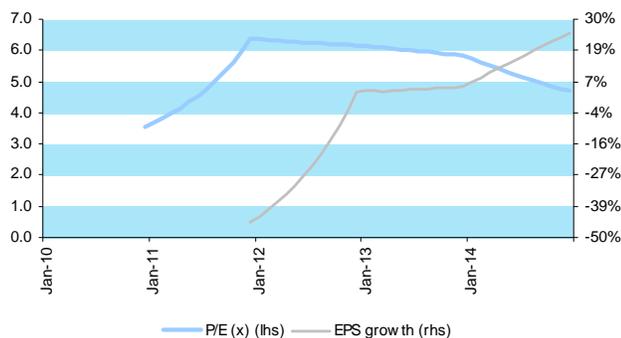


Figure 1

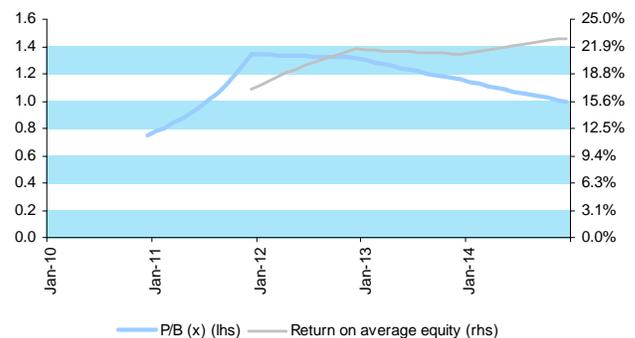
P/E (x) vs EPS growth



Source: Company data, RHB Estimates

Figure 2

P/BV (x) vs ROAE



Source: Company data, RHB Estimates

Company Profile

Tambun Indah Land Bhd is a developer based in Penang mainland. Its flagship township Pearl City is located at Simpang Empat, 15-min away from the PSB.

Financial Exhibits

Profit & Loss (MYRm)	Dec-10	Dec-11	Dec-12	Dec-13F	Dec-14F
Total turnover	40	192	297	376	475
Cost of sales	(28)	(131)	(193)	(248)	(314)
Gross profit	12	61	104	129	161
Gen & admin expenses	(1)	(15)	(24)	(31)	(39)
Other operating costs	17	1	2	2	2
Operating profit	28	47	81	99	123
Operating EBITDA	28	47	81	100	124
Depreciation of fixed assets	(0)	(0)	(1)	(1)	(1)
Operating EBIT	28	47	81	99	123
Net income from investments	-	(0)	1	-	-
Interest income	0	1	-	-	-
Interest expense	-	(1)	(2)	(4)	(4)
Pre-tax profit	28	47	79	96	119
Taxation	(2)	(13)	(22)	(26)	(33)
Minority interests	(1)	(10)	(16)	(19)	(24)
Profit after tax & minorities	25	23	41	50	63
Net income to ord equity	25	23	41	50	63
Recurring net profit	25	23	41	50	63

Source: Company data, RHB Estimates

Cash flow (MYRm)	Dec-10	Dec-11	Dec-12	Dec-13F	Dec-14F
Operating profit	28	47	81	99	123
Depreciation & amortisation	0	0	1	1	1
Change in working capital		(61)	24	(23)	(34)
Other operating cash flow	(39)	(18)	3	(406)	(5)
Operating cash flow	(11)	(32)	108	(329)	85
Interest received	0	1	-	-	-
Interest paid	-	(1)	(2)	(4)	(4)
Tax paid		(13)	(22)	(26)	(33)
Cash flow from operations	(10)	(45)	84	(359)	48
Capex	(49)	(34)	(45)	(30)	(20)
Other investing cash flow	88	28	(8)	-	-
Cash flow from investing activities	39	(6)	(53)	(30)	(20)
Dividends paid		-	(12)	(14)	(18)
Proceeds from issue of shares		24	42	-	-
Increase in debt	-	55	6	-	-
Other financing cash flow	(45)	(16)	(10)	421	(0)
Cash flow from financing activities	(45)	63	26	407	(18)
Cash at beginning of period	43	27	39	96	114
Total cash generated	(16)	12	57	18	10
Implied cash at end of period	27	39	96	114	125

Source: Company data, RHB Estimates

Financial Exhibits

Balance Sheet (MYRm)	Dec-10	Dec-11	Dec-12	Dec-13F	Dec-14F
Total cash and equivalents	27	39	96	114	125
Inventories	65	116	129	164	207
Accounts receivable	58	65	71	89	113
Other current assets	2	1	1	1	1
Total current assets	153	222	297	369	446
Total investments	-	2	5	5	5
Tangible fixed assets	62	96	140	169	188
Intangible assets	0	2	-	-	-
Total other assets	-	1	1	1	1
Total non-current assets	62	100	146	176	195
Total assets	215	322	444	545	641
Short-term debt	18	6	7	17	17
Accounts payable	55	50	93	124	156
Other current liabilities	2	4	3	3	3
Total current liabilities	76	60	103	144	176
Total long-term debt	5	72	77	87	87
Other liabilities	1	3	2	2	2
Total non-current liabilities	6	75	79	89	89
Total liabilities	82	135	182	233	265
Share capital	95	111	155	155	155
Retained earnings reserve	25	38	60	91	131
Other reserves	-	6	8	8	8
Shareholders' equity	120	155	223	255	294
Minority interests	14	32	39	58	82
Total equity	134	187	262	312	376
Total liabilities & equity	215	322	444	545	641

Source: Company data, RHB Estimates

Key Ratios (MYR)	Dec-10	Dec-11	Dec-12	Dec-13F	Dec-14F
Revenue growth (%)	0.0	384.4	54.8	26.8	26.1
Operating profit growth (%)	0.0	65.0	72.6	23.1	24.2
Net profit growth (%)	0.0	(7.3)	74.6	23.1	24.7
EPS growth (%)	0.0	(44.5)	3.6	5.3	24.7
Bv per share growth (%)	0.0	(44.5)	2.2	14.0	15.6
Operating margin (%)	71.5	24.4	27.2	26.4	26.0
Net profit margin (%)	63.7	12.2	13.7	13.3	13.2
Return on average assets (%)	0.0	8.7	10.7	10.2	10.6
Return on average equity (%)	0.0	17.0	21.6	21.0	22.8
Net debt to equity (%)	(3.1)	20.6	(4.6)	(3.4)	(5.6)
DPS	0.00	0.05	0.05	0.06	0.07
Recurrent cash flow per share	(0.11)	(0.28)	0.32	(1.15)	0.16

Source: Company data, RHB Estimates

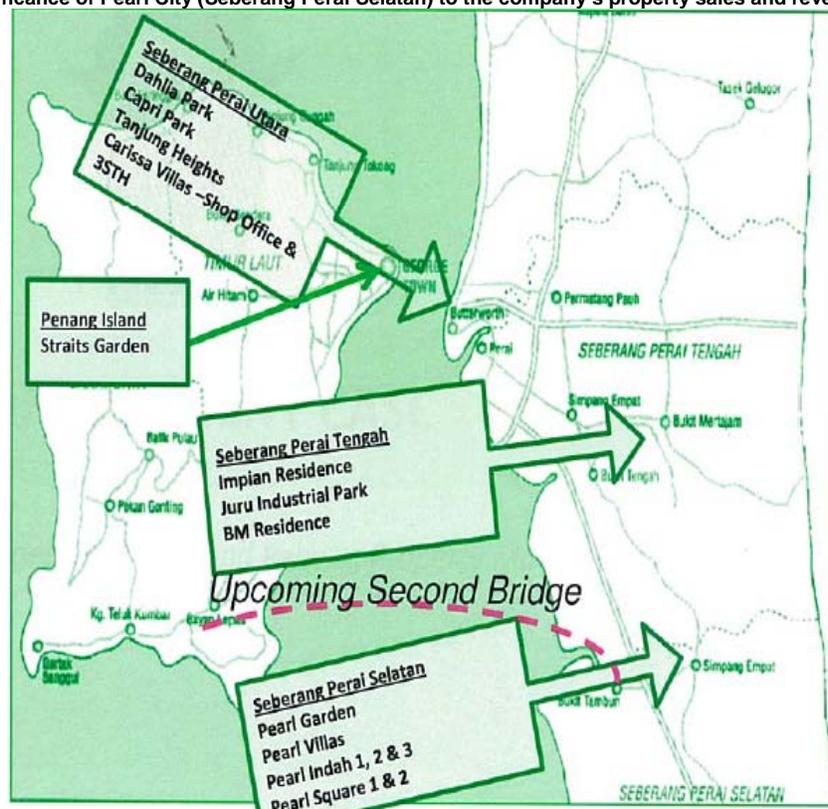
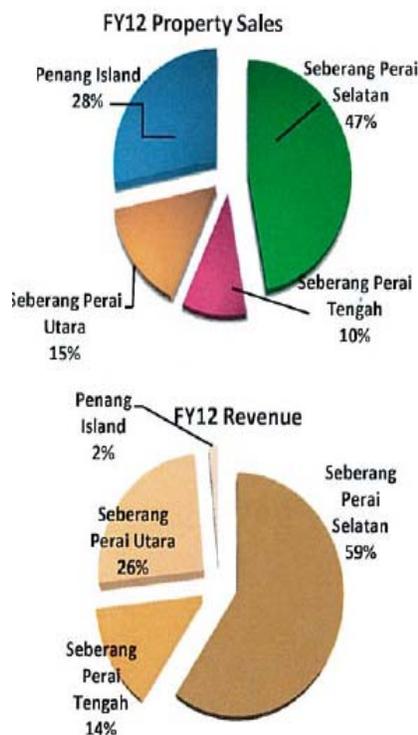
The Best Penang Mainland Play

The Penang mainland market

Unlike before whereby Penang property market is predominantly concentrated on the island, the soon-to-be completed PSB and the industrial park at Batu Kawan spearheaded by the Penang state government are expected to change the property landscape on the mainland market. Prior to the opening of PSB, it has already spurred many property developments at both Batu Maung on the Penang Island, and Batu Kawan/Simpang Empat on the mainland. Thus far, developments by the sector leaders such as SP Setia and Mah Sing, are mainly located at the southern part of the Penang island, and selling prices for their projects are no longer cheap (at RM600-800 psf). Given the stubbornly high property prices in the island and hence the big 100-200% price differentials, the land and property prices on Penang mainland appear relatively attractive.

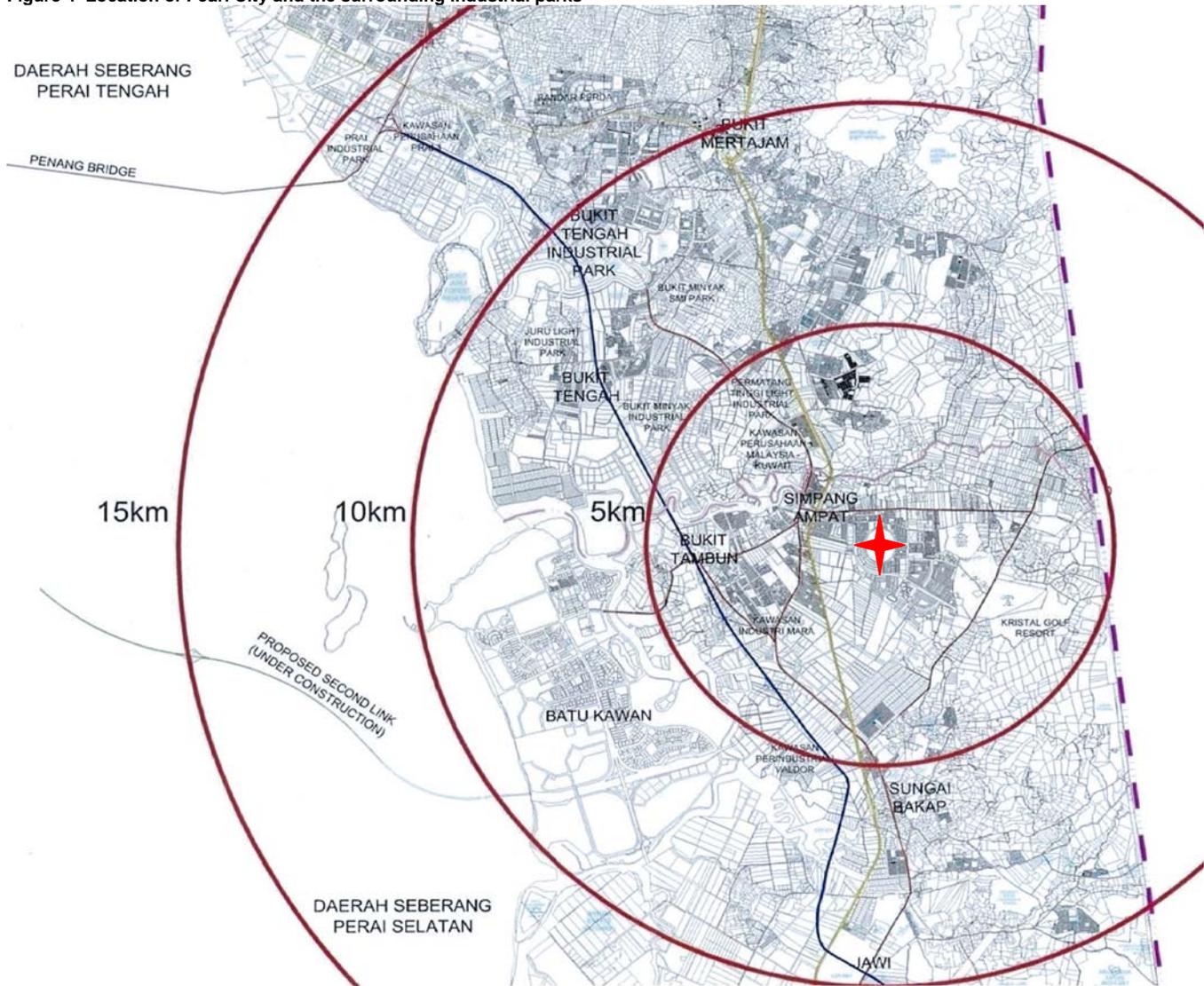
The Penang mainland property market is well supported by industrial and business activities. The Penang state has a total population size of about 1.6m, and out of which, the population on the mainland makes up 54-55%. The impact of record high FDIs of MYR14bn for the Penang state has gradually translated to the establishment of industrial parks. On the mainland, Simpang Empat, Tambun and Batu Kawan areas already have about 10-12 industrial parks, housing thousands of factories. The Penang Development Corp's (PCB) Batu Kawan Industrial Park is as big as 1,500 acres. Over the years, the area has successfully attracted strong investors' interest. Boon Siew Honda, Bose, VAT, Ilden, Bosch are among the foreign investors currently building their plants in the industrial park. The Penang state government has also recently announced its plans to set up a Premium Outlet next to the PSB interchange at Bandar Cassia, anticipating higher tourist arrivals to the state from the current 6m per year. Bandar Cassia is a township led by the PDC, with a size of over 6,000 acres. Mirroring the spillover of the Johor Premium Outlet to Kulai/Senai areas, we believe the Batu Kawan area will experience similar growth trends in real estate values. Note that, based on our checks, a small plot of agricultural land at Kulai (near JPO) is now going at about MYR20-25 psf (some 30-40% appreciation over the last two years), and there are many new property developments in the vicinity since the commencement of JPO in end 2011.

Figure 3 Location of TILB's projects and the significance of Pearl City (Seberang Perai Selatan) to the company's property sales and revenue



Source: Company

Figure 4 Location of Pearl City and the surrounding industrial parks



Source: Company

TILB – The best Penang mainland play to capture the significant economic impact from the opening of PSB.

The property price on the mainland will play a catch up these two years, given the low base effect. The mushrooming industrial parks on the mainland will translate to higher job opportunities going forward. The first wave of spill over, which is already happening, will be on the surrounding areas which the PSB will link to on the mainland. TILB has about 660 acres of land spanning over Butterworth, Bukit Mertajam, Simpang Empat i.e. Seberang Perai North, Sentral and South. Given TILB's 600 acres of landbank at Pearl City and its short distance from the PSB, we view TILB as the best proxy for Penang mainland play. TILB is well-positioned to tap on the strong growth potential ahead. Other mainland players, in our view, are either having less strategic landbank or lacking earnings track record and fundamentals.

TILB's flagship Pearl City is located at Simpang Empat. It is a freehold gated and guarded township (mixed development) JV project with Nadayu. The project was started in 2009, and is expected to be fully developed by 2020. Thus far, a total of 4,700 housing units have been completed and the township is left with about 600 acres of remaining undeveloped landbank. Pearl City is about 15-20 min drive from the existing Penang Bridge and PSB. The 12 industrial parks located within the 15km radius from the township and hence the sizeable working population creates a natural demand for houses at Pearl City, which is very suitable for family occupancy. The industrial areas include the Prai Industrial Estate, Penang Science Park, Bukit Minyak Industrial Estate, Bukit Tengah Industrial Estate and Batu Kawan Industrial Park.

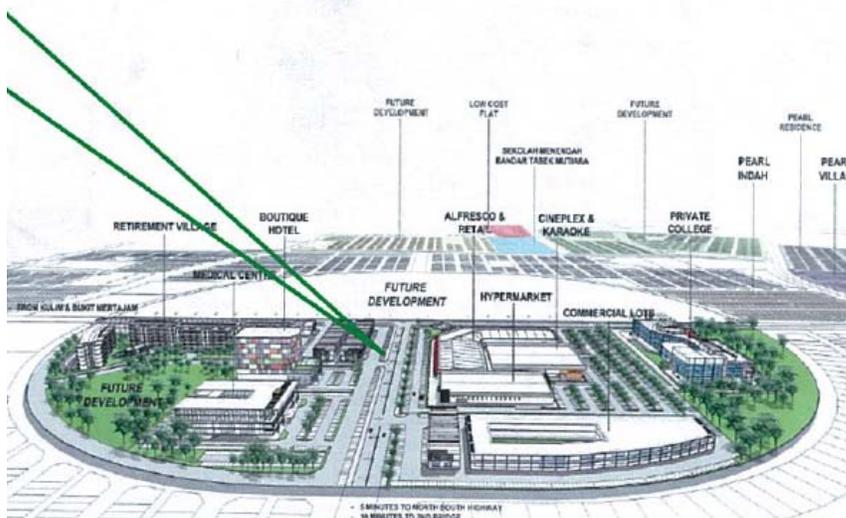
Upon completion, Pearl City will be a self-contained township. Given the future growth from the current estimated number of residents of 15-20k, management has allocated 107 acres of land in the centre of the township as the Business Park. The Business Park will comprise a hypermarket, lifestyle F&B outlets, medical centre, boutique hotel etc. We understand that there are currently a few education players in talks with management to build a campus within the township. TILB is also negotiating with a shopping mall owner/operator to set up a retail mall to cater for the township. This potential partner currently owns four shopping malls in the northern region of Peninsular Malaysia, and hence TILB will be able to leverage on the partner's expertise to operate a retail property. A 50:50 JV will be formed between TILB and the partner to construct a mall with an NLA of 150-180k sqf for Phase 1 and 200k sqf for Phase 2, which will include a cineplex. The mall will be integrated with the lifestyle commercial precinct. We are positive to the JV, as the commercial component will help to add long-term value to the entire township development. Lately, the global furniture player – IKEA is also looking to set up an outlet on the Penang mainland, and has considered Pearl City Business Park as one of the potential sites. This could possibly be another catalyst for the township.

Figure 5 Aerial view of Pearl City



Source: Company

Figure 6 Components of Pearl City Business Park



Source: Company

Upside in product pricing and hence margin and RNAV expansion

The land value of Pearl City has already doubled from its book cost of MYR11 psf. We understand that land parcels in the surrounding area are now going at MYR16-25 psf. In 4Q12, Malton has entered into a JV to develop a mixed development project (80% commercial/20% residential) on a 300-acre piece of leasehold land at Batu Kawan, with a GDV of MYR3.8bn. Given the 18% share of GDV imposed by the land owner and at a plot ratio of 1.4x for the commercial component, this translates into a land cost of about MYR39 psf. This is much higher compared to TILB's average land cost, and in turn suggests a promising upside in the product pricing for TILB's properties in Pearl City.

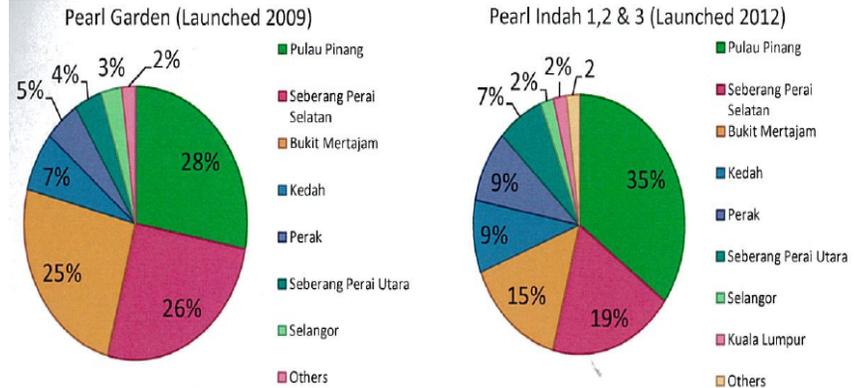
The percentage of Penang Island buyers for TILB's Pearl Garden has seen an increase to 35% in 2012 from 28% in 2009. Given the surrounding industrial developments, the demand for the properties on the mainland is real, as buyers tend to purchase properties for owner occupancy. This is important, as it will underpin the long-term sustainability of demand and hence value appreciation of the properties. In our view, given the design, quality and landscaping of the township, the selling prices of TILB's property products are still at decent levels, and we see some upside potential. The selling prices of the terrace houses, semi-ds and bungalows are already seeing an appreciation of 10-15% increase p.a. over the past few years. We believe the demand for the terraces is much stronger, as the increase in the selling prices for the terraces appears to be more sustainable at about 10% p.a. Linked houses in the latest launch are nearing MYR400k each. Semi-ds and bungalows, on the other hand, will attract upgraders.

Table 1 Average selling price and % appreciation of TILB's products at Seberang Prai Selatan

Year	Terrace (MYR)	% change	Semi-d (MYR)	% change	Bungalow (MYR)	% change
1995	120,000		218,000		400,000	
1999	128,000		238,000		430,000	
2003	159,000		288,000		500,000	
2007	190,000		338,000		600,000	
2008	218,000	14.7%	388,000	14.8%	700,000	16.7%
2009	248,000	13.8%	428,000	10.3%	750,000	7.1%
2010	288,000	16.1%	488,000	14.0%	800,000	6.7%
2011	318,000	10.4%	588,000	20.5%	900,000	12.5%
2012	350,000	10.1%	600,000	2.0%	920,000	2.2%

Source: Company

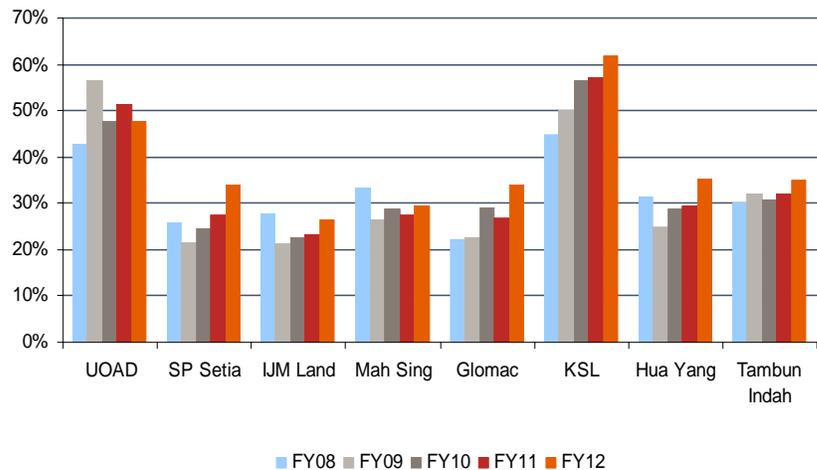
Figure 7 TILB's buyers profile and purchasers from the Klang Valley have started coming in



Source: Company

Management's guidance on GDV is conservative in our view. We reasonably believe a 10% increase in total GDV for Pearl City could be easily achieved, considering the strategic location, demand trend and the future prospects in the Batu Kawan area. Margin will also expand. Given the stable building material prices, bulk of the increase in selling price will flow straight to the bottom line. Based on our estimate, a 10% increase in the selling price (GDV) of the properties would translate into an incremental value of 8-10sen to our RNAV/share. Over the years, TILB has managed to maintain its gross profit margin at above 30% mark. Given the mix of products rolling out this year (such as the commercial shop lots in Pearl Avenue), we expect the gross margin to reach the higher end of 30-35% range. This strong margin is comparable to some of the sector peers.

Figure 8 TILB's gross profit margins are comparable to some of the peers



Source: Company

The capable management team

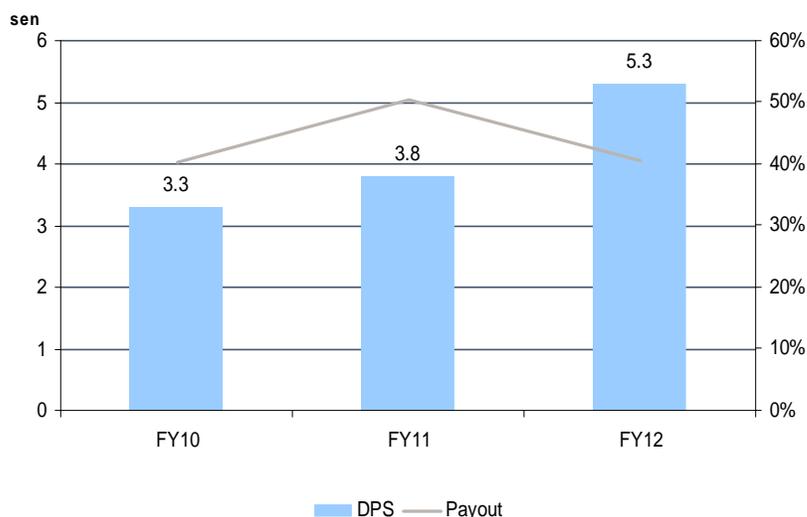
TILB is well-managed by a group of architects, engineers and finance professionals. Ir. Teh Kiak Seng, with a shareholding of 47%, is the founder and currently the Managing Director of the company. Mr. Teh is a civil engineer, and has more than 30 years of experience in the housing industry. He was previously significantly involved in the design and completion of factories. Subsequently, Mr Teh started his own engineering consultancy firm in Penang, and later ventured into property development. Besides his prominent background in the engineering sector, Mr Teh is also the Honorary Secretary of Real Estate and Housing Developers' Association (REHDA) Penang. On business operations, Mr. Thaw Yeng Cheong (Executive Director) is also very hands on. Mr. Thaw is an architect since 1985. Throughout his career, he was deeply involved in property design, budgeting and building process. He has a diversified range of experience, such as residential, commercial, industrial, healthcare and even leisure/resorts developments. His past clients include IJM Corp, DNP Land, Lion Properties, Sunway City (PG), Oriental Interest etc. The financial side of TILB is under the management of Ms Teh Theng Theng (Executive Director), who is the sister of Mr. Teh. Ms Teh oversees the overall administration, financial control, corporate planning and business development. She has 20 years of experience in accounting for the property industry. She previously worked for IJM Corp for three years since 1991.

Solid balance sheet enables landbanking and sustainability of dividend payout

The prudent management has established a solid foundation for TILB. TILB has a strong balance sheet with a minimal net gearing of 3.8% as at 1Q13, giving it ample capacity for landbanking. If necessary, the company could gear up to 50% (net), which is the internal cap set by the management. This would give a debt headroom of nearly MYR110m. While there will be efforts to continue penetrating the Penang mainland market, if strategic opportunities arise, management may consider venturing into the Klang Valley area and maintaining the company's focus on the mid-end township market. This will be done either via JV basis or direct landbank acquisitions. New landbank is expected to bring in additional GDV to the portfolio, hence raising our RNAV estimate.

TILB has a dividend payout policy of 40-60% and the dividends are paid twice a year from FY12 onwards. On the back of the robust earnings momentum, we estimate a single-tier DPS of 6 sen and 7.2 sen for FY13-14. At the current share price, this implies a net yield of 6-7%, among the highest in the sector. Dividend track record has been consistent. Last year, TILB declared a dividend of 5.3 sen, which represents a payout ratio of 40%.

Figure 9 TILB's historical DPS and dividend payout



Source: Company

>20% earnings growth p.a. over the next two years

TILB has just announced its 1Q13 results yesterday. Net profit rose 28% yoy. Revenue contributed by Pearl City projects accounted for 66% during the quarter, versus 59% in FY12. Compared to our MYR450m sales forecast for this year, TILB has already achieved MYR176.8m in 1Q. The annualised number would have been much higher if compared to MYR400m generated in 2012. Sales in 1Q were mainly coming from Pearl Residence, Straits Garden, Pearl Square and Pearl Indah. Meanwhile, unbilled sales continued to climb to MYR424.6m from MYR330m (by 29%) in the previous quarter.

We estimate an earnings growth of 23% and 25% for FY13-14. The relatively cheaper property pricing compared to the island, and the “catalytic projects” as well as efforts by the state government to promote investments in the state will be the key drivers for real estate growth on the mainland. In 2013, TILB has planned to release MYR553m worth of projects as well as MYR283m worth of unsold properties that were mostly rolled out late last year. Out of the total amount of new projects, almost MYR440m (or 80%) projects are located at Pearl City. These include Pearl Residence 1, Pearl Impian, and Pearl Avenue, which comprises shop lots fronting the hypermarket at the Business Park (2 and 3 storey shop lots are priced at MYR700-800k and MYR1m per unit). Since its launch in early 2013, Pearl Avenue has achieved a booking rate of 80%. We expect the booking for Pearl Avenue to gradually convert into sales in 2Q/3Q, on track to hit our target.

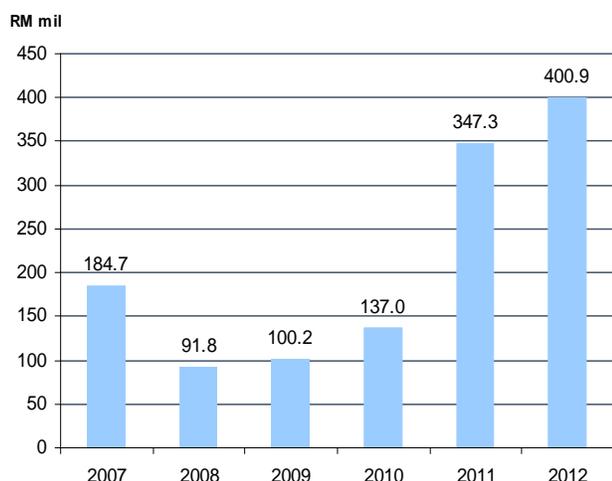
Table 2 Pipeline projects for FY13

Projects	Type	Acres	Est. GDV (MYR mil)
Pearl Residence 1 @ Pearl City *	Bungalows, semi-ds & terrace	39.66	212
Pearl Impian @ Pearl City *	2-storey terrace	15.59	84
Taman Bukit Residence		8.04	56
Camillia Park		3.26	40
Seri Permai		3.85	19
Pearl Avenue		17.56	142
Total			553

* Projects launched in 4Q12 but yet to be recognised.

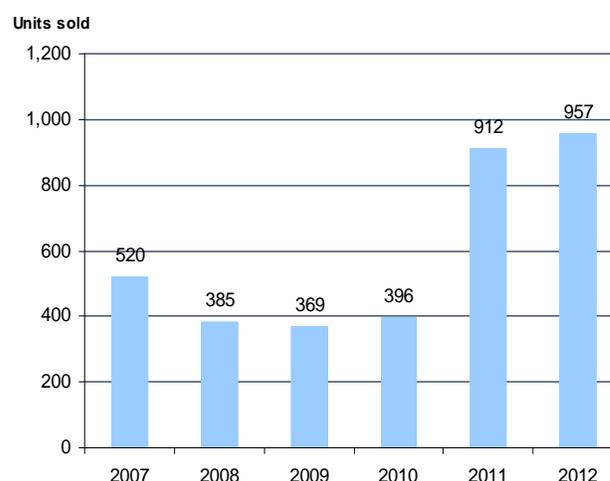
Source: Company

Figure 10 Historical property sales of TILB



Source: Company

Figure 11 Historical number of units sold by TILB



Source: Company

Table 3 Breakdown of unbilled sales and take-up rate of each project

	GDV MYR'000	GDV on project launched MYR'000	Unbilled Sales MYR'000	Take up rate %
ON-GOING PROJECT				
<u>Subsidiary companies</u>				
Pearl Villas- TIDSB	144,605	144,605	27,161	94.21%
Pearl Residence- TIDSB	220,351	220,351	83,149	41.95%
Carissa Park- ZDSB	26,167	26,167	712	99.07%
Capri Park- JSB				
- Apartment	44,566	44,566	17,163	90.96%
- 2 Storey Shop Office	6,569	6,569	3,189	81.38%
Tanjung Heights- IDSB				
- Condominium	41,511	41,511	8,789	90.28%
- 2 & 3 Storey Shop Office	15,861	15,861	2,797	71.49%
Dahlia Park- CDSB				
- Condominium	37,747	37,747	8,808	93.84%
- Double Storey Shop Office	8,811	8,811	1,915	75.53%
Impian Residence- CBD	44,860	44,860	2,570	95.41%
Juru Industrial Park- Pri	37,098	37,098	6,406	82.04%
Pearl Square 1- Palmington	48,314	48,314	6,950	87.79%
Pearl Square 2- Palmington	24,831	24,831	4,739	62.24%
Pearl Indah 1- Palmington	62,650	62,650	20,435	89.71%
Pearl Indah 2- Palmington	16,191	16,191	4,328	81.88%
Pearl Indah 3- Palmington	95,654	95,654	35,414	65.14%
Pearl Avenue- Palmington	-	-	-	
BM Residence- TID Dev				
- Condo	35,083	35,083	19,157	61.48%
- Landed	21,733	21,733	10,609	56.00%
Carissa Villa-Hong Hong dev				
- DSSO	22,592	22,592	6,502	65.71%
- 3STH	31,719	31,719	10,613	58.03%
Straits Garden- Premcourt	260,578	243,780	143,175	62.25%
TOTAL	1,247,491	1,230,694	424,582	70.93%

Source: Company

Initiate coverage with Buy rating and MYR1.28 fair value

We initiate coverage on TILB with a Buy rating. Our fair value of MYR1.28 is at 25% discount to RNAV. We price it at a lower discount due to the limited quality Penang mainland play in the market. Since our first note in Oct last year, market cap of the company has risen from MYR186m to almost MYR300m today, a more adequate size for some institutional funds which are looking for small cap ideas. Trading volume has also improved by 66% with more than 1mil shares traded per day on average, compared to 635m shares before Oct 2012.

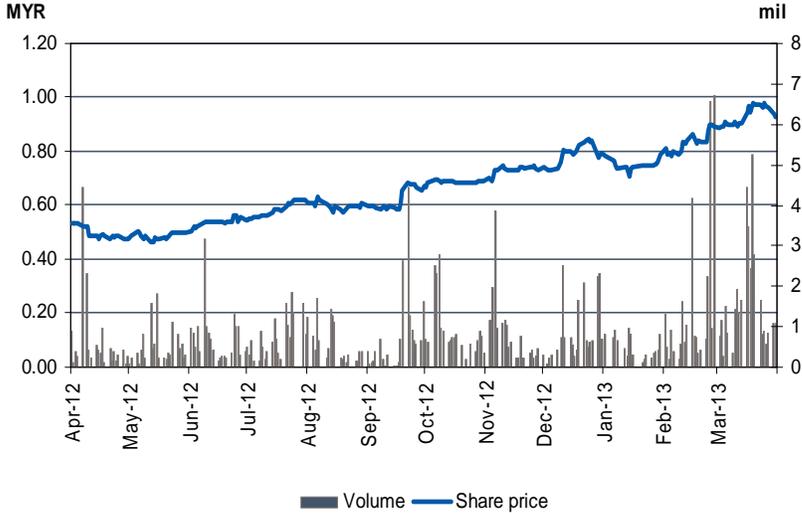
To reiterate, the soon-to-be opened PSB is expected to unlock the real estate values in the surrounding area. We are confident that the prospects of the mainland will be reflected on the accelerating sales that will be achieved by TILB in these few years. Considering the growth momentum of TILB, current valuations of 5.9x PE are undemanding. Based on our fair value, the implied PE of 8x would be more reasonable.

Table 4 RNAV estimate for TILB

New projects	Total GDV (MYR mil)	Land size (acres)	Equity stake	NPV @ 9.5%
<u>Ongoing projects</u>				
Dahlia Park	46.3		100%	6.9
Tanjung Heights	57.3		100%	8.5
Pearl Villas	144.5		70%	15.2
Juru Industrial Park	37.1		100%	6.2
Capri Park	51.1		100%	7.8
Pearl Square	73.1		60%	6.9
Pearl Indah	176.0		60%	15.9
Carissa Villa	54.2	4.4	100%	8.5
BM Residence	56.4	5.2	100%	8.4
Pearl Residence 1	212.5	39.7	70%	21.4
Pearl Impian	84.4	15.6	60%	8.0
Straits Garden	254.2	4.2	100%	39.3
<u>Remaining projects</u>				
Taman Bukit Residence	55.8	8.0	100%	8.3
Camellia Park	40.0	3.3	100%	5.7
Seri Permai	18.6	3.9	50%	1.4
Pearl Avenue	142.0	17.6	60%	15.7
Pearl Residence 2	201.0	44.3	70%	22.3
Pearl Residence 3	420.0	101.8	60%	40.0
Other phases - Pearl City	1,250.0	380.7	60%	107.6
Total				353.84
Shareholders' fund				223.22
Warrants proceed				26.52
Total RNAV				603.58
Shares base incl. warrants (mil)				353.60
FD RNAV per share (MYR)				1.71
Discount				25%
Fair value per share				1.28

Source: Company, RHB estimates

Figure 12 Improving volume for TILB's shares



Source: Bloomberg

Recommendation Chart



Source: RHB Estimates, Bloomberg

RHB Guide to Investment Ratings

Buy: Share price may exceed 10% over the next 12 months

Trading Buy: Share price may exceed 15% over the next 3 months, however longer-term outlook remains uncertain

Neutral: Share price may fall within the range of +/- 10% over the next 12 months

Take Profit: Target price has been attained. Look to accumulate at lower levels

Sell: Share price may fall by more than 10% over the next 12 months

Not Rated: Stock is not within regular research coverage

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