



TAMBUN INDAH LAND BERHAD

(Company No: 810446-U)

(Incorporated in Malaysia)

Interim Financial Report

For The Third Quarter Ended 30 September 2019 (Unaudited)

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019
Condensed Consolidated Statement of Financial Position

		Unaudited As at 30 September 2019 RM'000	Audited As at 31 December 2018 RM'000
	Note		
ASSETS			
Non-Current Assets			
Property, plant and equipment		3,611	3,418
Investment properties		119,164	115,852
Inventories	B14	283,965	145,997
Investment in an associate company		340	562
Investment in a joint venture		27,212	26,880
Deferred tax assets		13,014	15,571
		<u>447,306</u>	<u>308,280</u>
Current Assets			
Inventories	B14	161,234	170,283
Trade and other receivables		45,807	64,324
Contract assets		11,763	14,209
Current tax assets		2,108	3,836
Short term funds		9,900	30,756
Cash and bank balances		121,886	144,649
		<u>352,698</u>	<u>428,057</u>
TOTAL ASSETS		<u>800,004</u>	<u>736,337</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent:			
Share capital		287,637	287,580
Option reserve		1,012	890
Retained profits		339,477	319,369
		<u>628,126</u>	<u>607,839</u>
Non-controlling interests		1,008	1,317
Total Equity		<u>629,134</u>	<u>609,156</u>
Non-Current Liabilities			
Long-term bank borrowings		120,972	37,393
Deferred tax liability		311	106
		<u>121,283</u>	<u>37,499</u>
Current Liabilities			
Trade and other payables		24,105	28,665
Contract liabilities		-	-
Short-term bank borrowings		23,313	58,427
Current tax liabilities		2,169	2,590
		<u>49,587</u>	<u>89,682</u>
TOTAL LIABILITIES		<u>170,870</u>	<u>127,181</u>
TOTAL EQUITY AND LIABILITIES		<u>800,004</u>	<u>736,337</u>
Net assets per share attributable to ordinary equity holders of the company (RM) (Note b)		<u>1.45</u>	<u>1.40</u>

Notes:

a The condensed Consolidated Statement of Financial Position should be read in conjunction with Tambun Indah Land Berhad's ("Tambun Indah" or "the Company") audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.

b Based on 433,455,617 (2018: 433,378,517) ordinary shares issued in Tambun Indah ("Shares").

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019
Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Note	Individual Quarter		Cumulative Quarter	
		3 months ended		9 months ended	
		30-Sep-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018
		RM'000	RM'000	RM'000	RM'000
Revenue		33,117	48,245	108,531	136,463
Cost of sales		(13,516)	(22,212)	(50,455)	(61,682)
Gross profit		19,601	26,033	58,076	74,781
Other income	B15	767	1,024	2,541	2,666
Sales and marketing expenses		(1,172)	(1,545)	(4,221)	(3,827)
Administrative expenses	B16	(4,381)	(3,692)	(12,158)	(11,509)
Profit from operations		14,815	21,820	44,238	62,111
Finance costs		(1,464)	(647)	(2,548)	(2,002)
Share of profit of an associate		1	1	3	8
Share of profit of a joint venture		106	109	332	334
Profit before tax		13,458	21,283	42,025	60,451
Income tax expense		(2,888)	(5,203)	(9,700)	(17,915)
Profit for the period		10,570	16,080	32,325	42,536
Total other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the period		10,570	16,080	32,325	42,536
Profit attributable to :					
Equity holders of the Company		10,915	16,072	32,664	42,503
Non-controlling interests		(345)	8	(339)	33
		10,570	16,080	32,325	42,536
Total comprehensive income attributable to :					
Equity holders of the Company		10,915	16,072	32,664	42,503
Non-controlling interests		(345)	8	(339)	33
		10,570	16,080	32,325	42,536
Earnings per share attributable to the equity holders of the Company					
Basic (sen)	B11	2.52	3.71	7.54	9.81
Diluted (sen)	B11	2.52	3.71	7.54	9.81

Note :

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Company's audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019
Condensed Consolidated Statement of Changes In Equity

	Attributable to Equity Holders of the Company					
	Non-distributable		Distributable		Non-controlling Interests	Total Equity
	Share Capital	Option Reserve	Retained Profits	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2019	287,580	890	319,369	607,839	1,317	609,156
Profit for the year	-	-	32,664	32,664	(339)	32,325
Total comprehensive income	-	-	32,664	32,664	(339)	32,325
Transactions with owners						
Issuance of ordinary shares - exercise of Employee shares option scheme ("ESOS")	57	(6)	-	51	-	51
Incorporation of a subsidiary	-	-	-	-	30	30
Transfer of option reserve to retained earning upon lapse of ESOS	-	(14)	14	-	-	-
Options granted under ESOS	-	142	-	142	-	142
Dividends	-	-	(12,570)	(12,570)	-	(12,570)
Total transactions with owners	57	122	(12,556)	(12,377)	30	(12,347)
At 30 September 2019	287,637	1,012	339,477	628,126	1,008	629,134
At 1 January 2018	287,521	957	292,921	581,399	1,880	583,279
Profit for the year	-	-	55,404	55,404	37	55,441
Total comprehensive income	-	-	55,404	55,404	37	55,441
Transactions with owners						
Issuance of ordinary shares - exercise of Employee shares option scheme ("ESOS")	59	(7)	-	52	-	52
Transfer of option reserve to retained earning upon lapse of ESOS	-	(78)	78	-	-	-
Options granted under ESOS	-	18	-	18	-	18
Dividends	-	-	(29,034)	(29,034)	(600)	(29,634)
Total transactions with owners	59	(67)	(28,956)	(28,964)	(600)	(29,564)
At 31 December 2018	287,580	890	319,369	607,839	1,317	609,156

Note :

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Company audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019
Condensed Consolidated Statement of Cash Flows

	9 months ended 30-Sep-2019 RM'000	9 months ended 30-Sep-2018 RM'000
Cash Flows from Operating Activities		
Profit before taxation	42,025	60,451
Adjustments for:-		
Non-cash items	517	422
Non-operating items	(244)	(944)
Operating profit before changes in working capital	42,298	59,929
Net changes in land held for development	(137,968)	1,469
Net changes in current assets	31,875	80,288
Net changes in current liabilities	4,108	(17,283)
Net cash from operations	(59,687)	124,403
Interest received	2,457	2,604
Tax paid	(5,631)	(18,094)
Net cash from operating activities	(62,861)	108,913
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(623)	(7)
Addition in investment properties	(5,175)	(366)
Changes of deposits pledged with licensed banks	80	796
Proceeds from disposal of property, plant and equipment	55	-
Incorporation of a subsidiary, net of cash and cash equivalents acquired	30	-
Dividend income from associate company	225	-
Net cash used in investing activities	(5,408)	423
Cash Flows from Financing Activities		
Dividends paid	(21,238)	(33,364)
Drawdown of revolving credit	10,000	-
Drawdown of term loan	91,000	-
Proceeds from issuance of shares pursuant to options exercised under the ESOS	51	52
Repayment of bank borrowings	(52,535)	(28,376)
Interest paid	(2,548)	(2,002)
Net cash used in financing activities	24,730	(63,690)
Net changes in cash and cash equivalents	(43,539)	45,646
Cash and cash equivalents at 1 January 2019/2018	172,679	101,721
Cash and cash equivalents at 30 September 2019/2018	129,140	147,367
Cash and cash equivalents included in the cash flows comprise of:-		
Short term funds placed with financial institutions	9,900	25,487
Cash and bank balances	110,508	114,489
Deposits placed with licensed banks	11,378	10,158
	131,786	150,134
Less: Deposits pledged with licensed banks	(2,646)	(2,767)
	129,140	147,367

Note :

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Company audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019

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

A1. Basis of Preparation

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

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2018. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2018.

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by Tambun Indah and its subsidiary companies ("Group") for the interim financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2018 except for the mandatory adoption of the following new and revised MFRSs and Issues Committee Interpretations ("IC Interpretations") effective for the financial period beginning on 1 January 2019:

MFRSs, amendments to MFRSs and IC Interpretations

MFRS 16	Leases
IC Interpretation 23	Uncertainty over Income Tax Treatments
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 3	Annual Improvements to MFRS Standards 2015 - 2017 Cycle
Amendments to MFRS 11	Annual Improvements to MFRS Standards 2015 - 2017 Cycle
Amendments to MFRS 112	Annual Improvements to MFRS Standards 2015 - 2017 Cycle
Amendments to MFRS 123	Annual Improvements to MFRS Standards 2015 - 2017 Cycle
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement

The Group has adopted the new and revised MFRSs and IC Interpretations that are relevant and effective for accounting periods beginning on or after 1 January, 2019. The adoption of these new and revised MFRSs and IC Interpretations have not resulted in any material impact on the financial statements of the Group as mentioned below:

MFRS 16, Leases

On the adoption of MFRS 16, Group has assessed the estimated impact that the initial application of MFRS 16. Based on the preliminary assessment, the Group does not expect the application of MFRS 16 to have a significant financial impact on its consolidated financial statements. MFRS 16 replaces the guidance in MFRS 117, Leases, IC Interpretation 4, Determining whether an Arrangement contains a Lease, IC Interpretation 115, Operating Leases - Incentives and IC Interpretation 127, Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

MFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard which continues to be classified as finance or operating lease.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standard Board ("MASB") but have not been early adopted by the Group:

Title	Effective Date
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS 3 Definition of a Business	1 January 2020
Amendments to MFRS 101 and MFRS 108 Definition of Material	1 January 2020
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019

A3. Explanatory Comments about Seasonality or Cyclicity of Interim Operations

The business operations of the Group during the financial quarter under review had not been materially affected by any seasonal or cyclical factors.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial quarter-to-date.

A5. Changes in Estimates

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

A6. Debt and Equity Securities

For the financial period under review, there were no issues, cancellation, repurchase, resale or repayment of debt and/or equity securities, share buybacks, share cancellations, shares held as treasury shares and resale of treasury shares, save for the disclosure below.

Issuance of 77,100 new ordinary shares pursuant to exercise of ESOS at the following option prices:

Exercise price	(RM)	0.50	0.69	0.71
No. of shares issued	('000)	20	3	54

The total cash proceeds arising from the exercise of ESOS during the current financial period to-date amounted to RM50,193.

A7. Dividend Paid

On 19 February 2019, the Company paid interim single tier dividend of 2.0 sen per ordinary share each amounting to RM8,667,570 in respect of the financial year ended 31 December 2018.

On 18 September 2019, the Company paid final single tier dividend of 2.9 sen per ordinary share each amounting to RM12,570,126 in respect of the financial year ended 31 December 2018.

A8. Operating Segment

The segmental analysis for the financial period ended 30 September 2019 is as follows:

	Property development and property management RM'000	Investment holdings RM'000	Other operations RM'000	Adjustments and eliminations RM'000	Total RM'000
Revenue					
Revenue from external customers	104,802	3,729	-	-	108,531
Inter-segment revenues	(755)	50,147	-	(49,392)	-
	<u>104,047</u>	<u>53,876</u>	<u>-</u>	<u>(49,392)</u>	<u>108,531</u>
Results					
Profit from operations	35,955	53,831	44	(47,297)	42,533
Unallocated amount: - corporate expenses					(508)
Profit before tax					<u>42,025</u>
Tax expense					<u>(9,700)</u>
Profit for the period					<u><u>32,325</u></u>

A9. Subsequent Events

There were no material events subsequent to the financial period ended 30 September 2019 until 19 November 2019 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report), that had not been reflected in the financial statements for the current quarter under review.

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019

A10. Changes in the Composition of the Group

There was no change in the composition of the Group for the current quarter and financial year to-date except for the incorporation of a 70% owned subsidiary known as Mustiara Sdn Bhd ("Mustiara") on 24 January 2019.

Mustiara is a company incorporated in Malaysia under the Companies Act, 2016 with an issued and paid-up capital of RM100,000 for the purpose of undertaking the principal business activity as a property developer.

A11. Changes in contingent liabilities or contingent assets

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

A12. Capital Commitments

There were no outstanding capital commitments for the Group as at 30 September 2019.

A13. Significant Related Party Transactions

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

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

	9 months ended 30-Sep-2019 RM'000
Rental paid to companies in which a Director has interest	112
Consultant fee charged to an associate company	<u>1</u>

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

B1. Review of Performance

Quarter on Quarter review

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

	Current	Preceding Year	Variances	
	30-Sep-2019 RM'000	30-Sep-2018 RM'000	%	RM'000
Revenue				
Property development and property management	31,862	46,985	-32.2%	(15,123)
Investment holdings	1,255	1,260	-0.4%	(5)
	33,117	48,245	-31.4%	(15,128)
Profit before tax	13,458	21,283	-36.8%	(7,825)

The current quarter's revenue and profit before tax of RM33.1 million and RM13.5 million represented a 31.4% decrease in revenue and 36.8% decrease in profit before tax over the same quarter of the preceding year.

Property development & property management

Property development projects were on track and progressed as scheduled. Revenue was mainly contributed by residential property developments in Pearl City, Simpang Ampat which accounted for approximately 77.8% of the total revenue in the segment for the current quarter under review.

The lower revenue in the current quarter as compared to the same quarter of the preceding year was mainly due to fewer on-going projects, with the Group adopting a cautious approach for new property launches given the overall market condition.

The lower profit before tax for the current quarter as compared to the preceding year quarter was due to the lower revenue recorded and an unfavourable product mix consisting of a higher proportion of affordable properties, as well as the increase in the interest expense due to the drawdown of a term loan in the current quarter for the newly acquired land at Simpang Ampat, Penang by its subsidiary, Mustiara Sdn Bhd.

The Group recorded higher new property sales of RM49.8 million in the current quarter (same quarter of preceding year 2018: RM33.7 million) as the Group launched two (2) new projects, namely Palm Garden, a highrise service apartment and Begonia Villa, a gated and guarded residential project, both located at Pearly City, Simpang Ampat, Penang.

Investment holdings

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

B2. Comparison of results against immediate preceding quarter

	Current	Preceding	Variances	
	30-Sep-2019 RM'000	30-Jun-2019 RM'000	%	RM'000
Revenue	33,117	40,092	-17.4%	(6,975)
Profit before tax	13,458	15,202	-11.5%	(1,744)

Compared to the immediate preceding quarter, revenue and profit before tax decreased by 17.4% and 11.5% respectively. The lower revenue was mainly due to the timing of the work progress of the current on-going developments as the projects launched during the quarter under review were at their early stage of construction. The lower profit before tax was mainly attributed by the lower revenue recorded as well as the increase in interest expense in the current quarter.

B3. Prospects for the current financial year

As at 30 September 2019, the Group achieved an average take-up rate of 38% for its ongoing projects, with a total Gross Development Value of approximately RM385 million; and unbilled sales of approximately RM33.4 million. These should contribute positively to the Group's earnings for the next 2 to 3 years.

The outlook for the property industry continues to be challenging and the Group will remain cautious. Based on the foregoing, the Group expects to achieve a moderate performance in the current financial year.

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

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

B5. Statement by Board of Directors

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

B6. Income Tax

Income tax comprised:

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year-	Preceding Year
	Quarter	Corresponding	To-Date	Corresponding
	30-Sep-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018
	RM'000	RM'000	RM'000	RM'000
Current income tax	1,031	6,738	7,908	14,529
(Over)/Underprovision of taxation in respect of prior year	(880)	866	(846)	3,066
Deferred taxation	2,737	(1,165)	2,638	1,066
(Over)/Under provision of deferred tax assets in respect of prior year	-	(1,236)	-	(746)
	<u>2,888</u>	<u>5,203</u>	<u>9,700</u>	<u>17,915</u>

The Group's effective tax rate for the financial year-to-date under review was slightly lower compared to the statutory taxation rate mainly due to certain investment income which was not subject to income tax.

B7. Status of Corporate Proposals

1) Proposed Land Acquisition

Mustiara, a 70% owned subsidiary of the Company, had on 9 April 2019, acknowledged a letter of acceptance of offer dated 27 March 2019 from TPPT Sdn Bhd ("TPPT"), in relation to the proposed acquisition by Mustiara from TPPT of 27 parcels of freehold land measuring in aggregate approximately 209.54 acres identified as lot nos. 1058, 1060, 1066, 1295, 1309, 1373, 1375, 1376, 1378, 1442 and 3407 to 3423, Mukim 15, District of Seberang Perai Selatan, Pulau Pinang ("Land") for a total purchase consideration of RM131.0 million ("Purchase Consideration") to be satisfied entirely by cash ("Proposed Land Acquisition"). The Proposed Land Acquisition would be funded by bank borrowings and/or additional financial assistance from the shareholders of Mustiara.

The Land is located adjoining to the southern side of township currently developed by the Group, known as Bandar Tasek Mutiara (marketed as Pearl City) in the locality of Simpang Ampat, Seberang Perai Selatan, Pulau Pinang.

On 25 April 2019, Mustiara had entered into a conditional sale and purchase agreement ("SPA") with TPPT for the Proposed Land Acquisition. On 2nd August 2019, the SPA had become unconditional. On 7 August 2019, the Land Acquisition had been completed in accordance with the terms of the SPA.

2) Proposed Provision of Financial Assistance

On 9 April 2019, the Company had announced that in conjunction with the Proposed Land Acquisition, it anticipated the provision of financial assistance of up to RM3.45 million to Mustiara in the form of shareholders' advances ("Initial Shareholder's Advances"), when necessary, to fund the acceptance deposit for the Land and other costs related to the Land.

On 25 April 2019, the Company entered into a shareholders' agreement ("Shareholders' Agreement") with Encik Taufiq Ahmad @ Ahmad Mustapha Bin Ghazali ("Encik Taufiq") and Mustiara to regulate the affairs of Mustiara and the relationship between them as shareholders.

In conjunction with the Proposed Land Acquisition, the Company proposed to extend provision of financial assistance of up to a total of RM150.0 million (including the Initial Shareholder's Advances) to Mustiara to fund the Purchase Consideration and other costs related to the Land ("Proposed Provision of Financial Assistance"). The Proposed Provision of Financial Assistance of up to a total of RM150.0 million by Tambun Indah to Mustiara shall be in the form of Shareholder's Advances and/or corporate guarantees for banking facilities to be obtained by Mustiara, subject to the terms and conditions of the Shareholders' Agreement. On 25 April 2019, the Group had advanced a total sum of approximately RM13.11 million to Mustiara.

The Proposed Provision of Financial Assistance is deemed a related party transaction pursuant to Paragraphs 8.23(2)(b) and 10.08(2) of the Main Market Listing Requirements as Encik Taufiq was previously a Non-Independent Non-Executive Director of the Company. Encik Taufiq was appointed to the Board on 15 April 2011 as an Independent Non-Executive Director. On 25 January 2019, he was redesignated as a Non-Independent Non-Executive Director of the Company up to his resignation on 9 April 2019. Currently, Encik Taufiq holds 30% equity interest in Mustiara and is also a director of Mustiara. As such, the Company is required to obtain the approval of its shareholders for the Proposed Provision of Financial Assistance.

On 27 June 2019, the Company had obtained the shareholders' approval for the Proposed Provision of Financial Assistance at the Extraordinary General Meeting. Details of the Proposed Provision of Financial Assistance as at 30 September 2019 are as disclosed in Note B13.

B8. Borrowings and Debt Securities

Details of the Group's borrowings as at 30 September 2019 are as follows:

	Secured RM'000
<i>Long term borrowing:</i>	
Term loans	120,972
<i>Short term borrowing:</i>	
Revolving credit	6,300
Term loans	23,434
	<u>29,734</u>
Total	<u>150,706</u>

The Group had no foreign currency borrowings.

B9. Material Litigation

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

B10. Dividend

Details of the first interim dividend approved and declared by the Board of Directors are as follows:

(i) Interim Dividend for the financial year	31 December 2019
(ii) Amount per share (single tier)	1.0 sen
(iii) Previous corresponding period	2.0 sen
(iv) Approved and declared on	26 November 2019
(v) Record of Depositors as at	31 January 2020
(vi) Date of payment	18 February 2020

B11. Earnings Per Share

(a) Basic Earnings Per Share

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

	Current Quarter 30-Sep-2019	Preceding Year Corresponding Quarter 30-Sep-2018	Current Year- To-Date 30-Sep-2019	Preceding Year Corresponding Period 30-Sep-2018
Profit for the period attributable to equity holders of the Company (RM'000)	10,915	16,072	32,664	42,503
Weighted average number of ordinary shares in issue ('000)	433,453	433,338	433,427	433,315
Basic Earnings Per Share (sen)	2.52	3.71	7.54	9.81

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

	Current Quarter 30-Sep-2019 '000	Preceding Year Corresponding Quarter 30-Sep-2018 '000	Current Year- To-Date 30-Sep-2019 '000	Preceding Year Corresponding Period 30-Sep-2018 '000
Number of ordinary shares at beginning of the period/year	433,379	433,303	433,379	433,303
Effect of shares issued pursuant to: - exercise of ESOS	75	35	49	12
Weighted average number of ordinary shares	433,454	433,338	433,428	433,315

(b) Diluted Earnings per share

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

	Current Quarter 30-Sep-2019	Preceding Year Corresponding Quarter 30-Sep-2018	Current Year- To-Date 30-Sep-2019	Preceding Year Corresponding Period 30-Sep-2018
Profit for the period attributable to equity holders of the Company (RM'000)	10,915	16,072	32,664	42,503
Weighted average number of ordinary shares ('000)	433,537	433,350	433,486	433,326
Diluted Earnings Per Share (sen)	2.52	3.71	7.54	9.81

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

	Current Quarter 30-Sep-2019 '000	Preceding Year Corresponding Quarter 30-Sep-2018 '000	Current Year- To-Date 30-Sep-2019 '000	Preceding Year Corresponding Period 30-Sep-2018 '000
Weighted average number of ordinary shares	433,454	433,338	433,428	433,315
Effect of potential exercise of ESOS	83	12	58	11
Weighted average number of ordinary shares	433,537	433,350	433,486	433,326

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B12. Auditors' Report on Preceding Annual Financial Statements

There was no qualification to the audited financial statements of the Company and its subsidiary companies for the financial year ended 31 December 2018.

B13. Provision of Financial Assistance

On 27 June 2019, the Company had obtained the shareholders' approval for the Proposed Provision of Financial Assistance of up to a total of RM150 million to a 70% owned subsidiary, Mustiara Sdn Bhd at the Extraordinary General Meeting.

Purpose	Proposed utilisation	Actual utilisation as at 30-Sep-19	Balance unutilised as at 30 September 2019	
	RM'000	RM'000	RM'000	%
Balance purchase consideration of Proposed Land Acquisition	40,000	40,000	-	0.0%
Corporate guarantees for banking facilities to be obtained by Mustiara Sdn Bhd	91,000	91,000	-	0.0%
Other costs related to the land:				
- professional fees (including disbursements) and authorities fees	6,000	1,635	4,365	72.8%
- stamp duty and title transfer fees	6,000	5,480	520	8.7%
- financing costs (in relation to banking facilities)	4,500	160	4,340	96.4%
- other relevant expenses	2,500	1,058	1,442	57.7%
Total	150,000	139,333	10,667	

B14. Inventories

	Unaudited As at 30 September 2019 RM'000	Audited As at 31 December 2018 RM'000
Non-Current Assets		
Land held for property development	283,965	145,997
Current Assets		
Property development costs	129,632	143,150
Completed properties held for sales	31,602	27,133
	161,234	170,283
Total	445,199	316,280

B15. Other income

	Current quarter 30-Sep-2019 RM'000	Financial year to-date 30-Sep-2019 RM'000
Interest income	711	2,457
Gain on disposal of property, plant and equipment	56	56
Miscellaneous income	-	28
	767	2,541

The Group did not receive any other income including investment income for the financial period ended 30 September 2019.

B16. Additional disclosures pursuant to para 16, Part A, Appendix 9B of Bursa Malaysia Securities Berhad Listing Requirements

	Current quarter 30-Sep-2019 RM'000	Financial year to-date 30-Sep-2019 RM'000
Depreciation	158	430
Loss on disposal of property, plant and equipment	1	1

Save as disclosed above, there were no provision for and written off of receivables and inventories, gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets, foreign exchange gain or loss and gain or loss on derivatives for the financial period ended 30 September 2019.

B17. Authority for Issue

The interim financial statements were authorised for issue by the Board of Directors of Tambun Indah in accordance with a resolution of the Directors on 26 November 2019.

By order of the Board of Directors
Lee Peng Loon
Company Secretary
26 November 2019