



**TAMBUN INDAH LAND BERHAD**

(Company No: 810446-U)

(Incorporated in Malaysia)

Interim Financial Report

For The Second Quarter Ended 30 June 2020 (Unaudited)

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2020**  
**Condensed Consolidated Statement of Financial Position**

		<b>Unaudited</b>	<b>Audited</b>
		<b>As at 30</b>	<b>As at 31</b>
		<b>June</b>	<b>December</b>
		<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
	Note		
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		3,548	3,347
Right-of-use assets		552	623
Investment properties		125,730	125,574
Inventories	B13	284,028	284,144
Investment in an associate company		341	340
Investment in a joint venture		27,968	27,815
Deferred tax assets		12,919	12,760
		<u>455,086</u>	<u>454,603</u>
<b>Current Assets</b>			
Inventories	B13	162,824	154,288
Trade and other receivables		22,972	35,820
Contract assets		25,497	24,522
Current tax assets		3,853	2,537
Short term funds		56,287	62,058
Cash and bank balances		61,071	96,075
		<u>332,504</u>	<u>375,300</u>
<b>TOTAL ASSETS</b>		<u>787,590</u>	<u>829,903</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent:</b>			
Share capital		287,637	287,637
Option reserve		1,100	999
Retained profits		352,622	351,132
		<u>641,359</u>	<u>639,768</u>
Non-controlling interests		(1,160)	488
<b>Total Equity</b>		<u>640,199</u>	<u>640,256</u>
<b>Non-Current Liabilities</b>			
Long-term bank borrowings		112,126	118,474
Lease liabilities		350	408
Deferred tax liability		767	532
		<u>113,243</u>	<u>119,414</u>
<b>Current Liabilities</b>			
Trade and other payables		20,056	27,838
Short-term bank borrowings		13,630	41,499
Lease liabilities		113	111
Current tax liabilities		349	785
		<u>34,148</u>	<u>70,233</u>
<b>TOTAL LIABILITIES</b>		<u>147,391</u>	<u>189,647</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>787,590</u>	<u>829,903</u>
<b>Net assets per share attributable to ordinary equity holders of the company (RM) (Note b)</b>		<u>1.48</u>	<u>1.48</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 2019 and the accompanying explanatory notes attached to this interim financial report.*

*b Based on 433,455,617 (2019: 433,455,617) ordinary shares issued in Tambun Indah ("Shares").*

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2020**  
**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income**

	Note	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
		30-Jun-2020 RM'000	30-Jun-2019 RM'000	30-Jun-2020 RM'000	30-Jun-2019 RM'000
Revenue		14,136	40,092	28,236	75,414
Cost of sales		(9,289)	(19,950)	(17,958)	(36,939)
<b>Gross profit</b>		<b>4,847</b>	<b>20,142</b>	<b>10,278</b>	<b>38,475</b>
Other income	B14	758	946	1,655	1,774
Sales and marketing expenses		(830)	(1,466)	(1,930)	(3,049)
Administrative expenses	B15	(3,164)	(4,052)	(6,140)	(7,777)
Profit from operations		1,611	15,570	3,863	29,423
Finance costs		(1,196)	(507)	(2,590)	(1,084)
Share of profit of an associate		-	-	1	2
Share of profit of a joint venture		41	139	153	226
Profit before tax		456	15,202	1,427	28,567
Income tax expense		(171)	(3,597)	(835)	(6,812)
<b>Profit for the period</b>		<b>285</b>	<b>11,605</b>	<b>592</b>	<b>21,755</b>
<b>Total other comprehensive income, net of tax</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>285</b>	<b>11,605</b>	<b>592</b>	<b>21,755</b>
<b>Profit attributable to :</b>					
Equity holders of the Company		721	11,602	1,490	21,749
Non-controlling interests		(436)	3	(898)	6
		<b>285</b>	<b>11,605</b>	<b>592</b>	<b>21,755</b>
<b>Total comprehensive income attributable to :</b>					
Equity holders of the Company		721	11,602	1,490	21,749
Non-controlling interests		(436)	3	(898)	6
		<b>285</b>	<b>11,605</b>	<b>592</b>	<b>21,755</b>
<b>Earnings per share attributable to the equity holders of the Company</b>					
Basic (sen)	B11	0.17	2.68	0.34	5.02
Diluted (sen)	B11	0.17	2.68	0.34	5.02

*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 2019 and the accompanying explanatory notes attached to this interim financial report.*

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2020**  
**Condensed Consolidated Statement of Changes In Equity**

	Attributable to Equity Holders of the Company					Total Equity RM'000
	Non-distributable		Distributable		Non- controlling Interests RM'000	
	Share Capital RM'000	Option Reserve RM'000	Retained Profits RM'000	Total RM'000		
<b>At 1 January 2020</b>	287,637	999	351,132	639,768	488	640,256
Profit for the year	-	-	1,490	1,490	(898)	592
Total comprehensive income	-	-	1,490	1,490	(898)	592
<b>Transactions with owners</b>						
Options granted under ESOS	-	101	-	101	-	101
Dividends	-	-	-	-	(750)	(750)
Total transactions with owners	-	101	-	101	(750)	(649)
<b>At 30 June 2020</b>	<b>287,637</b>	<b>1,100</b>	<b>352,622</b>	<b>641,359</b>	<b>(1,160)</b>	<b>640,199</b>
<b>At 1 January 2019</b>	287,580	890	319,369	607,839	1,317	609,156
Profit for the year	-	-	48,641	48,641	(859)	47,782
Total comprehensive income	-	-	48,641	48,641	(859)	47,782
<b>Transactions with owners</b>						
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	-	(27)	27	-	-	-
Options granted under ESOS	-	142	-	142	-	142
Dividends	-	-	(16,905)	(16,905)	-	(16,905)
Total transactions with owners	57	109	(16,878)	(16,712)	30	(16,682)
<b>At 31 December 2019</b>	<b>287,637</b>	<b>999</b>	<b>351,132</b>	<b>639,768</b>	<b>488</b>	<b>640,256</b>

*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 2019 and the accompanying explanatory notes attached to this interim financial report.*

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2020**  
**Condensed Consolidated Statement of Cash Flows**

	<b>6 months ended 30-Jun-2020 RM'000</b>	<b>6 months ended 30-Jun-2019 RM'000</b>
<b>Cash Flows from Operating Activities</b>		
Profit before taxation	1,427	28,567
Adjustments for:-		
Non-cash items	362	339
Non-operating items	925	(890)
Operating profit before changes in working capital	2,714	28,016
Net changes in inventories	(8,420)	15,226
Net changes in trade and other receivables	12,848	(587)
Net changes in contract assets	(975)	6,362
Net changes in trade and other payables	(3,447)	3,390
Net changes in contract liabilities	-	2,352
Net cash from operations	2,720	54,759
Interest received	1,511	1,746
Tax paid	(2,511)	(4,229)
<b>Net cash from operating activities</b>	<b>1,720</b>	<b>52,276</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant and equipment	(132)	(380)
Addition in investment properties	(416)	(3,555)
Changes of deposits pledged with licensed banks	(37)	2,294
Proceeds from disposal of property, plant and equipment	1	5
Incorporation of a subsidiary, net of cash and cash equivalents acquired	-	30
Dividend income from associate company	-	225
<b>Net cash used in investing activities</b>	<b>(584)</b>	<b>(1,381)</b>
<b>Cash Flows from Financing Activities</b>		
Dividends paid	(4,335)	(8,668)
Dividends paid to non-controlling interests of subsidiary companies	(750)	-
Drawdown of revolving credit	5,000	6,300
Proceeds from issuance of shares pursuant to options exercised under the ESOS	-	48
Repayment of bank borrowings	(39,217)	(39,927)
Repayment of lease liabilities	(56)	-
Interest paid	(2,590)	(1,084)
<b>Net cash used in financing activities</b>	<b>(41,948)</b>	<b>(43,331)</b>
Net changes in cash and cash equivalents	(40,812)	7,564
Cash and cash equivalents at 1 January 2020/2019	155,467	172,679
<b>Cash and cash equivalents at 30 June 2020/2019</b>	<b>114,655</b>	<b>180,243</b>
<b>Cash and cash equivalents included in the cash flows comprise of:-</b>		
Short term funds placed with financial institutions	56,287	16,807
Cash and bank balances	50,106	156,013
Deposits placed with licensed banks	10,965	7,855
	117,358	180,675
Less: Deposits pledged with licensed banks	(2,703)	(432)
	114,655	180,243

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 2019 and the accompanying explanatory notes attached to this interim financial report.

## INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2020

### 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 2019. 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 2019.

#### 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 2019 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 2020:

##### MFRSs, amendments to MFRSs and IC Interpretations

MFRSs	Amendments to References to the Conceptual Framework in MFRS Standards
Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 101 and MFRS 108	Definition of Material
Amendments to MFRS 7, MFRS 9 and MFRS 139	Interest Rate Benchmark Reform

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, 2020. 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.

Title	Effective Date
Amendments to MFRS 16 Covid-19-Related Rent Concessions	1 June 2020
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2022
Annual improvements to MFRS Standards 2018-2020	1 January 2022
Amendments to MFRS 3 Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment- Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 Onerous Contracts- Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

#### 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.

#### A7. Dividend Paid

On 18 February 2020, the Company paid interim single tier dividend of 1.0 sen per ordinary share each amounting to RM4,334,556 in respect of the financial year ended 31 December 2019.

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2020**

**A8. Operating Segment**

The segmental analysis for the financial period ended 30 June 2020 is as follows:

	<b>Property development and property management RM'000</b>	<b>Investment holdings RM'000</b>	<b>Other operations RM'000</b>	<b>Adjustments and eliminations RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>					
Revenue from external customers	26,319	1,917	-	-	28,236
Inter-segment revenues	35	984	-	(1,019)	-
	<u>26,354</u>	<u>2,901</u>	<u>-</u>	<u>(1,019)</u>	<u>28,236</u>
<b>Results</b>					
Profit from operations	(3,173)	4,479	25	218	1,549
Unallocated amount:					
- corporate expenses					<u>(122)</u>
Profit before tax					1,427
Tax expense					<u>(835)</u>
Profit for the period					<u>592</u>

**A9. Subsequent Events**

There were no material events subsequent to the financial period ended 30 June 2020 until 20 August 2020 (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.

**A10. Changes in the Composition of the Group**

There was no change in the composition of the Group for the current quarter and financial period to-date.

**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 June 2020.

**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:*

	<b>6 months ended 30-Jun-2020 RM'000</b>
Lease payments made to companies of which a Director has interest	<u>53</u>

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2020**

**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-Jun-2020 RM'000	30-Jun-2019 RM'000	%	RM'000
<b>Revenue</b>				
Property development and property management	13,535	38,857	-65.2%	(25,322)
Investment holdings	601	1,235	-51.3%	(634)
	14,136	40,092	-64.7%	(25,956)
Profit before tax	456	15,202	-97.0%	(14,746)

The current quarter's revenue and profit before tax of RM14.1 million and RM0.46 million represented a 64.7% decrease in revenue and 97.0% decrease in profit before tax over the same quarter of the preceding year.

Property development & property management

Revenue was mainly contributed by residential property developments in Pearl City, Simpang Ampat which accounted for approximately 68.7% of the total revenue in the segment for the current quarter under review.

The Malaysian government had imposed a Movement Control Order ("MCO") with effect from 18 March 2020. In compliance with the MCO, the Group's offices and development sites were temporarily closed from 18 March 2020 until 7 May 2020. The project sites resumed construction works in stages after 8 May 2020.

The lower revenue in the current quarter as compared to the same quarter of the preceding year was mainly due to minimal site progress for on-going projects as well as lower new property sales due to MCO.

The lower profit before tax for the current quarter as compared to the preceding year quarter was due to the lower revenue recorded.

Due to the Covid-19 pandemic, the Malaysian government had introduced a Short-Term Economic Recovery Plan on 5 June 2020 which included an introduction of the Home Ownership Campaign 2020 ("HOC2020") for the period 1st June 2020 until 31 May 2021.

During the quarter under review, the Group had launched a new project, Ambay Park which comprised of 254 units of double-storey terrace houses in Pearl City. Despite the challenging market condition, the Group had recorded RM 34 million of new property sales in the current quarter (same quarter of preceding year 2019 : RM 37 million) mainly due to the new project launch.

Investment holdings

The revenue was mainly derived from rental received from completed investment properties. The lower revenue was due to rental rebates offered to the tenants affected by MCO.

**B2. Comparison of results against immediate preceding quarter**

	Current	Preceding	Variances	
	30-Jun-2020 RM'000	31-Mar-2020 RM'000	%	RM'000
Revenue	14,136	14,100	0.3%	36
Profit before tax	456	971	-53.0%	(515)

Compared to the immediate preceding quarter, the revenue increased by 0.3% and profit before tax was lower by 53.0%. The Group recorded marginal profit for the current quarter mainly due to MCO, as explained in B1 above.



## INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2020

### B3. Prospects for the current financial year

As at 30 June 2020, six (6) on-going projects of the Group with a total Gross Development Value of approximately RM458.3 million achieved an average take-up rate of 30.9% and unbilled sales of approximately RM74.4 million which should contribute positively to the Group's earnings for the next two to three years.

With the economic uncertainties caused by the Covid-19 pandemic, the property market remained challenging. To stimulate the property market and provide financial relief to home buyers, the government reintroduced the Home Ownership Campaign.

Malaysia moved into a recovery phase of the MCO on 10 June 2020. However, given the uncertainties arising from the impact of the COVID-19 pandemic, the Group continues to remain cautious in its sales launches and carefully monitors the progress of development projects to ensure timely delivery to the buyers.

Based on the foregoing, the Group expects a modest 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 Quarter	Preceding Year Corresponding Quarter	Current Year- To-Date	Preceding Year Corresponding Period
	30-Jun-2020	30-Jun-2019	30-Jun-2020	30-Jun-2019
	RM'000	RM'000	RM'000	RM'000
Current income tax	282	1,803	760	6,877
Underprovision of taxation in respect of prior year	-	34	-	34
Deferred taxation	(111)	1,760	149	(99)
Underprovision of deferred tax assets in respect of prior year	-	-	(74)	-
	<u>171</u>	<u>3,597</u>	<u>835</u>	<u>6,812</u>

The Group's effective tax rate for the financial year-to-date under review was higher compared to the statutory taxation rate mainly due to certain non-tax deductible expenses and unrecognition of deferred tax asset.

## INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2020

### B7. Status of Corporate Proposals

#### Memorandum of Understanding ("MOU")

On 28 January 2020 the Company had entered into a MOU with Show Chwan Medical Care Corporation ("Show Chwan") to collaborate efforts for the proposed establishment of a private specialist hospital at Pearl City (Bandar Tasek Mutiara), Simpang Ampat, Seberang Perai Selatan, Penang, a township under the development of Tambun Indah.

On 1 July 2020, the Company and Show Chwan had mutually agreed to extend the duration of the MOU by another six (6) months to 27 January 2021 due to unforeseen circumstances caused by the Covid-19 pandemic.

### B8. Borrowings and Debt Securities

Details of the Group's borrowings as at 30 June 2020 are as follows:

	<b>Secured RM'000</b>
<i>Long term borrowing:</i>	
Term loans	112,126
	<u>112,126</u>
<i>Short term borrowing:</i>	
Revolving credit	5,000
Term loans	8,630
	<u>13,630</u>
<b>Total</b>	<u><u>125,756</u></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 final tax exempt dividend approved at the Annual General Meeting held on 29 July 2020 are as follows:

(i) Final tax exempt Dividend for the financial year	31 December 2019
(ii) Amount per share (single tier)	2.9 sen
(iii) Previous corresponding period	2.9 sen
(iv) Approved and declared on	29 July 2020
(v) Record of Depositors as at	6 October 2020
(vi) Date of payment	21 October 2020

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 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.

	<b>Current Quarter 30-Jun-2020</b>	<b>Preceding Year Corresponding Quarter 30-Jun-2019</b>	<b>Current Year- To-Date 30-Jun-2020</b>	<b>Preceding Year Corresponding Period 30-Jun-2019</b>
Profit for the period attributable to equity holders of the Company (RM'000)	721	11,602	1,490	21,749
Weighted average number of ordinary shares in issue ('000)	433,456	433,445	433,456	433,414
<b>Basic Earnings Per Share (sen)</b>	<b>0.17</b>	<b>2.68</b>	<b>0.34</b>	<b>5.02</b>

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

	<b>Current Quarter 30-Jun-2020 '000</b>	<b>Preceding Year Corresponding Quarter 30-Jun-2019 '000</b>	<b>Current Year- To-Date 30-Jun-2020 '000</b>	<b>Preceding Year Corresponding Period 30-Jun-2019 '000</b>
Number of ordinary shares at beginning of the period/year	433,456	433,379	433,456	433,379
Effect of shares issued pursuant to: - exercise of ESOS	-	66	-	35
<b>Weighted average number of ordinary shares</b>	<b>433,456</b>	<b>433,445</b>	<b>433,456</b>	<b>433,414</b>

**(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:

	<b>Current Quarter 30-Jun-2020</b>	<b>Preceding Year Corresponding Quarter 30-Jun-2019</b>	<b>Current Year- To-Date 30-Jun-2020</b>	<b>Preceding Year Corresponding Period 30-Jun-2019</b>
Profit for the period attributable to equity holders of the Company (RM'000)	721	11,602	1,490	21,749
Weighted average number of ordinary shares ('000)	433,456	433,513	433,456	433,461
<b>Diluted Earnings Per Share (sen)</b>	<b>0.17</b>	<b>2.68</b>	<b>0.34</b>	<b>5.02</b>

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

	<b>Current Quarter 30-Jun-2020 '000</b>	<b>Preceding Year Corresponding Quarter 30-Jun-2019 '000</b>	<b>Current Year- To-Date 30-Jun-2020 '000</b>	<b>Preceding Year Corresponding Period 30-Jun-2019 '000</b>
Weighted average number of ordinary shares	433,456	433,445	433,456	433,414
Effect of potential exercise of ESOS	-	68	-	47
<b>Weighted average number of ordinary shares</b>	<b>433,456</b>	<b>433,513</b>	<b>433,456</b>	<b>433,461</b>

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2020****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 2019.

**B13. Inventories**

	Unaudited As at 30 June 2020 RM'000	Audited As at 31 December 2019 RM'000
<b>Non-Current Assets</b>		
Land held for property development	284,028	284,144
<b>Current Assets</b>		
Property development costs	135,082	123,557
Completed properties held for sales	27,742	30,731
	<u>162,824</u>	<u>154,288</u>
<b>Total</b>	<u>446,852</u>	<u>438,432</u>

**B14. Other income**

	Current quarter 30-Jun-2020 RM'000	Financial year to-date 30-Jun-2020 RM'000
Interest income	666	1,511
Miscellaneous income	92	144
	<u>758</u>	<u>1,655</u>

The Group did not receive any other income including investment income for the financial period ended 30 June 2020.

**B15. Additional disclosures pursuant to para 16, Part A, Appendix 9B of Bursa Malaysia Securities Berhad Listing Requirements**

	Current quarter 30-Jun-2020 RM'000	Financial year to-date 30-Jun-2020 RM'000
Depreciation	89	177
Loss on disposal of property, plant and equipment	-	2
	<u>-</u>	<u>2</u>

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 June 2020.

**B16. 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 27 August 2020.

By order of the Board of Directors  
Lee Peng Loon  
Company Secretary  
27 August 2020