

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER
ENDED 31 DECEMBER 2019**
The figures have not been audited
**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2019**

	3 months ended		Period-to-date ended	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	RM'000	RM'000	RM'000	RM'000
Revenue	90,190	110,416	138,507	188,182
Cost of sales	(69,051)	(85,887)	(99,475)	(139,188)
Gross profit	21,139	24,528	39,032	48,994
Selling and marketing expenses	(4,974)	(3,640)	(7,748)	(8,864)
Administrative expenses	(17,042)	(16,986)	(30,178)	(29,045)
Other net operating income	1,156	(906)	1,429	641
Profit from operations	279	2,997	2,535	11,726
Finance income	2,261	2,007	3,226	3,256
Finance costs	(11,191)	(13,010)	(22,795)	(22,466)
Share of results of associates and joint ventures	(5,530)	497	(6,222)	(20)
Loss before tax	(14,181)	(7,509)	(23,256)	(7,504)
Income tax	464	(4,503)	338	(4,526)
Loss for the period	(13,717)	(12,012)	(22,918)	(12,030)
Loss attributable to:				
Owners of the parent	(14,852)	(12,654)	(24,849)	(13,870)
Non-controlling interests	1,135	642	1,931	1,840
Loss for the period	(13,717)	(12,012)	(22,918)	(12,030)
Loss per share attributable to owners of the parent:				
a) Basic (sen)	(2.217)	(1.889)	(3.709)	(2.071)
b) Diluted (sen)	(2.217)	(1.889)	(3.709)	(2.071)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER
ENDED 31 DECEMBER 2019

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2019 (cont'd)

	3 months ended		Period-to-date ended	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	RM'000	RM'000	RM'000	RM'000
Loss for the period	(13,717)	(12,012)	(22,918)	(12,030)
Other comprehensive expense:				
Foreign currency translation	-	95	-	86
Total comprehensive loss for the period	(13,717)	(11,917)	(22,918)	(11,944)
Total comprehensive loss attributable to:				
Owners of the parent	(14,852)	(12,559)	(24,849)	(13,784)
Non-controlling interests	1,135	642	1,931	1,840
Total comprehensive loss for the period	(13,717)	(11,917)	(22,918)	(11,944)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER
ENDED 31 DECEMBER 2019

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Unaudited	Audited
	As at	As at
	31.12.2019	30.06.2019
	RM'000	RM'000
Non-current assets		
Property, plant and equipment	343,603	349,175
Right-of-use assets	1,244	-
Investment properties	536,163	536,163
Land held for property development	302,489	302,489
Investments in associates	194,069	202,724
Investments in joint ventures	113,568	113,523
Goodwill	5,735	6,079
Deferred tax assets	18,020	17,454
	<u>1,514,891</u>	<u>1,527,607</u>
Current assets		
Inventories	863,442	912,817
Biological assets	351	360
Trade and other receivables	50,546	46,576
Contract assets	133,531	72,247
Contract cost assets	47,129	59,598
Other current assets	8,534	4,031
Tax recoverable	6,933	4,538
Other investments	15,250	8,900
Cash and cash equivalents	154,086	208,116
	<u>1,279,802</u>	<u>1,317,183</u>
TOTAL ASSETS	<u>2,794,693</u>	<u>2,844,790</u>

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019 (cont'd)

	Unaudited	Audited
	As at	As at
	31.12.2019	30.06.2019
	RM'000	RM'000
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	385,318	385,318
Reserves	893,778	932,636
Equity funds	1,279,096	1,317,954
Shares held by ESS Trust	(23,883)	(23,883)
	<u>1,255,213</u>	<u>1,294,071</u>
Non-controlling interests	140,047	138,116
TOTAL EQUITY	<u>1,395,260</u>	<u>1,432,187</u>
Non-current liabilities		
Trade and other payables	9,492	4,524
Loans and borrowings	936,841	878,042
Lease liabilities	1,009	-
Deferred tax liabilities	33,780	33,826
	<u>981,122</u>	<u>916,392</u>
Current liabilities		
Trade and other payables	123,486	137,003
Contract liabilities	25,942	14,391
Loans and borrowings	268,145	343,732
Lease liabilities	249	-
Tax payable	489	1,085
	<u>418,311</u>	<u>496,211</u>
TOTAL LIABILITIES	<u>1,399,433</u>	<u>1,412,603</u>
TOTAL EQUITY AND LIABILITIES	<u>2,794,693</u>	<u>2,844,790</u>
Net assets per share attributable to ordinary owners of the parent (RM)	1.8738	1.9318

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

GUOCOLAND (MALAYSIA) BERHAD (300-K)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2019

The figures have not been audited

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2019**

	←——— Attributable to owners of the parent ———→					Retained profits	Total	Non-controlling interests	Total equity
	Shares held		Merger reserve	Exchange reserve	Other reserve				
Share capital	by ESS Trust								
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current year-to-date									
At 1 July 2019	385,318	(23,883)	(24,028)	106	27	956,531	1,294,071	138,116	1,432,187
Total comprehensive income/(loss) for the period	-	-	-	-	-	(24,849)	(24,849)	1,931	(22,918)
Dividend paid	-	-	-	-	-	(14,009)	(14,009)	-	(14,009)
As At 31 December 2019	385,318	(23,883)	(24,028)	106	27	917,673	1,255,213	140,047	1,395,260

GUOCOLAND (MALAYSIA) BERHAD (300-K)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2019

The figures have not been audited

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2019 (cont'd)**

	←——— Attributable to owners of the parent ———→						Non- controlling interests	Total equity	
	←——— Non-Distributable			Distributable					
	Share capital RM'000	Shares held by ESS Trust RM'000	Merger reserve RM'000	Exchange reserve RM'000	Other reserve RM'000	Retained profits RM'000	Total RM'000	RM'000	RM'000
Preceding year corresponding period									
At 1 July 2018	385,318	(23,883)	(24,028)	19	27	1,002,709	1,340,162	134,264	1,474,426
Total comprehensive income for the period	-	-	-	86	-	(13,870)	(13,784)	1,840	(11,944)
As At 31 December 2018	<u>385,318</u>	<u>(23,883)</u>	<u>(24,028)</u>	<u>105</u>	<u>27</u>	<u>988,839</u>	<u>1,326,378</u>	<u>136,104</u>	<u>1,462,482</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER
ENDED 31 DECEMBER 2019

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2019

	Period-to-date ended	
	31.12.2019	31.12.2018
	RM'000	RM'000
Cash flows from operating activities		
Loss before tax	(23,256)	(7,504)
Adjustments for:		
Loss on biological assets	8	170
Gain on investment in cash funds	(644)	(22)
Reversal of impairment loss on land held for development	(42)	-
Depreciation of property, plant and equipment	6,181	5,392
Depreciation of right-of-use assets	146	-
Gain on disposal of property, plant and equipment	(32)	-
Realisation of goodwill	344	1,492
Allowance for impairment on trade and other receivables	1,036	13
Dividend income	(14)	(136)
Interest expense	22,809	22,466
Interest income	(3,226)	(3,256)
Share of results of associates and joint ventures	6,222	20
Operating profit before working capital changes	9,532	18,635
Working capital changes:		
Inventories	(55,361)	78,799
Receivables	63,803	(30,283)
Payables	1,330	4,206
Joint ventures balances	(87)	102
Related company balances	612	(3,733)
Cash flow generated from operations	19,829	67,726
Interest received	248	21
Interest paid	(25,479)	(25,277)
Tax paid	(3,268)	(263)
Net cash flows (used in)/generated from operating activities	(8,670)	42,207

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER
ENDED 31 DECEMBER 2019

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2019 (cont'd)

	Period-to-date ended	
	31.12.2019	31.12.2018
	RM'000	RM'000
Cash flows from investing activities		
Acquisitions of property, plant and equipment	(1,999)	(4,277)
Additions in investment properties	(12,270)	-
Dividend income from associate	2,388	2,492
Addition to investment securities	(6,336)	136
Interest received	3,622	3,257
Net cash flows (used in)/generated from investing activities	<u>(14,563)</u>	<u>1,618</u>
Cash flows from financing activities		
Bank borrowings drawdown	73,187	119,631
Repayment of bank borrowings	(89,975)	(73,707)
Dividend paid	(14,009)	(13,398)
Net cash flow (used in)/generated from financing activities	<u>(30,797)</u>	<u>32,526</u>
Net (decrease)/increase in cash and cash equivalents	(54,030)	76,351
Effect of exchange rate changes on cash and cash equivalents	-	86
Cash and cash equivalents at beginning of the financial period	208,116	192,676
Cash and cash equivalents at end of the financial period	<u>154,086</u>	<u>269,113</u>

Cash and cash equivalents comprise the following:

	31.12.2019	31.12.2018
	RM'000	RM'000
Deposits, cash and bank balances	154,195	270,985
Bank overdrafts	(109)	(1,872)
	<u>154,086</u>	<u>269,113</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31
DECEMBER 2019

The figures have not been audited

NOTES

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2019. The explanatory notes attached to the interim financial report 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 2019.

The accounting policies and presentation adopted for this Unaudited Condensed Consolidated Interim Financial Information are mainly consistent with those of the Group's audited financial statements for the financial year ended 30 June 2019, except for the following:

Effective for financial periods beginning on or after 1 January 2019:

MFRS 16	Leases
IC Interpretation 23	Uncertainty over Income Tax Treatments
Amendment to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
Amendment to MFRS 3 and MFRS 11	Previously Held Interest in a Joint Arrangements (Annual Improvements to MFRSs 2015-2017 Cycle)
Amendment to MFRS 112	Income on Financial Instruments Classified as Equity (Annual Improvements to MFRSs 2015-2017 Cycle)
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
Amendment to MFRS 123	Borrowing Costs Eligible for Capitalisation (Annual Improvements to MFRSs 2015-2017 Cycle)

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31
DECEMBER 2019

The figures have not been audited

1. Basis of preparation (continued)

The accounting policies and presentation adopted for this Unaudited Condensed Consolidated Interim Financial Information are mainly consistent with those of the Group's audited financial statements for the

The adoption of the above do not have any significant impact to the Group other than as discussed below.

(a) MFRS 16: Leases

MFRS 16 replaces 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 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under MFRS 117. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees is also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under MFRS 16 is substantially unchanged from accounting under MFRS 117. Lessors will continue to classify all leases using the same classification principle as in MFRS 117 and distinguish between two types of leases: operating and finance leases.

The Group has adopted MFRS 16 using the modified retrospective method. Accordingly, the Group has not restated the comparative information. The Group has elected to apply the standard to contracts that were previously identified as leases applying MFRS 117 and IC Interpretation 4. The Group therefore has not applied the standard to contracts that were not previously identified as containing a lease applying MFRS 117 and IC Interpretation 4.

The summary of the impact (increase/(decrease)) from MFRS 16 adoption on the statement of financial position as at 1 July 2019 is as follows:

	Note	RM'000
Assets		
Right-of-use assets	a	<u>1,390</u>
Liabilities		
Lease liabilities	b	<u>1,390</u>

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31
DECEMBER 2019

The figures have not been audited

1. Basis of preparation (continued)

The accounting policies and presentation adopted for this Unaudited Condensed Consolidated Interim Financial Information are mainly consistent with those of the Group's audited financial statements for the financial year ended 30 June 2019, except for the following : (continued)

(b) MFRS 16: Leases (continued)

- a) Recognition of right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments immediately before the date of initial application.
- b) Recognition of lease liability at the date of initial application, measured at the present value of remaining lease payments, discounted at the Group's weighted average incremental borrowing rate of 5.00%.

Reconciliation of lease liabilities recognised from operating lease obligations:

	RM'000
Gross liabilities at 1 July 2019	1,565
Effect from discounting	(175)
Lease liabilities due to initial application of MFRS 16	<u>1,390</u>

2. Qualification of audit report of the preceding annual financial statements

The audit report for the preceding annual financial statements was not subject to any qualification.

3. Seasonality or cyclicity of interim operations

The Group's interim operations were not materially affected by any seasonal or cyclical factors for the current quarter under review.

4. Nature and amount of items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial period ended 31 December 2019.

5. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the current financial period.

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31
DECEMBER 2019

The figures have not been audited

6. Issues, repurchases and repayments of debt and equity securities

During the current quarter under review, there were no additional shares purchased by the trust set up for the Executive Share Scheme ("ESS Trust"). As at reporting date, a total of 30,578,100 shares of GuocoLand (Malaysia) Berhad ("GLM") were held by the ESS Trust.

As at the financial year ended 30 June 2019, options over 20,000,000 GLM shares had been granted to eligible executives of the Company pursuant to the Company's Value Creation Incentive Plan. There were no new options granted during the current quarter and the balance options for the financial period is 18,000,000 of GLM shares. The options granted are subject to the achievement of certain performance criteria by the option holders over two performance periods concluding at the end of the financial years ended 30 June 2019 and ending 30 June 2021 respectively. The achievement of the performance targets and the numbers of shares (if any) to be vested shall be determined following the end of the respective performance periods.

Save as detailed above, there were no other issues, repurchases and repayments of debts and equity securities during the current financial period.

7. Dividend paid

During the financial period ended 31 December 2019, a final dividend of 2 sen per ordinary share amounted to RM14.01 million in respect of the financial year ended 30 June 2019 was paid on 3 December 2019.

8. Segmental reporting

The Group's segmental report is as follows:

Financial Period Ended 31.12.2019

	Property development RM'000	Property investment RM'000	Hotel RM'000	Plantations RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External sales	92,558	15,837	22,807	5,087	2,218	-	138,507
Inter-segment sales	-	1,071	-	-	9,450	(10,521)	-
Total revenue	92,558	16,908	22,807	5,087	11,668	(10,521)	138,507
Results							
Segment results	8,282	4,192	(1,653)	1,643	(9,792)	-	2,672
Unallocated corporate expenses							(137)
Profit from operations							2,535
Interest income	1,056	228	404	476	1,062	-	3,226
Finance costs	(6,335)	(7,059)	(6,885)	(1)	(2,515)		(22,795)
Share of results of associates	-	832	-	(7,099)	-	-	(6,267)
Share of results of joint ventures	45	-	-	-	-	-	45
Income tax expense	988	(65)	-	(511)	(74)	-	338
Loss for the period							(22,918)

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31
DECEMBER 2019

The figures have not been audited

8. Segmental reporting (continued)

Segmental reporting by geographical location has not been prepared as the Group's operations are substantially carried out in Malaysia.

9. Valuations of property, plant and equipment and investment properties

The valuations of property, plant and equipment and investment properties were brought forward without any amendments from the previous annual financial statements.

10. Material subsequent events not reflected in the financial statements

On 3 January 2020, GLM Emerald Industrial Park (Jasin) Sdn Bhd ("GLM EIPJ"), a 68%-owned indirect subsidiary of the Group, has entered into a conditional sale and purchase agreement with Parkland Avenue Sdn Bhd ("PASB") and IOI Corporation Berhad for the proposed disposal by GLM EIPJ to PASB of a parcel of land located in Mukim and District of Jasin, Melaka Darul Azim for a cash consideration of RM119,259,090.72.

11. Changes in the composition of the Group

There were no changes in the composition of the Group during the quarter under review, including business combinations, acquisition or disposal of subsidiaries and long-term investments, and restructuring.

12. Review of performance

- (a) Performance of the current quarter against the preceding year corresponding quarter.

The Group recorded revenue of RM90.2 million for the current quarter under review as compared to RM110.4 million in the preceding year corresponding quarter. The lower revenue for the current quarter was due to lower sales of completed units. This resulted in loss before tax of RM14.2 million compared to loss before tax of RM7.5 million in corresponding quarter of preceding year.

Selling and marketing expenses of RM4.9 million for the current quarter is higher by RM1.3 million compared to the corresponding quarter of preceding year of RM3.6 million. This was due to the higher marketing cost incurred for Emerald Hills in the current quarter compared to the corresponding quarter of preceding year.

- (b) Performance of the current financial period against the preceding year corresponding financial period.

The Group recorded revenue of RM138.5 million for the current financial period as compared to RM188.2 million in the preceding financial period due to lower sales of completed units. This resulted in loss before tax of RM23.3 million compared to loss before tax of RM7.5 million of the preceding financial period.

Selling and marketing expenses of RM7.7 million for the current financial period is lower by RM1.1 million compared to the preceding year corresponding financial period of RM8.9 million. This was due to the higher marketing cost incurred for Emerald Hills in first quarter of financial year 2019.

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31
DECEMBER 2019

The figures have not been audited

13. Material change in loss before tax for the current quarter compared with the immediate preceding quarter

The Group's current quarter loss before tax of RM14.2 million was approximately RM5.1 million higher than the immediate preceding quarter loss before tax of RM9.1 million. The higher losses of the current quarter was mainly due to the share of one-off tax payment from an associate company within the Group that amounted to RM6.8 million.

14. Prospects

The domestic property market is expected to remain lacklustre in the subsequent period of financial year 2020 due to the continued weak market and consumer sentiments. The overall momentum and prospects of the property market in the short term is expected to remain challenging. Moving forward, the Group will launch its projects according to prevailing market sentiments.

15. Loss forecast/Loss guarantee

Not applicable.

16. Loss for the year

Included in loss for the financial period/year are:

	Current Quarter RM'000	Year-to-date RM'000
Depreciation of property, plant and equipment	3,080	6,181
Allowance for impairment on trade and other receivables	556	1,036
Loss on biological assets	-	8
Gain on investment in cash funds	(592)	(644)

Other than the above items, there were no allowance for impairment and write off of inventories, gain or loss on disposal of investment properties, impairment of assets and other exceptional items for the current quarter and financial period ended 31 December 2019.

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31
DECEMBER 2019

The figures have not been audited

17. Taxation

Taxation comprises:

	Current	
	Quarter	Year-to-date
	RM'000	RM'000
Current taxation		
- Malaysian income tax	336	593
- Deferred taxation	(482)	(612)
- Real Property Gains Tax	(303)	(303)
Prior year		
- Malaysian income tax	(15)	(16)
	<u>(464)</u>	<u>(338)</u>

The Group's effective tax rate is lower than the statutory tax rate for the current financial year mainly due to overall losses of the Group.

18. Corporate proposals

On 3 January 2020, GLM Emerald Industrial Park (Jasin) Sdn Bhd ("GLM EIPJ"), a 68%-owned indirect subsidiary of the Group, has entered into a conditional sale and purchase agreement with Parkland Avenue Sdn Bhd ("PASB") and IOI Corporation Berhad for the proposed disposal by GLM EIPJ to PASB of a parcel of land located in Mukim and District of Jasin, Melaka Darul Azim for a cash consideration of RM119,259,090.72

19. Group's borrowings and debt securities

Particulars of the Group's borrowings as at 31 December 2019 are as follows:

	RM'000
Short term borrowings	
Secured	112,945
Unsecured	155,200
	<u>268,145</u>
Long term borrowings	
Secured	936,841
Total borrowings	<u>1,204,986</u>

The above borrowings are all denominated in Ringgit Malaysia.

20. Changes in material litigation

Not applicable.

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31
DECEMBER 2019

The figures have not been audited

21. Dividend

The Board does not recommend any interim dividend for the current financial period ended 31 December 2019.

22. Loss per share

Basic EPS

The basic loss per share are calculated based on the net loss attributable to ordinary shareholders for the financial period divided by the weighted average number of ordinary shares:

	3 months ended		Year-to-date ended	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Net loss attributable to ordinary shareholders for the period (RM'000)	<u>(14,852)</u>	<u>(12,654)</u>	<u>(24,849)</u>	<u>(13,870)</u>
Weighted average number of shares ('000)	<u>669,880</u>	<u>669,880</u>	<u>669,880</u>	<u>669,880</u>
Loss per share (sen)	<u>(2.217)</u>	<u>(1.889)</u>	<u>(3.709)</u>	<u>(2.071)</u>

Diluted EPS

The Group has no dilution in its EPS for the financial period under review as there are no dilutive potential ordinary shares.

23. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 30 June 2019 was not subject to any qualification.

24. Comparative figures

Comparative figures, where applicable, have been modified to conform to the current year presentation.

By Order of the Board
GuocoLand (Malaysia) Berhad

CHIN MIN YANN
LEE SOW YEANG
Secretaries

Kuala Lumpur
9 January 2020