

DutaLand Berhad

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2017**

	As at 30-Sep-17 RM'000 (Unaudited)	As at 30-Jun-17 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	339,121	338,900
Biological assets	-	-
Land held for property development	262,582	262,484
	601,703	601,384
Current assets		
Property development costs	7,371	7,277
Inventories	11,933	12,037
Receivables	95,837	92,453
Tax recoverable	1,559	955
Short term deposits	5,448	448
Cash and bank balances	6,666	9,141
	128,814	122,311
Non-current assets held for sale	353,025	352,846
	481,839	475,157
TOTAL ASSETS	1,083,542	1,076,541
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	423,059	423,059
Share premium	-	-
Capital reserve	53,109	53,109
Revaluation reserve	-	107,388
Reserve attributable to assets classified as held for sale	107,388	-
Retained profit	356,165	355,411
	939,721	938,967
Non-controlling interests	53,235	53,431
Total equity	992,956	992,398
Non-current liabilities		
Borrowings	2,624	2,895
Deferred tax liabilities	40,310	40,310
	42,934	43,205
Current liabilities		
Borrowings	1,662	1,646
Payables	43,753	33,008
Tax payable	2,237	6,284
	47,652	40,938
Total liabilities	90,586	84,143
TOTAL EQUITY AND LIABILITIES	1,083,542	1,076,541
Net assets per share (RM)	1.11	1.11

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 30-Sep-17 RM'000	Preceding year corresponding quarter 30-Sep-16 RM'000	Current financial year-to-date 30-Sep-17 RM'000	Preceding year corresponding period 30-Sep-16 RM'000
<u>Continuing operations</u>				
Revenue	2,904	6	2,904	6
Expenses	(5,101)	(3,369)	(5,101)	(3,369)
Other income	239	318	239	318
Depreciation / amortisation	(62)	(63)	(62)	(63)
(Loss)/profit from operations	(2,020)	(3,108)	(2,020)	(3,108)
Interest income	39	3	39	3
Interest expense	(70)	(5)	(70)	(5)
Loss before taxation	(2,051)	(3,110)	(2,051)	(3,110)
Income tax expense	(45)	(34)	(45)	(34)
(Loss)/profit from continuing operations	(2,096)	(3,144)	(2,096)	(3,144)
<u>Discontinuing operations</u>				
Profit from discontinuing operations, net of tax	2,654	3,759	2,654	3,759
Profit for the period	558	615	558	615
Attributable to:				
Owners of the parent				
-from continuing operations	(1,900)	(2,827)	(1,900)	(2,827)
-from discontinuing operations	2,654	3,759	2,654	3,759
	754	932	754	932
Non-controlling interests	(196)	(317)	(196)	(317)
	558	615	558	615
Earnings/(loss) per share attributable to owners of the parent (sen):				
Basic				
-from continuing operations	(0.22)	(0.33)	(0.22)	(0.33)
-from discontinuing operations	0.31	0.44	0.31	0.44
	0.09	0.11	0.09	0.11
Diluted				
-from continuing operations	(0.22)	(0.33)	(0.22)	(0.33)
-from discontinuing operations	0.31	0.44	0.31	0.44
	0.09	0.11	0.09	0.11

DutaLand Berhad

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 30-Sep-17 RM'000	Preceding year corresponding quarter 30-Sep-16 RM'000	Current financial year-to-date 30-Sep-17 RM'000	Preceding year corresponding period 30-Sep-16 RM'000
Profit/(loss) for the period	558	615	558	615
Other comprehensive (loss)/income for the period	-	-	-	-
Total comprehensive income/(loss) for the period	558	615	558	615
Total comprehensive income attributable to:				
Owners of the parent	754	932	754	932
Non-controlling interests	(196)	(317)	(196)	(317)
	558	615	558	615

DutaLand Berhad

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

	← Attributable to owners of the parent →					Retained earning/ (accumulated losses)	Total shareholders' equity	Non- controlling interests	Total equity
	← Non-distributable →				Capital reserve				
	Share capital	Share premium	Revaluation reserve	Reserve attributable to assets classified as held of sale					
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
3 months ended 30 September 2017									
At 1 July 2017	423,059	-	-	107,388	53,109	355,411	938,967	53,431	992,398
Profit/(loss) for the period	-	-	-	-	-	754	754	(196)	558
Other comprehensive income/(loss) for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	-	-	-	754	754	(196)	558
At 30 September 2017	423,059	-	-	107,388	53,109	356,165	939,721	53,235	992,956
3 months ended 30 September 2016									
At 1 July 2016	846,118	18,495	107,388	-	-	(45,737)	926,264	54,710	980,974
Profit/(loss) for the period	-	-	-	-	-	932	932	(317)	615
Other comprehensive income/(loss) for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	-	-	-	932	932	(317)	615
At 30 September 2016	846,118	18,495	107,388	-	-	(44,805)	927,196	54,393	981,589

DutaLand Berhad

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

	Year-to-date 30-Sep-17 RM'000	Year-to-date 30-Sep-16 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation		
Continuing operation	(2,051)	(3,110)
Discontinuing operation	3,492	4,149
Adjustments for :		
Depreciation / amortisation	215	816
Interest expense	150	29
Interest income	(39)	(3)
Operating profit before working capital changes	1,767	1,881
Changes in working capital	8,936	(2,739)
Cash generated used in operations	10,703	(858)
Tax paid	(6,949)	(1,062)
Net cash used in operating activities	3,754	(1,920)
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure incurred on biological assets	(141)	(147)
Addition in land held for property development	(290)	(215)
Purchase of property, plant and equipment	(103)	(255)
Interest received	39	3
Net cash (used in)/generated from investing activities	(495)	(614)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of borrowings	-	3,000
Repayment of borrowings	(115)	-
Repayment of hire purchase and lease payables, net	(553)	(168)
Interest paid	(66)	(29)
Net cash generated from/(used in) financing activities	(734)	2,803
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,525	269
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	9,145	11,688
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	11,670	11,957

PART A : Notes Required by FRS 134

A1) Accounting policies and methods of computation

The interim financial report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standards (“FRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”). The interim financial report should be read in conjunction with the audited financial statements for the year ended 30 June 2017.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 30 June 2017, except for the adoption of new FRSs, amendments and IC Interpretations that are mandatory for the Group for the financial year beginning 1 July 2017. The adoption of these FRSs, amendments and IC Interpretations do not have material impact on the interim financial report of the Group.

A2) Seasonal or cyclical factors

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

A3) 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 items affecting assets, liabilities, equity, net income or cash flows of the Group that are unusual due to their nature, size or incidence for the current financial period, other than as disclosed in the financial statements.

A4) Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years, which give a material effect in the current interim period

There were no changes in the estimates of amounts, which give a material effect in the current financial period.

A5) Debt and equity securities

There were no issuance and repayments of debt and equity securities during the financial period.

A6) Dividends paid

No dividends have been paid for the current financial period.

A7) Segmental reporting

Segmental analysis for the current financial period by business segments is as follows:

	Property Development	Plantation (Discontinuing)	Investment Holding and Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
3 months ended 30 September 2017					
Revenue					
External revenue	2,904	12,426	-	-	15,330
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>2,904</u>	<u>12,426</u>	<u>-</u>	<u>-</u>	<u>15,330</u>
Results					
Segment results	(200)	3,571	(1,819)	-	1,552
Interest expense, net					(111)
Income tax expense					(883)
Profit for the period					<u>558</u>
3 months ended 30 September 2016					
Revenue					
External revenue	6	13,434	-	-	13,440
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>6</u>	<u>13,434</u>	<u>-</u>	<u>-</u>	<u>13,440</u>
Results					
Segment results	(1,212)	4,177	(1,900)	-	1,065
Interest expense, net					(26)
Income tax expense					(424)
Profit for the period					<u>615</u>

A8) Significant event occurring after the reporting date

There were no material transactions or events occurred subsequent to the end of the current financial period.

A9) Effect of changes in the composition of the Group

There were no significant changes in the composition of the Group for the current financial period.

A10) Changes in Contingent Liabilities and Contingent Assets

There were no material changes in contingent liabilities and contingent assets since the last annual statement of financial position as at 30 June 2017 to the date of this report, except for the litigation claims disclosed in Note B9 of this report.

A11) Capital commitments

There were no material capital commitments which have not been provided for in the financial statements as at 30 September 2017.

PART B : Notes Required by Bursa Malaysia Listing Requirements

B1) Review of performance

For the quarter under review (1Q FY2018), the Group recorded revenue of RM15.3 million, RM1.9 million higher as compared to the preceding year quarter (1Q FY2017) of RM13.4 million. The favorable variance was mainly due to higher contribution from the property division (1Q FY2018: RM2.9 million vs 1Q FY2017: RM0.0 million, +RM2.9 million) while the plantation division's revenue reduced by RM 1.0 million (1Q FY2018: RM12.4 million vs 1Q FY2017: RM13.4 million, -RM1.0 million). The FFB production has decreased slightly by 6.5% (23,792mt vs 25,440mt) while the selling price was stable at RM520/mt level.

Profit before tax for 1Q FY2018 was RM1.4 million as compared to profit of RM1.0 million for 1Q FY2017. The property division recorded loss of RM0.2 million for current year quarter as compared to loss of RM 1.2 million for previous year quarter. The reduced loss was due to higher revenue recorded by the division. The plantation division recorded profit of RM3.5 million for current year quarter as compared to profit of RM 4.2 million for previous year quarter. The lower profit was due to drop of revenue recorded by the division.

B2) Material changes in quarterly results

Profit before tax for the current quarter (1Q FY2018) was RM1.4 million as compared to profit of RM22.4 million for the previous quarter (4Q FY2017). The variance of RM21.0 million was mainly due to land disposal from the Kenny Heights joint-venture project which was completed in the previous quarter.

B3) Commentary on:

(a) Current year prospects

The Property development division is developing Phase 4F of the Oakland Commercial Centre in Seremban, which has a Gross Development Value of approximately RM 115 million. The division is expected to perform better than the previous financial year as the development is at a more advance stage in the current financial year.

For the Plantation Division, the Company's subsidiary has entered into a condition sale and purchase agreement on 30 October 2017 to dispose off its plantation asset. The disposal is expected to be completed by the 3rd quarter of financial year ending 30 June 2018. Hence, the contribution for the division is expected to be lower than the previous financial year.

(b) Progress to achieve the revenue or profit estimate, forecast, projection or internal targets which were previously announced or disclosed in public document

There were no revenue or profit estimate, forecast, projection or internal targets, which were previously announced or disclosed in public document.

B4) Statement of the board of directors' opinion whether the revenue or profit estimate, forecast, projection or internal targets which were previously announced or disclosed in public document are likely to be achieved

Not applicable.

B5) Variance from profit forecast and shortfall in profit guarantee

Not applicable.

B6) Taxation

Tax charges comprise of the following:	Current Quarter 30-Sep-17 RM'000	Current Financial Year-To-Date 30-Sept-2017 RM'000
Income tax expense on continuing operations	(45)	(45)
Income tax expense on discontinuing operations	<u>(838)</u>	<u>(838)</u>
	<u>(883)</u>	<u>(883)</u>

The disproportionate tax charge is due principally to certain expenses being disallowed for taxation purposes for the financial period.

B7) Status of corporate proposals announced but not completed

On 30 October 2017, the Company announced that its wholly-owned sub-subsidiary, Pertama Land & Development Sdn Bhd (“PLD”), has entered into a conditional sale and purchase agreement with Boustead Rimba Nilai Sdn Bhd, a wholly-owned subsidiary of Boustead Plantations Berhad, for the proposed disposal of 42 parcels of plantation lands beneficially owned by PLD in the locality of Labuk Road, Sg. Ruku-Ruku and Sg. Lokan, all within the district of Beluran(Labuk-Sugut), and Tongod, Sabah, measuring an aggregate land area of approximately 11,579.31 hectares (“Lands”), together with all movable fixed assets, machineries and vehicles located on the Lands for a total cash consideration of RM750,000,000.

The relevant valuation report of the Lands has been submitted to Bursa Malaysia Securities Berhad on 13 November 2017.

Other than the above, there was no corporate proposal announced but not completed as at the date of this report.

B8) Group borrowings

The Group borrowings are as follows:

	As at 30-Sep-17 RM'000
Short-term borrowings:	
Secured	1,662
Long-term borrowings:	
Secured	2,624
Total borrowings	<u>4,286</u>

B9) Changes in material litigation (including status of any pending material litigation) since the last annual reporting date

The list of material litigation is attached as Annexure 1.

B10) Dividend declared

No dividend has been declared/recommended for the current financial period.

B11) Earnings per share (“EPS”)

	3 months ended		3 months ended	
	30-Sep-17	30-Sep-16	30-Sep-17	30-Sep-16
(a) Basic				
Profit/(loss) attributable to owners of the parent (RM'000)				
-from continuing operations	(1,900)	(2,827)	(1,900)	(2,827)
-from discontinuing operations	2,654	3,759	2,654	3,759
	<u>754</u>	<u>932</u>	<u>754</u>	<u>932</u>
Weighted average number of ordinary shares ('000)	846,118	846,118	846,118	846,118
Basic earnings/(loss) per ordinary share for the period (sen)				
-from continuing operations	(0.22)	(0.33)	(0.22)	(0.33)
-from discontinuing operations	0.31	0.44	0.31	0.44
	<u>0.09</u>	<u>0.11</u>	<u>0.09</u>	<u>0.11</u>
(b) Diluted				
Profit/(loss) attributable to owners of the parent (RM'000)				
-from continuing operations	(1,900)	(2,827)	(1,900)	(2,827)
-from discontinuing operations	2,654	3,759	2,654	3,759
	<u>754</u>	<u>932</u>	<u>754</u>	<u>932</u>
Adjusted weighted average number of ordinary shares ('000)	846,118	846,118	846,118	846,118
Diluted earnings/(loss) per ordinary share for the period (sen)				
-from continuing operations	(0.22)	(0.33)	(0.22)	(0.33)
-from discontinuing operations	0.31	0.44	0.31	0.44
	<u>0.09</u>	<u>0.11</u>	<u>0.09</u>	<u>0.11</u>

The diluted EPS is the same as the basic EPS because the Company has no convertible financial instrument.

B12) Declaration of audit qualification

The audit report of the Company's preceding annual financial statements was not subject to qualification.

B13) (Loss)/profit before taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 30-Sep-17 RM'000	Preceding year corresponding quarter 30-Sep-16 RM'000	Current financial year-to-date 30-Sep-17 RM'000	Preceding year corresponding period 30-Sep-16 RM'000
Profit/(loss) before taxation is arrived at after crediting/(charging):				
(1) Provision for and write-off of receivables	-	-	-	-
(2) Provision for and write-off of inventories	-	-	-	-
(3) (Loss)/gain on disposal of quoted or unquoted investments or properties	-	-	-	-
(4) Impairment of property, plant and equipment	-	-	-	-
(5) Foreign exchange (loss)/gain, net:				
- Realised	(16)	-	(16)	-
- Unrealised	-	-	-	-
(6) Gain/(loss) on derivatives	-	-	-	-
(7) Write back of provision for short term accumulating compensated absences, net	-	-	-	-
(8) Write back of provision for property development costs	-	-	-	-
(9) Loss on striking off a subsidiary	-	-	-	-
(10) Write-off of property, plant and equipment	-	-	-	-

B14) Realised and unrealized retained/(accumulated losses)

	As at 30-Sep-17 RM'000	As at 30-Jun-17 RM'000
Total retained earning/(accumulated losses) of DutaLand Berhad and its subsidiaries:		
- Realised	(268,658)	(268,791)
- Unrealised	(27,762)	(27,787)
	<u>(296,421)</u>	<u>(296,578)</u>
Consolidation adjustments	652,585	651,989
Total Group's retained earning/(accumulated losses)	<u>356,165</u>	<u>(355,411)</u>

On behalf of the Board
DUTALAND BERHAD

Kwan Wai Sin
Chartered Secretary
Kuala Lumpur
29 Nov 2017