

DutaLand Berhad

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018**

	As at 31-Mar-18 RM'000 (Unaudited)	As at 30-Jun-17 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	339,241	338,900
Land held for property development	262,772	262,484
	602,013	601,384
Current assets		
Property development costs	21,508	7,277
Inventories	12,284	12,037
Receivables	96,307	92,453
Tax recoverable	1,116	955
Short term investment	15,457	448
Cash and bank balances	25,097	9,141
	171,769	122,311
Non-current assets held for sale	353,443	352,846
	525,212	475,157
TOTAL ASSETS	1,127,225	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
Reserve attributable to assets classified as held for sale	107,388	107,388
Retained profit	357,285	355,411
	940,841	938,967
Non-controlling interests	52,938	53,431
Total equity	993,779	992,398
Non-current liabilities		
Borrowings	1,616	2,895
Deferred tax liabilities	40,310	40,310
	41,926	43,205
Current liabilities		
Borrowings	1,672	1,646
Payables	89,109	33,008
Tax payable	739	6,284
	91,520	40,938
Total liabilities	133,446	84,143
TOTAL EQUITY AND LIABILITIES	1,127,225	1,076,541
Net assets per share (RM)	1.11	1.11

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2018**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Mar-18 RM'000	Preceding year corresponding quarter 31-Mar-17 RM'000	Current financial year-to-date 31-Mar-18 RM'000	Preceding year corresponding period 31-Mar-17 RM'000
<u>Continuing operations</u>				
Revenue	5,080	489	11,046	983
Expenses	(8,592)	(3,851)	(20,034)	(11,661)
Other income	212	426	666	1,026
Depreciation / amortisation	(98)	(62)	(182)	(188)
Loss from operations	(3,398)	(2,998)	(8,504)	(9,840)
Interest income	172	3	358	10
Interest expense	(53)	(71)	(184)	(168)
Loss before taxation	(3,279)	(3,066)	(8,330)	(9,998)
Income tax credit /(expense)	1,330	3	1,239	(23)
Profit /(loss) from continuing operations	(1,949)	(3,063)	(7,091)	(10,021)
<u>Discontinuing operations</u>				
Profit /(loss) from discontinuing operations, net of tax	603	(986)	8,472	7,188
Profit /(loss) for the period	(1,346)	(4,049)	1,381	(2,833)
Attributable to:				
Owners of the parent				
-from continuing operations	(1,777)	(2,712)	(6,598)	(9,053)
-from discontinuing operations	603	(986)	8,472	7,188
	(1,174)	(3,698)	1,874	(1,865)
Non-controlling interests	(172)	(351)	(493)	(968)
	(1,346)	(4,049)	1,381	(2,833)
Earnings/(loss) per share attributable to owners of the parent (sen):				
Basic				
-from continuing operations	(0.21)	(0.32)	(0.78)	(1.07)
-from discontinuing operations	0.07	(0.12)	1.00	0.85
	(0.14)	(0.44)	0.22	(0.22)
Diluted				
-from continuing operations	(0.21)	(0.32)	(0.78)	(1.07)
-from discontinuing operations	0.07	(0.12)	1.00	0.85
	(0.14)	(0.44)	0.22	(0.22)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2018**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Mar-18 RM'000	Preceding year corresponding quarter 31-Mar-17 RM'000	Current financial year-to-date 31-Mar-18 RM'000	Preceding year corresponding period 31-Mar-17 RM'000
Profit for the period	(1,346)	(4,049)	1,381	(2,833)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	(1,346)	(4,049)	1,381	(2,833)
Total comprehensive income attributable to:				
Owners of the parent	(1,174)	(3,698)	1,874	(1,865)
Non-controlling interests	(172)	(351)	(493)	(968)
	(1,346)	(4,049)	1,381	(2,833)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2018**

	← Attributable to owners of the parent →					Retained profits/ (accumulated losses)	Total shareholders' equity	Non- controlling interests	Total equity
	Share capital	Non-distributable		Reserve attributable to assets classified as held of sale	Capital reserve				
		Share premium	Revaluation reserve						
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
9 months ended 31 March 2018									
At 1 July 2017	423,059	-	-	107,388	53,109	355,411	938,967	53,431	992,398
Profit/(loss) for the period	-	-	-	-	-	1,874	1,874	(493)	1,381
Other comprehensive income/(loss) for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	-	-	-	1,874	1,874	(493)	1,381
At 31 March 2018	423,059	-	-	107,388	53,109	357,285	940,841	52,938	993,779
9 months ended 31 March 2017									
At 1 July 2016	846,118	18,495	107,388	-	-	(45,737)	926,264	54,710	980,974
Profit/(loss) for the period	-	-	-	-	-	(1,865)	(1,865)	(968)	(2,833)
Other comprehensive income/(loss) for the period	-	-	-	-	-	(185)	(185)	-	(185)
Total comprehensive income/(loss) for the period	-	-	-	-	-	(2,050)	(2,050)	(968)	(3,018)
Par value & share premium reduction	(423,059)	(18,495)	-	-	53,109	388,445	-	-	-
At 31 March 2017	423,059	-	107,388	-	53,109	340,658	924,214	53,742	977,956

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2018**

	Year-to-date 31-Mar-18 RM'000	Year-to-date 31-Mar-17 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation		
Continuing operation	(8,330)	(9,998)
Discontinuing operation	11,501	9,043
Adjustments for :		
Depreciation / amortisation	587	2,275
Gain on disposal of property, plant and equipment	-	(28)
Interest expense	226	232
Interest income	(358)	(10)
Property, plant and equipment written off	-	8
Operating profit before working capital changes	3,626	1,522
Changes in working capital	38,266	2,293
Cash generated (used) in operations	41,892	3,815
Tax paid	(8,251)	(2,279)
Interest paid	(1)	-
Net cash used in operating activities	33,640	1,536
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure incurred on biological assets	(374)	(306)
Addition in investments	(9)	
Addition in land held for property development	(543)	(407)
Purchase of property, plant and equipment	(637)	(365)
Interest received	358	10
Proceeds from disposal of property, plant and equipment	-	28
Net cash (used in)/generated from investing activities	(1,205)	(1,040)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment) / Drawdown of borrowings	(821)	3,000
Repayment of hire purchase and lease payables, net	(478)	(492)
Interest paid	(180)	(232)
Payment of Par value & share premium reduction expenses	-	(185)
(Addition)/withdrawal of fixed deposits pledged with licensed banks	-	-
Net cash generated from/(used in) financing activities	(1,479)	2,091
NET INCREASE IN CASH AND CASH EQUIVALENTS	30,956	2,587
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	9,145	11,688
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	40,101	14,275

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
9 months ended 31 March 2018					
Revenue					
External revenue	11,046	40,383	-	-	51,429
Inter-segment revenue	-	-	-	-	-
Total revenue	11,046	40,383	-	-	51,429
Results					
Segment results	(2,617)	11,543	(5,887)	-	3,039
Interest income, net					132
Income tax expense					(1,790)
Profit for the period					1,381

**9 months ended
31 March 2017**

Revenue					
External revenue	983	38,137	-	-	39,120
Inter-segment revenue	-	-	-	-	-
Total revenue	983	38,137	-	-	39,120
Results					
Segment results	(4,108)	9,108	(5,733)	-	(733)
Interest expense, net					(222)
Income tax expense					(1,878)
Loss for the period					(2,833)

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 31 March 2018.

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PART B : Notes Required by Bursa Malaysia Listing Requirements

B1) Review of performance

For the quarter under review (3Q FY2018), the Group recorded revenue of RM16.2 million, RM5.5 million higher as compared to the preceding year quarter (3Q FY2017) of RM10.7 million. The favorable variance was mainly due to higher contribution from the property division (3Q FY2018: RM5.0 million vs 3Q FY2017: RM0.5 million, +RM4.5 million) while the plantation division's revenue increased by RM 1.0 million (3Q FY2018: RM11.2 million vs 3Q FY2017: RM10.2 million, +RM1.0 million). The FFB production has increased by 52% (24,528mt vs 16,128mt) while the FFB selling price has decreased by 28% from RM632/mt to RM454/mt.

For the 9 months period under review (YTD FY2018), the Group recorded revenue of RM51.4 million as compared to RM39.1 million for the same period in previous year (YTD FY2017). The favorable variance of RM12.3 million was mainly due to higher contribution from the property division (YTD FY2018: RM11.0 million vs YTD FY2017: RM1.0 million, +RM10.0 million) and the plantation division (YTD FY2018: RM40.4 million vs YTD FY 2017: RM38.1; +RM2.3 million). The FFB production has improved by 23.6% to 80.684 mt.

Loss before tax for 3Q FY2018 was RM2.1 million as compared to loss of RM4.0 million for 3Q FY2017. The property division recorded loss of RM1.5 million for current year as compared to loss of RM 1.3 million for previous year. The increased was due to higher operating cost incurred by the division. The plantation division recorded profit of RM1.1 million for current year quarter as compared to loss of RM 1.0 million for previous year quarter. The improved result is due to lower operating cost incurred in the current quarter.

Profit before tax for YTD FY2018 was at RM3.1 million as compare to loss of RM 1.0 million for YTD FY2017. The property division recorded loss of RM2.7 million in the current year period (YTD FY2017: loss of RM4.3 million,+RM1.6 million). The better result for the property division was due to higher revenue recorded by RM10.0 million. The plantation division recorded profit of RM11.5 million in the current year period which approximates profit of RM9.0 million recorded in YTD FY2017.

B2) Material changes in quarterly results

Loss before tax for the current quarter (3Q FY2018) was RM2.1 million as compared to profit of RM3.8 million for the previous quarter (2Q FY2018). The variance of RM5.9 million was mainly due to lower contribution from the plantation division. The plantation division recorded profit of RM1.1 million (2Q FY2018: profit of RM6.9 million, -RM5.8 million) mainly due to decrease in FFB production by 7,836 MT / -24% (3Q FY2018: 24,528 MT vs 2Q FY2018: 32,364 MT) and couple with the drop in FFB price by 12.7% to RM454/MT. The property division recorded loss of RM1.5 million in the current quarter, RM0.4 million higher than 2QFY2018 due to higher operating cost incurred.

B3) Commentary on:

(a) Current year prospects

The disposal of the plantation asserts has been completed on 16 May 2018, with the receipt of the balance sum of RM675.0 million. The directors are evaluating options to utilize the fund to enhance shareholders' value. The future prospects of the group is expected to be stable.

(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 31 March 2018	Current Financial Year-to Date 31 March 2018
	RM'000	RM'000
Income tax expense on continuing operations	1,330	(1,238)
Income tax expense on discontinuing operations	(545)	(3,028)
	785	(1,790)

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

There is 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 31 March 2018 (RM'000)
Short-term borrowings:	
Secured	1,672
Long-term borrowings:	
Secured	1,616
Total borrowings	<hr/> 3,288 <hr/>

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.

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B11) Earnings per share (“EPS”)

	3 months ended		9 months ended	
	31 Mar	31 Mar	31 Mar	31 Mar
	2018	2017	2018	2017
(a) <u>Basic</u>				
Profit/(loss) attributable to owners of the parent (RM'000)				
- from continuing operations	(1,777)	(2,712)	(6,598)	(9,053)
- from discontinuing operations	603	986	8,472	7,118
	<u>(1,174)</u>	<u>(3,698)</u>	<u>1,874</u>	<u>(1,865)</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	(0.21)	(0.32)	(0.78)	(1.07)
- from discontinuing operations	0.07	(0.12)	1.00	0.85
	<u>(0.14)</u>	<u>(0.44)</u>	<u>0.22</u>	<u>(0.22)</u>
(b) <u>Diluted</u>				
Profit/(loss) attributable to owners of the parent (RM'000)				
- from continuing operations	(1,777)	(2,712)	(6,598)	(9,053)
- from discontinuing operations	603	986	8,472	7,118
	<u>(1,174)</u>	<u>(3,698)</u>	<u>1,874</u>	<u>(1,865)</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	(0.21)	(0.32)	(0.78)	(1.07)
- from discontinuing operations	0.07	(0.12)	1.00	0.85
	<u>(0.14)</u>	<u>(0.44)</u>	<u>0.22</u>	<u>(0.22)</u>

B12) Declaration of audit qualification

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

B13) Profit/(loss) before taxation

	Individual Quarter		Cumulative Quarter	
	Current quarter 31 March 2018 RM'000	Preceding year corresponding quarter 31 March 2017 RM'000	Current financial year-to-date 31 March 2018 RM'000	Preceding year corresponding period 31 March 2017 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) Gain on disposal of quoted or unquoted Investments or properties	-	-	-	28
(4) Impairment of property, plant and equipment	-	-	-	-
(5) Foreign exchange (loss)/gain, net:				
- Realised	(2)	-	(16)	2
- Unrealised	-	-	-	-
(6) Write-off of property, plant and equipment	-	(1)	-	8

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B14) Realised and unrealized retained profits

	As at 31 Mar 2018 RM'000	As at 30 June 2017 RM'000
Total retained earning/(accumulated losses) of DutaLand Berhad and its subsidiaries:		
- Realised	(250,002)	(268,791)
- Unrealised	(27,310)	(27,787)
	(277,312)	(296,578)
Consolidation adjustments	634,597	651,989
Total Group's retained earning	357,285	355,411

On behalf of the Board
DUTALAND BERHAD

Kwan Wai Sin
Chartered Secretary
Kuala Lumpur
30 May 2018