

DutaLand Berhad

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019**

	As at 31-Mar-19 RM'000 (Unaudited)	As at 30-Jun-18 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	340,395	340,212
Investment Property	45,400	-
Land held for property development	263,607	263,516
	649,402	603,728
Current assets		
Property development costs	46,068	32,500
Inventories	10,766	10,766
Receivables	44,116	97,937
Tax recoverable	5,335	2,731
Short term investment	611,633	100,000
Short term deposit	444	528,576
Cash and bank balances	14,548	17,337
	732,910	789,847
Non-current assets classified as held for sale	11,666	11,666
	744,576	801,513
	1,393,978	1,405,241
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	423,059	423,059
Capital reserve	53,109	53,109
Reserve attributable to assets classified as held for sale	3,574	3,574
Retained profit	822,940	817,447
	1,302,682	1,297,189
Non-controlling interests	52,265	52,805
Total equity	1,354,947	1,349,994
Non-current liabilities		
Borrowings	491	429
Deferred tax liabilities	639	639
	1,130	1,068
Current liabilities		
Borrowings	298	2,577
Payables	37,584	51,048
Tax payable	19	554
	37,901	54,179
Total liabilities	39,031	55,247
TOTAL EQUITY AND LIABILITIES	1,393,978	1,405,241
Net assets per share (RM)	1.54	1.53

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**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Mar-19 RM'000	Preceding year corresponding quarter 31-Mar-18 RM'000	Current year-to-date 31-Mar-19 RM'000	Preceding year corresponding period 31-Mar-18 RM'000
<u>Continuing operations</u>				
Revenue	3,700	5,080	16,676	11,046
Expenses	(12,618)	(8,592)	(28,996)	(20,034)
Other income	4,933	212	17,226	666
Depreciation / amortisation	(439)	(98)	(551)	(182)
Profit/(loss) from operations	(4,424)	(3,398)	4,355	(8,504)
Interest income	6	172	246	358
Interest expense	(26)	(53)	(31)	(184)
Profit/(loss) before taxation	(4,444)	(3,279)	4,570	(8,330)
Income tax credit/(expenses)	(165)	1,330	(256)	1,239
Profit /(loss) from continuing operations net of tax.	(4,609)	(1,949)	4,314	(7,091)
<u>Discontinuing operations</u>				
Profit from discontinuing operations, net of tax	2,434	603	639	8,472
Profit /(loss) for the period	(2,175)	(1,346)	4,953	1,381
Attributable to:				
Owners of the parent	(2,015)	(1,174)	5,493	1,874
Non-controlling interests	(160)	(172)	(540)	(493)
	(2,175)	(1,346)	4,953	1,381
Earnings per share attributable to owners of the parent (sen):				
Basic	(0.24)	(0.14)	0.65	0.22
Diluted	(0.24)	(0.14)	0.65	0.22

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Mar-19 RM'000	Preceding year corresponding quarter 31-Mar-18 RM'000	Current year-to-date 31-Mar-19 RM'000	Preceding year corresponding period 31-Mar-18 RM'000
Profit/(loss) for the period	(2,175)	(1,346)	4,953	1,381
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	(2,175)	(1,346)	4,953	1,381
Total comprehensive income attributable to:				
Owners of the parent	(2,015)	(1,174)	5,493	1,874
Non-controlling interests	(160)	(172)	(540)	(493)
	(2,175)	(1,346)	4,953	1,381

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

	←----- Attributable to owners of the parent -----→						Total equity RM'000
	Share capital RM'000	----- Non-distributable -----		Retained profits/ RM'000	Total shareholders' equity RM'000	Non- controlling interests RM'000	
		Reserve attributable to assets classified as held of sale RM'000	Capital reserve RM'000				
9 months ended 31 March 2019							
At 1 July 2018	423,059	3,574	53,109	817,447	1,297,189	52,805	1,349,994
Profit/(loss) for the period	-	-	-	5,493	5,493	(540)	4,953
Other comprehensive income/(loss) for the period	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	-	5,493	5,493	(540)	4,953
At 31 March 2019	<u>423,059</u>	<u>3,574</u>	<u>53,109</u>	<u>822,940</u>	<u>1,302,682</u>	<u>52,265</u>	<u>1,354,947</u>
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	<u>423,059</u>	<u>107,388</u>	<u>53,109</u>	<u>357,285</u>	<u>940,841</u>	<u>52,938</u>	<u>993,779</u>

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

	Year-to-date 31-Mar-19 RM'000	Year-to-date 31-Dec-17 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation		
Continuing operation	4,570	(8,330)
Discontinuing operation	639	11,501
Adjustments for :		
Depreciation / amortisation	551	587
Loss on disposal of property, plant and equipment	1	-
Interest expense	31	226
Interest income	(246)	(358)
Write back of provision for doubtful debts	(834)	-
Operating profit before working capital changes	4,712	3,626
Changes in working capital	27,962	38,266
Cash generated (used) in operations	32,674	41,892
Tax paid	(3,716)	(8,251)
Interest paid	-	(1)
Net cash (used in)/generated from operating activities	28,958	33,640
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure incurred on biological assets	-	(374)
Investment in money market fund	(511,625)	-
Addition in land held for property development	(204)	(543)
Purchase of property, plant and equipment	(551)	(637)
Purchase of investment property	(45,400)	-
Interest received	246	358
Dividend paid	-	-
Addition short term investment	-	(9)
Net cash (used in)/generated from investing activities	(557,534)	(1,205)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment) / Drawdown of borrowings	(2,123)	(821)
Repayment of hire purchase and lease payables, net	(400)	(478)
Interest paid	(31)	(180)
Net cash generated from/(used in) financing activities	(2,554)	(1,479)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(531,130)	30,956
EFFECT OF EXCHANGE RATE CHANGES	209	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	545,469	9,145
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	14,548	40,101

PART A : Notes Required by MFRS 134

A1) Accounting policies and methods of computation

The interim financial report is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 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 2018.

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 2018, except for the adoption of new MFRSs, amendments and IC Interpretations that are mandatory for the Group for the financial year beginning 1 July 2018. The adoption of these MFRSs, 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

On 15 April 2019, the Company has declared a special single tier dividend of RM0.05 per ordinary share. The total dividend amounting RM42.3 million was paid on 15 May 2019.

A7) Segmental reporting

Segmental reporting of continuing operation for the current financial period by business segments is as follows:

	<u>Property Development</u> RM'000	<u>Investment Holding and Others</u> RM'000	<u>Elimination</u> RM'000	<u>Total</u> RM'000
9 months ended 31 March 2019				
<u>Continuing Operation</u>				
Revenue				
External revenue	10,600	6,076	-	16,676
Inter-segment revenue	-	-	-	-
Total revenue	<u>10,600</u>	<u>6,076</u>	-	<u>16,676</u>
Results				
Segment results	784	3,571	-	4,355
Interest income, net				215
Income tax expense				(256)
Profit for the period				<u>4,314</u>
9 months ended 31 March 2018				
<u>Continuing Operation</u>				
Revenue				
External revenue	11,046	-	-	11,046
Inter-segment revenue	-	-	-	-
Total revenue	<u>11,046</u>	<u>-</u>	<u>-</u>	<u>11,046</u>
Results				
Segment results	(2,617)	(5,887)	-	(8,504)
Interest income, net				174
Income tax credit				1,239
Loss for the period				<u>(7,091)</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 2018 to the date of this report, except for the litigation claims disclosed in Note B10 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 2019.

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PART B : Notes Required by Bursa Malaysia Listing Requirements

B1) Review of performance

For the quarter under review (3Q FY2019), the Group recorded revenue of RM3.7 million, RM1.4 million lower as compared to the preceding year quarter (3Q FY2018) of RM5.1 million. The decrease in revenue is mainly due to lower contribution from the Oakland project in Seremban however the Construction activities has contributed revenue of RM2.0 million for the current quarter under review.

For the 9 months period under review (YTD FY2019), the Group recorded revenue of RM16.6 million as compared to RM11.0 million for the same period in previous year (YTD FY2018). The favorable variance of RM5.6 million was mainly due to higher contribution from the property division and also construction activities which contributed RM6.0 million in revenue

Loss before tax for 3Q FY2019 was RM4.4 million as compared to loss of RM3.3 million for 3Q FY2018. The increase of RM1.1 million was mainly due to settlement sum of RM2.8 million in the current quarter.

Profit before tax for YTD FY2019 and YTD FY2018 was at RM4.6 million and loss of RM 8.3million respectively. Profit is higher by RM12.9 million mainly due to dividend income earned of RM16.5 million for the current period under review.

B2) Material changes in quarterly results

Loss before tax for current quarter (3QFY2019) was RM4.4 million as compare to profit before tax of RM4.5 million for the previous quarters (2QFY2019). The variance of RM 8.9 million was mainly due to settlement sum of RM2.8 million recognized in the current quarter, lower revenue recorded in property division and higher operation cost recognized in the current quarter.

B3) Commentary on:

(a) Current year prospects

The property sector's performance is volatile currently. The sector's revival is very much linked to the country's performance, which is expected to experience growth in 2019. The current year prospect is thus expected to be challenging.

(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

Continuing operation:	Current Quarter 31 March 2019	Current Financial Year-to Date 31 March 2019
	(RM'000)	(RM'000)
Malaysian income tax	(165)	(256)
Total income tax expenses from continuing operation	(165)	(256)

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.

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B8) Status of utilisation of proceeds raised from plantation asset disposal

The utilisation of proceeds of RM750 million from the disposal of the plantation asset as of 28 May 2019, being the date of this Quarterly Report, is as follows:

Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Intended Time frame for Utilistaion	Percentage Utilised (%)
i) Acquisition of new business and/or assets	188,000	-	Within 30 months from receipt of proceeds	0
ii) Funding of the Company's existing businesses	430,000	61,564	Within 36 months from receipt of proceeds	14
iii) Proposed distribution	85,000	85,000	Within 12 months from receipt of proceeds	100
iv) Expenses in relation to the disposal	47,000	47,000	Immediately upon completion	100
	750,000	193,564		

B9) Group borrowings

The Group borrowings are as follows:

	As at 31 Mar 2019 (RM'000)
Short-term borrowings:	
Secured	298
Long-term borrowings:	
Secured	491
Total borrowings	789

B10) 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.

B11) Dividend declared

On 15 April 2019, the Company has declared a special single tier dividend of RM0.05 per ordinary share for a total sum of RM42.3 million. The said dividend was paid out to the shareholders on 15 May 2019.

Apart for the above, the Company has not declared or paid any dividends for the current financial period and till the date of this report.

B12) Earnings per share (“EPS”)

	3 months ended		9 months ended	
	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018
(a) Basic				
Profit/(loss) attributable to owners of the parent (RM'000)				
- from continuing operations	(4,449)	(1,777)	4,854	(6,598)
- from discontinuing operations	2,434	603	639	8,472
	<u>(2,015)</u>	<u>(1,174)</u>	<u>5,493</u>	<u>1,874</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	(0.53)	(0.21)	0.57	(0.78)
- from discontinuing operations	0.29	0.07	0.08	1.00
	<u>(0.24)</u>	<u>(0.14)</u>	<u>0.65</u>	<u>0.22</u>
(b) Diluted				
Profit/(loss) attributable to owners of the parent (RM'000)				
- from continuing operations	(4,449)	(1,777)	4,854	(6,598)
- from discontinuing operations	2,434	603	639	8,472
	<u>(2,015)</u>	<u>(1,174)</u>	<u>5,493</u>	<u>1,874</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	(0.53)	(0.21)	0.57	(0.78)
- from discontinuing operations	0.29	0.07	0.08	1.00
	<u>(0.24)</u>	<u>(0.14)</u>	<u>0.65</u>	<u>0.22</u>

B13) Declaration of audit qualification

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

B14) Profit/(loss) before taxation

	Individual Quarter		Cumulative Quarter	
	Current quarter 31 Mar 2019 RM'000	Preceding year corresponding quarter 31 Mar 2018 RM'000	Current financial year-to-date 31 Mar 2019 RM'000	Preceding year corresponding period 31 Mar 2018 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	-	28	-
(4) Impairment of property, plant and equipment	-	-	-	-
(5) Foreign exchange (loss)/gain, net:				
- Realised	-	2	-	(16)
- Unrealised	(373)	-	(19)	-
(6) Write-off of property, plant and equipment	-	-	-	-
(7) Write back of provision for doubtful debts	-	-	834	-
(8) Dividends from short term investment fund	5,529	-	16,536	-

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B15) Realised and unrealized retained profits

	As at 31 Mar 2019 RM'000	As at 30 June 2018 RM'000
Total retained earning/(accumulated losses) of DutaLand Berhad and its subsidiaries:		
- Realised	288,274	(206,883)
- Unrealised	(27,320)	(27,291)
	260,954	(234,174)
Consolidation adjustments	561,986	1,051,621
Total Group's retained earning	822,940	817,447

On behalf of the Board
DUTALAND BERHAD

Kwan Wai Sin
Chartered Secretary
Kuala Lumpur
28 May 2019