

DutaLand Berhad

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019**

| | As at 30-Sep-19 RM'000 (Unaudited) | As at 30-Jun-19 RM'000 (Audited) |
|--|---|---|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 349,865 | 350,332 |
| Investment Properties | 45,700 | 45,700 |
| Inventories-Land held for property development | 263,690 | 263,690 |
| Receivables | 32,799 | 32,090 |
| | 692,054 | 691,812 |
| Current assets | | |
| Inventories | 64,306 | 60,871 |
| Biological assets | 37 | 37 |
| Receivables | 10,879 | 8,498 |
| Contract assets | - | 5,383 |
| Tax recoverable | 2,698 | 2,885 |
| Short term investment | 500,326 | 511,476 |
| Short term deposit | 61,467 | 438 |
| Cash and cash equivalents | 18,761 | 73,398 |
| | 658,474 | 662,986 |
| TOTAL ASSETS | 1,350,528 | 1,354,798 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the parent | | |
| Share capital | 423,059 | 423,059 |
| Capital reserve | 53,109 | 53,109 |
| Retained profit | 789,179 | 789,406 |
| | 1,265,347 | 1,265,574 |
| Non-controlling interests | 52,129 | 52,269 |
| Total equity | 1,317,476 | 1,317,843 |
| Non-current liabilities | | |
| Payables | 245 | 245 |
| Deferred tax liabilities | 1,988 | 1,988 |
| | 2,233 | 2,233 |
| Current liabilities | | |
| Payables | 30,576 | 34,333 |
| Tax payable | 243 | 389 |
| | 30,819 | 34,722 |
| Total liabilities | 33,052 | 36,955 |
| TOTAL EQUITY AND LIABILITIES | 1,350,528 | 1,354,798 |
| Net assets per share (RM) | 1.50 | 1.50 |

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(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019**

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|---|---|--|--|
| | Current quarter 30-Sep-19 RM'000 | Preceding year corresponding quarter 30-Sep-18 RM'000 | Current year-to-date 30-Sep-19 RM'000 | Preceding year corresponding period 30-Sep-18 RM'000 |
| <u>Continuing operations</u> | | | | |
| Revenue | 11,201 | 3,988 | 11,201 | 3,988 |
| Expenses | (16,136) | (6,098) | (16,136) | (6,098) |
| Other income | 4,914 | 6,483 | 4,914 | 6,483 |
| Depreciation / amortisation | (551) | (55) | (551) | (55) |
| Profit/(loss) from operations | (572) | 4,318 | (572) | 4,318 |
| Interest income | 251 | 199 | 251 | 199 |
| Interest expense | - | (3) | - | (3) |
| Profit/(loss) before taxation | (321) | 4,514 | (321) | 4,514 |
| Income tax credit/(expenses) | (46) | (45) | (46) | (45) |
| Profit /(loss) from continuing operations net of tax. | (367) | 4,469 | (367) | 4,469 |
| <u>Discontinuing operations</u> | | | | |
| Profit /(loss) from discontinuing operations, net of tax | - | (929) | - | (929) |
| Profit /(loss) for the period | (367) | 3,540 | (367) | 3,540 |
| Attributable to: | | | | |
| Owners of the parent | (227) | 3,792 | (227) | 3,792 |
| Non-controlling interests | (140) | (252) | (140) | (252) |
| | (367) | 3,540 | (367) | 3,540 |
| Earnings per share attributable to owners of the parent (sen): | | | | |
| Basic | (0.03) | 0.45 | (0.03) | 0.45 |
| Diluted | (0.03) | 0.45 | (0.03) | 0.45 |

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(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019**

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|---|---|--|--|
| | Current quarter 30-Sep-19 RM'000 | Preceding year corresponding quarter 30-Sep-18 RM'000 | Current year-to-date 30-Sep-19 RM'000 | Preceding year corresponding period 30-Sep-18 RM'000 |
| Profit /(loss) for the period | (367) | 3,540 | (367) | 3,540 |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive income for the period | (367) | 3,540 | (367) | 3,540 |
| Total comprehensive income attributable to: | | | | |
| Owners of the parent | (227) | 3,792 | (227) | 3,792 |
| Non-controlling interests | (140) | (252) | (140) | (252) |
| | (367) | 3,540 | (367) | 3,540 |

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(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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 | | | | |
| <u>3 months ended 30 September 2019</u> | | | | | | | |
| At 1 July 2019 | 423,059 | - | 53,109 | 789,406 | 1,265,574 | 52,269 | 1,317,843 |
| Profit/(loss) for the period | - | - | - | (227) | (227) | (140) | (367) |
| At 30 Sept 2019 | <u>423,059</u> | <u>-</u> | <u>53,109</u> | <u>789,179</u> | <u>1,265,347</u> | <u>52,129</u> | <u>1,317,476</u> |
| <u>3 months ended 30 September 2018</u> | | | | | | | |
| 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 | | | | 3,792 | 3,792 | (252) | 3,540 |
| At 30 Sept 2018 | <u>423,059</u> | <u>3,574</u> | <u>53,109</u> | <u>821,239</u> | <u>1,300,981</u> | <u>52,553</u> | <u>1,353,534</u> |

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(Company No: 7296-V)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019

| | Year-to-date 30-Sep-19 RM'000 | Year-to-date 30-Sep-18 RM'000 |
|---|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | | |
| Continuing operation | (321) | 4,514 |
| Discontinuing operation | - | (757) |
| Adjustments for : | | |
| Depreciation / amortisation | 551 | 172 |
| (Gain) / loss on disposal of property, plant and equipment | 150 | 1 |
| Interest expense | - | 6 |
| Interest income | (251) | (199) |
| Unrealised foreign exchange gain | (570) | - |
| Write back of provision for doubtful debts | - | (834) |
| Operating profit before working capital changes | (441) | 2,903 |
| Changes in working capital | (2,938) | (8,193) |
| Cash generated (used) in operations | (3,379) | (5,290) |
| Tax paid | (45) | (1,330) |
| Net cash (used in)/generated from operating activities | (3,424) | (6,620) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Changes in Short-Term Investment | 10,000 | (515,395) |
| Addition in land held for property development | 9 | (58) |
| Purchase of property, plant and equipment | (6) | (95) |
| Interest received | 251 | 199 |
| Dividend paid | - | - |
| Net cash (used in)/generated from investing activities | 10,254 | (515,349) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| (Repayment) / Drawdown of borrowings | - | (2,179) |
| Repayment of hire purchase and lease payables, net | - | (78) |
| Interest paid | - | (9) |
| Net cash generated from/(used in) financing activities | - | (2,266) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 6,830 | (524,235) |
| EFFECT OF EXCHANGE RATE CHANGES | - | 209 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD | 73,398 | 545,469 |
| CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR | 80,228 | 21,443 |

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 2019.

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 2019, except for the adoption of new MFRSs, amendments and IC Interpretations that are mandatory for the Group for the financial year beginning 1 July 2019. 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

No dividends have been paid for the current financial period.

A7) Segmental reporting

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

| | <u>Property Development</u> | <u>Construction Management</u> | <u>Plantation</u> | <u>Trading</u> | <u>Investment Holding and Others</u> | <u>Elimination</u> | <u>Total</u> |
|---------------------------------------|-----------------------------|--------------------------------|-------------------|----------------|--------------------------------------|--------------------|--------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| 3 months ended | | | | | | | |
| <u>30 September 2019</u> | | | | | | | |
| Revenue | | | | | | | |
| External revenue | - | 2,081 | 295 | 8,738 | 87 | - | 11,201 |
| Inter-segment revenue | - | - | - | - | - | - | - |
| Total revenue | - | 2,081 | 295 | 8,738 | 87 | - | 11,201 |
| Results | | | | | | | |
| Segment results | (1,610) | 212 | 50 | 87 | 689 | - | (572) |
| Interest income, net | | | | | | | 251 |
| Income tax expense | | | | | | | (46) |
| Profit / (loss) for the period | | | | | | | (367) |
| 3 months ended | | | | | | | |
| <u>30 September 2018</u> | | | | | | | |
| Revenue | | | | | | | |
| External revenue | 3,988 | - | - | - | - | - | 3,988 |
| Inter-segment revenue | - | - | - | - | - | - | - |
| Total revenue | 3,988 | - | - | - | - | - | 3,988 |
| Results | | | | | | | |
| Segment results | 1,353 | - | - | - | 2,965 | - | 4,318 |
| Interest income, net | | | | | | | 196 |
| Income tax expense | | | | | | | (45) |
| Profit for the period | | | | | | | 4,469 |

A8) Significant event occurring after the reporting date

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

A9) Effect of changes in the composition of the Group

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

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 2019 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 30 September 2019.

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PART B : Notes Required by Bursa Malaysia Listing Requirements

B1) Review of performance

For the quarter under review (1Q FY2020), the Group recorded revenue of RM11.2 million, RM7.2 million higher as compared to the preceding year quarter (1Q FY2019) of RM4.0 million. The increase in revenue is mainly due to contribution from the trading division and construction division that contributed revenue of RM8.7 million and RM 2.1 million respectively for the current quarter under review.

The group registered loss before tax of RM0.3 million for 1Q FY2020 as compared to profit of RM3.8 million for 1Q FY2019. The Property division recorded loss of RM1.6 million as compared to profit of RM1.4 million for 1Q FY2019. The tightening credit facilities have affected the sale of the group properties.

B2) Material changes in quarterly results

Loss before tax for current quarter (1QFY2020) was RM0.3 million as compared to profit before tax of RM6.5 million for the previous quarter (4QFY2019). The variance of RM 6.8 million was mainly due to higher sale recorded by the property division in the previous quarter.

B3) Commentary on:

(a) Current year prospects

The Company's subsidiary, Duta Grand Hotels Sdn Bhd, has received approval from Dewan Bandaraya Kuala Lumpur for the development of a 64-storey tower located at the intersection of Jalan Sultan Ismail and Jalan Ampang. The DGH mixed development project comprises of retails, offices, hotel and serviced apartments. The Company is taking steps to appoint consultants to re-start the project.

The group has no outstanding borrowings currently, with cash and Short-Term Investment totalling about RM580 million. Meanwhile the group continues its effort to look out for viable business venture that will enhance shareholder value. The business sentiment however remain cautious.

(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

| | Current Quarter 30 Sept 2019 | Current Financial Year-to Date 30 Sept 2019 |
|----------------------|---|--|
| | (RM'000) | (RM'000) |
| Malaysian income tax | (46) | (46) |
| Total | (46) | (46) |

The disproportionate tax charge is due principally to certain income which are not subject to tax for the period under review.

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 25 Nov 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 | 4,623 | Within 30 months from receipt of proceeds | 2 |
| ii) Funding of the Company's existing businesses | 430,000 | 69,351 | Within 36 months from receipt of proceeds | 16 |
| 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 | 205,974 | | |

B9) Group borrowings

The are no outstanding Group borrowings as at 30 September 2019.

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

No dividend has been declared/recommended as at the date of this report.

B12) Earnings per share (“EPS”)

| | 3 months ended | | 3 months ended | |
|---|----------------|---------|----------------|---------|
| | 30 Sept | 30 Sept | 30 Sept | 30 Sept |
| | 2019 | 2018 | 2019 | 2018 |
| (a) <u>Basic</u> | | | | |
| Profit/(loss) attributable to owners of the parent (RM'000) | (227) | 3,792 | (227) | 3,792 |
| 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) | (0.03) | 0.45 | (0.03) | 0.45 |
| (b) <u>Diluted</u> | | | | |
| Profit/(loss) attributable to owners of the parent (RM'000) | (227) | 3,792 | (227) | 3,792 |
| 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) | (0.03) | 0.45 | (0.03) | 0.45 |

B13) Declaration of audit qualification

The audit report of the Company's preceding annual financial statements for financial year ended 30 June 2019 was not subject to any qualification.

B14) Profit/(loss) before taxation

| | Individual Quarter | | Cumulative Quarter | |
|--|--|---|---|--|
| | Current quarter 30 Sept 2019 RM'000 | Preceding year corresponding quarter 30 Sept 2018 RM'000 | Current financial year-to-date 30 sept 2019 RM'000 | Preceding year corresponding period 30 Sept 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 | - | - | - | - |
| (4) Impairment of property, plant and equipment | - | - | - | - |
| (5) Foreign exchange (loss)/gain, net: | | | | |
| - Realised | - | - | - | - |
| - Unrealised | 570 | 209 | 570 | 209 |
| (6) Write-off of property, plant and equipment | - | - | - | - |
| (7) Write back of provision for doubtful debts | - | 834 | - | 834 |
| (8) Dividends from Short-Term Investment | 4,001 | 5,422 | 4,001 | 5,422 |

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B15) Realised and unrealized retained profits

| | As at 30 Sept 2019 RM'000 | As at 30 June 2019 RM'000 |
|---|--|--|
| Total retained earning/(accumulated losses) of DutaLand Berhad and its subsidiaries: | | |
| - Realised | 270,898 | 251,614 |
| - Unrealised | (27,279) | (27,518) |
| | <hr/> 243,619 | <hr/> 224,096 |
| Consolidation adjustments | 545,560 | 565,310 |
| Total Group's retained earning | <hr/> 789,179 | <hr/> 789,406 |

On behalf of the Board
DUTALAND BERHAD

Kwan Wai Sin
Chartered Secretary
Kuala Lumpur
25 November 2019