

DutaLand Berhad

(Company No: 7296-V)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	As at 31-Mar-20 RM'000 <u>(Unaudited)</u>	As at 30-Jun-19 RM'000 <u>(Audited)</u>
ASSETS		
Non-current assets		
Property, plant and equipment	362,361	350,332
Investment Properties	45,700	45,700
Inventories-Land held for property development	263,691	263,690
Receivables	34,122	32,090
	<u>705,874</u>	<u>691,812</u>
Current assets		
Inventories	60,262	60,871
Biological assets	37	37
Receivables	39,853	8,498
Contract assets	-	5,383
Tax recoverable	2,698	2,885
Short term investment	446,975	511,476
Short term deposit	443	438
Cash and cash equivalents	64,360	73,398
	<u>614,628</u>	<u>662,986</u>
TOTAL ASSETS	<u>1,320,502</u>	<u>1,354,798</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	423,059	423,059
Capital reserve	53,109	53,109
Retained profit	745,348	789,406
	1,221,516	1,265,574
Less: Treasury share	(2,662)	-
	1,218,854	
Non-controlling interests	51,704	52,269
Total equity	<u>1,270,558</u>	<u>1,317,843</u>
Non-current liabilities		
Payables	245	245
Deferred tax liabilities	1,988	1,988
	<u>2,233</u>	<u>2,233</u>
Current liabilities		
Borrowings	16,595	-
Payables	31,074	34,333
Tax payable	42	389
	<u>47,711</u>	<u>34,722</u>
Total liabilities	49,944	36,955
TOTAL EQUITY AND LIABILITIES	<u>1,320,502</u>	<u>1,354,798</u>
Net assets per share (RM)	1.44	1.50

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**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Mar-20 RM'000	Preceding year corresponding quarter 31-Mar-19 RM'000	Current year-to-date 31-Mar-20 RM'000	Preceding year corresponding period 31-Mar-19 RM'000
<u>Continuing operations</u>				
Revenue	9,986	3,700	22,895	16,676
Expenses	(61,831)	(12,618)	(85,387)	(28,996)
Other income	7,653	4,933	18,553	17,226
Depreciation / amortisation	(241)	(439)	(1,239)	(551)
Profit/(loss) from operations	(44,433)	(4,424)	(45,178)	4,355
Interest income	5	6	1,223	246
Interest expense	(295)	(26)	(371)	(31)
Profit before taxation	(44,723)	(4,444)	(44,326)	4,570
Income tax	(46)	(165)	(297)	(256)
Profit from continuing operations net of tax.	(44,769)	(4,609)	(44,623)	4,314
<u>Discontinuing operations</u>				
Loss from discontinuing operations, net of tax	-	2,434	-	639
Profit for the period	(44,769)	(2,175)	(44,623)	4,953
Attributable to:				
Owners of the parent	(44,401)	(2,015)	(44,058)	5,493
Non-controlling interests	(368)	(160)	(565)	(540)
	(44,769)	(2,175)	(44,623)	4,953
Earnings per share attributable to owners of the parent (sen):				
Basic				
-from continuing operations	(5.26)	(0.53)	(5.24)	0.57
-from discontinuing operations	-	0.29	-	0.08
Basic	(5.26)	(0.24)	(5.24)	0.65
Diluted	(5.26)	(0.24)	(5.24)	0.65

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Mar-20 RM'000	Preceding year corresponding quarter 31-Mar-19 RM'000	Current year-to-date 31-Mar-20 RM'000	Preceding year corresponding period 31-Mar-19 RM'000
Profit for the period	(44,769)	(2,175)	(44,623)	4,953
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	(44,769)	(2,175)	(44,623)	4,953
Total comprehensive income attributable to:				
Owners of the parent	(44,401)	(2,015)	(44,058)	5,493
Non-controlling interests	(368)	(160)	(565)	(540)
	(44,769)	(2,175)	(44,623)	4,953

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020**

	← 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	Treasury Share 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 2020								
At 1 July 2019	423,059	-	53,109	789,406	1,265,574	-	52,269	1,317,843
Profit/(loss) for the period	-	-	-	(44,058)	(44,058)	-	(565)	(44,623)
Other comprehensive income / (loss) for the period	-	-	-	-	-	-	-	-
Purchase of Treasury Shares						(2,662)		(2,662)
At 31 Mar 2020	423,059	-	53,109	745,348	1,221,516	(2,662)	51,704	1,270,558
9 months ended 31 Mar 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	-	-	-	-	-	-	-	-
At 31 Mar 2019	423,059	3,574	53,109	822,940	1,302,682	-	52,265	1,354,947

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020**

	Year-to-date 31-Mar-20 RM'000	Year-to-date 31-Mar-19 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation		
Continuing operation	(44,326)	4,570
Discontinuing operation	-	639
Adjustments for :		
Depreciation / amortisation	1,239	551
(Gain) / loss on disposal of property, plant and equipment	(100)	1
Interest expense	1,479	31
Interest income	(924)	(246)
Provision for diminution in value for investment	25,833	-
Unrealised foreign exchange gain	(3,924)	-
Write back of provision for doubtful debts	-	(834)
Property, plant and equipment written off	1	-
Operating profit before working capital changes	(20,722)	4,712
Changes in working capital	(27,351)	27,962
Cash generated from/(used) in operations	(48,073)	32,674
Tax paid	(183)	(3,716)
Interest paid	(1,479)	-
Compensation received from termination of land lease	-	-
Net cash (used in)/generated from operating activities	(49,735)	28,958
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	138	-
Changes in Short-Term Investment	22,166	(511,625)
Addition in land held for property development	(13,043)	(204)
Purchase of property, plant and equipment	(195)	(551)
Interest received	924	246
Purchase of investment property	-	(45,400)
Share repurchase at cost	(2,662)	-
	-	-
Net cash (used in)/generated from investing activities	7,328	(557,534)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment) / Drawdown of borrowings	16,595	(2,123)
Repayment of hire purchase and lease payables, net	-	(400)
Interest paid	-	(31)
Net cash generated from/(used in) financing activities	16,595	(2,554)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(25,812)	(531,130)
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	47,586	14,548

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
9 months ended							
<u>31 March 2020</u>							
Revenue							
External revenue	1,264	2,164	996	18,180	291	-	22,895
Inter-segment revenue	-	-	-	-	-	-	-
Total revenue	1,264	2,164	996	18,180	291	-	22,895
Results							
Segment results	(2,822)	291	359	1,288	(44,294)	-	(45,178)
Interest income, net							852
Income tax							(297)
Profit for the period							(44,623)
9 months ended							
<u>31 March 2019</u>							
<u>Continuing operation</u>							
Revenue							
External revenue	10,600	5,989	-	-	87	-	16,676
Inter-segment revenue	-	-	-	-	-	-	-
Total revenue	10,600	5,989	-	-	87	-	16,676
Results							
Segment results	1,757	174	-	-	2,424	-	4,355
Interest income, net							215
Income tax expense							(256)
Profit for the period							4,314

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 31 March 2020.

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PART B : Notes Required by Bursa Malaysia Listing Requirements

B1) Review of performance

For the quarter under review (3QFY2020), the Group recorded revenue of RM9.9 million, RM6.2 million higher as compared to the preceding year quarter (3QFY2019) of RM3.7 million. The increase in revenue is mainly due to higher CPO trading volume which contributed revenue of RM8.4 million for the quarter under review.

For the 9 months period under review (YTD FY2020), the Group recorded revenue of RM22.9 million compared to previous year (YTD FY2019) of RM16.7 million. Trading division contributed RM18.2 million, property division contributed RM1.0 million and construction division contributed RM2.2 million in revenue for YTD 2020 as compared to RM10.6 million from property division and RM6.0 million from construction division from YTD for the year 2019

Loss before tax for 3QFY2020 was RM44.7 million as compared to loss before of RM2.0 million for 3QFY2019. The increase of RM42.7 million is mainly due to loss on short term investment for the quarter under review.

For the 9-month period under review (YTD FY2020), the Group recorded loss before tax of RM44.3 million as compared to previous year (YTD FY2019) profit before tax of RM 5.2 million. The investment segment recorded loss of RM39.9 million as compared to profit of RM3.8 million for YTD FY2019. The variance of RM44.0 million relates to losses on disposal of short term investment, and provision of diminution of short term investment. Based on actual value of the short term investment as of 23 June 2020, the total loss is reduced to RM19.0 million.

B2) Material changes in quarterly results

The Group reports Loss before taxation of RM44.7 million for the quarter ended 31 March 2020, as compared to the profit of RM0.7 million recorded in the previous quarter ended 31 December 2019. The deficit was due to the losses relates to the investment in financial instruments as a result of drastic market correction.

B3) Commentary on:

(a) Current year prospects

The outbreak of the coronavirus will have far reaching effect on the world economy. The management is monitoring and assessing the impact of the epidemic.

(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 31 Mar 2020	Current Financial Year-to Date 31 Mar 2020
	(RM'000)	(RM'000)
Malaysian income tax	(46)	(297)
Total	(46)	(297)

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 the dispose of the plantation asset

The utilisation of proceeds of RM750 million from the disposal of the plantation asset as of 24 June 2020, 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	6,925	Within 30 months from receipt of proceeds	4
ii) Funding of the Company's existing businesses	430,000	81,378	Within 36 months from receipt of proceeds	19
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	220,303		

B9) Group borrowings

The Group borrowings are as follows:

	As at 31 March 2020 (RM'000)
Short-term borrowing:	
Secured	16,595
Long-term borrowing:	
Secured	0
Total borrowings	<hr/> 16,595 <hr/>

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		9 months ended	
	31 Mar 2020	31 Mar 2019	31 Mar 2020	31 Mar 2019
(a) <u>Basic</u>				
Profit/(loss) attributable to owners of the parent (RM'000)	(44,401)	(2,015)	(44,058)	5,493
Weighted average number of ordinary shares ('000)	844,278	846,118	840,598	846,118
Basic earnings/(loss) per ordinary share for the period (sen)	(5.26)	(0.24)	(5.24)	0.65
(b) <u>Diluted</u>				
Profit/(loss) attributable to owners of the parent (RM'000)	(44,401)	(2,015)	(44,058)	5,493
Adjusted weighted average number of ordinary shares ('000)	844,278	846,118	840,598	846,118
Diluted earnings/(loss) per ordinary share for the period (sen)	(5.26)	(0.24)	(5.24)	0.65

B13) Declaration of audit qualification

The audit report of the Company's preceding 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 31 Mar 2020 RM'000	Preceding year corresponding quarter 31 Mar 2019 RM'000	Current financial year-to-date 31 Mar 2020 RM'000	Preceding year corresponding period 31 Dec 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) Unrelied loss on fair value of investment	(27,065)	-	(25,833)	-
(5) Foreign exchange (loss)/gain, net:				
- Realised	(503)		55	-
- Unrealised	3,998	(373)	3,923	(19)
(6) Write-off of property, plant and equipment	-	-	-	-
(7) Write back of provision for doubtful debts	-	-	-	834
(8) Dividends from Short-Term Investment	3,434	5,529	10,499	16,536

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B15) Realised and unrealized retained profits

	As at 31 Mar 2020 RM'000	As at 30 June 2019 RM'000
Total retained earning/(accumulated losses) of DutaLand Berhad and its subsidiaries:		
- Realised	206,585	251,614
- Unrealised	(27,202)	(27,518)
	<hr/> 179,383	<hr/> 224,096
Consolidation adjustments	565,965	565,310
Total Group's retained earning	<hr/> 745,348	<hr/> 789,406

On behalf of the Board
DUTALAND BERHAD

Kwan Wai Sin
Chartered Secretary
Kuala Lumpur
24 June 2020