



INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2017

**TROPICANA**

CORPORATION BERHAD

丽阳机构

(formerly known as Dijaya Corporation Bhd)

(Company No. 47908-K)

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2017**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

Note	Individual Period		Cumulative Period	
	Current Year	Preceding Year	Current Year to	Preceding Year
	Quarter	Corresponding	date	Corresponding
	30/06/2017	30/06/2016	30/06/2017	30/06/2016
	RM'000	RM'000	RM'000	RM'000
Revenue	444,395	358,080	826,263	645,005
Cost of sales	(329,773)	(285,880)	(612,408)	(493,431)
Gross profit	114,622	72,200	213,855	151,574
Other income	35,590	10,170	39,430	15,335
Gain on disposals of properties	-	6,814	-	6,814
Administrative and other expenses	(62,019)	(64,085)	(119,866)	(121,710)
Finance income	4,096	5,691	9,498	10,398
Finance costs	(16,365)	(7,641)	(27,917)	(15,433)
Share of results of an associate	(13)	-	1	-
Share of results of joint ventures	6,173	20,919	13,485	26,921
Profit before tax	82,084	44,068	128,486	73,899
Income tax expense	(26,727)	(12,299)	(39,155)	(25,329)
Profit for the period	55,357	31,769	89,331	48,570
Other comprehensive income to be reclassified to profit or loss in subsequent period:				
Foreign currency translation	(1)	(2)	(2)	1
Total comprehensive income	55,356	31,767	89,329	48,571
Profit attributable to:				
Equity holders of the Company	52,849	33,316	85,366	48,487
Non-controlling interests	2,508	(1,547)	3,965	83
	55,357	31,769	89,331	48,570

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Note	Individual Period		Cumulative Period		
	Current Year	Preceding Year	Current Year to	Preceding Year	
	Quarter	Corresponding	date	Corresponding	
	30/06/2017	Quarter	30/06/2017	Period	
	RM'000	30/06/2016	RM'000	30/06/2016	RM'000
Total comprehensive income attributable to:					
Equity holders of the Company	52,848	33,314	85,364	48,488	
Non-controlling interests	2,508	(1,547)	3,965	83	
	55,356	31,767	89,329	48,571	
Earnings per share attributable to owners of the parent:					
- Basic (sen)	B10	3.63	2.30	5.90	3.35
- Diluted (sen)	B10	3.63	2.29	5.90	3.33

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	As At 30/06/2017 RM'000	As At 31/12/2016 (Audited) RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	A10	745,501	741,864
Investment properties		558,058	447,519
Land held for property development		2,307,708	2,236,335
Intangible assets		1,475	1,475
Interest in an associate		38,146	38,144
Investments in joint ventures		410,411	396,926
Other investments		312	312
Deferred tax assets		40,001	26,468
Trade and other receivables		46,212	39,138
		<u>4,147,824</u>	<u>3,928,181</u>
Current assets			
Property development costs		1,529,533	1,593,795
Inventories		28,861	34,931
Trade and other receivables		935,718	880,006
Tax recoverable		42,447	47,328
Cash and bank balances		769,303	841,265
		<u>3,305,862</u>	<u>3,397,325</u>
TOTAL ASSETS		<u>7,453,686</u>	<u>7,325,506</u>

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	As At 30/06/2017 RM'000	As At 31/12/2016 (Audited) RM'000
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		2,040,450	1,447,466
Treasury shares		(3,149)	(23,648)
Share premium		-	577,984
Other reserves		1,193,118	1,125,098
		<u>3,230,419</u>	<u>3,126,900</u>
Non-controlling interests		300,600	289,084
Total equity		<u>3,531,019</u>	<u>3,415,984</u>
Non-current liabilities			
Provision for liabilities		352,478	341,668
Borrowings	B7	1,182,135	1,261,505
Deferred tax liabilities		66,056	54,491
Trade and other payables		899,237	863,966
		<u>2,499,906</u>	<u>2,521,630</u>
Current liabilities			
Borrowings	B7	634,588	551,759
Trade and other payables		777,495	823,308
Tax payable		10,678	12,825
		<u>1,422,761</u>	<u>1,387,892</u>
TOTAL LIABILITIES		<u>3,922,667</u>	<u>3,909,522</u>
TOTAL EQUITY AND LIABILITIES		<u>7,453,686</u>	<u>7,325,506</u>
Net assets per share (RM)		<u>2.21</u>	<u>2.19</u>

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

-----Attributable to owners of the parent-----
-----Non-distributable-----

	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Warrant Reserve RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
As at 1 January 2016	1,447,466	(15,498)	577,984	45,960	(58)	1,030,968	3,086,822	268,190	3,355,012
Total comprehensive income	-	-	-	-	1	48,487	48,488	83	48,571
Transactions with owners									
Purchase of treasury shares	-	(7,642)	-	-	-	-	(7,642)	-	(7,642)
Issuance of equity to non-controlling interests	-	-	-	-	-	-	-	6,671	6,671
Dividends	-	-	-	-	-	(28,606)	(28,606)	-	(28,606)
Total transaction with owners	-	(7,642)	-	-	-	(28,606)	(36,248)	6,671	(29,577)
As at 30 June 2016	1,447,466	(23,140)	577,984	45,960	(57)	1,050,849	3,099,062	274,944	3,374,006
As at 1 January 2017	1,447,466	(23,648)	577,984	45,960	(75)	1,079,213	3,126,900	289,084	3,415,984
Total comprehensive income	-	-	-	-	(2)	85,366	85,364	3,965	89,329
Transactions with owners									
Issue of ordinary shares pursuant to Dividend Reinvestment Scheme	18,295	-	-	-	-	-	18,295	-	18,295
Issuance of equity to non-controlling interests	-	-	-	-	-	-	-	7,551	7,551
Purchase of treasury shares	-	(140)	-	-	-	-	(140)	-	(140)
Dividends	(3,295)	20,639	-	-	-	(17,344)	-	-	-
Transition to no par value regime ¹	577,984	-	(577,984)	-	-	-	-	-	-
Total transaction with owners	592,984	20,499	(577,984)	-	-	(17,344)	18,155	7,551	25,706
As at 30 June 2017	2,040,450	(3,149)	-	45,960	(77)	1,147,235	3,230,419	300,600	3,531,019

Note

¹ Effective from 31 January 2017, the new Companies Act 2016 ("the Act") abolished the concept of authorised share capital and par value of share capital. Consequently, the credit balance of the share premium becomes part of the Company's share capital pursuant to the transitional provision set out in Section 618(2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use this amount for purposes as set out in Section 618(3) of the Act. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	30/06/2017 RM'000	30/06/2016 RM'000
Cash flows from operating activities		
Profit before tax	128,486	73,899
Adjustments for:		
Interest income	(9,498)	(10,398)
Interest expense	27,917	15,433
Depreciation of property, plant and equipment	13,687	12,587
(Gain)/loss on disposal of assets held for sale	-	(6,814)
Share of results of an associate	(1)	-
Share of results of joint ventures	(13,485)	(26,921)
Amortisation of borrowings expenses	-	3,249
Amortisation of deferred license fees	(1,241)	(1,271)
Amortisation of security retainers accumulation fund	6	6
Net fair value gains of investment properties	(31,415)	-
Unrealised returns on security retainers accumulation fund	(108)	(108)
Total adjustments	<u>(14,138)</u>	<u>(14,237)</u>
Operating profit before working capital changes	114,348	59,662
Changes in working capital:		
Inventories	88,000	77,289
Trade and other receivables	(61,919)	(77,190)
Property development costs	(57,462)	(18,853)
Land held for property development	(36,523)	(80,114)
Trade and other payables	(10,133)	(56,408)
Deposits with licensed banks not available for use	8,301	(33,457)
Provision for liabilities	10,810	29,977
Cash generated from/(used in) operations	55,422	(99,094)
Interest paid	(46,457)	(43,114)
Net tax paid	(38,388)	(36,272)
Net cash used in operating activities	(29,423)	(178,480)
Cash flows from investing activities		
Purchase of property, plant and equipment	(33,150)	(51,184)
Purchase of investment properties	(178)	(20,272)
Proceeds from disposal of assets held for sale	-	140,000
Interest received	9,494	10,398
Net cash (used in)/from investing activities	(23,834)	78,942
Cash flows from financing activities		
Issuance of redeemable preference shares to non-controlling interests	7,550	6,671
Drawdown from borrowings	192,007	282,121
Repayment of borrowings	(225,760)	(213,491)
Hire purchase	(389)	-
Purchase of treasury shares	(140)	(7,642)
Dividends paid to shareholders of the Company	(17,389)	(28,606)
Net cash (used in)/from financing activities	(44,121)	39,053

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	30/06/2017 RM'000	30/06/2016 RM'000
Net decrease in cash and cash equivalents	(97,378)	(60,485)
Effects of foreign exchange rate changes	(2)	1
Cash and cash equivalents at beginning of financial year	727,469	565,447
Cash and cash equivalents at end of financial period *	630,089	504,963

* Cash and cash equivalents at end of the financial period comprise the following:

	30/06/2017 RM'000	30/06/2016 RM'000
Cash and bank balances	769,303	809,464
Less: Bank overdrafts	(37,693)	(4)
	731,610	809,460
Less: Cash and cash equivalents not available for use	(101,521)	(304,497)
Total cash and cash equivalents at end of financial period	630,089	504,963

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.