



INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2019

**TROPICANA**

CORPORATION BERHAD

丽阳机构

(Company No. 47908-K)

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2019**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Individual Quarter		Year to Date	
	Current Year	Preceding Year	Current Year to	Preceding Year
	Quarter	Corresponding	Date	Corresponding
Note	31/03/2019	31/03/2018	31/03/2019	31/03/2018
	RM'000	RM'000	RM'000	RM'000
Revenue	209,769	453,005	209,769	453,005
Cost of sales	(113,001)	(308,379)	(113,001)	(308,379)
Gross profit	96,768	144,626	96,768	144,626
Other income	5,771	6,415	5,771	6,415
Selling and marketing expenses	(4,131)	(5,384)	(4,131)	(5,384)
Administrative expenses	(63,307)	(49,510)	(63,307)	(49,510)
Other expenses	(4,232)	(288)	(4,232)	(288)
Operating profit	30,869	95,859	30,869	95,859
Finance income	5,965	5,860	5,965	5,860
Finance costs	(17,011)	(16,472)	(17,011)	(16,472)
Share of results of joint ventures	967	773	967	773
Share of results of an associate	206	(578)	206	(578)
Profit before tax	20,996	85,442	20,996	85,442
Income tax	20,593	(33,234)	20,593	(33,234)
Profit for the period	41,589	52,208	41,589	52,208
Other comprehensive income/(loss)				
to be reclassified to profit or				
loss in subsequent period:				
Foreign currency translation	14	(8)	14	(8)
Total comprehensive income	41,603	52,200	41,603	52,200
Profit/(loss) attributable to:				
Owners of the parent	46,064	46,403	46,064	46,403
Non-controlling interests	(4,475)	5,805	(4,475)	5,805
	41,589	52,208	41,589	52,208



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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Individual Quarter		Year to Date	
	Current Year	Preceding Year	Current Year to	Preceding Year
	Quarter	Corresponding	Date	Corresponding
Note	31/03/2019	31/03/2018	31/03/2019	31/03/2018
	RM'000	RM'000	RM'000	RM'000
Total comprehensive income/(loss) attributable to:				
Owners of the parent	46,078	46,395	46,078	46,395
Non-controlling interests	(4,475)	5,805	(4,475)	5,805
	41,603	52,200	41,603	52,200
Earnings per share attributable to owners of the parent:				
(sen per share)				
- Basic	B10 3.21	3.17	3.21	3.17
- Diluted	B10 3.21	3.17	3.21	3.17

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	As At <u>31/03/2019</u> RM'000	As At <u>31/12/2018</u> RM'000
Assets			
Non-current assets			
Property, plant and equipment		891,915	887,009
Inventories		2,638,984	2,639,007
Investment properties		574,996	574,732
Investment in an associate		52,775	52,569
Investments in joint ventures		238,194	240,343
Other investments		312	312
Intangible assets		27,051	27,130
Deferred tax assets		94,071	84,545
Trade and other receivables		15,002	14,676
Contract assets		17,876	17,618
		<u>4,551,176</u>	<u>4,537,941</u>
Current assets			
Inventories		1,785,900	1,667,036
Trade and other receivables		556,683	488,705
Contract cost assets		25,853	46,516
Contract assets		122,189	288,955
Tax recoverable		32,422	30,789
Cash and bank balances		821,018	975,774
		<u>3,344,065</u>	<u>3,497,775</u>
Assets classified as held for sale		59,100	59,100
		<u>7,954,341</u>	<u>8,094,816</u>
Total assets		<u>7,954,341</u>	<u>8,094,816</u>

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	As At <u>31/03/2019</u> RM'000	As At <u>31/12/2018</u> RM'000
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital		2,044,314	2,044,314
Treasury shares		(31,826)	(25,094)
Other reserves		1,390,565	1,384,450
		<u>3,403,053</u>	<u>3,403,670</u>
Non-controlling interests		409,057	409,205
Total equity		<u>3,812,110</u>	<u>3,812,875</u>
Non-current liabilities			
Deferred tax liabilities		181,274	192,434
Borrowings	B7	1,356,918	1,333,071
Trade and other payables		730,486	733,467
Contract liabilities		140,326	137,621
		<u>2,409,004</u>	<u>2,396,593</u>
Current liabilities			
Borrowings	B7	605,632	623,114
Trade and other payables		1,070,741	1,168,523
Contract liabilities		20,025	19,703
Tax payable		36,829	74,008
		<u>1,733,227</u>	<u>1,885,348</u>
Total liabilities		<u>4,142,231</u>	<u>4,281,941</u>
Total equity and liabilities		<u>7,954,341</u>	<u>8,094,816</u>
Net assets per share (RM)		<u>2.37</u>	<u>2.36</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 2018 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	-----> Attributable to owners of the parent <----->								
	<---Non-distributable--->								
	Share	Treasury	Translation	Warrants	Retained	Total		Non-controlling	Total
	Capital	Shares	Reserve	2009/2019	Earnings	Reserves	Total	Interests	Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2018	2,044,314	(6,692)	(110)	45,960	1,192,010	1,237,860	3,275,482	311,996	3,587,478
Total comprehensive (loss)/income	-	-	(19)	-	170,029	170,010	170,010	9,802	179,812
Transactions with owners									
Issuance of ordinary shares and preference shares to non-controlling interests	-	-	-	-	-	-	-	23,366	23,366
Acquisition of a subsidiary	-	-	-	-	-	-	-	64,689	64,689
Purchase of treasury shares	-	(18,402)	-	-	-	-	(18,402)	-	(18,402)
Dividend paid via:									
- cash	-	-	-	-	(23,420)	(23,420)	(23,420)	(648)	(24,068)
Total transaction with owners	-	(18,402)	-	-	(23,420)	(23,420)	(41,822)	87,407	45,585
As at 31 December 2018	2,044,314	(25,094)	(129)	45,960	1,338,619	1,384,450	3,403,670	409,205	3,812,875
As at 1 January 2019	2,044,314	(25,094)	(129)	45,960	1,338,619	1,384,450	3,403,670	409,205	3,812,875
Total comprehensive income/(loss)	-	-	14	-	46,064	46,078	46,078	(4,475)	41,603
Transactions with owners									
Issuance of preference shares to non-controlling interests	-	-	-	-	-	-	-	4,327	4,327
Purchase of treasury shares	-	(6,732)	-	-	-	-	(6,732)	-	(6,732)
Dividend paid via:									
- cash	-	-	-	-	(39,963)	(39,963)	(39,963)	-	(39,963)
Total transaction with owners	-	(6,732)	-	-	(39,963)	(39,963)	(46,695)	4,327	(42,368)
As at 31 March 2019	2,044,314	(31,826)	(115)	45,960	1,344,720	1,390,565	3,403,053	409,057	3,812,110

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 2018 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	31/03/2019 RM'000	31/03/2018 RM'000
Cash flows from operating activities		
Profit before tax	20,996	85,442
Adjustments for:		
Depreciation of property, plant and equipment	9,514	5,575
Finance income	(5,965)	(5,860)
Finance costs	17,011	16,472
Share of results of an associate	(206)	578
Share of results of joint ventures	(967)	(773)
Net loss on disposal of property, plant and equipment	14	-
Property, plant and equipment written off	14	-
Reversal of impairment loss on trade and other receivables	-	(325)
Amortisation of deferred license fees	(1,106)	(632)
Amortisation of security retainers accumulation fund	3	2
Impairment loss on trade and other receivables	223	254
Unrealised returns on security retainers accumulation fund	(54)	(83)
Operating profit before working capital changes	39,477	100,650
Changes in working capital:		
Trade and other receivables	(68,476)	29,697
Contract assets	166,508	81,006
Inventories	(106,415)	12,229
Contract cost assets	21,201	35,906
Contract liabilities	4,133	805
Trade and other payables	(94,921)	(22,449)
Cash (used in)/generated from operations	(38,493)	237,844
Finance costs paid	(28,923)	(36,742)
Net taxes paid	(38,906)	(41,596)
Net cash (used in)/from operating activities	(106,322)	159,506

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	31/03/2019 RM'000	31/03/2018 RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(13,916)	(34,227)
Purchase of investment properties	(265)	(202)
Subscription of shares in joint venture	(2,700)	-
Finance income received	5,965	5,860
Net cash outflow on acquisition of subsidiaries	-	(2,474)
Net cash used in investing activities	<u>(10,916)</u>	<u>(31,043)</u>
Cash flows from financing activities		
Payment of borrowing costs	(76)	(4,809)
Drawdown from borrowings	89,075	283,179
Repayment of borrowings	(83,259)	(230,626)
Repayment of hire purchase	(398)	(360)
Placements of debt service reserve, escrow accounts and deposits with licensed banks not available for use	65,628	12,634
Proceeds from issuance of shares to non-controlling interests	4,327	1,518
Purchase of treasury shares	(6,732)	-
Dividends paid to shareholders of the Company	(39,963)	(23,420)
Net cash from financing activities	<u>28,602</u>	<u>38,116</u>
Net (decrease)/increase in cash and cash equivalents	(88,636)	166,579
Effects of foreign exchange rate changes	14	(8)
Cash and cash equivalents at beginning of financial year	<u>721,583</u>	<u>561,563</u>
Cash and cash equivalents at end of financial period*	<u>632,961</u>	<u>728,134</u>

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

	31/03/2019 RM'000	31/03/2018 RM'000
Cash and bank balances	821,018	1,095,654
Less: Bank overdrafts	(4,399)	(1,606)
	<u>816,619</u>	<u>1,094,048</u>
Less: Cash and cash equivalents not available for use	(183,658)	(365,914)
Total cash and cash equivalents at end of financial period	<u>632,961</u>	<u>728,134</u>

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.