

**MATANG BERHAD (1142377-X)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OF THE GROUP FOR THE SECOND QUARTER ENDED 31 DECEMBER 2018**

(The figures have not been audited)

|   | INDIVIDUAL QUARTER                     |  | CUMULATIVE QUARTER                       |   |
|---|--|--|--|---|
|   | CURRENT YEAR QUARTER 31/12/2018 RM'000 | PRECEDING YEAR CORRESPONDING QUARTER 31/12/2017 RM'000 | CURRENT PERIOD TO-DATE 31/12/2018 RM'000 | PRECEDING YEAR CORRESPONDING PERIOD 31/12/2017 RM'000 |
| <b>Revenue</b>  | 2,549                                  | 4,049  | 4,758                                    | 7,214   |
| Cost of sales   | (684)                                  | (1,060)  | (1,390)                                  | (1,822)   |
| Gross profit  | 1,865                                  | 2,989  | 3,368                                    | 5,392   |
| Other income  | 574                                    | 352  | 1,275                                    | 1,116   |
| Administration expenses   | (1,417)                                | (1,546)  | (2,699)                                  | (2,796)   |
| Other expenses  | (37)                                   | (1)  | (40)                                     | (20)  |
| Profit before tax   | 985                                    | 1,794  | 1,904                                    | 3,692   |
| Income tax expense  | (387)                                  | (707)  | (724)                                    | (1,177)   |
| <b>Profit for the period</b>                                      | <b>598</b>                             | <b>1,087</b>   | <b>1,180</b>                             | <b>2,515</b>  |
| <b>Other comprehensive income, net of tax</b>                     |  |  |  |   |
| Fair value (loss) on available-for-sale financial assets          | (0)                                    | (283)  | (27)                                     | (283)   |
| <b>Total comprehensive income for the period</b>                  | <b>598</b>                             | <b>804</b>   | <b>1,153</b>                             | <b>2,232</b>  |
| <b>Profit for the period attributable to:</b>                     |  |  |  |   |
| Equity holders of the parent                                      | 598                                    | 1,087  | 1,180                                    | 2,515   |
|   | <b>598</b>                             | <b>1,087</b>   | <b>1,180</b>                             | <b>2,515</b>  |
| <b>Total comprehensive income for the period attributable to:</b> |  |  |  |   |
| Equity holders of the parent                                      | 598                                    | 804  | 1,153                                    | 2,232   |
|   | <b>598</b>                             | <b>804</b>   | <b>1,153</b>                             | <b>2,232</b>  |
| Earnings per share (sen) <sup>(2)</sup>                           |  |  |  |   |
| (i) Basic   | 0.03                                   | 0.06   | 0.07                                     | 0.14  |
| (ii) Diluted  | 0.03                                   | 0.06   | 0.07                                     | 0.14  |
| Proposed/Declared dividends per share (sen)                       | -                                      | -  | -  | -   |

**NOTES:**

- 1 The condensed unaudited combined statement of profit or loss and other comprehensive income are prepared based on the consolidated results of Matang Berhad and its subsidiaries for the current quarter/financial period ended 31 December 2018.
- 2 Diluted earnings per share of the Group for the quarter and year to date ended 31 December 2018 is equivalent to the basic earnings per share as the Group does not have convertible options or securities as at the end of the reporting period.

**MATANG BERHAD (1142377-X)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE GROUP  
AS AT 31 DECEMBER 2018**

(The figures have not been audited)

|  | <b>UNAUDITED<br/>AS AT<br/>31/12/2018<br/>RM'000</b> | <b>AUDITED<br/>AS AT<br/>30/06/2018<br/>RM'000</b> |
|--|--|--|
| <b>ASSETS</b>                                      |  |  |
| <b>Non-current assets</b>                          |  |  |
| Property, plant and equipment                      | 136,453  | 137,521  |
| Land held for property development                 | 1,058  | 1,058  |
| Investment properties                              | 12,500   | 12,500   |
| Other investments                                  | 93   | 152  |
|  | <u>150,104</u>                                       | <u>151,231</u>                                     |
| <b>Current assets</b>                              |  |  |
| Inventories  | 60   | 75   |
| Biological assets                                  | 476  | 341  |
| Trade and other receivables                        | 1,061  | 991  |
| Cash and bank balances                             | 40,386   | 38,675   |
|  | <u>41,983</u>  | <u>40,082</u>                                      |
| <b>TOTAL ASSETS</b>                                | <u><u>192,087</u></u>                                | <u><u>191,313</u></u>                              |
| <b>EQUITY AND LIABILITIES</b>                      |  |  |
| <b>Equity attributable to owners of the parent</b> |  |  |
| Share Capital                                      | 181,000  | 181,000  |
| Share Premium                                      | 2,871  | 2,871  |
| Available-for-sale reserve                         | -  | 27   |
| Retained earnings                                  | 113,698  | 112,518  |
| Merger deficit                                     | (108,000)  | (108,000)  |
| <b>Total equity</b>                                | <u>189,569</u>                                       | <u>188,416</u>                                     |
| <b>Non-current liabilities</b>                     |  |  |
| Deferred tax liabilities                           | 1,539  | 1,516  |
|  | <u>1,539</u>   | <u>1,516</u>                                       |
| <b>Current Liabilities</b>                         |  |  |
| Trade and other payables                           | 903  | 979  |
| Current tax liabilities                            | 76   | 402  |
|  | <u>979</u>   | <u>1,381</u>                                       |
| <b>Total liabilities</b>                           | <u>2,518</u>   | <u>2,897</u>                                       |
| <b>TOTAL EQUITY AND LIABILITIES</b>                | <u><u>192,087</u></u>                                | <u><u>191,313</u></u>                              |
| Net assets per share <sup>2</sup> (RM)             | <u>0.10</u>  | <u>0.10</u>  |

**NOTES:**

- The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying notes attached to the interim financial results.
- Net assets per share is computed based on equity attributable to owners of the parent divided by the total number of ordinary shares in issue.

**MATANG BERHAD (1142377-X)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY OF THE GROUP  
FOR THE YEAR TO DATE ENDED 31 DECEMBER 2018**

(The figures have not been audited)

|  | ← Attributable to owners of the parent → |                             |   |   | Distributable  | Total          |
|--|--|-----------------------------|---|---|----------------|----------------|
|  | Share<br>Capital<br>RM '000              | Share<br>Premium<br>RM '000 | Merger<br>Deficit <sup>(1)</sup><br>RM '000 | Available-for-<br>sale Reserve<br>RM '000 |                |                |
| <b>6 months ended<br/>31 December 2018</b> |  |                             |   |   |                |                |
| <b>Balance as at 1 July 2018</b>           | 181,000                                  | 2,871                       | (108,000)                                   | 27  | 112,518        | 188,416        |
| Issuance of new shares                     | -  | -                           | -   | -   | -              | -              |
| Total comprehensive income for the period  | -  | -                           | -   | (27)                                      | 1,180          | 1,153          |
| Distribution of dividends                  | -  | -                           | -   | -   | -              | -              |
| Equity related expenses                    | -  | -                           | -   | -   | -              | -              |
| <b>Balance as at 31 December 2018</b>      | <b>181,000</b>                           | <b>2,871</b>                | <b>(108,000)</b>                            | <b>-</b>                                  | <b>113,698</b> | <b>189,569</b> |

**NOTE:**

<sup>1</sup> This represents the effects of applying the merger method of accounting for the acquisition of Matang Holdings Berhad completed on 14 November 2016. The merger reserve represents the difference between the amount recorded as the cost of investment, which comprised the share capital issued by the Company and the nominal value of share capital of the subsidiary, Matang Holdings Berhad.

**MATANG BERHAD (1142377-X)**  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW OF THE GROUP**  
**FOR THE YEAR TO DATE ENDED 31 DECEMBER 2018**  
(The figures have not been audited)

|   | <b>6 MONTHS ENDED 31 DEC</b> |               |
|---|------------------------------|---------------|
|   | <b>2018</b>                  | <b>2017</b>   |
|   | <b>RM'000</b>                | <b>RM'000</b> |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>             |                              |               |
| Profit before tax                                       | 1,904                        | 3,692         |
| Adjustments for:  |                              |               |
| Depreciation of property, plant and equipment           | 1,129                        | 1,149         |
| Fair value adjustment of agriculture produce            | (135)                        | (96)          |
| Impairment loss for diminution in quoted shares         | 31                           | -             |
| Interest income   | (720)                        | (489)         |
| Loss on property, plant and equipment written off       | -                            | (1)           |
| Gain on disposal of property, plant and equipment       | -                            | (39)          |
| Operating profit before changes in working capital      | 2,209                        | 4,216         |
| Changes in working capital                              |                              |               |
| Inventories   | 15                           | (44)          |
| Receivables   | (40)                         | 29            |
| Payables  | (76)                         | 79            |
| Cash generated from operations                          | 2,108                        | 4,280         |
| Income taxes paid                                       | (1,027)                      | (268)         |
| Net cash from operating activities                      | 1,081                        | 4,012         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>             |                              |               |
| Interest received                                       | 690                          | 489           |
| Purchase of:  |                              |               |
| - property, plant and equipment                         | (21)                         | (677)         |
| - Replanting expenditure                                | (39)                         | -             |
| Proceeds from disposal of property, plant and equipment | -                            | 39            |
| Net cash from investing activities                      | 630                          | (149)         |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>        | 1,711                        | 3,863         |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b> | 38,640                       | 32,830        |
| <b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>       | 40,351                       | 36,693        |

Components of cash and cash equivalents are as follows:

|                                     | <b>UNAUDITED</b>  | <b>UNAUDITED</b>  |
|-------------------------------------|-------------------|-------------------|
|                                     | <b>AS AT</b>      | <b>AS AT</b>      |
|                                     | <b>31/12/2018</b> | <b>31/12/2017</b> |
|                                     | <b>RM'000</b>     | <b>RM'000</b>     |
| Cash and bank balances              | 40,386            | 36,717            |
| Deposits pledged to a licensed bank | (35)              | (24)              |
|                                     | 40,351            | 36,693            |