



YNH PROPERTY BHD
(Incorporated in Malaysia)

(561986-V)

Interim Financial Statements
30.06.2015

YNH PROPERTY BHD
(Incorporated in Malaysia)

**Condensed Consolidated Profit or Loss and Other Comprehensive Income
For the Six Months Period Ended 30 June 2015**

	Note	3 months ended		6 months ended	
		30.06.2015 RM	30.06.2014 RM	30.06.2015 RM	30.06.2014 RM
Revenue		43,860,751	138,872,850	147,089,858	244,153,066
Cost of sales		(28,232,643)	(99,682,553)	(102,463,514)	(149,243,884)
Gross profit		15,628,108	39,190,297	44,626,344	94,909,182
Other income		11,769,988	6,607,358	15,544,458	11,036,699
Administrative expenses		(12,474,958)	(13,530,550)	(24,577,070)	(24,043,271)
Selling and marketing expenses		(1,712,072)	(3,844,445)	(5,334,239)	(5,416,775)
Other operating expenses	30	(752,679)	(1,695,689)	(1,498,368)	(20,026,348)
Profit from operations		12,458,387	26,726,971	28,761,125	56,459,487
Finance costs	17	(7,787,650)	(7,629,561)	(14,461,840)	(13,353,852)
Profit before tax	17	4,670,737	19,097,410	14,299,285	43,105,635
Income tax expense	18	(2,234,802)	(6,023,700)	(6,685,491)	(13,019,670)
Profit for the period		2,435,935	13,073,710	7,613,794	30,085,965
Total comprehensive income for the period		2,435,935	13,073,710	7,613,794	30,085,965
Earnings per share (sen)					
Basic	26 (a)	0.60	3.24	1.87	7.33
Diluted	26 (b)	0.60	3.22	1.87	7.27

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the financial statements.

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Condensed Consolidated Statement of Financial Position**As at 30 June 2015**

	Note	As at 30.06.2015 RM	As at 31.12.2014 RM
NON-CURRENT ASSETS			
Property, plant and equipment	8	238,896,123	189,023,560
Deferred tax assets		39,947,287	26,609,850
Investment properties	29	296,165,721	96,609,507
Goodwill on consolidation		17,626,036	17,626,036
Land held for future development		372,255,611	335,866,900
Other non-current assets	9(b)	309,141,412	280,641,412
		<u>1,274,032,190</u>	<u>946,377,265</u>
CURRENT ASSETS			
Property development costs		351,106,089	292,000,945
Inventories		48,677,168	284,585,712
Trade and other receivables	9(a)	78,239,504	135,770,667
Other current assets	9(c)	41,695,830	29,020,967
Tax recoverable		3,172,355	6,458,504
Term deposits and fixed income trust fund		540,640	544,758
Cash and bank balances		40,556,856	21,028,905
		<u>563,988,442</u>	<u>769,410,458</u>
TOTAL ASSETS		<u>1,838,020,632</u>	<u>1,715,787,723</u>

**Condensed Consolidated Statement of Financial Position as at 30 June 2015
(Contd.)**

	Note	As at 30.06.2015 RM	As at 31.12.2014 RM
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		441,446,129	441,446,129
Share premium		52,226,740	52,226,740
Treasury shares		(82,121,749)	(57,565,069)
Other reserves		29,295,694	27,484,796
Retained earnings		418,821,256	411,207,462
Total equity		<u>859,668,070</u>	<u>874,800,058</u>
Non-Current Liabilities			
Deferred tax liabilities		43,676,626	43,676,625
Provision		-	9,615,375
Long term liabilities	20	<u>266,612,553</u>	<u>214,358,808</u>
		<u>310,289,179</u>	<u>267,650,808</u>
CURRENT LIABILITIES			
Trade and other payables		82,392,125	89,602,209
Other current liabilities	22	1,159,474	2,105,724
Provision	23	30,644,477	21,415,468
Borrowings	20	548,579,665	459,925,554
Income tax payable		5,287,642	287,902
		<u>668,063,383</u>	<u>573,336,857</u>
TOTAL LIABILITIES		<u>978,352,562</u>	<u>840,987,665</u>
TOTAL EQUITY AND LIABILITIES		<u>1,838,020,632</u>	<u>1,715,787,723</u>
NTA per share (RM)		<u>1.91</u>	<u>1.94</u>
Net asset per share (RM)		<u>1.95</u>	<u>1.98</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the financial statements.

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**Condensed Consolidated Statement of Changes in Equity
For the Six Months Period Ended 30 June 2015**

	Attributable to Equity Holders of the Company							Total RM
	Share capital RM	Non-distributable			Distributable			
		Share Option Reserve RM	Share Premium RM	Translation Reserve RM	Capital Reserve RM	Treasury Shares RM	Retained profits RM	
Opening balance at 1 January 2014	426,147,129	1,557,184	50,153,299	47,938	26,578,054	(9,084,118)	372,636,600	868,036,086
Total comprehensive income	-	-	-	-	-	-	30,085,965	30,085,965
Transaction with owners								
Purchase of treasury shares	-	-	-	-	-	(49,391,016)	-	(49,391,016)
Issue of ordinary shares under ESOS	11,096,500	-	4,220,670	-	-	-	-	15,317,170
ESOS exercise	-	-	-	-	-	-	-	-
ESOS lapsed	-	-	-	-	-	-	-	-
Share option granted under ESOS	-	307,564	-	-	-	-	-	307,564
Foreign currency translation reserve	-	-	-	(18,685)	-	-	-	(18,685)
Dividends	-	-	-	-	-	-	(8,116,757)	(8,116,757)
Total transactions with owners	11,096,500	307,564	4,220,670	(18,685)	-	(49,391,016)	(8,116,757)	(41,901,724)
Closing balance at 30 June 2014	437,243,629	1,864,748	54,373,969	29,253	26,578,054	(58,475,134)	394,605,808	856,220,327
Opening balance at 1 January 2015	441,446,129	-	52,226,740	906,742	26,578,054	(57,565,069)	411,207,462	874,800,058
Comprehensive income								
Profit for the year	-	-	-	-	-	-	7,613,794	7,613,794
Other comprehensive income								
Foreign currency translation difference	-	-	-	1,810,898	-	-	-	1,810,898
Transactions with owners								
Purchase of treasury shares	-	-	-	-	-	(24,556,680)	-	(24,556,680)
Total transactions with owners	-	-	-	-	-	(24,556,680)	-	(24,556,680)
Closing balance at 30 June 2015	441,446,129	-	52,226,740	2,717,640	26,578,054	(82,121,749)	418,821,256	859,668,070

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the financial statements.

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Condensed Consolidated Statement of Cash Flow
For the Six Months Period Ended 30 June 2015

	6 months ended 30.06.2015 RM	12 months ended 31.12.2014 RM
Profit before taxation	<u>14,299,285</u>	<u>69,983,530</u>
Net cash (used in)/from operating activities	(7,744,282)	48,207,952
Net cash used in investing activities	(89,083,061)	(98,005,765)
Net cash generated from financing activities	<u>120,253,502</u>	<u>74,239,518</u>
Net increase in cash and cash equivalents	23,426,159	24,441,705
Cash and cash equivalents at beginning of financial period	(53,634,206)	(78,075,911)
Cash and cash equivalents at end of financial period	<u>(30,208,047)</u>	<u>(53,634,206)</u>

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

Fixed deposits	540,640	544,758
Less: pledged fixed deposits	(540,640)	(532,886)
	-	11,872
* Cash and bank balances	40,556,856	21,028,905
Bank overdraft (included within borrowings in Note 20)	<u>(70,764,903)</u>	<u>(74,674,983)</u>
	<u>(30,208,047)</u>	<u>(53,634,206)</u>

* Included in cash at banks of the Group are amounts of RM9,523,158 held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 and therefore restricted from use in other operations.

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the financial statements.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 JUNE 2015**1. BASIS OF PREPARATION**

The quarterly condensed financial report has been prepared in accordance with:

- (i) The requirement of the Financial Reporting Standards ("FRS") Standard 134: Interim Financial Reporting; and
- (ii) Paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad and should be read in conjunction with the audited annual financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the quarterly condensed financial report. These explanatory notes attached to the quarterly condensed financial report provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2014. The significant accounting policies adopted for the quarterly condensed financial report are consistent with those of the audited financial statements for the financial year ended 31 December 2014.

2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2014 was not qualified.

3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's performance is not materially affected by seasonal or cyclical factors.

4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items due to their nature, size or incidence affecting assets, liabilities, equity, net income or cash flows during the financial period ended 30 June 2015 except as describe below:

- (a) During the current quarter of the year, the Group has recognised a fair value gain of an account payable amounting to RM 6,439,292. This transaction has been recognised as other operating income in the second quarter of the year.

5. CHANGES IN ESTIMATES

The Group has not submitted any financial forecast or projections to any authority during the current quarter and prior financial year ended 31 December 2014. There were no changes in estimates that have had a material effect in the current quarter results.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 JUNE 2015**6. CAPITAL MANAGEMENT, DEBT AND EQUITY SECURITIES**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period ended 30 June 2015 and the date of this interim report except the followings:

(a) Treasury Shares

During the financial year, the Company repurchased 12,683,200 of its issued ordinary shares from the open market at an average price of RM 1.93 per share. The total consideration paid for the repurchase including transaction costs was RM24,556,680 and this was financed by internally generated funds. Total treasury shares repurchased as at 30 June 2015 is 43,382,534 ordinary shares of RM 1 each, representing a cumulative 9.83% of the total paid up share capital of the company as at 30 June 2015. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965. No further repurchase of treasury shares subsequent to the second quarter until the date of this interim financial statement.

(b) Capital Management

The Group's objectives of managing capital are to safeguard the group's ability to continue in operation as a going concern in order to provide fair returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

For capital management purposes, the Group consider shareholders' equity to be the key component in the Group's capital structure. The Group monitors capital base on gearing ratio. The ratio is calculated on total borrowings to total capital and net debts. The Group's strategy is to maintain a gearing ratio of 20%-50%. The gearing ratio as at 30 June 2015, which are within the Group's objectives for capital management, are as follows:

	30.06.2015	31.12.2014
	RM	RM
Total borrowing	815,192,218	674,284,362
Trade and other payables	82,392,125	89,602,209
Less: Term deposits	(540,640)	(544,758)
Less: cash and bank balances	(40,556,856)	(21,028,905)
Net debts	<u>856,486,847</u>	<u>742,312,908</u>
Equity attributable to the owners of parents	<u>859,668,070</u>	<u>874,800,058</u>
Capital and net debts	<u>1,716,154,917</u>	<u>1,617,112,966</u>
Gearing ratio	<u>50%</u>	<u>46%</u>

A higher borrowings is recorded is mainly due to the purchase of fixed assets and share repurchase made during the current financial year.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 JUNE 2015

6. CAPITAL MANAGEMENT, DEBT AND EQUITY SECURITIES (Contd.)

(c) Capital Management (contd.)

The details of the issuance and repayment of debts and equity instrument in the current quarter ended 30 June 2015 are as follows:

	30.06.2015
	RM
Drawdown of revolving credit	92,564,188
Drawdown of term loan	54,667,018
Repayment of term loan	(2,413,270)
Share buy back	(24,556,680)

7. DIVIDEND PAID

No dividend was paid out during the financial period ended 30 June 2015.

8. CARRYING AMOUNT OF REVALUED ASSETS

The valuation of property, plant and equipment and investment properties have been brought forward without amendment from the financial statements for the year ended 31 December 2014.

9(a) TRADE AND OTHER RECEIVABLES

	As at	As at
	30.06.2015	31.12.2014
	RM	RM
Trade receivables	77,998,910	116,600,426
Less: Provision for impairment	(3,176,784)	(3,170,962)
	<hr/>	<hr/>
	74,822,126	113,429,464
Other receivables	3,417,378	22,341,203
	<hr/>	<hr/>
	78,239,504	135,770,667

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 JUNE 2015

9(a) TRADE AND OTHER RECEIVABLES (Contd.)

The ageing analysis for the trade receivables are as follows:

	As at 30.06.2015 RM	As at 31.12.2014 RM
Neither past due nor impaired	4,889,860	42,563,049
1-30 days	4,489,609	19,865,359
31-60 days	2,019,400	32,720,009
61-90 days	22,915,453	5,925,345
91-120 days	6,518,726	1,995,947
121-150 days	7,361,201	2,677,975
>150 days	26,627,877	7,681,780
	69,932,266	70,866,415
Impaired	3,176,784	3,170,962
	<u>77,998,910</u>	<u>116,600,426</u>

The management is of the opinion that no further provision for doubtful debts is required for those trade receivables which are more than 150 days as most of the receivables are secured by financial institutions.

9(b) Other non current assets represent security deposits for various joint venture projects.

9(c) Included in other current assets is accrued billings in respect of property development of RM 15,226,164 (2014-RM10,365,829).

10. SUBSEQUENT EVENTS

There is no material subsequent event from the end of the current quarter to the date of the interim financial statement.

11. CHANGES IN COMPOSITION OF THE GROUP

The Company had on 28 April 2015 acquired the entire issued and paid up capital of YNH Utility Sdn Bhd, comprising two (2) ordinary shares of RM1 each from Dato' Yu Kuan Huat and Dato' Yu Kuan Chon for a total consideration of RM2. The intended principal activity of YNH Utility Sdn Bhd is dealing with water and other liquids of everyday descriptions. YNH Utility Sdn Bhd has yet to commence operation as at the date of acquisition.

12. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There is no contingent liabilities and contingent assets for the period ended 30 June 2015 and the date of this interim financial report.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 JUNE 2015**13. CAPITAL COMMITMENTS**

There was no capital commitment for the interim financial statement ended 30 June 2015 and as at the date of this report.

14. PERFORMANCE REVIEW

The Group's cumulative turnover for the current financial year ended 30 June 2015 is RM 147,089,858 (year 2014-RM244,153,066) and profit before taxation is reported at RM 14,299,285 (year 2014-RM43,105,635). The Group registered a lower profit before taxation for the financial period compared to previous year correspondence quarter due to the completion of project Fraser Residence Kuala Lumpur and a much softer take up rate in the project currently undertaken by the Company. The Group's performance for this year is mainly derived from progressive sales of unsold units in Fraser Residence Kuala Lumpur, progressive profit recognition from Taman Desa Manjung , and sales of development land.

On a quarter to quarter basis, the current quarter profit before taxation of RM4,670,737 is lower than previous quarter of RM 9,628,548. This is due to no new launches of project in the current year and a much softer take up rate in the project currently undertaken by the Company.

15. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There was no off balance sheet financial instruments as at the date of this report.

16. COMMENTARY ON PROSPECTS

The local and global economic climate remains challenging. Taking into consideration of the reduced contributions from existing projects, the Board look forward for an improvement in the current economic climate and a relaxation in the banking guideline over the subsequent quarters for a reversal of its performance.

The Board is cautiously optimistic of our Kiara 163 mixed development project held under D'Kiara Place Sdn Bhd ("DKP"), a wholly owned subsidiary company of YNH Property Bhd. DKP is the registered and beneficial owner of the 6 acres freehold development property located in Mont' Kiara, Kuala Lumpur, besides McDonald outlet at Plaza Mont' Kiara and opposite One Mont' Kiara. The proposed commercial development comprises:

- i) 2 Blocks of 43 storey of Hotel Suites (584 units) with facilities and multi-storey car park,
- ii) 1 Small Office Versatile Office ("SOVO") Tower,
- iii) 1 shopping mall and basement car park.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 JUNE 2015

16. COMMENTARY ON PROSPECTS (Contd.)

The Kiara 163 project has a total GDV of approximately RM1.0 billion with 60% of the GDV comprising of service apartments which are planned to be sold fully furnished and also managed by a reputable manager, with a similar concept like Fraser Place KL. The retail shopping mall will also be one of the main attraction of the development where residents/ tenants have seamless life, work and play lifestyle. Piling and sub-structure work for Kiara 163 has already commenced in the previous financial year.

Another project which is currently undertaken by the Company is Sfera Residensi, which is located at Puchong South, Selangor. The project will have a Gross Development Value of approximately RM418 million, and is expected to contribute to the Company for the next three financial years. Piling and substructure work has already commenced during the previous financial year.

Another prestigious project planned for the future by YNH group is the Menara YNH development, located on one of the most exclusive addresses in Kuala Lumpur city centre, in the Golden Triangle area where most prestigious 5 star hotels and upmarket office spaces are found. The commercial development sits on a 130,826 sq ft (approximately 3 acres) of land with a wide frontage of 320 feet along Jalan Sultan Ismail. The location of Menara YNH also offers easy accessibility and close proximity to efficient public transport facilities such as the Putra Light Rail Transport and the K.L Monorail station. It is also located within walking distance to all major hotels and shopping centres. This Menara YNH has a GDV of approximately RM2.1 billion. Approved development order had already been obtained for this development, comprising office tower and shopping mall.

The Group has intention to keep 50% of the Menara YNH referred above as investment property and it will be used as the Group's future corporate headquarter.

The Group has also entered into a series of joint venture projects for the development of a few pieces of land strategically located near Mont' Kiara, Hartamas, Kuala Lumpur city centre, Ipoh city and Seri Manjung town. These developments are at planning stage and have an estimated gross development value of RM1.8 billion and are expected to contribute to the Group's earnings for the next 15 to 20 years.

The Group had successfully completed the construction of AEON Mall Seri Manjung in year 2012 and Pantai Specialist Centre at Seri Manjung in November 2013. The presence of AEON Mall Seri Manjung Shopping Centre and Pantai Specialist Centre will further enhance the value of the balance 700 acres of undeveloped landbanks in the Manjung Point Township.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 JUNE 2015**16. COMMENTARY ON PROSPECTS (Contd.)**

The Company had also in the 4th quarter of 2008 acquired 95 acres of strategic development land bank in Genting Highlands. The Genting land bank is located strategically next to the Genting Highland Resort and was acquired for RM16.05 million. The advantage of this land bank is that the purchase consideration is very low and it comes with infrastructure. The land has already been converted to building title. The proximity to the existing Genting Highland Resort is an advantage as the proposed development will complement the existing infrastructure. Other plus point for this development is that it is located in a cool environment and yet is 45 minutes from the KL city centre as the existing highway is already completed from the KL city centre to the existing resort.

The proposed development for this 95 acres land bank comprises commercial, bungalows, condominium, retail and etc for both local and foreign investors. The estimated gross development value for this future development is RM1.96 billion and expected to contribute to the Group's earnings in the next 20 years.

17. PROFIT BEFORE TAXATION

This is arrived at after charging:	6 months ended 30.06.2015 RM
Short term revolving interest	10,260,826
Term loan interest	2,453,654
Overdraft interest	<u>1,747,360</u>
and crediting	6 months ended 30.06.2015 RM
Interest income	<u>69,485</u>

18. INCOME TAX EXPENSE

	3 months ended 30.06.2015 RM	3 months ended 30.06.2014 RM	6 months ended 30.06.2015 RM	6 months ended 30.06.2014 RM
Tax expense for the period:				
Malaysian income tax	(7,207,000)	(7,547,856)	(19,987,000)	(13,530,229)
Deferred tax	4,972,198	1,524,156	13,301,509	510,559
	<u>(2,234,802)</u>	<u>(6,023,700)</u>	<u>(6,685,491)</u>	<u>(13,019,670)</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 JUNE 2015

18. INCOME TAX EXPENSE (Contd.)

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group is as follow:

	6 months ended 30.06.2015 RM
Profit before taxation	<u>14,299,285</u>
Taxation at applicable statutory tax rate	(3,574,821)
Expenses not deductible for tax purposes	(4,855,907)
Income not taxable	1,607,323
Others timing differences	<u>137,914</u>
Tax expense for the quarter/year	<u>(6,685,491)</u>

19. SALES OF UNQUOTED INVESTMENTS AND PROPERTIES

There were no sales of unquoted investments and no other sales of properties for the quarter ended 30 June 2015 except for the sales of development properties in the ordinary course of business.

20. LOAN AND BORROWINGS

	As at 30.06.2015 RM	As at 31.12.2014 RM
Current		
Secured-Bank overdraft and revolving credit	541,019,479	452,470,176
Secured-Term loan	7,560,186	7,455,378
Non-current		
Secured-Term loan	<u>266,612,553</u>	<u>214,358,808</u>
	<u>815,192,218</u>	<u>674,284,362</u>

All of the above borrowings are denominated in Ringgit Malaysia. Included in current portion of loan and borrowing is RM70,764,903 (2014-RM 74,674,983) of bank overdraft.

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21. PROFIT FORECAST

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and forecast profit after tax and minority interest and for the shortfall in profit guarantee are not applicable.

22. OTHER CURRENT LIABILITIES

Included in other current liabilities is accrued billing of RM 1,159,476 (2014-RM Nil).

23. PROVISION

	As at 30.06.2015 RM	As at 31.12.2014 RM
Opening	31,030,843	197,794
Provision during the period/year	-	31,289,040
Utilisation/ written back during the period/year	(386,366)	(455,991)
Closing	<u>30,644,477</u>	<u>31,030,843</u>

24. CHANGES IN MATERIAL LITIGATION

As at the date of this report, the Group is not engaged whether as plaintiff or defendant in any legal action, proceeding, arbitration or prosecution for any criminal offence, which has a material effect on the financial position of the Group and the Directors do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of YNH Property Bhd and its subsidiaries.

25. DIVIDEND PAYABLE

The Board of Directors have recommended a final share dividend on the basis of one (1) treasury share for every one hundred (100) ordinary shares of RM1 each held, which had been approved by shareholders in the Annual General Meeting. The actual treasury shares to be distributed will depend on the issued share capital on the entitlement date. Such share dividend, will be accounted for in shareholders' equity as a distribution of treasury shares in the current financial year ending 31 December 2015.

The Company has a dividend policy of at least 30% of profit after taxation be fixed for future declaration of dividend.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 JUNE 2015

26. EARNING PER SHARE

(a) **Basic**

Basic earning per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

	3 months ended	3 months ended	6 months ended	6 months ended
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	RM	RM	RM	RM
Net profit for the period	2,435,935	13,073,710	7,613,794	30,085,965
Weighted average number of ordinary shares in issue	405,054,186	403,940,644	407,853,300	410,647,277
Basic earnings per share (sen)	0.60	3.24	1.87	7.33

(b) **Diluted**

For the purpose of calculating diluted earning per share, the net profit for the period and the weighted average number of ordinary shares in issue during the period have been adjusted for the effect of dilutive potential ordinary shares from the exercise of share options granted to employees ("ESOS").

	3 months ended	3 months ended	6 months ended	6 months ended
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	RM	RM	RM	RM
Net profit for the period	2,435,935	13,073,710	7,613,794	30,085,965
Weighted average number of ordinary shares in issue	405,054,186	403,940,644	407,853,300	410,647,277
Adjustment for assumed exercise of ESOS	-	2,114,286	-	2,935,662
Adjusted weighted number of ordinary shares in issue	405,054,186	406,054,930	407,853,300	413,582,939
Diluted earnings per share (sen)	0.60	3.22	1.87	7.27

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27. RELATED PARTY TRANSACTION

The Group's related party transactions cumulative period-to-date ended 30 June 2015 are as follows:

Party	Transaction	30.06.2015 RM
Transaction with non-group members	Rental of equipment and transportation payable, purchase of construction material and rental of land and properties	6,100,773
	Rental of properties and equipment received	30,000
	Sales of properties	1,513,000.00
Transaction with person connected with Directors	Rental paid for service apartment	1,040,482
	Legal services and disbursement paid (including stamp duty)	1,904,981
	Sales of properties	8,546,870
	Rental of properties received	18,000

Party	Transaction	30.06.2015 RM
Transaction with Directors	Sales of properties	19,545,800
	Rental paid for service apartment and office	4,726,261
Transaction with Directors	Legal services paid	340,798

The Group's Directors personal compensation for the period under review are as follows:

	30.06.2015 RM
Type of compensation	
Salaries and allowances (including employer EPF portion)	7,707,237
Directors fee	145,550
Employee share option	-
	<u>7,852,787</u>

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28. REALISED AND UNREALISED PROFITS	30.06.2015	31.12.2014
	RM	RM
Total retained profits of YNH Property and its subsidiaries		
-Realised profits	609,090,182	569,982,582
-Unrealised profits	19,282,778	17,122,700
	<u>628,372,960</u>	<u>587,105,282</u>
Consolidation adjustments	<u>(209,551,704)</u>	<u>(175,897,820)</u>
Total group retained profits as per consolidated accounts	<u>418,821,256</u>	<u>411,207,462</u>

29. INVESTMENT PROPERTIES

	Completed investment property RM	Investment property under construction RM	Total RM
Cost			
At 1 January	18,527,861	78,619,782	97,147,643
Additions	199,514,910	-	199,514,910
As at 30 June	<u>218,042,771</u>	<u>78,619,782</u>	<u>296,662,553</u>
Accumulated amortisation			
At 1 January	368,041	-	368,041
Additions	128,791	-	128,791
As at 30 June	<u>496,832</u>	<u>-</u>	<u>496,832</u>
Net carrying amounts	<u>217,545,939</u>	<u>78,619,782</u>	<u>296,165,721</u>

The investment property comprises AEON Mall Seri Manjung, Pantai Hospital Seri Manjung, 19 units double storey shop houses , a sport recreational complex, a petrol station and certain vacant land.

30. UPDATE OF MEMORANDUM OF UNDERSTANDING

The Group has on 4 February 2015 entered into a Memorandum of Understanding ("MOU") in relation to a proposed hotel to be branded as " Hilton Kuala Lumpur City Centre & Residences", to be managed by Hilton Worldwide Manage Limited, for its Menara YNH Development in Kuala Lumpur City Centre. No further changes arise from the date of the MOU to the date of this interim report.

31. AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 August 2015.

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32. SEGMENTAL REPORTING

	Property Development & Construction		Hotel & Hospitality		Adjustment & Elimination		Consolidated	
	30.06.2015 RM	30.06.2014 RM	30.06.2015 RM	30.06.2014 RM	30.06.2015 RM	30.06.2014 RM	30.06.2015 RM	30.06.2014 RM
Revenue								
External customers	559,394,197	386,060,622	24,284,356	18,999,905	(436,588,695)	(160,907,461)	147,089,858	244,153,066
Inter-segment			50,767	49,248	(50,767)	(49,248)	-	-
Results								
Interest income	69,485	244,105	-	-	-	-	69,485	244,105
Dividend income	100,000,000	40,000,000	-	-	(100,000,000)	(40,000,000)	-	-
Depreciation	5,399,137	4,660,623	718,631	547,935	(3,852,195)	-	2,265,573	5,208,558
Finance cost	14,399,546	13,232,926	62,294	120,926	-	-	14,461,840	13,353,852
Profit/(loss) before taxation	64,486,990	45,654,324	(17,870,460)	(2,548,689)	(32,317,245)	-	14,299,285	43,105,635
Segment assets	2,419,573,615	2,185,139,281	274,153,126	34,155,026	(862,509,942)	(511,573,537)	1,831,216,799	1,707,720,770
Segment liabilities	1,225,510,260	1,066,284,986	327,345,864	36,396,667	(574,503,561)	(251,181,210)	978,352,563	851,500,443