



**HUNZA PROPERTIES BERHAD**  
**Company No: 461624 - X**  
**(Incorporated in Malaysia)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2015**

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**HUNZA PROPERTIES BERHAD**

[Company No. 461624-X]

**Condensed Consolidated Statement of Comprehensive Income**

|   | Note | Individual Quarter                              |   | Cumulative Quarter                                     |  |
|---|------|---|---|--|--|
|   |      | Current Year Quarter Ended 30.09.2015<br>RM'000 | Preceding Year Corresponding Quarter Ended 30.09.2014<br>RM'000 | Current Year Period to date Ended 30.09.2015<br>RM'000 | Preceding Year Corresponding Period to date Ended 30.09.2014<br>RM'000 |
| Revenue   |      | 31,799  | 53,003  | 31,799   | 53,003   |
| Cost of sales   |      | (15,947)  | (32,388)  | (15,947)   | (32,388)   |
| <b>Gross profit</b>                                       |      | 15,852  | 20,615  | 15,852   | 20,615   |
| Oth Condensed Consolidated Statement of Changes In Equity |      | 66  | 526   | 66   | 526  |
| Finance income  |      | 455   | 332   | 455  | 332  |
| Operating expenses  |      | (4,356)   | (3,763)   | (4,356)  | (3,763)  |
| <b>Result from operating activities</b>                   |      | 12,017  | 17,710  | 12,017   | 17,710   |
| Finance costs   |      | (4,582)   | (3,667)   | (4,582)  | (3,667)  |
| <b>Profit before taxation</b>                             |      | 7,435   | 14,043  | 7,435  | 14,043   |
| Taxation  | B5   | (1,426)   | (3,385)   | (1,426)  | (3,385)  |
| <b>Profit for the period</b>                              |      | 6,009   | 10,658  | 6,009  | 10,658   |
| <b>Other comprehensive income, net of tax</b>             |      |   |   |  |  |
| (Loss) / Gain on Available-for-sale financial assets      |      | (134)   | 65  | (134)  | 65   |
| <b>Total comprehensive income for the period</b>          |      | 5,875   | 10,723  | 5,875  | 10,723   |
| <b>Profit attributable to:</b>                            |      |   |   |  |  |
| Owners of the company                                     |      | 4,441   | 7,628   | 4,441  | 7,628  |
| Non-controlling interest                                  |      | 1,568   | 3,030   | 1,568  | 3,030  |
| <b>Profit for the period</b>                              |      | 6,009   | 10,658  | 6,009  | 10,658   |
| <b>Total comprehensive income attributable to:</b>        |      |   |   |  |  |
| Owners of the company                                     |      | 4,307   | 7,693   | 4,307  | 7,693  |
| Non-controlling interest                                  |      | 1,568   | 3,030   | 1,568  | 3,030  |
| <b>Total comprehensive income for the period</b>          |      | 5,875   | 10,723  | 5,875  | 10,723   |
| Basic earnings per ordinary share (sen)                   | B11  | 1.97  | 3.36  | 1.97   | 3.36   |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements.

**HUNZA PROPERTIES BERHAD**

[Company No. 461624-X]

**Condensed Consolidated Statement of Financial Position**

|   | Note | As at Current<br>Period Ended<br>30.09.2015<br>RM'000 | As at Preceding<br>Financial<br>Year Ended<br>30.06.2015<br>RM'000 |
|---|------|---|--|
| <b>Assets</b>   |      |   |  |
| Property, plant and equipment   | A10  | 11,471  | 11,792   |
| Investment properties   | A11  | 913,400   | 906,198  |
| Land held for property development  |      | 148,695   | 147,651  |
| Available-For-Sales investments   |      | 2,120   | 1,981  |
| Deferred tax assets   |      | 11,483  | 11,470   |
| <b>Total Non-Current Assets</b>   |      | <u>1,087,169</u>                                      | <u>1,079,092</u>   |
| Inventories   |      | 34,635  | 35,644   |
| Condensed Consolidated Statement of Changes In Equity                         |      | 145,220   | 124,896  |
| Trade receivables   |      | 25,609  | 26,159   |
| Accrued billings  |      | 15,251  | 25,711   |
| Other receivables and prepaid expenses  |      | 11,589  | 8,823  |
| Current tax assets  |      | 1,956   | 1,462  |
| Deposits with licensed banks  | B13  | 49,358  | 56,328   |
| Cash and bank balances  | B13  | 36,258  | 36,100   |
| <b>Total Current Assets</b>   |      | <u>319,876</u>  | <u>315,123</u>   |
| <b>TOTAL ASSETS</b>   |      | <u>1,407,045</u>                                      | <u>1,394,215</u>   |
| <b>Equity</b>   |      |   |  |
| Share capital   |      | 249,585   | 249,585  |
| Reserves  |      | 585,729   | 581,422  |
| Less: Treasury shares, at cost  |      | (44,986)  | (44,986)   |
| <b>Total Equity Attributable to Owners of the Company</b>                     |      | <u>790,328</u>  | <u>786,021</u>   |
| <b>Non-controlling Interests</b>  |      | 47,228  | 45,660   |
| <b>TOTAL EQUITY</b>   |      | <u>837,556</u>  | <u>831,681</u>   |
| <b>Liabilities</b>  |      |   |  |
| Long term borrowings  | B7   | 433,291   | 424,165  |
| Other payables  |      | 14,381  | 14,043   |
| Deferred tax liabilities  |      | 14,648  | 14,635   |
| <b>Total Non-Current Liabilities</b>  |      | <u>462,320</u>  | <u>452,843</u>   |
| Trade payables  |      | 33,367  | 25,637   |
| Other payables and accrued expenses   |      | 47,503  | 52,834   |
| Borrowings  | B7   | 23,575  | 26,726   |
| Current tax liabilities   |      | 2,724   | 4,494  |
| <b>Total Current Liabilities</b>  |      | <u>107,169</u>  | <u>109,691</u>   |
| <b>TOTAL LIABILITIES</b>  |      | <u>569,489</u>  | <u>562,534</u>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>   |      | <u>1,407,045</u>                                      | <u>1,394,215</u>   |
| <b>Net Assets Attributable to Equity Owners of the Company Per Share (RM)</b> |      | 3.51  | 3.49   |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements.

**HUNZA PROPERTIES BERHAD**

[Company No. 461624-X]

**Condensed Consolidated Statement of Changes in Equity**

|  | ← Attributable to shareholders of the Company → |                           |                       |                                |                            |                         |                             | Non-controlling Interest | Total Equity  |                |
|--|---|---------------------------|-----------------------|--------------------------------|----------------------------|-------------------------|-----------------------------|--------------------------|---------------|----------------|
|  | ← Non-Distributable →                           |                           |                       |                                | Distributable              |                         |                             |                          |               |                |
|  | Share Capital<br>RM'000                         | Treasury Shares<br>RM'000 | AFS Reserve<br>RM'000 | Revaluation Reserves<br>RM'000 | Warrant Reserves<br>RM'000 | Share Premium<br>RM'000 | Retained Earnings<br>RM'000 | Total<br>RM'000          | RM'000        | RM'000         |
| <b>At 1 July 2014</b>  | <b>244,832</b>                                  | <b>(28,787)</b>           | <b>(90)</b>           | <b>653</b>                     | <b>3,116</b>               | <b>42,237</b>           | <b>514,128</b>              | <b>776,089</b>           | <b>34,102</b> | <b>810,191</b> |
| Transfer of revaluation surplus on properties  | -   | -                         | -                     | (59)                           | -                          | -                       | 59                          | -                        | -             | -              |
| Fair value loss on Available-For-Sale financial assets   | -   | -                         | 65                    | -                              | -                          | -                       | -                           | 65                       | -             | 65             |
| Total other comprehensive income for the period  | -   | -                         | 65                    | (59)                           | -                          | -                       | 59                          | 65                       | -             | 65             |
| Profit for the period  | -   | -                         | -                     | -                              | -                          | -                       | 7,628                       | 7,628                    | 3,030         | 10,658         |
| Total comprehensive income for the period  | -   | -                         | 65                    | (59)                           | -                          | -                       | 7,687                       | 7,693                    | 3,030         | 10,723         |
| Treasury shares acquired   | -   | (10,398)                  | -                     | -                              | -                          | -                       | -                           | (10,398)                 | -             | (10,398)       |
| Iss Condensed Consolidated Statement of Changes In Equity pursuant to the exercise of warrants | 192   | -                         | -                     | -                              | -                          | 20                      | -                           | 212                      | -             | 212            |
| Total transactions to owners of the Company  | 192   | (10,398)                  | -                     | -                              | -                          | 20                      | -                           | (10,186)                 | -             | (10,186)       |
| <b>At 30 September 2014</b>  | <b>245,024</b>                                  | <b>(39,185)</b>           | <b>(25)</b>           | <b>594</b>                     | <b>3,116</b>               | <b>42,257</b>           | <b>521,815</b>              | <b>773,596</b>           | <b>37,132</b> | <b>810,728</b> |
| <b>At 1 July 2015</b>  | <b>249,585</b>                                  | <b>(44,986)</b>           | <b>(424)</b>          | <b>531</b>                     | <b>-</b>                   | <b>45,828</b>           | <b>535,487</b>              | <b>786,021</b>           | <b>45,660</b> | <b>831,681</b> |
| Fair value loss on Available-For-Sale financial assets   | -   | -                         | (134)                 | -                              | -                          | -                       | -                           | (134)                    | -             | (134)          |
| Total other comprehensive income for the period  | -   | -                         | (134)                 | -                              | -                          | -                       | -                           | (134)                    | -             | (134)          |
| Profit for the period  | -   | -                         | -                     | -                              | -                          | -                       | 4,441                       | 4,441                    | 1,568         | 6,009          |
| Total comprehensive income for the period  | -   | -                         | (134)                 | -                              | -                          | -                       | 4,441                       | 4,307                    | 1,568         | 5,875          |
| <b>At 30 September 2015</b>  | <b>249,585</b>                                  | <b>(44,986)</b>           | <b>(558)</b>          | <b>531</b>                     | <b>-</b>                   | <b>45,828</b>           | <b>539,928</b>              | <b>790,328</b>           | <b>47,228</b> | <b>837,556</b> |

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements.

**HUNZA PROPERTIES BERHAD**

[Company No. 461624-X]

**Condensed Consolidated Statement of Cash Flows**

|  | Note | <b>3 Months Ended</b> |                   |
|--|------|-----------------------|-------------------|
|  |      | <b>30.09.2015</b>     | <b>30.09.2014</b> |
|  |      | <b>RM'000</b>         | <b>RM'000</b>     |
| <b>Cash flows from operating activities</b>                                |      |                       |                   |
| Profit before taxation   |      | 7,435                 | 14,043            |
| Adjustments for non-cash flow items:                                       |      |                       |                   |
| Depreciation   |      | 649                   | 564               |
| Property, plant and equipment written off                                  |      | -                     | 5                 |
| Condensed Consolidated Statement of Changes In Equity                      |      | -                     | (142)             |
| Net interest expense   |      | 4,127                 | 3,335             |
|  |      | <u>12,211</u>         | <u>17,805</u>     |
| <b>Operating profit before working capital changes</b>                     |      |                       |                   |
| Changes in Working Capital   |      |                       |                   |
| Net change in inventories, receivables, accrued billings, prepaid expenses |      | 9,253                 | (2,927)           |
| Net change in payables and accruals  |      | 2,738                 | (2,393)           |
| Changes in land held for property development                              |      | (537)                 | (2,728)           |
| Changes in property development costs                                      |      | (19,895)              | 2,931             |
|  |      | <u>3,770</u>          | <u>12,688</u>     |
| <b>Cash generated from / (used in) operating activities</b>                |      |                       |                   |
| Tax paid   |      | (3,690)               | (1,051)           |
|  |      | <u>80</u>             | <u>11,637</u>     |
| <b>Net cash generated from / (used in) operating activities</b>            |      |                       |                   |
| <b>Cash flows from investing activities</b>                                |      |                       |                   |
| Increase in development cost of investment properties                      |      | (6,824)               | (19,146)          |
| Proceeds from disposal of property, plant and equipment                    |      | -                     | 430               |
| Payments for investment in quoted investments                              |      | (274)                 | (224)             |
| Payments for purchase of property, plant and equipment                     |      | (328)                 | (120)             |
| Interest received  |      | 455                   | 332               |
|  |      | <u>(6,971)</u>        | <u>(18,728)</u>   |
| <b>Net cash used in investing activities</b>                               |      |                       |                   |
| <b>Cash flows from financing activities</b>                                |      |                       |                   |
| Interest paid  |      | (5,896)               | (4,694)           |
| Drawdown of term loans   |      | 7,250                 | 119,066           |
| Payments for shares buy-back   |      | -                     | (10,398)          |
| Proceeds from issue of shares pursuant to the exercise of warrants         |      | -                     | 212               |
| Decrease in short term borrowings  |      | (1,275)               | (14,878)          |
| Addition of pledged deposits   |      | -                     | (3)               |
|  |      | <u>79</u>             | <u>89,305</u>     |
| <b>Net cash from financing activities</b>                                  |      |                       |                   |
| Net increase/(decrease) in cash and cash equivalents for the year          |      | (6,812)               | 82,214            |
| Cash and cash equivalent at 1 July   |      | 92,312                | 37,156            |
|  |      | <u>85,500</u>         | <u>119,370</u>    |
| <b>Cash and cash equivalents as at 30 September</b>                        | B13  |                       |                   |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements.