

HUA YANG BERHAD (Co. No. 44094-M)
(Incorporated in Malaysia)

Interim Financial Statements for the financial period ended 31 March 2013

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING YEAR TO DATE
	31/03/2013 RM' 000	31/03/2012 RM' 000	31/03/2013 RM' 000	31/03/2012 RM' 000
Revenue	102,398	84,282	408,670	306,412
Cost of Sales	(67,136)	(54,665)	(257,441)	(198,518)
Gross Profit	35,262	29,617	151,229	107,894
Other Income	3,241	376	6,672	1,847
Selling and Marketing Expenses	(10,694)	(5,809)	(43,745)	(19,605)
Administrative and General Expenses	(4,508)	(5,394)	(18,708)	(16,871)
Operating Profit	23,301	18,790	95,448	73,265
Finance Costs	(19)	(215)	(143)	(762)
Profit Before Taxation	23,282	18,575	95,305	72,503
Income Tax Expenses	(6,274)	(5,144)	(24,833)	(19,068)
Profit For The Period	17,008	13,431	70,472	53,435
Profit attributable to:				
Owners of the Company	17,008	13,007	70,472	52,953
Non-controlling Interests	-	424	-	482
	17,008	13,431	70,472	53,435
Earnings Per Share Attributable To Owners Of The Company (sen)				
Basic, for profit for the period	8.59	7.08	36.58	28.84

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.

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(Incorporated in Malaysia)

Interim Financial Statements for the financial period ended 31 March 2013

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CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING YEAR	CURRENT	PRECEDING YEAR
	QUARTER	CORRESPONDING	YEAR TO DATE	CORRESPONDING
	QUARTER	QUARTER	YEAR TO DATE	YEAR TO DATE
	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	RM' 000	RM' 000	RM' 000	RM' 000
Profit For The Period	17,008	13,431	70,472	53,435
Other Comprehensive Income For The Period, Net Of Income Tax	-	-	-	-
Total Comprehensive Income For The Period, Net Of Income Tax	17,008	13,431	70,472	53,435
Total Comprehensive Income Attributable To :				
Owners of the Company	17,008	13,007	70,472	52,953
Non-controlling Interests	-	424	-	482
	17,008	13,431	70,472	53,435

Note: 1 - Included in the Total Comprehensive Income for the period are the followings:

Interest Income	781	153	2,258	1,068
Other Income Including Investment Income	2,460	223	4,415	779
Interest Expense	19	34	143	762
Depreciation & Amortization	281	241	1,032	934
Provision For/Write Off of Receivables	7	183	24	223
Provision For/Write Off of Inventories	N/A	N/A	N/A	N/A
Gain/Loss on Disposal of Quoted and Unquoted Investment or Properties	(0)	N/A	44	N/A
Impairment of Assets	N/A	58	N/A	58
Gain/Loss on Foreign Exchange	N/A	N/A	N/A	N/A
Gain/Loss on Derivatives	N/A	N/A	N/A	N/A

N/A: Not Applicable

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.

HUA YANG BERHAD (Co. No. 44094-M)
(Incorporated in Malaysia)

Interim Financial Statements for the financial period ended 31 March 2013

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	(UNAUDITED) As at 31/03/2013 RM' 000	(AUDITED) As at 31/03/2012 RM' 000
ASSETS		
Non-current assets		
Property, plant and equipment	6,910	6,638
Concession assets	13,223	13,839
Land held for property development	374,287	205,821
Investment property	1,595	1,585
Other receivables	3,422	3,774
Fixed deposit with licenced bank	701	695
Intangible assets	9,074	9,074
Deferred tax assets	1,937	1,539
	<u>411,149</u>	<u>242,965</u>
Current assets		
Inventories	6,529	4,945
Property development costs	41,387	50,192
Trade and other receivables	37,999	57,471
Other current assets	107,068	65,886
Cash and bank balances	29,546	25,162
	<u>222,529</u>	<u>203,656</u>
Non-current assets classified as held for sale	-	502
	<u>222,529</u>	<u>204,158</u>
TOTAL ASSETS	<u>633,678</u>	<u>447,123</u>
EQUITY AND LIABILITIES		
Current liabilities		
Trade and other payables	155,756	56,495
Other current liabilities	2,257	1,183
Short term borrowings	2,371	6,439
Taxation	8,498	5,800
	<u>168,882</u>	<u>69,917</u>
Net current assets	<u>53,647</u>	<u>134,241</u>
Non-current liabilities		
Trade and other payables	14,908	14,611
Deferred tax liabilities	2,627	3,498
Long term borrowings	112,783	90,840
	<u>130,318</u>	<u>108,949</u>
TOTAL LIABILITIES	<u>299,200</u>	<u>178,866</u>
Net assets	<u>334,477</u>	<u>268,257</u>
Total equity attributable to owners of the Company		
Share capital	198,000	144,000
Reserves	136,477	122,075
	<u>334,477</u>	<u>266,075</u>
Non-controlling interests	-	2,182
TOTAL EQUITY	<u>334,477</u>	<u>268,257</u>
TOTAL EQUITY AND LIABILITIES	<u>633,678</u>	<u>447,123</u>
Net Assets Attributable to Owners of the Company	<u>334,477</u>	<u>268,257</u>
Net Assets Per Share Attributable to Owners of the Company (RM)	<u>1.69</u>	<u>1.86</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.

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Interim Financial Statements for the financial period ended 31 March 2013

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<----- Attributable to Owners of the Company ----- >

	Share Capital	Non-distributable Share Premium	Distributable Retained Earnings	Total	Non-controlling Interests	Total Equity
	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
<u>12 months ended 31 March 2012</u>						
Balance as at 1 April 2011	108,000	-	111,277	219,277	1,700	220,977
Total comprehensive income for the period	-	-	52,953	52,953	482	53,435
Dividends	-	-	(6,075)	(6,075)	-	(6,075)
Capitalisation for bonus issue	36,000	-	(36,000)	-	-	-
Expenses incurred for bonus issue	-	-	(80)	(80)	-	(80)
Balance as at 31 March 2012	144,000	-	122,075	266,075	2,182	268,257
<u>12 months ended 31 March 2013</u>						
Balance as at 1 April 2012	144,000	-	122,075	266,075	2,182	268,257
Total comprehensive income for the period	-	-	70,472	70,472	-	70,472
Dividends	-	-	(25,245)	(25,245)	-	(25,245)
Capitalisation for bonus issue	39,600	(11,808)	(27,792)	-	-	-
Share issuance on private placement	14,400	11,808	-	26,208	-	26,208
Share issuance expenses	-	-	(641)	(641)	-	(641)
Transactions with non-controlling interests	-	-	(2,393)	(2,393)	(2,182)	(4,575)
Balance as at 31 March 2013	198,000	-	136,477	334,477	-	334,477

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2012 and the explanatory notes attached to the interim financial statements.

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Interim Financial Statements for the financial period ended 31 March 2013

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Unaudited 12 months ended 31/03/2013 RM' 000	Audited 12 months ended 31/03/2012 RM' 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	95,305	72,503
Adjustments for :		
Non-cash items	(386)	1,256
Non-operating items	(2,115)	(306)
Operating profit before working capital changes	92,804	73,453
<i>Net change in current assets</i>		
Receivables	(21,168)	(28,247)
Inventories	(1,584)	536
Property development costs	40,211	34,790
Payables	100,875	17,342
<i>Net change in current liabilities</i>		
Tax paid	(23,403)	(17,811)
Interest received	2,258	1,068
Interest paid	(143)	(5,063)
Net cash from operating activities	189,849	76,068
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment & intangible assets	(285)	(1,374)
Acquisition of investment properties	(48)	-
Purchase of shares from minority interest in a subsidiary company	(4,100)	-
Proceeds from disposal of property, plant and equipment	1,997	19
Proceeds from disposal of subsidiary company	450	-
Land and development expenditure	(199,868)	(73,920)
Net cash used in investing activities	(201,854)	(75,275)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from borrowings	85,611	76,653
Repayment of borrowings	(68,392)	(48,755)
Proceed from private placement	26,208	-
Fixed deposits	(6)	114
Dividend paid	(25,245)	(6,075)
Repayment to hire purchase / lease creditor	(320)	(61)
Payment of share issue expenses	(642)	(80)
Net cash from financing activities	17,214	21,796
NET INCREASE IN CASH AND CASH EQUIVALENTS	5,209	22,589
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	25,162	2,573
CASH AND CASH EQUIVALENTS AT END OF PERIOD	30,371	25,162
Cash and cash equivalents comprise of :		
Deposits, bank and cash balances	29,546	25,162
Bank overdrafts	-	-
	29,546	25,162

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2012 and the accompanying notes attached to the interim financial statements.

PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard ("FRS") 134, Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2012. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 March 2012.

The significant accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 March 2012 save for the adoption of the following new and revised Financial Reporting Standards ("FRSs"), Issues Committee ("IC") Interpretations and amendments to FRSs and IC Interpretations that are mandatory for the Group for the financial year commencing 1 April 2012:

IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14	Prepayments of Minimum Funding Requirement
Amendments to FRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to FRS 7	Transfers of Financial Assets
Amendments to FRS 112	Deferred Tax: Recovery of Underlying Assets
FRS 124	Related Party Disclosures

The adoption of these new FRSs, amendments and IC Interpretation will have no material impact on the financial statements of the Group. The Group has not early adopted the following FRSs, IC Interpretations and amendments to FRSs, which have been issued and will be effective for the financial periods as stated below:

		Effective date for financial periods beginning on or after
Amendments to FRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to FRS 101	Presentation of Financial Statements	1 January 2013
FRS 10	Consolidated Financial Statements	1 January 2013
FRS 11	Joint Arrangements	1 January 2013
FRS 12	Disclosure of Interests in Other Entities	1 January 2013
FRS 13	Fair Value Measurement	1 January 2013
FRS 119	Employee Benefits	1 January 2013
FRS 127	Separate Financial Statements	1 January 2013
FRS 128	Investment in Associates and Joint Ventures	1 January 2013
Amendments to IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments - (Improvements to FRSs)	1 January 2013
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to FRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 1	First-time Adoption of Malaysian Financial Reporting Standards - Government Loans	1 January 2013
Amendments to FRS 1	First-time Adoption of Malaysian Financial Reporting Standards - (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 116	Property, Plant and Equipment - (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 134	Interim Financial Reporting - (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
FRS 9	Financial Instruments	1 January 2015

The above new FRSs, revised FRSs, IC Interpretations and amendments to FRSs will be adopted by the Group when they become effective and that the initial applications of these Standards and IC interpretations will have no material impact on the financial statements of the Group.

2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 March 2012 was not qualified.

3 Seasonal or Cyclical Factors

The business operations of the Group were not affected by any seasonal or cyclical factors.

4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

5 Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

6 Debt and Equity Securities

Except for the issuance of 14,400,000 new ordinary shares of RM1.00 each at an issue price of RM1.82 each under Private Placement, there were no other issuances and repayment of debts and equity, repurchases, share cancellation or new issuance during the quarter under review and financial year-to-date.

7 Dividends Paid

During the quarter under review, the Company paid an interim gross dividend of 5% per share, less income tax of 25% amounting to RM7,425,000 for the financial year ended 31 March 2013.

8 Segment Information

	Property Development		Other Operation		Adjustments and Eliminations		Per Consolidated Financial Statements	
	31/03/2013 RM' 000	31/03/2012 RM' 000	31/03/2013 RM' 000	31/03/2012 RM' 000	31/03/2013 RM' 000	31/03/2012 RM' 000	31/03/2013 RM' 000	31/03/2012 RM' 000
Revenue:								
External customers	406,688	304,663	1,982	1,749	-	-	408,670	306,412
Inter-segment	16,720	10,644	-	-	(16,720)	(10,644)	-	-
	423,408	315,307	1,982	1,749	(16,720)	(10,644)	408,670	306,412
Results:								
Interest income	2,965	5,707	-	-	(708)	(4,639)	2,258	1,068
Dividend income	108,820	64,280	-	-	(108,820)	(64,280)	-	-
Depreciation and amortisation	(414)	(336)	(614)	(595)	(3)	(3)	(1,032)	(934)
Other non-cash income / (expenses)	11,700	(1,133)	4,378	(258)	(14,870)	1,070	1,208	(321)
Interest expenses	(15,939)	(4,059)	(708)	(1,341)	16,504	4,638	(143)	(762)
Segment profit / (loss)	96,268	75,408	(255)	(1,593)	(708)	(1,312)	95,305	72,503
Assets:								
Additions to non-current assets	211,896	86,038	-	-	-	-	211,896	86,038
Segment assets	833,148	582,355	14,530	16,374	(214,001)	(151,606)	633,678	447,123
Segment liabilities	466,824	282,375	12,506	18,557	(180,130)	(122,066)	299,200	178,866

9 Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment have been brought forward, without any amendments from the previous annual audited financial statements for the year ended 31 March 2012.

10 Material Events Subsequent to the End of the Reporting Period

As announced on 7 January 2013, a wholly-owned subsidiary company had secured a credit facilities for 8 years from a local bank to finance part of the purchase consideration for the acquisition of Puchong land and its Sale and Purchase Agreement ("SPA") was signed on 8 October 2012. The SPA had been completed on 1 April 2013.

Save for the above, there were no material events subsequent to the end of the reporting date up to date of issuance of this interim financial statements.

11 Changes in the Composition of the Group

There were no changes in the composition of the Group during the quarter under review.

12 Changes in Contingent Liabilities and Contingent Assets

There were no changes in contingent liabilities or contingent assets since the last annual statement of financial position as at 31 March 2012.

13 Capital Commitments

Commitments to purchase land held for property development
- Approved and contracted for as at 31 March 2013

RM' 000

78,251

HUA YANG BERHAD (Co. No. 44094-M)**(Incorporated in Malaysia)****Interim Financial Statements for the financial period ended 31 March 2013****PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****14 Income Tax Expenses**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year to Date	Preceding Year Corresponding Year to Date
	31/03/2013 RM' 000	31/03/2012 RM' 000	31/03/2013 RM' 000	31/03/2012 RM' 000
Malaysian income tax	(6,715)	(5,339)	(26,105)	(19,893)
Deferred tax	441	195	1,267	878
	<u>(6,274)</u>	<u>(5,144)</u>	<u>(24,838)</u>	<u>(19,015)</u>
Over/(Under) provision of Malaysian income tax in prior years	(0)	(53)	5	(53)
	<u><u>(6,274)</u></u>	<u><u>(5,197)</u></u>	<u><u>(24,833)</u></u>	<u><u>(19,068)</u></u>

15 Corporate Proposals

As of 22 May 2013, the Company has not announced any corporate proposal.

16 Borrowings - Secured

	As at 31/03/2013 RM' 000	As at 31/03/2012 RM' 000
<u>Short Term Borrowings</u>		
- Hire Purchase	17	72
- Lease	305	-
- Term Loan	2,049	6,367
	<u>2,371</u>	<u>6,439</u>
<u>Long Term Borrowings</u>		
- Hire Purchase	47	72
- Lease	431	-
- Term Loan	101,314	76,567
- Bridging Loan	10,991	14,201
	<u>112,783</u>	<u>90,840</u>

17 Changes in Material Litigation

There were no material litigation since the date of the last annual statement of financial position to the date of this report.

18 Dividends Payable

For the financial year ended 31 March 2013, the Board of Directors propose a final single tier dividend of 8.25% per share amounting to RM16.335 million, subject to the approval of shareholders at the forthcoming Annual General Meeting.

HUA YANG BERHAD (Co. No. 44094-M)**(Incorporated in Malaysia)****Interim Financial Statements for the financial period ended 31 March 2013****PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****19 Earnings Per Share**

Basic earnings per share is calculated by dividing profit for the period attributable to owners of the company by the weighted average number of ordinary shares in issue during the period.

		12 months ended 31/03/2013	12 months ended 31/03/2012
(a) Basic earnings per share			
Profit for the period	(RM' 000)	70,472	52,953
Number of ordinary shares in issue	('000)	198,000	144,000
Weighted average number of ordinary shares in issue	('000)	192,674	183,600
Basic earnings per share	(sen)	36.58	28.84
(b) Diluted earnings per share			
	(sen)	N/A	N/A

20 Review of Group Performance

For the 4th quarter under review, the Group achieved profit after tax of RM17.01 million, representing an increase of RM3.58 million (27%) compared to the preceding year's corresponding quarter.

Revenue achieved for the quarter under review of RM102.40 million was 22% higher than the preceding year corresponding quarter. With the strong total unbilled sales of RM523 million, giving the Group better earnings visibility in the next financial year.

The Group's earnings per share for the period ended 31 March 2013 was 36.58 sen.

The performance of the respective operating business segments are analysed as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year to Date	Preceding Year Corresponding Year to Date
	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	RM' 000	RM' 000	RM' 000	RM' 000
Revenue				
Property Development	101,886	83,671	406,688	304,663
Other Operation	512	611	1,982	1,749
	102,398	84,282	408,670	306,412
Profit before tax				
Property Development	23,647	18,621	94,853	72,784
Other Operation	(365)	(46)	452	(281)
	23,282	18,575	95,305	72,503

HUA YANG BERHAD (Co. No. 44094-M)

(Incorporated in Malaysia)

Interim Financial Statements for the financial period ended 31 March 2013

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

20 Review of Group Performance (contd.)

(a) Property development:

For the quarter under review, revenue and profit before tax increased 22% and 25% respectively as compared to previous financial year corresponding quarter. Steady construction progress recognition at all on-going project throughout Malaysia was the major contributor to the higher revenue and profit before tax.

(b) Other operations:

Revenue and profit from other operations mainly consisted of rental income derived from the operation of commercial properties under the "build, operate and transfer" concession with local authorities.

21 Material Changes in the Quarterly Results compared to the Results of the Immediate Preceding Quarter

The Group's profit before tax for the quarter under review of RM23.28 million was RM3.71 million or 14% lower than the immediate preceding quarter ended 31 December 2012 of RM26.99 million.

22 Current Year Prospects

The Board is satisfied with the growth momentum, strong demand and sales achieved for the 4th quarter under review and for the year ended 31 March 2013. Based on the Group's pipeline of ongoing and upcoming projects, the Board is positive of posting improved results for the financial year ending 31 March 2014.

23 Explanatory Notes for Variance of Actual Profit from Forecast Profit / Profit Guarantee

Not applicable

24 Authorisation For Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors passed at the Board of Directors' meeting held on 22 May 2013.

25 Realised and Unrealised Profits/Losses

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and 20 December 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	As at 31/03/2013 (RM' 000)	As at 31/03/2012 (RM' 000)
Total retained profits of the Company and its subsidiaries:		
- Realised	163,494	140,736
- Unrealised	(690)	879
	162,804	141,615
Less: Consolidation adjustments	(26,327)	(19,540)
Total group retained profits as per consolidated accounts	136,477	122,075