

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

**Interim Financial Statements for the financial period ended 30 September 2014**

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
	30/09/2014 RM' 000	30/09/2013 RM' 000	30/09/2014 RM' 000	30/09/2013 RM' 000
Revenue	139,491	101,245	275,961	181,744
Cost of Sales	(94,264)	(72,174)	(187,507)	(127,987)
<b>Gross Profit</b>	<b>45,227</b>	<b>29,071</b>	<b>88,454</b>	<b>53,757</b>
Other Income	868	347	1,472	768
Selling and Marketing Expenses	(3,788)	(7,387)	(8,005)	(10,833)
Administrative and General Expenses	(6,835)	(5,256)	(13,613)	(10,260)
<b>Operating Profit</b>	<b>35,472</b>	<b>16,775</b>	<b>68,308</b>	<b>33,432</b>
Finance Costs	(301)	(85)	(564)	(98)
<b>Profit Before Taxation</b>	<b>35,171</b>	<b>16,690</b>	<b>67,744</b>	<b>33,334</b>
Income Tax Expenses	(9,189)	(4,362)	(17,820)	(8,687)
<b>Profit For The Period</b>	<b>25,982</b>	<b>12,328</b>	<b>49,924</b>	<b>24,647</b>
Profit attributable to:				
Owners of the Company	25,982	12,328	49,924	24,647
Non-controlling Interests	-	-	-	-
	<b>25,982</b>	<b>12,328</b>	<b>49,924</b>	<b>24,647</b>
<b>Earnings Per Share Attributable To Owners Of The Company (sen)</b>				
Basic, for profit for the period	9.84	4.67	18.91	9.34

**The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2014 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 30 September 2014**

The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING YEAR TO DATE
	30/09/2014 RM' 000	30/09/2013 RM' 000	30/09/2014 RM' 000	30/09/2013 RM' 000
Profit For The Period	25,982	12,328	49,924	24,647
Other Comprehensive Income For The Period, Net Of Income Tax	-	-	-	-
<b>Total Comprehensive Income For The Period, Net Of Income Tax</b>	<b>25,982</b>	<b>12,328</b>	<b>49,924</b>	<b>24,647</b>
Total Comprehensive Income Attributable To :				
Owners of the Company	25,982	12,328	49,924	24,647
Non-controlling Interests	-	-	-	-
	<b>25,982</b>	<b>12,328</b>	<b>49,924</b>	<b>24,647</b>

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

Interest Income	227	182	455	399
Other Income Including Investment Income	641	165	1,017	369
Interest Expense	301	85	564	98
Depreciation & Amortization	306	283	608	557
Provision For/Write Off of Receivables	-	10	-	15
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	N/A	N/A	N/A	N/A
Impairment of Assets	N/A	N/A	N/A	N/A
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 2014 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 30 September 2014**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	(UNAUDITED)	(AUDITED)
	As at	As at
	30/09/2014	31/03/2014
	RM' 000	RM' 000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	7,654	7,659
Concession assets	12,302	12,609
Land held for property development	351,200	365,367
Investment property	1,539	1,558
Other receivables	4,092	3,984
Fixed deposit with licenced bank	1,060	1,058
Intangible assets	9,074	9,074
Deferred tax assets	2,769	2,585
	<u>389,690</u>	<u>403,894</u>
<b>Current assets</b>		
Inventories	9,844	6,482
Property development costs	159,503	141,890
Trade and other receivables	68,059	82,644
Other current assets	157,033	162,725
Cash and bank balances	43,852	35,130
	<u>438,291</u>	<u>428,871</u>
<b>TOTAL ASSETS</b>	<u>827,981</u>	<u>832,765</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	120,393	174,485
Other current liabilities	1,674	-
Short term borrowings	75,921	60,671
Taxation	14,581	8,552
	<u>212,569</u>	<u>243,708</u>
<b>Net current assets</b>	<u>225,722</u>	<u>185,163</u>
<b>Non-current liabilities</b>		
Trade and other payables	15,761	10,954
Deferred tax liabilities	1,710	2,512
Long term borrowings	161,035	188,609
	<u>178,506</u>	<u>202,075</u>
<b>TOTAL LIABILITIES</b>	<u>391,075</u>	<u>445,783</u>
<b>Net assets</b>	<u>436,906</u>	<u>386,982</u>
<b>Total equity attributable to owners of the Company</b>		
Share capital	264,000	264,000
Reserves	172,906	122,982
<b>TOTAL EQUITY</b>	<u>436,906</u>	<u>386,982</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>827,981</u>	<u>832,765</u>
<b>Net Assets Attributable to Owners of the Company</b>	<b>436,906</b>	<b>386,982</b>
<b>Net Assets Per Share Attributable to Owners of the Company (RM)</b>	<b>1.65</b>	<b>1.47</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2014 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 30 September 2014**

The figures have not been audited.

**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
<b><u>6 months ended 30 September 2013</u></b>						
Balance as at 1 April 2013	198,000	-	136,477	334,477	-	334,477
Total comprehensive income for the period	-	-	24,647	24,647	-	24,647
Dividends	-	-	(16,335)	(16,335)	-	(16,335)
Balance as at 30 September 2013	<u>198,000</u>	<u>-</u>	<u>144,789</u>	<u>342,789</u>	<u>-</u>	<u>342,789</u>
<b><u>6 months ended 30 September 2014</u></b>						
Balance as at 1 April 2014	<b>264,000</b>	-	<b>122,982</b>	<b>386,982</b>	-	<b>386,982</b>
Total comprehensive income for the period	-	-	<b>49,924</b>	<b>49,924</b>	-	<b>49,924</b>
Balance as at 30 September 2014	<u><b>264,000</b></u>	<u>-</u>	<u><b>172,906</b></u>	<u><b>436,906</b></u>	<u>-</u>	<u><b>436,906</b></u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2014 and the 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 30 September 2014**

The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>6 months ended 30/09/2014 RM' 000</b>	<b>6 months ended 30/09/2013 RM' 000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	67,744	33,334
Adjustments for :		
Non-cash items	602	521
Non-operating items	109	(301)
Operating profit before working capital changes	68,455	33,554
<i>Net change in current assets</i>		
Receivables	20,174	(36,986)
Inventories	(3,363)	2,011
Property development costs	20,136	10,683
Payables	(34,411)	(75,327)
<i>Net change in current liabilities</i>		
Tax paid	(12,778)	(10,002)
Interest received	455	399
Interest paid	(564)	(98)
Net cash from / (used in) operating activities	58,104	(75,766)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangible assets	(278)	(608)
Land and development expenditure	(23,578)	(19,953)
Net cash used in investing activities	(23,856)	(20,561)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	29,278	115,277
Repayment of borrowings	(47,432)	(18,254)
Fixed deposits	(3)	(3)
Dividend paid	(13,200)	(16,335)
Repayment to hire purchase / lease creditor	(171)	(170)
Net cash (used in) / from financing activities	(31,528)	80,515
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>2,720</b>	<b>(15,812)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>30,213</b>	<b>29,545</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>32,933</b>	<b>13,733</b>
Cash and cash equivalents comprise of :		
Deposits, bank and cash balances	43,852	15,663
Bank overdrafts	(10,919)	(1,930)
	<b>32,933</b>	<b>13,733</b>

**The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2014 and the accompanying 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 30 September 2014**

**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 2014. 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 2014.

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 2014 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 2014:

Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 10, FRS 12 and FRS 127	Investment Entities
Amendments to FRS 136	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to FRS 139	Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretation 21	Levies

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 and amendments to FRSs that have been issued but not yet effective:

	Effective for financial periods beginning on or after
Amendments to FRS 119	1 July 2014
Annual Improvements to FRSs 2010 - 2012 Cycle	1 July 2014
Annual Improvements to FRSs 2011 - 2013 Cycle	1 July 2014
Amendments to FRS 11	1 January 2016
FRS 14	1 January 2016
Amendments to FRS 116 and FRS 138	1 January 2016
FRS 9 Financial Instruments (IFRS 9 issued by IASB* in November 2009)	To be announced
FRS 9 Financial Instruments (IFRS 9 issued by IASB* in October 2010)	To be announced
FRS 9 Financial Instruments: Hedge Accounting and amendments to FRS 9, FRS 7 and FRS 139	To be announced

\* International Accounting Standards Board

These new and amended standards will have no material impact on the financial statements of the Group upon their initial application.

**HUA YANG BERHAD (Co. No. 44094-M)**  
**(Incorporated in Malaysia)**  
**Interim Financial Statements for the financial period ended 30 September 2014**

**PART A - EXPLANATORY NOTES PURSUANT TO FRS 134**

**2 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the year ended 31 March 2014 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.

**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**

There were no issuance 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**

No dividend has been paid during the quarter under review.

**8 Segment Information**

	Property Development		Other Operation		Adjustments and Eliminations		Per Consolidated Financial Statements	
	30/09/2014 RM' 000	30/09/2013 RM' 000	30/09/2014 RM' 000	30/09/2013 RM' 000	30/09/2014 RM' 000	30/09/2013 RM' 000	30/09/2014 RM' 000	30/09/2013 RM' 000
<b>Revenue:</b>								
External customers	274,833	180,679	1,128	1,065	-	-	275,961	181,744
Inter-segment	1,071	3,314	-	-	(1,071)	(3,314)	-	-
	<b>275,904</b>	183,993	<b>1,128</b>	1,065	<b>(1,071)</b>	(3,314)	<b>275,961</b>	181,744
<b>Results:</b>								
Interest income	455	399	-	-	-	-	455	399
Dividend income	-	(40,500)	-	-	-	40,500	-	-
Depreciation and amortisation	(300)	(249)	(307)	(307)	(1)	(1)	(608)	(557)
Other non-cash income / (expenses)	(0)	(18)	6	52	-	-	6	34
Interest expenses	(564)	(98)	-	-	-	-	(564)	(98)
Segment profit / (loss)	<b>67,365</b>	32,904	<b>379</b>	430	-	-	<b>67,744</b>	33,334
<b>Assets:</b>								
Additions to non-current assets	24,362	22,878	-	-	-	-	24,362	22,878
Segment assets	<b>1,109,937</b>	916,479	<b>13,167</b>	14,545	<b>(295,123)</b>	(266,828)	<b>827,981</b>	664,196
<b>Segment liabilities</b>	<b>641,735</b>	542,037	<b>14,583</b>	12,116	<b>(265,243)</b>	(232,746)	<b>391,075</b>	321,407

**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 2014.

**10 Material Events Subsequent to the End of the Reporting Period**

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 2014.

**13 Capital Commitments**

Commitments to purchase land held for property development  
- Approved and contracted for as at 30 September 2014

**RM' 000**

**22,631**

**HUA YANG BERHAD (Co. No. 44094-M)****(Incorporated in Malaysia)****Interim Financial Statements for the financial period ended 30 September 2014****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 30/09/2014 RM' 000	Preceding Year Corresponding Quarter 30/09/2013 RM' 000	Current Year to Date 30/09/2014 RM' 000	Preceding Year Corresponding Year to Date 30/09/2013 RM' 000
Malaysian income tax	(9,653)	(4,492)	(18,789)	(8,991)
Deferred tax	464	130	969	304
	<u>(9,189)</u>	<u>(4,362)</u>	<u>(17,820)</u>	<u>(8,687)</u>
Over/(Under) provision of Malaysian income tax in prior years	-	-	-	-
	<u>(9,189)</u>	<u>(4,362)</u>	<u>(17,820)</u>	<u>(8,687)</u>

**15 Corporate Proposals**

As of 23 October 2014, the Company has not announced any corporate proposal.

**16 Borrowings - Secured**

	As at 30/09/2014 RM' 000	As at 31/03/2014 RM' 000
Bank Overdrafts	10,919	4,917
Short Term Bank Borrowings	65,002	55,754
Long Term Bank Borrowings	161,035	188,609
	<u>236,956</u>	<u>249,280</u>

**Status of Sukuk Murabahah Programme announced and completed:**

On 29 April 2014, Public Investment Bank Berhad had, on behalf of the Board announced that the Company has obtained approval from the Securities Commission Malaysia on 28 April 2014 with regards to the proposed Sukuk Murabahah Programme of up to RM250.0 million in nominal value.

Proceed raised from the Sukuk Murabahah Programme issuance shall be utilised to part finance the acquisition cost of the Shariah compliant development land(s) and/or such other Shariah compliant property(ies).

There were no drawdown of facilities up to the date of issuance of this interim financial statements.

**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**

No interim dividend has been declared for the financial period ended 30 June 2014.



**HUA YANG BERHAD (Co. No. 44094-M)****(Incorporated in Malaysia)****Interim Financial Statements for the financial period ended 30 September 2014****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.

		<b>6 months ended 30/09/2014</b>	<b>6 months ended 30/09/2013</b>
(a) Basic earnings per share			
Profit for the period	(RM' 000)	<u>49,924</u>	<u>24,647</u>
Number of ordinary shares at beginning of the year	('000)	<b>264,000</b>	198,000
Effect of shares issued pursuant to:			
- Bonus Issue	('000)	<u>-</u>	<u>66,000</u>
Weighted average number of ordinary shares	('000)	<u>264,000</u>	<u>264,000</u>
Basic earnings per share	(sen)	<b>18.91</b>	9.34
(b) Diluted earnings per share			
	(sen)	N/A	N/A

**20 Review of Group Performance**

For the quarter under review, the Group achieved profit after tax of RM25.98 million, representing an increase of RM13.65 million (111%) as compared to the preceding year's corresponding quarter.

Revenue achieved for the quarter under review of RM139.49 million was 38% higher than the preceding year corresponding quarter.

Total unbilled sales at the end of the quarter under review stood at RM717.86 million.

The Group's earnings per share for the period ended 30 September 2014 was 18.91 sen.

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

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Year Quarter 30/09/2014 RM' 000</b>	<b>Preceding Year Corresponding Quarter 30/09/2013 RM' 000</b>	<b>Current Year to Date 30/09/2014 RM' 000</b>	<b>Preceding Year Corresponding Year to Date 30/09/2013 RM' 000</b>
<b>Revenue</b>				
Property Development	<b>138,935</b>	100,737	<b>274,833</b>	180,679
Other Operation	<b>556</b>	508	<b>1,128</b>	1,065
	<u><b>139,491</b></u>	<u>101,245</u>	<u><b>275,961</b></u>	<u>181,744</u>
<b>Profit before tax</b>				
Property Development	<b>35,010</b>	16,441	<b>67,365</b>	32,904
Other Operation	<b>161</b>	249	<b>379</b>	430
	<u><b>35,171</b></u>	<u>16,690</u>	<u><b>67,744</b></u>	<u>33,334</u>

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

**(Incorporated in Malaysia)**

**Interim Financial Statements for the financial period ended 30 September 2014**

**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 by 38% and 113% respectively as compared to the previous financial year corresponding quarter. The higher revenue and profit before tax were contributed from steady construction progress from all on-going projects throughout Malaysia.

**(b) Other operations:**

Revenue and profit from other operations mainly consist 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 RM35.17 million was RM2.60 million or 8% higher than the immediate preceding quarter ended 30 June 2014 of RM32.57 million.

**22 Current Year Prospects**

Despite challenging market conditions, the Board remains positive of posting improved results for the financial year ending 31 March 2015 based on the Group's pipeline of on-going and upcoming launches.

**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 23 October 2014.

**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.

	<b>As at 30/09/2014 (RM' 000)</b>	<b>As at 31/03/2014 (RM' 000)</b>
Total retained profits of the Company and its subsidiaries:		
- Realised	<b>200,002</b>	150,530
- Unrealised	<b>1,373</b>	386
	<b>201,375</b>	150,916
Less: Consolidation adjustments	<b>(28,469)</b>	(27,934)
Total group retained profits as per consolidated accounts	<b>172,906</b>	122,982