

**UOA DEVELOPMENT BHD (654023-V)**  
**(Incorporated in Malaysia)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**FOR THE QUARTER ENDED 31 MARCH 2011**

	<b>As At</b> <b>31 March 2011</b> <b>RM'000</b>	<b>As At</b> <b>31 December 2010</b> <b>RM'000</b> <b>(Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	50,711	50,932
Investment properties	462,205	354,783
Land held for property development	82,321	78,343
Available-for-sale financial assets	24,117	26,797
Deferred tax assets	8,950	8,929
	<u>628,304</u>	<u>519,784</u>
<b>Current assets</b>		
Property development costs	435,253	335,192
Inventories	166,750	184,069
Trade and other receivables	201,659	188,389
Amount owing by holding company	-	22,036
Amount owing by related companies	-	2,465
Short term investments	732	1,423
Fixed deposits with licensed banks	5,720	12,517
Cash and bank balances	61,177	24,256
	<u>871,291</u>	<u>770,347</u>
<b>TOTAL ASSETS</b>	<u><u>1,499,595</u></u>	<u><u>1,290,131</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	43,755	43,755
Merger reserve	2,252	2,252
Fair value reserve	3,215	5,895
Unappropriated profit	759,053	629,008
Equity attributable to owners of the Company	808,275	680,910
Non-controlling interests	24,623	21,059
<b>Total equity</b>	<u>832,898</u>	<u>701,969</u>
<b>Non-current liabilities</b>		
Amounts owing to non-controlling shareholders of subsidiary companies	52,833	36,948
Hire purchase and finance lease liabilities	2,405	2,540
Long term borrowings	2,065	2,065
Deferred tax liability	15,030	10,498
	<u>72,333</u>	<u>52,051</u>
<b>Current liabilities</b>		
Trade and other payables	130,240	160,075
Amount owing to holding company	356,295	211,638
Amount owing to related companies	9,616	10,124
Hire purchase and finance lease liabilities	2,559	2,374
Short term borrowings	92,994	149,432
Current tax liabilities	2,660	2,468
	<u>594,364</u>	<u>536,111</u>
<b>TOTAL LIABILITIES</b>	<u>666,697</u>	<u>588,162</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>1,499,595</u></u>	<u><u>1,290,131</u></u>
<b>Net Asset Per Share (RM)</b>	<u>18.47</u>	<u>15.56</u>
Based on number of shares	<u>43,754,820</u>	<u>43,754,820</u>

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**FOR THE QUARTER ENDED 31 MARCH 2011**

- \* *UOA Development Bhd and its subsidiaries ("the Group") has adopted the Merger Method of Accounting in respect of acquisition of subsidiaries under common control except for certain subsidiaries which were acquired by way of cash and accounted for under the Purchase Method of Accounting. Under the Merger Method of Accounting, the Group's consolidated results for the current financial period ended 31 March 2011 comprise the consolidated results of all subsidiaries as if the merger had been effected throughout the entire financial year to date while for Purchase Method of Accounting, the results are consolidated from the date the control effectively commenced.*

The condensed consolidated statement of financial position should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 31 December 2010 as disclosed in the Prospectus of UOA Development Bhd ("the Company") dated 18 May 2011 and the accompanying explanatory notes attached to the interim financial statements.

**UOA DEVELOPMENT BHD (654023-V)**  
**(Incorporated in Malaysia)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 31 MARCH 2011**

	<b>Individual Quarter Ended</b>		<b>Cumulative Quarter Ended</b>	
	<b>31 March 2011</b>	<b>31 March 2010</b>	<b>31 March 2011</b>	<b>31 March 2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	145,734	-	145,734	-
Cost of sales	<u>(69,670)</u>	<u>-</u>	<u>(69,670)</u>	<u>-</u>
Gross profit	76,064	-	76,064	-
Fair value adjustment on investment properties	92,253	-	92,253	-
Other income	9,318	-	9,318	-
Administrative and general expenses	(19,517)	-	(19,517)	-
Other expenses	(1,676)	-	(1,676)	-
Finance costs	<u>(749)</u>	<u>-</u>	<u>(749)</u>	<u>-</u>
Profit before tax	155,693	-	155,693	-
Tax expense	<u>(22,084)</u>	<u>-</u>	<u>(22,084)</u>	<u>-</u>
Profit for the period	<u>133,609</u>	<u>-</u>	<u>133,609</u>	<u>-</u>
Other comprehensive income, net of tax				
Fair value adjustment on available-for-sale financial assets	(2,680)	-	(2,680)	-
Total comprehensive income for the period	<u>130,929</u>	<u>-</u>	<u>130,929</u>	<u>-</u>
Profit attributable to:				
Owners of the Company	130,045	-	130,045	-
Non-controlling interests	<u>3,564</u>	<u>-</u>	<u>3,564</u>	<u>-</u>
	<u>133,609</u>	<u>-</u>	<u>133,609</u>	<u>-</u>
Total comprehensive income attributable to:				
Owners of the Company	127,365	-	127,365	-
Non-controlling interests	<u>3,564</u>	<u>-</u>	<u>3,564</u>	<u>-</u>
	<u>130,929</u>	<u>-</u>	<u>130,929</u>	<u>-</u>
<b>Earnings per share (RM)</b>				
- Basic earnings per share	<u>2.97</u>	<u>N/A</u>	<u>2.97</u>	<u>N/A</u>
- Diluted earnings per share	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial statements for the year ended 31 December 2010 as disclosed in the Prospectus of the Company dated 18 May 2011 and the accompanying explanatory notes attached to the interim financial statements.

**UOA DEVELOPMENT BHD (654023-V)**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 31 MARCH 2011**

	← Attributable to Owners of the Company →							
	Share Capital RM'000	Non-distributable Merger Reserve RM'000	Fair Value Reserve RM'000	Unappropriated profit RM'000	Total RM'000	Non- controlling interest RM'000	Total Equity RM'000	
Balance at 1 January 2011	43,755	2,252	5,895	629,008	680,910	21,059	701,969	
Total comprehensive income for the period	-	-	(2,680)	130,045	127,365	3,564	130,929	
Balance at 31 March 2011	<u>43,755</u>	<u>2,252</u>	<u>3,215</u>	<u>759,053</u>	<u>808,275</u>	<u>24,623</u>	<u>832,898</u>	

The condensed consolidated statement of changes in equity should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the year ended 31 December 2010 as disclosed in the Prospectus of the Company dated 18 May 2011 and the accompanying explanatory notes attached to the interim financial statements.

**UOA DEVELOPMENT BHD (654023-V)**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED 31 MARCH 2011**

	<b>Current Year To Date 31 March 2011 RM'000</b>	<b>Preceding Year To Date 31 March 2010 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	155,693	-
Adjustment for:		
Non-cash items	(90,847)	-
Non-operating items	(1)	-
Dividend income	(861)	-
Net interest expense	(3,602)	-
Operating profit before changes in working capital	60,382	-
Net changes in current assets	(96,040)	-
Net changes in current liabilities	(30,018)	-
Cash used in operations	(65,676)	-
Interest received	101	-
Tax paid	(17,381)	-
Net cash used in operating activities	(82,956)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Advances from holding company	22,036	-
Advances from related companies	2,465	-
Dividend received	861	-
Proceeds from disposal of property, plant and equipment	6	-
Additions to investment properties	(15,169)	-
Purchase of property, plant and equipment	(326)	-
Purchase of land held for property development	(3,978)	-
Interest income	41	-
Net cash generated from investing activities	5,936	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advances from holding company	144,657	-
Repayment to related companies	(508)	-
Payment of hire purchase and finance lease liabilities	(603)	-
Net repayment of borrowings	(56,438)	-
Advances from non-controlling shareholders of subsidiary companies	19,442	-
Interest paid	(97)	-
Net cash used in financing activities	106,453	-
<b>Net increase in cash and cash equivalents</b>	<b>29,433</b>	<b>-</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>38,196</b>	<b>-</b>
<b>Cash and cash equivalents at end of period</b>	<b>67,629</b>	<b>-</b>
Cash and cash equivalents at end of period comprises:		
Short term investments	732	-
Fixed deposits with licensed banks	5,720	-
Cash and bank balances	61,177	-
	67,629	-

The condensed consolidated statement of cash flows should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the year ended 31 December 2010 as disclosed in the Prospectus of the Company dated 18 May 2011 and the accompanying explanatory notes attached to the interim financial statements.

## **EXPLANATORY NOTES TO THE QUARTERLY REPORT FOR THE QUARTER ENDED 31 MARCH 2011**

### **A EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD (“FRS”) 134, INTERIM FINANCIAL REPORTING**

#### **A1 BASIS OF PREPARATION**

The interim financial report has been prepared in accordance with FRS 134, Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the year ended 31 December 2010 as disclosed in the Prospectus of the Company dated 18 May 2011 and the accompanying explanatory notes attached to this interim financial report.

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 Company and its subsidiaries (“the Group”) since the year ended 31 December 2010.

#### **A2 CHANGES IN ACCOUNTING POLICIES**

The significant accounting policies adopted are consistent with those of the audited financial statements of the Group for the year ended 31 December 2010, except for the adoption of the following relevant revised FRSs, Amendments to FRSs and Issues Committee Interpretation (“IC Interpretation”):

FRS 1	First-time Adoption of Financial Reporting Standards (revised)
FRS 3	Business Combinations (revised)
FRS 127	Consolidated and Separate Financial Statements (revised)
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards
Amendments to FRS 7	Financial Instruments: Disclosures
Amendments to FRS 132	Financial Instruments: Presentation
IC Interpretation 4	Determining Whether an Arrangement Contains a Lease

The adoption of the above revised FRSs, Amendments to FRSs and IC Interpretation do not have any significant financial impact on the Group.

**A3 COMPARATIVE FIGURES**

This is the first financial year in which interim financial reports are prepared by the Company in compliance with the Listing Requirements of Bursa Securities and consequently, there are no comparative figures presented in this report.

**A4 QUALIFIED AUDIT REPORT**

The auditors' report of the financial statements of the Company for the financial year ended 31 December 2010 was not qualified.

**A5 COMMENTS ON SEASONALITY OR CYCLICALITY OF OPERATIONS**

The business operations of the Group during the financial period under review have not been materially affected by any seasonal or cyclical factors.

**A6 UNUSUAL ITEMS**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the quarter under review.

**A7 MATERIAL CHANGES IN ESTIMATES**

There were no material changes in estimates that have had a material effect in the current quarter results.

**A8 DEBT AND EQUITY SECURITIES**

Save as disclosed below, there were no issuance, cancellation, repurchase, resale and repayment of debt and/or equity securities, share buybacks, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter.

The authorised share capital of the Company of RM50,000,000 comprising 50,000,000 ordinary shares of RM1.00 each was increased to RM100,000,000 divided into 2,000,000,000 shares by the creation of 1,950,000,000 shares. The increase in authorised share capital was completed on 12 January 2011.

On 26 April 2011, the Company completed a share split involving the sub-division of the par value of the ordinary share of RM1.00 each to RM0.05 each.

**A9 DIVIDENDS PAID**

There were no dividends paid during the current quarter under review.

**A10 OPERATING SEGMENT INFORMATION**

The segmental analysis for the financial period ended 31 March 2011 is as follows:

	<b>Property development</b>	<b>Construction</b>	<b>Others</b>	<b>Elimination</b>	<b>Consolidated</b>
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>					
External revenue	145,734	-	-	-	145,734
Inter-segment revenue	-	131,243	-	(131,243)	-
<hr style="border-top: 1px dashed black;"/>					
Total revenue	145,734	131,243	-	(131,243)	145,734
<hr style="border-top: 1px dashed black;"/>					
<b>Results</b>					
Segment results	64,989	9,679	88,020	(6,995)	155,693
Tax expense					(22,084)
					<hr style="border-top: 1px dashed black;"/>
Profit for the period					133,609
					<hr style="border-top: 3px double black;"/>

**A11 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD**

Saved as disclosed in Section B8 the Status of Corporate Proposals, there were no material events subsequent to the end of the current quarter and up to 30 May 2011, being the latest practicable date from the date of this report.

**A12 EFFECT OF CHANGES IN THE COMPOSITION OF THE GROUP**

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

**A13 CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

There were no contingent liabilities or contingent assets in respect of the Group since the last annual reporting date.



**A14 CAPITAL COMMITMENTS**

The Group has the following capital commitments:

	<b>As at 31 March 2011</b>
	RM'000
Approved and contracted for	
- Purchase of land for development	27,476
- Purchase of plant and equipment	2,988
	-----
	<b>30,464</b>
	=====

**A15 RELATED PARTY TRANSACTIONS**

**As at  
31 March 2011**  
RM'000

*Transactions with directors of the Company and subsidiary companies, members of their family and companies, in which they have interests:*

Sales of development properties to directors of the Company	2,033
Sales of development properties to a company in which a director of the Company has substantial financial interest	398
Holding company	
- Rental received	744
- Rental paid	15
- Management fee paid	3,567
Rental paid to a related company	8
	=====

*Transactions with companies in which the holding company is deemed interested:*

Rental received	86
Management fees paid	63
Landscaping services paid	41
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**B EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1 REVIEW OF PERFORMANCE**

The Group registered revenue of RM145.7 million and profit before tax of RM155.7 million for the current quarter and financial year to date. The current period profit after tax was arrived at after expensing RM21.9 million for administrative and general expenses and RM22.1 million for tax expense.

Total expenditure for the quarter under review of RM21.9 million comprises marketing expenses of RM10.2 million, property maintenance expenses of RM1.7 million, finance costs of RM0.7 million and administrative and operating expenses of RM9.3 million.

The Group's profit and revenue were mainly derived from progressive recognition from on-going development projects which include The Horizon Phase II, Kepong Business Park and Binjai 8, and sales of inventories.

During the quarter, the Group also recognised fair value gains amounting to RM92.3 million due to the completion of Blocks 3 and 4 of The Horizon Phase II which are held as investment properties.

**B2 MATERIAL CHANGES IN INCOME BEFORE TAXATION FOR THE QUARTER AS COMPARED WITH THE IMMEDIATE PRECEDING QUARTER**

No comparative figures are presented for the immediate preceding quarter as this is the first consolidated results of the Group being prepared by the Company.

**B3 PROSPECTS**

The Malaysia property market outlook remains positive on the back of various government initiatives and solid economic fundamentals of the country. The health of the property market is evidenced in the strong sales from the Group's recently launched development projects such as Setapak Green, as well as Camellia Service Apartments and Annex Building in Bangsar South. The sales have translated into a substantial increase in the Group's unbilled sales. The substructure construction of these development projects has reached an advanced stage and is expected to reach their superstructure in the second half of this year. The demand for commercial space in The Horizon, Bangsar South has been encouraging gauging from the increased sales and rental enquiries received by the Sales and Marketing department.

The Group intends to launch two other development projects in the coming months namely, the Ceylon Hotel Suites located within the Kuala Lumpur Golden Triangle and Kiara IV which is in the vicinity of Segambut. Together, the two development projects have an estimated gross development value of approximately RM400.0 million.

**B4 VARIANCES BETWEEN ACTUAL PROFIT AND FORECAST PROFIT**

Not applicable as no profit forecast was published.

**B5 TAX EXPENSE**

The breakdown of the tax components is as follows:

	Current Quarter		Year To Date	
	31 March 2011 RM'000	31 March 2010 RM'000	31 March 2011 RM'000	31 March 2010 RM'000
In respect of current period				
- income tax	17,897	-	17,897	-
- deferred tax	-	-	-	-
- deferred Real Property Gains Tax (RPGT)	4,187	-	4,187	-
In respect of prior period				
- income tax	-	-	-	-
- deferred tax	-	-	-	-
Tax expense for the period	22,084	-	22,084	-

The Group's effective tax rate for the current quarter is lower than the statutory tax rate of 25% mainly due to difference between income tax rate and RPGT rate applicable on fair value adjustments on investment properties.

**B6 PROFIT ON SALE OF UNQUOTED INVESTMENTS AND PROPERTIES**

There were no sales of unquoted investments and properties during the current quarter.

**B7 QUOTED SECURITIES**

- (a) There were no purchases or disposals of quoted securities during the current quarter.
- (b) The total investments in quoted securities as at 31 March 2011 were as follows:-

	Available-for-sale Investment RM'000
At cost	30,335
At book value/carrying amount	24,117
At fair value	24,117

## **B8 STATUS OF CORPORATE PROPOSAL**

In conjunction with the proposed listing of and quotation of the entire enlarged issued and paid-up share capital on the main market of Bursa Malaysia Securities Berhad, the Group has carried out the following:

### 1) Pre-IPO Restructuring

The Pre-IPO Restructuring comprised the following:

#### (i) Acquisitions:

(a) on 17 January 2011, the Company entered into conditional sale and purchase agreements with the 50 minority shareholders of UOA Properties Bhd ("UOAP") to acquire the remaining 50 shares of RM1.00 each in UOAP not owned by the Company for a cash purchase consideration of RM1.00 for each ordinary share of RM1.00 in UOAP. The purchase consideration was determined after taking into consideration the net asset value of UOAP as at 30 September 2010. This sale and purchase was completed on 22 April 2011; and

(b) on 17 January 2011, the Company entered into a conditional sale and purchase agreement with, inter alia, UOA Corporation Bhd ("UOAC") to acquire from UOAC 117,000 ordinary shares of RM1.00 each in Everise Project Sdn Bhd ("EP") and 8,315,156 RPS of RM0.01 each in EP, representing 39.00% of the issued and paid-up share capital of EP for a purchase consideration of RM18,569,980.00 to be satisfied by the issuance of 1,688,180 ordinary shares of RM1.00 each by the Company at an issue price of RM11.00 per share to UOAC or its nominee. Arising therefrom, UOAC nominated UOAH to receive the said shares. The purchase consideration was determined after taking into consideration the net asset value of EP as at 30 September 2010. This sale and purchase was completed on 22 April 2011;

(ii) subsequent to the completion of the Acquisitions, the Company completed the Share Split resulting in the revision of the Company's issued and paid-up share capital from RM45,443,000.00 comprising 45,443,000 ordinary shares of RM1.00 each (post completion of the Acquisitions) to RM45,443,000.00 comprising 908,860,000 Shares.

2) The Company on 18 May 2011 issued a Prospectus for the public issue of 287,000,000 new ordinary shares of RM0.05 each ("the Issue shares") and offer for sale by existing shareholders of up to 120,000,000 ordinary shares of RM0.05 each ("the Offer Shares") at an issue/offer price of RM2.90 per share.

The Issue Shares and Offer Shares (collectively "the IPO Shares") will be available for subscription as follows:

- Institutional offering of up to 337,000,000 IPO Shares to Malaysian and foreign institutional and selected investors at an institutional price to be determined by way of bookbuilding.
- Retail offering of up to 70,000,000 IPO Shares to the Malaysian public, eligible directors, employees and persons who have contributed to the success of the Group .

The entire enlarged issued and paid up ordinary share capital of RM59,793,000 comprising 1,195,860,000 ordinary shares of RM0.05 each is expected to be listed on the Main Market of Bursa Malaysia Securities Berhad on 8 June 2011.

- 3) On 27 May 2011, following the completion of the bookbuilding exercise under the Institutional Offering on 26 May 2011, the Company announced that the Institutional Price and Final Retail Price have been fixed at RM2.60 per share and RM2.52 per share respectively.

## B9 BORROWINGS AND DEBT SECURITIES

The Group does not have any debt securities. The Group borrowings are denominated in Ringgit Malaysia ("RM") as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Current</u>			
- Revolving credits	15,757	77,000	92,757
- Bridging loans	237	-	237
	-----	-----	-----
<u>Non-current</u>			
- Revolving credits	15,994	77,000	92,994
	2,065	-	2,065
	-----	-----	-----
	18,059	77,000	95,059
	=====	=====	=====

## B10 DERIVATIVE FINANCIAL INSTRUMENTS

The Group does not have any derivative financial instruments as at the date of this report.

## B11 FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

The Group does not have any financial liabilities that are measured at fair value at the date of this report.

**B12 DISCLOSURE OF REALISED AND UNREALISED PROFITS**

	<b>As at 31 March 2011 RM'000</b>
Total retained profit of the Company and its subsidiaries	
- Realised	578,641
- Unrealised	294,164
	-----
	872,805
Less : Consolidated adjustments	(113,752)
	-----
Total Group retained profits as per consolidated financial statements	759,053
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**B13 MATERIAL LITIGATION**

There was no pending material litigation as at the latest practicable date from the date of issuance of this report.

**B14 DIVIDENDS**

The Directors do not recommend any dividend for the current quarter under review.

**B15 EARNINGS PER SHARE**

a) The basic earnings per share (“EPS”) is calculated by dividing the profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	<b>Current quarter</b>		<b>Year to Date</b>	
	31 March 2011	31 March 2010	31 March 2011	31 March 2010
Profit attributable to owners of the Company (RM'000)	130,045	-	130,045	-
Weighted average number of ordinary shares	43,754,820	-	43,754,820	-
Basic EPS (RM)	2.97	-	2.97	-
	=====			

b) The Company does not have any diluted earnings per share.

BY ORDER OF THE BOARD

YAP KAI WENG  
Company Secretary  
UOA DEVELOPMENT BHD  
Kuala Lumpur

6 JUNE 2011