

HLA HOLDINGS SDN BHD
(Company No. 846141-D)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2017**

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(Incorporated in Malaysia)

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**UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017**

	Note	31.12.2017 RM'000	30.6.2017 RM'000
Non-current assets			
Intangible assets		419	467
Investment in subsidiaries		578,846	578,846
Investment in associated company		618,646	618,646
Available-for-sale financial assets	3	18,257	2,301
		<u>1,216,168</u>	<u>1,200,260</u>
Current assets			
Cash and cash equivalents		53	10
		<u>53</u>	<u>10</u>
Current liabilities			
Other payables and accruals		252	439
Amount due to holding company		-	38,600
Amount due to related companies		-	744
Tax payable		-	2
Total current liabilities		<u>252</u>	<u>39,785</u>
Net assets		<u>1,215,969</u>	<u>1,160,485</u>
Shareholders' equity			
Share capital		314,000	314,000
Reserves		901,969	846,485
		<u>1,215,969</u>	<u>1,160,485</u>

The accompanying notes form an integral part of the financial statements.

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**UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2017**

	6 months ended 31.12.2017 RM'000	6 months ended 31.12.2016 RM'000
Revenue	56,138	61,376
Realised gains	-	1
Other income	5	28
Finance costs	(461)	-
Other operating expenses	(194)	(27)
Profit before taxation	55,488	61,378
Taxation	(1)	(8)
Net profit for the financial period	55,487	61,370
Other comprehensive income:		
<u>Item that may be subsequently reclassified to profit and loss:</u>		
Fair value changes on available-for-sale financial assets, net of deferred tax:		
Gross fair value losses arising during the financial period	(3)	(4)
Gross fair value gains transferred to Statement of Income	-	(1)
Net fair value losses	(3)	(5)
Total comprehensive income for the financial period	55,484	61,365

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**UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2017**

	Issued and fully paid ordinary shares		Non-distributable		Distributable	
	No. of shares '000	Share capital RM'000	Capital redemption reserves RM'000	Available- for-sale reserve RM'000	Retained earnings RM'000	Total RM'000
At 1 July 2016	312,500	312,500	1,500	4	937,348	1,251,352
Total comprehensive income for the financial period	-	-	-	(5)	61,370	61,365
Dividend paid during the financial period	-	-	-	-	(87,000)	(87,000)
At 31 December 2016	<u>312,500</u>	<u>312,500</u>	<u>1,500</u>	<u>(1)</u>	<u>911,718</u>	<u>1,225,717</u>
At 1 July 2017	312,500	314,000	-	(1)	846,486	1,160,485
Total comprehensive income for the financial period	-	-	-	(3)	55,487	55,484
At 31 December 2017	<u>312,500</u>	<u>314,000</u>	<u>-</u>	<u>(4)</u>	<u>901,973</u>	<u>1,215,969</u>

The accompanying notes form an integral part of the financial statements.

HLA HOLDINGS SDN BHD
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UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2017

	6 months ended 31.12.2017 RM'000	6 months ended 31.12.2016 RM'000
Operating activities		
Net profit for the financial period	55,487	61,370
Adjustments for:		
Dividend income	(56,138)	(61,369)
Interest income	-	(7)
Amortisation charge	48	-
Realised gains on available-for-sale financial assets	-	(1)
Finance costs	461	-
Tax expense	1	8
Operating (losses)/gains before working capital changes	<u>(141)</u>	<u>1</u>
Change in working capital:		
Decrease in other payables and accruals	(187)	(323)
Decrease in amount due to holding company	(38,600)	-
Decrease in amount due to related companies	(744)	(925)
Tax paid	(3)	(2)
Net cash outflow from operating activities	<u>(39,675)</u>	<u>(1,249)</u>
Investing activities		
Capital injection to subsidiary companies	-	(21,034)
Purchase of property, plant and equipment	-	(96)
Dividend income received	56,000	90,883
Interest income received	-	7
Purchase of available-for-sale financial assets	(17,120)	(30,247)
Proceeds from disposal of available-for-sale financial assets	1,299	48,736
Net cash inflow from investing activities	<u>40,179</u>	<u>88,249</u>

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UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2017 (CONT'D)

	6 months ended 31.12.2017 RM'000	6 months ended 31.12.2016 RM'000
Financing activities		
Dividend paid	-	(87,000)
Proceeds of advances from holding company	38,600	-
Repayment of advances from holding company	(38,600)	-
Payment of loan interest to holding company	(461)	-
Net cash outflow from financing activities	<u>(461)</u>	<u>(87,000)</u>
Net increase in cash and cash equivalents	43	-
Cash and cash equivalents at beginning of the financial period	10	7
Cash and cash equivalents at end of the financial period	<u><u>53</u></u>	<u><u>7</u></u>
Cash and cash equivalents comprise:		
Cash and bank balances	1	1
Fixed and call deposits with maturity of less than 3 months		
- Licensed financial institutions	52	6
	<u><u>53</u></u>	<u><u>7</u></u>

The accompanying notes form an integral part of the financial statements.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

1 . BASIS OF PREPARATION

The condensed interim financial statements for the six months ended 31 December 2017 of HLA Holdings Sdn Bhd ("the Company") are unaudited and have been prepared in accordance with MFRS 134/IAS 34: Interim Financial Reporting and should be read in conjunction with the Company's audited financial statements for the financial year ended 30 June 2017, which were prepared in accordance with the Malaysian Financial Reporting Standards.

2 . SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation applied in the unaudited condensed financial statements are consistent with those adopted in the annual audited financial statements for the financial year ended 30 June 2017 and modified for the adoption of the following Amendments to MFRSs applicable for financial period beginning on or after 1 July 2017:

- Amendments to MFRS 107 'Statement of Cash Flows – Disclosure Initiative'
- Amendments to MFRS 112 'Income Taxes - Recognition of Deferred Tax Assets for Unrealised Losses'

The adoption of the above amendments to MFRSs are not expected to have significant financial impact to the financial statements of the Company.

3 . AVAILABLE-FOR-SALE FINANCIAL ASSETS

	31.12.2017	30.6.2017
	RM'000	RM'000
At fair value:		
Unit trusts		
- Quoted in Malaysia	<u>18,257</u>	<u>2,301</u>

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

4 . FAIR VALUE HIERARCHY

Recurring fair value measurements

The table below analyses those financial instruments carried at fair value by their valuation method.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	31.12.2017	30.6.2017
	RM'000	RM'000
<u>AFS financial assets</u>		
Level 1	<u>18,257</u>	<u>2,301</u>

5 . ITEMS OF AN UNUSUAL NATURE

The results of the Company for the financial period under review were not substantially affected by any item, transaction or event of a material and unusual nature.

6 . CHANGES IN ESTIMATE

There were no material changes in the basis used for accounting estimates for the financial period under review.

7 . SEASONAL OR CYCLICAL FACTORS

The operations of the Company for the financial period under review were not significantly affected by seasonality or cyclical factors.

8 . CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no material contingent liabilities or assets as at the date of this report.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

9 . DEBTS AND EQUITY SECURITIES

There were no issuances, cancellation, repurchases, resale and repayment of debt and equity securities during the financial period under review.

10 . DIVIDEND

During the half-year ended 31 December 2017, the Directors have not recommended any dividend to be paid for the period under review.

11 . CHANGES IN THE COMPOSITON OF THE COMPANY

There were no changes in the composition of the Company during the financial period under review.

12 . RELATED PARTY TRANSACTIONS

All related party transactions are entered into in the normal course of business and were carried out on normal commercial terms.

13 . SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

There were no significant events during the financial period under review.

14 . SUBSEQUENT EVENTS

There were no material events subsequent to the end of the financial period under review that have not been reported in the report.