

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 2019**

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

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**UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019**

	Note	31.12.2019 RM'000	30.6.2019 RM'000
Non-current assets			
Intangible assets		226	274
Investment in subsidiaries		731,198	715,949
Investment in associated company		618,646	618,646
Fair value through profit or loss financial assets	3	1,610	5,391
		1,351,680	1,340,260
Current assets			
Amount due from subsidiary companies		-	20
Amount due from associated company		-	36,979
Cash and cash equivalents		210	23
		210	37,022
Current liabilities			
Other payables and accruals		170	701
Amount due to related companies		-	1,045
Tax payable		4	2
Total current liabilities		174	1,748
Net assets		1,351,716	1,375,534
Shareholders' equity			
Share capital		314,000	314,000
Reserves		1,037,716	1,061,534
		1,351,716	1,375,534

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 2019**

	6 months ended 31.12.2019 RM'000	6 months ended 31.12.2018 RM'000
Revenue	35,397	70,202
Realised losses	(10)	(12)
Fair value (losses)/gains	(3)	12
Other income	11	6
Finance costs	-	(263)
Other operating expenses	(209)	(246)
Profit before taxation	<u>35,186</u>	<u>69,699</u>
Taxation	(4)	(3)
Net profit/total comprehensive income for the financial period	<u><u>35,182</u></u>	<u><u>69,696</u></u>

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

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**UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2019**

	Issued and fully paid ordinary shares		Non-distributable	Distributable	
	No. of shares '000	Share capital RM'000	Available-for-sale reserve RM'000	Retained earnings RM'000	Total RM'000
At 1 July 2018	312,500	314,000	- *	940,973	1,254,973
Effects due to adoption of MFRS 9	-	-	- *	- *	-
At 1 July 2018 (Restated)	312,500	314,000	-	940,973	1,254,973
Total comprehensive income for the financial period	-	-	-	69,696	69,696
At 31 December 2018	312,500	314,000	-	1,010,669	1,324,669
At 1 July 2019	312,500	314,000	-	1,061,534	1,375,534
Total comprehensive income for the financial period	-	-	-	35,182	35,182
Dividend paid during the financial period	-	-	-	(59,000)	(59,000)
At 31 December 2019	312,500	314,000	-	1,037,716	1,351,716

* -RM 444.35 transferred from available-for-sale reserve to retained earnings.

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

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UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2019

	6 months ended 31.12.2019 RM'000	6 months ended 31.12.2018 RM'000
Operating activities		
Net profit for the financial period	35,182	69,696
Adjustments for:		
Dividend income	(35,393)	(70,197)
Interest income	(4)	(5)
Amortisation charge	48	48
Realised losses on fair value through profit or loss financial assets	10	12
Fair value losses/(gains) on fair value through profit or loss financial assets	3	(12)
Finance costs	-	263
Tax expense	4	3
Operating losses before working capital changes	<u>(150)</u>	<u>(192)</u>
Change in working capital:		
Decrease in other payables and accruals	(531)	(395)
Decrease in amount due to related companies	(1,045)	(751)
Decrease in amount due from subsidiary companies	20	80
Tax paid	(2)	(3)
Net cash outflow from operating activities	<u>(1,708)</u>	<u>(1,261)</u>
Investing activities		
Capital injection to subsidiary companies	(15,249)	(82,702)
Dividend income received	71,979	95,485
Interest income received	4	5
Purchase of fair value through profit or loss financial assets	(21,661)	(29,556)
Proceeds from disposal of fair value through profit or loss financial assets	25,822	17,992
Net cash inflow from investing activities	<u>60,895</u>	<u>1,224</u>

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UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2019 (CONT'D)

	6 months ended 31.12.2019 RM'000	6 months ended 31.12.2018 RM'000
Financing activities		
Dividend paid	(59,000)	-
Proceeds of advances from holding company	-	47,000
Repayment of advances from holding company	-	(47,000)
Payment of loan interest to holding company	-	(263)
Net cash outflow from financing activities	<u>(59,000)</u>	<u>(263)</u>
Net increase/(decrease) in cash and cash equivalents	187	(300)
Cash and cash equivalents at beginning of the financial period	23	344
Cash and cash equivalents at end of the financial period	<u><u>210</u></u>	<u><u>44</u></u>
Cash and cash equivalents comprise:		
Cash and bank balances	-	-
Deposits with maturity of less than 3 months		
- Licensed financial institutions	210	44
	<u><u>210</u></u>	<u><u>44</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 unaudited condensed financial statements for the six months ended 31 December 2019 of HLA Holdings Sdn Bhd ("the Company") have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which are stated at fair value.

The unaudited condensed financial statements have been prepared in accordance with MFRS 134 'Interim Financial Reporting' issued by the Malaysian Accounting Standard Board and should be read in conjunction with the audited annual financial statements of the Company for the financial year ended 30 June 2019. The explanatory notes attached to the unaudited condensed financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Company since the financial year ended 30 June 2019.

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 2019 and modified for the adoption of the following accounting standards applicable for financial period beginning on or after 1 July 2019:

- Amendments to MFRS 128 'Long-term Interests in Associates and Joint Ventures'
- IC Interpretation 23 'Uncertainty over Income Tax Treatments'
- Annual Improvements to MFRSs 2015 – 2017 Cycle:
 - Amendments to MFRS 112 'Income Taxes'

The adoption of the above new standards, amendments to published standards and interpretation are not expected to have impact on the financial results of the Company.

The preparation of unaudited condensed financial statements in conformity with the MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed financial statements, and the reported amounts of income and expenses during the reported financial period. It also requires Directors to exercise their judgement in the process of applying the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

3 . FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL") FINANCIAL ASSETS

	31.12.2019	30.6.2019
	RM'000	RM'000
At fair value:		
Unit trusts		
- Quoted in Malaysia	<u>1,610</u>	<u>5,391</u>

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).

	31.12.2019	30.6.2019
	RM'000	RM'000
<u>FVTPL financial assets</u>		
Level 1	<u>1,610</u>	<u>5,391</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.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

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.

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 2019, 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.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

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.