

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2015**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-SEPT-15 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-SEPT-14 RM'000	CURRENT YEAR TO DATE 30-SEPT-15 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-SEPT-14 RM'000
Continuing Operations				
Revenue	108,151	208,657	378,943	854,060
Operating expenses	(88,582)	(194,574)	(374,792)	(790,874)
Profit from operations	19,569	14,083	4,151	63,186
Interest income	661	2,024	3,230	6,555
Other income	3,950	1,946	6,303	3,589
Foreign exchange gain / (loss)	3,392	9	3,392	(2,499)
Depreciation and amortization	(3,250)	(3,930)	(11,028)	(11,093)
Interest expense	(5,980)	(5,212)	(15,244)	(12,814)
ESOS expense	(263)	(894)	(787)	(2,680)
Share of results of associates	(1,290)	(57)	(2,026)	2,401
Profit/ (loss) before tax	16,789	7,969	(12,009)	46,645
Income tax expense	(1,701)	(6,304)	(3,258)	(16,430)
Profit/ (loss) from continuing operations	15,088	1,665	(15,267)	30,215
Other comprehensive income:				
Currency translation difference	4,968	770	7,711	(425)
Total comprehensive income/(expense)	20,056	2,435	(7,556)	29,790
Attributable to:				
Equity holders of the Company	14,336	1,074	(17,597)	29,475
Non-controlling interest	752	591	2,330	740
	15,088	1,665	(15,267)	30,215
Earning per share (EPS) attributable to equity holders of the Company:				
Basic EPS (sen)	2.66	0.20	(3.27)	5.46
Diluted EPS (sen)	2.56	0.19	(3.14)	5.30

Note :

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2014.

The Basic EPS for both current and corresponding periods have been calculated based on weighted average of 537,948,866 and 540,257,466 ordinary shares of RM0.20 each respectively.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2015

(The figures have not been audited)

	AS AT 30-SEPT-15 RM'000	AS AT 31-DEC-14 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	273,231	140,573
Investment properties	46,966	47,581
Intangible assets	14,173	12,393
Investment in associates	687,921	690,690
Other investments	542	542
Deferred tax asset	644	364
	<u>1,023,477</u>	<u>892,143</u>
Current assets		
Inventories	6,018	6,374
Property development costs	58,643	61,172
Trade and other receivables	446,175	341,427
Other current assets	527,215	402,284
Tax recoverable	15,329	11,266
Cash and cash equivalents	106,272	137,702
	<u>1,159,652</u>	<u>960,225</u>
TOTAL ASSETS	<u>2,183,129</u>	<u>1,852,368</u>
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	110,483	110,483
Reserves	981,947	991,046
	<u>1,092,430</u>	<u>1,101,529</u>
Equity attributable to owners of the Company	1,092,430	1,101,529
Non-controlling interests	(9,213)	(15,859)
Total equity	<u>1,083,217</u>	<u>1,085,670</u>
Non-current liabilities		
Deferred tax liabilities	2,152	2,172
Borrowings	449,613	406,989
Refundable deposits	3,485	1,716
	<u>455,250</u>	<u>410,877</u>
Current liabilities		
Trade and other payables	479,568	328,459
Amount due to customers on contracts	15,060	21,299
Borrowings	150,034	6,063
	<u>644,662</u>	<u>355,821</u>
Total liabilities	1,099,912	766,698
TOTAL EQUITY AND LIABILITIES	<u>2,183,129</u>	<u>1,852,368</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>2.03</u>	<u>2.04</u>

Note :

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2014.

The Net Assets Per Share for both current and corresponding periods have been calculated based on 552,418,466 ordinary shares of RM0.20 each less treasury shares respectively.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015
(The figures have not been audited)

<-----Attributable to Equity Holders of the Company ----->

	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	ESOS Reserve RM'000	Foreign Currency Translation Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000	Non - Controlling Interests RM'000	Total Equity RM'000
At 1 January 2015	110,483	221,739	4,900	23,759	(23,630)	(34,688)	798,966	1,101,529	(15,859)	1,085,670
Total comprehensive income	-	-	-	-	7,711	-	(17,597)	(9,886)	2,330	(7,556)
Grant of equity-settled share options to employees	-	-	-	787	-	-	-	787	-	787
Non-controlling interests arises from acquisition of new subsidiary	-	-	-	-	-	-	-	-	5,516	5,516
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(1,200)	(1,200)
	-	-	-	787	-	-	-	787	4,316	5,103
At 30 September 2015	<u>110,483</u>	<u>221,739</u>	<u>4,900</u>	<u>24,546</u>	<u>(15,919)</u>	<u>(34,688)</u>	<u>781,369</u>	<u>1,092,430</u>	<u>(9,213)</u>	<u>1,083,217</u>
At 1 January 2014	110,342	219,819	4,900	20,897	(25,054)	(22,705)	901,684	1,209,883	(18,076)	1,191,807
Total comprehensive income	-	-	-	-	(425)	-	29,475	29,050	740	29,790
Grant of equity-settled share options to employees	-	-	-	2,680	-	-	-	2,680	-	2,680
Esos exercised	125	1,700	-	(630)	-	-	-	1,195	-	1,195
Non-controlling interests arises from acquisition of new subsidiary	-	-	-	-	-	-	-	-	4,010	4,010
Purchase of treasury shares	-	-	-	-	-	(11,943)	-	(11,943)	-	(11,943)
Third interim dividend under accrued - financial year ended 31/12/2013	-	-	-	-	-	-	(41)	(41)	-	(41)
First interim dividend - financial year ended 31/12/2014	-	-	-	-	-	-	(16,254)	(16,254)	(600)	(16,854)
Second interim dividend – financial year ended 31/12/2014	-	-	-	-	-	-	(16,187)	(16,187)	-	(16,187)
	125	1,700	-	2,050	-	(11,943)	(32,482)	(40,550)	3,410	(37,140)
At 30 September 2014	<u>110,467</u>	<u>221,519</u>	<u>4,900</u>	<u>22,947</u>	<u>(25,479)</u>	<u>(34,648)</u>	<u>898,677</u>	<u>1,198,383</u>	<u>(13,926)</u>	<u>1,184,457</u>

CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015
(The figures have not been audited)

	9 MONTHS ENDED 30-SEPT-15 RM'000	9 MONTHS ENDED 30-SEPT-14 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/ profit before tax	(12,009)	46,645
Adjustments for:		
Depreciation of property, plant and equipment	11,567	11,093
Interest income	(3,230)	(6,555)
Interest expense	15,244	12,814
Share of results of associated company	2,026	(2,401)
Loss/ (gain) on disposal of property, plant and equipment	379	(185)
ESOS expenses	787	2,680
Unrealised (gain)/loss on foreign exchange	(3,392)	2,499
Benefit for deferred taxes	(149)	-
Impairment of financial asset	810	-
Operating profit before working capital changes	<u>12,033</u>	<u>66,590</u>
Changes in working capital:		
Trade and other receivables	(218,897)	(67,466)
Property development costs	2,529	(6,985)
Inventories	356	(783)
Trade and other payables	92,236	(152,545)
Cash used in operations	<u>(111,743)</u>	<u>(161,189)</u>
Interest paid	(15,244)	(10,393)
Taxes paid	(7,869)	(15,674)
Taxes refunded	325	1,873
Net cash used in operating activities	<u>(134,531)</u>	<u>(185,383)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(39,430)	(33,447)
Acquisition of subsidiary, net of cash acquired	(6,398)	-
Investment in associates	-	(1,443)
Interest received	3,230	6,555
Proceeds from disposal of property, plant and equipment	121	280
Net cash used in investing activities	<u>(42,477)</u>	<u>(28,055)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Purchase of treasury shares	-	(11,943)
Dividend paid	(1,200)	(49,370)
Non-controlling interest capital contribution	-	4,010
Proceed from borrowings	151,325	390,054
Repayment of borrowings	(4,547)	(3,032)
Expenses related to ESOS	-	(6)
Proceed from ESOS exercised	-	1,195
Net cash generated from financing activities	<u>145,578</u>	<u>330,908</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	<u>(31,430)</u>	<u>117,470</u>
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY 2015 / 2014	137,702	67,628
CASH AND CASH EQUIVALENTS AS AT 30 SEPTEMBER 2015 / 2014	<u>106,272</u>	<u>185,098</u>

Note :

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2014.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

NOTES (In compliance with FRS 134)

1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with FRS 134, Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”). The interim financial report should be read in conjunction with the Company’s annual audited financial statements for the year ended 31 December 2014.

The accounting policies and methods of computation adopted by the Group in this report are consistent with those adopted in the annual audited financial statements for the year ended 31 December 2014.

Malaysian Financial Reporting Standards (MFRS) Framework

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the MFRS Framework.

The MFRS Framework is to be applied by all Entities other than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venture (herein called ‘Transitioning Entities’).

Transitioning Entities will be allowed to defer adoption of the MFRS Framework. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual period beginning on or after 1 January 2017.

The Group falls within the scope definition of Transitioning Entities and have opted to defer adoption of the MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2017. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

The change of the financial reporting framework is not expected to have any significant impact on the financial position and performance of the Group and the Company.



QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report on the financial statements for the year ended 31 December 2014 was not subject to any qualification.

3. SEASONALITY OR CYCLICALITY OF OPERATIONS

The businesses of the Group are generally subject to cyclical changes of the general Malaysian economy.

4. EXCEPTIONAL OR EXTRAORDINARY ITEMS

There were no exceptional or extraordinary items for the current period.

5. CHANGES IN ESTIMATES

There were no changes in estimates of amount reported in previous financial year that have a material effect in the current quarter.

6. DEBTS AND EQUITY SECURITIES

As at 30 September 2015, 14,018,300 ordinary shares of RM0.20 each were still retained as treasury shares in the Company. There was no purchase of share in the market during the current quarter ended 30 September 2015.

There were no new ordinary shares issued under the Employees' Share Option Scheme ("ESOS") for the current quarter ended 30 September 2015. As at 30 September 2015, a total of 4,102,000 new ordinary shares of RM0.20 each have been issued under the ESOS.

7. DIVIDENDS PAID DURING THE PERIOD

There were no dividends paid during the current quarter ended 30 September 2015.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

8. SEGMENTAL INFORMATION

	9 MONTHS ENDED 30-SEPT-15 RM'000	9 MONTHS ENDED 30-SEPT-14 RM'000
REVENUE :		
Construction	303,710	758,918
Property development	32,211	43,712
Power	9,573	7,307
Others	42,799	105,669
	<u>388,293</u>	<u>915,606</u>
Elimination of inter segment sales	<u>(9,350)</u>	<u>(61,546)</u>
Total Revenue	<u><u>378,943</u></u>	<u><u>854,060</u></u>
RESULTS :		
Construction	(6,848)	48,023
Property development	10,260	11,548
Power	3,263	3,279
Others	3,779	3,925
	<u>10,454</u>	<u>66,775</u>
Interest income	3,230	6,555
Foreign exchange gain/(loss)	3,392	(2,499)
Interest expense	(15,244)	(12,814)
Depreciation and amortization	(11,028)	(11,093)
ESOS expenses	(787)	(2,680)
Share of result of associates	(2,026)	2,401
	<u>(12,009)</u>	<u>46,645</u>
(Loss)/profit before tax	(12,009)	46,645
Income tax expenses	(3,258)	(16,430)
	<u>(15,267)</u>	<u>30,215</u>
(Loss)/profit from continuing operations	<u><u>(15,267)</u></u>	<u><u>30,215</u></u>

9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The carrying amount of the property, plant and equipment is at cost less depreciation and impairment losses.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

10. SUBSEQUENT EVENTS

There were no material events subsequent to the current quarter.

11. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current period.

12. CONTINGENT LIABILITIES

There were no contingent liabilities as at the end of the current quarter.

NOTES (Pursuant to paragraph 9.22 of the Listing Requirements of BMSB)

13. REVIEW OF PERFORMANCE

The Group reported revenue of RM378.9 million and loss before tax (“LBT”) of RM12.0 million for the nine months period ended 30 September 2015, as compared to revenue of RM854.1 million and profit before tax (“PBT”) of RM46.6 million respectively for the previous year corresponding period, primarily due to weaker performance in its main construction business.

The changes in revenue and PBT were attributable to the following segments of the Group:-

Construction segment : This segment reported revenue and LBT of RM303.7 million and RM6.8 million for the nine months period ended 30 September 2015 as compared to the previous year corresponding period of RM758.9 million and PBT of RM48.0 million respectively. The revenue was lower as most of the existing projects were completed or close to completion. The profitability was adversely affected by additional costs recognized upon project finalization.

Property development segment : This segment reported revenue and PBT of RM32.2 million and RM10.3 million for the nine months period ended 30 September 2015 as compared to revenue of RM43.7 million and RM11.5 million in the previous year corresponding period. The decrease in revenue and PBT were mainly due to lower sales in the current period.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

13. REVIEW OF PERFORMANCE (continued)

Power segment : The segment reported revenue and PBT of RM9.6 million and RM3.3 million for the nine months period ended 30 September 2015 as compared to the previous year corresponding period of RM7.3 million and RM3.3 million respectively. The increase in revenue was attributable to the full completion of the 10MV solar energy generating plant at Gebeng, Pahang. Despite higher revenue, PBT remained the same due to higher operating expenses incurred.

Others segment : This segment comprises the manufacturing and trading divisions of the Group. This segment reported revenue and PBT of RM42.8 million and RM3.8 million for the nine months period ended 30 September 2015 as compared to RM105.7 million and RM3.9 million in the previous year corresponding period. The lower revenue reported was due to lower volume of manufacturing and trading activities in the current period, while the PBT remain relatively unchanged due to higher profit margin on those activities.

14. COMPARISON WITH PRECEDING QUARTER'S REPORT

The Group reported revenue of RM108.2 million and profit before tax (“PBT”) of RM16.8 million for the current quarter ended 30 September 2015, as compared to RM105.6 million and loss before tax (“LBT”) of RM10.4 million respectively for the preceding quarter.

The changes in revenue and PBT were mainly attributable to the following segments of the Group:-

Construction segment : This segment reported revenue and PBT of RM80.2 million and RM15.9 million for the current quarter as compared to the revenue of RM82.7 million and LBT of RM7.7 million for the preceding quarter. The revenue was generally consistent due to no commencement of new projects. The turnaround in profitability came from the recovery of costs from local projects and also tighter cost control measures in place.

Property development segment : This segment reported revenue and PBT of RM17.3 million and RM6.2 million respectively for the current quarter as compared to revenue of RM5.5 million and PBT of RM2.3 million in the preceding quarter. The increase in revenue and PBT were mainly contributed by higher sales in the current quarter.

Power segment : The segment reported revenue and PBT of RM3.0 million and RM0.5million for the current quarter as compared to the preceding quarter of RM3.3 million and PBT of RM1.5 million. The lower revenue and PBT were due to weather conditions that affected the power output and higher operating expenses incurred in the current quarter.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

14. COMPARISON WITH PRECEDING QUARTER'S REPORT (continued)

Others segment : This segment comprises the manufacturing and trading divisions of the Group. This segment reported revenue and PBT of RM9.7 million and RM0.9 million for the current quarter as compared to RM17.8 million and RM2.5 million in the preceding quarter. This was mainly due to lower volume of manufacturing and trading activities in the current quarter.

15. PROSPECTS

Based on the recently announced Budget 2016, the outlook of the construction sector in Malaysia will remain positive in the coming years with an on-going stream of mega-infrastructure projects to be launched by the Government and the private sector including MRT Line 2 & LRT Line 3, new power plants, highways and infrastructure projects. The Group is confident and well-placed to benefit from some of these proposed projects.

In terms of overseas expansion, the Group continued to evaluate various opportunities in the Asean region particularly in the conventional and renewable energy power sectors. It is bidding for a number of power plant projects in the region which may provide opportunities for the Group to participate in the Equipment Procurement contracts for some of the projects.

The Group will also continue its strategy to build up its assets that generate recurring income, in addition to its core construction and property businesses. Moving forward, the Group also plans to expand on its precast concrete manufacturing businesses to capitalize on the increasing demand from various mega-infrastructure projects.

16. VARIANCE ON PROFIT FORECAST

Not applicable.

17. INCOME TAX EXPENSE

	CURRENT QUARTER ENDED 30-SEPT-15 RM'000	9 MONTHS ENDED 30-SEPT-15 RM'000
Current income tax:		
- Malaysian income tax	<u>(1,701)</u>	<u>(3,258)</u>

The Group's effective tax rate for the period to date is lower than the Malaysian statutory tax rate of 25% mainly due to non-taxability on loss-making companies in the Group.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

18. STATUS OF CORPORATE PROPOSALS

There were no outstanding corporate proposal as at the date of this report.

19. GROUP BORROWING

Details of the Group's borrowings as at 30 September 2015 were as follows:

	RM'000
(a) Long Term Borrowings	
- Medium Term Notes	360,000
- Term Loan	89,613
	<u>449,613</u>
(b) Short Term Borrowings	
- Term Loan	10,034
- Revolving Credit	140,000
	<u>150,034</u>

20. CHANGES IN MATERIAL LITIGATION

The Group does not have any material litigation as at the date of this report.

21. DIVIDEND

There were no dividends declared during the period ended 30 September 2015.

22. BASIC EARNINGS PER SHARE

The 'Basic Earnings Per Share' and 'Diluted Earnings Per Share' for the current period and the comparative period are calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the 'Weighted Average' and 'Adjusted Weighted Average' number of ordinary shares in issue during the period respectively, excluding treasury shares held by the Company.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

22. BASIC EARNINGS PER SHARE (continued)

	CURRENT QUARTER ENDED 30-SEPT-15	9 MONTHS ENDED 30-SEPT-15
<u>Basic Earnings per share:-</u>		
(a) Profit/ (Loss) for the period attributable to owners of the Company (RM'000)	<u>14,336</u>	<u>(17,597)</u>
(b) Weighted average number of ordinary shares ('000)	<u>537,949</u>	<u>537,949</u>
Basic profit/ (loss) per share (sen)	<u>2.66</u>	<u>(3.27)</u>
<u>Diluted Earnings per share:-</u>		
(a) Profit/ (Loss) for the period attributable to owners of the Company (RM'000)	<u>14,336</u>	<u>(17,597)</u>
(b) Weighted average number of ordinary shares ('000)	<u>537,949</u>	<u>537,949</u>
Effect of dilution - ESOS ('000)	<u>22,076</u>	<u>22,076</u>
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	<u>560,025</u>	<u>560,025</u>
Diluted profit/ (loss) per share (sen)	<u>2.56</u>	<u>(3.14)</u>

23. REALISED AND UNREALISED PROFITS/LOSSES DISCLOSURE

The breakdown of the retained profits of the Group as at 30 September 2015 into realised and unrealised profits is presented as follow:-

	AS AT 30-SEPT-15 RM'000
Total retained profits of the Group:-	
- Realised	1,027,574
- Unrealised	10,381
Share of result of associate:-	
- Realised	(3,594)
Less: Consolidated adjustments	<u>(252,992)</u>
Retained profits as per consolidated financial statements	<u>781,369</u>