

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2016

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31-MAR-16 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-MAR-15 RM'000	CURRENT YEAR TO DATE 31-MAR-16 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-MAR-15 RM'000
Continuing Operations				
Revenue	177,454	153,455	177,454	153,455
Operating expenses	(153,347)	(166,358)	(153,347)	(166,358)
Profit/ (loss) from operations	<u>24,107</u>	<u>(12,903)</u>	<u>24,107</u>	<u>(12,903)</u>
Interest income	1,785	1,377	1,785	1,377
Other income	1,432	1,305	1,432	1,305
Foreign exchange loss	(7,531)	-	(7,531)	-
Depreciation and amortization	(3,952)	(3,900)	(3,952)	(3,900)
Interest expense	(6,759)	(3,599)	(6,759)	(3,599)
ESOS expense	-	(263)	-	(263)
Share of results of associates	254	(457)	254	(457)
Profit/ (loss) before tax	<u>9,336</u>	<u>(18,440)</u>	<u>9,336</u>	<u>(18,440)</u>
Income tax expense	(2,374)	(485)	(2,374)	(485)
Profit/ (loss) from continuing operations	<u>6,962</u>	<u>(18,925)</u>	<u>6,962</u>	<u>(18,925)</u>
Other comprehensive income, net of tax:				
Currency translation difference	(2,721)	1,942	(2,721)	1,942
Total comprehensive income/(expense)	<u>4,241</u>	<u>(16,983)</u>	<u>4,241</u>	<u>(16,983)</u>
Profit/ (loss) attributable to:				
Owners of the Company	5,952	(19,661)	5,952	(19,661)
Non-controlling interests	1,010	736	1,010	736
	<u>6,962</u>	<u>(18,925)</u>	<u>6,962</u>	<u>(18,925)</u>
Basic and diluted earnings/ (loss) per share (sen) attributable to equity holders of the Company:				
Basic and diluted earnings/ (loss) per share (sen)	<u>1.10</u>	<u>(3.65)</u>	<u>1.10</u>	<u>(3.65)</u>

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 2015.

The Basic EPS for both current and corresponding periods have been calculated based on weighted average of 540,019,541 ordinary shares of RM0.20 each.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016
(The figures have not been audited)

	AS AT 31-MAR-16 RM'000	AS AT 31-DEC-15 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	124,892	127,418
Investment property	46,605	46,786
Intangible asset	11,618	11,773
Investment in associates	690,398	684,274
Other investments	542	542
Deferred tax assets	461	461
	<u>874,516</u>	<u>871,254</u>
Current assets		
Inventories	31,592	32,591
Property development costs	41,323	38,721
Trade and other receivables	325,060	352,109
Other current assets	658,638	662,679
Tax recoverable	12,677	13,440
Cash and cash equivalents	66,324	70,176
	<u>1,135,614</u>	<u>1,169,716</u>
TOTAL ASSETS	<u>2,010,130</u>	<u>2,040,970</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	110,483	110,483
Reserves	998,669	995,438
	<u>1,109,152</u>	<u>1,105,921</u>
Equity attributable to owners of the Company	1,109,152	1,105,921
Non-controlling interests	(14,929)	(15,939)
	<u>1,094,223</u>	<u>1,089,982</u>
Total equity	<u>1,094,223</u>	<u>1,089,982</u>
Non-current liabilities		
Deferred tax liabilities	2,043	2,043
Borrowings	160,926	400,926
Refundable deposits	2,274	1,822
	<u>165,243</u>	<u>404,791</u>
Current liabilities		
Trade and other payables	384,008	388,047
Amount due to customers on contracts	12,109	12,087
Borrowings	354,547	146,063
	<u>750,664</u>	<u>546,197</u>
Total liabilities	<u>915,907</u>	<u>950,988</u>
TOTAL EQUITY AND LIABILITIES	<u>2,010,130</u>	<u>2,040,970</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>2.06</u>	<u>2.05</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 2015.

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.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2016
(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 2016	110,483	221,739	4,900	8,609	(17,670)	(34,688)	812,548	1,105,921	(15,939)	1,089,982
Total comprehensive income	-	-	-	-	(2,721)	-	5,952	3,231	1,010	4,241
At 31 March 2016	<u>110,483</u>	<u>221,739</u>	<u>4,900</u>	<u>8,609</u>	<u>(20,391)</u>	<u>(34,688)</u>	<u>818,500</u>	<u>1,109,152</u>	<u>(14,929)</u>	<u>1,094,223</u>
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	-	-	-	-	1,942	-	(19,661)	(17,719)	736	(16,983)
Grant of equity-settled share options to employees	-	-	-	263	-	-	-	263	-	263
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(1,200)	(1,200)
	-	-	-	263	-	-	-	263	(1,200)	(937)
At 31 March 2015	<u>110,483</u>	<u>221,739</u>	<u>4,900</u>	<u>24,022</u>	<u>(21,688)</u>	<u>(34,688)</u>	<u>779,305</u>	<u>1,084,073</u>	<u>(16,323)</u>	<u>1,067,750</u>

CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE FIRST QUARTER ENDED 31 MARCH 2016
(The figures have not been audited)

	3 MONTHS ENDED 31-MAR-16 RM'000	3 MONTHS ENDED 31-MAR-15 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (Loss) before tax	9,336	(18,440)
Adjustments for:		
Depreciation of property, plant and equipment	3,617	3,720
Depreciation on investment property	180	180
Amortisation of intangible asset	155	-
Interest income	(1,785)	(1,377)
Interest expense	6,759	3,599
Share of results of associated companies	(254)	457
Gain on disposal of property, plant and equipment	-	(219)
ESOS expense	-	263
Unrealised loss on foreign exchange	7,531	-
Operating profit/ (loss) before working capital changes	<u>25,539</u>	<u>(11,817)</u>
Changes in working capital:		
Trade and other receivables	21,509	(94,321)
Property development costs	(2,602)	(608)
Inventories	999	(1,096)
Trade and other payables	(3,565)	40,991
Cash generated from/ (used in) operations	<u>41,880</u>	<u>(66,851)</u>
Taxes paid	(1,367)	(3,577)
Net cash used in operating activities	<u>40,513</u>	<u>(70,428)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,094)	(472)
Advance to associate	(6,782)	-
Interest received	1,785	1,377
Proceeds from disposal of property, plant and equipment	-	487
Net cash (used in)/ generated from investing activities	<u>(6,091)</u>	<u>1,392</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	(1,200)
Proceed from borrowings	-	55,000
Repayment of borrowings	(31,515)	(1,515)
Interest paid	(6,759)	(3,599)
Net cash generated from financing activities	<u>(38,274)</u>	<u>48,686</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(3,852)</u>	<u>(20,350)</u>
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY 2016 / 2015	70,176	137,702
CASH AND CASH EQUIVALENTS AS AT 31 MARCH 2016 / 2015	<u>66,324</u>	<u>117,352</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 2015.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016

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 2015.

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 2015.

R.K.M Powergen Private Limited (“RKM”), an associate incorporated in India with its financial year ended in March, has its last financial statements audited up to 31 March 2015. In accounting for the Group's share of results in RKM for the period ended 31 March 2016, the Group relied on RKM's audited results up to 31 March 2015 and unaudited results from April 2015 to March 2016, with its year end audit still ongoing.

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.

2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report on the financial statements for the year ended 31 December 2015 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.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016

6. DEBTS AND EQUITY SECURITIES

As at 31 March 2016, 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 31 March 2016.

There were no new ordinary shares issued under the Employees' Share Option Scheme ("ESOS") for the current quarter ended 31 March 2016. As at 31 March 2016, 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 31 March 2016.

8. SEGMENTAL INFORMATION

3 MONTHS ENDED 31-MAR-16	Construction	Property development	Power	Others	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE :						
External customers	153,057	6,608	3,331	14,458		177,454
Inter-segment	377			4,430	(4,807)	-
Total revenue	<u>153,434</u>	<u>6,608</u>	<u>3,331</u>	<u>18,888</u>	<u>(4,807)</u>	<u>177,454</u>
Results:						
Profit before tax	5,219	2,778	247	1,092	-	9,336
Income tax expense	(1,404)	(530)	-	(440)	-	(2,374)
Profit from continuing operations	<u>3,815</u>	<u>2,248</u>	<u>247</u>	<u>652</u>	<u>-</u>	<u>6,962</u>
3 MONTHS ENDED 31-MAR-15						
Construction	Property development	Power	Others	Eliminations	Total	
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE :						
External customers	137,301	7,997	3,258	4,899		153,455
Inter-segment	3,567			11,770	(15,337)	-
Total revenue	<u>140,868</u>	<u>7,997</u>	<u>3,258</u>	<u>16,669</u>	<u>(15,337)</u>	<u>153,455</u>
Results:						
Profit/ (loss) before tax	(21,833)	715	1,251	1,427	-	(18,440)
Income tax expense	-	(150)	-	(335)	-	(485)
Profit/ (loss) from continuing operations	<u>(21,833)</u>	<u>565</u>	<u>1,251</u>	<u>1,092</u>	<u>-</u>	<u>(18,925)</u>

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016

9. RELATED PARTIES TRANSACTIONS

Below are the significant related party transactions, which have been established under negotiated terms and entered into in the normal course of business:

	3 MONTHS ENDED 31-MAR-16 RM'000	3 MONTHS ENDED 31-MAR-15 RM'000
A Associates		
<i>R.K.M Powergen Private Limited</i>		
Sales	-	(1,482)
<i>Mayfair Ventures Sdn. Bhd.</i>		
Working capital advances	6,782	6,296
Interest income	(750)	(375)
<i>PT Harmoni Energy Indonesia</i>		
Working capital advances	-	6,296
Interest income	(591)	(1,419)
B Other related party		
A company related to a director/ indirect shareholder :		
<i>Mulpha Group Services Sdn Bhd</i>		
Rental income	(190)	(180)
Rental expense	129	-

10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

11. SUBSEQUENT EVENTS

There were no material events subsequent to the current quarter.

12. CHANGES IN COMPOSITION OF THE GROUP

On 13 January 2016, the Company completed the acquisition of 3 wholly-owned subsidiaries of Mudajaya Corporation Berhad ("MCB") i.e MJC Industries Sdn Bhd ("MJCI"), MJC Development Sdn Bhd ("MJCD") and Mudajaya Energy Sdn Bhd ("MESB"). The Company acquired 300,000 ordinary shares of RM1.00 each in MJCI for a total consideration of RM2.53 million, 100,000 ordinary shares of RM1.00 each in MJCD for a total consideration of RM0.97 million and 120,000 ordinary shares of RM1.00 each in MESB for a total consideration of RM0.12 million, all representing 100% of the total issued and paid-up share capital of the respective companies.

On 22 March 2016, MJCI and MESB completed the acquisition of 3 wholly-owned subsidiaries of Mudajaya Corporation Berhad i.e MJC Precast Sdn Bhd ("MJCP"), MJC Trading Sdn Bhd ("MJCT") and Mudajaya Power International Sdn Bhd ("MPI"). MJCI acquired 10,000,000 ordinary shares of RM1.00 each in MJCP for a total consideration of RM16.70 million and 300,000 ordinary shares of RM1.00 each in MJCT for a total consideration of RM5.37 million, whilst MESB acquired 200,000 ordinary shares of RM1.00 each in MPI for a total consideration of RM0.20 million, all representing 100% of the total issued and paid-up share capital of the respective companies.

13. CONTINGENT LIABILITIES

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016

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

14. REVIEW OF PERFORMANCE

The Group reported revenue of RM177.5 million and profit before tax (“PBT”) of RM9.3 million for the three months ended 31 March 2016, as compared to revenue of RM153.5 million and loss before tax (“LBT”) of RM18.4 million for the previous year corresponding period.

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

Construction segment : This segment reported revenue and PBT of RM153.1 million and RM5.2 million respectively for the three months ended 31 March 2016 as compared to revenue of RM137.3 million and LBT of RM21.8 million for the previous year corresponding period. Higher revenue and PBT in the current period were mainly due to contribution from the Pengerang projects which commenced works in the third quarter of 2015.

Property development segment : This segment reported revenue and PBT of RM6.6 million and RM2.8 million respectively for the three months ended 31 March 2016 as compared to revenue of RM8.0 million and PBT of RM0.7 million for the previous year corresponding period. Profitability increased despite lower revenue in the current period due to sales of higher profit margin properties in the current period.

Power segment : The segment reported revenue and PBT of RM3.3 million and RM0.2 million respectively for the three months ended 31 March 2016 as compared to revenue of RM3.3 million and PBT of RM1.3 million for the previous year corresponding period. Revenue remained stable due to fixed tariff rates for electricity generated in Gebeng solar plant, Pahang while the PBT declined due to share of losses in associates.

Others segment : This segment comprises the manufacturing and trading divisions of the Group. This segment reported revenue and PBT of RM14.5 million and RM1.1 million respectively for the three months ended 31 March 2016 as compared to revenue of RM16.7 million and PBT of RM1.4 million for the previous year corresponding period. Revenue and PBT for the current period decreased as a result of a reduction in manufacturing activities.

15. COMPARISON WITH PRECEDING QUARTER’S REPORT

The Group reported revenue of RM177.5 million and profit before tax (“PBT”) of RM9.3 million for the current quarter ended 31 March 2016, as compared to revenue of RM184.2 million and PBT of RM22.2 million 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 RM153.1 million and RM5.2 million respectively for the current quarter as compared to revenue of RM148.5 million and PBT of RM14.5 million for the preceding quarter. Higher revenue reported for the current quarter was due to higher percentage of completion of on going major projects. PBT of preceding quarter included the reversal of provision for Liquidated Ascertained Damages (LAD) in one of the local projects.

Property development segment : This segment reported revenue and PBT of RM6.6 million and RM2.8 million respectively for the current quarter as compared to revenue of RM17.5 million and PBT of RM9.4 million in the preceding quarter. The decrease in revenue and PBT were mainly due to lower sales of higher margin properties in the current quarter.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016

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

Power segment : The segment reported revenue and PBT of RM3.3 million and RM0.2 million respectively for the current quarter as compared to the revenue of RM1.8 million and LBT of RM4.4 million in the preceding quarter. Lower revenue in the preceding quarter was due to Gebeng solar plant's output having exceeded the declared annual availability level which resulted in a lower renewable energy tariff rate for the fourth quarter of 2015. LBT represented in the preceding quarter was due to share of losses in associates which was mainly attributable to foreign exchange losses.

Others segment : This segment comprises the manufacturing and trading divisions of the Group. This segment reported revenue and PBT of RM14.5 million and RM1.1 million respectively for the current quarter as compared to RM16.4 million and RM2.7 million in the preceding quarter. Lower revenue and PBT reported in the current quarter were mainly due to lower volume of manufacturing and trading activities as compared to the preceding quarter.

16. PROSPECTS

The outlook of the construction sector in Malaysia remains strong 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 that it will benefit from some of these proposed projects.

In term of strategy, the Group will continue to pursue investments both locally and overseas to build up its assets with recurring income streams to cushion against the cyclical nature of the construction business. It will also expand on its precast concrete manufacturing businesses to capitalize on the increasing demand from various mega-infrastructure projects.

17. VARIANCE ON PROFIT FORECAST

Not applicable.

18. INCOME TAX EXPENSE

	CURRENT QUARTER ENDED 31-MAR-16 RM'000	3 MONTHS ENDED 31-MAR-16 RM'000
Current income tax:		
- Malaysian income tax	<u>(2,374)</u>	<u>(2,374)</u>

The Group's effective tax rate for the period to date was higher than the Malaysian statutory tax rate of 24% mainly due to share of losses in associates.

19. STATUS OF CORPORATE PROPOSALS

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



QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016

20. GROUP BORROWING

Details of the Group's borrowings as at 31 March 2016 were as follows:

	RM'000
(a) Long Term Borrowings	
Unsecured:	
- Medium Term Notes	120,000
Secured:	
- Term Loan	40,926
	<u>160,926</u>
 (b) Short Term Borrowings	
Unsecured:	
- Revolving Credit	110,000
- Medium Term Notes	240,000
Secured:	
- Term Loan	4,547
	<u>354,547</u>

21. CHANGES IN MATERIAL LITIGATION

Mudajaya Corporation Berhad ("MCB"), had filed for proceedings under Construction Industry Payment and Adjudication Act 2012 against CMC Machipex Sdn Bhd ("CMC") on 30 October 2015 for a total principal amount of RM175,326,914.34. MCB is also claiming for late payment interest and cost, the amount of which will be determined at a later stage. Currently, both parties are in the process of filing, replying and exchanging of documents and complying with instructions from the Adjudicator. The Adjudication decision is expected at the end of July 2016.

22. DIVIDEND

There were no dividends declared during the period ended 31 March 2016.



QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016

23. BASIC EARNINGS PER SHARE

The 'Basic 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' number of ordinary shares in issue during the period respectively, excluding treasury shares held by the Company.

	CURRENT QUARTER ENDED 31-MAR-16	3 MONTHS ENDED 31-MAR-16
<u>Basic and Diluted Earnings per share:-</u>		
(a) Profit for the period attributable to owners of the Company (RM'000)	<u>5,952</u>	<u>5,952</u>
(b) Weighted average number of ordinary shares ('000)	<u>540,019</u>	<u>540,019</u>
Basic and diluted earnings per share (sen)	<u>1.10</u>	<u>1.10</u>

24. REALISED AND UNREALISED PROFITS/LOSSES DISCLOSURE

The breakdown of the retained earnings of the Group as at 31 March 2016 into realised and unrealised profits is presented as follow:-

	AS AT 31-MAR-16 RM'000
Total retained earnings of the Group:-	
- Realised	1,099,619
- Unrealised	(5,770)
Share of result of associate:-	
- Realised	(13,592)
Less: Consolidated adjustments	<u>(261,757)</u>
Retained profits as per consolidated financial statements	<u>818,500</u>