

24 August 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 JUNE 2017

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30 June 2017 RM'000	PRECEEDING YEAR QUARTER 30 June 2016 RM'000	CURRENT YEAR TO DATE 30 June 2017 RM'000	PRECEEDING YEAR TO DATE 30 June 2016 RM'000
Revenue	79,834	95,335	238,774	174,983
Cost of sales	(56,729)	(67,193)	(175,052)	(130,227)
Gross profit	23,105	28,142	63,722	44,756
Other income	498	1,288	875	2,352
Operating costs	(9,946)	(8,441)	(21,080)	(17,588)
Finance cost	(3,365)	(4,235)	(7,250)	(7,552)
Share of loss of a joint venture	(49)	-	(89)	(2)
Share of loss of an associate	(56)	(21)	(139)	(73)
Profit before tax	10,187	16,733	36,039	21,893
Tax expense	(3,582)	(2,928)	(10,913)	(4,748)
Profit for the financial period	6,605	13,805	25,126	17,145
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the financial period	6,605	13,805	25,126	17,145
Attributable to:				
Owners of the parent	7,229	6,273	23,371	10,024
Non-controlling interests	(624)	7,532	1,755	7,121
	6,605	13,805	25,126	17,145
Earnings per ordinary share attributable to equity holders of the Company (sen) :				
- Basic	1.85	1.61	5.99	2.57
- Diluted	1.31	1.61	4.25	2.57

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying notes.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	(UNAUDITED) AS AT 30 June 2017 <u>RM'000</u>	(AUDITED) AS AT 31 Dec 2016 <u>RM'000</u>
ASSETS		
Non-current assets		
Property, plant and equipment	36,513	43,583
Land held for property development	37,931	60,439
Investment properties	35,742	37,782
Investment in a joint venture	136	225
Investment in an associate	3,388	3,526
Deferred tax assets	3,232	3,223
	116,942	148,778
Current assets		
Property development costs	198,218	244,973
Inventories	34,895	25,116
Trade and other receivables	705,230	522,377
Other investment	7,433	2,512
Current tax assets	370	335
Short term funds	305	952
Cash and bank balances	38,020	31,980
	984,471	828,245
TOTAL ASSETS	1,101,413	977,023
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	183,275	97,730
Share premium	-	85,545
Treasury shares	(510)	(510)
Retained earnings	184,337	160,966
	367,102	343,731
Non-controlling interests	8,648	6,893
TOTAL EQUITY	375,750	350,624
Non-current liabilities		
Borrowings	67,795	72,526
Deferred tax liabilities	2,932	2,932
	70,727	75,458
Current liabilities		
Trade and other payables	396,011	342,243
Borrowings	237,256	195,890
Current tax liabilities	21,669	12,808
	654,936	550,941
TOTAL LIABILITIES	725,663	626,399
TOTAL EQUITY AND LIABILITIES	1,101,413	977,023
Net assets per share attributable to owners of the parent (RM)	0.94	0.88

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying notes.

GABUNGAN AQRS BERHAD
(Company No. 912527-A)
(Incorporated in Malaysia)

24 August 2017

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 JUNE 2017

	-----ATTRIBUTABLE TO OWNERS OF THE PARENT-----						Total equity RM'000
	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Distributable Retained earnings RM'000	Total RM'000	Non-controlling-interests RM'000	
Balance as at 1 January 2017	97,730	85,545	(510)	160,966	343,731	6,893	350,624
Reclassification pursuant to S618(2) of Companies Act 2016 (Note 1)	85,545	(85,545)	-	-	-	-	-
Profit for the financial period / Total comprehensive income for the period	-	-	-	23,371	23,371	1,755	25,126
Balance as at 30 June 2017	183,275	-	(510)	184,337	367,102	8,648	375,750

	-----ATTRIBUTABLE TO OWNERS OF THE PARENT-----						Total equity RM'000
	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Distributable Retained earnings RM'000	Total RM'000	Non-controlling-interests RM'000	
Balance as at 1 January 2016	97,730	85,545	(419)	138,334	321,190	1,242	322,432
Profit for the financial period / Total comprehensive income for the period	-	-	-	10,024	10,024	7,121	17,145
Shares repurchased	-	-	(47)	-	(47)	-	(47)
Balance as at 30 June 2016	97,730	85,545	(466)	148,358	331,167	8,363	339,530

Note 1:

Pursuant to the Companies Act 2016 ("CA2016") which came into effect on 31 January 2017, the credit amounts in the share premium account has been transferred to the share capital account. The Group may exercise its right to use the credit amounts transferred from the share premium account within 24 months after the commencement of the CA2016.

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying notes.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 JUNE 2017

	Current Period Ended 30 June 2017 RM'000	Preceding Period Ended 30 June 2016 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	36,039	21,893
Adjustments for:		
Depreciation of property, plant and equipment	7,771	6,139
Interest expense	7,250	7,552
Interest income	(429)	(540)
Property, plant and equipment written off	1,918	1
Gain on disposal of property, plant and equipment	(40)	(168)
Share of loss of a joint venture	89	2
Share of loss of an associate	139	73
Operating profit before changes in working capital	52,737	34,952
Changes in working capital:		
Inventories	(9,779)	5,492
Property development costs	69,263	28,579
Trade and other receivables	(187,774)	13,597
Trade and other payables	53,768	(76,938)
Cash (used in)/generated from operating activities	(21,785)	5,682
Interest paid	(1,604)	(7,148)
Interest received	429	540
Tax paid	(2,096)	(7,601)
Net cash used in operating activities	(25,056)	(8,527)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(579)	(648)
Purchase of investment property	-	(2,025)
Proceeds from disposals of property, plant and equipment (Placement)/Withdrawal of fixed deposits pledged	40	262
	(5,207)	4,948
Net cash (used in)/from investing activities	(5,746)	2,537
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(5,646)	(404)
Repurchase of shares	-	(47)
Repayments to hire purchase creditors	(2,928)	(4,816)
Drawdowns of term loans	-	44,180
Repayments of term loans	(14,074)	(7,966)
Repayments of revolving credits	(1,057)	(12,300)
Net cash (used in)/from financing activities	(23,705)	18,647
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(54,507)	12,657
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	(38,384)	(64,810)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	(92,891)	(52,153)

Cash and cash equivalents at the end of the financial period comprise the following:

	As at 30 June 2017 RM'000	As at 30 June 2016 RM'000
Cash and bank balances	3,230	4,636
Fixed deposits with licensed banks	34,790	30,759
Short term funds	305	830
	38,325	36,225
Less : Bank overdrafts included in borrowings	(96,426)	(57,619)
Fixed deposits pledged	(34,790)	(30,759)
Total cash and cash equivalents	(92,891)	(52,153)

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying notes.