

# **GOLDIS BERHAD**

## **Interim Financial Report**

For the financial period ended 31 July 2012

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### **CONTENTS**

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**Condensed Consolidated Income Statement**

**Condensed Consolidated Statement of Comprehensive Income**

**Condensed Consolidated Statement of Financial Position**

**Condensed Consolidated Statement of Changes in Equity**

**Condensed Consolidated Statement of Cash Flows**

#### **Part A**

##### **Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Listing**

- A1. Accounting Policies and Methods of Computation
- A2. Explanatory Comments about the Seasonality or Cyclicalities of Interim Operations
- A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows
- A4. Material Changes in Estimates
- A5. Capital Management, Issuances, Repurchases, and Repayment of Debt and Equity Securities
- A6. Dividends Paid
- A7. Operating Segment Reporting
- A8. Material Events Subsequent to the End of the Interim Period
- A9. Effects of Changes in the Composition of the Group
- A10. Capital Commitments
- A11. Notes to Discontinuing operations

#### **Part B**

##### **Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

- B1. Review of Performance
  - B2. Comparison with Preceding Quarter's Results
  - B3. Commentary on Prospects for the Remaining Period of the Current Financial Year
  - B4. Variance of Actual Profit from Forecast Profit or Profit Guarantee
  - B5. Statement by Directors
  - B6. Taxation
  - B7. Status of Corporate Proposals
  - B8. Details of Group Borrowings and Debt Securities
  - B9. Changes in Material Litigations
  - B10. Proposed Dividends
  - B11. Earnings Per Share
  - B12. Notes to Statements of Comprehensive income
  - B13. Realised and Unrealised Retained Earnings
  - B14. Audit Report Qualification and Status of Matters Raised
-

**GOLDIS BERHAD****Condensed Consolidated Income Statements**

For the financial period ended 31 July 2012

*(The figures have not been audited)*

	Current Year Quarter 31.7.12 RM'000	Preceding Year Quarter 31.7.11 RM'000	Current Year To-Date 31.7.12 RM'000	Preceding Year To-Date 31.7.11 RM'000
		(Restated)		(Restated)
Revenue	26,579	17,717	52,683	32,814
Cost of sales	<b>(11,643)</b>	<b>(9,208)</b>	<b>(23,956)</b>	<b>(16,984)</b>
Gross profit	<b>14,936</b>	8,509	<b>28,727</b>	15,830
Other income	881	767	1,537	1,327
Selling and distribution expenses	<b>(361)</b>	<b>(647)</b>	<b>(767)</b>	<b>(1,039)</b>
Administration expenses	<b>(7,714)</b>	<b>(7,382)</b>	<b>(16,860)</b>	<b>(15,964)</b>
Operating profit	<b>7,742</b>	1,247	<b>12,637</b>	154
Finance income	<b>1,494</b>	83	<b>2,510</b>	168
Finance costs	<b>(2,577)</b>	<b>(3,549)</b>	<b>(5,057)</b>	<b>(6,516)</b>
Finance costs (net)	<b>(1,083)</b>	<b>(3,466)</b>	<b>(2,547)</b>	<b>(6,348)</b>
Share of results of an associate	<b>19,361</b>	14,991	<b>42,444</b>	30,620
Profit before taxation	<b>26,020</b>	12,772	<b>52,534</b>	24,426
Taxation	<b>(1,927)</b>	<b>(312)</b>	<b>(5,506)</b>	<b>(562)</b>
Profit from continuing operations	<b>24,093</b>	12,460	<b>47,028</b>	23,864
Profit from discontinuing operations	<b>(477)</b>	206	<b>(1,884)</b>	<b>(696)</b>
Profit from discontinued operations	-	6,653	-	9,369
<b>Profit for the financial period</b>	<b>23,616</b>	19,319	<b>45,144</b>	32,537
<b>Attributable to:</b>				
Owners of the parent				
- from continuing operations	<b>22,576</b>	12,860	<b>44,756</b>	23,863
- from discontinuing operations	<b>(405)</b>	<b>(263)</b>	<b>(1,549)</b>	<b>(1,139)</b>
- from discontinued operation	-	5,214	-	7,321
	<b>22,171</b>	17,811	<b>43,207</b>	30,045
Non-controlling interest	<b>1,445</b>	1,508	<b>1,937</b>	2,490
<b>Profit for the financial period</b>	<b>23,616</b>	19,319	<b>45,144</b>	32,535
<b>Earnings per share attributable to equity holders of the Company</b>				
Basic (sen)				
- from continuing operations	<b>3.70</b>	2.11	<b>7.33</b>	3.92
- from discontinuing operations	<b>(0.07)</b>	<b>(0.04)</b>	<b>(0.25)</b>	<b>(0.19)</b>
- from discontinued operation	-	0.85	-	1.20
	<b>3.63</b>	2.92	<b>7.08</b>	4.93
Diluted (sen)				
- from continuing operations	<b>3.70</b>	2.11	<b>7.33</b>	3.92
- from discontinuing operations	<b>(0.07)</b>	<b>(0.04)</b>	<b>(0.25)</b>	<b>(0.19)</b>
- from discontinued operation	-	0.85	-	1.20
	<b>3.63</b>	2.92	<b>7.08</b>	4.93

**Note:**

1. The discontinuing operations is in relation to the proposed divestment of subsidiaries, see Note A11 for details.

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements.

**GOLDIS BERHAD****Condensed Consolidated Statements of Comprehensive Income**

For the financial period ended 31 July 2012

*(The figures have not been audited)*

	<b>Current Year Quarter 31.7.12 RM'000</b>	<b>Preceding Year Quarter 31.7.11 RM'000</b>	<b>Current Year To-Date 31.7.12 RM'000</b>	<b>Preceding Year To-Date 31.7.11 RM'000</b>
<b>Profit for the financial period</b>	<b>23,616</b>	19,319	<b>45,144</b>	32,535
<b>Other comprehensive income</b>				
Available-for-sale financial assets				
- Fair value gain	3,310	(660)	4,920	654
- Reclassification upon disposal	-	-	-	(533)
Currency translation differences	(476)	55	(688)	(1,794)
<b>Other comprehensive income for the financial period, net of tax</b>	<b>2,834</b>	(605)	<b>4,232</b>	(1,673)
<b>Total comprehensive income for the financial period</b>	<b>26,450</b>	<b>18,714</b>	<b>49,376</b>	<b>30,862</b>
<b>Attributable to:</b>				
Owners of the parent				
- from continuing operations	27,313	11,881	49,094	22,190
- from discontinuing operations	(1,138)	(16)	(1,603)	(969)
- from discontinued operations	-	5,278	-	7,390
Non-controlling interest	275	1,571	1,885	2,251
<b>Total comprehensive income for the financial period</b>	<b>26,450</b>	<b>18,714</b>	<b>49,376</b>	<b>30,862</b>

**Note:**

1. The discontinuing operations is in relation to the proposed divestment of subsidiaries, see Note A11 for details.

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements.

**GOLDIS BERHAD****Condensed Consolidated Statements of Financial Position**

As at 31 July 2012

*(The figures have not been audited)*

	31.7.2012 RM'000	31.1.2012 RM'000
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	343,652	382,331
Intangible assets	336	346
Associate	1,078,031	1,009,895
Available-for-sale financial assets	-	241
Concession receivables	42,978	38,465
Deferred tax assets	1,953	1,954
	<b>1,466,950</b>	<b>1,433,232</b>
<b>Current Assets</b>		
Inventories	1,224	4,633
Available-for-sale financial assets	19,439	14,519
Financial assets at fair value through profit or loss	15,953	11,528
Derivative financial assets	3,061	2,977
Concession receivables	6,794	9,157
Amount owing from an associate	101	130
Trade and other receivables	16,165	29,532
Tax recoverable	2,972	2,656
Deposits, cash and bank balances	137,823	159,406
	<b>203,532</b>	<b>234,538</b>
Assets held-for-sale	119,449	64,807
	<b>322,981</b>	<b>299,345</b>
<b>Total Assets</b>	<b>1,789,931</b>	<b>1,732,577</b>
<b>Equity and Liabilities</b>		
<b>Equity Attributable To Owners Of The Parent</b>		
Share capital	610,494	610,368
Share premium	103,221	103,142
Treasury shares	(1,449)	-
Exchange fluctuation reserve	1,037	1,432
Share options reserve	-	30
Available-for-sale reserve	13,652	8,732
Retained earnings	686,394	645,939
	<b>1,413,349</b>	<b>1,369,643</b>
Non-controlling interests	31,602	27,206
<b>Total Equity</b>	<b>1,444,951</b>	<b>1,396,849</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	5,966	5,872
Hire-purchase and finance lease payables	-	30
Interest-bearing bank borrowings	93,199	92,033
Deferred revenue	84	9,563
	<b>99,249</b>	<b>107,498</b>
<b>Current Liabilities</b>		
Trade and other payables	35,059	49,529
Deferred revenue	2,138	2,416
Current tax liabilities	3,156	333
Hire-purchase and finance lease payables	49	40
Interest-bearing bank borrowings	99,617	129,647
	<b>140,019</b>	<b>181,965</b>
Liabilities directly associated with assets held-for-sale	105,712	46,265
	<b>245,731</b>	<b>228,230</b>
<b>Total Liabilities</b>	<b>344,980</b>	<b>335,728</b>
<b>Total Equity and Liabilities</b>	<b>1,789,931</b>	<b>1,732,577</b>
<b>Net assets per share attributable to ordinary equity holders of the Company</b>	<b>2.32</b>	<b>2.24</b>

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements.

**GOLDIS BERHAD**
**Condensed Consolidated Statements of Changes in Equity**

For the financial period ended 31 July 2012

(The figures have not been audited)

	Attributable to equity holders of the Parent										Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Irredeemable Convertible Non- Cumulative Preference Shares RM'000	Share Premium RM'000	Exchange Fluctuation Reserve RM'000	Available-for- sale reserve RM'000	Share Option Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interests RM'000	
<b>At 1 February 2012</b>	610,368	-	-	103,142	1,432	8,732	30	645,939	1,369,643	27,206	1,396,849
<b>Comprehensive income</b>											
Profit for the financial period	-	-	-	-	-	-	-	43,207	43,207	1,937	45,144
Other comprehensive income											
Available-for-sale financial assets	-	-	-	-	-	4,920	-	-	4,920	-	4,920
Currency translation differences	-	-	-	-	(395)	-	-	-	(395)	(293)	(688)
Total other comprehensive income	-	-	-	-	(395)	4,920	-	-	4,525	(293)	4,232
<b>Total comprehensive income for the financial period</b>	-	-	-	-	(395)	4,920	-	43,207	47,732	1,644	49,376
<b>Transactions with owners</b>											
Issuance of shares - ESOS	126	-	-	79	-	-	(30)	-	175	-	175
Share buy back	-	(1,449)	-	-	-	-	-	-	(1,449)	-	(1,449)
Changes in ownership interests in subsidiaries, that do not result in loss of control	-	-	-	-	-	-	-	(2,752)	(2,752)	2,752	-
Transactions with owners	126	(1,449)	-	79	-	-	(30)	(2,752)	(4,026)	2,752	(1,274)
<b>At 31 July 2012</b>	610,494	(1,449)	-	103,221	1,037	13,652	-	686,394	1,413,349	31,602	1,444,951
<b>At 1 February 2011</b>											
As previously reported	609,681		3,500	169,344	1,077	3,766	117	386,829	1,174,314	18,581	1,192,895
Reclassification	-		(3,500)	(66,548)	-	-	-	-	(70,048)	70,048	-
As restated	609,681		-	102,796	1,077	3,766	117	386,829	1,104,266	88,629	1,192,895
<b>Comprehensive income</b>											
Profit for the financial period	-		-	-	-	-	-	30,045	30,045	2,489	32,534
Other comprehensive income											
Available-for-sale financial assets	-		-	-	-	121	-	-	121	-	121
Currency translation differences	-		-	-	(1,556)	-	-	-	(1,556)	(238)	(1,794)
Total other comprehensive income	-		-	-	(1,556)	121	-	-	(1,435)	(238)	(1,673)
<b>Total comprehensive income for the financial period</b>	-		-	-	(1,556)	121	-	30,045	28,610	2,251	30,861
<b>Transactions with owners</b>											
Issuance of shares - ESOS	144		-	43	-	-	(38)	-	149	-	149
Final dividend paid by the Company	-		-	-	-	-	-	(7,622)	(7,622)	-	(7,622)
Final dividend paid by subsidiary to non-controlling interest	-		-	-	-	-	-	-	-	(87)	(87)
Transactions with owners	144		-	43	-	-	(38)	(7,622)	(7,473)	(87)	(7,560)
<b>At 31 July 2011</b>	609,825		-	102,839	(479)	3,887	79	409,252	1,125,403	90,793	1,216,196

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements.

**GOLDIS BERHAD****Condensed Consolidated Statement of Cash Flows**

For the financial period ended 31 July 2012

*(The figures have not been audited)*

	Current Year 31.7.2012 RM'000	Preceding Year 31.7.2011 RM'000
		(Restated)
<b>Operating Activities</b>		
Cash receipts from customers	59,122	27,474
Cash paid to suppliers and employees	(38,525)	(26,897)
Cash generated from operations	20,597	577
Dividends received	10,323	10,039
Interests received	2,509	317
Interests paid	(5,056)	(6,518)
Taxation paid	(2,596)	(1,562)
Operating activities cash flow from continuing operations	25,777	2,853
Operating activities cash flow from discontinuing operations	(3,462)	2,856
Operating activities cash flow from discontinued operations	-	13,140
<b>Net cash flow from operating activities</b>	<b>22,315</b>	<b>18,849</b>
<b>Investing Activities</b>		
Additional investment in an associate	(36,015)	(427)
Additional investment in quoted investment	(9,953)	(2,475)
Proceed from disposal of quoted investments	5,362	1,728
Additional investment in derivative financial assets	(7,001)	-
Proceed from disposal of derivative financial assets	7,075	1,954
Purchase of property, plant and equipments	(677)	(16,329)
Repayment to an associate	28	(14)
Investing activities cash flow from continuing operations	(41,181)	(15,563)
Investing activities cash flow from discontinuing operations	(1,355)	(1,856)
Investing activities cash flow from discontinued operations	-	(2,378)
<b>Net cash flow used in investing activities</b>	<b>(42,536)</b>	<b>(19,797)</b>
<b>Financing Activities</b>		
Proceeds from issuance of shares arising from exercise of ESOS	176	150
Purchase of treasury shares	(1,449)	-
Proceeds from bank borrowings	-	24,268
Repayment of bank borrowings	-	(3,562)
Payments of hire-purchase and finance lease liabilities (net)	(20)	34
Dividend paid by the Company	-	(7,623)
Financing activities cash flow from continuing operations	(1,293)	13,267
Financing activities cash flow from discontinuing operations	1,039	918
Financing activities cash flow from discontinued operations	-	(2,302)
<b>Net cash flow from financing activities</b>	<b>(254)</b>	<b>11,883</b>
Net decrease/(increase) in cash and cash equivalents during the financial period	(20,475)	10,935
Currency translation differences	573	(119)
Reclassification to assets held for sale	(1,681)	-
Cash and cash equivalents at beginning of the financial period	158,116	63,779
<b>Cash and cash equivalents at end of the financial period</b>	<b>136,533</b>	<b>74,595</b>
Cash and cash equivalents at end of the financial period comprise of the following:		
Deposits with licensed banks	130,375	15,116
Short term investments with licensed bank	717	144
Cash and bank balances	6,731	60,818
	137,823	76,078
Less: Bank overdrafts	-	(193)
	137,823	75,885
Less: Deposits pledged as securities for borrowings	(1,290)	(1,290)
<b>Cash and cash equivalents at end of the financial period</b>	<b>136,533</b>	<b>74,595</b>

**Note:**

1. The discontinuing operations is in relation to the proposed divestment of subsidiaries, see Note A11 for details.

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements.

# GOLDIS BERHAD

## Notes to the Interim Financial Report

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### A. Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Listing Requirements

#### A1. Accounting Policies and Methods of Computation

The interim financial report are unaudited and has been prepared in accordance with FRS 134, Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 January 2012. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the year ended 31 January 2012, except for the followings:

- Amendment to FRS 112 "Income taxes"
- IC Interpretation 19 "Extinguishing financial liabilities with equity instruments"
- Amendments to FRS 1 "First-time Adoption of Financial Reporting Standards - severe hyperinflation and removal of fixed dates for first-time adopters"
- Amendments to FRS 7 "Financial Instruments: Disclosures on transfers of financial assets"

The adoption of the other new and revised FRSS, IC Interpretations and Amendments has no significant impact to the Group's consolidated financial statements of the current quarter or the comparative consolidated financial statements of the prior financial year.

Certain comparative figures presented in the income statement and statement of cash flow have been restated. The amount relating to the proposed disposal of a subsidiary and disposed subsidiary have been separately disclosed under discontinuing and discontinued operations respectively according to FRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

#### A2. Explanatory Comments about the Seasonality or Cyclicity of Interim Operations

The Group's operations were not materially affected by seasonal or cyclical factors.

#### A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no significant unusual items that affect the assets, liabilities, equity, net income or cash flows.

#### A4. Material Changes in Estimates

There were no changes in estimates that have had material effect in the current financial year result.

#### A5. Capital Management, Issuances, Repurchases, and Repayment of Debt and Equity Securities

Shares repurchased during the current financial year to-date were as follows:-

Purchased Date	No. of shares	Lowest Price RM	Highest Price RM	Cost RM
30 July 2012	294,100	2.05	2.05	605,095
31 July 2012	410,000	2.05	2.05	843,474
As at 31 July 2012	704,100			1,448,569
1 Aug 2012	220,000	2.05	2.05	452,688
2 Aug 2012	1,128,000	2.05	2.05	2,320,231
3 Aug 2012	3,000	2.05	2.05	6,199
6 Aug 2012	38,000	2.05	2.05	78,469
6 Sep 2012	995,700	2.04	2.04	2,038,131
7 Sep 2012	208,800	2.03	2.03	425,463
10 Sep 2012	10,900	2.04	2.04	22,399
11 Sep 2012	1,360,000	2.04	2.04	2,783,755
12 Sep 2012	1,555,100	2.04	2.04	3,183,073
13 Sep 2012	2,008,600	2.04	2.04	4,111,037
As at reporting date	8,232,200			16,870,014

The number of treasury shares held as at the date of this report was 8,232,200 ordinary shares of RM1.00 each.

Other than the above, there were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities, share buy backs and share cancellations for the current financial period.

#### A6. Dividends Paid

There was no payment of dividend during the financial period ended 31 July 2012.





# GOLDIS BERHAD

## Notes to the Interim Financial Report

### A. Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Listing Requirements

#### A8. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the interim period up to the date of this report.

#### A9. Effects of Changes in the Composition of the Group

On 28 March 2012, the Board of Directors of Goldis Berhad ("Goldis") announced that Goldis has acquired the entire issue and paid up capital in Triple Hallmark Sdn Bhd ("THSB") comprising 2 ordinary shares of RM1.00 each for a cash consideration of RM2.00 resulting THSB becoming a wholly-owned subsidiary of Goldis.

#### A10. Capital Commitments

Authorised capital commitments not recognised in the interim financial statements as at 31 July 2012 are as follows:

	RM'000
Approved and contracted for:	
- Property, plant and equipment	1,600
Approved but not contracted for:	
- Property, plant and equipment	3,300
	<u>4,900</u>

#### A11. Note to Discontinuing Operations

Macro Kiosk Berhad ("MKB"), a 70% owned subsidiary, obtained the approval from the Board to dispose on 14 December, 2011, and Manax Limited ("Manax"), a wholly-owned subsidiary, obtained the approval from the Board on the proposed divestment on 19 September 2012. Hence, the results from MKB and Manax are presented separately on the consolidated statement of comprehensive income as "Discontinuing operation" and assets and liabilities related to MKB & Manax have been presented as held for sale as at 31 July, 2012.

Financial performance and cash flow information presented for the period ended 31 July, 2012

	MKB RM'000	Manax RM'000	TOTAL RM'000
Revenue	63,645	20,546	84,191
Cost of sales	(52,129)	(21,055)	(73,184)
Gross profit	11,516	(509)	11,007
Other income	127	24	151
Expenses	(10,503)	(2,898)	(13,401)
Profit before taxation	1,140	(3,383)	(2,243)
Taxation	359	-	359
Profit after taxation from discontinuing operations	1,499	(3,383)	(1,884)
Net cash generated from/(used in) ordinary activities	1,796	(5,257)	(3,461)
Net cash used in investing activities	(1,159)	(196)	(1,355)
Net cash used in/(generated from) financing activities	(721)	1,760	1,039
	(84)	(3,693)	(3,777)

The carrying amounts of assets and liabilities as at 31 July, 2012 were:

<u>Assets held-for-sale</u>			
Property, plant & equipment	3,192	28,345	31,537
Intangible assets	1,664	-	1,664
Unquoted investment	-	245	245
Deferred tax assets	98	-	98
Inventories	18	6,651	6,669
Trade & other receivables	44,575	14,505	59,080
Deposits, cash and bank balances	18,475	1,681	20,156
	68,022	51,427	119,449
<u>Liabilities directly associated with assets held-for-sale</u>			
Trade and other payables	43,729	15,148	58,877
Tax liabilities	1,170	-	1,170
Borrowings	4,500	31,424	35,924
Deferred revenue	-	9,741	9,741
	49,399	56,313	105,712

**B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad****B1. Review of Performance****Property Investment and Development ("Property")**

The Property segment has seen a robust take up in occupancy amidst a strong demand from the oil & gas sector and companies looking to house back office operations. 94% occupancy rate was achieved with revenue of RM12.0 million in the current quarter from RM6.1 million in the corresponding quarter last year. The segment's Profit Before Tax ("PBT") improved to record RM23.8 million for the current quarter from RM13.9 million on the back of better margins achieved and the better performance from investment in associate.

For the six months ended 31 July 2012, additional revenue arising from the higher occupancy rate has contributed to the upward trend in revenue and PBT. Operating profit from this segment has gone up by 76% representing PBT of RM50.3 million for the period attributable to better performance from investment in associate.

**Information and Communication Technology ("ICT")**

ICT segment achieved a higher revenue and PBT of RM4.0 million and RM1.0 million respectively for the quarter under review, driven by increases in broadband revenue, data centre revenue and other value added services as well as IT Project revenue.

ICT segment has shown a parallel upward movement in revenue & PBT with RM7.5 million and RM1.7 million respectively for the six months period under review, with the latter remaining above the former, implying higher net profit margin due to cost saving initiatives.

**Waste Water Treatment**

For the quarter under review, the Waste Water Treatment segment had achieved a revenue of RM2.0 million and PBT of RM0.7 million following the adoption of IC Interpretation 12 ("IC12") in the current quarter.

With the adoption of the new IC Interpretation 12 in compliance with Financial Reporting Standards in Malaysia, which applies to all service concessions, Waste Water Treatment segment achieved a revenue increase to RM5.1 million for the first six months period as compared to RM3.6 million over the same period last year. Consequently, it had brought a turnaround for the segment to record a PBT of RM1.1 million in the same period.

Excluding the impact of IC12 adjustments, the Group achieved a higher revenue and PBT of RM3.9 million and RM0.4 million for the six months period arising from the processing fee received from ZouCheng's BOT during the pre-commission period.

**Aquaculture**

The Aquaculture segment achieved a revenue increase of 86% to RM0.4 million in the current quarter compared to the same quarter last year, buoyed by the trading of fish fry. Losses in the Aquaculture segment has reduced due to the continuous cost optimization activities undertaken during the quarter.

In the Aquaculture segment, higher demand of Grouper fish fries resulted in a 95% increase in revenue over the first half year in the current financial year to RM0.8 million. Losses in the Aquaculture segment has reduced by focusing on operational efficiencies through cost management initiatives.

**Hotel**

The Hotel segment grew well during the quarter, with revenue up by 24% to RM7.5 million, supported by good business volumes in both hotel rooms as well as food and beverages operations. Hotel segment ended its second quarter with PBT of RM0.4 million as compared to RM0.5 million losses for the same quarter last year.

Hotel segment performed well with revenue of RM14.7 million for the first six months ended 31 July 2012, representing a 48% increase over the previous corresponding period. This is mainly due to the awareness of higher-end brand of the hotel targeted toward business and leisure travelers which led to an increase in overall volume of business. Thus, PBT for the period ended 31 July 2012 shot up 146% to RM1.0 million compared to corresponding period last year.

**B2. Comparison with Preceding Quarter's Results**

The PBT has slightly decreased by 2% from RM26.5 million (after adjustment of discontinuing operation) to RM26.0 million compared to the immediate preceding quarter, mainly due to lower contribution from associate.

## GOLDIS BERHAD

### Notes to the Interim Financial Report

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#### B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

##### B3. Current Year Prospect

###### Property Investment and Development ("Property")

Looking ahead to the second half of 2012, office rentals and occupancy in Kuala Lumpur are projected to stabilise barring any major economic setbacks. The Government's economic liberalisation package should provide the impetus to create new demand in the office sector as the economy improves, whilst at the same time the plentiful supply of new office stock will ensure more choices and greater bargaining power for tenants and continued competitive conditions for owners.

For the Group's investment in its associate, it is expected to record an improvement mainly due to stronger operating performances of IGB's businesses.

###### Information and Communication Technology ("ICT")

The ICT industry is expected to remain competitive and challenging. In this regard, the Group is always striving to provide the customers with attractive bundle offerings to stimulate growth in revenues. Operational efficiency will continue to be a strong feature as a way to operate the business. Therefore, the priority in the short to medium term is to continue to leverage on the success of its cost saving initiatives to maintain margins as well as optimise network collaboration and partnerships to strengthen competitiveness.

###### Waste Water Treatment

Alarmed by the amount of pollution in its rivers, China begun enacting new environmental regulations and laws and taking more action to clean up its rivers. In order to curb the water pollution problem, great progress was made to strengthen the existing water infrastructures through the implementation of a large number of water supply and wastewater treatment projects. It is very clear that the prospects for the business of wastewater treatment is looking bright.

###### Aquaculture

The aquaculture sector has proven to be an important supplier of animal protein and has contributed significantly to the Malaysian economy. In addition, this sector has provided many communities with employment and socio-economic opportunities. Demand for fish and fish products in the local, regional and international markets will translate to better opportunities for the local processors and exporters. There are good opportunities in the aquaculture sector with potential to be developed to cater for both local and export markets.

###### Hotel

Malaysia's hospitality industry is experiencing a healthy growth in hotel openings and hospitality-related services through the steady flow of business travelers, tourists and popularity as a MICE (Meeting, Incentives, Conventions, Exhibitions) venue. With that, GTower Hotel can expect to maintain its performance for the next 6 months of the financial year.

##### B4. Variance of Actual Profit from Forecast Profit or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee in the current quarter or in the prior financial year.

##### B5. Statement by Directors

The Group did not disclose or announce any profit forecast or projection in any public document in the current quarter or prior financial year. In the Board of Directors' opinion, the internal targets set by management for the remaining period of the current financial year ending 31 January 2013 are likely to be achieved.

##### B6. Taxation

	Current Quarter	Current YTD
	RM'000	RM'000
Current tax:		
Malaysian tax	1,848	5,412
Foreign tax	-	-
	<u>1,848</u>	<u>5,412</u>
Deferred Tax	79	94
	<u>1,927</u>	<u>5,506</u>

The effective income tax expense of the Group for the current quarter is lower than the statutory tax rate due to certain income not being subject to tax, utilisation of unutilised tax losses brought forward, and unabsorbed capital allowances in certain subsidiaries.

## GOLDIS BERHAD

### Notes to the Interim Financial Report

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#### B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

##### B7. Status of Corporate Proposals

There were no corporate proposals announced during the quarter.

##### B8. Details of Group Borrowings and Debt Securities

The Groups' borrowings and debts securities as at 31 July 2012 are as follows:

	Total RM'000
<b>Current</b>	
Revolving credits (secured)	99,617
<b>Non-current</b>	
Term loans (secured)	93,199
<b>Total</b>	<b>192,816</b>

The currency exposure profile of bank borrowings is as follows:

	Local currency (in '000)	RM equivalent (in '000)
Ringgit Malaysia	184,659	184,659
US Dollar	2,600	8,157
		<b>192,816</b>

##### B9. Changes in Material Litigations

As at the reporting date, there were no pending material litigations since the last financial year ended 31 January 2012 and up to the reporting date.

##### B10. Proposed Dividends

The Directors have not proposed any dividend for the current financial period under review.

##### B11. Earnings Per Share

The basic earnings per share of the Group is calculated by dividing the net profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period.

	Current Quarter	Current YTD
Net profit attributable to ordinary equity holders of the Company (RM'000)		
- from continuing operations	22,576	44,756
- from discontinuing operations	(405)	(1,549)
	<b>22,171</b>	<b>43,207</b>
Weighted average no. of ordinary shares in issue ('000)	610,493	610,479
Basic earnings per share (sen)		
- from continuing operations	3.70	7.33
- from discontinuing operations	(0.07)	(0.25)
	<b>3.63</b>	<b>7.08</b>

**GOLDIS BERHAD**

## Notes to the Interim Financial Report

**B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad****B12. Notes to Statements of Comprehensive income**

	Current Quarter RM'000	Current YTD RM'000
(a) Interest income	1,494	2,510
(b) Other income including investment income	881	1,537
(c) Interest expenses	2,577	5,057
(d) Depreciation and amortisation	5,083	10,451
(e) Allowance for and write off of receivables	-	-
(f) Allowance for and write off of inventories	-	-
(g) Gain/(loss) on disposal of quoted/unquoted investment or properties	316	465
(h) Impairment of assets	-	-
(i) Foreign exchange gain/(loss)	-	-
(j) Gain/(loss) on derivatives	-	-
(k) Exceptional items	-	-

**B13. Realised and Unrealised Retained Earnings**

	As at 31.7.2012 RM'000	As at 31.1.2012 RM'000
Total Retained Profits		
- Realised	329,249	325,663
- Unrealised	<u>(4,052)</u>	<u>(3,479)</u>
	325,197	322,184
Total Share of Retained Profits from Associate		
- Realised	461,485	405,711
- Unrealised	<u>(51,411)</u>	<u>(38,081)</u>
	735,271	689,814
Less: Consolidation Adjustments	<u>(48,877)</u>	<u>(43,875)</u>
Total Retained Profits	<u>686,394</u>	<u>645,939</u>

**B14. Audit Report Qualification and Status of Matters Raised**

The audit report of the Group's annual financial statements for the year ended 31 January 2012 did not contain any qualification.