

GRAND HOOVER BHD (10493-P)

Unaudited Condensed Consolidated Statement of Financial Position
as at 30 September 2015

	Note	As at 30.09.2015 RM'000 unaudited	As at 30.06.2015 RM'000 audited (restated)
ASSETS			
Non-current assets			
Property, plant and equipment	A 9	21,901	21,999
Investment properties		7,940	7,940
Prepaid lease payments		108	109
Land held for property development		8,770	8,770
Goodwill on consolidation		1,436	1,436
		<u>40,155</u>	<u>40,254</u>
Current assets			
Inventories		9,504	10,446
Property Development Costs		11,754	11,487
Trade receivables		21,989	22,091
Other receivables, deposits and prepayments		378	379
Tax recoverable		16	13
Fixed deposits with licensed banks		1,199	1,190
Cash and bank balances		3,064	5,911
		<u>47,904</u>	<u>51,517</u>
		<u>88,059</u>	<u>91,771</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		40,000	40,000
Share premium		4,186	4,186
Reserves		7,877	7,877
Retained profit / (Accumulated loss)		(4,413)	(3,374)
		<u>47,650</u>	<u>48,689</u>
Non-controlling interest		<u>9,776</u>	<u>9,729</u>
Total equity		<u>57,426</u>	<u>58,418</u>

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as at 30 September 2015**

	As at 30.09.2015 RM'000 unaudited	As at 30.06.2015 RM'000 audited (restated)
Non current liabilities		
Hire purchase creditors	664	698
Term Loan	4,866	5,524
Deferred taxation	2,882	2,882
	<u>8,412</u>	<u>9,104</u>
Current liabilities		
Trade payables	15,366	17,819
Other payables and accruals	1,028	1,164
Bills payable	-	-
Hire purchase creditors	200	221
Term Loan	336	336
Bank overdraft	4,981	4,418
Provision for taxation	310	291
	<u>22,221</u>	<u>24,249</u>
Total liabilities	<u>30,633</u>	<u>33,353</u>
TOTAL EQUITY AND LIABILITIES	<u>88,059</u>	<u>91,771</u>
Net tangible assets per share (RM)	<u>1.19</u>	<u>1.18</u>
Net assets per share attributable to ordinary equity holders of the parents (RM)	<u>1.16</u>	<u>1.22</u>

The unaudited condensed consolidated statement of financial position should be read in conjunction with the Audited Financial Report for the year ended 30th June 2015

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 September 2015

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months Current Year Quarter 30.09.2015 RM'000 unaudited	3 months Preceding Year Corresponding Quarter 30.09.2014 RM'000 unaudited	3 months Current Year To Date 30.09.2015 RM'000 unaudited	3 months Preceding Year To Date 30.09.2014 RM'000 unaudited
Revenue	14,261	13,984	14,261	13,984
Cost of sales	(12,978)	(11,924)	(12,978)	(11,924)
Gross profit	<u>1,283</u>	<u>2,060</u>	<u>1,283</u>	<u>2,060</u>
Interest income	13	11	13	11
Other income	69	174	69	174
Administrative expenses	(1,888)	(1,576)	(1,888)	(1,576)
Depreciation and amortisation	(100)	(78)	(100)	(78)
Finance cost	(154)	(122)	(154)	(122)
Profit /(Loss) before taxation	<u>(777)</u>	<u>469</u>	<u>(777)</u>	<u>469</u>
Tax expense	<u>(140)</u>	<u>(238)</u>	<u>(140)</u>	<u>(238)</u>
Profit / (loss) for the period	<u><u>(917)</u></u>	<u><u>231</u></u>	<u><u>(917)</u></u>	<u><u>231</u></u>
Other comprehensive income				
Revaluation surplus, net of deferred taxation	-	-	-	-
Total comprehensive income	<u><u>(917)</u></u>	<u><u>231</u></u>	<u><u>(917)</u></u>	<u><u>231</u></u>
Profit / (loss) for the period attributable to:				
Owners of the parents	(1,039)	37	(1,039)	37
Non-controlling interests	<u>122</u>	<u>194</u>	<u>122</u>	<u>194</u>
	<u><u>(917)</u></u>	<u><u>231</u></u>	<u><u>(917)</u></u>	<u><u>231</u></u>
Total comprehensive income attributable to:				
Owners of the parents	(1,039)	37	(1,039)	37
Non-controlling interests	<u>122</u>	<u>194</u>	<u>122</u>	<u>194</u>
	<u><u>(917)</u></u>	<u><u>231</u></u>	<u><u>(917)</u></u>	<u><u>231</u></u>
Basic earnings per ordinary share (sen) Based on 40,000,000 ordinary shares	(2.60)	0.09	(2.60)	0.09

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the Audited Financial Report for the year ended 30th June 2015.

GRAND HOOVER BHD (10493-P)

**Unaudited Condensed Consolidated Statement of Change in Equity
for the period ended 30 September 2015**

	----- Attributable to Equity Holders of the Parent -----						Total Equity RM'000
	-- Non-distributable --			Distributable			
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Unappro. Profit/ (Loss) RM'000	Total RM'000	Minority Interest RM'000	
Balance as at 1st July 2015	40,000	4,186	7,877	(3,374)	48,689	9,729	58,418
Comprehensive income:							
Net profit for the financial year	-	-	-	(1,039)	(1,039)	122	(917)
Other comprehensive income:							
Revaluation surplus, net of deferred tax	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	(1,039)	(1,039)	122	(917)
Dividends paid to non-controlling interest	-	-	-	-	-	(75)	(75)
Balance as at 30th September 2015	<u>40,000</u>	<u>4,186</u>	<u>7,877</u>	<u>(4,413)</u>	<u>47,650</u>	<u>9,776</u>	<u>57,426</u>
Balance as at 1st July 2014	40,000	4,186	6,542	(4,398)	46,330	8,384	54,714
Comprehensive income:							
Net profit for the financial year	-	-	-	1,024	1,024	945	1,969
Other comprehensive income:							
Revaluation surplus, net of deferred tax	-	-	1,335	-	1,335	475	1,810
Total comprehensive income	-	-	1,335	1,024	2,359	1,420	3,779
Dividends paid to non - controlling interests	-	-	-	-	-	(75)	(75)
Balance as at 30th June 2015 (restated)	<u>40,000</u>	<u>4,186</u>	<u>7,877</u>	<u>(3,374)</u>	<u>48,689</u>	<u>9,729</u>	<u>58,418</u>
Dividend distribution per ordinary share for the quarter		-	-	-	-		

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the Audited Financial Report for the year ended 30th June 2015.

GRAND HOOVER BHD (10493-P)

Unaudited Condensed Consolidated Statement of Cash Flows
for the period ended 30 September 2015

	3 months Current Year To Date 30-09-2015 RM'000 unaudited	12 months Preceding Year To Date 30-06-2015 RM'000 audited (Restated)
Cash flows from operating activities		
(Loss) / profit before taxation	(777)	2,879
Adjustments for :		
Non - cash items	-	454
Non - operating items - investing	100	(1,585)
Non - operating items - financing	141	464
Operating profit / (loss) before working capital changes	<u>(536)</u>	<u>2,212</u>
(Increase) / Decrease in working capital :		
Net Change in operating assets	778	(5,998)
Net Change in operating liabilities	(2,589)	6,948
Cash generated from / (used in) operation	<u>(2,347)</u>	<u>3,162</u>
Interest paid	(154)	(487)
Income tax refund	-	18
Income tax paid	(123)	(796)
Net cash from / (used in) operating activities	<u>(2,624)</u>	<u>1,897</u>
Cash Flows from investing activities		
Interest received	13	23
Proceeds from disposal of property, plant & equipment	-	44
Proceeds from disposal of investment property	-	656
Purchase of property, plant and equipment	(1)	(740)
Purchase of investment property	-	(570)
Net cash from / (used in) investing activities	<u>12</u>	<u>(587)</u>
Balance carried forwards	(2,612)	1,310

**Unaudited Condensed Consolidated Statement of Cash Flows
for the period ended 30 September 2015**

Balance brought forward	(2,612)	1,310
Cash flows from financing activities		
Drawdown of Hire Purchase	-	538
Repayment of Bills Payable	-	(335)
Repayment of hire purchase	(55)	(181)
Dividends paid to non-controlling interests	(75)	(75)
Drawdown of term loan	-	7,342
Repayment of term loan	(659)	(6,619)
Net cash used in financing activities	(789)	670
Net decrease in cash and cash equivalents	(3,401)	1,980
Cash and cash equivalents at beginning of year	2,683	703
Cash and cash at 30 September (i)	(718)	2,683

(i) Cash and cash equivalents

Cash and cash equivalents comprise the following balance sheet amounts :

	30/09/2015 RM'000	30/06/2015 RM'000
Cash and bank balances	3,064	5,911
Deposit with licensed banks	1,199	1,190
Bank overdrafts	(4,981)	(4,418)
	(718)	2,683

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the Audited Financial Report for the year ended 30th June 2015.

A1. Basis of preparation

The condensed consolidated interim financial statements has been prepared in accordance with the Financial Reporting Standards (FRS) 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (MASB) and the applicable disclosure provision under Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These condensed interim financial statements also comply with the International Accounting Standards (IAS) 34, *Interim Financial Reporting* issued by the International Accounting Standard Board (IASB).

The condensed consolidated interim financial statements should be read in conjunction with the Group's annual audited financial statements for the year ended 30th June 2015. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 30th June 2015.

In November 2011, MASB published the MFRS Framework, an International Financial Reporting Standards (IFRS) compliant set of accounting standards applicable to all non-private entities with effect from 1st January 2012, with the exception of Transitioning Entities ("TEs")

TEs, being entities within the scope of MFRS 141 Agriculture and / or IC Interpretation 15: Agreements for the Construction of Real Estate, including its parent, significant investor and venturers were given a transitional period of two years, within which the MFRS Framework is mandatory to be adopted by the TEs. Following the announcement by the MASB on 8 September 2015, the effective date of MFRS Framework for the adoption of MFRS framework by transitioning entities was deferred from annual periods beginning on or after 1 January 2017 to annual periods beginning on or after 1 January 2018.

Accordingly, as a transitioning entity as defined by the MASB, the Group has elected to continue to apply the FRS Framework up till its financial year ending 30 June 2018 and will adopt the Standards of the MFRS Framework that were issued by the MASB during the financial year ending 30 June 2019.

A2. Audit Report of Preceding Annual Financial Statements

The audited annual financial statements for the year ended 30th June 2015 were not subject to any qualification.

A3. Seasonal or cyclical factors

The business of the Group was not affected by any significant seasonal or cyclical fluctuations. However, the trading division was marginally affected by the strong competitive environments.

A4. Unusual Items

There were no unusual items of nature, size or incidence that affect the assets, liabilities, equity, net income or cash flows of the Group during the financial period under review.

A5. Changes in Estimates

There were no changes in estimate of amount reported in the current quarter or changes in estimate of amount reported in prior financial years that have a material effect in the current quarter under review.

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Note to the interim financial report

A6. Debt and equity securities

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellations, share held as treasury shares and resale of treasury shares for the period under review.

A7. Dividends paid

No dividend was paid during the period from 1st July 2015 to 30th September 2015 (30th June 2015: NIL).

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Note to the interim financial report

A8. Segment information

Segment information is presented in respect of the Group's business segments.

	Investment & Services and others	Property Development and Construction	Trading	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>REVENUE</u>					
Revenue from external customers	5	2,605	11,651		14,261
Inter-segment revenue	186	18	-	(204)	-
Total Revenue	191	2,623	11,651	(204)	14,261
<u>RESULTS</u>					
Segment Results	173	(973)	560	(396)	(636)
Unallocated expenses	-	-	-	-	-
Net interest expenses	(99)	(5)	(37)	-	(141)
Profit / (Loss) Before Tax	74	(978)	523	(396)	(777)
Taxation	(1)	-	(139)	-	(140)
Profit / (Loss) After Tax	73	(978)	384	(396)	(917)

GRAND HOOVER BHD (10493-P)
Note to the interim financial report

A9. Property, plant and equipment

The valuations of land and buildings have been brought forward, without amendment from the previous annual audited financial statements.

A10. Material events subsequent to the end of the interim period

There were no material events subsequent to the current financial quarter ended 30th September 2015 up to the date of this report which is likely to substantially affect the results of the operations of the Group.

A11 Changes in composition of the Group

There were no material changes in the composition of the Group for the current quarter and financial year-to-date.

A12 Changes in contingent liabilities

There are no material changes on contingent liabilities other than those highlighted in the financial report for the year ended 30th June 2015.

Performance Bonds

The performance bonds issued during the period from 1st July 2015 to 30th September 2015 are RM1,392,980.00 (30th June 2015: RM1,392,980.00).

A13. Capital commitments

	RM'000
Property, plant and equipment	
Authorised but not contracted for	NIL
Contracted but not provided for in the financial statements	900

B1. Review of performance

The Group's financial performance for the period ended 30th September 2015 had reported a loss before taxation of RM777,000 compared with the corresponding preceding period profit before tax of RM469,000. The Group revenue for the financial period was RM14.26 million compared with the corresponding period of RM13.98 million.

The losses were mainly attributable to higher cost incurred in the property division in complying with authority requirement. The trading division also experienced higher procurement cost which resulted in lower margin.

RM'000

REVENUE	3 months period ended 30th September 2015 (unaudited)	3 months period ended 30th September 2014 (unaudited)
Investment & Services	191	39
Property Development and Construction	2,623	2,783
Trading	11,651	11,219
	14,465	14,041
Elimination	(204)	(57)
Total	14,261	13,984

RM'000

Profit / (Loss) before Taxation	3 months period ended 30th September 2015 (unaudited)	3 months period ended 30th September 2014 (unaudited)
Investment & Services	74	6
Property Development and Construction	(978)	(209)
Trading	523	852
	(381)	649
Elimination	(396)	(180)
Total	(777)	469

B2. Variation of results against preceding quarter

For the quarter under review, the Group made a loss before tax of RM777,000 in current quarter as compared to a profit before tax of RM1,495,000 in the immediate preceding quarter.

The losses were mainly attributable to higher cost incurred in the property division in complying with authority requirement. The trading division also experienced higher procurement cost which resulted in lower margin.

RM'000

REVENUE	3 Months period ended 30th September 2015	3 Months period ended 30th June 2015
Investment & Services	191	672
Property Development and Construction	2,623	2,356
Trading	11,651	11,782
	14,465	14,810
Elimination	(204)	(689)
Total	14,261	14,121

B3. Prospects

The Group's businesses in the construction of residential properties, property development and trading of building materials are expected to be challenging in the current financial year.

B4. Taxation

RM'000

Current year taxation

140

140

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The provision of taxation relates to profit made on trading segment.

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Additional Information Requested by the Bursa Malaysia Listing Requirements

B5. Status of corporate proposal announced

There are no corporate proposals not completed as at 26th November 2015.

B6. Group borrowings and debt securities

All the borrowings of the Group are in Ringgit Malaysia.

	Secured RM'000	Unsecured RM'000
BANK OVERDRAFT		
Repayable within the next 12 months	4,981	-
HIRE PURCHASE		
Repayable within the next 12 months	200	-
Repayable after the next 12 months	664	-
TERM LOAN		
Repayable within the next 12 months	336	-
Repayable after the next 12 months	4,866	-
BILLS PAYABLE		
Repayable within the next 12 months	-	-
Total:	11,047	-

B7. Realised and Unrealised Profits / Losses Disclosure

	As at 30.09 2015 (RM'000)	As at 30.06.2015 (RM'000)
Total retained profits / (accumulated losses) of the Company and its subsidiaries:		
- Realised	6,344	7,850
- Unrealised	6,379	6,379
	-----	-----
	12,723	14,229
Less: Consolidation adjustments	(17,136)	(17,603)
	-----	-----
Total Group retained profits / (accumulated losses) as per consolidated accounts	(4,413)	(3,374)
	=====	=====

B8. Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk for the current financial period to date.

B9. Changes in material litigation

There is no material litigation as at 26th November 2015.

B10. Dividends

No interim dividend was declared during the period from 1st July 2015 to 30th September 2015 (30th June 2015: NIL).

B11. Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the quarter is based on the loss for the period attributable to equity holders of the parent of RM1,039,000 and the number of ordinary shares in issue during the quarter of 40,000,000.

GRAND HOOVER BHD (10493-P)

Additional Information Requested by the Bursa Malaysia Listing Requirements

B 12. Profit before tax

Profit before tax is arrived at after charging / (crediting) the following items:

	3 months		3 months	
	Quarter ended		Cumulative to date	
	30.09.15	30.09.14	30.09.15	30.09.14
	RM'000	RM'000	RM'000	RM'000
Interest income	(13)	(11)	(13)	(11)
Rental income	(11)	(2)	(11)	(2)
Bad debts recovery	(28)	-	(28)	-
(Gain) / loss on disposal of property, plant & equipment	-	(37)	-	(37)
Gain on disposal of investment property	-	(106)	-	(106)
Depreciation of property, plant and equipment	98	76	98	76
Amortisation of prepaid lease payments	2	2	2	2
Interest expenses	154	122	154	122