

GRAND HOOVER BHD (10493-P)

Unaudited Condensed Consolidated Statement of Financial Position  
as at 31 December 2015

	Note	As at 31.12.2015 RM'000 unaudited	As at 30.06.2015 RM'000 audited (restated)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	A 9	21,804	21,999
Investment properties		7,940	7,940
Prepaid lease payments		106	109
Land held for property development		8,770	8,770
Goodwill on consolidation		1,436	1,436
		<u>40,056</u>	<u>40,254</u>
<b>Current assets</b>			
Inventories		10,301	10,446
Property Development Costs		10,874	11,487
Trade receivables		24,190	22,091
Other receivables, deposits and prepayments		460	379
Tax recoverable		18	13
Fixed deposits with licensed banks		1,207	1,190
Cash and bank balances		3,277	5,911
		<u>50,327</u>	<u>51,517</u>
<b>TOTAL ASSETS</b>		<u><u>90,383</u></u>	<u><u>91,771</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		40,000	40,000
Share premium		4,186	4,186
Reserves		7,877	7,877
Retained profit / (Accumulated loss)		(4,897)	(3,374)
		<u>47,166</u>	<u>48,689</u>
<b>Non-controlling interest</b>		<u>9,912</u>	<u>9,729</u>
<b>Total equity</b>		<u><u>57,078</u></u>	<u><u>58,418</u></u>

**GRAND HOOVER BHD (10493-P)****Unaudited Condensed Consolidated Statement of Financial Position  
as at 31 December 2015**

	<b>As at 31.12.2015 RM'000 unaudited</b>	<b>As at 30.06.2015 RM'000 audited (restated)</b>
<b>Non current liabilities</b>		
Hire purchase creditors	607	698
Term Loan	3,973	5,524
Deferred taxation	2,882	2,882
	<u>7,462</u>	<u>9,104</u>
<b>Current liabilities</b>		
Trade payables	17,621	17,819
Other payables and accruals	1,137	1,164
Bills payable	456	-
Hire purchase creditors	202	221
Term Loan	336	336
Bank overdraft	5,741	4,418
Provision for taxation	350	291
	<u>25,843</u>	<u>24,249</u>
<b>Total liabilities</b>	<u>33,305</u>	<u>33,353</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>90,383</u>	<u>91,771</u>
<b>Net tangible assets per share (RM)</b>	<u>1.14</u>	<u>1.18</u>
<b>Net assets per share attributable to ordinary equity holders of the parents (RM)</b>	<u>1.18</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 30<sup>th</sup> June 2015

GRAND HOOVER BHD (10493-P)

**Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the period ended 31 December 2015**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months Current Year Quarter 31.12.2015 RM'000 unaudited	3 months Preceding Year Corresponding Quarter 31.12.2014 RM'000 unaudited	6 months Current Year To Date 31.12.2015 RM'000 unaudited	6 months Preceding Year To Date 31.12.2014 RM'000 unaudited
Revenue	15,817	15,615	30,078	29,599
Cost of sales	<u>(13,987)</u>	<u>(13,645)</u>	<u>(26,965)</u>	<u>(25,569)</u>
Gross profit	1,830	1,970	3,113	4,030
Interest income	12	2	25	13
Other income	26	4	95	178
Administrative expenses	(1,805)	(1,708)	(3,693)	(3,284)
Depreciation and amortisation	(100)	(81)	(200)	(159)
Finance cost	(152)	(117)	(306)	(239)
Profit /(Loss) before taxation	<u>(189)</u>	<u>70</u>	<u>(966)</u>	<u>539</u>
Tax expense	<u>(159)</u>	<u>(177)</u>	<u>(299)</u>	<u>(415)</u>
Profit / (loss) for the period	<u><u>(348)</u></u>	<u><u>(107)</u></u>	<u><u>(1,265)</u></u>	<u><u>124</u></u>
Other comprehensive income				
Revaluation surplus, net of deferred taxation	-	-	-	-
Total comprehensive income	<u><u>(348)</u></u>	<u><u>(107)</u></u>	<u><u>(1,265)</u></u>	<u><u>124</u></u>
Profit / (loss) for the period attributable to:				
Owners of the parents	(484)	(253)	(1,523)	(216)
Non-controlling interests	136	146	258	340
	<u><u>(348)</u></u>	<u><u>(107)</u></u>	<u><u>(1,265)</u></u>	<u><u>124</u></u>
Total comprehensive income attributable to:				
Owners of the parents	(484)	(253)	(1,523)	(216)
Non-controlling interests	136	146	258	340
	<u><u>(348)</u></u>	<u><u>(107)</u></u>	<u><u>(1,265)</u></u>	<u><u>124</u></u>
Basic earnings per ordinary share (sen) Based on 40,000,000 ordinary shares	(1.21)	(0.63)	(3.81)	(0.54)

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

**GRAND HOOVER BHD (10493-P)**

**Unaudited Condensed Consolidated Statement of Change in Equity  
for the period ended 31 December 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	
<b>Balance as at 1st July 2015</b>	40,000	4,186	7,877	(3,374)	48,689	9,729	58,418
Comprehensive income:							
Net profit for the financial year	-	-	-	(1,523)	(1,523)	258	(1,265)
Other comprehensive income:							
Revaluation surplus, net of deferred tax	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	(1,523)	(1,523)	258	(1,265)
Dividends paid to non-controlling interest	-	-	-	-	-	(75)	(75)
<b>Balance as at 31st December 2015</b>	<u>40,000</u>	<u>4,186</u>	<u>7,877</u>	<u>(4,897)</u>	<u>47,166</u>	<u>9,912</u>	<u>57,078</u>
<b>Balance as at 1st July 2014</b>	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)
<b>Balance as at 30th June 2015 (restated)</b>	<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 30<sup>th</sup> June 2015.

GRAND HOOVER BHD (10493-P)

Unaudited Condensed Consolidated Statement of Cash Flows  
for the period ended 31 December 2015

	6 months Current Year To Date 31-12-2015 RM'000 unaudited	12 months Preceding Year To Date 30-06-2015 RM'000 audited (Restated)
<b>Cash flows from operating activities</b>		
(Loss) / profit before taxation	(966)	2,879
Adjustments for :		
Non - cash items	(47)	454
Non - operating items - investing	200	(1,585)
Non - operating items - financing	281	464
Operating profit / (loss) before working capital changes	<u>(532)</u>	<u>2,212</u>
(Increase) / Decrease in working capital :		
Net Change in operating assets	(1,375)	(5,998)
Net Change in operating liabilities	(225)	6,948
Cash generated from / (used in) operation	<u>(2,132)</u>	<u>3,162</u>
Interest paid	(306)	(487)
Income tax refund	-	18
Income tax paid	(245)	(796)
Net cash from / (used in) operating activities	<u>(2,683)</u>	<u>1,897</u>
<b>Cash Flows from investing activities</b>		
Interest received	25	23
Proceeds from disposal of property, plant & equipment	-	44
Proceeds from disposal of investment property	-	656
Purchase of property, plant and equipment	(2)	(740)
Purchase of investment property	-	(570)
Net cash from / (used in) investing activities	<u>23</u>	<u>(587)</u>
Balance carried forwards	(2,660)	1,310

**GRAND HOOVER BHD (10493-P)**

**Unaudited Condensed Consolidated Statement of Cash Flows  
for the period ended 31 December 2015**

Balance brought forward	(2,660)	1,310
<b>Cash flows from financing activities</b>		
Drawdown of Hire Purchase	-	538
Drawdown of Bills Payable	456	-
Repayment of Bills Payable	-	(335)
Repayment of hire purchase	(110)	(181)
Dividends paid to non-controlling interests	(75)	(75)
Drawdown of term loan	-	7,342
Repayment of term loan	(1,551)	(6,619)
Net cash used in financing activities	(1,280)	670
Net decrease in cash and cash equivalents	(3,940)	1,980
Cash and cash equivalents at beginning of year	2,683	703
Cash and cash at 31 December (i)	(1,257)	2,683

**(i) Cash and cash equivalents**

Cash and cash equivalents comprise the following balance sheet amounts :

	31/12/2015	30/06/2015
	RM'000	RM'000
Cash and bank balances	3,277	5,911
Deposit with licensed banks	1,207	1,190
Bank overdrafts	(5,741)	(4,418)
	(1,257)	2,683

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the Audited Financial Report for the year ended 30<sup>th</sup> 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 30<sup>th</sup> 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 30<sup>th</sup> 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 1<sup>st</sup> 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 30<sup>th</sup> 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.

**GRAND HOOVER BHD** (10493-P)  
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 1<sup>st</sup> July 2015 to 31<sup>st</sup> December 2015 (30<sup>th</sup> June 2015: NIL).



**GRAND HOOVER BHD** (10493-P)

Note to the interim financial report

**A8. Segment information**

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

	<b>Investment &amp; Services and others</b>	<b>Property Development and Construction</b>	<b>Trading</b>	<b>Elimination</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>REVENUE</u></b>					
Revenue from external customers	26	5,244	24,808		30,078
Inter-segment revenue	197	36	-	(233)	-
Total Revenue	223	5,280	24,808	(233)	30,078
<b><u>RESULTS</u></b>					
Segment Results	166	(1,353)	1,130	(628)	(685)
Unallocated expenses	-	-	-	-	-
Net interest expenses	(212)	(11)	(58)	-	(281)
Profit / (Loss) Before Tax	(46)	(1,364)	1,072	(628)	(966)
Taxation	(1)	-	(298)	-	(299)
Profit / (Loss) After Tax	(47)	(1,364)	774	(628)	(1,265)

**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 31<sup>st</sup> December 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 30<sup>th</sup> June 2015.

***Performance Bonds***

The performance bonds issued during the period from 1<sup>st</sup> July 2015 to 31<sup>st</sup> December 2015 are RM1,360,980.00 (30<sup>th</sup> June 2015: RM1,392,980.00).

**A13. Capital commitments**

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

**GRAND HOOVER BHD (10493-P)**

Additional Information Requested by the Bursa Malaysia Listing Requirements

**B1. Review of performance**

The Group's financial performance for the period ended 31<sup>st</sup> December 2015 had reported a loss before taxation of RM966,000 compared with the corresponding preceding period profit before tax of RM539,000. The Group revenue for the financial period was RM30.08 million compared with the corresponding period of RM29.60 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

<b>REVENUE</b>	<b>6 months period ended 31<sup>st</sup> December 2015 (unaudited)</b>	<b>6 months period ended 31<sup>st</sup> December 2014 (unaudited)</b>
Investment & Services	223	82
Property Development and Construction	5,280	4,995
Trading	24,808	24,637
	30,311	29,714
Elimination	(233)	(115)
<b>Total</b>	<b>30,078</b>	<b>29,599</b>

RM'000

<b>Profit / (Loss) before Taxation</b>	<b>6 months period ended 31<sup>st</sup> December 2015 (unaudited)</b>	<b>6 months period ended 31<sup>st</sup> December 2014 (unaudited)</b>
Investment & Services	(46)	(285)
Property Development and Construction	(1,364)	(280)
Trading	1,072	1,477
	(338)	912
Elimination	(628)	(373)
<b>Total</b>	<b>(966)</b>	<b>539</b>

**B2. Variation of results against preceding quarter**

For the quarter under review, the Group made a loss before tax of RM189,000 in current quarter as compared to a loss before tax of RM777,000 in the immediate preceding quarter.

Lower losses were attributable to lower margin with higher revenue achieved by the trading division.

RM'000

<b>REVENUE</b>	<b>3 Months period ended 31<sup>st</sup> December 2015</b>	<b>3 Months period ended 30<sup>th</sup> September 2015</b>
Investment & Services	32	191
Property Development and Construction	2,657	2,623
Trading	13,157	11,651
	15,846	14,465
Elimination	(29)	(204)
<b>Total</b>	<b>15,817</b>	<b>14,261</b>

**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 299

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299  
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The provision of taxation relates to profit made on trading segment.

**GRAND HOOVER BHD (10493-P)**

Additional Information Requested by the Bursa Malaysia Listing Requirements

**B5. Status of corporate proposal announced**

There are no corporate proposals not completed as at 25<sup>th</sup> February 2016.

**B6. Group borrowings and debt securities**

All the borrowings of the Group are in Ringgit Malaysia.

	Secured RM'000	Unsecured RM'000
<b>BANK OVERDRAFT</b>		
Repayable within the next 12 months	5,741	-
<b>HIRE PURCHASE</b>		
Repayable within the next 12 months	202	-
Repayable after the next 12 months	607	-
<b>TERM LOAN</b>		
Repayable within the next 12 months	336	-
Repayable after the next 12 months	3,973	-
<b>BILLS PAYABLE</b>		
Repayable within the next 12 months	-	-
<b>Total:</b>	<b>10,859</b>	<b>-</b>

**GRAND HOOVER BHD (10493-P)**

Additional Information Requested by the Bursa Malaysia Listing Requirements

**B7. Realised and Unrealised Profits / Losses Disclosure**

	As at 31.12 2015 (RM'000)	As at 30.06.2015 (RM'000)
Total retained profits / (accumulated losses) of the Company and its subsidiaries:		
- Realised	6,228	7,850
- Unrealised	6,379	6,379
	-----	-----
	12,607	14,229
Less: Consolidation adjustments	(17,504)	(17,603)
	-----	-----
Total Group retained profits / (accumulated losses) as per consolidated accounts	(4,897)	(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 25<sup>th</sup> February 2016.

**B10. Dividends**

No interim dividend was declared during the period from 1<sup>st</sup> July 2015 to 31<sup>st</sup> December 2015 (30<sup>th</sup> 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 RM1,523,000 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:

	<b>3 months</b>		<b>6 months</b>	
	<b>Quarter ended</b>		<b>Cumulative to date</b>	
	<b>31.12.15</b>	<b>31.12.14</b>	<b>31.12.15</b>	<b>31.12.14</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Interest income	(12)	(2)	(25)	(13)
Rental income	(26)	(3)	(37)	(5)
Bad debts recovery	(19)	-	(47)	-
(Gain) / loss on disposal of property, plant & equipment	-	-	-	(37)
Gain on disposal of investment property	-	-	-	(106)
Depreciation of property, plant and equipment	99	80	197	156
Amortisation of prepaid lease payments	1	1	3	3
Interest expenses	152	117	306	239