

GRAND HOOVER BHD (10493-P)

Unaudited Condensed Consolidated Statement of Financial Position
as at 31 December 2016

	Note	As at 31.12.2016 RM'000 unaudited	As at 30.06.2016 RM'000 audited (restated)
ASSETS			
Non-current assets			
Property, plant and equipment	A 9	21,812	21,989
Investment properties		8,440	8,440
Prepaid lease payments		100	103
Land held for property development		8,770	8,770
Goodwill on consolidation		1,436	1,436
		<u>40,558</u>	<u>40,738</u>
Current assets			
Inventories		9,801	9,985
Property Development Costs		1,468	7,410
Trade receivables		25,186	24,268
Other receivables, deposits and prepayments		328	441
Tax recoverable		1	1
Fixed deposits with licensed banks		1,245	1,228
Cash and bank balances		4,996	4,751
		<u>43,025</u>	<u>48,084</u>
		<u>83,583</u>	<u>88,822</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		7,898	7,898
Retained profit / (Accumulated loss)		(6,377)	(4,524)
		<u>45,707</u>	<u>47,560</u>
Non-controlling interest		10,749	10,355
Total equity		<u>56,456</u>	<u>57,915</u>

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as at 31 December 2016

	As at 31.12.2016 RM'000 unaudited	As at 30.06.2016 RM'000 audited (restated)
Non current liabilities		
Finance lease liabilities	675	769
Term Loan	3,217	3,337
Deferred taxation	2,875	2,875
	<u>6,767</u>	<u>6,981</u>
Current liabilities		
Trade payables	11,606	15,100
Other payables and accruals	806	611
Finance lease liabilities	200	244
Term Loan	336	336
Bill Payable	-	324
Bank overdraft	6,787	6,553
Provision for taxation	625	758
	<u>20,360</u>	<u>23,926</u>
Total liabilities	<u>27,127</u>	<u>30,907</u>
TOTAL EQUITY AND LIABILITIES	<u>83,583</u>	<u>88,822</u>
Net tangible assets per share (RM)	<u>1.11</u>	<u>1.15</u>
Net assets per share attributable to ordinary equity holders of the parents (RM)	<u>1.14</u>	<u>1.19</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 2016

GRAND HOOVER BHD (10493-P)

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the period ended 31 December 2016

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months Current Year Quarter 31.12.2016 RM'000 unaudited	3 months Preceding Year Corresponding Quarter 31.12.2015 RM'000 unaudited	6 months Current Year To Date 31.12.2016 RM'000 unaudited	6 months Preceding Year To Date 31.12.2015 RM'000 unaudited
Revenue	17,410	15,817	29,605	30,078
Cost of sales	(16,354)	(13,987)	(26,812)	(26,965)
Gross profit	<u>1,056</u>	<u>1,830</u>	<u>2,793</u>	<u>3,113</u>
Interest income	27	12	99	25
Other income	42	26	153	95
Administrative expenses	(1,861)	(1,805)	(3,514)	(3,693)
Depreciation and amortisation	(107)	(100)	(214)	(200)
Finance cost	(155)	(152)	(341)	(306)
Profit /(Loss) before taxation	<u>(998)</u>	<u>(189)</u>	<u>(1,024)</u>	<u>(966)</u>
Tax expense	(206)	(159)	(435)	(299)
Profit / (loss) for the period	<u><u>(1,204)</u></u>	<u><u>(348)</u></u>	<u><u>(1,459)</u></u>	<u><u>(1,265)</u></u>
Other comprehensive income				
Revaluation (deficit) / surplus, net of deferred taxation	-	-	-	-
Total comprehensive income	<u><u>(1,204)</u></u>	<u><u>(348)</u></u>	<u><u>(1,459)</u></u>	<u><u>(1,265)</u></u>
Profit / (loss) for the period attributable to:				
Equity holders of the Company	(1,384)	(484)	(1,853)	(1,523)
Non-controlling interests	180	136	394	258
	<u><u>(1,204)</u></u>	<u><u>(348)</u></u>	<u><u>(1,459)</u></u>	<u><u>(1,265)</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	(1,384)	(484)	(1,853)	(1,523)
Non-controlling interests	180	136	394	258
	<u><u>(1,204)</u></u>	<u><u>(348)</u></u>	<u><u>(1,459)</u></u>	<u><u>(1,265)</u></u>
Basic earnings per ordinary share (sen) Based on 40,000,000 ordinary shares	(3.46)	(1.21)	(4.63)	(3.81)

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the Audited Financial Report for the year ended 30th June 2016

GRAND HOOVER BHD (10493-P)

**Unaudited Condensed Consolidated Statement of Change in Equity
for the period ended 31 December 2016**

	---- 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 2016	40,000	4,186	7,898	(4,524)	47,560	10,355	57,915
Comprehensive income:							
Net profit / (loss) for the financial year	-	-	-	(1,853)	(1,853)	394	(1,459)
Other comprehensive income:							
Revaluation surplus / (deficit), net of deferred tax	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	(1,853)	(1,853)	394	(1,459)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-
Balance as at 31st December 2016	<u>40,000</u>	<u>4,186</u>	<u>7,898</u>	<u>(6,377)</u>	<u>45,707</u>	<u>10,749</u>	<u>56,456</u>
Balance as at 1st July 2015	40,000	4,186	7,877	(3,374)	48,689	9,729	58,418
Comprehensive income:							
Net profit / (loss) for the financial year	-	-	-	(1,150)	(1,150)	875	(275)
Other comprehensive income:							
Revaluation surplus, net of deferred tax	-	-	21	-	21	(24)	(3)
Total comprehensive income	-	-	21	(1,150)	(1,129)	851	(278)
Dividends paid to non - controlling interests	-	-	-	-	-	(225)	(225)
Balance as at 30th June 2016	<u>40,000</u>	<u>4,186</u>	<u>7,898</u>	<u>(4,524)</u>	<u>47,560</u>	<u>10,355</u>	<u>57,915</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 2016

GRAND HOOVER BHD (10493-P)

Unaudited Condensed Consolidated Statement of Cash Flows
for the period ended 31 December 2016

	6 months Current Year To Date 31-12-2016 RM'000 unaudited	12 months Preceding Year To Date 30-06-2016 RM'000 audited (Restated)
Cash flows from operating activities		
Profit / (loss) before taxation	(1,024)	722
Adjustments for :		
Non - cash items	(9)	82
Non - operating items - investing	176	153
Non - operating items - financing	242	569
Operating profit / (loss) before working capital changes	<u>(615)</u>	<u>1,526</u>
(Increase) / Decrease in working capital :		
Net Change in operating assets	5,330	2,216
Net Change in operating liabilities	<u>(3,299)</u>	<u>(3,271)</u>
Cash generated from / (used in) operation	1,416	471
Interest paid	(341)	(662)
Income tax paid	<u>(568)</u>	<u>(525)</u>
Net cash from / (used in) operating activities	507	(716)
Cash Flows from investing activities		
Interest received	99	93
Proceeds from disposal of plant and equipment	38	-
Purchase of property, plant and equipment	(34)	(390)
Purchase of investment property	-	(250)
Net cash from / (used in) investing activities	<u>103</u>	<u>(547)</u>
Balance carried forwards	610	(1,263)

**Unaudited Condensed Consolidated Statement of Cash Flows
for the period ended 31 December 2016**

Balance brought forward	610	(1,263)
Cash flows from financing activities		
Drawdown of Hire Purchase	-	318
Drawdown of Bills Payable	-	324
Repayment of Bills Payable	(324)	-
Repayment of hire purchase	(138)	(224)
Dividends paid to non-controlling interests	-	(225)
Repayment of term loan	(120)	(2,187)
Net cash used in financing activities	<u>(582)</u>	<u>(1,994)</u>
Net decrease in cash and cash equivalents	28	(3,257)
Cash and cash equivalents at beginning of year	(574)	2,683
Cash and cash at 31 December (i)	<u><u>(546)</u></u>	<u><u>(574)</u></u>

(i) Cash and cash equivalents

Cash and cash equivalents comprise the following balance sheet amounts :

	31/12/2016	30/06/2016
	RM'000	RM'000
Cash and bank balances	4,996	4,751
Deposit with licensed banks	1,245	1,228
Bank overdrafts	(6,787)	(6,553)
	<u>(546)</u>	<u>(574)</u>

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the Audited Financial Report for the year ended 30th June 2016.

A1. Basis of preparation

The condensed consolidated interim financial statements has been prepared in accordance with the Financial Reporting Standards (FRSs) 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 2016. 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 2016.

The Malaysian Financial Reporting Standards (MRS) Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1st January 2012, with the exception of entities that are 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 joint venture (herein called "Transitioning Entities"). Generally, Transitioning Entities are entities involved in the real estate and agriculture industries that had been given the option to continue applying the FRS Framework.

On 8th September 2015, MASB confirmed that the effective dated of MFRS 15 will be deferred to annual periods beginning on or after 1st January 2018. As a results, the effective date for Transitioning Entities to apply the MFRS framework will also be deferred to annual periods beginning on or after 1st 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 2016 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 2016 to 31st December 2016 (30th June 2016: 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	-	5,636	23,969		29,605
Inter-segment revenue	22	36	-	(58)	-
Total Revenue	22	5,672	23,969	(58)	29,605
<u>RESULTS</u>					
Segment Results	(205)	(1,849)	1,618	(345)	(781)
Unallocated expenses	-	-	-	-	-
Net interest expenses	(271)	(15)	43	-	(243)
Profit / (Loss) Before Tax	(476)	(1,864)	1,661	(345)	(1,024)
Taxation	(1)	(1)	(433)	-	(435)
Profit / (Loss) After Tax	(477)	(1,865)	1,228	(345)	(1,459)

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 31st December 2016 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 2016.

Performance Bonds

The performance bonds issued during the period from 1st July 2016 to 31st December 2016 are RM1,156,465.00 (30th June 2016: RM1,323,880.00).

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

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Additional Information Requested by the Bursa Malaysia Listing Requirements

B1. Review of performance

The Group's financial performance for the period ended 31st December 2016 had reported a loss before taxation of RM1,024,000 compared with the corresponding preceding period loss before tax of RM966,000. The Group revenue for the financial period was RM29.61 million compared with the corresponding period of RM30.08 million.

The trading division registered an improvement in profit margin compared to preceding corresponding quarters. The losses in property division due to higher operational cost incurred.

RM'000

REVENUE	6 months period ended 31st December 2016 (unaudited)	6 months period ended 31st December 2015 (unaudited)
Investment & Services	22	223
Property Development and Construction	5,672	5,280
Trading	23,969	24,808
	29,663	30,311
Elimination	(58)	(233)
Total	29,605	30,078

RM'000

Profit / (Loss) before Taxation	6 months period ended 31st December 2016 (unaudited)	6 months period ended 31st December 2015 (unaudited)
Investment & Services	(476)	(46)
Property Development and Construction	(1,864)	(1,364)
Trading	1,661	1,072
	(679)	(338)
Elimination	(345)	(628)
Total	(1,024)	(966)

B2. Variation of results against preceding quarter

For the quarter under review, the Group made a loss before tax of RM998,000 compared to a loss before tax of RM26,000 in the immediate preceding quarter.

The Group registered higher revenue from RM12.2 million to RM17.4 million. However, the losses due to higher operational cost incurred.

RM'000

REVENUE	3 Months period ended 30th December 2016 (unaudited)	3 Months period ended 30th September 2016 (unaudited)
Investment & Services	11	11
Property Development and Construction	5,654	18
Trading	11,774	12,195
	17,439	12,224
Elimination	(29)	(29)
Total	17,410	12,195

RM'000

Profit / (Loss) before Taxation	3 Months period ended 30th December 2016 (unaudited)	3 Months period ended 30th September 2016 (unaudited)
Investment & Services	(275)	(201)
Property Development and Construction	(1,310)	(554)
Trading	763	898
	(822)	143
Elimination	(176)	(169)
Total	(998)	(26)

B3. Prospects

The Group's businesses in the property development, construction of residential properties and trading of building materials are expected to be challenging was due to soft market condition.

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Additional Information Requested by the Bursa Malaysia Listing Requirements

B4. Taxation

	RM'000
Current year taxation	435

	435
	=====

The provision of taxation relates to profit made on investment & service and trading segment.

B5. Status of corporate proposal announced

There are no corporate proposals not completed as at 21st February 2017.

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	6,787	-
FINANCE LEASE LIABILITY		
Repayable within the next 12 months	200	-
Repayable after the next 12 months	675	
TERM LOAN		
Repayable within the next 12 months	336	-
Repayable after the next 12 months	3,217	-
BILLS PAYABLE		
Repayable within the next 12 months	-	-
Total:	----- 11,215 =====	----- - =====

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Additional Information Requested by the Bursa Malaysia Listing Requirements

B7. Realised and Unrealised Profits / Losses Disclosure

	As at 31.12.2016 (RM'000) (unaudited)	As at 30.06.2016 (RM'000) (audited)
Total retained profits / (accumulated losses) of the Company and its subsidiaries:		
- Realised	6,163	8,027
- Unrealised	6,705	6,705
	-----	-----
	12,868	14,732
Less: Consolidation adjustments	(19,245)	(19,256)
	-----	-----
Total Group retained profits / (accumulated losses) as per consolidated accounts	(6,377)	(4,524)
	=====	=====

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 21st February 2017.

B10. Dividends

No interim dividend was declared during the period from 1st July 2016 to 31st December 2016 (30th June 2016: 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 RM1,853,000 and the number of ordinary shares in issue during the quarter of 40,000,000.

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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		6 months	
	Quarter ended		Cumulative to date	
	31.12.16	31.12.15	31.12.16	31.12.15
	RM'000	RM'000	RM'000	RM'000
Interest income	(27)	(12)	(99)	(25)
Rental income	(8)	(26)	(19)	(37)
Bad debts recovery	(33)	(19)	(93)	(47)
(Gain) / loss on disposal of property, plant & equipment	-	-	(38)	-
Impairment losses on trade receivable	84	-	84	-
Depreciation of property, plant and equipment	106	99	211	197
Amortisation of prepaid lease payments	1	1	3	3
Interest expenses	155	152	341	306