



GADANG HOLDINGS BERHAD
(Company No. 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2015**

	UNAUDITED		UNAUDITED	
	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 Months Ended 31/08/2015 RM'000	3 Months Ended 31/08/2014 RM'000	3 Months Ended 31/08/2015 RM'000	3 Months Ended 31/08/2014 RM'000
Revenue	149,382	133,358	149,382	133,358
Cost of sales	(117,027)	(108,432)	(117,027)	(108,432)
Gross profit	32,355	24,926	32,355	24,926
Other income	3,667	2,009	3,667	2,009
Administrative expenses	(4,950)	(4,727)	(4,950)	(4,727)
Depreciation and amortisation	(1,452)	(1,364)	(1,452)	(1,364)
Operating expenses	(3,084)	(6,869)	(3,084)	(6,869)
Other expenses	(80)	(745)	(80)	(745)
Finance costs	(578)	(522)	(578)	(522)
Profit before tax	25,878	12,708	25,878	12,708
Income tax expense	(5,121)	(3,066)	(5,121)	(3,066)
Net profit for the financial period	20,757	9,642	20,757	9,642
Other comprehensive income:				
Foreign currency translation	3,520	(387)	3,520	(387)
Total comprehensive income for the financial period	24,277	9,255	24,277	9,255
Net profit attributable to:				
Equity holders of the Company	20,862	9,537	20,862	9,537
Non-controlling interests	(105)	105	(105)	105
	20,757	9,642	20,757	9,642
Total comprehensive income attributable to:				
Equity holders of the Company	24,047	9,155	24,047	9,155
Non-controlling interests	230	100	230	100
	24,277	9,255	24,277	9,255
Earnings per share attributable to equity holders of the Company:				
Basic (sen)	9.61	4.41	9.61	4.41
Diluted (sen)	9.43	4.23	9.43	4.23

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2015.



GADANG HOLDINGS BERHAD
(Company No. 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 AUGUST 2015**

	UNAUDITED	AUDITED
	As At 31/08/2015 RM'000	As At 31/05/2015 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	86,747	93,062
Biological assets	12,451	12,446
Investment properties	19,038	19,102
Concession assets	51,692	46,052
Other investment	100	100
Goodwill	17,613	16,717
Deferred tax assets	3,386	4,202
Non-trade receivables	639	612
	<u>191,666</u>	<u>192,293</u>
Current assets		
Property development costs	209,848	200,048
Amount due from customers on contracts	37,541	13,287
Inventories	3,526	3,283
Trade and other receivables	151,909	178,275
Tax recoverable	9,783	6,255
Fixed deposits placed with licensed banks	165,178	122,415
Cash and bank balances	90,826	110,247
	<u>668,611</u>	<u>633,810</u>
TOTAL ASSETS	860,277	826,103
EQUITY AND LIABILITIES		
Equity attributable to Equity Holders of the Company		
Share Capital	218,107	216,369
Reserves	189,034	164,987
	<u>407,141</u>	<u>381,356</u>
Non-controlling interests	7,260	7,030
Total equity	414,401	388,386



GADANG HOLDINGS BERHAD
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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 AUGUST 2015 (Continued)

	UNAUDITED	AUDITED
	As At 31/08/2015 RM'000	As At 31/05/2015 RM'000
Non-current liabilities		
Non-trade payables	1,094	2,094
Bank borrowings	111,194	91,766
Deferred tax liabilities	8,959	9,004
Defined benefit obligations	1,330	1,229
	<u>122,577</u>	<u>104,093</u>
Current liabilities		
Trade and other payables	167,010	159,118
Amount due to customers on contracts	70,651	68,363
Bank borrowings	77,330	101,246
Current tax liabilities	8,308	4,897
	<u>323,299</u>	<u>333,624</u>
Total liabilities	<u>445,876</u>	<u>437,717</u>
TOTAL EQUITY AND LIABILITIES	<u>860,277</u>	<u>826,103</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.87	1.76

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2015.



GADANG HOLDINGS BERHAD
(Company No. 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2015**

	← Attributable to Equity Holders of the Company →						Total	Non-controlling Interest	Total Equity
	← Non-Distributable →			Distributable					
	Share Capital	Warrant Reserve	Capital Reserve	Share Premium	Foreign Exchange Reserve	Retained Profits			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
(UNAUDITED)									
At 1 June 2015	216,369	6,173	1,347	12,736	(4,614)	149,345	381,356	7,030	388,386
Total comprehensive income	-	-	-	-	3,185	20,862	24,047	230	24,277
Striking off subsidiary companies	-	-	-	-	16	(16)	-	-	-
Issue of shares upon exercise of warrants	1,738	(546)	-	546	-	-	1,738	-	1,738
At 31 August 2015	218,107	5,627	1,347	13,282	(1,413)	170,191	407,141	7,260	414,401
(AUDITED)									
At 1 June 2014	196,691	6,176	1,347	-	(4,870)	98,793	298,137	3,194	301,331
Total comprehensive income	-	-	-	-	267	59,620	59,887	1,188	61,075
Issuance of ordinary share capital	19,670	-	-	12,736	-	-	32,406	-	32,406
Dividends on ordinary shares	-	-	-	-	-	(8,654)	(8,654)	-	(8,654)
Issue of shares upon exercise of warrants	8	(3)	-	-	-	-	5	-	5
Changes in ownership interest in subsidiary (effects of change in stake)	-	-	-	-	-	-	-	(415)	(415)
Investment in subsidiaries	-	-	-	-	(11)	(414)	(425)	3,063	2,638
At 31 May 2015	216,369	6,173	1,347	12,736	(4,614)	149,345	381,356	7,030	388,386

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2015.



GADANG HOLDINGS BERHAD
(Company No. 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2015**

	UNAUDITED 3 Months Ended 31/08/2015 RM'000	UNAUDITED 3 Months Ended 31/08/2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	25,878	12,708
Adjustments for:		
Amortisation of biological asset	112	90
(Decrease)/Increase in liability for defined benefit obligations	102	(329)
Depreciation of concession assets	537	524
Depreciation of investment properties	65	65
Depreciation of property, plant and equipment	5,852	3,007
Finance costs	1,579	1,312
Gain on bargain purchase	-	(206)
Gain on disposal of other investment	-	(5)
Gain on disposal of property, plant and equipment	(343)	(196)
Impairment loss on goodwill	-	2
Impairment loss on tax recoverable	-	307
Interest income	(1,277)	(926)
Property, plant and equipment written off	82	1
Unrealised loss/(gain) on foreign exchange	(2)	436
Operating profit before working capital changes	32,585	16,790
Changes in working capital:		
Property development costs	(9,800)	(37,700)
Biological assets	(118)	(221)
Amount due from/(to) customers on contracts	(21,967)	38,151
Inventories	(242)	(57)
Receivables	26,339	(2,418)
Payables	6,892	(1,240)
Income tax paid	(4,513)	(5,059)
Net Operating Cash Flows	29,176	8,246



GADANG HOLDINGS BERHAD
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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2015 (Continued)

	UNAUDITED	UNAUDITED
	3 Months Ended 31/08/2015 RM'000	3 Months Ended 31/08/2014 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(222)	(549)
Purchase of concession assets	(3,973)	(204)
Investment in subsidiaries	-	(3,428)
Proceeds from disposal of other investment	-	43
Proceeds from disposal of property, plant and equipment	1,014	196
Interest received	1,277	926
Net Investing Cash Flows	(1,904)	(3,016)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of bank borrowings	21,577	49,719
Finance costs	(1,579)	(1,312)
Proceeds from issue of ordinary share capital	-	32,448
Proceeds from issue of shares upon exercise of warrants	1,738	6
Repayment of bank borrowings	(18,145)	(10,082)
Fixed deposits pledged as security	(4,638)	(9,843)
Repayment of hire purchase liabilities	(3,096)	(1,676)
Net Financing Cash Flows	(4,143)	59,260
Net change in cash and cash equivalents	23,129	64,490
Effect of exchange rate changes	443	(575)
Cash and cash equivalents at the beginning of the financial period	170,098	76,154
Cash and cash equivalents at the end of the financial period	193,670	140,069
Analysis of Cash and Cash Equivalents		
Cash and bank balances	90,826	80,244
Fixed deposits placed with licensed banks	165,178	139,105
Bank overdrafts	-	(6,142)
	256,004	213,207
Less: Fixed deposits pledged as security	(62,334)	(73,138)
Total	193,670	140,069

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2015.



GADANG HOLDINGS BERHAD
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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2015

**PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD
("FRS") 134 INTERIM FINANCIAL REPORTING**

A1. BASIS OF PREPARATION

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

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 May 2015. These explanatory notes attached to the interim financial report 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 financial year ended 31 May 2015.

A2. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted by the Group in the quarterly financial statements are consistent with those adopted in the financial statements for financial year ended 31 May 2015, except for the following amendments/improvements to FRSs:

Amendments/Improvements to FRSs

FRS 2	Share-based Payment [Annual Improvements to FRSs 2010-2012 Cycle]
FRS 3	Business Combinations [Annual Improvements to FRSs 2010-2012 Cycle and 2011-2013 Cycle]
FRS 8	Operating Segments [Annual Improvements to FRSs 2010-2012 Cycle]
FRS 13	Fair Value Measurements [Annual Improvements to FRSs 2011-2013 Cycle]
FRS 116	Property, Plant and Equipment [Annual Improvements to FRS 2010-2012 Cycle]
FRS 119	Employee Benefits [Defined Benefits Plans: Employee Contributions]
FRS 124	Related Party Disclosures [Annual Improvements to FRSs 2010-2012 Cycle]
FRS 138	Intangible Assets [Annual Improvements to FRSs 2010-2012 Cycle]
FRS 140	Investment Property [Annual Improvement to FRSs 2011-2013 Cycle]

The adoption of these amendments/improvements to FRSs do not have a material impact on the financial statements of the Group.

FRSs and Amendments to FRSs issued but not yet effective

Standard	Title	Effective Date
FRS 5	Non-current Assets Held for Sale and Discontinued Operations [Annual Improvements to FRSs 2012-2014 Cycle]	1 January 2016
FRS 7	Financial Instruments: Disclosure [Annual Improvements to FRSs 2012-2014 Cycle]	1 January 2016
FRS 9	Financial Instruments [IFRS 9 as issued by IASB in July 2014]	1 January 2018
FRS 10	Consolidated Financial Statements [Sale or Contribution of Assets between an Investor and its Associate or Joint Venture]	1 January 2016
FRS 10	Consolidated Financial Statements [Investment Entities: Applying the Consolidation Exception]	1 January 2016
FRS 11	Joint Arrangements [Accounting for Acquisitions of Interest in Joint Operations]	1 January 2016



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2015

**PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD
("FRS") 134 INTERIM FINANCIAL REPORTING**

A2. CHANGES IN ACCOUNTING POLICIES (Continued)

FRSs and Amendments to FRSs issued but not yet effective (Continued)

Standard	Title	Effective Date
FRS 12	Disclosure of Interests in Other Entities [Investment Entities: Applying the Consolidation Exception]	1 January 2016
FRS 14	Regulatory Deferral Accounts	1 January 2016
FRS 101	Presentation of Financial Statements [Disclosure Initiative]	1 January 2016
FRS 116	Property, Plant and Equipment [Clarification of Acceptable Methods of Depreciation and Amortisation]	1 January 2016
FRS 119	Employee Benefits [Annual Improvements to FRSs 2012-2014 Cycle]	1 January 2016
FRS 127	Separate Financial Statements [Equity Method in Separate Financial Statements]	1 January 2016
FRS 128	Investment in Associates and Joint Ventures [Sale or Contribution of Assets between an Investor and its Associate or Joint Venture]	1 January 2016
FRS 128	Investment in Associates and Joint Ventures [Investment Entities: Applying the Consolidation Exception]	1 January 2016
FRS 134	Interim Financial Reporting [Annual Improvements to FRSs 2010-2012 Cycle]	1 January 2016
FRS 138	Intangible Assets [Clarification of Acceptable Methods of Depreciation and Amortisation]	1 January 2016

The Group will apply the above new FRSs and amendments that are applicable once they become effective. The adoption of the above new FRSs and amendments to FRSs is not expected to have any material impact on the financial statements of the Group.

Malaysian Financial Reporting Standards ("MFRSs")

Malaysian Accounting Standards Board ("MASB") has issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRSs"), that are to be applied by all entities other than private entities; with the exception of entities that are within the scope of MFRS 141 (Agriculture) and IC Interpretation 15 (Agreements for Construction of Real Estate), including its parent, significant investor and venturer (herein called "Transitioning Entities").

As announced by MASB on 22 July 2015, the Transitioning Entities are allowed to defer the adoption of MFRSs to annual periods beginning on or after 1 January 2018.

Accordingly, as a Transitioning Entity as defined above, the Group has chosen to defer the adoption of MFRSs and will only prepare its first set of MFRSs financial statements for the financial year ending 31 May 2019. The Group is currently assessing the possible financial impacts that may arise from the adoption of MFRSs and the process is still ongoing.

A3. AUDIT REPORT

The auditors' report on the Group's annual financial statements for the financial year ended 31 May 2015 was not subject to any audit qualification.



GADANG HOLDINGS BERHAD
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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2015

PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD (“FRS”) 134 INTERIM FINANCIAL REPORTING

A4. SEASONAL OR CYCLICAL FACTORS

The operations of the Group were not significantly affected by any seasonal or cyclical factors during the financial period under review.

A5. UNUSUAL SIGNIFICANT ITEMS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the financial period under review.

A6. CHANGES IN ESTIMATES

There were no major changes in estimates that have a material effect in the current quarter and financial period under review.

A7. DEBT AND EQUITY SECURITIES

There were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period under review, except for the issuance of 1,737,600 new ordinary shares of RM1.00 each pursuant to the exercise of Warrants 2010/2015 at the exercise price of RM1.00 per share.

A8. DIVIDEND PAID

There was no payment of dividend in the current quarter.

A9. SEGMENTAL REPORTING

3 months ended 31 August 2015 (Current Financial Period)

	Construction Division RM'000	Property Division RM'000	Utility Division RM'000	Investment Holding RM'000	Plantation Division RM'000	Consolidated RM'000
31 August 2015						
Revenue	105,743	38,155	5,024	-	460	149,382
Results						
Segment results	8,483	16,985	1,120	255	(387)	26,456
Finance costs	(183)	(335)	(55)	-	(5)	(578)
Profit /(Loss) before tax	8,300	16,650	1,065	255	(392)	25,878
Income tax expense						(5,121)
Profit for the year						20,757



GADANG HOLDINGS BERHAD

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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2015

PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD ("FRS") 134 INTERIM FINANCIAL REPORTING

A9. SEGMENTAL REPORTING (Continued)

3 months ended 31 August 2014 (Previous Financial Period)

	Construction Division RM'000	Property Division RM'000	Utility Division RM'000	Investment Holding RM'000	Plantation Division RM'000	Consolidated RM'000
31 August 2014						
Revenue	109,063	20,537	3,477	-	281	133,358
Results						
Segment results	10,561	3,959	554	(1,312)	(532)	13,230
Finance costs	(244)	(253)	(20)	-	(5)	(522)
Profit/(Loss) before tax	10,317	3,706	534	(1,312)	(537)	12,708
Income tax expense						(3,066)
Profit for the year						9,642

A10. CARRYING AMOUNT OF REVALUED ASSETS

The valuations of property, plant and equipment and concession assets have been brought forward without amendment from the audited financial statements for the financial year ended 31 May 2015.

A11. SIGNIFICANT SUBSEQUENT EVENT

On 21 October 2015, the Company's wholly-owned subsidiary, Gadang Engineering (M) Sdn Bhd accepted the Letter of Award dated 20 October 2015 from PRPC Utilities and Facilities Sdn. Bhd., a subsidiary under the PETRONAS Group, to undertake a project known as "Utilities, Interconnecting, Offsite (UIO) Facilities: Procurement, Construction and Commissioning (PCC) of Civil & Infrastructure Works at Interconnecting Sleepers and Utilities Area 2 (Package 14-0301)" for a total contract sum of RM375.13 million.

A12. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial period ended 31 August 2015 other than the following:-

- On 13 July 2015, the names of the two dormant indirect wholly-owned subsidiaries, Green Water Investment Pte. Ltd. and Asian Energy Pte. Ltd. have been struck off from the Accounting and Corporate Regulatory Authority Singapore ("ACRA") register.
- On 26 August 2015, the Company's indirect wholly-owned subsidiary, Asian Utilities Pte Ltd ("AUPL") completed its acquisition of an additional 300 shares representing 10% of the equity interest in PT. Dewata Bangun Tirta ("PTDBT") from the minority shareholders for a total cash consideration of IDR1.0 billion. Following the acquisition, AUPL's equity interest in PTDBT increased from 85% to 95%.



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2015

**PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD
("FRS") 134 INTERIM FINANCIAL REPORTING**

A13. CHANGES IN CONTINGENT LIABILITIES

Corporate guarantees given by the Company to trade suppliers and various financial institutions for credit and hire purchase facilities granted to subsidiary companies are as follows:

	RM'000
As at 31 May 2015	387,478
Decrease during the period	(9,247)
As at 31 August 2015	<u>378,231</u>

A14. CAPITAL COMMITMENTS

	As At 31/08/2015 RM'000
Approved and contracted for	
- Balance of purchase consideration for property acquisitions as per Sale and Purchase Agreement	86,225
- Purchase consideration for investment in subsidiary as per Sale and Purchase of Shares Agreement	300
Approved and not contracted for	
- Oil palm plantations development	2,235
	<u>88,760</u>



GADANG HOLDINGS BERHAD
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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2015

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. OPERATING SEGMENTS REVIEW

REVIEW OF PERFORMANCE AGAINST PREVIOUS YEAR CORRESPONDING PERIOD

For the current quarter, the Group posted revenue of RM149.38 million, an increase of 12.02% over the corresponding quarter of the preceding year. The Group's profit before tax increased by 103.64% to RM25.88 million as compared to the corresponding quarter of the preceding year. The increase in revenue and profit before tax was mainly due to higher contributions from property activities.

Further analysis of the divisional performances is as follows:

UNAUDITED		UNAUDITED		UNAUDITED		UNAUDITED	
INDIVIDUAL QUARTER		INDIVIDUAL QUARTER		CUMULATIVE PERIOD		CUMULATIVE PERIOD	
3 Months Ended 31/08/2015	3 Months Ended 31/08/2014	3 Months Ended 31/08/2015	3 Months Ended 31/08/2014	3 Months Ended 31/08/2015	3 Months Ended 31/08/2014	3 Months Ended 31/08/2015	3 Months Ended 31/08/2014
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000

REVENUE

Construction Division	105,743	109,063	105,743	109,063
Property Division	38,155	20,537	38,155	20,537
Utility Division	5,024	3,477	5,024	3,477
Plantation Division	460	281	460	281
Investment Holding	-	-	-	-
	149,382	133,358	149,382	133,358

PROFIT BEFORE TAX

Construction Division	8,300	10,317	8,300	10,317
Property Division	16,650	3,706	16,650	3,706
Utility Division	1,065	534	1,065	534
Plantation Division	(392)	(537)	(392)	(537)
Investment Holding	255	(1,312)	255	(1,312)
	25,878	12,708	25,878	12,708

Construction Division

Revenue and profit before tax for the current quarter decreased to RM105.74 million and RM8.30 million respectively as compared to the corresponding quarter of the preceding year. This was mainly due to lower construction progress from ongoing projects.



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2015

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. OPERATING SEGMENTS REVIEW (Continued)

Property Division

Revenue and profit before tax for the current quarter increased to RM38.16 million and RM16.65 million respectively as compared to the corresponding quarter of the preceding year. This was mainly due to higher development progress for various projects and changes in accounting estimates for revenue recognition treatment for Capital City Project.

Utility Division

Revenue for the current quarter increased by 44.50% to RM5.02 million as compared to the corresponding quarter of the preceding year mainly due to the contribution from the newly acquired subsidiary, PT Dewata Bangun Tirta.

In tandem with this, profit before tax increased to RM1.07 million for the current quarter as compared to RM0.53 million in the corresponding quarter of the preceding year.

Plantation Division

Revenue for the current quarter increased to RM0.46 million as compared to RM0.28 in the corresponding quarter of the preceding year. This was mainly due to higher harvesting activities.

In line with this, loss before tax decreased to RM0.39 million as compared to RM0.54 million in the corresponding quarter of the preceding year.

B2. MATERIAL CHANGES IN CURRENT QUARTER'S RESULT AS COMPARED TO PRECEDING QUARTER

	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	3 Months	3 Months	3 Months	3 Months
	Ended	Ended	Ended	Ended
	31/08/2015	31/05/2015	31/08/2015	31/05/2015
	RM'000	RM'000	RM'000	RM'000
	REVENUE		PROFIT BEFORE TAX	
Construction Division	105,743	131,458	8,300	23,147
Property Division	38,155	33,647	16,650	10,822
Utility Division	5,024	4,164	1,065	299
Plantation Division	460	486	(392)	(311)
Investment Holding	-	-	255	(1,184)
	149,382	169,755	25,878	32,773



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2015

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B2. MATERIAL CHANGES IN CURRENT QUARTER'S RESULT AS COMPARED TO PRECEDING QUARTER (Continued)

The Group recorded lower revenue of RM149.38 million for the current quarter as compared to RM169.76 million in preceding quarter mainly due to lower construction progress.

In line with the above, the Group's profit before tax decreased from RM32.77 million in preceding quarter to RM25.88 million in current quarter.

B3. BUSINESS PROSPECTS

The Board expects the performance for the current financial year to further improve in tandem with the strong outstanding order book of some RM805.0 million for the Construction Division as the core revenue generator for the Group. The Property Division's earnings will be underpinned by its unbilled sales of some RM189.0 million. The Utility Division will continue to provide stable earnings growth.

B4. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT AND SHORTFALL IN PROFIT GUARANTEE

This is not applicable to the Group.

B5. TAXATION

Taxation comprises the following:

	3 Months Ended 31/08/2015 RM'000
Income tax expense:	
Malaysian income tax	(3,987)
Foreign income tax	(381)
Deferred tax	(753)
	<u>(5,121)</u>

The effective tax rate for the Group for the current financial period was lower than the statutory tax rate mainly due to certain subsidiaries have unutilised tax losses and unabsorbed capital allowance to set-off against current taxable profits.



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2015

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B6. STATUS OF CORPORATE PROPOSALS ANNOUNCED

On 30 January 2015, Crimson Villa Sdn Bhd, an indirect wholly-owned subsidiary of the Company entered into a Sale and Purchase Agreement with Sementar Properties Sdn Bhd to acquire a parcel of freehold land in Semenyih. The acquisition has been completed on 9 October 2015.

B7. UTILISATION OF PROCEEDS

The status of the utilisation of proceeds of RM33,045,432 raised from the Private Placement as at the date of this report is as follows:-

Purpose	Proposed utilisation RM'000	Actual utilisation as at 31 August 2015 RM'000	Balance unutilised as at 31 August 2015 RM'000	Intended timeframe for utilisation from the date of listing
Investments in Utility	27,295	(20,366)	6,929	Within 24 months
Investments in Plantation	5,000	(2,050)	2,950	Within 24 months
Expenses relating to the Private Placement	750	(750)*	-	Within 1 month
	33,045	(23,166)	9,879	

*Note: The balance unutilised has been used for the working capital of the Group in its existing business.

B8. GROUP BORROWINGS

The details of the Group borrowings are as follows:

	As at 31/08/2015		
	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings	77,330	-	77,330
Long term borrowings	111,194	-	111,194
	188,524	-	188,524
Currency denominations:			
Ringgit Malaysia	174,576	-	174,576
United States Dollar	13,862	-	13,862
Indonesian Rupiah	86	-	86
	188,524	-	188,524



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B9. MATERIAL LITIGATION

As at 22 October 2015, being 7 days prior to the date of this report, there has been no material litigation pending of which the value exceeds 5% of the Group's net tangible assets.

B10. DIVIDEND

No interim dividend has been declared for the current quarter under review.

In respect of the financial year ended 31 May 2015, the Board recommended a first and final single tier dividend of 5 sen per share for approval by shareholders at the forthcoming Annual General Meeting and if approved, will be paid on 23 December 2015. The entitlement date for the dividend payment is 30 November 2015.

B11. EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share has been calculated by dividing the net profit for the financial year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue.

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 Months Ended 31/08/2015	3 Months Ended 31/08/2014	3 Months Ended 31/08/2015	3 Months Ended 31/08/2014
Net profit attributable to ordinary equity holders of the Company (RM'000)	20,862	9,537	20,862	9,537
Weighted average number of ordinary shares in issue ('000)	217,089	216,369	217,089	216,369
Basic earnings per share (sen)	<u>9.61</u>	<u>4.41</u>	<u>9.61</u>	<u>4.41</u>



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B11. EARNINGS PER SHARE (Continued)

(b) Diluted earnings per share

The diluted earnings per share has been calculated by dividing the net profit for the financial year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares that would have been issued upon full conversion of the remaining Warrants 2010/2015.

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 Months Ended 31/08/2015	3 Months Ended 31/08/2014	3 Months Ended 31/08/2015	3 Months Ended 31/08/2014
Net profit attributable to ordinary equity holders of the Company (RM'000)	20,862	9,537	20,862	9,537
Weighted average number of ordinary shares in issue ('000)	217,089	216,369	217,089	216,369
Effect of dilution:				
Exercise of warrants	4,114	9,063	4,114	9,063
Adjusted weighted average number of ordinary shares ('000)	221,203	225,432	221,203	225,432
Basic earnings per share (sen)	9.43	4.23	9.43	4.23

B12. DISCLOSURE OF REALISED AND UNREALISED PROFITS

On 25 March 2010, Bursa Malaysia Securities Berhad ("Bursa Securities") issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of the Bursa Securities Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profit or losses.

On 20 December 2010, Bursa Securities further issued guidance on the disclosure and the format required.

The breakdown of the retained profits of the Group as at 31 August 2015, into realised and unrealised profits, pursuant to the directive, is as follows:

	As at 31/08/2015 RM'000	As at 31/08/2014 RM'000
Total retained profits of the Group		
- Realised	174,560	118,295
- Unrealised	(4,369)	(9,964)
Total Group's retained profits as per consolidated account	170,191	108,331



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B12. DISCLOSURE OF REALISED AND UNREALISED PROFITS (Continued)

The determination of realised and unrealised profits is compiled based on the Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profit or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements as stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

B13. NOTES TO THE CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Total comprehensive income for the financial year was derived after charging/(crediting) the following items:

	Current Quarter 31/08/2015 RM'000	Current Year-to-date 31/08/2015 RM'000
Depreciation and amortisation	6,566	6,566
Finance costs	1,579	1,579
Gain on disposal of property, plant and equipment	(343)	(343)
Interest income	(1,277)	(1,277)
Property, plant and equipment written off	82	82
Unrealised gain on foreign exchange	(2)	(2)

Other than as disclosed above, the Group does not have any material items that were recognised as profit/loss in the Consolidated Statements of Comprehensive Income.



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B14. COMPARATIVE FIGURES

The following figures have been reclassified to conform with the presentation of the current financial year under review:-

INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
As restated	As previously reported	As restated	As previously reported
31/08/2014	31/08/2014	31/08/2014	31/08/2014
RM'000	RM'000	RM'000	RM'000

Condensed Consolidated
Statements of Comprehensive
Income (Extract):-

Depreciation and amortisation	(1,364)	-	(1,364)	-
Operating expenses	(6,869)	-	(6,869)	-
Other expenses	(745)	(8,978)	(745)	(8,978)

BY ORDER OF THE BOARD
Tan Seok Chung
Company Secretary
29 October 2015