



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2017

(The figures are unaudited)

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	3 Months Ended 30/11/2017 RM'000	3 Months Ended 30/11/2016 RM'000 (Restated)	Variance %	6 Months Ended 30/11/2017 RM'000	6 Months Ended 30/11/2016 RM'000 (Restated)	Variance %
Revenue	142,867	147,121	-3	259,607	250,973	3
Cost of sales	(91,494)	(104,926)	-13	(172,766)	(178,448)	-3
Gross profit	51,373	42,195	22	86,841	72,525	20
Other income	3,668	5,253	-30	6,357	8,770	-28
Administrative expenses	(4,806)	(3,978)	21	(11,070)	(10,298)	7
Depreciation and amortisation	(1,598)	(1,564)	2	(3,430)	(2,941)	17
Operating expenses	(6,564)	(4,827)	36	(10,812)	(7,932)	36
Other expenses	(2,797)	(12)	>100	(2,935)	(38)	>100
Finance costs	(1,105)	(711)	55	(1,664)	(1,238)	34
Share of results of joint ventures	104	-	-	165	-	-
Profit before tax	38,275	36,356	5	63,452	58,848	8
Income tax expense	(9,743)	(8,165)	19	(16,373)	(13,660)	20
Net profit from continuing operations	28,532	28,191	1	47,079	45,188	4
Discontinued operation:						
Loss after tax from discontinued operation	-	(258)	-100	(155)	(633)	-76
Net profit for the financial year	28,532	27,933	2	46,924	44,555	5
Other comprehensive income:						
Foreign currency translation	(3,220)	4,285	>100	(3,387)	4,763	>100
Total comprehensive income for the financial year	25,312	32,218	-21	43,537	49,318	-12
Net profit attributable to:						
Equity holders of the Company	28,371	27,905	2	46,709	44,601	5
Non-controlling interests	161	28	>100	215	(46)	>100
Total comprehensive income attributable to:	28,532	27,933	2	46,924	44,555	5
Equity holders of the Company	25,382	31,861	-20	43,566	48,996	-11
Non-controlling interests	(70)	357	>100	(29)	322	>100
	25,312	32,218	-21	43,537	49,318	-12



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2017 (Continued)

(The figures are unaudited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 Months Ended 30/11/2017 RM'000	3 Months Ended 30/11/2016 RM'000 (Restated)	6 Months Ended 30/11/2017 RM'000	6 Months Ended 30/11/2016 RM'000 (Restated)
Basic earnings per share (sen)				
- continuing operations	4.32	4.36	7.13	7.00
- discontinued operation	-	(0.04)	(0.02)	(0.10)
	4.32	4.32	7.10	6.90
Diluted earnings per share (sen)				
- continuing operations	4.23	N/A	6.99	N/A
- discontinued operation	-	N/A	(0.02)	N/A
	4.23	N/A	6.97	N/A

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2017.



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 NOVEMBER 2017

	UNAUDITED	AUDITED
	As At 30/11/2017 RM'000	As At 31/05/2017 RM'000
ASSETS		
Non-current assets		
Concession assets	108,476	91,619
Property, plant and equipment	69,837	63,646
Investment properties	71,417	15,984
Land held for property development	3,893	3,889
Investment in joint ventures	712	37
Non-trade receivables	2,577	2,593
Other investment	100	100
Goodwill	17,723	18,430
Deferred tax assets	6,372	6,245
	281,107	202,543
Current assets		
Inventories	29,667	980
Property development costs	723,079	731,019
Trade and other receivables	195,714	183,178
Amount due from customers on contracts	12,803	24,695
Current tax assets	9,664	6,632
Short term funds	38,162	59,435
Fixed deposits placed with licensed banks	101,379	87,909
Cash and bank balances	144,593	114,572
	1,255,061	1,208,420
Assets classified as held for sale	-	15,521
TOTAL ASSETS	1,536,168	1,426,484
EQUITY AND LIABILITIES		
Equity attributable to Equity Holders of the Company		
Share Capital	335,333	331,678
Reserves	314,786	291,490
	650,119	623,168
Non-controlling interests	8,020	8,003
Total equity	658,139	631,171



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 NOVEMBER 2017 (Continued)

	UNAUDITED	AUDITED
	As At 30/11/2017 RM'000	As At 31/05/2017 RM'000
Non-current liabilities		
Bank borrowings	211,521	143,819
Deferred tax liabilities	6,366	6,449
Defined benefit obligations	1,836	2,039
Non-trade payables	243,304	243,554
	463,027	395,861
Current liabilities		
Amount due to customers on contracts	35,532	18,843
Trade and other payables	301,876	327,167
Bank borrowings	66,636	48,771
Current tax liabilities	10,958	4,150
	415,002	398,931
Liabilities classified as held for sale	-	521
Total liabilities	878,029	795,313
TOTAL EQUITY AND LIABILITIES	1,536,168	1,426,484
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.99	0.95

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2017.



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2017

	Share Capital	Employee Share Option Reserve	Capital Reserve	Share Premium	Foreign Exchange Reserve	Retained Profits	Total	Non- controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
(UNAUDITED)									
At 1 June 2017	331,678	743	1,347	-	1,772	287,628	623,168	8,003	631,171
Total comprehensive income	-	-	-	-	(3,143)	46,709	43,566	(29)	43,537
Employees share option exercised	3,143	-	-	-	-	-	3,143	-	3,143
Dividend on ordinary shares	-	-	-	-	-	(19,758)	(19,758)	-	(19,758)
Transfer to share capital for employees share option exercised	512	(512)	-	-	-	-	-	-	-
Acquisition of a subsidiary	-	-	-	-	-	-	-	46	46
At 30 November 2017	335,333	231	1,347	-	(1,371)	314,579	650,119	8,020	658,139



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2017 (Continued)

	Share Capital	Employee Share Option Reserve	Capital Reserve	Share Premium	Foreign Exchange Reserve	Retained Profits	Total	Non- controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
(AUDITED)									
At 1 June 2016	258,623	-	1,347	38,041	(1,158)	232,249	529,102	7,264	536,366
Total comprehensive income	-	-	-	-	2,930	100,097	103,027	739	103,766
Dividend on ordinary shares	-	-	-	-	-	(18,104)	(18,104)	-	(18,104)
Bonus issue of shares	64,655	-	-	(38,041)	-	(26,614)	-	-	-
Issue of shares upon exercise of warrants	61	-	-	-	-	-	61	-	61
Employees share option exercised	7,172	-	-	-	-	-	7,172	-	7,172
Recognition of share option expenses	-	1,910	-	-	-	-	1,910	-	1,910
Transfer to share capital for employees share option exercised	1,167	(1,167)	-	-	-	-	-	-	-
At 31 May 2017	331,678	743	1,347	-	1,772	287,628	623,168	8,003	631,171

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 2017.



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2017

(The figures are unaudited)

	6 Months Ended 30/11/2017 RM'000	6 Months Ended 30/11/2016 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax:		
- continuing operations	63,452	58,848
- discontinued operation	(155)	(633)
Adjustments for:		
Amortisation of biological assets	-	345
Bad debts written off	48	6
Depreciation of concession assets	1,550	1,144
Depreciation of investment properties	281	129
Depreciation of property, plant and equipment	9,658	9,576
Dividend received from short term funds	(1,170)	(1,786)
Finance costs	2,420	1,963
Gain on disposal of property, plant and equipment	(425)	(1,862)
Increase/(Decrease) in liability for defined benefit obligations	(203)	115
Interest income	(2,602)	(2,032)
Loss on disposal of non-current assets held for sale	1,304	-
Net unrealised (gain)/loss on foreign exchange	2,590	(2,222)
Property, plant and equipment written off	7	-
Reversal of impairment losses on non-current assets held for sale	(1,211)	-
Share of results of joint ventures	(165)	-
Operating profit before working capital changes	75,379	63,591
Changes in working capital:		
Property development costs	7,937	(30,765)
Biological assets	-	(126)
Amount due from/(to) customers on contracts	28,581	19,076
Inventories	(28,687)	3,188
Receivables	891	(6,077)
Payables	(24,664)	(30,630)
Net income tax paid	(12,801)	(7,812)
Net Operating Cash Flows	46,636	10,445



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2017 (Continued)

(The figures are unaudited)

	6 Months Ended 30/11/2017 RM'000	6 Months Ended 30/11/2016 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of:		
- property, plant and equipment	(2,150)	(1,638)
- concession assets	(25,167)	(911)
- investment property	(55,714)	-
Investment in a subsidiary	(140)	-
Investment in a joint venture	(509)	-
Proceeds from disposal of:		
- concession assets	1,763	-
- non-current assets held for sale, net of cash and cash equivalent disposed of	1,498	-
- property, plant and equipment	782	4,199
Dividend received from short term funds	1,170	1,786
Interest received	2,602	2,032
Net Investing Cash Flows	(75,865)	5,468
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of bank borrowings	92,842	111
Finance costs	(2,420)	(1,963)
Proceeds from issue of ordinary share capital	3,143	-
Repayment of:		
- bank borrowings	(16,385)	(29,194)
- hire purchase liabilities	(2,987)	(10,511)
Fixed deposits pledged as security values	(11,502)	(3,414)
Dividend paid	(19,758)	(18,104)
Net Financing Cash Flows	42,933	(63,075)
Net change in cash and cash equivalents	13,704	(47,162)
Effect of exchange rate changes	(2,571)	3,628
Cash and cash equivalents at the beginning of the financial period	201,221	232,504
Cash and cash equivalents at the end of the financial period	212,354	188,970



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2017 (Continued)**
(The figures are unaudited)

	6 Months Ended 30/11/2017 RM'000	6 Months Ended 30/11/2016 RM'000
Analysis of Cash and Cash Equivalents		
Cash and bank balances	144,593	102,445
Short term funds	38,162	57,299
Fixed deposits placed with licensed banks	101,379	88,054
Bank overdrafts	(6,964)	-
	<hr/>	<hr/>
	277,170	247,798
Cash and cash equivalent under assets classified as assets held for sale	-	241
	<hr/>	<hr/>
	277,170	248,039
Less: Fixed deposits pledged as security values	(64,816)	(59,069)
	<hr/>	<hr/>
Total	212,354	188,970

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2017.



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2017

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 2017. 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 2017.

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 2017, except for the changes arising from the adoption of amendments/improvements to FRSs that are effective for financial period beginning 1 June 2016 as follows:

Amendments/Improvements to FRSs

FRS 12	Disclosure of Interest in Other Entities [Annual Improvements to FRS Standard 2014-2016 Cycle]
FRS 107	Statements of Cash Flows [Disclosure Initiative]
FRS 112	Income Taxes [Recognition of Deferred Tax Assets for Unrealised Losses]

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

FRSs, Amendments/Improvements to FRSs and IC Interpretations issued but not yet effective

Standard	Title	Effective Date
FRS 1	First-time Adoption of Financial Reporting Standards [Annual Improvements to FRS Standards 2014-2016 Cycle]	1 January 2018
FRS 2	Shared-based Payment [Classification and Measurement of Share-based Payment Transactions]	1 January 2018
FRS 4	Insurance Contracts [Applying FRS 9 Financial Instruments]	1 January 2018
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]	Deferred
FRS 128	Sale or Contribution of Assets between an Investor and its Associate of Joint Venture (Amendments to FRS 10 and FRS 128)	Deferred
FRS 128	Investment in Associates and Joint Ventures [Annual Improvements to FRS Standards 2014-2016 Cycle]	1 January 2018
FRS 140	Investment Property [Transfer of Investment Property]	1 January 2018



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2017

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

A2. CHANGES IN ACCOUNTING POLICIES (Continued)

IC Interpretations

IC 22	Foreign Currency Transactions and Advance Construction	1 January 2018
IC 23	Uncertainty over Income Tax Treatments	1 January 2019

The Group will apply the above FRSs, amendments/improvement to FRSs and IC interpretations that are applicable once they become effective. The adoption of the above FRSs and amendments/improvement 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 further announced by MASB on 28 October 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 2017 was not subject to any audit qualification.

A4. SEASONAL OR CYCLICAL FACTORS

The operations of the Group are not significantly affected by any seasonal or cyclical factors.

A5. UNUSUAL SIGNIFICANT ITEMS

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

A6. CHANGES IN ESTIMATES

There were no major changes in estimates that have any material effect in the current quarter under review.



GADANG HOLDINGS BERHAD

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INTERIM REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2017

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

A7. DEBT AND EQUITY SECURITIES

There were no cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter under review, except for the issuance of:-

- (a) 822,800 new ordinary shares pursuant to the exercise of share options under the Company's Employees' Share Option Scheme.

The movement of the share options are as follows:-

	Number of share options	Exercise price RM
As at 31 August 2017	74,110,400	0.86
Exercised during the period	(822,800)	0.86
As at 30 November 2017	<u>73,287,600</u>	
Exercisable at 30 November 2017	<u>5,063,200</u>	0.86

- (b) 50 new ordinary shares pursuant to the conversion of Warrant 2016/2021. The number of outstanding warrants was 129,254,039.

A8. DIVIDEND PAID

At the Company's Annual General Meeting held on 8 November 2017, the shareholders of the Company approved the first and final single tier dividend of 3 sen per share in respect of the financial year ended 31 May 2017. The Company paid the first and final single tier dividend on 5 December 2017.



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2017

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

A9. SEGMENTAL REPORTING

6 months ended 30 November 2017 (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
Revenue	182,279	65,491	11,837	-	-	259,607
Results						
Segment results	48,203	19,706	1,171	(4,129)	-	64,951
Finance costs	(808)	(632)	(224)	-	-	(1,664)
Share of results of joint ventures	165	-	-	-	-	165
Profit/(Loss) before tax	47,560	19,074	947	(4,129)	-	63,452
Income tax expense						(16,373)
Loss after tax from discontinued operation	-	-	-	-	(155)	(155)
Profit for the financial period						46,924

6 months ended 30 November 2016 (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
(Restated) Revenue	115,195	124,201	11,577	-	-	250,973
Results						
Segment results	24,178	33,188	3,930	(1,210)	-	60,086
Finance costs	(397)	(558)	(283)	-	-	(1,238)
Profit/(Loss) before tax	23,781	32,630	3,647	(1,210)	-	58,848
Income tax expense						(13,660)
Loss after tax from discontinued operation	-	-	-	-	(633)	(633)
Profit for the financial period						44,555

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 2017.



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2017

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

A11. SIGNIFICANT SUBSEQUENT EVENT

There were no significant events subsequent to the end of the quarter under review.

A12. CHANGES IN COMPOSITION OF THE GROUP

There were no material changes in the composition of the Group for the current quarter under review.

A13. CHANGES IN CONTINGENT LIABILITIES

Corporate guarantees given 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 August 2017	544,873
Increase during the period	52,408
As at 30 November 2017	<u>597,281</u>

A14. CAPITAL COMMITMENTS

	As At 30/11/2017 RM'000
Approved but not contracted for	
- Purchase of property, plant and equipment	247
	<u>247</u>



GADANG HOLDINGS BERHAD

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INTERIM REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2017

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

A15. DISCONTINUED OPERATION AND ASSETS/LIABILITIES CLASSIFIED AS HELD FOR SALE

Pursuant to the Group's portfolio review in the financial year 2017, the Board had strategically decided to exit the plantation business. The decision offers an opportunity for the Group to exit from its non-core activity business and to reallocate its resources to other key businesses within the Group. Therefore, the Group presents and disclose in its financial statements the financial effects of discontinued operation in accordance to FRS 5 (*Non-Current Assets Held for Sale and Discontinued Operations*).

The Group had ceased its control over Plantation Division during the current quarter. Therefore the disposal of the discontinued operation was deemed completed on 27 November 2017 and resulted the Plantation Division ceased to be a subsidiary of the Group.

An analysis of the results of discontinued operation is as follows:

	6 Months Ended 30/11/2017 RM'000	6 Months Ended 30/11/2016 RM'000
<u>Results of discontinued operation</u>		
Revenue	235	1,511
Cost of sales	(163)	(1,146)
Gross profit	72	365
Expenses	(227)	(998)
Loss before tax	(155)	(633)
Income tax expense	-	-
Net loss from discontinued operation	(155)	(633)

The discontinued operation had the following effects on the financial position of the Group as at the end of the financial period:

	As At 30/11/2017 RM'000
Property, plant and equipment	1,036
Biological assets	11,806
Deferred tax assets	3,365
Inventories	114
Other receivables	2
Cash and bank balances	2
Other payables	(21)
Net assets disposed	16,304
Sale consideration	(15,000)
Loss on disposal of non-current assets held for sale	1,304
Cash inflow from disposal of non-current assets held for sale:	
Sale consideration	15,000
Balance of consideration	(13,500)
Cash and cash equivalents of non-current assets held for sale disposed	(2)
Net cash inflow	1,498



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2017

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

During the current quarter, the Group recorded revenue of RM142.87 million as compared to RM147.12 million in the corresponding quarter of the preceding year. The Group's profit before tax increased to RM38.28 million as compared to RM36.36 million in the corresponding quarter of the preceding year.

For the current year to date, revenue increased marginally to RM259.61 million. Profit before tax increased by 8% to RM63.45 million. The increase in profit before tax was mainly due to higher construction progress from ongoing projects.

Tabulated below is the various divisional contributions:-

UNAUDITED UNAUDITED			UNAUDITED UNAUDITED		
INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
3 Months Ended 30/11/2017	3 Months Ended 30/11/2016	Variance %	6 Months Ended 30/11/2017	6 Months Ended 30/11/2016	Variance %
RM'000	RM'000	%	RM'000	RM'000	%

REVENUE

Continuing operations

Construction Division	105,521	73,057	44	182,279	115,195	58
Property Division	31,704	68,038	-53	65,491	124,201	-47
Utility Division	5,642	6,026	-6	11,837	11,577	2
Investment Holding	-	-	-	-	-	-
	<u>142,867</u>	<u>147,121</u>	<u>-3</u>	<u>259,607</u>	<u>250,973</u>	<u>3</u>

Discontinued operation

Plantation Division	235	762	-69	235	1,511	-84
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PROFIT/(LOSS) BEFORE TAX

Continuing operations

Construction Division	30,851	15,369	>100	47,560	23,781	100
Property Division	10,536	19,181	-45	19,074	32,630	-42
Utility Division	(660)	1,784	>100	947	3,647	-74
Investment Holding	(2,452)	22	>100	(4,129)	(1,210)	>100
	<u>38,275</u>	<u>36,356</u>	<u>5</u>	<u>63,452</u>	<u>58,848</u>	<u>8</u>

Discontinued operation

Plantation Division	-	(258)	-100	(155)	(633)	-76
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B1. OPERATING SEGMENTS REVIEW (Continued)

(A) Continuing operations

Construction Division

For the current quarter, revenue increased to RM105.52 million as compared to RM73.06 million in the corresponding quarter of the preceding year. Profit before tax for the current quarter increased to RM30.85 million as compared to RM15.37 million in the corresponding quarter of the preceding year.

Revenue for the current year to date increased to RM182.28 million as compared to RM115.20 million recorded in the preceding year to date. Profit before tax increased by 100% to RM47.56 million in the current year to date.

This was mainly due:

- Progress from existing project namely, RAPID package 301 and 402;
- Commencement of work for new projects namely, KVMRT V206 project, TRX project and Cyberjaya Hospital project; and
- Recognition of some variation orders for completed projects.

Property Division

For the current quarter, revenue decreased to RM31.70 million as compared to RM68.04 million in the corresponding quarter of the preceding year. In line with this, profit before tax reduced to RM10.54 million as compared to RM19.18 million in the corresponding quarter of the preceding year.

Revenue for the current year to date decreased from RM124.20 million to RM65.49 million. In tandem with this, profit before tax decreased from RM32.63 million to RM19.07 million. This was mainly due to completion of some development projects.

Utility Division

For the current quarter, revenue decreased by 6% to RM5.64 million as compared to RM6.03 million in the corresponding quarter of the preceding year. Loss before tax recorded at RM0.66 million in current quarter as compared to profit before tax of RM1.78 million in the corresponding quarter of the preceding year.

Revenue for the current year to date increased marginally to RM11.84 million as compared to RM11.58 million in preceding year. However, profit before tax for the current year to date reduced to RM0.95 million as compared to RM3.65 million in the preceding year. This was mainly due to unrealised loss on foreign exchange of RM2.12 million.

(B) Discontinued operation

In Note A15, the Group presents and discloses in its financial statements, the financial effects of discontinued operations in accordance to FRS 5 (*Non Current Assets Held For Sale and Discontinued Operations*).

The revenue and loss before taxation from Plantation Division up to the date of completion of its disposal are recorded at RM0.24 million and RM0.16 million respectively.



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

	Current Quarter 30/11/2017 RM'000	Preceding Quarter 31/08/2017 RM'000	Variance %
Revenue	142,867	116,740	22
Operating profit	40,978	31,778	29
Profit before interest and tax	39,380	26,067	51
Profit before tax	38,275	25,178	52
Profit after tax	28,532	18,548	54
Profit attributable to equity holders of the Company	28,371	18,339	55

The Group posted revenue of RM142.87 million from continuing operations in the current quarter as compared to RM116.74 million in the preceding quarter. This was mainly due to higher construction progress from ongoing projects. In tandem with this, the Group's profit before tax increased to RM38.28 million as compared to RM25.18 million in the preceding quarter.

B3. BUSINESS PROSPECTS

The Board forecast the current year performance to be resilient with stable margins derived from on-going construction activities. Overall, the Group's involvement in more technically complex infrastructure projects and its focus on affordable homes are the key contributors for the sustainable results.

Broadly, the Group's initiatives adopted to sustain the year results are as follows:-

(a) Construction Division

This Division is cautiously tendering for larger Government's infrastructure and building projects and has to-date gained good market traction with an outstanding order book value of some RM1.62 billion which consist of RAPID package 301 and 402, KVMRT V206, TRX and Cyberjaya Hospital.

(b) Property Division

The Division has a total land bank size (including joint venture projects) of 442.20 acres with a total estimated gross development value (GDV) of RM3.76 billion. The Division will remain focused on affordable homes in line with the present market demand. The unbilled sales as at to-date stand at RM133.20 million. The on-going projects are:

- Laman View mixed development in Cyberjaya;
- The Vyne residential development in Salak South;
- Bandar Puncak Sena township development in Kedah; and
- Capital City integrated complex development in Johor Bahru.



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B3. BUSINESS PROSPECTS (Continued)

(c) Utility Division

The stable recurring income from the 4 operating water treatment plants are expected to increase during the financial year. The mini hydro project of 9MW in Indonesia is expected to be income generating by the first quarter of the financial year 2019.

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 30/11/2017 RM'000	6 Months Ended 30/11/2017 RM'000
Income tax expense:		
Malaysian income tax	(9,094)	(15,106)
Foreign income tax	(704)	(1,465)
Deferred tax	55	198
	<u>(9,743)</u>	<u>(16,373)</u>
Income tax expense on continuing operations	(9,743)	(16,373)
Income tax expense on discontinued operations	-	-
	<u>(9,743)</u>	<u>(16,373)</u>

The effective tax rate for the Group for the current financial year was higher than the statutory tax rate mainly due to expenses not deductible for tax purpose.

B6. STATUS OF CORPORATE PROPOSALS ANNOUNCED

There were no pending corporate proposals.



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B7. GROUP BORROWINGS

(a) The details of the Group borrowings are as follows:

	Exchange rate	As at 30/11/2017					
		Long term		Short term		Total	
		Foreign denomination '000	RM denomination '000	Foreign denomination '000	RM denomination '000	Foreign denomination '000	RM denomination '000
Secured							
Revolving credit		-	-	-	44,600	-	44,600
Bank overdraft		-	-	-	6,965	-	6,965
Term loan (RM)		-	144,750	-	6,515	-	151,265
Term loan (USD)	4.0192	USD 1,586	6,373	USD 584	2,347	USD 2,170	8,720
Term loan (IDR)	0.000302	IDR 144,399,454	43,609	-	-	IDR 144,399,454	43,609
Hire purchase		-	16,789	-	6,209	-	22,998
			211,521		66,636		278,157

	Exchange rate	As at 30/11/2016					
		Long term		Short term		Total	
		Foreign denomination '000	RM denomination '000	Foreign denomination '000	RM denomination '000	Foreign denomination '000	RM denomination '000
Secured							
Revolving credit		-	-	-	13,700	-	13,700
Bank overdraft		-	-	-	-	-	-
Term loan (RM)		-	121,830	-	15,220	-	137,050
Term loan (USD)	4.5248	USD 2,173	9,834	USD 580	2,623	USD 2,753	12,457
Term loan (IDR)	0.000330	IDR 5,894,783	1,945	-	-	IDR 5,894,783	1,945
Hire purchase		-	9,662	-	5,849	-	15,511
			143,271		37,392		180,663

(b) Bank borrowings for the current year to date increased to RM278.16 million as compared to RM180.66 million in the preceding year to date. This is mainly to finance an investment property in Damansara Perdana of RM45 million. The remaining is to finance project expenditure and construction of concession assets in Indonesia.



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B8. MATERIAL LITIGATION

As at 17 January 2018, 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.

B9. DIVIDEND

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

B10. 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 30/11/2017	3 Months Ended 30/11/2016	6 Months Ended 30/11/2017	6 Months Ended 30/11/2016
Net profit/(loss) attributable to ordinary equity holders of the Company (RM'000)				
- from continuing operations	28,371	28,163	46,864	45,234
- from discontinued operation	-	(258)	(155)	(633)
	<u>28,371</u>	<u>27,905</u>	<u>46,709</u>	<u>44,601</u>
Weighted average number of ordinary shares in issue ('000)	<u>657,464</u>	<u>646,558</u>	<u>657,464</u>	<u>646,558</u>
Basic earnings per share (sen)				
- from continuing operations	4.32	4.36	7.13	7.00
- from discontinued operation	-	(0.04)	(0.02)	(0.10)
	<u>4.32</u>	<u>4.32</u>	<u>7.10</u>	<u>6.90</u>



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B10. 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 holder of the Company by the weighted average number of ordinary shares that would have been issued upon full conversion of the remaining Warrants 2016/2021 and employee share option.

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 Months Ended 30/11/2017	3 Months Ended 30/11/2016	6 Months Ended 30/11/2017	6 Months Ended 30/11/2016
Net profit attributable to ordinary equity holders of the Company (RM'000)				
- from continuing operations	28,371	N/A	46,864	N/A
- from discontinued operation	-	N/A	(155)	N/A
	<u>28,371</u>	<u>N/A</u>	<u>46,709</u>	<u>N/A</u>
Weighted average number of ordinary shares in issue ('000)	657,464	N/A	657,464	N/A
Effect of dilution:				
Exercise of warrants	1,710	N/A	1,710	N/A
Employee share option	11,441	N/A	11,441	N/A
Adjusted weighted average number of ordinary shares ('000)	<u>670,615</u>	<u>N/A</u>	<u>670,615</u>	<u>N/A</u>
Basic earnings per share (sen)				
- from continuing operations	4.23	N/A	6.99	N/A
- from discontinued operation	-	N/A	(0.02)	N/A
	<u>4.23</u>	<u>N/A</u>	<u>6.97</u>	<u>N/A</u>



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B11. NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

The cost of sales included the following charges, made during the financial period:

	Current Quarter 30/11/2017 RM'000	Current Year-to-date 30/11/2017 RM'000
Depreciation of property, plant and equipment	4,179	8,059
Finance costs	426	756
Hire of plant and machinery	10	64
Rental of land and premises	293	771

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

	Current Quarter 30/11/2017 RM'000	Current Year-to-date 30/11/2017 RM'000
Bad debts written off	48	48
Dividend received from short term funds	(486)	(1,170)
Depreciation and amortisation	1,599	3,430
Finance costs	1,105	1,664
Gain on disposal of property, plant and equipment	(31)	(425)
Interest income	(1,210)	(2,602)
Loss on disposal of non-current assets held for sale	1,304	1,304
Property, plant and equipment written off	-	7
Net unrealised (gain)/loss on foreign exchange	2,710	2,590
Reversal of impairment loss on non-current assets held for sale	(1,211)	(1,211)

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



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B12. COMPARATIVE FIGURES

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

INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
As restated	As previously reported	As restated	As previously reported
30/11/2016	30/11/2016	30/11/2016	30/11/2016
RM'000	RM'000	RM'000	RM'000

Condensed Consolidated
Statements of Comprehensive
Income (Extract):-

Revenue	147,121	147,883	250,973	252,484
Cost of sales	(104,926)	(105,485)	(178,448)	(179,594)
Administrative expenses	(3,978)	(4,107)	(10,298)	(10,613)
Depreciation and amortisation	(1,564)	(1,842)	(2,941)	(3,499)
Operating expenses	(4,827)	(4,881)	(7,932)	(8,052)
Finance costs	(711)	(713)	(1,238)	(1,243)