



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MAY 2024

	Unaudited			Unaudited			Audited		
	INDIVIDUAL QUARTER			CUMULATIVE YEAR					
	3 Months Ended 31/05/2024	3 Months Ended 31/05/2023	Variance %	12 Months Ended 31/05/2024	12 Months Ended 31/05/2023	Variance %	12 Months Ended 31/05/2024	12 Months Ended 31/05/2023	Variance %
	RM'000	RM'000		RM'000	RM'000		RM'000	RM'000	
Revenue	150,517	113,951	32	583,589	496,073	18			
Cost of sales	(135,015)	(113,511)	19	(506,864)	(433,376)	17			
Gross profit	15,502	440	>100	76,725	62,697	22			
Other income	718	3,381	-79	15,580	9,708	60			
Administrative expenses	(6,680)	(7,677)	-13	(28,453)	(29,376)	-3			
Depreciation	(4,464)	(2,070)	>100	(16,954)	(8,475)	>100			
Operating expenses	(4,199)	(4,526)	-7	(15,312)	(16,920)	-10			
Other expenses	(3,460)	(17,605)	-80	(5,042)	(27,013)	-81			
Net impairment losses on financial assets	238	(3,071)	>100	(387)	(3,071)	-87			
Finance costs	(2,715)	(4,132)	-34	(11,367)	(12,324)	-8			
Share of results of joint ventures	(108)	(1,927)	-94	(325)	(3,123)	-90			
(Loss)/Profit before tax	(5,168)	(37,187)	-86	14,465	(27,897)	>100			
Income tax expense	(6,065)	(3,142)	93	(13,970)	(13,299)	5			
Net (loss)/profit for the financial year	(11,233)	(40,329)	-72	495	(41,196)	>100			
Other comprehensive income:									
Actuarial loss/(gain) on defined benefit obligation	111	(2)	>100	111	(2)	>100			
Foreign currency translation	(2,937)	2,988	>100	(4,393)	1,214	>100			
Total comprehensive loss for the financial year	(14,059)	(37,343)	-62	(3,787)	(39,984)	-91			
Net (loss)/profit attributable to:									
Equity holders of the Company	(9,369)	(27,705)	-66	4,711	(29,324)	>100			
Non-controlling interests	(1,864)	(12,624)	-85	(4,216)	(11,872)	-64			
	(11,233)	(40,329)	-72	495	(41,196)	>100			
Total comprehensive loss attributable to:									
Equity holders of the Company	(12,645)	(24,555)	-49	(590)	(27,852)	-98			
Non-controlling interests	(1,414)	(12,788)	-89	(3,197)	(12,132)	-74			
	(14,059)	(37,343)	-62	(3,787)	(39,984)	-91			
(Loss)/Earnings per share attributable to equity holders of the Company:									
- Basic (sen)	(1.29)	(3.81)	-66	0.65	(4.03)	>100			
- Diluted (sen)	(1.29)	(3.81)	-66	0.65	(4.03)	>100			

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2023.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MAY 2024**

	Unaudited	Audited
	As At 31/05/2024 RM'000	As At 31/05/2023 RM'000
ASSETS		
Non-current assets		
Concession assets	147,429	131,794
Intangible assets	24,095	27,511
Property, plant and equipment	26,240	32,077
Right-of-use assets	4,911	4,405
Investment properties	15,567	71,534
Trade and non-trade receivables	3,901	18,697
Other investments	809	719
Goodwill on consolidation	6,141	6,522
Deferred tax assets	21,837	23,394
	250,930	316,653
Current assets		
Inventories	588,727	566,274
Contract costs	5,568	5,906
Trade and non-trade receivables	114,144	117,039
Contract assets	250,040	160,011
Current tax assets	5,078	4,900
Short term funds	41,217	67,845
Deposits with licensed banks	45,983	22,425
Cash and bank balances	84,205	128,120
	1,134,962	1,072,520
Assets classified as held for sale	1,684	-
TOTAL ASSETS	1,387,576	1,389,173



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MAY 2024 (Continued)**

	Unaudited	Audited
	As At	As At
	31/05/2024	31/05/2023
	RM'000	RM'000
EQUITY AND LIABILITIES		
Equity attributable to Equity Holders of the Company		
Share Capital	389,521	389,521
Reserves	402,341	402,931
	<u>791,862</u>	<u>792,452</u>
Non-controlling interests	(8,635)	(5,438)
	<u>783,227</u>	<u>787,014</u>
Total equity		
Non-current liabilities		
Investment in joint ventures	3,731	3,406
Bank borrowings	59,826	140,262
Lease liabilities	256	-
Deferred tax liabilities	2,280	2,531
Defined benefit obligations	2,141	2,228
Non-trade payables	97,997	126,231
	<u>166,231</u>	<u>274,658</u>
Current liabilities		
Trade and non-trade payables	290,102	220,123
Contract liabilities	18,872	18,800
Bank borrowings	127,335	86,566
Lease liabilities	423	-
Current tax liabilities	1,386	2,012
	<u>438,118</u>	<u>327,501</u>
Total liabilities	<u>604,349</u>	<u>602,159</u>
TOTAL EQUITY AND LIABILITIES	<u>1,387,576</u>	<u>1,389,173</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.09	1.09

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2023.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MAY 2024**

(Unaudited)	Share Capital RM'000	Capital Reserves RM'000	Foreign Exchange Translation Reserves RM'000	Retained Profits RM'000	Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
At 1 June 2023	389,521	1,347	1,542	400,042	792,452	(5,438)	787,014
Profit after taxation for the financial year	-	-	-	4,711	4,711	(4,216)	495
Actuarial loss on defined benefit obligation	-	-	-	111	111	-	111
Foreign currency translation differences	-	-	(5,412)	-	(5,412)	1,019	(4,393)
Total comprehensive income for the financial year	-	-	(5,412)	4,822	(590)	(3,197)	(3,787)
At 31 May 2024	389,521	1,347	(3,870)	404,864	791,862	(8,635)	783,227

(Audited)	Share Capital RM'000	Capital Reserves RM'000	Foreign Exchange Translation Reserves RM'000	Retained Profits RM'000	Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
At 1 June 2022	389,521	1,347	66	434,465	825,399	6,694	832,093
Loss after taxation for the financial year	-	-	-	(29,324)	(29,324)	(11,872)	(41,196)
Actuarial gain on defined benefit obligation	-	-	-	(2)	(2)	-	(2)
Foreign currency translation differences	-	-	1,476	-	1,476	(260)	1,216
Dividend on ordinary shares	-	-	-	(5,097)	(5,097)	-	(5,097)
Total comprehensive income/(loss) for the financial year	-	-	1,476	(34,423)	(32,947)	(12,132)	(45,079)
At 31 May 2023	389,521	1,347	1,542	400,042	792,452	(5,438)	787,014

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 2023.



GADANG HOLDINGS BERHAD
199301023376 (278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2024**

	Unaudited 12 Months Ended 31/05/2024 RM'000	Audited 12 Months Ended 31/05/2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax:	14,465	(27,897)
Adjustments for:		
Accretion of interest on:		
- amount owing to a director	-	40
- trade and non-trade receivables	(7,341)	(450)
Bad debts written off	6	10
Depreciation of:		
- concession assets	7,784	-
- intangible assets	3,450	3,571
- investment properties	822	841
- property, plant and equipment	6,269	9,113
- right-of-use assets	603	55
Fair value (gain)/loss on quoted investments	(90)	1,079
Finance costs	13,053	12,665
Net (gain)/loss on disposal of:		
- subsidiary	-	636
- property, plant and equipment	(981)	(1,242)
Impairment loss on:		
- concession assets	-	9,436
- right-of-use assets	109	-
- contract assets	626	907
- goodwill	-	10,633
- property, plant and equipment	-	306
- trade and non-trade receivables	387	2,005
- amount owing by joint venture	388	3,234
- investment in joint venture	-	510
- prepayment	-	1,066
Income received from short term funds	(74)	(158)
Decrease in liability for defined benefit obligations	26	130
Interest income	(2,506)	(2,533)
Net unrealised loss/(gain) on foreign exchange	3,450	(2,128)
Property, plant and equipment written off	38	5
Reversal of impairment loss on:		
- trade and non-trade receivables	(245)	-
- prepayment	(5)	-
- concession assets	(20)	-
Share of results of joint ventures	325	3,123
Operating profit before working capital changes	40,539	24,957
Changes in working capital:		
Contract assets/(liabilities)	25,526	13,256
Contract costs	(90,583)	680
Inventories	5,822	65,391
Payables	41,022	(62,715)
Receivables	(443)	9,831
Cash generated from operations	21,883	51,400
Net income tax paid	(13,517)	(17,722)
Net Operating Cash Flows	8,366	33,678



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (Continued)

	Unaudited 12 Months Ended 31/05/2024 RM'000	Audited 12 Months Ended 31/05/2023 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of:		
- concession assets	(5,772)	(16,331)
- intangible assets	(754)	(100)
- property, plant and equipment	(740)	(6,819)
- right-of-use assets	184	-
Proceeds from disposal of:		
- property, plant and equipment	1,388	1,408
- subsidiary	-	565
Income received from short term funds	74	158
Interest income	2,506	2,533
Net Investing Cash Flows	(3,114)	(18,586)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of:		
- bank borrowings	81,278	26,986
- hire purchase	457	7,894
Finance costs	(13,053)	(12,665)
Repayment of:		
- bank borrowings	(112,397)	(100,528)
- hire purchase	(3,784)	(3,440)
Fixed deposits pledged as security values	(2,685)	(4,122)
Dividend paid	-	(5,097)
Net Financing Cash Flows	(50,184)	(90,972)
Net change in cash and cash equivalents	(44,932)	(75,880)
Effect of exchange rate changes	(593)	900
Cash and cash equivalents at the beginning of the financial year	194,380	269,359
Cash and cash equivalents at the end of the financial year	148,855	194,379
Analysis of Cash and Cash Equivalents:-		
Cash and bank balances	84,205	128,120
Short term funds	41,217	67,845
Deposits with licensed banks	45,983	22,425
Bank overdrafts	-	(4,146)
	171,405	214,244
Less: Fixed deposits pledged as security values	(22,550)	(19,865)
Total	148,855	194,379

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2023.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2024

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

A1. BASIS OF PREPARATION

The unaudited interim financial report has been prepared according to Malaysian Financial Reporting Standard (“MFRS”) 134 - Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The unaudited interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 May 2023. The 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 2023.

A2. CHANGES IN ACCOUNTING POLICIES

- (i) The accounting policies adopted by the Group in the quarterly financial statements are consistent with those adopted in the financial statements for the financial year ended 31 May 2023, except for the changes arising from the adoption of Amendments/Improvements to MFRS as follows:

Standard	Title
MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules

The adoption of these Amendments/Improvements to MFRSs does not have any material impact on the financial statement of the Group.

- (ii) As of the date of this report, the following Amendments to Published Standards have been issued by the MASB but are not yet effective and have not been adopted early.

- (a) Effective for financial years beginning on or after 1 June 2024

Standard	Title
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements
Amendments to MFRS 121	Lack of Exchangeability



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2024

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

A2. CHANGES IN ACCOUNTING POLICIES (Continued)

(ii) As of the date of this report, the following Amendments to Published Standards have been issued by the MASB but are not yet effective and have not been adopted early. (Continued)

(b) The effective date of these Amendments to Published Standards has been deferred and is yet to be announced

Standard	Title
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Based on the preliminary assessment of the effects of the above Amendments to Published Standards, no material impact is expected on the financial statements of the Group.

A3. AUDIT REPORT

The auditors' report on the Group's financial statements for the financial year ended 31 May 2023 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 the 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 had any material effect on the current quarter under review.

A7. DEBT AND EQUITY SECURITIES

There were no cancellations, repurchases, resales, or repayments of debt and equity securities for the current quarter under review.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2024

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

A8. DIVIDEND PAID

There was no payment of dividend in the current quarter.

A9. SEGMENTAL REPORTING

12 Months ended 31 May 2024 (Current Financial Year)

	Construction Division RM'000	Property Division RM'000	Utilities Division RM'000	Investment Holding RM'000	Consolidated RM'000
Revenue	277,345	270,596	35,648	-	583,589
Results					
Segment results	(21,773)	57,145	7,136	(16,351)	26,157
Finance costs	(1,555)	(7,158)	(2,220)	(434)	(11,367)
Share of results of joint ventures	(325)	-	-	-	(325)
(Loss)/Profit before tax	(23,653)	49,987	4,916	(16,785)	14,465
Income tax expense					(13,970)
Profit for the financial year					495

12 Months ended 31 May 2023 (Previous Financial Year)

	Construction Division RM'000	Property Division RM'000	Utilities Division RM'000	Investment Holding RM'000	Consolidated RM'000
Revenue	249,084	220,375	26,614	-	496,073
Results					
Segment results	(36,110)	43,267	(10,316)	(9,291)	(12,450)
Finance costs	(1,744)	(10,032)	-	(548)	(12,324)
Share of results of joint ventures	(3,123)	-	-	-	(3,123)
(Loss)/Profit before tax	(40,977)	33,235	(10,316)	(9,839)	(27,897)
Income tax expense					(13,299)
Loss for the financial year					(41,196)

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 2023.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2024

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

A11. SIGNIFICANT SUBSEQUENT EVENTS

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

There are no contingent liabilities for the Group as of the date of this report.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2024

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 a revenue of RM150.52 million, compared to RM113.95 million in the preceding year's corresponding quarter. The loss before tax was reduced to RM5.17 million compared to RM37.19 million in the preceding year's corresponding quarter.

Correspondingly, for the current year to date, revenue increased to RM583.59 million compared to RM496.07 million in the preceding year, mainly due to higher work progress of construction projects and better sales achieved for the property development projects. The profit before tax increased to RM14.47 million compared to a loss before tax of RM27.90 million in the preceding year, mainly due to a higher contribution from the Property Division in the current year coupled with lower impairments and accounting provisions compared to the preceding year.

Tabulated below are the unaudited various divisional contributions: -

	INDIVIDUAL QUARTER			CUMULATIVE YEAR		
	3 Months Ended	3 Months Ended	Variance	12 Months Ended	12 Months Ended	Variance
	31/05/2024	31/05/2023		31/05/2024	31/05/2023	
	RM'000	RM'000	%	RM'000	RM'000	%
REVENUE						
Construction Division	92,896	58,406	59	277,345	249,084	11
Property Division	48,374	48,137	0	270,596	220,375	23
Utilities Division	9,247	7,408	25	35,648	26,614	34
Investment Holding	-	-	-	-	-	-
	<u>150,517</u>	<u>113,951</u>	<u>32</u>	<u>583,589</u>	<u>496,073</u>	<u>18</u>
(LOSS)/PROFIT BEFORE TAX						
Construction Division	(6,896)	(25,732)	-73	(23,653)	(40,977)	-42
Property Division	6,114	2,304	>100	49,987	33,235	50
Utilities Division	2,152	(15,061)	>100	4,916	(10,316)	>100
Investment Holding	(6,538)	1,302	>100	(16,785)	(9,839)	71
	<u>(5,168)</u>	<u>(37,187)</u>	<u>-86</u>	<u>14,465</u>	<u>(27,897)</u>	<u>>100</u>

Construction Division

Revenue for the current quarter increased to RM92.90 million, compared to RM58.41 million in the preceding year's corresponding quarter. The Division's loss before tax decreased to RM6.90 million compared to a loss before tax of RM25.73 million in the preceding year's corresponding quarter.

Revenue for the current year increased to RM277.35 million compared to RM249.08 million in the preceding year, mainly due to the higher work progress of certain ongoing projects. The loss before tax decreased to RM23.65 million compared to the loss before tax of RM40.98 million in the preceding year mainly due to lower impairments and accounting provisions compared to the preceding year. The loss before tax for the current year was mainly due to higher project operating costs and prolongation costs of certain construction projects.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2024

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

In the current quarter, revenue slightly increased to RM48.37 million compared to RM48.14 million in the preceding year's corresponding quarter. In line with that, profit before tax increased to RM6.11 million compared to RM2.30 million in the preceding year's corresponding quarter.

Revenue for the current year increased to RM270.60 million compared to RM220.38 million in the preceding year. Correspondingly, profit before tax increased to RM49.99 million compared to RM33.24 million in the preceding year. This increase was mainly due to better sales achieved and higher work progress from the development projects, coupled with the accretion of interest on trade receivables in the current financial year.

Utilities Division

Revenue increased to RM9.25 million for the current quarter compared to RM7.41 million in the preceding year's corresponding quarter. The Division recorded a profit before tax of RM2.15 million compared to a loss before tax of RM15.06 million in the preceding year's corresponding quarter.

Revenue for the current year increased to RM35.65 million compared to RM26.61 million in the preceding year, mainly due to the commencement of commercial operations of the 9MW mini-hydro power plant at Lintau, Indonesia. Correspondingly, profit before tax increased to RM4.92 million compared to a loss before tax of RM10.32 million in the preceding year, mainly attributed to impairments and loss on disposal of a subsidiary in the preceding year.

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

	Current Quarter 31/05/2024 RM'000	Preceding Quarter 29/2/2024 RM'000	Variance %
Revenue	150,517	141,154	7
Operating profit	2,011	14,543	-86
(Loss)/Profit before interest and tax	(2,453)	9,888	>100
(Loss)/Profit before tax	(5,168)	7,076	>100
(Loss)/Profit after tax	(11,233)	6,059	>100
(Loss)/Profit attributable to equity holders of the Company	(9,369)	6,471	>100

The Group's revenue increased to RM150.52 million in the current quarter compared to RM141.15 million in the preceding quarter. This increase was mainly due to the higher work progress of certain construction projects. However, the Group recorded a loss before tax of RM5.17 million in the current quarter compared to a profit before tax of RM7.08 million in the preceding quarter, mainly due to unfavourable foreign exchange translation and higher project operating costs from certain construction projects in the current quarter, offset by accretion of interest on trade receivables in the preceding quarter.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2024

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

B3. BUSINESS PROSPECT FOR THE FINANCIAL YEAR ENDING 31 MAY 2025

The Malaysian economy expanded more than initially estimated by 4.2% in the first quarter of 2024, driven by higher household spending amid continued growth in employment and wages and stronger investment activities with higher capital spending by both the private and public sectors. While most sectors registered growth, the higher growth in the construction sector was driven by the faster progress in civil engineering projects and stronger support from special trade and residential activities.

The Construction Division will continue to explore new opportunities to replenish its order book as well as focus on the timely execution and completion of on-going projects. On a positive note, the Group has secured a design and development of Klang Valley Data Centre project at Cyberjaya, Selangor Darul Eshan, which will commence work in the first quarter of FYE 2025. With the new data centre project, the Division's outstanding order book expanded to RM1.13 billion as of the reporting date.

The Property Division achieved total sales of RM274.06 million, surpassing FYE 2023 total sales by 35% despite the challenging economic environment marked by an uncertain interest rate environment and inflationary pressures. With its current unbilled sales totalling RM202.30 million and future launches, the Division is anticipated to positively impact the Group's earnings in the coming financial year. Despite the positive performance, the Group maintains a cautious and resilient approach in overseeing its ongoing development projects while strategically evaluating and pursuing new opportunities.

The Utilities Division will continue to review investment opportunities to build up its concession asset base with recurring revenue streams. The construction of the 5.9MWac solar photovoltaic energy generating facility located in Tawau, Sabah, is in progress, and this will further strengthen the revenue contribution to the Group once fully commissioned by the third quarter of FYE 2025.

The Group anticipates that the prospects and performance for FYE 2025 will be both challenging and competitive, given the volatile material prices, inflationary pressures, and high interest rates. Despite the challenging economic environment, the Group will continue to explore new business opportunities to expand and strengthen the Group's revenue, ensure timely completion of ongoing projects and implement various measures to improve operational efficiency to achieve long-term sustainable growth.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2024

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

B4. PROFIT FORECAST AND PROFIT GUARANTEE

There are no profit forecasts or profit guarantees provided by the Group, and as such, this disclosure requirement is not applicable.

B5. TAXATION

Taxation comprises the following:

	3 Months Ended 31/05/2024 RM'000	12 Months Ended 31/05/2024 RM'000
Income tax expense:		
Malaysian income tax	(1,856)	(9,154)
Foreign income tax	(814)	(3,570)
Deferred tax	(3,395)	(1,246)
	<u>(6,065)</u>	<u>(13,970)</u>

The Group's effective tax rate (excluding the results of joint ventures, which are equity accounted net of tax) for the current quarter was higher than the statutory tax rate, mainly due to the non-recognition of deferred tax assets on unutilised tax losses of certain subsidiaries and certain expenses not deductible for tax purposes.

B6. STATUS OF CORPORATE PROPOSALS ANNOUNCED

There were no pending corporate proposals.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2024

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

B7. GROUP BORROWINGS

The details of the Group borrowings are as follows:

	As at 31/05/2024 RM'000	As at 31/05/2023 RM'000
(a) (i) Short Term Borrowings		
Revolving credit	93,740	35,687
Banker's acceptance	210	-
Bank overdraft	-	4,146
Term loans	29,774	43,432
Hire purchase payable	3,611	3,301
	<u>127,335</u>	<u>86,566</u>
(ii) Long Term Borrowings		
Term loans	53,486	130,417
Hire purchase payable	6,340	9,845
	<u>59,826</u>	<u>140,262</u>
Total Borrowings	<u>187,161</u>	<u>226,828</u>

(b) Foreign currency borrowings included in the above are as follows:

	As at 31/05/2024		As at 31/05/2023	
	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000
Singapore Dollar	2,077	7,231	2,837	9,679
Indonesian Rupiah	84,954,246	24,637	70,432,616	21,693
		<u>31,868</u>		<u>31,372</u>

Bank borrowings for the current year to date decreased to RM187.16 million compared to RM226.83 million at the beginning of the financial year. The decrease was mainly due to repayment in the current year.

B8. MATERIAL LITIGATION

As of 17 July 2024, seven (7) days prior to the date of this announcement, there has been no material litigation pending for which the value exceeds 5% of the Group's net tangible assets.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2024

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

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 (loss)/ 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 YEAR	
3 Months Ended 31/05/2024	3 Months Ended 31/05/2023	12 Months Ended 31/05/2024	12 Months Ended 31/05/2023

Net (loss)/profit attributable to ordinary equity holders of the Company (RM'000)	(9,369)	(27,705)	4,711	(29,324)
Weighted average number of ordinary shares in issue ('000)	728,061	728,061	728,061	728,061
Basic (loss)/earnings per share (sen)	(1.29)	(3.81)	0.65	(4.03)

(b) Diluted earnings per share

The diluted earnings per share is the same as the basic earnings per share, as there are no potential ordinary shares in issue at the end of the financial year.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2024

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

B11. NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

	3 Months Ended 31/05/2024 RM'000	12 Months Ended 31/05/2024 RM'000
Depreciation	356	1,974
Finance costs	756	1,686
Gain on disposal of property, plant and equipment	-	(71)
Rental of land and premises	203	1,089
	203	1,089

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

	3 Months Ended 31/05/2024 RM'000	12 Months Ended 31/05/2024 RM'000
Accretion of interest on trade receivables	-	(7,341)
Bad debts written off	4	6
Depreciation	4,464	16,954
Fair value (gain)/loss on quoted investments	90	(90)
Finance costs	2,715	11,367
Gain on disposal of property, plant and equipment	(80)	(910)
Impairment loss on:		
- amount owing by joint venture	388	388
- right-of-use assets	109	109
- contract assets	2	626
- trade and non-trade receivables	387	387
Income received from short term funds	(20)	(74)
Interest income	(375)	(2,506)
Net unrealised loss on foreign exchange	2,687	3,450
Reversal of impairment loss on:		
- trade and non-trade receivables	(244)	(245)
- prepayment	-	(5)
- concession assets	-	(20)
Property, plant and equipment written off	1	38
Rental of office	(132)	(642)
	(132)	(642)

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.