



GADANG HOLDINGS BERHAD
(Company No. 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MAY 2013**

	UNAUDITED	AUDITED	UNAUDITED	AUDITED
	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 31/05/2013 RM'000	Preceding Year Quarter 31/05/2012 RM'000	Current Year-to-date 31/05/2013 RM'000	Preceding Year-to-date 31/05/2012 RM'000
Revenue	94,925	76,529	354,071	246,347
Cost of sales	(81,251)	(66,595)	(297,278)	(203,752)
Gross profit	13,674	9,934	56,793	42,595
Other income	3,586	2,813	9,688	5,683
Administrative expenses	(3,094)	(2,984)	(12,677)	(10,586)
Other expenses	(9,274)	(922)	(21,105)	(16,317)
Finance costs	(314)	16	(1,564)	(3,457)
Profit before tax	4,578	8,857	31,135	17,918
Income tax expense	(3,201)	(822)	(10,754)	(4,183)
Net profit for the financial period/year	1,377	8,035	20,381	13,735
Other comprehensive income:				
Foreign currency translation	(244)	1,108	(882)	852
Total comprehensive income for the financial period/year	1,133	9,143	19,499	14,587
Net profit attributable to:				
Equity holders of the Company	1,499	9,186	19,885	14,451
Non-controlling interests	(122)	(1,151)	496	(716)
	1,377	8,035	20,381	13,735
Total comprehensive income attributable to:				
Equity holders of the Company	1,290	10,277	19,105	15,357
Non-controlling interests	(157)	(1,134)	394	(770)
	1,133	9,143	19,499	14,587
Earnings per share attributable to equity holders of the Company:				
Basic (sen)	0.76	4.67	10.11	7.35

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 May 2012.



GADANG HOLDINGS BERHAD
(Company No. 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MAY 2013**

	UNAUDITED	AUDITED
	As At 31/05/2013 RM'000	As At 31/05/2012 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	67,628	65,177
Biological assets	10,643	6,847
Investment properties	25,211	20,648
Concession assets	31,050	33,186
Other investment	163	226
Goodwill	10,423	17,295
Deferred tax assets	130	764
	<u>145,248</u>	<u>144,143</u>
Current assets		
Property development costs	140,165	138,701
Amount due from customers on contracts	29,245	69,941
Inventories	1,008	1,610
Trade and other receivables	48,132	56,730
Tax recoverable	3,431	4,028
Fixed deposit placed with licensed banks	50,989	34,078
Cash and bank balances	83,016	15,490
	355,986	320,578
Assets classified as held for sale	3,048	-
TOTAL ASSETS	<u>504,282</u>	<u>464,721</u>
EQUITY AND LIABILITIES		
Equity attributable to Equity Holders of the Company		
Share Capital	196,691	196,691
Reserves	65,314	49,159
	<u>262,005</u>	<u>245,850</u>
Non-controlling interests	4,129	3,735
Total equity	<u>266,134</u>	<u>249,585</u>
Non-current liabilities		
Bank borrowings	53,679	48,066
Deferred tax liabilities	9,523	8,520
Defined benefit obligations	1,144	1,234
	<u>64,346</u>	<u>57,820</u>
Current liabilities		
Trade and other payables	121,924	111,207
Amount due to customers on contracts	17,047	48
Bank borrowings	29,330	44,885
Current tax liabilities	4,721	1,176
	173,022	157,316
Liabilities classified as held for sale	780	-
Total liabilities	<u>238,148</u>	<u>215,136</u>
TOTAL EQUITY AND LIABILITIES	<u>504,282</u>	<u>464,721</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.33	1.25

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 May 2012.



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MAY 2013

	← Attributable to Equity Holders of the Company →							Total Equity RM'000
	← Non-Distributable →					Total RM'000	Non- controlling Interests RM'000	
	Share Capital RM'000	Warrant Reserve RM'000	Capital Reserve RM'000	Foreign Exchange Reserve RM'000	Retained Profits RM'000			
(UNAUDITED)								
At 1 June 2012	196,691	6,176	1,347	(1,135)	42,771	245,850	3,735	249,585
Total comprehensive income	-	-	-	(780)	19,885	19,105	394	19,499
Dividends on ordinary shares	-	-	-	-	(2,950)	(2,950)	-	(2,950)
At 31 May 2013	<u>196,691</u>	<u>6,176</u>	<u>1,347</u>	<u>(1,915)</u>	<u>59,706</u>	<u>262,005</u>	<u>4,129</u>	<u>266,134</u>
(AUDITED)								
At 1 June 2011	196,691	6,176	1,347	(2,041)	28,320	230,493	4,505	234,998
Total comprehensive income	-	-	-	906	14,451	15,357	(770)	14,587
At 31 May 2012	<u>196,691</u>	<u>6,176</u>	<u>1,347</u>	<u>(1,135)</u>	<u>42,771</u>	<u>245,850</u>	<u>3,735</u>	<u>249,585</u>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 May 2012.



GADANG HOLDINGS BERHAD
(Company No. 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2013**

	UNAUDITED	AUDITED
	Current Year-to-date 31/05/2013 RM'000	Preceding Year-to-date 31/05/2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	31,135	17,918
Adjustments for:		
Amortisation of biological asset	87	-
Bad debts written off	66	1
Depreciation of concession assets	1,606	3,974
Depreciation of property, plant and equipment	2,070	1,864
Gain on disposal of property, plant and equipment	(199)	(786)
Gain on fair value of receivable and payable	(830)	-
Impairment losses on goodwill	6,872	-
Impairment losses on assets held for sale	794	-
Impairment of property, plant and equipment	-	4
Increase in liability for defined benefit obligations	(90)	31
Interests expense	1,564	3,458
Interests income	(2,024)	(1,453)
Inventories written off	-	33
Loss on disposal of investment	21	-
Property, plant and equipment written off	47	267
Provision for doubtful debts	288	3,137
Recovery from provision of doubtful debts	(1,027)	-
Reversal of provision for liquidated ascertained damages	-	(728)
Waiver of liability	-	(186)
Operating profit before changes in working capital	<u>40,380</u>	<u>27,534</u>
Changes in working capital:		
Property development costs	(6,027)	(26,867)
Biological assets	(3,883)	(2,960)
Amount due from/to customers on contracts	64,854	15,628
Inventories	602	326
Receivables	9,059	45,461
Payables	11,759	(14,161)
Assets held for sale	(1,047)	-
Income tax paid	(4,975)	(2,735)
Net cash flows generated from operating activities	<u>110,722</u>	<u>42,226</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition / Increase of shares in a subsidiary	-	(409)
Purchase of property, plant & equipment	(17,433)	(1,608)
Purchase of concession assets	(221)	482
Proceeds from disposal of property, plant and equipment	3,751	5,741
Proceeds from disposal of other investment	42	-
Interests received	2,024	1,452
Net cash flows (used in) / generated from investing activities	<u>(11,837)</u>	<u>5,658</u>



GADANG HOLDINGS BERHAD
(Company No. 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2013 (Continued)**

	UNAUDITED	AUDITED
	Current Year-to-date 31/05/2013 RM'000	Preceding Year-to-date 31/05/2012 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of bank borrowings	(4,175)	(38,518)
Interests paid	(1,564)	(3,458)
Proceeds / (Repayment) of hire purchase liabilities	6,538	(10,316)
Dividends paid to shareholders of the Company	(2,950)	-
	<hr/>	<hr/>
Net cash flows used in financing activities	(2,151)	(52,292)
	<hr/>	<hr/>
Net change in cash and cash equivalents	96,734	(4,408)
Effect of exchange rate changes	8	905
Cash and cash equivalents at beginning of the financial year	35,517	39,020
	<hr/>	<hr/>
Cash and cash equivalents at end of the financial year	132,259	35,517
	<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year comprise the following:		
Cash and bank balances	83,016	15,490
Fixed deposit placed with licensed banks	50,989	34,078
Bank overdrafts	(1,746)	(14,051)
	<hr/>	<hr/>
Total	132,259	35,517
	<hr/>	<hr/>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 May 2012.



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2013

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 2012. 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 2012.

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 2012, except for the changes arising from the adoption of revised Financial Reporting Standards (FRSs), Amendments to FRSs and IC Interpretations that are effective for financial period beginning 1 June 2012 as follows:

Amendments to FRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to FRS 7	Disclosures – Transfers of Financial Assets
Amendments to FRS 112	Deferred Tax: Recovery of Underlying Assets
FRS 124 (Revised)	Related Party Disclosures
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement

The adoption of these revised FRSs, amendments to FRSs, IC Interpretations and amendments to IC Interpretations do not have a material impact on the financial statements of the Group.

Malaysian Financial Reporting Standards (MFRS)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called Transitioning Entities").

Based on the MASB announcement on 30 June 2012, Transitioning Entities will be allowed to defer the adoption of the new MFRS Framework from the previous adoption date of 1 January 2013 to 1 January 2014. Consequently, the adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014.

The Group falls within the scope definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its financial statements for the financial year ending 31 May 2015. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made retrospectively against opening retained profits.



GADANG HOLDINGS BERHAD
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INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2013

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

A2. CHANGES IN ACCOUNTING POLICIES (Continued)

The Group has yet to complete its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under MFRS Framework. Accordingly, the consolidated financial performance and financial position as disclosed in these interim financial statements for the financial year ended 31 May 2013 could be different if prepared under the MFRS Framework.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 May 2015.

A3. AUDIT REPORT

The auditors' report on the Group's annual financial statements for the financial year ended 31 May 2012 was not subject to any audit qualification.

A4. SEASONAL OR CYCLICAL FACTORS

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

A6. CHANGES IN ESTIMATES

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

A7. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial year under review.

A8. DIVIDEND PAID

There was no payment of dividend in the current quarter.



GADANG HOLDINGS BERHAD
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INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2013

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

A9. SEGMENTAL REPORTING

12 months ended 31 May 2013 (Current Financial Year)

	Engineering and Construction RM'000	Property Investment and Development RM'000	Utility RM'000	Investment Holding and Others RM'000	Plantation RM'000	Elimination RM'000	Consolidated RM'000
31 May 2013							
Revenue							
External sales	263,206	73,582	17,149	-	134	-	354,071
Inter-segment sales	31,479	518	-	28,803	-	(60,800)	-
Total revenue	294,685	74,100	17,149	28,803	134	(60,800)	354,071
Results							
Segment results	9,435	25,648	4,850	8,341	(752)	(14,823)	32,699
Finance costs	(957)	(182)	(295)	(108)	(22)	-	(1,564)
Profit/(Loss) before tax	8,478	25,466	4,555	8,233	(774)	(14,823)	31,135
Income tax expense							(10,754)
Profit for the year							20,381

12 months ended 31 May 2012 (Previous Financial Year)

	Engineering and Construction RM'000	Property Investment and Development RM'000	Utility RM'000	Investment Holding and Others RM'000	Plantation RM'000	Elimination RM'000	Consolidated RM'000
31 May 2012							
Revenue							
External sales	189,126	40,890	16,331	-	-	-	246,347
Inter-segment sales	4,000	529	-	34,926	-	(39,455)	-
Total revenue	193,126	41,419	16,331	34,926	-	(39,455)	246,347
Results							
Segment results	15,808	11,167	2,682	5,799	(750)	(13,331)	21,375
Finance costs	(1,918)	(303)	(511)	(714)	(11)	-	(3,457)
Profit/(Loss) before tax	13,890	10,864	2,171	5,085	(761)	(13,331)	17,918
Income tax expense							(4,183)
Profit for the year							13,735



GADANG HOLDINGS BERHAD
(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2013

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

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 2012.

A11. SIGNIFICANT SUBSEQUENT EVENT

On 16 July 2013, the Company's indirect wholly-owned subsidiary, Asian Utilities Pte Ltd entered into a Conditional Sale and Purchase of Shares Agreement with Hj.Ratna Dewi Panduwinata to dispose of 5,800 shares representing its entire 65% equity interest in PT.Sarana Catur Tirtakelola ("SCTK") and 700 shares representing its entire 10% equity interest in PT. SaranaTirta Rejeki ("STR"), for a total consideration of Indonesia Rupiah (IDR) 6.5 billion (equivalent to approximately RM2.1 million). Upon completion, SCTK and STR will cease to be indirect subsidiaries of the Company.

A12. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the current quarter ended 31 May 2013.

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 28 February 2013	271,834
Increase during the period	15,404
As at 31 May 2013	<u>287,238</u>

A14. CAPITAL COMMITMENTS

	As At 31/05/2013 RM'000
Approved and contracted for	
- Purchase of land for property development	13,000
Approved and not contracted for	
- Oil palm plantations development	7,900
	<u>20,900</u>



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2013

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

The Group registered revenue of RM354.07 million for the current financial year ended 31 May 2013 ("FYE 2013") as compared to RM246.35 million in the previous financial year ended 31 May 2012 ("FYE 2012"), an increase of 43.73%. The increase in revenue was a result of higher contributions from construction and property activities.

In line with the above, the Group registered a higher profit before tax of RM31.14 million in FYE 2013 as compared to RM17.92 million in FYE 2012.

Further analysis of the divisional performances is as follows:

Construction Division

	Current Year-to-date 31/05/2013 RM'000	Preceding Year-to-date 31/05/2012 RM'000
Revenue	294,685	193,126
Profit before tax	8,478	13,890

The Construction Division recorded higher revenue of RM294.69 million in FYE 2013 as compared to RM193.13 million in FYE 2012 mainly due to higher work progress from existing projects.

Despite the increase in the Construction Division's revenue during FYE 2013, the profit before tax declined from RM13.89 million for FYE 2012 to RM8.48 million for FYE 2013. This was mainly due to the treatment and recognition of certain variation orders approved by customers in FYE 2012 for projects completed.

Property Division

	Current Year-to-date 31/05/2013 RM'000	Preceding Year-to-date 31/05/2012 RM'000
Revenue	74,100	41,419
Profit before tax	25,466	10,864

The Property Division recorded an increase in turnover from RM41.42 million in FYE 2012 to RM74.10 million in FYE 2013 mainly due to the disposal of a piece of undeveloped hillside land in Penang and higher sales achieved for the commercial and residential project located in Tampoi.

In line with the above, the profit before tax increased substantially from RM10.86 million in FYE 2012 to RM25.47 million in FYE 2013.



GADANG HOLDINGS BERHAD
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INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2013

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)

Utility Division

	Current Year-to-date 31/05/2013 RM'000	Preceding Year-to-date 31/05/2012 RM'000
Revenue	17,149	16,331
Profit before tax	4,555	2,171

The revenue from the Utility Division increased marginally by 5.02% from RM16.33 million for FYE 2012 to RM17.15 million for FYE 2013. This positive and sustainable growth was due to the upward revision of the water tariff rate and the stable increase in the demand for water sales.

Profit before tax increased from RM2.17 million for FYE 2012 to RM4.55 million for FYE 2013. The substantial increase in profit before tax was due to one-off adjustments of under provision of depreciation made in FYE 2012.

Plantation Division

	Current Year-to-date 31/05/2013 RM'000	Preceding Year-to-date 31/05/2012 RM'000
Revenue	134	-
Loss before tax	(774)	(761)

The oil palm trees planted in 2009 have matured and harvesting had commenced in the current financial year. The loss before tax was mainly due to the amortisation of its planting expenditure capitalised under biological asset.

B2. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS FOR CURRENT QUARTER AS COMPARED TO PRECEDING QUARTER.

	Current Quarter 31/05/2013 RM'000	Preceding Quarter 28/02/2013 RM'000
Revenue	94,925	87,865
Profit before tax	4,578	5,151

The Group for the current quarter recorded higher revenue of RM94.93 million as compared to RM87.87 million in preceding quarter. The reason for the higher revenue was attributed by better sales generated from the commercial and residential project located in Tampoi. However, the Group's current quarter profit before tax of RM4.58 million declined marginally as compared to RM5.15 million in preceding quarter mainly due to the treatment and recognition of impairment loss on the assets held for sale of some RM0.80 million.



GADANG HOLDINGS BERHAD
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INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2013

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

B3. PROSPECTS FOR THE NEW FINANCIAL YEAR ENDING 31 MAY 2014

The Group recorded an encouraging revenue growth with stronger financial performance for FYE 2013 and the business momentum is expected to continue into the new financial year 2014. The Board expects the following developments:-

- The Construction Division's earnings is expected to further improve as work progress for existing projects will accelerate with fast-tracking of the major infrastructure activities.
- The Property Division's strong financial performance is further enhanced by the recent positive launch of the Salak South high rise residential project and the commencement of the township project in Pokok Sena beside the on-going Tampoi project.
- The Water Division will maintain a stable gradual growth trend in revenue with the revised water tariff rate as local consumption improves.

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:

	Current Quarter 31/05/2013 RM'000	Current Year-to-date 31/05/2013 RM'000
Current tax:		
Malaysian income tax	1,056	7,778
Foreign income tax	419	1,336
Under provision of Malaysian income tax in prior year	(33)	3
Deferred tax	1,759	1,637
	<u>3,201</u>	<u>10,754</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.



GADANG HOLDINGS BERHAD
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INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2013

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

B6. STATUS OF CORPORATE PROPOSALS ANNOUNCED

There were no pending corporate proposals.

B7. GROUP BORROWINGS

The details of the Group borrowings are as follows:

	Current Year-to-date (31/05/2013)		
	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings	29,330	-	29,330
Long term borrowings	53,679	-	53,679
	<u>83,009</u>	<u>-</u>	<u>83,009</u>

Borrowings denominated in foreign currency:

	Exchange Rate		
	IDR'000	IDR100	RM'000
Indonesian Rupiah (IDR)	<u>4,964,266</u>	0.0316	<u>1,569</u>

B8. MATERIAL LITIGATION

As at 18 July 2013, 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

The Board has proposed a first and final dividend of 3% per share less 25% income tax for approval of the shareholders at the forthcoming annual general meeting. The entitlement date and the payment date of the proposed first and final dividend shall be announced later.



GADANG HOLDINGS BERHAD
(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2013

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

B10. EARNINGS PER SHARE

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	
	Current Year Quarter 31/05/2013	Preceding Year Quarter 31/05/2012	Current Year-to-date 31/05/2013	Preceding Year-to-date 31/05/2012
Net profit attributable to ordinary equity holders of the Company (RM'000)	1,499	9,186	19,885	14,451
Weighted average number of ordinary shares in issue ('000)	196,691	196,691	196,691	196,691
Basic earnings per share (sen)	0.76	4.67	10.11	7.35

B11. 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 May 2013, into realised and unrealised profits, pursuant to the directive, is as follows:

	As at 31/05/2013 RM'000	As at 31/05/2012 RM'000
Total retained profits of the Group		
- Realised	69,098	50,526
- Unrealised	(9,392)	(7,755)
Total Group's retained profits as per consolidated account	59,706	42,771

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.



GADANG HOLDINGS BERHAD
(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2013

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

B12. NOTES TO THE CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

	Current Quarter 31/05/2013 RM'000	Current Year-to-date 31/05/2013 RM'000
Depreciation and amortisation	533	3,763
Gain on fair value of receivable and payable	(830)	(830)
Gain on foreign exchange	(142)	(156)
Impairment and write off of property, plant and equipment	(97)	47
Impairment losses on assets held for sale	794	794
Impairment losses on goodwill	5,622	6,872
Interest expense	314	1,564
Interest income	(1,160)	(2,024)
Loss on disposal of unquoted investment	-	21
Loss/(Gain) on disposal of property, plant and equipment	180	(199)
Other income	(1,509)	(5,174)
Provision for and write off of receivables	105	354
Recovery from provision doubtful debts	-	(1,027)

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.

BY ORDER OF THE BOARD
Tan Seok Chung
Company Secretary
25 July 2013