



**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 29 FEBRUARY 2016**

	UNAUDITED		UNAUDITED	
	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 Months Ended 29/02/2016 RM'000	3 Months Ended 28/02/2015 RM'000	9 Months Ended 29/02/2016 RM'000	9 Months Ended 28/02/2015 RM'000
Revenue	175,915	169,689	427,277	417,643
Cost of sales	(131,799)	(131,931)	(318,655)	(333,855)
<b>Gross profit</b>	<b>44,116</b>	<b>37,758</b>	<b>108,622</b>	<b>83,788</b>
Other income	3,161	1,845	10,006	6,565
Administrative expenses	(6,832)	(5,493)	(16,222)	(13,577)
Depreciation and amortisation	(1,576)	(2,004)	(4,533)	(4,530)
Operating expenses	(3,271)	(4,536)	(9,560)	(17,348)
Other expenses	(4)	(8)	(117)	(861)
Finance costs	(691)	(707)	(1,919)	(1,986)
<b>Profit before tax</b>	<b>34,903</b>	<b>26,855</b>	<b>86,277</b>	<b>52,051</b>
Income tax expense	(9,399)	(10,373)	(22,353)	(17,238)
<b>Net profit for the financial period</b>	<b>25,504</b>	<b>16,482</b>	<b>63,924</b>	<b>34,813</b>
<b>Other comprehensive income:</b>				
Foreign currency translation	966	86	5,641	351
<b>Total comprehensive income for the financial period</b>	<b>26,470</b>	<b>16,568</b>	<b>69,565</b>	<b>35,164</b>
<b>Net profit attributable to:</b>				
Equity holders of the Company	25,111	16,168	63,694	34,216
Non-controlling interests	393	314	230	597
	<b>25,504</b>	<b>16,482</b>	<b>63,924</b>	<b>34,813</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	26,014	16,257	68,828	34,522
Non-controlling interests	456	311	737	642
	<b>26,470</b>	<b>16,568</b>	<b>69,565</b>	<b>35,164</b>
<b>Earnings per share attributable to equity holders of the Company:</b>				
Basic (sen)	11.23	7.47	28.01	15.81
Diluted (sen)	N/A	7.19	N/A	15.22

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



**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 29 FEBRUARY 2016**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>As At 29/02/2016 RM'000</b>	<b>As At 31/05/2015 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	78,090	93,062
Biological assets	12,520	12,446
Investment properties	17,162	19,102
Concession assets	57,068	46,052
Other investment	100	100
Goodwill	18,157	16,717
Deferred tax assets	3,246	4,202
Non-trade receivables	647	612
	<u>186,990</u>	<u>192,293</u>
<b>Current assets</b>		
Property development costs	340,829	200,048
Amount due from customers on contracts	37,503	13,287
Inventories	3,493	3,283
Trade and other receivables	167,317	178,275
Tax recoverable	12,090	6,255
Short term funds	52,870	-
Fixed deposits placed with licensed banks	117,514	122,415
Cash and bank balances	49,982	110,247
	<u>781,598</u>	<u>633,810</u>
<b>TOTAL ASSETS</b>	<u><b>968,588</b></u>	<u><b>826,103</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to Equity Holders of the Company</b>		
Share Capital	235,112	216,369
Reserves	221,801	164,987
	<u>456,913</u>	<u>381,356</u>
<b>Non-controlling interests</b>	<u>7,724</u>	<u>7,030</u>
<b>Total equity</b>	<u><b>464,637</b></u>	<u><b>388,386</b></u>



**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 29 FEBRUARY 2016 (Continued)**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>As At</b>	<b>As At</b>
	<b>29/02/2016</b>	<b>31/05/2015</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current liabilities</b>		
Non-trade payables	336	2,094
Bank borrowings	172,458	91,766
Deferred tax liabilities	10,154	9,004
Defined benefit obligations	1,437	1,229
	<u>184,385</u>	<u>104,093</u>
<b>Current liabilities</b>		
Trade and other payables	156,997	159,118
Amount due to customers on contracts	82,192	68,363
Bank borrowings	65,468	101,246
Current tax liabilities	14,909	4,897
	<u>319,566</u>	<u>333,624</u>
<b>Total liabilities</b>	<u>503,951</u>	<u>437,717</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>968,588</u>	<u>826,103</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.94	1.76

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



## GADANG HOLDINGS BERHAD

(Company No. 278114-K)

### CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 29 FEBRUARY 2016

	Attributable to Equity Holders of the Company						Total	Non-controlling Interest	Total Equity
	Non-Distributable			Distributable					
	Share Capital	Warrant Reserve	Capital Reserve	Share Premium	Foreign Exchange Reserve	Retained Profits			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>(UNAUDITED)</b>									
<b>At 1 June 2015</b>	216,369	6,173	1,347	12,736	(4,614)	149,345	<b>381,356</b>	7,030	<b>388,386</b>
Total comprehensive income	-	-	-	-	5,134	63,694	<b>68,828</b>	737	<b>69,565</b>
Dividends on ordinary shares	-	-	-	-	-	(11,756)	<b>(11,756)</b>	-	<b>(11,756)</b>
Striking off subsidiary companies	-	-	-	-	16	(16)	-	-	-
Issue of shares upon exercise of warrants	18,743	(5,885)	-	5,885	-	-	<b>18,743</b>	-	<b>18,743</b>
Transfer to retained earning upon expiry of warrants	-	(288)	-	-	-	288	-	-	-
Changes in ownership interest in subsidiary (effects of change in stake)	-	-	-	-	-	(258)	<b>(258)</b>	(43)	<b>(301)</b>
<b>At 29 February 2016</b>	<b>235,112</b>	<b>-</b>	<b>1,347</b>	<b>18,621</b>	<b>536</b>	<b>201,297</b>	<b>456,913</b>	<b>7,724</b>	<b>464,637</b>



## GADANG HOLDINGS BERHAD

(Company No. 278114-K)

### CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 29 FEBRUARY 2016 (Continued)

	Attributable to Equity Holders of the Company						Total	Non-controlling Interest	Total Equity
	Non-Distributable			Distributable					
	Share Capital	Warrant Reserve	Capital Reserve	Share Premium	Foreign Exchange Reserve	Retained Profits			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>(AUDITED)</b>									
<b>At 1 June 2014</b>	196,691	6,176	1,347	-	(4,870)	98,793	<b>298,137</b>	3,194	<b>301,331</b>
Total comprehensive income	-	-	-	-	267	59,620	<b>59,887</b>	1,188	<b>61,075</b>
Issuance of ordinary share capital	19,670	-	-	12,736	-	-	<b>32,406</b>	-	<b>32,406</b>
Dividends on ordinary shares	-	-	-	-	-	(8,654)	<b>(8,654)</b>	-	<b>(8,654)</b>
Issue of shares upon exercise of warrants	8	(3)	-	-	-	-	<b>5</b>	-	<b>5</b>
Changes in ownership interest in subsidiary (effects of change in stake)	-	-	-	-	-	-	-	(415)	<b>(415)</b>
Investment in subsidiaries	-	-	-	-	(11)	(414)	<b>(425)</b>	3,063	<b>2,638</b>
<b>At 31 May 2015</b>	<b>216,369</b>	<b>6,173</b>	<b>1,347</b>	<b>12,736</b>	<b>(4,614)</b>	<b>149,345</b>	<b>381,356</b>	<b>7,030</b>	<b>388,386</b>

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



**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 29 FEBRUARY 2016**

	<b>UNAUDITED</b>	<b>UNAUDITED</b>
	<b>9 Months Ended 29/02/2016 RM'000</b>	<b>9 Months Ended 29/02/2015 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	86,277	52,051
Adjustments for:		
Amortisation of biological asset	337	283
Depreciation of concession assets	1,685	1,797
Depreciation of investment properties	185	193
Depreciation of property, plant and equipment	17,519	12,472
Finance costs	4,684	4,775
Gain on bargain purchase	-	(206)
Gain on disposal of investment property	(679)	-
Gain on disposal of property, plant and equipment	(1,127)	(805)
Impairment loss on goodwill	-	2
Increase/(Decrease) in liability for defined benefit obligations	208	(311)
Interest income	(4,944)	(3,654)
Property, plant and equipment written off	117	2
Unrealised (gain)/loss on foreign exchange	(1,699)	764
Recovery from provision of doubtful debts	-	(273)
Operating profit before working capital changes	102,563	67,090
Changes in working capital:		
Property development costs	(140,780)	(58,218)
Biological assets	(412)	(752)
Amount due from/(to) customers on contracts	(10,388)	77,514
Inventories	(209)	(1,867)
Receivables	10,923	(17,960)
Payables	(3,879)	23,965
Income tax paid	(16,145)	(19,897)
<b>Net Operating Cash Flows</b>	<b>(58,327)</b>	<b>69,875</b>



**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 29 FEBRUARY 2016 (Continued)**

	<b>UNAUDITED</b>	<b>UNAUDITED</b>
	<b>9 Months Ended 29/02/2016 RM'000</b>	<b>9 Months Ended 29/02/2015 RM'000</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2,450)	(10,181)
Purchase of concession assets	(9,242)	(3,663)
Investment in subsidiaries	(301)	(14,719)
Proceeds from disposal of investment property	2,434	-
Proceeds from disposal of other investment	-	38
Proceeds from disposal of property, plant and equipment	2,876	896
Interest received	4,944	3,654
<b>Net Investing Cash Flows</b>	<b>(1,739)</b>	<b>(23,975)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of bank borrowings	98,214	85,232
Finance costs	(4,684)	(4,775)
Proceeds from issue of ordinary share capital	-	32,406
Proceeds from issue of shares upon exercise of warrants	18,743	6
Repayment of bank borrowings	(49,918)	(65,082)
Fixed deposits pledged as security	(8,127)	(10,005)
Repayment of hire purchase liabilities	(8,548)	(5,576)
Dividends paid to shareholders of the Company	(11,756)	(8,655)
<b>Net Financing Cash Flows</b>	<b>33,924</b>	<b>23,551</b>
Net change in cash and cash equivalents	(26,142)	69,451
Effect of exchange rate changes	2,026	(869)
Cash and cash equivalents at the beginning of the financial period	170,098	76,154
Cash and cash equivalents at the end of the financial period	<b>145,982</b>	<b>144,736</b>
<b>Analysis of Cash and Cash Equivalents</b>		
Cash and bank balances	49,982	92,547
Short term funds	52,870	-
Fixed deposits placed with licensed banks	117,514	130,179
Bank overdrafts	(8,113)	(4,690)
	<b>212,253</b>	<b>218,036</b>
Less: Fixed deposits pledged as security	(66,271)	(73,300)
<b>Total</b>	<b>145,982</b>	<b>144,736</b>

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



**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

**INTERIM REPORT FOR THE QUARTER ENDED 29 FEBRUARY 2016**

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

**A1. BASIS OF PREPARATION**

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

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 May 2015. These explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 May 2015.

**A2. CHANGES IN ACCOUNTING POLICIES**

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

Amendments/Improvements to FRSs

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

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

**FRSs and Amendments to FRSs issued but not yet effective**

<b>Standard</b>	<b>Title</b>	<b>Effective Date</b>
FRS 5	Non-current Assets Held for Sale and Discontinued Operations [Annual Improvements to FRSs 2012-2014 Cycle]	1 January 2016
FRS 7	Financial Instruments: Disclosure [Annual Improvements to FRSs 2012-2014 Cycle]	1 January 2016
FRS 9	Financial Instruments [IFRS 9 as issued by IASB in July 2014]	1 January 2018
FRS 10	Consolidated Financial Statements [Investment Entities: Applying the Consolidation Exception]	1 January 2016
FRS 11	Joint Arrangements [Accounting for Acquisitions of Interest in Joint Operations]	1 January 2016
FRS 12	Disclosure of Interests in Other Entities [Investment Entities: Applying the Consolidation Exception]	1 January 2016





**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

**INTERIM REPORT FOR THE QUARTER ENDED 29 FEBRUARY 2016**

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

**A2. CHANGES IN ACCOUNTING POLICIES (Continued)**

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

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

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

**Malaysian Financial Reporting Standards ("MFRSs")**

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

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

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

**A3. AUDIT REPORT**

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



**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 29 FEBRUARY 2016

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

**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.

**A7. DEBT AND EQUITY SECURITIES**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter.

**A8. DIVIDEND PAID**

The first and final single tier dividend of 5 sen per share in respect of the financial year ended 31 May 2015 was paid on 23 December 2015.

**A9. SEGMENTAL REPORTING**

**9 months ended 29 February 2016 (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
<b>29 February 2016</b>						
<b>Revenue</b>	300,588	109,429	16,018	-	1,242	427,277
<b>Results</b>						
Segment results	50,766	36,758	3,998	(1,926)	(1,400)	88,196
Finance costs	(483)	(1,052)	(371)	-	(13)	(1,919)
Profit /(Loss) before tax	50,283	35,706	3,627	(1,926)	(1,413)	86,277
Income tax expense						(22,353)
Profit for the current period						63,924



**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 29 FEBRUARY 2016

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

**A9. SEGMENTAL REPORTING (Continued)**

**9 months ended 28 February 2015 (Previous Financial Period)**

	<b>Construction Division RM'000</b>	<b>Property Division RM'000</b>	<b>Utility Division RM'000</b>	<b>Investment Holding RM'000</b>	<b>Plantation Division RM'000</b>	<b>Consolidated RM'000</b>
<b>28 February 2015</b>						
<b>Revenue</b>	318,204	86,074	12,518	-	847	417,643
<b>Results</b>						
Segment results	26,763	30,178	2,412	(3,920)	(1,396)	54,037
Finance costs	(671)	(1,237)	(60)	-	(18)	(1,986)
Profit /(Loss) before tax	26,092	28,941	2,352	(3,920)	(1,414)	52,051
Income tax expense						(17,238)
Profit for the current period						34,813

**A10. CARRYING AMOUNT OF REVALUED ASSETS**

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

**A11. SIGNIFICANT SUBSEQUENT EVENT**

On 7 March 2016, the Company announced its proposal to undertake a private placement of up to ten percent (10%) of the issued and paid-up share capital of the Company ("Placement Shares") to investors to be identified later ("Proposed Private Placement").

Bursa Malaysia Securities Berhad vide its letter dated 15 March 2016 approved the listing of and quotation for up to 23,511,237 new ordinary shares of RM1.00 each to be issued pursuant to the Proposed Private Placement. On 19 April 2016, the Company announced that the issue price of the Placement Shares had been fixed at RM1.85 per Placement Share. The 23,511,000 Placement Shares were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 28 April 2016.

**A12. CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group for the current quarter ended 29 February 2016.



**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

**INTERIM REPORT FOR THE QUARTER ENDED 29 FEBRUARY 2016**

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

**A13. CHANGES IN CONTINGENT LIABILITIES**

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

	<b>RM'000</b>
As at 30 November 2015	456,410
Increase during the period	13,479
As at 29 February 2016	<u>469,889</u>

**A14. CAPITAL COMMITMENTS**

	<b>As At 29/02/2016 RM'000</b>
<b>Approved and not contracted for</b> - Oil palm plantations development	1,930
	<u>1,930</u>



**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

**INTERIM REPORT FOR THE QUARTER ENDED 29 FEBRUARY 2016**

**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 RM175.92 million as compared to RM169.69 million in the corresponding quarter of the preceding year. The Group's profit before tax increased to RM34.90 million as compared to RM26.86 million in the corresponding quarter of the preceding year.

For the current year to date, revenue increased marginally to RM427.28 million. Profit before tax increased by 65.8% to RM86.28 million. The increase in profit before tax was mainly due to improved profit margins from construction activities and higher contributions from property division.

Tabulated below is the various divisional contributions:-

UNAUDITED INDIVIDUAL QUARTER		UNAUDITED CUMULATIVE PERIOD	
3 Months Ended 29/02/2016 RM'000	3 Months Ended 28/2/2015 RM'000	9 Months Ended 29/02/2016 RM'000	9 Months Ended 28/2/2015 RM'000

**REVENUE**

Construction Division	122,727	120,912	300,588	318,204
Property Division	47,368	43,619	109,429	86,074
Utility Division	5,504	4,903	16,018	12,518
Plantation Division	316	255	1,242	847
Investment Holding	-	-	-	-
	<u>175,915</u>	<u>169,689</u>	<u>427,277</u>	<u>417,643</u>

**PROFIT BEFORE TAX**

Construction Division	22,040	9,017	50,283	26,092
Property Division	13,349	18,697	35,706	28,941
Utility Division	1,588	777	3,627	2,352
Plantation Division	(617)	(456)	(1,413)	(1,414)
Investment Holding	(1,457)	(1,180)	(1,926)	(3,920)
	<u>34,903</u>	<u>26,855</u>	<u>86,277</u>	<u>52,051</u>

**Construction Division**

For the current quarter, revenue increased to RM122.73 million as compared to RM120.91 million in the corresponding quarter of the preceding year. Profit before tax increased to RM22.04 million as compared to RM9.02 million in the corresponding quarter of the preceding year.

Revenue for the current year to date decreased to RM300.59 million as compared to RM318.20 million recorded in the preceding year to date. However, profit before tax increased by 92.7% to RM50.28 million in the current year to date. This was mainly due to improved profit margins achieved for various on-going projects.



**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

**INTERIM REPORT FOR THE QUARTER ENDED 29 FEBRUARY 2016**

**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**

For the current quarter, revenue increased to RM47.37 million as compared to RM43.62 million in the corresponding quarter of the preceding year. Profit before tax decreased by 28.6% to RM13.35 million as compared to RM18.70 million in the corresponding quarter of the preceding year.

Revenue for the current year to date increased by 27.1% to RM109.43 million and profit before tax increased by 23.4% from RM28.94 million to RM35.71 million. This was mainly due to higher development progress for various projects.

**Utility Division**

Revenue for the current quarter and year to date increased to RM5.50 million and RM16.02 million respectively as compared to the corresponding period of the preceding year. This was mainly due to the contribution from the newly acquired subsidiary, PT Dewata Bangun Tirta.

In line with this, profit before tax for the current year to date increased to RM3.63 million as compared to RM2.35 million in the preceding year to date.

**Plantation Division**

Revenue for the current quarter and year to date increased marginally to RM0.32 million and RM1.24 million respectively as compared to the corresponding period of the preceding year mainly due to higher harvesting activities. Loss before tax for the current year to date remained at RM1.41 million as compared to the corresponding period of the preceding year.

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

	<b>UNAUDITED</b>	<b>UNAUDITED</b>	<b>UNAUDITED</b>	<b>UNAUDITED</b>
	<b>3 Months Ended 29/02/2016</b>	<b>3 Months Ended 30/11/2015</b>	<b>3 Months Ended 29/02/2016</b>	<b>3 Months Ended 30/11/2015</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>REVENUE</b>		<b>PROFIT BEFORE TAX</b>	
Construction Division	122,727	72,118	22,040	19,943
Property Division	47,368	23,906	13,349	5,707
Utility Division	5,504	5,490	1,588	974
Plantation Division	316	466	(617)	(404)
Investment Holding	-	-	(1,457)	(724)
	<b>175,915</b>	<b>101,980</b>	<b>34,903</b>	<b>25,496</b>



## GADANG HOLDINGS BERHAD

(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 29 FEBRUARY 2016

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

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

The Group recorded higher revenue of RM175.92 million for the current quarter as compared to RM101.98 million in the preceding quarter mainly due to higher progress billings for work done from on-going construction and property development activities.

In line with this, the Group's profit before tax increased from RM25.50 million in the preceding quarter to RM34.90 million in the current quarter.

#### B3. BUSINESS PROSPECTS

The Board expects the financial performance of the Group for this financial year to be another record year with the current level of construction and property development activities.

The Construction Division's outstanding order book value stands at RM889.48 million and Property Division's unbilled sales is RM243.49 million.

#### 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:

	<b>3 Months Ended 29/02/2016 RM'000</b>	<b>9 Months Ended 29/02/2016 RM'000</b>
Income tax expense:		
Malaysian income tax	(9,091)	(19,089)
Foreign income tax	(380)	(1,187)
Deferred tax	72	(2,077)
	<u>(9,399)</u>	<u>(22,353)</u>

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



**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

**INTERIM REPORT FOR THE QUARTER ENDED 29 FEBRUARY 2016**

**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. UTILISATION OF PROCEEDS**

The status of the utilisation of proceeds of RM33,045,432 raised from the Private Placement in 2014 as at the date of this report is as follows:-

Purpose	Proposed utilisation RM'000	Actual utilisation as at 29 February RM'000	Balance unutilised as at 29 February RM'000	Intended timeframe for utilisation from the date of listing
Investments in Utility	27,295	(22,271)	5,024	Within 24 months
Investments in Plantation	5,000	(3,050)	1,950	Within 24 months
Expenses relating to the Private Placement	750	(750)*	-	Within 1 month
	33,045	(26,071)	6,974	

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

**B8. GROUP BORROWINGS**

The details of the Group borrowings are as follows:

	As at 29/02/2016		
	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings	65,468	-	65,468
Long term borrowings	172,458	-	172,458
	237,926	-	237,926
Currency denominations:			
Ringgit Malaysia	224,654	-	224,654
United States Dollar	13,272	-	13,272
	237,926	-	237,926





**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

**INTERIM REPORT FOR THE QUARTER ENDED 29 FEBRUARY 2016**

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

**B9. MATERIAL LITIGATION**

As at 21 April 2016, being 7 days prior to the date of this report, there has been no material litigation pending of which the value exceeds 5% of the Group's net tangible assets.

**B10. DIVIDEND**

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

**B11. EARNINGS PER SHARE**

**(a) Basic earnings per share**

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

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE PERIOD</b>	
	<b>3 Months Ended 29/02/2016</b>	<b>3 Months Ended 28/02/2015</b>	<b>9 Months Ended 29/02/2016</b>	<b>9 Months Ended 28/02/2015</b>
Net profit attributable to ordinary equity holders of the Company (RM'000)	25,111	16,168	63,694	34,216
Weighted average number of ordinary shares in issue ('000)	223,578	216,369	227,409	216,369
Basic earnings per share (sen)	<u>11.23</u>	<u>7.47</u>	<u>28.01</u>	<u>15.81</u>



## GADANG HOLDINGS BERHAD

(Company No. 278114-K)

### INTERIM REPORT FOR THE QUARTER ENDED 29 FEBRUARY 2016

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

#### B11. EARNINGS PER SHARE (Continued)

##### (b) Diluted earnings per share

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

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 Months Ended 29/02/2016	3 Months Ended 29/02/2015	9 Months Ended 29/02/2016	9 Months Ended 29/02/2015
Net profit attributable to ordinary equity holders of the Company (RM'000)	N/A	16,168	N/A	34,216
Weighted average number of ordinary shares in issue ('000)	N/A	216,369	N/A	216,369
Effect of dilution:				
Exercise of warrants	N/A	8,408	N/A	8,408
Adjusted weighted average number of ordinary shares ('000)	N/A	224,777	N/A	224,777
Basic earnings per share (sen)	N/A	7.19	N/A	15.22

There is no dilution effect to the earning per share for the current financial period as the Warrants have expired on 29 September 2015.

#### B12. DISCLOSURE OF REALISED AND UNREALISED PROFITS

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

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

The breakdown of the retained profits of the Group as at 29 February 2016, into realised and unrealised profits, pursuant to the directive, is as follows:

	As at 29/02/2016 RM'000	As at 28/02/2015 RM'000
Total retained profits of the Group		
- Realised	206,506	131,994
- Unrealised	(5,209)	(7,639)
Total Group's retained profits as per consolidated account	201,297	124,355



**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 29 FEBRUARY 2016

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

**B12. DISCLOSURE OF REALISED AND UNREALISED PROFITS (Continued)**

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

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

**B13. NOTES TO THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

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

	<b>3 Months Ended 29/02/2016 RM'000</b>	<b>9 Months Ended 29/02/2016 RM'000</b>
Depreciation of property, plant and equipment	5,010	15,193
Finance costs	791	2,765

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

	<b>3 Months Ended 29/02/2016 RM'000</b>	<b>9 Months Ended 29/02/2016 RM'000</b>
Depreciation and amortisation	1,576	4,533
Finance costs	691	1,919
Gain on disposal of investment property	-	(679)
Gain on disposal of property, plant and equipment	(567)	(1,127)
Interest income	(1,887)	(4,944)
Property, plant and equipment written off	-	117
Unrealised gain on foreign exchange	(400)	(1,699)

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



**GADANG HOLDINGS BERHAD**  
(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 29 FEBRUARY 2016

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

**B14. COMPARATIVE FIGURES**

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

INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
As restated	As previously reported	As restated	As previously reported
28/02/2015	28/02/2015	28/02/2015	28/02/2015
RM'000	RM'000	RM'000	RM'000

Condensed Consolidated  
Statements of Profit or Loss and  
Other Comprehensive Income  
(Extract):-

Depreciation and amortisation	(2,004)	-	(4,530)	-
Operating expenses	(4,536)	-	(17,348)	-
Other expenses	(8)	(6,548)	(861)	(22,739)

BY ORDER OF THE BOARD  
Tan Seok Chung  
Company Secretary  
28 April 2016