



GADANG HOLDINGS BERHAD
(Company No : 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2011**

THE FIGURES HAVE NOT BEEN AUDITED

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/11/2011 RM'000	Preceding Year Quarter 30/11/2010 RM'000	Current Year-to-date 30/11/2011 RM'000	Preceding Year-to-date 30/11/2010 RM'000
	UNAUDITED	UNAUDITED (Restated)	UNAUDITED	UNAUDITED (Restated)
Revenue	37,471	120,561	108,803	203,194
Cost of sales	(27,930)	(109,844)	(86,801)	(177,806)
Gross profit	<u>9,541</u>	<u>10,717</u>	<u>22,002</u>	<u>25,388</u>
Other income	554	568	2,839	746
Administrative expenses	(2,309)	(2,094)	(4,471)	(4,158)
Other expenses	(4,170)	(12,528)	(10,926)	(16,705)
Finance costs	(1,053)	(892)	(2,263)	(1,797)
Profit / (loss) before tax	<u>2,563</u>	<u>(4,229)</u>	<u>7,181</u>	<u>3,474</u>
Income tax expenses	(1,303)	1,089	(2,624)	(907)
Net profit / (loss) for the period	<u>1,260</u>	<u>(3,140)</u>	<u>4,557</u>	<u>2,567</u>
Other comprehensive income / (loss) :				
Foreign currency translation	135	(386)	(227)	170
Total comprehensive income / (loss) for the period	<u>1,395</u>	<u>(3,526)</u>	<u>4,330</u>	<u>2,737</u>
Net profit / (loss) attributable to:				
Equity holders of the Company	1,112	(3,175)	4,305	2,511
Non-controlling interests	148	35	252	56
	<u>1,260</u>	<u>(3,140)</u>	<u>4,557</u>	<u>2,567</u>
Total comprehensive income / (loss) attributable to:				
Equity holders of the Company	1,252	(3,572)	4,092	2,693
Non-controlling interests	143	46	238	44
	<u>1,395</u>	<u>(3,526)</u>	<u>4,330</u>	<u>2,737</u>
Earnings / (loss) per share attributable to equity holders of the Company (sen) :				
Basic	0.56	(1.86)	2.19	1.74

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 May 2011.



GADANG HOLDINGS BERHAD
(Company No : 278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2011

THE FIGURES HAVE NOT BEEN AUDITED

	UNAUDITED	AUDITED
	AS AT 30/11/2011 RM'000	AS AT 31/05/2011 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	70,435	76,439
Biological assets	5,086	3,887
Investment properties	15,418	15,418
Concession assets	34,570	35,605
Other investment	226	226
Goodwill on consolidation	16,886	16,886
Deferred tax assets	826	821
	<u>143,447</u>	<u>149,282</u>
Current assets		
Property development costs	127,934	111,834
Amount due from customers on contracts	58,025	80,040
Inventories	1,753	1,969
Trade receivables and other receivables	66,725	110,559
Tax recoverable	4,132	3,811
Deposit with licensed financial institutions	64,878	36,885
Cash and bank balances	27,471	19,334
	<u>350,918</u>	<u>364,432</u>
TOTAL ASSETS	<u>494,365</u>	<u>513,714</u>
EQUITY AND LIABILITIES		
Equity attributable to Equity Holders of the Company		
Share Capital	196,691	196,691
Reserves	38,146	33,802
	<u>234,837</u>	<u>230,493</u>
Non-controlling interests	4,743	4,505
Total Equity	<u>239,580</u>	<u>234,998</u>
Non-current liabilities		
Bank borrowings	33,863	24,043
Deferred taxation liabilities	6,626	6,029
Defined benefit obligations	1,189	1,203
	<u>41,678</u>	<u>31,275</u>
Current liabilities		
Provision for liabilities	892	892
Trade and other payables	114,690	125,082
Amount due to customers on contracts	-	1,623
Bank borrowings	96,252	119,589
Provision for taxation	1,273	255
	<u>213,107</u>	<u>247,441</u>
Total liabilities	<u>254,785</u>	<u>278,716</u>
TOTAL EQUITY AND LIABILITIES	<u>494,365</u>	<u>513,714</u>
	-	
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.22	1.19

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 May 2011.



GADANG HOLDINGS BERHAD
(Company No : 278114-K)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2011**

THE FIGURES HAVE NOT BEEN AUDITED

	UNAUDITED AS AT 30/11/2011 RM'000	UNAUDITED AS AT 30/11/2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	7,181	3,474
Adjustments for :-		
Non-cash items	3,311	(1,175)
Non-operating items	4,684	1,738
Operating profit before changes in working capital	15,176	4,037
Changes in working capital:-		
Net change in current assets	44,384	(105,635)
Net change in current liabilities	(10,389)	46,443
Tax paid	(1,082)	(2,679)
Net cash flow (used in) / generated from operating activities	48,089	(57,834)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(2,830)	(1,109)
Other investments	5,827	-
Net cash flow (used in) / generated from investing activities	2,997	(1,109)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from rights issues of ordinary shares	-	51,140
Drawdown / (Repayment) of Bank borrowings	(3,813)	60,489
Interest paid	(2,264)	(1,731)
Payment to hire purchase creditors	(5,405)	(6,319)
Net cash flow (used in) / generated from financing activities	(11,482)	103,579
Net change in cash and cash equivalents	39,604	44,636
Effect of exchange rate changes	(227)	461
Cash and cash equivalents at beginning of financial period	39,020	8,748
Cash and cash equivalents at end of financial period	78,397	53,845

Cash and cash equivalents at the end of the financial period comprise the following:

	As at 30/11/2011 RM'000	As at 30/11/2010 RM'000
Cash and bank balances	27,471	16,056
Deposit with licensed financial institutions	64,878	52,934
Bank overdraft	(13,952)	(15,145)
Total	78,397	53,845

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31 May 2011.



GADANG HOLDINGS BERHAD

(Company No : 278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2011**

THE FIGURES HAVE NOT BEEN AUDITED

	← Attributable to Equity Holders of the Company →								Total Equity RM'000
	← Non-Distributable →								
	Share Capital RM'000	Warrant Reserve RM'000	Capital Reserve RM'000	Share Premium RM'000	Foreign Exchange Reserve RM'000	Retained Profits RM'000	Total RM'000	Non- controlling Interests RM'000	
At 1 June 2011	196,691	6,176	1,347	-	(2,041)	28,320	230,493	4,505	234,998
Total comprehensive income	-	-	-	-	(213)	4,557	4,344	238	4,582
At 30 November 2011	<u>196,691</u>	<u>6,176</u>	<u>1,347</u>	<u>-</u>	<u>(2,254)</u>	<u>32,877</u>	<u>234,837</u>	<u>4,743</u>	<u>239,580</u>
At 1 June 2010	118,016	-	1,347	8,816	(1,737)	58,528	184,970	4,249	189,219
Effects of adopting FRS 139	-	-	-	-	-	(1,615)	(1,615)	-	(1,615)
As restated	<u>118,016</u>	<u>-</u>	<u>1,347</u>	<u>8,816</u>	<u>(1,737)</u>	<u>56,913</u>	<u>183,355</u>	<u>4,249</u>	<u>187,604</u>
Total comprehensive income	-	-	-	-	182	2,511	2,693	44	2,737
Accretion of interest in a subsidiary	-	-	-	-	-	-	-	(349)	(349)
Issue of shares pursuant to Rights Issue	78,675	-	-	(8,816)	-	(25,789)	44,070	-	44,070
Arising from issuance of warrants	-	6,176	-	-	-	-	6,176	-	6,176
At 30 November 2010	<u>196,691</u>	<u>6,176</u>	<u>1,347</u>	<u>-</u>	<u>(1,555)</u>	<u>33,635</u>	<u>236,294</u>	<u>3,944</u>	<u>240,238</u>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 May 2011.



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2011

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

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 2011. 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 2011.

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 2011, except for the changes arising from the adoption of new / revised Financial Reporting Standards (FRSs), Amendments to FRSs and IC Interpretations that are effective for financial period beginning 1 June 2011 as follows:

FRS 4: Insurance Contracts

Amendments to FRS 1 and FRS 127: First-time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate

Amendments to FRS 2: Share-based Payment: Vesting Conditions and Cancellations

Amendments to FRS 7: Financial Instruments: Disclosures

Amendments to FRS 132: Financial Instruments: Presentation

Amendments to FRS 139, FRS 7 and IC Interpretation 9: Financial Instruments: Recognition and Measurement, Disclosures and Reassessment of Embedded Derivatives

Amendments to FRSs 'Improvements to FRSs (2009)

IC Interpretation 9: Reassessment of Embedded Derivatives and Impairment

IC Interpretation 10: Interim Financial Reporting and Impairment

IC Interpretation 11: FRS 2 - Group and Treasury Share Transactions

IC Interpretation 13: Customer Loyalty Programmes

IC Interpretation 14: FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

TR i – 3: Presentation of Financial Statements of Islamic Financial Institutions

The initial application of the other new / revised FRSs, Amendment to FRSs and IC Interpretations has no material impact to the financial statements of the Group.

A3. AUDIT REPORT

The auditors' report on the Group's annual financial statements for the year ended 31 May 2011 was not subject to any audit qualification.



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2011

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

A4. SEASONAL OR CYCLICAL FACTORS

The Group's business operations for the quarter ended 30 November 2011 have not been materially affected by seasonal or cyclical factors.

A5. EXCEPTIONAL ITEMS

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

A6. EFFECTS OF CHANGES IN ESTIMATES

There were no changes in estimates that have a material effect in the current quarter and financial period ended 30 November 2011.

A7. CHANGES IN DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the financial period ended 30 November 2011.

A8. DIVIDEND PAID

There was no payment of dividend in the current quarter.

A9. SEGMENTAL REPORTING

6 months ended 30 November 2011 (Current Financial Period)

<u>SEGMENT</u>	<u>REVENUE</u>			<u>RESULT</u>		
	External RM'000	Internal* RM'000	Total RM'000	PBT/ (LBT)^ RM'000	Taxation RM'000	PAT/ (LAT)# RM'000
Earthworks, engineering and construction works	71,356	9,531	80,887	(2,028)	(33)	(2,061)
Property investment and development	29,410	270	29,680	7,015	(1,957)	5,058
Water concession	8,037	-	8,037	2,665	(623)	2,042
Plantation	-	-	-	(434)	-	(434)
Investment Holdings and Others	-	2,010	2,010	(16)	(11)	(27)
Elimination	-	(11,811)	(11,811)	(21)	-	(21)
Consolidated	108,803	-	108,803	7,181	(2,624)	4,557



GADANG HOLDINGS BERHAD

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INTERIM REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2011

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

A9. SEGMENTAL REPORTING (Cont'd)

6 months ended 30 November 2010 (Previous Financial Period) - (Restated)

<u>SEGMENT</u>	<u>REVENUE</u>			<u>RESULT</u>		
	External RM'000	Internal* RM'000	Total RM'000	PBT / (LBT)^ RM'000	Taxation RM'000	PAT / (LAT)# RM'000
Earthworks, engineering and construction works	177,109	12,402	189,511	(973)	902	(71)
Property investment and development	18,152	228	18,380	4,848	(982)	3,866
Water concession	7,171	-	7,171	1,171	(323)	848
Plantation	-	-	-	(247)	-	(247)
Investment Holdings and Others	762	1,840	2,602	492	(76)	416
Elimination	-	(14,470)	(14,470)	(1,817)	(428)	(2,245)
Consolidated	203,194	-	203,194	3,474	(907)	2,567

Note : * Inter-segment revenue
^ Profit/(Loss) before tax
Profit/(Loss) after tax

A10. CARRYING AMOUNT OF REVALUED ASSETS

The valuations of property, plant and equipment have been brought forward without amendment from the audited financial statements for the year ended 31 May 2011.

A11. EVENTS SUBSEQUENT TO THE STATEMENT OF FINANCIAL POSITION DATE

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

A12. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial period ended 30 November 2011 except for the following :-

- (i) On 9 September 2011, the Company's indirect wholly-owned subsidiary, Flora Masyhur Sdn Bhd ("FMSB") acquired an additional 300,000 ordinary shares of RM1.00 each representing the remaining 30% of the issued and paid-up share capital of Camar Ajaib Sdn Bhd ("CASB") from the minority shareholders, Raja Zainal Abidin Bin Raja Hussin and Raja Mahmood Bin Raja Hussein for a total cash consideration of RM86,000. Accordingly, CASB became a wholly-owned subsidiary of FMSB.



GADANG HOLDINGS BERHAD

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INTERIM REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2011

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

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 :-

	<u>RM'000</u>
As at 31 May 2011	325,868
Decrease during the financial period	(22,676)
As at 30 November 2011	<u>303,192</u>

A14. CAPITAL COMMITMENTS

	As at 30 November 2011 <u>RM'000</u>
Approved and contracted for	
- Purchase of land for property development	13,000
Approved and not contracted for	
- Oil palm plantations development	13,000
	<u>26,000</u> =====



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2011

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

B1. GROUP PERFORMANCE REVIEW

The Group registered a revenue of RM108.80 million for the current period, a decrease of 46% as compared to RM203.19 million recorded in the previous corresponding period due to a decrease in the level of construction activities completed by the Construction Division.

The Group incurred doubtful debts provision of RM2.76 million for the period under review as compared to RM8.86 million recorded in the previous corresponding period.

Accordingly, the Group registered a higher profit before taxation of RM7.18 million as compared to RM3.47 million recorded in the previous corresponding period.

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

The Group recorded a decrease in revenue by 47% to RM37.47 million as compared to RM71.33 million registered in the immediate preceding quarter. Meanwhile, the Group incurred an increase in operating expenses against the preceding quarter due to higher marketing expenses by the Property Division to intensify its selling and promotion activities.

In line with the above, the Group registered a profit before taxation of RM2.56 million for the current quarter as compared to RM4.62 million in the immediate preceding quarter.

B3. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

The Board is of the view that with timely implementation of the existing projects, the Group should turn in an improved performance for the current financial year.

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

This is not applicable to the Group.



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2011

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

B5. TAXATION

Taxation comprises the following:-

	Current quarter RM'000	6 months Year-to-date RM'000
Current tax:		
Malaysian income tax	1,100	2,023
Foreign tax	319	623
Under / (over) provision for prior years	(181)	(87)
Deferred taxation	65	65
	<u>1,303</u>	<u>2,624</u>

The effective tax rate for the Group for the financial period is higher than the statutory tax rate because certain expenses are not allowable as deduction for tax purposes, and losses of certain subsidiaries which cannot be set off against taxable profits made by other subsidiaries.

B6. SALES OF UNQUOTED INVESTMENTS/PROPERTIES

There were no disposals of unquoted investments or properties during the period under review.

B7. QUOTED SECURITIES

There were no dealings in quoted securities during the period under review.

B8. STATUS OF CORPORATE PROPOSALS ANNOUNCED

There were no pending corporate proposals.

B9. GROUP BORROWINGS

The details of the Group borrowings are as follows: -

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings	96,252	-	96,252
Long term borrowings	33,863	-	33,863
	<u>130,115</u>	<u>-</u>	<u>130,115</u>
Borrowings denominated in foreign currency :			
	Rp'000		RM'000 Equivalent
Indonesian Rupiah (Rp)	<u>12,704,765</u>		<u>4,434</u>



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INTERIM REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2011

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

B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at the date of this report.

B11. MATERIAL LITIGATION

As at 12 January 2012, 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.

B12. DIVIDEND

The Board of Directors does not recommend any payment of dividend for the financial period ended 30 November 2011.

B13. EARNINGS PER SHARE

Basic earnings /(loss) per share

The basic earnings per share has been calculated by dividing the profit / (loss) for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares that would have been during the financial year, calculated as follows :-

	INDIVIDUAL QUARTER		YEAR-TO-DATE	
	30/11/2011	30/11/2010	30/11/2011	30/11/2010
Profit / (loss) attributable to ordinary equity holders of the Company (RM'000)	1,112	(3,175)	4,305	2,511
Weighted average number of ordinary shares ('000)	196,691	170,754	196,691	144,241
Basic earnings/(loss) per share(sen)	0.56	(1.86)	2.19	1.74



GADANG HOLDINGS BERHAD

(Company No. 278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2011

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

B14. 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 30 November 2011, into realised and unrealised profits, pursuant to the directive, is as follows:

	As at 30.11.2011 RM’000	As at 30.11.2010 RM’000
Total retained profits of the Group		
- Realised	33,104	33,465
- Unrealised	(227)	170
Total Retained Profits as per statement of financial position	32,877	33,635

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.

BY ORDER OF THE BOARD,
Tan Seok Chung
Company Secretary
19 January 2011