



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2022 (The figures are unaudited)

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	3 Months Ended 31/08/2022 RM'000	3 Months Ended 31/08/2021 RM'000	Variance %	3 Months Ended 31/08/2022 RM'000	3 Months Ended 31/08/2021 RM'000	Variance %
Revenue	127,416	134,636	-5	127,416	134,636	-5
Cost of sales	(107,366)	(116,458)	-8	(107,366)	(116,458)	-8
Gross profit	20,050	18,178	10	20,050	18,178	10
Other income	2,046	2,294	-11	2,046	2,294	-11
Administrative expenses	(6,425)	(6,039)	6	(6,425)	(6,039)	6
Depreciation	(1,955)	(1,872)	4	(1,955)	(1,872)	4
Operating expenses	(3,419)	(2,697)	27	(3,419)	(2,697)	27
Other expenses	(1,642)	(1,067)	54	(1,642)	(1,067)	54
Finance costs	(2,534)	(2,833)	-11	(2,534)	(2,833)	-11
Share of results of joint ventures	(2)	8	>100	(2)	8	>100
Profit before tax	6,119	5,972	2	6,119	5,972	2
Income tax expense	(2,507)	(2,015)	24	(2,507)	(2,015)	24
Net profit for the financial period	3,612	3,957	-9	3,612	3,957	-9
Other comprehensive income:						
Foreign currency translation	709	(42)	>100	709	(42)	>100
Total comprehensive income for the financial period	4,321	3,915	10	4,321	3,915	10
Net profit attributable to:						
Equity holders of the Company	3,243	3,692	-12	3,243	3,692	-12
Non-controlling interests	369	265	39	369	265	39
Total comprehensive income attributable to:	3,612	3,957	-9	3,612	3,957	-9
Equity holders of the Company	3,918	3,650	7	3,918	3,650	7
Non-controlling interests	403	265	52	403	265	52
	4,321	3,915	10	4,321	3,915	10
Earnings per share attributable to equity holders of the Company:						
- Basic (sen)	0.45	0.51	-12	0.45	0.51	-12
- Diluted (sen)	0.45	0.51	-12	0.45	0.51	-12

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2022.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 AUGUST 2022

	Unaudited	Audited
	As At 31/08/2022 RM'000	As At 31/05/2022 RM'000
ASSETS		
Non-current assets		
Investment in joint ventures	225	227
Concession assets	124,881	122,005
Intangible assets	29,844	31,827
Property, plant and equipment	36,013	34,348
Right-of-use assets	4,446	4,459
Investment properties	72,178	72,375
Trade and non-trade receivables	27,676	24,980
Other investments	899	1,798
Goodwill on consolidation	17,473	17,375
Deferred tax assets	22,484	22,069
	<u>336,119</u>	<u>331,463</u>
Current assets		
Inventories	606,748	631,665
Contract costs	8,559	6,586
Trade and non-trade receivables	132,838	126,865
Contract assets	211,040	174,284
Current tax assets	1,994	2,836
Short term funds	97,611	111,996
Deposits with licensed banks	21,003	27,209
Cash and bank balances	140,072	149,803
	<u>1,219,865</u>	<u>1,231,244</u>
TOTAL ASSETS	<u>1,555,984</u>	<u>1,562,707</u>



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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 AUGUST 2022 (Continued)

	Unaudited As At 31/08/2022 RM'000	Audited As At 31/05/2022 RM'000
EQUITY AND LIABILITIES		
Equity attributable to Equity Holders of the Company		
Share Capital	389,521	389,521
Reserves	440,083	435,878
	<u>829,604</u>	<u>825,399</u>
Non-controlling interests	7,242	6,694
Total equity	<u>836,846</u>	<u>832,093</u>
Non-current liabilities		
Bank borrowings	202,369	209,227
Deferred tax liabilities	2,361	2,204
Defined benefit obligations	1,877	2,178
Non-trade payables	139,111	139,110
	<u>345,718</u>	<u>352,719</u>
Current liabilities		
Trade and non-trade payables	279,409	270,369
Contract liabilities	12,868	18,874
Bank borrowings	78,923	85,234
Current tax liabilities	2,220	3,418
	<u>373,420</u>	<u>377,895</u>
Total liabilities	<u>719,138</u>	<u>730,614</u>
TOTAL EQUITY AND LIABILITIES	<u>1,555,984</u>	<u>1,562,707</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.14	1.13

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2022.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2022 (The figures are unaudited)

	Share Capital	Share Option Reserves	Capital Reserves	Foreign Exchange Translation Reserves	Retained Profits	Total	Non-controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 June 2022	389,521	-	1,347	65	434,466	825,399	6,694	832,093
Total comprehensive income	-	-	-	675	3,243	3,918	403	4,321
Disposal of subsidiary	-	-	-	75	212	287	145	432
At 31 August 2022	389,521	-	1,347	815	437,921	829,604	7,242	836,846
At 1 June 2021	389,521	5,529	1,347	(3,598)	395,058	787,857	4,997	792,854
Total comprehensive income	-	-	-	(42)	3,692	3,650	265	3,915
At 31 August 2021	389,521	5,529	1,347	(3,640)	398,750	791,507	5,262	796,769

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 2022.



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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2022 (The figures are unaudited)

	3 Months Ended 31/08/2022 RM'000	3 Months Ended 31/08/2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax:	6,119	5,972
Adjustments for:		
Depreciation of:		
- intangible assets	933	731
- investment properties	197	195
- property, plant and equipment	2,529	1,323
- right-of-use assets	14	1,262
Fair value loss on quoted investments	899	899
Finance costs	2,618	3,233
Loss on disposal of subsidiary	593	-
Gain on disposal of property, plant and equipment	(424)	-
Income received from short term funds	(233)	(387)
(Decrease)/Increase in liability for defined benefit obligations	(219)	30
Interest income	(374)	(433)
Net unrealised loss on foreign exchange	31	89
Share of results of joint ventures	2	(8)
Operating profit before working capital changes	12,685	12,906
Changes in working capital:		
Contract assets/(liabilities)	(25,242)	(12,627)
Contract costs	(1,973)	(901)
Inventories	7,396	13,261
Payables	9,039	(14,878)
Receivables	(8,668)	31,342
Cash (used in)/generated from operations	(6,763)	29,103
Net income tax paid	(3,105)	(2,722)
Net Operating Cash Flows	(9,868)	26,381



GADANG HOLDINGS BERHAD

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2022 (Continued) (The figures are unaudited)

	3 Months Ended 31/08/2022 RM'000	3 Months Ended 31/08/2021 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of:		
- concession assets	(1,947)	(601)
- property, plant and equipment	(4,165)	(32)
Proceeds from disposal of:		
- property, plant and equipment	429	-
- subsidiary	565	-
Income received from short term funds	233	387
Interest income	374	433
Net Investing Cash Flows	<u>(4,511)</u>	<u>187</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of:		
- bank borrowings	16,242	12,025
- hire purchase	2,975	-
Finance costs	(2,618)	(3,233)
Repayment of:		
- bank borrowings	(29,753)	(29,153)
- hire purchase	(1,195)	(1,259)
Withdrawal/(Placement) fixed deposits pledged as security values	2,263	(4,589)
Net Financing Cash Flows	<u>(12,086)</u>	<u>(26,209)</u>
Net change in cash and cash equivalents	(26,465)	359
Effect of exchange rate changes	68	(1,652)
Cash and cash equivalents at the beginning of the financial period	266,688	222,073
Cash and cash equivalents at the end of the financial period	<u>240,291</u>	<u>220,780</u>
Analysis of Cash and Cash Equivalents:-		
Cash and bank balances	140,072	100,582
Short term funds	97,611	116,318
Deposits with licensed banks	21,003	72,699
Bank overdrafts	(2,245)	(4,129)
	<u>256,441</u>	<u>285,470</u>
Less: Fixed deposits pledged as security values	(16,150)	(64,690)
Total	<u>240,291</u>	<u>220,780</u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2022.



GADANG HOLDINGS BERHAD

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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2022

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 2022. 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 2022.

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 2022, except for the changes arising from the adoption of Amendments/Improvements to MFRSs as follows:

Standard	Title
Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract
Annual Improvements to MFRS Standards 2018 - 2020	

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

- (ii) As at 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 early adopted.

- (a) Effective for financial years beginning on or after 1 June 2023

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	Classification of Liabilities as Current or Non-current
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



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2022

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

A2. CHANGES IN ACCOUNTING POLICIES (Continued)

- (ii) As at 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 early adopted. (Continued)

- (b) Effective date of this Amendments to Standards has been deferred and 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.

- (iii) During the financial period, the Group had reassessed the current accounting policy in respect of depreciation of intangible assets. The accounting policy on the depreciation of intangible assets has been changed from depreciation over the concession period with a finite useful life using the unit of water revenue method to depreciate on the straight-line method over the concession period. The straight-line method provides more reliable and relevant information on the Group's financial position and financial performance.

A3. AUDIT REPORT

The auditors' report on the Group's financial statements for the financial year ended 31 May 2022 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 have any material effect in the current quarter under review.

A7. DEBT AND EQUITY SECURITIES

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

A8. DIVIDEND PAID

There was no payment of dividend in the current quarter.



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2022

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

A9. SEGMENTAL REPORTING

3 months ended 31 August 2022 (Current Financial Period)

	Construction Division RM'000	Property Division RM'000	Utility Division RM'000	Investment Holding RM'000	Consolidated RM'000
Revenue	59,877	60,986	6,553	-	127,416
Results					
Segment results	531	10,366	568	(2,810)	8,655
Finance costs	(437)	(1,957)	-	(140)	(2,534)
Share of results of joint ventures	(2)	-	-	-	(2)
Profit /(Loss) before tax	92	8,409	568	(2,950)	6,119
Income tax expense					(2,507)
Profit for the financial period					3,612

3 months ended 31 August 2021 (Previous Financial Period)

	Construction Division RM'000	Property Division RM'000	Utility Division RM'000	Investment Holding RM'000	Consolidated RM'000
Revenue	96,236	31,528	6,872	-	134,636
Results					
Segment results	2,031	7,106	2,547	(2,887)	8,797
Finance costs	(370)	(2,324)	(1)	(138)	(2,833)
Share of results of joint ventures	8	-	-	-	8
Profit /(Loss) before tax	1,669	4,782	2,546	(3,025)	5,972
Income tax expense					(2,015)
Profit for the financial period					3,957

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 2022.



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2022

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 except for the disposal of a subsidiary.

On 31 May 2022, the Company's wholly-owned subsidiary, Asian Utilities Pte Ltd, entered into a Conditional Sale and Purchase of Share Agreement with PT Bangun Karya Nusa to dispose of its entire 95% equity interest in PT Bintang Hytien Jaya ("PT BHJ") for a total consideration of IDR 2 billion. With the completion of the disposal on 1 July 2022, PT BHJ ceased to be a subsidiary of the Company.

A13. CHANGES IN CONTINGENT LIABILITIES

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

A14. CAPITAL COMMITMENTS

There are no material capital commitments as of the date of this report.



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2022

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 lower revenue of RM127.42 million compared to RM134.64 million in the preceding year's corresponding quarter. Profit before tax increased to RM6.12 million compared to RM5.97 million in the preceding year's corresponding quarter mainly due to higher contribution from Property Division.

Tabulated below are the unaudited various divisional contributions: -

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	3 Months Ended 31/08/2022 RM'000	3 Months Ended 31/08/2021 RM'000	Variance %	3 Months Ended 31/08/2022 RM'000	3 Months Ended 31/08/2021 RM'000	Variance %
REVENUE						
Construction Division	59,877	96,236	-38	59,877	96,236	-38
Property Division	60,986	31,528	93	60,986	31,528	93
Utility Division	6,553	6,872	-5	6,553	6,872	-5
Investment Holding	-	-	-	-	-	-
	<u>127,416</u>	<u>134,636</u>	<u>-5</u>	<u>127,416</u>	<u>134,636</u>	<u>-5</u>
PROFIT/(LOSS) BEFORE TAX						
Construction Division	92	1,669	>100	92	1,669	>100
Property Division	8,409	4,782	76	8,409	4,782	76
Utility Division	568	2,546	-78	568	2,546	-78
Investment Holding	(2,950)	(3,025)	-2	(2,950)	(3,025)	-2
	<u>6,119</u>	<u>5,972</u>	<u>2</u>	<u>6,119</u>	<u>5,972</u>	<u>2</u>

Construction Division

Revenue for the current quarter decreased to RM59.88 million compared to RM96.24 million in the preceding year's corresponding quarter. Profit before tax decreased to RM0.09 million compared to RM1.67 million in the preceding year's corresponding quarter mainly due to higher work progress from certain on-going projects in the corresponding quarter of the preceding year.

Property Division

In the current quarter, revenue increased to RM60.99 million compared to RM31.53 million in the preceding year's corresponding quarter. In line with that, profit before tax increased to RM8.41 million compared to RM4.78 million in the preceding year's corresponding quarter. This was mainly due to better sales achieved and higher work progress for on-going development projects.

Utility Division

For the current quarter, revenue decreased slightly to RM6.55 million compared to RM6.87 million in the preceding year's corresponding quarter. Profit before tax decreased to RM0.57 million compared to RM2.55 million in the preceding year's corresponding quarter. This was mainly due to higher operating costs and loss on disposal of a subsidiary in the current period.



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2022

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 COMPARED TO PRECEDING QUARTER

	Current Quarter 31/08/2022 RM'000	Preceding Quarter 31/05/2022 RM'000	Variance %
Revenue	127,416	138,177	-8
Operating profit	10,608	7,688	38
Profit before interest and tax	8,653	5,444	59
Profit before tax	6,119	2,100	>100
Profit/(loss) after tax	3,612	(4,077)	>100
Profit/(loss) attributable to equity holders of the Company	3,243	(4,128)	>100

The Group's revenue decreased to RM127.42 million in the current quarter compared to RM138.18 million in the preceding quarter. Despite the lower revenue, profit before tax increased to RM6.12 million compared to RM2.10 million recorded in the preceding quarter, mainly due to the lower profit margin from completed projects in the preceding quarter.



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2022

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 2023

The Ministry of Finance forecasts the Malaysian economy to grow between 6.5% to 7.0% in 2022, from a previous range of 5.3% to 6.3%, boosted by expansion in domestic demand, continued recovery in the labour market and resilient exports. Moving into 2023, the country's GDP growth is expected to moderate to between 4.0% to 5.0% due to global challenges that may impede Malaysia's recovery including the prolonged geopolitical tensions in Eastern Europe and China, supply chain disruptions, rise in global inflation and tighter global monetary policy.

The Malaysia construction sector contracted by 2.1% in the first half of 2022, mainly due to lower construction activities in civil engineering and residential buildings subsectors. However, it is expected to turn around in the second half of 2022 with an expansion rate of 6.9%, supported by improvement in private investment and acceleration of major infrastructure projects [Source: Ministry of Finance, Economic Outlook 2023]. The Group will continue to actively participate in open biddings for government projects, including highways and railways, and medical facilities to expand on Construction Division's current order book of RM1.3 billion.

Market sentiment for the property sector remained cautiously optimistic for 2Q2022. The recent proposal for stamp duty exemption to be increased from 50% to 75% for properties valued between RM500,000 to RM1,000,000 augurs well for the Group's Property Division as the Division targets to launch affordably priced homes in this financial year. With its wide array of highly sought-after products in established locations and unbilled sales of about RM281.0 million, the Property Division expects to deliver a satisfactory performance for the financial year.

The 9MW mini-hydropower project at Lintau Sumatera Barat, Indonesia is at the final stages of construction and is expected to be operational in 4Q 2022. This is expected to contribute a recurring revenue stream to the Group. The Utility Division will continue to review investment opportunities to build up its concession asset base with recurring income streams to cushion against the cyclical nature of the construction segment.

Given the challenging economic environment, the Group remains cautiously optimistic of growth prospects and will continue to exercise prudence in its business dealings and manage operational efficiency to generate positive returns in the current financial year.



GADANG HOLDINGS BERHAD

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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2022

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 is no profit forecast and profit guarantee provided by the Group and as such, this disclosure requirement is not applicable.

B5. TAXATION

Taxation comprises the following:

	3 Months Ended 31/08/2022 RM'000
Income tax expense:	
Malaysian income tax	(1,757)
Foreign income tax	(988)
Deferred tax	238
	<u>(2,507)</u>

The Group's effective tax rate (excluding the results of joint ventures, which is 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 AUGUST 2022

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 31/08/2022 RM'000	As at 31/05/2022 RM'000
(a) (i) Short Term Borrowings		
Revolving credit	45,477	41,399
Banker's acceptance	741	996
Letter of credit	-	1,037
Bank overdraft	2,245	3,907
Term loans	28,010	35,170
Hire purchase payable	2,450	2,725
	78,923	85,234
(ii) Long Term Borrowings		
Term loans	194,661	203,586
Hire purchase payable	7,708	5,641
	202,369	209,227
Total Borrowings	281,292	294,461
(b) Foreign currency borrowings included in the above are as follows:		
	As at 31/08/2022	As at 31/05/2022
	RM	RM
	Foreign Currency	Foreign
	'000	Currency
	Equivalent	Equivalent
	'000	'000
Indonesian Rupiah	86,156,411	91,397,675
	26,019	27,419
	26,019	27,419

Bank borrowings for the current year to date decreased to RM281.29 million compared to RM294.46 million at the beginning of the financial year. The decrease was mainly due to repayments in the current period.

B8. MATERIAL LITIGATION

As at 19 October 2022, being 7 days prior to the date of this announcement, there has been no material litigation pending of 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 AUGUST 2022

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.

In respect of the financial year 31 May 2022, the Board recommended a first and final dividend of 0.7 sen per share for approval of the shareholders at the forthcoming Annual General Meeting and if approved, will be paid on 9 December 2022. The entitlement date for the proposed dividend payment is 21 November 2022.

B10. EARNINGS PER SHARE

(a) Basic earnings per share

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

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 Months Ended 31/08/2022	3 Months Ended 31/08/2021	3 Months Ended 31/08/2022	3 Months Ended 31/08/2021
Net profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	3,243	3,692	3,243	3,692
Weighted average number of ordinary shares in issue ('000)	728,061	728,061	728,061	728,061
Basic earnings per share (sen)	0.45	0.51	0.45	0.51

(b) Diluted earnings per share

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



GADANG HOLDINGS BERHAD

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B11. NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

	3 Months Ended 31/08/2022 RM'000
Depreciation	1,718
Finance costs	84
Gain on disposal of property, plant and equipment	(6)
Rental of land and premises	221

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

	3 Months Ended 31/08/2022 RM'000
Depreciation	1,955
Fair value loss on quoted investments	899
Finance costs	2,534
Loss on disposal of subsidiary	593
Gain on disposal of property, plant and equipment	(418)
Income received from short term funds	(233)
Interest income	(374)
Net unrealised loss on foreign exchange	31

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.