



**ECONPILE HOLDINGS BERHAD**

(Company No. 1017164-M)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2016  
(The figures have not been audited)**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.16 RM'000	Preceding Year Corresponding Quarter 30.06.15 RM'000	Current Year Period 30.06.16 RM'000	Preceding Year Corresponding Period 30.06.15 RM'000
<b>Continuing Operations:</b>				
Revenue	128,353	103,825	462,061	428,980
Cost of sales	(101,310)	(81,367)	(351,715)	(348,824)
Gross profit	<u>27,043</u>	<u>22,458</u>	<u>110,346</u>	<u>80,156</u>
Other income	5,088	5,890	9,689	10,605
Operating expenses	(8,003)	(10,232)	(28,485)	(26,623)
Finance costs	(461)	(279)	(1,573)	(1,057)
<b>Profit before taxation</b>	<u>23,667</u>	<u>17,837</u>	<u>89,977</u>	<u>63,081</u>
Taxation	(6,648)	(3,895)	(23,998)	(16,469)
<b>Profit for the period/Total comprehensive income for the period</b>	<u><u>17,019</u></u>	<u><u>13,942</u></u>	<u><u>65,979</u></u>	<u><u>46,612</u></u>
<b>Total comprehensive income attributable to:</b>				
- Owners of the parent	<u><u>17,019</u></u>	<u><u>13,942</u></u>	<u><u>65,979</u></u>	<u><u>46,612</u></u>
<b>Earnings per share (sen) attributable to owners of the parent:</b>				
- Basic	<u><u>3.18</u></u>	<u><u>2.61</u></u>	<u><u>12.33</u></u>	<u><u>8.71</u></u>
- Diluted	<u><u>N/A</u></u>	<u><u>N/A</u></u>	<u><u>N/A</u></u>	<u><u>N/A</u></u>

Notes:

N/A - Not applicable

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2015 and the accompanying explanatory notes as attached to this interim financial report.



**ECONPILE HOLDINGS BERHAD**  
(Company No. 1017164-M)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016**  
(The figures have not been audited)

	(Unaudited) As At 30.06.16 RM'000	(Audited) As At 30.06.15 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	74,570	67,668
Investment properties	6,707	2,202
Other investment	-	50
	<u>81,277</u>	<u>69,920</u>
<b>Current assets</b>		
Trade and other receivables	247,920	183,303
Amount due from contract customers	29,808	29,328
Prepayments	1,426	2,232
Current tax assets	-	1,788
Other investments	8,944	15,415
Cash and cash equivalents	43,636	31,547
	<u>331,734</u>	<u>263,613</u>
<b>TOTAL ASSETS</b>	<u>413,011</u>	<u>333,533</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	107,000	107,000
Deficit in business combination	(87,000)	(87,000)
Share premium	29,006	29,006
Retained earnings	198,251	150,997
<b>Total equity</b>	<u>247,257</u>	<u>200,003</u>
<b>Non-current liabilities</b>		
Loans and borrowings	4,355	7,995
Deferred tax liabilities	4,816	3,921
Employees benefits	5,996	4,002
	<u>15,167</u>	<u>15,918</u>
<b>Current liabilities</b>		
Short term borrowings	26,511	15,168
Trade payables	94,512	78,067
Amount due to contract customers	18,540	18,025
Other payables and accruals	8,492	6,352
Current tax liabilities	2,532	-
	<u>150,587</u>	<u>117,612</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>413,011</u>	<u>333,533</u>
Net assets per share (RM)	<u>0.46</u>	<u>0.37</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2015 and the accompanying explanatory notes as attached to this interim financial report.



**ECONPILE HOLDINGS BERHAD**  
(Company No. 1017164-M)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2016**  
(The figures have not been audited)

	/----- Attributable to Equity Holders of the Company -----/				Total Equity RM'000
	/----- Non-distributable -----/		Distributable		
	Share Capital RM'000	Share Premium RM'000	Reserve/ (Deficit) in business combination RM'000	Retained Earnings RM'000	
<b>Year ended 30.06.2015</b>					
At 1 July 2014	107,000	29,006	(87,000)	117,760	166,766
Total comprehensive income for the period	-	-	-	46,612	46,612
Interim dividend paid for the financial year ending 30 June 2015	-	-	-	(13,375)	(13,375)
At 30 June 2015	<u>107,000</u>	<u>29,006</u>	<u>(87,000)</u>	<u>150,997</u>	<u>200,003</u>
<b>Year ending 30.06.2016</b>					
At 1 July 2015	107,000	29,006	(87,000)	150,997	200,003
Total comprehensive income for the period	-	-	-	65,979	65,979
Interim dividend paid for the financial year ending 30 June 2016	-	-	-	(18,725)	(18,725)
At 30 June 2016	<u>107,000</u>	<u>29,006</u>	<u>(87,000)</u>	<u>198,251</u>	<u>247,257</u>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2015 and the accompanying explanatory notes as attached to this interim financial report.



**ECONPILE HOLDINGS BERHAD**

(Company No. 1017164-M)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2016**

(The figures have not been audited)

	<b>Current Financial Period 30.06.16 RM'000</b>	<b>Preceding Year Corresponding Period 30.06.15 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	89,977	63,081
Depreciation of investment properties	59	27
Depreciation of properties, plant and equipments	19,932	17,928
Fair value gain from other investment	(122)	(59)
(Gain)/Loss on disposal of properties, plant and equipments	(19)	(194)
Gain on disposal of other investment	(795)	(857)
Impairment in other investment	50	-
Tax penalty	419	-
Finance costs	1,573	1,057
Finance income	(822)	(858)
Operating profit before working capital changes	<u>110,252</u>	<u>80,125</u>
Trade and other receivables	(76,278)	(54,421)
Trade and other payables	19,101	19,231
Employee benefits	1,995	311
Cash generated from operations	<u>55,070</u>	<u>45,246</u>
Tax paid	(19,204)	(18,518)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<u><b>35,866</b></u>	<u><b>26,728</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(14,231)	(29,424)
Acquisition of investment properties	(4,564)	-
Net placement of other investment	7,388	(12,119)
Finance income	822	858
Proceeds from disposal of property, plant and equipment	19	104
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u><b>(10,566)</b></u>	<u><b>(40,581)</b></u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net change in pledged deposits	8,516	1,566
Finance costs	(1,573)	(1,057)
Net repayment of finance lease liabilities	(7,671)	(11,293)
Net drawdown of term loans and bankers' acceptances	14,759	(3,053)
Payment of dividend	(18,725)	(13,375)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u><b>(4,694)</b></u>	<u><b>(27,212)</b></u>
Net increase/(decrease) in cash and cash equivalents	20,606	(41,065)
Cash and cash equivalents at beginning of the financial year	17,671	58,736
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD*</b>	<u><b>38,277</b></u>	<u><b>17,671</b></u>
<b>*Cash and cash equivalents at the end of the financial period comprised the following:</b>		
Cash and bank balances	35,885	12,845
Fixed deposits with licensed banks	<u>7,751</u>	<u>18,702</u>
	43,636	31,547
Less: Fixed deposits pledged for bank facilities	<u>(5,359)</u>	<u>(13,876)</u>
	<u><b>38,277</b></u>	<u><b>17,671</b></u>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 June 2015 and the accompanying explanatory notes as attached to this interim financial report.



**ECONPILE HOLDINGS BERHAD**

(Company No. 1017164-M)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - FOURTH QUARTER ENDED 30 JUNE 2016**

**A1. Basis of preparation**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Paragraph 9.22 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting. This unaudited interim financial report should be read in conjunction with the Group's most recent audited financial statements for the financial year ended 30 June 2015.

**A2. Significant Accounting Policies**

The accounting policies and method of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the financial year ended 30 June 2015 except for the following new/revised MFRSs and amendments to MFRSs:

		Effective for annual periods beginning on or after
Amendments to MFRS 5	Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)	1 January 2016
Amendments to MFRS 7	Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exceptions	1 January 2016
Amendments to MFRS 11	Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
MFRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 101	Presentation of Financial Statements - Disclosure Initiative	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141	Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 119	Employee Benefits (Annual Improvements 2012-2014 Cycle)	1 January 2016
Amendments to MFRS 127	Separate Financial Statement - Equity Method in Separate Financial Statement	1 January 2016
Amendments to MFRS 134	Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)	1 January 2016
Amendments to MFRS 107	Statement of Cash Flows - Disclosure Initiative	1 January 2017
Amendments to MFRS 112	Income Taxes - Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
MFRS 9	Financial Instruments (2014)	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
Clarifications to MFRS 15	Revenue from Contracts with Customers (Amendments)	1 January 2018
MFRS 16	Leases	1 January 2019
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Yet to be determined

**A3. Auditors' Report**

The reports of the auditors to the members of Econpile Holdings Berhad and its subsidiary companies on the financial statements for the financial year ended 30 June 2015 were not subject to any qualification and did not include any adverse comments made under subsection (3) of Section 174 of the Companies Act, 1965.

**A4. Seasonality or Cyclicity of Interim Operations**

The Group's results are not materially affected by any seasonal or cyclical factors.

**A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no items affecting assets, liabilities, equity, net income or cash flows that were unusual in nature, size or incidence during the current quarter and financial year ended 30 June 2016.

**ECONPILE HOLDINGS BERHAD**

(Company No. 1017164-M)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - FOURTH QUARTER ENDED 30 JUNE 2016****A6. Material Effect of Changes in Estimates of Amounts Reported in Prior Interim Periods or Prior Financial Years**

There were no changes in estimates of amounts reported in prior interim periods or prior financial years that have a material effect on results for the current period under review.

**A7. Debt and Equity Securities**

There were no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current quarter and financial year ended 30 June 2016.

**A8. Dividends Paid**

The Company paid a single-tier second interim dividend of 2.5 sen per ordinary share in respect of financial year ended 30 June 2016, amounting to RM13,375,000.25 on 28 June 2016.

**A9. Segmental Reporting**

The Group is predominantly involved in general construction and piling works, which is the only reportable segment. Other non-reportable segments comprise investment holding and operations related to rental of investment properties and machinery and related accessories. All the Group's operations are carried out in Malaysia.

**A10. Property, Plant and Equipment**

The fair value adopted at the date of transition to MFRSs has been brought forward, without amendment from the most recent annual financial statements for the financial year ended 30 June 2015.

**A11. Significant Post Balance Sheet Event**

There were no material events as at 19 August 2016, being the date not earlier than 7 days from the date of this announcement, that will affect the financial results of the current financial year under review.

**A12. Changes in Composition of the Group**

There were no changes in the composition of the Group including business combinations, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations during the current quarter and financial year under review.

**A13. Contingent Liabilities and Contingent Assets**

There were no material changes in contingent liabilities and contingent assets since the last audited financial statements for the financial year ended 30 June 2015 to 19 August 2016, being a date not earlier than 7 days from the date of this announcement, save for the following:

	<b>As at 19.08.16 RM'000</b>	<b>As at 30.06.15 RM'000</b>
Contingent Liabilities (Unsecured) Group		
- Guarantees given to contract customers and suppliers in relation to construction contracts	125,501	29,417
Company		
- Corporate Guarantee given to contract customers and suppliers in relation to construction contracts	85,264	4,540

**A14. Capital Commitments**

	<b>As at 30.06.16 RM'000</b>	<b>As at 30.06.15 RM'000</b>
Capital expenditure Authorised and contracted for	1,706	1,404

**A15. Significant Related Party Transactions**

There were no significant related party transactions for the current quarter and financial year ended 30 June 2016.

**ECONPILE HOLDINGS BERHAD**

(Company No. 1017164-M)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - FOURTH QUARTER ENDED 30 JUNE 2016****PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1. Review of the Performance of the Group**

	<b>Current year quarter</b>	<b>Preceding year corresponding quarter</b>	<b>Current financial period</b>	<b>Preceding year corresponding period</b>
	<b>30.06.16</b>	<b>30.06.15</b>	<b>30.06.16</b>	<b>30.06.15</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>	128,353	103,825	462,061	428,980
<b>Profit before taxation</b>	23,667	17,837	89,977	63,081

The Group recorded a revenue of RM462.1 million for the current twelve (12) months financial year ended 30 June 2016 mainly from the piling and foundation services business segment. Revenue contribution from piling and foundation works from property development projects continue to dominate the Group's revenue, amounting to RM450.9 million or 97.6% and the remaining revenue derived from piling and foundation works from infrastructure and other segments amounting to RM11.2 million or 2.4%.

The Group recorded a profit before tax of RM90.0 million for the current twelve (12) months financial year ended 30 June 2016, mainly derived from our piling and foundation services being our main revenue stream. Gross profit margin and profit before tax margin stood at 23.9% and 19.5% respectively, for the current financial year ended 30 June 2016.

**B2. Comparison with Preceding Quarter's Results**

	<b>Current quarter ended</b>	<b>Preceding quarter ended</b>
	<b>30.06.16</b>	<b>31.03.16</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>	128,353	122,066
<b>Profit before taxation</b>	23,667	24,037

In the fourth quarter ended 30 June 2016, the Group recorded an increase in revenue of RM6.3 million to RM128.4 million from RM122.1 million in the preceding quarter ended 31 March 2016. This increase in revenue is in line with the higher order book replenishment. The piling and foundation works from property development projects and infrastructure projects during the current quarter ended 30 June 2016, amounted to RM119.2 million and RM9.2 million respectively, as compared to RM120.4 million and RM1.7 million respectively, in the preceding quarter ended 31 March 2016.

The decrease in the profit before tax for the current quarter ended 30 June 2016 of RM0.4 million or 1.5% as compared to the preceding quarter ended 31 March 2016 was due to slightly lower margin recorded for certain projects nearing completion and also the increase in steel prices.

**B3. Prospects**

The Directors expect the Group's 2017 performance to be challenging but sustainable on the back of the continued growth expected from the piling and foundation services in the infrastructure segment.

**B4. Profit Forecast or Profit Guarantee**

Not applicable as there was no profit forecast or profit guarantee issued.

**ECONPILE HOLDINGS BERHAD**

(Company No. 1017164-M)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - FOURTH QUARTER ENDED 30 JUNE 2016****B5. Profit Before Tax**

Profit for the current quarter and financial year ended 30 June 2016 is stated after charging/(crediting) :-

	<b>Current quarter ended 30.06.16 RM'000</b>	<b>Current financial year ended 30.06.16 RM'000</b>
Depreciation of investment properties	21	59
Depreciation of properties, plant and equipments	5,191	19,932
Expenses related to defined benefit plan	499	1,995
Finance income	(169)	(822)
Finance expense	461	1,573

**B6. Taxation**

	<b>Current quarter ended 30.06.16 RM'000</b>	<b>Current financial year ended 30.06.16 RM'000</b>
Current tax expense		
- current year	5,753	23,103
Deferred tax expense	895	895
	<u>6,648</u>	<u>23,998</u>

The effective tax rate for the current quarter and financial year ended 30 June 2016 was higher than the statutory tax rate of 24 percent is primarily due to certain expenses not allowable for tax purposes.

**B7. Status of Corporate Proposal**

There were no pending corporate proposals up to 19 August 2016, being a date not earlier than 7 days from the date of this announcement.

**B8. Investment in Quoted Securities**

There were no purchases or disposals of quoted securities during the current quarter and financial year ended 30 June 2016.

**B9. Sale of Unquoted Investments and/or Properties**

There were no sale of unquoted investment and/or properties during the current quarter and financial year ended 30 June 2016.

**B10. Group Borrowings and Debt Securities**

The Group's borrowings as at 30 June 2016 are as follows:

	<b>Short Term RM'000</b>	<b>Long Term RM'000</b>	<b>Total RM'000</b>
<u>Secured</u>			
Bankers acceptances	22,399	-	22,399
Finance lease liabilities	4,006	1,733	5,739
Term loans	106	2,622	2,728
	<u>26,511</u>	<u>4,355</u>	<u>30,866</u>

All borrowings of the Group are denominated in Ringgit Malaysia.

**ECONPILE HOLDINGS BERHAD**

(Company No. 1017164-M)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - FOURTH QUARTER ENDED 30 JUNE 2016****B11. Realised/Unrealised profits**

	As at <b>30.06.16</b> RM'000	As at <b>30.06.15</b> RM'000
Total retained earnings of the Company and its subsidiaries		
- realised	202,945	154,724
- unrealised	4,694	(3,727)
Total retained earnings as per consolidated accounts	<u>207,639</u>	<u>150,997</u>

**B12. Off Balance Sheet Financial Instruments**

Save for below, there were no financial instruments with off balance sheet risks as at 19 August 2016, being a date not earlier than 7 days from the date of this announcement.

	As at <b>19.08.16</b> RM'000	As at <b>30.06.15</b> RM'000
Group		
Performance guarantees given to contract customers and suppliers in relation to construction contracts	<u>125,501</u>	<u>29,417</u>

**B13. Material Litigation**

In June 2015, a subsidiary of the Group, Econpile (M) Sdn Bhd ("EMSB") filed a litigation against a customer for default in payment and wrongful termination, and therefore served a Notice of Adjudication in accordance with the Construction Industry Payment and Adjudication Act 2012 against the customer. In September 2015, the customer served a Notice of Demand on the subsidiary for alleged liquidated and ascertained damages and loss of profit resulting from the non-performance of the contract, and thereafter served the subsidiary a Notice of Arbitration.

On 15 July 2016, the Company announced that EMSB had on 11 July 2016, received a sum of RM2,033,225.03 being the judgement sum together with interest and costs awarded to EMSB in relation to the adjudication decision on 30 October 2015.

Save for the above, the Group does not have any material litigation as at 19 August 2016, being a date not earlier than 7 days from the date of this announcement.

**B14. Dividend**

The Board of Directors has approved and declared a single-tier second interim dividend of 2.5 sen per ordinary share, amounting to RM13,375,000.25 which was paid on 28 June 2016. The total dividend paid for the financial year ended 30 June 2016 amounted to 3.5 sen per ordinary share totalling RM18,725,000.35.

**B15. Earnings Per Share**

The earnings per share for the current quarter and financial year ended 30 June 2016 is computed as follows:-

	Current quarter ended <b>30.06.16</b> RM'000	Current financial year ended <b>30.06.16</b> RM'000
Profit for the quarter/year, attributable to owners of the parent	<u>17,019</u>	<u>65,979</u>
Weighted average number of ordinary shares of RM0.20 each in issue	<u>535,000</u>	<u>535,000</u>
Basic Earnings Per Share (sen)	<u>3.18</u>	<u>12.33</u>

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the financial year ended 30 June 2016.