



HLT GLOBAL BERHAD

(Company No: 1163324-H)
(Incorporated in Malaysia)

Year 2018

Quarterly Announcement

For the Third Quarter Ended 30 September 2018

HLT GLOBAL BERHAD

(Company No: 1163324-H)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2018⁽¹⁾

	Note	--- Individual Quarter ---		--- Cumulative Quarter ---	
		Unaudited Current year quarter 30.09.2018 RM'000	Unaudited Preceding year quarter 30.09.2017 RM'000	Unaudited Current year- to-date 30.09.2018 RM'000	Unaudited Preceding year- to-date 30.09.2017 RM'000
Revenue	A9	46,831	8,832	88,373	35,722
Cost of sales		(44,122)	(10,521)	(80,970)	(34,524)
Gross profit/(loss)		2,709	(1,689)	7,403	1,198
Other operating income		150	94	1,389	257
Selling and distribution expenses		(695)	(69)	(1,183)	(181)
Administrative and other expenses		(1,320)	(849)	(13,696)	(3,287)
Finance costs		(55)	-	(71)	(3)
Profit/(Loss) before taxation		789	(2,513)	(6,158)	(2,016)
Income tax expense	B4	-	-	-	(9)
Profit/(Loss) after taxation		789	(2,513)	(6,158)	(2,025)
Other comprehensive income		-	-	-	-
Total comprehensive income/(expenses) for the financial period		789	(2,513)	(6,158)	(2,025)
Profit/(Loss) after taxation attributable to:					
- Owners of the Company		963	(2,513)	(5,695)	(2,025)
- Non-controlling interests		(174)	-	(463)	-
		789	(2,513)	(6,158)	(2,025)
Total comprehensive income/(expenses) attributable to:					
- Owners of the Company		963	(2,513)	(5,695)	(2,025)
- Non-controlling interests		(174)	-	(463)	-
		789	(2,513)	(6,158)	(2,025)
Earnings/(Loss) per share (sen):					
- Basic	B12	0.15	(0.95)	(1.35)	(0.77)
- Diluted ⁽²⁾	B12	0.14	(0.95)	(1.35)	(0.77)

Notes:-

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to this interim financial report.
- (2) Diluted loss per share of the Company for the cumulative quarter 30 September 2018 is equivalent to the basic loss per share as the potential conversion of warrants had an anti-dilutive effect on the basic LPS and the Company has no other dilutive potential ordinary shares in issue at the end of the reporting period.

HLT GLOBAL BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018⁽¹⁾

	Note	Unaudited As at 30.09.2018 RM'000	Audited As at 31.12.2017 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		24,411	5,382
Goodwill		11,739	-
		<u>36,150</u>	<u>5,382</u>
CURRENT ASSETS			
Inventories		17,814	5,763
Amount owing by contract customers		14,638	12,726
Trade receivables	B5	37,903	26,465
Other receivables, deposits and prepayment		6,902	1,568
Tax recoverable		146	103
Fixed deposits with licensed banks		7,793	10,202
Cash and bank balances		7,334	9,386
		<u>92,530</u>	<u>66,213</u>
		<u>128,680</u>	<u>71,595</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
EQUITY			
Share capital		73,364	40,465
Merger deficit		(22,033)	(22,033)
Share option reserve		83	83
Retained profits		17,235	25,775
		<u>68,649</u>	<u>44,290</u>
Equity attributable to owners of the Company		68,649	44,290
Non-controlling interests		14,605	-
		<u>83,254</u>	<u>44,290</u>
NON-CURRENT LIABILITIES			
Long-term borrowings	B9	1,876	1,155
Deferred Taxation		1,126	-
		<u>3,002</u>	<u>1,155</u>
CURRENT LIABILITIES			
Amount owing to contract customers		446	6,885
Trade payables		26,469	15,428
Other payables and accruals		13,202	3,756
Short-term borrowings	B9	2,307	81
		<u>42,424</u>	<u>26,150</u>
		<u>45,426</u>	<u>27,305</u>
		<u>128,680</u>	<u>71,595</u>
TOTAL EQUITY AND LIABILITIES			
Net assets per share (RM)		0.16	0.11

Notes:-

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position are detailed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to this interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2018⁽¹⁾

	← Non-Distributable →				Distributable		Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Merger Deficit RM'000	Share Option Reserve RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000	
Balance at 1 January 2018	40,465	-	(22,033)	83	25,775	44,290	44,290
Loss after taxation/Total comprehensive expenses for the financial period	-	-	-	-	(5,695)	(5,695)	(6,158)
Contributions by and distribution to owners of the Company:							
- Share issuance expenses	(101)	-	-	-	-	(101)	(101)
- Acquisition of a subsidiary	33,000	-	-	-	(2,845)	30,155	45,223
Total transactions with owners	32,899	-	-	-	(2,845)	30,054	45,122
Balance at 30 September 2018	73,364	-	(22,033)	83	17,235	68,649	83,254

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2018⁽¹⁾ (CONT'D)

	← Non-Distributable →		Distributable		Attributable to Owners of the Company RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Merger Deficit RM'000	Share Option Reserve RM'000			
Balance at 1 January 2017	22,433	-	(22,033)	357	34,768	-	35,525
Loss after taxation/Total comprehensive expenses for the financial period	-	-	-	-	(2,025)	-	(2,025)
Contributions by and distribution to owners of the Company:							
- Issuance of shares	3,959	13,857	-	-	-	-	17,816
- Share issuance expenses ⁽²⁾	-	(680)	-	-	-	-	(680)
- Dividends	-	-	-	-	(2,650)	-	(2,650)
Total transactions with owners	3,959	13,177	-	-	(2,650)	-	14,486
Balance at 30 September 2017	26,392	13,177	(22,033)	357	30,093	-	47,986

Note:-

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity are detailed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to this interim financial report.
- (2) Share issuance expenses of approximately RM0.680 million for the issuance of new HLT Global shares were written-off against the share premium account under Section 60 of the Companies Act, 1965.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2018⁽¹⁾

	Unaudited Current year-to-date 30.09.2018 RM'000	Unaudited Preceding year-to-date 30.09.2017 RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Loss before taxation	(6,158)	(2,016)
Adjustments for:-		
Depreciation of property, plant and equipment	1,907	432
Equipment written off	4	-
Impairment loss on trade receivables	312	-
Interest expense	49	3
Listing expenses	-	295
Loss on disposal of property, plant and equipment	7	-
Provision for compensation claim	9,014	-
Unrealised (gain)/loss on foreign exchange	(298)	102
Interest income	(1,131)	(252)
	<hr/>	<hr/>
Operating profit/(loss) before working capital changes	3,706	(1,436)
Decrease/(increase) in inventories	6,188	(2,185)
Net (increase)/decrease in amount owing by contract customers	(8,352)	6,885
Increase in trade and other receivables	(6,431)	(6,295)
Decrease in trade and other payables	(5,484)	(6,718)
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CASH FOR OPERATIONS	(10,373)	(9,749)
Income tax paid	(68)	(57)
Income tax refunded	45	138
Interest received	1,131	252
Interest paid	(49)	(3)
	<hr/>	<hr/>
NET CASH FOR OPERATING ACTIVITIES	(9,314)	(9,419)
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of a subsidiary	5,583	-
Purchase of equipment	(1,030)	(78)
Proceed from disposal of property, plant and equipment	1	-
Withdrawal of deposits pledged to licensed bank	-	5,364
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NET CASH FROM INVESTING ACTIVITIES	4,554	5,286
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CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	-	17,816
Payment of listing expenses	-	(1,767)
Repayment of term loan	(179)	(110)
Repayment of hire purchases payables	(22)	-
Drawdown of Bankers' acceptance	501	-
	<hr/>	<hr/>
NET CASH FROM FINANCING ACTIVITIES	300	15,939
	<hr/>	<hr/>
NET (DECREASE) /INCREASE IN CASH AND CASH EQUIVALENTS	(4,460)	11,806
EFFECTS OF FOREIGN EXCHANGE TRANSLATION	(1)	7
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	19,588	834
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CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	15,127	12,647
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2018⁽¹⁾ (CONT'D)

	Current year-to-date 30.09.2018 RM'000	Preceding year-to-date 30.09.2017 RM'000
Cash and cash equivalents comprise the following:		
- Cash and bank balances	7,334	2,531
- Fixed deposits with a licensed bank	7,793	10,116
	15,127	12,647
	15,127	12,647

Notes:-

- (1) *The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are detailed in Note A1 and should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to this interim financial report.*

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