

LIEN HOE CORPORATION BERHAD
(Company No. 8507-X)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE QUARTER ENDED 31 DECEMBER 2016
THE FIGURES HAVE NOT BEEN AUDITED

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Period (Audited)	
	Current Year Quarter 31.12.2016 RM'000	Preceding Year Corresponding Quarter 31.12.2015 RM'000	Current Year To date 31.12.2016 RM'000	Preceding Year Corresponding Period 31.12.2015 RM'000
Revenue	39,225	50,710	123,772	147,452
Cost of sales	(35,442)	(41,723)	(106,506)	(117,019)
Gross profit	3,783	8,987	17,266	30,433
Other income	486	954	960	1,238
Operating and administration expenses	(12,417)	(12,007)	(41,500)	(43,840)
Loss from operations	(8,148)	(2,066)	(23,274)	(12,169)
Finance cost	(1,273)	(1,268)	(5,165)	(5,087)
Loss before tax	(9,421)	(3,334)	(28,439)	(17,256)
Income tax expense	790	444	(20,567)	(460)
Loss net of tax	(8,631)	(2,890)	(49,006)	(17,716)
Other comprehensive income				
Item that will not be reclassified subsequently to profit or loss				
Revaluation of land and buildings	-	-	330,888	-
Total comprehensive income for the period	(8,631)	(2,890)	281,882	(17,716)
Loss attributable to owners of the parent	(8,631)	(2,890)	(49,006)	(17,716)
Total comprehensive income attributable to owners of the parent	(8,631)	(2,890)	281,882	(17,716)
Loss per share attributable to owners of the parent (sen) - basic and fully diluted	(2.52)	(0.84)	(14.29)	(5.17)

(The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2015)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At End Of Current Quarter 31.12.2016 RM'000	(Audited) As At Preceding Financial Year End 31.12.2015 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	560,302	173,962
Investment in an associate	-	-
Other investment	1,000	1,000
Goodwill on consolidation	8,979	8,979
Development expenditure	32,626	28,658
Trade and other receivables	<u>51,396</u>	<u>54,242</u>
	<u>654,303</u>	<u>266,841</u>
Current Assets		
Inventories	10,335	10,483
Trade and other receivables	64,496	65,001
Amount due from customers for contract work	19,206	19,860
Income tax recoverable	3,281	2,372
Cash and bank balances	<u>6,805</u>	<u>7,709</u>
	104,123	105,425
Assets held for sale	<u>16,780</u>	<u>-</u>
	<u>120,903</u>	<u>105,425</u>
TOTAL ASSETS	<u>775,206</u>	<u>372,266</u>
EQUITY AND LIABILITIES		
Equity Attributable to Owners of the Parent		
Share capital	90,435	361,742
Share premium	51,056	51,056
Treasury shares	(5,568)	(5,568)
Reserves	351,012	21,455
Retained earnings/(accumulated losses)	<u>35,012</u>	<u>(188,620)</u>
Total equity	<u>521,947</u>	<u>240,065</u>
Non-Current Liabilities		
Deferred tax liabilities	81,281	9,392
Borrowings	41,310	42,934
Trade and other payables	3,220	4,153
Income tax payable	<u>15,597</u>	<u>-</u>
	<u>141,408</u>	<u>56,479</u>
Current Liabilities		
Borrowings	19,022	17,249
Bank overdrafts	6,243	8,399
Trade and other payables	72,772	47,880
Amount due to customers for contract work	7,306	1,185
Income tax payable	<u>6,508</u>	<u>1,009</u>
	<u>111,851</u>	<u>75,722</u>
Total liabilities	253,259	132,201
TOTAL EQUITY AND LIABILITIES	<u>775,206</u>	<u>372,266</u>
Net assets per share (RM)	1.52	0.70

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2015)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year Todate 31.12.2016 RM'000	Preceding Year Corresponding Period 31.12.2015 RM'000
Operating activities		
Loss before tax	(28,439)	(17,256)
Adjustments for :-		
Non-cash items	10,014	10,552
Non-operating items	4,980	4,955
Operating cash before changes in working capital	<u>(13,445)</u>	<u>(1,749)</u>
Development expenditure	(3,968)	(3,031)
Inventories	148	(62)
Receivables	4,215	(9,849)
Payables	30,240	14,114
Net income taxes paid	(1,251)	(982)
Cash from/(used in) operating activities	<u>15,939</u>	<u>(1,559)</u>
Investing activities		
Purchase of property plant and equipment	(8,903)	(3,688)
Proceeds from disposal of property, plant and equipment	206	205
Interest received	186	132
Cash used in investing activities	<u>(8,511)</u>	<u>(3,351)</u>
Financing activities		
Fixed deposits pledged for banking facilities	(81)	(71)
Net repayment of term loan	(673)	(4,112)
Net drawdown of bankers' acceptance	676	2,456
Net repayment of finance lease payables	(855)	(931)
Interest paid	(5,324)	(5,038)
Cash used in financing activities	<u>(6,257)</u>	<u>(7,696)</u>
Net increase/(decrease) in cash and cash equivalents	<u>1,171</u>	<u>(12,606)</u>
Cash and cash equivalents at beginning of period	(3,188)	9,418
Cash and cash equivalents at end of period	<u>(2,017)</u>	<u>(3,188)</u>
Cash and cash equivalents comprise :-		
Cash and bank balances	6,805	7,709
Less : Bank overdrafts	(6,243)	(8,399)
: Fixed deposits pledged	(2,579)	(2,498)
	<u>(2,017)</u>	<u>(3,188)</u>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2015)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<----- Attributable to owners of the parent ----->						
	<----- Non-distributable----->			Distributable			
						(Accumulated losses)/ Retained earnings	
	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Asset revaluation reserve RM'000	Capital reserve RM'000	RM'000	Total RM'000
At 1 January 2015	361,742	51,056	(5,568)	-	21,455	(170,904)	257,781
Loss net of tax for the year, representing total comprehensive income for the year	-	-	-	-	-	(17,716)	(17,716)
At 31 December 2015	361,742	51,056	(5,568)	-	21,455	(188,620)	240,065
At 1 January 2016	361,742	51,056	(5,568)	-	21,455	(188,620)	240,065
Loss net of tax for the year	-	-	-	-	-	(49,006)	(49,006)
Other comprehensive income for the year	-	-	-	330,888	-	-	330,888
Total comprehensive income for the year	-	-	-	330,888	-	(49,006)	281,882
Realisation of asset revaluation reserve	-	-	-	(1,331)	-	1,331	-
Transaction with owners: Share par value reduction	(271,307)	-	-	-	-	271,307	-
At 31 December 2016	90,435	51,056	(5,568)	329,557	21,455	35,012	521,947

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2015)