

HIAP TECK VENTURE BERHAD
(Company No:421340-U)
(Incorporated in Malaysia)

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for 2nd quarter from 1 November 2014 to 31 January 2015

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	31/01/2015	31/01/2014	31/01/2015	31/01/2014
	RM'000	RM'000	RM'000	RM'000
Revenue	301,115	259,134	608,572	529,580
Cost of Sales	(274,578)	(231,257)	(557,894)	(479,996)
Gross Profit	26,537	27,877	50,678	49,584
Other Income	11,353	8,794	19,611	20,511
Operating Expenses	(15,436)	(11,689)	(30,317)	(24,663)
Other Expenses	(485)	(9)	(730)	(9)
Profit from Operations	21,969	24,973	39,242	45,423
Finance Costs	(7,803)	(6,105)	(15,121)	(12,403)
Share of loss of jointly controlled entity	(16,113)	(6,644)	(21,081)	(3,711)
(Loss)/Profit Before Tax	(1,947)	12,224	3,040	29,309
Income tax	(4,143)	(4,944)	(6,283)	(7,969)
(Loss)/Profit for the Period	(6,090)	7,280	(3,243)	21,340
Other Comprehensive Income				
Net (loss)/gain on available-for-sale financial assets - fair value changes	(491)	(650)	(143)	(950)
Foreign currency translation	(85)	(494)	(89)	(656)
	(576)	(1,144)	(232)	(1,606)
Total Comprehensive Income	(6,666)	6,136	(3,475)	19,734
Profit Attributable to:				
Owners of the parent	(6,087)	7,280	(3,239)	21,340
Minority Interest	(3)	-	(4)	-
	(6,090)	7,280	(3,243)	21,340
Total Comprehensive Income Attributable to:				
Owners of the parent	(6,663)	6,136	(3,471)	19,734
Minority Interest	(3)	-	(4)	-
	(6,666)	6,136	(3,475)	19,734
Earnings Per Share (EPS)				
(a) Basic (sen)	(0.85)	1.03	(0.45)	3.01
(b) Diluted (sen)	(0.84)	1.01	(0.45)	2.97

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 July 2014 and the accompanying explanatory notes attached to the interim financial statements.

HIAP TECK VENTURE BERHAD
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Condensed Consolidated Statements of Financial Position as at 31 January 2015

	31/01/2015 (Unaudited)	31/7/2014 (Audited)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	283,140	288,188
Mining exploration & evaluation asset	18,022	-
Investment in jointly controlled entity	111,787	132,869
Investment in associates company	480	-
Investment properties	7,714	7,794
Available-for-sale - financial assets	2,307	2,451
Deferred tax assets	1,446	2,670
Trade and other receivables (Amount due from jointly controlled entity)	477,094	466,678
	<u>901,990</u>	<u>900,650</u>
Current assets		
Inventories	365,150	354,840
Trade and other receivables	327,204	276,502
Tax recoverable	2,204	1,056
Available-for-sale - financial assets	64,868	27,879
Cash and cash equivalents	37,372	56,677
	<u>796,798</u>	<u>716,954</u>
Total assets	<u>1,698,788</u>	<u>1,617,604</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	359,181	358,978
Share premium	38,159	38,143
Treasury shares	(7,496)	(7,495)
Warrant reserve	18,459	18,459
Foreign reserve	(196)	(107)
Share option reserve	3,023	2,591
Fair value adjustment reserve	(179)	(36)
Equity component of redeemable convertible secured bonds, net of tax	(353)	(353)
Retained profits	534,936	542,453
	<u>945,534</u>	<u>952,633</u>
Minority Interest	505	-
Total equity	<u>946,039</u>	<u>952,633</u>
Non-current liabilities		
Borrowings	129,487	127,758
Deferred tax liabilities	11,044	11,750
	<u>140,531</u>	<u>139,508</u>
Current liabilities		
Borrowings	531,906	449,974
Trade and other payables	78,221	75,489
Tax payable	2,091	-
	<u>612,218</u>	<u>525,463</u>
Total liabilities	<u>752,749</u>	<u>664,971</u>
Total equity and liabilities	<u>1,698,788</u>	<u>1,617,604</u>
Net assets per share attributable to owners of the parent (RM)	1.33	1.34

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 July 2014 and the accompanying explanatory notes attached to the interim financial statement.

HIAP TECK VENTURE BERHAD
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Condensed Consolidated Statements of Cash Flows for the period ended 31 January 2015

	Current Year To-date 31/01/2015 RM'000	Preceding Year Corresponding Period 31/01/2014 RM'000
<u>Operating Activities</u>		
Profit Before Tax	3,040	29,309
Adjustments for:		
Dividend income	-	(50)
Depreciation of investment property	79	79
Depreciation of property, plant and equipment	11,722	11,938
Equity-settled share based payments	448	-
Gain on bargain purchase	(71)	-
Gain on disposal of property, plant and equipment	(1,462)	(1,220)
Interest expense	15,121	12,403
Finance income:		
Available-for-sale financial assets	(927)	(218)
Deposits	(138)	(149)
Jointly controlled entity	(10,095)	(8,988)
Net overdue interest income	(106)	(81)
Net unrealised foreign exchange gain	(1,946)	(2,931)
Property, plant and equipment written off	21	9
Reversal of allowance for doubtful debts	-	(2)
Share of loss of jointly controlled entity	21,081	3,711
Operating profit before changes in working capital	36,767	43,810
Net change in current assets	(61,326)	95,420
Net change in current liabilities	(19,682)	(9,364)
Cash generated from operations	(44,241)	129,866
Interest paid	(11,546)	(14,696)
Net overdue interest income received	106	81
Taxes paid, net of taxes refunded	(4,822)	(4,544)
Net cash from operating activities	(60,503)	110,707
<u>Investing Activities</u>		
Finance income:		
Available-for-sale financial assets	927	218
Deposits	138	149
Jointly controlled entity	10,095	8,988
Dividend income	-	50
Investment in available-for-sale financial assets	(36,989)	-
Investment in shares of associate	(480)	-
Acquisition of subsidiary, net of cash received	47	-
Proceeds from disposal of property, plant and equipment	1,934	2,008
Proceeds from disposal of available-for-sale financial assets	-	36,176
Purchase of property, plant and equipment	(5,272)	(3,396)
Increase in mining exploration and evaluation asset	(735)	-
Advances to jointly controlled entity	(10,416)	(57,086)
Net cash used in investing activities	(40,751)	(12,893)
<u>Financing Activities</u>		
Dividends paid	-	(4,250)
Issuance of ordinary shares	203	15
Purchase of treasury shares	(1)	(1)
Drawdown/(repayment) of borrowings	81,932	(98,155)
Net cash (used in)/from financing activities	82,134	(102,391)
Net Change in Cash and Cash Equivalents	(19,120)	(4,577)
Effect of exchange rate changes	(185)	(205)
Cash and Cash Equivalents at beginning of period	56,677	51,449
Cash and Cash Equivalents at end of period	37,372	46,667

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 July 2014 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statements of Changes in Equity for the period ended 31 January 2015

	----- Attributable to equity holders of the parent ----->											
	----- Non-distributable -----						----- <Distributable> -----					
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Warrant Reserve RM'000	Foreign Reserve RM'000	Share Option Reserve RM'000	Fair Value Adjustment Reserve RM'000	Equity Component of Redeemable Convertible Secured Bonds, net of tax RM'000	Retained Profits RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
As at end of current quarter ended 31 January 2015												
Opening balance as at 1 August 2014	358,978	(7,495)	38,143	18,459	(107)	2,591	(36)	(353)	542,453	952,633	-	952,633
Total comprehensive income	-	-	-	-	(89)	-	(143)	-	(3,239)	(3,471)	(4)	(3,475)
Transactions with owners												
Share options exercised	203	-	-	-	-	-	-	-	-	203	-	203
Purchase of treasury shares	-	(1)	-	-	-	-	-	-	-	(1)	-	(1)
Transfer to share premium for share options exercised	-	-	16	-	-	(16)	-	-	-	-	-	-
Equity-settled share based payments	-	-	-	-	-	448	-	-	-	448	-	448
Minority Interest on Acquisition of Subsidiary	-	-	-	-	-	-	-	-	-	-	509	509
Final dividend for the financial year ended 31 July 2014 (Single tier of 1.2%)	-	-	-	-	-	-	-	-	(4,278)	(4,278)	-	(4,278)
Transactions with owners	203	(1)	16	-	-	432	-	-	(4,278)	(3,628)	509	(3,119)
Closing balance as at 31 January 2015	359,181	(7,496)	38,159	18,459	(196)	3,023	(179)	(353)	534,936	945,534	505	946,039
As at preceding year corresponding quarter ended 31 January 2014												
Opening balance as at 1 August 2013	356,871	(7,494)	37,973	18,459	563	1,047	809	(353)	501,138	909,013	-	909,013
Total comprehensive income	-	-	-	-	(656)	-	(950)	-	21,340	19,734	-	19,734
Transactions with owners												
Share options exercised	15	-	-	-	-	-	-	-	-	15	-	15
Purchase of treasury shares	-	(1)	-	-	-	-	-	-	-	(1)	-	(1)
Transfer to share premium for share options exercised	-	-	1	-	-	(1)	-	-	-	-	-	-
Final dividend for the financial year ended 31 July 2013 (Single tier of 1.2%)	-	-	-	-	-	-	-	-	(4,250)	(4,250)	-	(4,250)
Transactions with owners	15	(1)	1	-	-	(1)	-	-	(4,250)	(4,236)	-	(4,236)
Closing balance as at 31 January 2014	356,886	(7,495)	37,974	18,459	(93)	1,046	(141)	(353)	518,228	924,511	-	924,511

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 July 2014 and the accompanying explanatory notes attached to the interim financial statement