

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

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for 1st quarter from 1 August 2016 to 31 October 2016

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	31/10/2016	31/10/2015	31/10/2016	31/10/2015
	RM'000	RM'000	RM'000	RM'000
Revenue	279,123	317,373	279,123	317,373
Cost of Sales	(241,240)	(293,528)	(241,240)	(293,528)
Gross Profit	37,883	23,845	37,883	23,845
Other Income	14,477	13,510	14,477	13,510
Operating Expenses	(13,118)	(14,702)	(13,118)	(14,702)
Other Expenses	(232)	(785)	(232)	(785)
Profit from Operations	39,010	21,868	39,010	21,868
Finance Costs	(8,395)	(7,460)	(8,395)	(7,460)
Share of loss of equity accounted investees, net of tax	(25,241)	(50,210)	(25,241)	(50,210)
Profit/(Loss) Before Tax	5,374	(35,802)	5,374	(35,802)
Income tax	(6,509)	(1,410)	(6,509)	(1,410)
Profit/(Loss) for the Period	(1,135)	(37,212)	(1,135)	(37,212)
Other Comprehensive Income				
Net loss on available-for-sale financial assets - fair value changes	234	(207)	234	(207)
Foreign currency translation	(74)	(191)	(74)	(191)
	160	(398)	160	(398)
Total Comprehensive Income	(975)	(37,610)	(975)	(37,610)
Profit/(Loss) Attributable to:				
Owners of the parent	(958)	(37,220)	(958)	(37,220)
Minority Interest	(177)	8	(177)	8
	(1,135)	(37,212)	(1,135)	(37,212)
Total Comprehensive Income Attributable to:				
Owners of the parent	(798)	(37,618)	(798)	(37,618)
Minority Interest	(177)	8	(177)	8
	(975)	(37,610)	(975)	(37,610)
Loss Per Share (LPS)				
(a) Basic (sen)	(0.07)	(5.22)	(0.07)	(5.22)
(b) Diluted (sen)	N/A	N/A	N/A	N/A

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 2016 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 October 2016

	31/10/2016 (Unaudited)	31/7/2016 (Audited)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	254,151	256,486
Mining exploration & evaluation asset	19,755	19,597
Investment properties	7,437	7,476
Investment in jointly controlled entity	29,915	55,157
Investment in associate	-	475
Available-for-sale - financial assets	1,142	909
Deferred tax assets	302	302
Trade and other receivables (Amount due from jointly controlled entity)	269,055	279,612
	<u>581,757</u>	<u>620,014</u>
Current assets		
Inventories	231,748	254,993
Trade and other receivables	628,103	528,071
Tax recoverable	2,467	2,235
Available-for-sale - financial assets	46,809	5,189
Cash and cash equivalents	195,159	241,492
	<u>1,104,286</u>	<u>1,031,980</u>
Total assets	<u>1,686,043</u>	<u>1,651,994</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	644,358	644,358
Share premium	-	-
Treasury shares	(7,496)	(7,496)
Warrant reserve	48,800	48,800
Foreign reserve	(356)	(282)
Share option reserve	4,302	4,190
Fair value adjustment reserve	(1,467)	(1,701)
Equity component of redeemable convertible secured bonds, net of tax	(353)	(353)
Equity component of RCUIDS, net of tax	54,965	54,965
Retained profits	169,425	170,383
	<u>912,178</u>	<u>912,864</u>
Minority Interest	3	180
Total equity	<u>912,181</u>	<u>913,044</u>
Non-current liabilities		
Borrowings	166,533	165,537
Deferred tax liabilities	40,803	41,080
	<u>207,336</u>	<u>206,617</u>
Current liabilities		
Borrowings	510,964	451,360
Trade and other payables	49,497	75,883
Tax payable	6,065	5,090
	<u>566,526</u>	<u>532,333</u>
Total liabilities	<u>773,862</u>	<u>738,950</u>
Total equity and liabilities	<u>1,686,043</u>	<u>1,651,994</u>
Net assets per share attributable to owners of the parent (RM)	0.71	0.71

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 July 2016 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 October 2016

	Current Year To-date 31/10/2016 RM'000	Preceding Year Corresponding Period 31/10/2015 RM'000
<u>Operating Activities</u>		
(Loss)/Profit Before Tax	5,374	(35,802)
Adjustments for:		
Depreciation of investment property	39	40
Depreciation of property, plant and equipment	4,085	6,310
Equity-settled share based payments	112	112
Gain on disposal of property, plant and equipment	(2,815)	(733)
Loss on disposal of an associate company	2	-
Interest expense	8,395	7,460
Finance income:		
Available-for-sale financial assets	(612)	(62)
Deposits	(1,145)	(170)
Jointly controlled entity	(7,190)	-
Net overdue interest income	(132)	(79)
Net unrealised foreign exchange loss / (gain)	(1,990)	(2,016)
Property, plant and equipment written off	44	-
Provision for slow moving inventories	3,020	-
Share of loss of equity accounted investees, net of tax	25,241	50,210
Operating profit before changes in working capital	32,428	25,270
Net change in current assets	(41,657)	(56,228)
Net change in current liabilities	(25,971)	(12,348)
Cash from / (used in) operations	(35,200)	(43,306)
Interest paid	(9,856)	(5,597)
Net overdue interest income received	132	79
Taxes paid, net of taxes refunded	(6,043)	(1,444)
Net cash from / (used in) operating activities	(50,967)	(50,268)
<u>Investing Activities</u>		
Finance income:		
Available-for-sale financial assets	612	62
Deposits	1,145	170
Jointly controlled entity	7,190	-
Investment in available-for-sale financial assets	(41,620)	(9,963)
Proceeds from disposal of property, plant and equipment	3,720	2,613
Purchase of property, plant and equipment	(2,752)	(2,655)
Proceeds from disposal of an associate company	473	-
Additions to mining exploration and evaluation asset	(158)	(263)
Advances to jointly controlled entity	(27,194)	(5,519)
Net cash used in investing activities	(58,584)	(15,555)
<u>Financing Activities</u>		
Drawdown/(repayment) of borrowings	63,291	93,417
Net cash from financing activities	63,291	93,417
Net Change in Cash and Cash Equivalents	(46,260)	27,594
Effect of exchange rate changes	(73)	403
Cash and Cash Equivalents at beginning of period	241,492	65,484
Cash and Cash Equivalents at end of period	195,159	93,481

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 July 2016 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statements of Changes in Equity for the period ended 31 October 2016

	Attributable to equity holders of the parent											Minority Interests RM'000	Total Equity RM'000
	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	Equity Component of RCUIDS, net of tax RM'000	Retained Profits RM'000	Total RM'000		
As at end of current quarter ended 31 October 2016													
Opening balance as at 1 August 2016	644,358	(7,496)	-	48,800	(282)	4,190	(1,701)	(353)	54,965	170,383	912,864	180	913,044
Total comprehensive income	-	-	-	-	(74)	-	234	-	-	(958)	(798)	(177)	(975)
Transactions with owners													
Equity-settled share based payments	-	-	-	-	-	112	-	-	-	-	112	-	112
Transactions with owners	-	-	-	-	-	112	-	-	-	-	112	-	112
Closing balance as at 31 October 2016	644,358	(7,496)	-	48,800	(356)	4,302	(1,467)	(353)	54,965	169,425	912,178	3	912,181
As at preceding year corresponding quarter ended 31 October 2015													
Opening balance as at 1 August 2015	359,195	(7,496)	38,160	18,459	(140)	3,742	(504)	(353)	-	461,086	872,149	792	872,941
Total comprehensive income	-	-	-	-	(191)	-	(207)	-	-	(37,220)	(37,618)	8	(37,610)
Transactions with owners													
Equity-settled share based payment	-	-	-	-	-	112	-	-	-	-	112	-	112
Transactions with owners	-	-	-	-	-	112	-	-	-	-	112	-	112
Closing balance as at 31 October 2015	359,195	(7,496)	38,160	18,459	(331)	3,854	(711)	(353)	-	423,866	834,643	800	835,443

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 July 2016 and the accompanying explanatory notes attached to the interim financial statements.