

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

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for 4th quarter from 1 May 2016 to 31 July 2016

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	31/07/2016	31/07/2015	31/07/2016	31/07/2015
	RM'000	RM'000	RM'000	RM'000
Revenue	260,541	314,002	1,138,061	1,257,619
Cost of Sales	(220,035)	(285,176)	(1,013,680)	(1,145,656)
Gross Profit	40,506	28,826	124,381	111,963
Other Income	26,264	12,004	39,811	40,571
Operating Expenses	(13,321)	(14,452)	(54,053)	(61,798)
Other Expenses	(176)	(56,043)	(3,811)	(65,421)
Profit from Operations	53,273	(29,665)	106,328	25,315
Finance Costs	(8,316)	(8,866)	(31,722)	(32,101)
Share of loss of equity accounted investees, net of tax	(27,160)	(26,119)	(99,223)	(59,674)
Profit/(Loss) Before Tax	17,797	(64,650)	(24,617)	(66,460)
Income tax	(10,101)	(3,721)	(17,556)	(10,346)
Profit/(Loss) for the Period	7,696	(68,371)	(42,173)	(76,806)
Other Comprehensive Income				
Net loss on available-for-sale financial assets - fair value changes	(653)	(294)	(1,197)	(468)
Foreign currency translation	595	50	(142)	(33)
	(58)	(244)	(1,339)	(501)
Total Comprehensive Income	7,638	(68,615)	(43,512)	(77,307)
Profit/(Loss) Attributable to:				
Owners of the parent	7,875	(68,659)	(41,561)	(77,089)
Minority Interest	(179)	288	(612)	283
	7,696	(68,371)	(42,173)	(76,806)
Total Comprehensive Income Attributable to:				
Owners of the parent	7,817	(68,903)	(42,900)	(77,590)
Minority Interest	(179)	288	(612)	283
	7,638	(68,615)	(43,512)	(77,307)
Loss Per Share (LPS)				
(a) Basic (sen)	0.61	(9.63)	(3.24)	(10.88)
(b) Diluted (sen)	N/A	(9.55)	N/A	(10.78)

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 2015 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 July 2016

	31/07/2016 (Unaudited)	31/7/2015 (Audited)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	256,486	275,714
Mining exploration & evaluation asset	19,597	18,704
Investment properties	7,476	7,635
Investment in jointly controlled entity	55,157	154,376
Investment in associate	475	479
Available-for-sale - financial assets	909	2,106
Deferred tax assets	302	1,351
Trade and other receivables (Amount due from jointly controlled entity)	279,612	152,336
	<u>620,014</u>	<u>612,701</u>
Current assets		
Inventories	254,993	293,157
Trade and other receivables	528,071	534,221
Tax recoverable	2,235	2,109
Available-for-sale - financial assets	5,189	1,234
Cash and cash equivalents	241,492	65,484
	<u>1,031,980</u>	<u>896,205</u>
Total assets	<u>1,651,994</u>	<u>1,508,906</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	644,359	359,195
Share premium	-	38,160
Treasury shares	(7,496)	(7,496)
Warrant reserve	48,800	18,459
Foreign reserve	(282)	(140)
Share option reserve	4,190	3,742
Fair value adjustment reserve	(1,701)	(504)
Equity component of redeemable convertible secured bonds, net of tax	(353)	(353)
Equity component of RCUIDS, net of tax	54,965	-
Retained profits	170,382	461,086
	<u>912,864</u>	<u>872,149</u>
Minority Interest	180	792
Total equity	<u>913,044</u>	<u>872,941</u>
Non-current liabilities		
Borrowings	135,200	131,346
Liability component of RCUIDS, net of tax	30,337	-
Deferred tax liabilities	41,080	11,351
	<u>206,617</u>	<u>142,697</u>
Current liabilities		
Borrowings	451,360	395,380
Trade and other payables	75,883	97,347
Tax payable	5,090	541
	<u>532,333</u>	<u>493,268</u>
Total liabilities	<u>738,950</u>	<u>635,965</u>
Total equity and liabilities	<u>1,651,994</u>	<u>1,508,906</u>
Net assets per share attributable to owners of the parent (RM)	0.71	1.22

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 July 2015 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 July 2016

	Current Year To-date 31/07/2016 RM'000	Preceding Year Corresponding Period 31/07/2015 RM'000
<u>Operating Activities</u>		
(Loss)/Profit Before Tax	(24,617)	(66,460)
Adjustments for:		
Allowance for doubtful debts	634	-
Dividend income	(33)	(123)
Depreciation of investment property	159	159
Depreciation of property, plant and equipment	21,706	23,842
Equity-settled share based payments	448	1,168
Gain on bargain purchase	-	(72)
Gain on disposal of property, plant and equipment	(3,811)	(2,442)
(Gain)/loss on disposal of available-for-sale financial assets	(103)	-
Interest expense	31,722	32,101
Finance income:		
Available-for-sale financial assets	(787)	(1,601)
Deposits	(1,988)	(532)
Jointly controlled entity	(24,245)	(20,215)
Net overdue interest income	(355)	(145)
Net unrealised foreign exchange loss / (gain)	1,400	(3,014)
Property, plant and equipment written off	20	110
Provision for loss of inventories	-	8,805
Impairments of investment in jointly controlled entity	-	55,000
Share of loss of equity accounted investees, net of tax	99,223	59,674
Operating profit before changes in working capital	99,373	86,255
Net change in current assets	59,391	25,278
Net change in current liabilities	(22,731)	2,831
Cash from / (used in) operations	136,033	114,364
Interest paid	(27,542)	(28,360)
Net overdue interest income received	355	145
Taxes paid, net of taxes refunded	(9,293)	(9,938)
Net cash from / (used in) operating activities	99,553	76,211
<u>Investing Activities</u>		
Finance income:		
Available-for-sale financial assets	787	1,601
Deposits	1,988	532
Jointly controlled entity	24,245	20,215
Dividend income	33	123
Investment in available-for-sale financial assets	(3,955)	(123)
Investment in share of associate	-	(480)
Acquisition of subsidiary, net of cash received	-	47
Proceeds from disposal of property, plant and equipment	4,539	3,633
Proceeds from disposal of available-for-sale financial assets	103	26,645
Purchase of property, plant and equipment	(2,432)	(10,354)
Additions to mining exploration and evaluation asset	(892)	(1,417)
Advances to jointly controlled entity	(146,274)	(53,643)
Net cash used in investing activities	(121,858)	(13,221)
<u>Financing Activities</u>		
Dividends paid	(2,139)	(4,278)
Issuance of ordinary shares	-	217
Proceed from Issuance of RCUIDS	142,582	-
Purchase of treasury shares	-	(1)
Drawdown/(repayment) of borrowings	58,832	(52,858)
Net cash from financing activities	199,275	(56,920)
Net Change in Cash and Cash Equivalents	176,970	6,070
Effect of exchange rate changes	(962)	4,473
Cash and Cash Equivalents at beginning of period	65,484	54,941
Cash and Cash Equivalents at end of period	241,492	65,484

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 July 2015 and the accompanying explanatory notes attached to the interim financial statements.

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

	----- Attributable to equity holders of the parent -----												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	Minority Interests RM'000	
As at end of current quarter ended 31 July 2016													
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	-	-	-	-	(142)	-	(1,197)	-	-	(41,561)	(42,900)	(612)	(43,512)
Transactions with owners													
Issue of ordinary shares pursuant to right issue	285,164	-	(38,160)	30,341	-	-	-	-	54,965	(247,004)	85,306	-	85,306
Equity-settled share based payments	-	-	-	-	-	448	-	-	-	-	448	-	448
Final dividend for the financial year ended 31 July 2015 (Single tier of 0.6%)	-	-	-	-	-	-	-	-	-	(2,139)	(2,139)	-	(2,139)
Transactions with owners	285,164	-	(38,160)	30,341	-	448	-	-	54,965	(249,143)	83,615	-	83,615
Closing balance as at 31 July 2016	644,359	(7,496)	-	48,800	(282)	4,190	(1,701)	(353)	54,965	170,382	912,864	180	913,044
As at preceding year corresponding quarter ended 31 July 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	-	-	-	-	(33)	-	(468)	-	-	(77,089)	(77,590)	283	(77,307)
Transactions with owners													
Share options exercised	217	-	-	-	-	-	-	-	-	-	217	-	217
Purchase of treasury shares	-	(1)	-	-	-	-	-	-	-	-	(1)	-	(1)
Transfer to share premium for share options exercised	-	-	17	-	-	(17)	-	-	-	-	-	-	-
Equity-settled share based payment	-	-	-	-	-	1,168	-	-	-	-	1,168	-	1,168
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	217	(1)	17	-	-	1,151	-	-	-	(4,278)	(2,894)	509	(2,385)
Closing balance as at 31 July 2015	359,195	(7,496)	38,160	18,459	(140)	3,742	(504)	(353)	-	461,086	872,149	792	872,941

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 July 2015 and the accompanying explanatory notes attached to the interim financial statements.