

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 2017 to 31 July 2017

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	31/07/2017	31/07/2016	31/07/2017	31/07/2016
	RM'000	RM'000	RM'000	RM'000
Revenue	228,280	260,541	1,073,657	1,138,061
Cost of Sales	(199,532)	(220,035)	(895,420)	(1,013,680)
Gross Profit	28,748	40,506	178,237	124,381
Other Income	15,938	26,264	55,420	39,810
Operating Expenses	(14,158)	(13,321)	(50,656)	(54,052)
Other Expenses	(9,552)	(176)	(12,244)	(3,811)
Profit from Operations	20,976	53,273	170,757	106,328
Finance Costs	(5,407)	(8,316)	(30,255)	(31,722)
Share of loss of equity accounted investees, net of tax	(154,985)	(27,160)	(215,322)	(99,223)
Profit/(Loss) Before Tax	(139,416)	17,797	(74,820)	(24,617)
Income tax	1,547	(10,101)	(28,341)	(17,556)
Profit/(Loss) for the Period	(137,869)	7,696	(103,161)	(42,173)
Other Comprehensive Income				
Net loss on available-for-sale financial assets - fair value changes	(66)	(653)	598	(1,197)
Foreign currency translation	(17)	595	(55)	(142)
	(83)	(58)	543	(1,339)
Total Comprehensive Income	(137,952)	7,638	(102,618)	(43,512)
Profit/(Loss) Attributable to:				
Owners of the parent	(137,867)	7,875	(102,977)	(41,561)
Minority Interest	(2)	(179)	(184)	(612)
	(137,869)	7,696	(103,161)	(42,173)
Total Comprehensive Income Attributable to:				
Owners of the parent	(137,950)	7,817	(102,434)	(42,900)
Minority Interest	(2)	(179)	(184)	(612)
	(137,952)	7,638	(102,618)	(43,512)
Earnings / (Loss) Per Share (EPS)				
(a) Basic (sen)	(10.65)	0.61	(8.00)	(3.24)
(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 July 2017

	31/07/2017 (Unaudited)	31/7/2016 (Audited)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	252,358	256,486
Mining exploration & evaluation asset	20,484	19,597
Investment properties	7,318	7,476
Investment in jointly controlled entity	-	55,157
Investment in associate	-	475
Available-for-sale - financial assets	1,507	909
Deferred tax assets	554	302
Trade and other receivables (Amount due from jointly controlled entity)	90,935	279,612
	<u>373,156</u>	<u>620,014</u>
Current assets		
Inventories	323,847	254,993
Trade and other receivables	564,402	528,071
Tax recoverable	2,348	2,235
Available-for-sale - financial assets	4,691	5,189
Cash and cash equivalents	83,350	241,492
	<u>978,638</u>	<u>1,031,980</u>
Total assets	<u>1,351,794</u>	<u>1,651,994</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	654,864	644,358
Share premium	-	-
Treasury shares	(7,499)	(7,496)
Warrant reserve	30,341	48,800
Foreign reserve	(337)	(282)
Share option reserve	4,638	4,190
Fair value adjustment reserve	(1,103)	(1,701)
Equity component of redeemable convertible secured bonds, net of tax	-	(353)
Equity component of RCUIDS, net of tax	44,459	54,965
Retained profits	82,012	170,383
	<u>807,375</u>	<u>912,864</u>
Minority Interest	(4)	180
Total equity	<u>807,371</u>	<u>913,044</u>
Non-current liabilities		
Borrowings	25,245	165,537
Deferred tax liabilities	36,527	41,080
	<u>61,772</u>	<u>206,617</u>
Current liabilities		
Borrowings	428,427	451,360
Trade and other payables	40,607	75,883
Tax payable	13,617	5,090
	<u>482,651</u>	<u>532,333</u>
Total liabilities	<u>544,423</u>	<u>738,950</u>
Total equity and liabilities	<u>1,351,794</u>	<u>1,651,994</u>
Net assets per share attributable to owners of the parent (RM)	0.62	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 July 2017

	Current Year To-date 31/07/2017 RM'000	Preceding Year Corresponding Period 31/07/2016 RM'000
<u>Operating Activities</u>		
Profit/(Loss) Before Tax	(74,820)	(24,617)
Adjustments for:		
Allowance for doubtful debts	2,193	634
Dividend income	(33)	(33)
Depreciation of investment property	158	159
Depreciation of property, plant and equipment	14,362	21,706
Equity-settled share based payments	448	448
Loss on redemption on Convertible Bonds	9,457	-
Gain on disposal of property, plant and equipment	(6,803)	(3,868)
Loss on disposal of an associate company	2	-
Gain on disposal of available-for-sale financial assets	-	(103)
Interest expense	30,255	31,722
Finance income:		
Available-for-sale financial assets	(1,084)	(787)
Deposits	(2,939)	(1,988)
Jointly controlled entity	(28,997)	(24,245)
Net overdue interest income	(485)	(355)
Net unrealised foreign exchange (gain) / loss	(1,744)	1,400
Property, plant and equipment written off	47	20
Reversal of provision for diminution in value of inventories	-	(4,835)
Inventories written off	-	3,885
Write down of inventories	7,483	14,485
Share of loss of equity accounted investees, net of tax	215,322	99,223
Operating profit before changes in working capital	162,822	112,851
Net change in current assets	(31,833)	45,865
Net change in current liabilities	(34,971)	(22,674)
Cash (used in) / from operations	96,018	136,042
Interest paid	(31,415)	(27,542)
Net overdue interest income received	485	355
Taxes paid, net of taxes refunded	(24,732)	(9,293)
Net cash (used in) / from operating activities	40,356	99,562
<u>Investing Activities</u>		
Finance income:		
Available-for-sale financial assets	1,084	787
Deposits	2,939	1,988
Jointly controlled entity	28,997	24,245
Dividend income	33	33
Investment in available-for-sale financial assets	-	(3,955)
Proceeds from disposal of property, plant and equipment	10,940	4,539
Purchase of property, plant and equipment	(14,418)	(2,432)
Proceeds from disposal of an associate company	473	-
Proceeds from withdrawal of available-for-sale financial assets	498	103
Additions to mining exploration and evaluation asset	(887)	(893)
Advances to jointly controlled entity	(54,656)	(146,274)
Net cash used in investing activities	(24,997)	(121,859)
<u>Financing Activities</u>		
Dividends paid	(3,853)	(2,139)
Convertible secured bonds redeemed	(147,000)	-
Proceed from Issuance of RCUIDS	-	142,582
Purchase of treasury shares	(3)	-
Drawdown/(repayment) of borrowings	(22,865)	58,824
Net cash from financing activities	(173,721)	199,267
Net Change in Cash and Cash Equivalents	(158,362)	176,970
Effect of exchange rate changes	220	(962)
Cash and Cash Equivalents at beginning of period	241,492	65,484
Cash and Cash Equivalents at end of period	83,350	241,492

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 July 2017

	----- 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	Total Equity RM'000
As at end of current quarter ended 31 July 2017													
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	-	-	-	-	(55)	-	598	-	-	(102,977)	(102,434)	(184)	(102,618)
Transactions with owners													
Issuance of ordinary shares pursuant to:- - Conversion of RCUIDS	10,506	-	-	-	-	-	-	-	(10,506)	-	-	-	-
Purchase of treasury shares	-	(3)	-	-	-	-	-	-	-	-	(3)	-	(3)
Convertible secured bonds redeemed	-	-	-	-	-	-	-	353	-	-	353	-	353
Warrants expired	-	-	-	(18,459)	-	-	-	-	-	18,459	-	-	-
Equity-settled share based payments	-	-	-	-	-	448	-	-	-	-	448	-	448
Final dividend for the financial year ended 31 July 2016 (Single tier of 0.6%)	-	-	-	-	-	-	-	-	-	(3,853)	(3,853)	-	(3,853)
Transactions with owners	10,506	(3)	-	(18,459)	-	448	-	353	(10,506)	14,606	(3,055)	-	(3,055)
Closing balance as at 31 July 2017	654,864	(7,499)	-	30,341	(337)	4,638	(1,103)	-	44,459	82,012	807,375	(4)	807,371
As at preceding year corresponding 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													
Issuance of bonus shares pursuant to right issue - RCUIDS (net of tax)	285,163	-	(38,160)	30,341	-	-	-	-	54,965	(247,003)	85,306	-	85,306
Equity-settled share based payment	-	-	-	-	-	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	285,163	-	(38,160)	30,341	-	448	-	-	54,965	(249,142)	83,615	-	83,615
Closing balance as at 31 July 2016	644,358	(7,496)	-	48,800	(282)	4,190	(1,701)	(353)	54,965	170,383	912,864	180	913,044

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.