

**THONG GUAN INDUSTRIES BERHAD ( COMPANY NO. : 324203-K )**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2013**

	3 months ended	
	31.03.2013	31.03.2012
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	7,423	6,746
Adjustments for:		
Depreciation of property, plant and equipment	4,226	4,352
Amortisation of prepaid lease payments	65	65
Gain on disposal of property, plant and equipment	(6)	-
Interest income	(118)	(127)
Interest expense	273	169
(Reversal of)/ impairment loss on other investments	186	(19)
Property, plant and equipment written off	1	-
Operating profit before changes in working capital	<u>12,050</u>	<u>11,186</u>
Changes in working capital:		
Trade and other receivables	(10,183)	(13,993)
Inventories	7,616	25,465
Trade and other payables	(11,307)	(13,753)
Cash (used in)/ from operations	<u>(1,824)</u>	<u>8,905</u>
Income taxes paid	(448)	(619)
<b>Net cash (used in)/ from operating activities</b>	<b><u>(2,272)</u></b>	<b><u>8,286</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(2,297)	(1,493)
Acquisition of prepaid lease payments	(6)	(6)
Proceeds from disposal of property, plant and equipment	7	-
Interest received	118	127
<b>Net cash used in investing activities</b>	<b><u>(2,178)</u></b>	<b><u>(1,372)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(273)	(169)
Proceeds/ (repayment) of finance lease liabilities	934	(129)
(Repayment)/ drawdown of term loans, net	(793)	4,284
Repayment of other bank borrowings, net	(1,299)	(2,777)
<b>Net cash (used in)/ from financing activities</b>	<b><u>(1,431)</u></b>	<b><u>1,209</u></b>
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(5,881)	8,123
Effects of exchange rate fluctuations on cash held	218	(316)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>75,354</u>	<u>36,682</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b><u>69,691</u></b>	<b><u>44,489</u></b>
REPRESENTED BY:-		
Cash and bank balances	45,124	28,717
Short-term deposits with licensed banks	27,829	18,420
Bank overdrafts	(3,262)	(2,648)
	<b><u>69,691</u></b>	<b><u>44,489</u></b>

The Unaudited Condensed Consolidated Statement of Cash Flows (formerly known as Cash Flow Statements) should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.