

THONG GUAN INDUSTRIES BERHAD (COMPANY NO. : 324203-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 JUNE 2013

	6 months ended	
	<u>30.06.2013</u>	<u>30.06.2012</u>
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	14,002	14,376
Adjustments for:		
Depreciation of property, plant and equipment	8,492	8,679
Amortisation of prepaid lease payments	130	130
Gain on disposal of property, plant and equipment	(18)	(87)
Interest income	(353)	(239)
Interest expense	560	355
Impairment loss on other investments	245	124
Property, plant and equipment written off	1	20
Operating profit before changes in working capital	<u>23,059</u>	<u>23,358</u>
Changes in working capital:		
Trade and other receivables	(9,181)	(5,354)
Inventories	6,416	18,442
Trade and other payables	(746)	(12,348)
Cash from operations	<u>19,548</u>	<u>24,098</u>
Income taxes paid	(1,561)	(1,370)
Net cash from operating activities	<u>17,987</u>	<u>22,728</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(3,708)	(3,186)
Acquisition of prepaid lease payments	(12)	(19)
Proceeds from disposal of property, plant and equipment	19	232
Interest received	353	239
Share subscribed by non-controlling interests in an existing subsidiary	-	1,170
Net cash used in investing activities	<u>(3,348)</u>	<u>(1,564)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(560)	(355)
Proceeds/ (repayment) of finance lease liabilities	1,035	(99)
(Repayment)/ drawdown of term loans, net	(1,393)	3,671
(Repayment)/ drawdown of other bank borrowings, net	(4,920)	1,224
Net cash (used in)/ from financing activities	<u>(5,838)</u>	<u>4,441</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	8,801	25,605
Effects of exchange rate fluctuations on cash held	721	107
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>75,354</u>	<u>36,682</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>84,876</u>	<u>62,394</u>
REPRESENTED BY:-		
Cash and bank balances	64,410	36,083
Short-term deposits with licensed banks	23,107	28,670
Bank overdrafts	(2,641)	(2,359)
	<u>84,876</u>	<u>62,394</u>

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.