

HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)  
 INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2012

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31-Mar-12 (RM'000)	31-Mar-11 (RM'000)	31-Mar-12 (RM'000)	31-Mar-11 (RM'000)
Revenue	15,417	19,121	15,417	19,121
Operating Expenses	(15,544)	(19,051)	(15,544)	(19,051)
Other Operating Income	73	132	73	132
Finance Cost	(305)	(253)	(305)	(253)
Share Of Profit/ (Loss) Of An Associate Company	2	(31)	2	(31)
Loss Before Tax	(357)	(82)	(357)	(82)
Taxation	-	-	-	-
Loss For The Period	(357)	(82)	(357)	(82)
Attributable to:				
Owners Of the Company	(357)	(82)	(357)	(82)
Non-Controlling Interests	(357)	(82)	(357)	(82)
Earnings Per Share Attributable to Owners of the Company				
Basic (sen)	(0.89)	(0.20)	(0.89)	(0.20)
Diluted (sen)	N/A	N/A	N/A	N/A

N/A : Not applicable

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31-Mar-12 RM'000	As at 31-Dec-11 RM'000 (Restated)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	17,685	17,876
Prepaid interest in leased land	1,509	1,764
Investment in an associate company	1,714	1,711
	20,908	21,351
<b>Current assets</b>		
Inventories	5,634	6,046
Trade receivables	23,473	25,259
Other receivables	1,233	1,229
Tax recoverable	260	264
Cash and bank balances	2,684	4,105
	33,284	36,903
<b>TOTAL ASSETS</b>	54,192	58,254
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to Owners Of the Company</b>		
Share Capital	40,042	40,042
Capital reserves	-	-
Accumulated Losses	(24,870)	(24,513)
	15,172	15,529
<b>Non-Controlling Interests</b>	-	-
<b>Total equity</b>	15,172	15,529
<b>Non-current liabilities</b>		
Borrowings	1,925	2,215
Deferred tax liabilities	-	-
	1,925	2,215
<b>Current liabilities</b>		
Trade payables	9,226	13,003
Other payables	6,312	7,804
Borrowings	21,329	19,547
Tax payable	228	156
	37,095	40,510
<b>Total liabilities</b>	39,020	42,725
<b>TOTAL EQUITY AND LIABILITIES</b>	54,192	58,254
<b>Net Assets Per Share Attributable to Ordinary Equity Holders of the Company (Sen)</b>	37.89	38.80

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	3 months ended 31-Mar-12 (RM'000)	3 months ended 31-Mar-11 (RM'000)
Net loss before tax	(357)	(82)
<b>Adjustment for non-cash items:-</b>		
Impairment loss on third parties	110	4
Allowance for inventories obsolescence	65	24
Depreciation		
- property, plant and equipment	505	441
- prepaid land lease properties	14	10
Interest income	(4)	(14)
Interest expense	305	253
Non-cash and operating items - others	(9)	(89)
	<u>629</u>	<u>547</u>
<b>Changes in working capital:-</b>		
Decrease in inventories	346	806
Decrease/ (increase) in receivables	1,691	(5,067)
(Decrease)/ increase in payables	(5,269)	2,083
Payment of finance cost	(243)	(192)
Payment of income tax (net of tax refund)	75	(59)
Others	-	(149)
	<u>(3,400)</u>	<u>(2,578)</u>
<b>Net cash flows from operating activities</b>	<u>(2,771)</u>	<u>(2,031)</u>
<b>Investment Activities</b>		
Purchase of property, plant and equipment	(83)	(90)
Proceeds from disposal of property, plant and equipment	-	2
Interest received	4	14
	<u>(79)</u>	<u>(74)</u>
<b>Financing Activities</b>		
Net drawdown of short term borrowings	3,395	2,447
Net repayment of long term borrowings	(273)	(223)
Interest paid	(62)	(61)
	<u>3,060</u>	<u>2,163</u>
<b>Net Change in Cash &amp; Cash Equivalents</b>	210	58
<b>Cash &amp; Cash Equivalents at beginning of year</b>	<u>823</u>	<u>1,717</u>
<b>Cash &amp; Cash Equivalents at end of period</b>	<u><u>1,033</u></u>	<u><u>1,775</u></u>
<b>Cash and cash equivalents at the end of the financial period comprise the following:</b>		
Cash and bank balances	2,684	4,029
Bank overdrafts	(1,651)	(2,254)
	<u>1,033</u>	<u>1,775</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)**  
**INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2012**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 MARCH 2012**

	<-----Attributable to Owners of the Company----->				Non- Controlling Interests	Total Equity
	<-----Non-Distributable----->					
	Share Capital	Capital Reserves	Accumulated Losses	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>At 1st January 2012</b>						
As previously stated	40,042	8	(24,513)	15,537	-	15,537
Effects of the adoption of MFRSs	-	(8)	-	(8)	-	(8)
At 1st January 2012, as restated	40,042	-	(24,513)	15,529	-	15,529
Total comprehensive loss for the period	-	-	(357)	(357)	-	(357)
<b>At 31st March 2012</b>	40,042	-	(24,870)	15,172	-	15,172
<b>At 1st January 2011</b>						
As previously stated	40,042	8	(22,710)	17,340	-	17,340
Effects of the adoption of MFRSs	-	(8)	-	(8)	-	(8)
At 1st January 2011, as restated	40,042	-	(22,710)	17,332	-	17,332
Total comprehensive loss for the period	-	-	(82)	(82)	-	(82)
<b>At 31st March 2011</b>	40,042	-	(22,792)	17,250	-	17,250

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.