

HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)
 INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 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
	30-Jun-12 (RM'000)	30-Jun-11 (RM'000)	30-Jun-12 (RM'000)	30-Jun-11 (RM'000)
Revenue	17,552	17,913	32,969	37,034
Operating Expenses	(17,757)	(18,187)	(33,301)	(37,238)
Other Operating Income	173	201	246	333
Finance Cost	(304)	(298)	(609)	(551)
Share Of Profit/ (Loss) Of An Associate Company	28	(65)	30	(96)
Loss Before Tax	(308)	(436)	(665)	(518)
Taxation	-	-	-	-
Loss For The Period	(308)	(436)	(665)	(518)
Attributable to:				
Owners Of the Company	(308)	(436)	(665)	(518)
Non-Controlling Interests	-	-	-	-
	(308)	(436)	(665)	(518)
Loss Per Share Attributable to Owners of the Company				
Basic (sen)	(0.77)	(1.09)	(1.66)	(1.29)
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.

HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)
 INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2012

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30-Jun-12 (RM'000)	As at 31-Dec-11 (RM'000) (Restated)
ASSETS		
Non-current assets		
Property, plant and equipment	17,267	17,876
Prepaid interest in leased land	1,500	1,764
Investment in an associate company	1,742	1,711
	<u>20,509</u>	<u>21,351</u>
Current assets		
Inventories	5,569	6,046
Trade receivables	25,100	25,259
Other receivables	1,024	1,229
Tax recoverable	302	264
Cash and bank balances	2,353	4,105
	<u>34,348</u>	<u>36,903</u>
TOTAL ASSETS	<u>54,857</u>	<u>58,254</u>
EQUITY AND LIABILITIES		
Equity attributable to Owners Of the Company		
Share Capital	40,042	40,042
Capital reserves	-	-
Accumulated Losses	(25,178)	(24,513)
	<u>14,864</u>	<u>15,529</u>
Non-Controlling Interests	-	-
Total equity	<u>14,864</u>	<u>15,529</u>
Non-current liabilities		
Borrowings	1,622	2,215
Deferred tax liabilities	-	-
	<u>1,622</u>	<u>2,215</u>
Current liabilities		
Trade payables	10,668	13,003
Other payables	6,387	7,804
Borrowings	21,088	19,547
Tax payable	228	156
	<u>38,371</u>	<u>40,510</u>
Total liabilities	<u>39,993</u>	<u>42,725</u>
TOTAL EQUITY AND LIABILITIES	<u>54,857</u>	<u>58,254</u>
Net Assets Per Share Attributable to Ordinary Equity Holders of the Company (Sen)	37.12	38.78

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.

HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)
 INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2012

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	6 months ended 30-Jun-12 (RM'000)	6 months ended 30-Jun-11 (RM'000)
Net loss before tax	(665)	(518)
Adjustment for non-cash items:-		
Impairment loss on third parties	206	11
Allowance for inventories obsolescence	127	81
Depreciation		
- property, plant and equipment	1,021	884
- prepaid land lease properties	26	20
Interest income	8	(24)
Interest expense	609	551
Non-cash and operating items - others	(55)	(75)
	<u>1,277</u>	<u>930</u>
Changes in working capital:-		
Decrease in inventories	349	(1,544)
Decrease/ (increase) in receivables	175	(2,856)
(Decrease)/ increase in payables	(3,753)	1,645
Payment of finance cost	(489)	(429)
Payment of income tax (net of tax refund)	34	(89)
Others	-	(149)
	<u>(3,684)</u>	<u>(3,422)</u>
Net cash flows from operating activities	<u>(2,407)</u>	<u>(2,492)</u>
Investment Activities		
Purchase of property, plant and equipment	(180)	(1,071)
Purchase of prepaid land lease properties	-	(1,127)
Proceeds from disposal of property, plant and equipment	-	6
Interest received	8	24
	<u>(172)</u>	<u>(2,168)</u>
Financing Activities		
Net drawdown of short term borrowings	2,004	3,218
Net repayment of long term borrowings	(550)	465
Interest paid	(120)	(122)
	<u>1,334</u>	<u>3,561</u>
Net Change in Cash & Cash Equivalents	<u>(1,245)</u>	<u>(1,099)</u>
Cash & Cash Equivalents at beginning of year	<u>823</u>	<u>1,717</u>
Cash & Cash Equivalents at end of period	<u>(422)</u>	<u>618</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	2,353	3,439
Bank overdrafts	(2,775)	(2,821)
	<u>(422)</u>	<u>618</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 financial statements.

HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)
INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2012

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2012

	←-----Attributable to Owners of the Company-----→				Non- Controlling Interests	Total Equity
	←-----Non-Distributable-----→		Accumulated Losses	Total		
	Share Capital	Capital Reserves			(RM'000)	(RM'000)
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
At 1st January 2012						
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	-	-	(665)	(665)	-	(665)
At 30th June 2012	40,042	-	(25,178)	14,864	-	14,864
At 1st January 2011						
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	-	-	(518)	(518)	-	(518)
At 30th June 2011	40,042	-	(23,228)	16,814	-	16,814

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.