

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-Sep-12 (RM'000)	Preceding Year Corresponding Quarter 30-Sep-11 (RM'000)	Current Year To Date 30-Sep-12 (RM'000)	Preceding Year Corresponding Quarter 30-Sep-11 (RM'000)
Revenue	15,510	15,867	48,479	52,901
Operating Expenses	(15,782)	(17,175)	(49,083)	(54,413)
Other Operating Income	165	118	411	451
Finance Cost	(308)	(332)	(917)	(883)
Share Of Profit/ (Loss) Of An Associate Company	29	(49)	59	(145)
Loss Before Tax	(386)	(1,571)	(1,051)	(2,089)
Taxation	(49)	19	(49)	19
Loss For The Period	(435)	(1,552)	(1,100)	(2,070)
Attributable to:				
Owners Of the Company	(435)	(1,552)	(1,100)	(2,070)
Non-Controlling Interests	(435)	(1,552)	(1,100)	(2,070)
Earnings Per Share Attributable to Owners of the Company				
Basic (sen)	(1.09)	(3.88)	(2.75)	(5.17)
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 SEPTEMBER 2012

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30-Sep-12 RM'000	As at 31-Dec-11 RM'000 (Restated)
ASSETS		
Non-current assets		
Property, plant and equipment	17,061	17,876
Prepaid interest in leased land	1,486	1,764
Investment in an associate company	1,771	1,711
	20,318	21,351
Current assets		
Inventories	5,241	6,046
Trade receivables	23,838	25,259
Other receivables	969	1,229
Tax recoverable	273	264
Cash and bank balances	3,041	4,105
	33,362	36,903
TOTAL ASSETS	53,680	58,254
EQUITY AND LIABILITIES		
Equity attributable to Owners Of the Company		
Share Capital	40,042	40,042
Capital reserves	-	-
Accumulated Losses	(25,613)	(24,513)
	14,429	15,529
Non-Controlling Interests	-	-
Total equity	14,429	15,529
Non-current liabilities		
Borrowings	1,401	2,215
Deferred tax liabilities	-	-
	1,401	2,215
Current liabilities		
Trade payables	9,441	13,003
Other payables	7,103	7,804
Borrowings	21,093	19,547
Tax payable	213	156
	37,850	40,510
Total liabilities	39,251	42,725
TOTAL EQUITY AND LIABILITIES	53,680	58,254
Net Assets Per Share Attributable to Ordinary Equity Holders of the Company (Sen)	36.03	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 SEPTEMBER 2012

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	9 months ended 30-Sep-12 (RM'000)	9 months ended 30-Sep-11 (RM'000)
Net loss before tax	(1,051)	(2,089)
Adjustment for non-cash items:-		
Impairment loss on third parties	292	14
Allowance for inventories obsolescence	191	138
Depreciation		
- property, plant and equipment	1,542	1,333
- prepaid land lease properties	36	30
Interest income	(11)	(31)
Interest expense	917	883
Non-cash and operating items - others	(114)	(97)
	<u>1,802</u>	<u>181</u>
Changes in working capital:-		
Decrease/ (increase) in inventories	614	(925)
Decrease/ (increase) in receivables	1,458	(570)
Decrease in payables	(4,263)	(404)
Payment of finance cost	(742)	(696)
Payment of income tax (net of tax refund)	(1)	(141)
Others	-	(149)
	<u>(2,934)</u>	<u>(2,885)</u>
Net cash flows from operating activities	<u>(1,132)</u>	<u>(2,704)</u>
Investment Activities		
Purchase of property, plant and equipment	(498)	(2,384)
Purchase of prepaid land lease properties	-	(450)
Proceeds from disposal of property, plant and equipment	-	68
Interest received	11	31
	<u>(487)</u>	<u>(2,735)</u>
Financing Activities		
Net drawdown of short term borrowings	1,577	4,520
Net (repayment)/ drawdown of long term borrowings	(723)	375
Interest paid	(175)	(187)
	<u>679</u>	<u>4,708</u>
Net Change in Cash & Cash Equivalents	(940)	(731)
Cash & Cash Equivalents at beginning of year	<u>823</u>	<u>1,717</u>
Cash & Cash Equivalents at end of period	<u>(117)</u>	<u>986</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	3,041	3,444
Bank overdrafts	(3,158)	(2,458)
	<u>(117)</u>	<u>986</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 30 SEPTEMBER 2012

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE PERIOD ENDED 30 SEPTEMBER 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
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	-	-	(1,100)	(1,100)	-	(1,100)
At 30th September 2012	40,042	-	(25,613)	14,429	-	14,429
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	-	-	(2,070)	(2,070)	-	(2,070)
At 30th September 2011	40,042	-	(24,780)	15,262	-	15,262

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.