

HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)
INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter			Current Year	Preceding Year
	Current Year	Preceding Year		To Date	Corresponding
	Quarter	Quarter		Period	Period
	31-Dec-18	31-Dec-17	31-Dec-18	31-Dec-17	
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	Audited
Revenue	18,287	18,623	*	64,739	64,640 *
Operating Expenses	(20,963)	(17,210)		(67,735)	(62,188)
Other Operating Income	392	350		833	723
Finance Cost	(214)	(181)		(878)	(770)
Share Of Results Of An Associated Company	(182)	202		(589)	(69)
(Loss)/ Profit Before Taxation	(2,680)	1,784		(3,630)	2,336
Taxation	-	(549)		(629)	(1,275)
(Loss)/ Profit For The Year	(2,680)	1,235		(4,259)	1,061
Other Comprehensive Income, Net Of Items That Will Be Reclassified Subsequently To Profit Or Loss Translation Reserves	6	(65)		(60)	(140)
Total Comprehensive (Loss)/ Income For The Year	(2,674)	1,170		(4,319)	921
(Loss)/ Profit For The Year Attributable To:					
Owners Of The Company	(2,668)	1,235		(4,246)	1,061
Non-Controlling Interests	(12)	-		(13)	-
	(2,680)	1,235		(4,259)	1,061
Total Comprehensive (Loss)/ Income For The Year Attributable To:					
Owners Of The Company	(2,662)	1,170		(4,306)	921
Non-Controlling Interests	(12)	-		(13)	-
	(2,674)	1,170		(4,319)	921
(Loss)/ Earnings Per Share Attributable To Owners Of The Company					
Basic (sen)	(3.57)	1.65		(5.67)	1.42
Diluted (sen)	N/A	N/A		N/A	N/A

N/A : Not applicable

* Refer to Notes to Interim Financial Report (A.1. Basis of Preparation)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.

HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)
INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31-Dec-18 RM'000	As at 31-Dec-17 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	13,881	13,996
Prepaid land lease payments	940	983
Investment in an associated company	-	1,777
Trade and other receivables	655	2,198
	<u>15,476</u>	<u>18,954</u>
Current assets		
Inventories	8,037	7,643
Trade and other receivables	21,031	22,554
Prepayments	182	212
Tax recoverable	62	16
Other investment	1	1
Cash, bank balances and short-term deposits	13,049	14,518
	<u>42,362</u>	<u>44,944</u>
TOTAL ASSETS	<u><u>57,838</u></u>	<u><u>63,898</u></u>
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	29,933	29,933
Translation reserves	684	744
Accumulated losses	(5,865)	(1,619)
	<u>24,752</u>	<u>29,058</u>
Non-controlling interests	5	18
Total equity	<u>24,757</u>	<u>29,076</u>
Non-current liability		
Loans and borrowings	548	352
Current liabilities		
Trade and other payables	18,228	20,242
Loans and borrowings	14,305	13,721
Tax payable	-	507
	<u>32,533</u>	<u>34,470</u>
Total liabilities	<u>33,081</u>	<u>34,822</u>
TOTAL EQUITY AND LIABILITIES	<u><u>57,838</u></u>	<u><u>63,898</u></u>
Net Assets Per Share Attributable to Ordinary Equity Holders of the Company (sen)	33.08	38.83

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.

HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)
INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended 31-Dec-18 (RM'000)	12 months ended 31-Dec-17 (RM'000) Audited
(Loss)/ Profit before taxation	(3,630)	2,336
Adjustments for non-cash items:-		
Impairment loss on receivables	1,806	1,083
Amortisation of prepaid land lease payments	43	43
Depreciation of property, plant and equipment	2,292	2,157
Interest income	(421)	(405)
Interest expense	878	770
Share of results of an associated company	589	69
Non-cash and operating items - others	793	39
	<u>2,350</u>	<u>6,092</u>
Changes in working capital:-		
Inventories	(394)	(720)
Receivables	1,659	(2,388)
Prepayments	30	(91)
Payables	(2,014)	80
Payment of finance cost	(822)	(735)
Net payment of income tax	(1,182)	(1,081)
	<u>(2,723)</u>	<u>(4,935)</u>
Net cash flows (used in)/ generated from operating activities	<u>(373)</u>	<u>1,157</u>
Investing Activities		
Purchase of property, plant and equipment	(1,936)	(1,524)
Proceeds from disposal of property, plant and equipment	28	6
Interest received	421	405
Net cash flows used in investing activities	<u>(1,487)</u>	<u>(1,113)</u>
Financing Activities		
Net drawdown/ (repayment) of short term borrowings	156	(94)
Net repayment of long term borrowings	(119)	(259)
Interest paid	(56)	(35)
Net cash flows generated from/ (used in) financing activities	<u>(19)</u>	<u>(388)</u>
Net Change in Cash & Cash Equivalents	(1,879)	(344)
Cash & Cash Equivalents at the beginning of the financial year	11,367	11,710
Effects of the exchange rate changes	<u>1</u>	<u>1</u>
Cash & Cash Equivalents at the end of the financial year	<u>9,489</u>	<u>11,367</u>
Cash and cash equivalents at the end of the financial year comprise of the following:		
Cash and bank balances	2,055	2,714
Deposits with financial institution	10,994	11,804
Bank overdrafts	(3,560)	(3,151)
	<u>9,489</u>	<u>11,367</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.

HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)
INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

	<-----Non-Distributable----->				Non-Controlling Interests	Total Equity
	Share Capital	Translation Reserves	Accumulated Losses	Total	Total	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2018	29,933	744	(1,619)	29,058	18	29,076
Total comprehensive loss for the financial year	-	(60)	(4,246)	(4,306)	(13)	(4,319)
At 31 December 2018	<u>29,933</u>	<u>684</u>	<u>(5,865)</u>	<u>24,752</u>	<u>5</u>	<u>24,757</u>
At 1 January 2017	29,933	884	(2,680)	28,137	18	28,155
Total comprehensive income for the financial year	-	(140)	1,061	921	-	921
At 31 December 2017	<u>29,933</u>	<u>744</u>	<u>(1,619)</u>	<u>29,058</u>	<u>18</u>	<u>29,076</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.