

**HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)**  
**INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Current Year To Date 30-Sep-19 RM'000	Preceding Year Corresponding Period 30-Sep-18 RM'000
	Current Year Quarter 30-Sep-19 RM'000	Preceding Year Corresponding Quarter 30-Sep-18 RM'000		
Revenue	15,524	15,294	46,563	46,452
Operating Expenses	(17,037)	(15,293)	(49,341)	(46,772)
Other Operating Income	654	155	915	441
Finance Cost	(232)	(233)	(738)	(664)
Share Of Results Of An Associated Company	-	(166)	-	(407)
Loss Before Taxation	(1,091)	(243)	(2,601)	(950)
Taxation	255	(282)	55	(629)
Loss For The Period	(836)	(525)	(2,546)	(1,579)
Other Comprehensive Income, Net Of Items That Will Be Reclassified Subsequently To Profit Or Loss Translation Reserves	(65)	(37)	(55)	(66)
<b>Total Comprehensive Loss For The Period</b>	<b>(901)</b>	<b>(562)</b>	<b>(2,601)</b>	<b>(1,645)</b>
<b>Loss For The Period Attributable To:</b>				
<b>Owners Of The Company</b>	(836)	(524)	(2,548)	(1,578)
<b>Non-Controlling Interests</b>	-	(1)	2	(1)
	(836)	(525)	(2,546)	(1,579)
<b>Total Comprehensive Loss For The Period Attributable To:</b>				
<b>Owners Of The Company</b>	(901)	(561)	(2,603)	(1,644)
<b>Non-Controlling Interests</b>	-	(1)	2	(1)
	(901)	(562)	(2,601)	(1,645)
<b>Loss Per Share Attributable To Owners Of The Company</b>				
<b>Basic (sen)</b>	(1.12)	(0.70)	(3.40)	(2.11)
<b>Diluted (sen)</b>	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 financial year ended 31 December 2018 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 PERIOD ENDED 30 SEPTEMBER 2019**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>As at 30-Sep-19 RM'000</b>	<b>As at 31-Dec-18 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	13,262	13,881
Prepaid land lease payments	907	940
Investment in an associated company	-	-
Trade and other receivables	565	655
	<u>14,734</u>	<u>15,476</u>
<b>Current assets</b>		
Inventories	7,371	8,037
Trade and other receivables	23,285	21,031
Prepayments	256	182
Tax recoverable	546	62
Other investment	1	1
Cash, bank balances and short-term deposits	7,708	13,049
	<u>39,167</u>	<u>42,362</u>
<b>TOTAL ASSETS</b>	<u><u>53,901</u></u>	<u><u>57,838</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to Owners of the Company</b>		
Share capital	29,933	29,933
Translation reserves	299	354
Accumulated losses	(8,083)	(5,535)
	<u>22,149</u>	<u>24,752</u>
<b>Non-controlling interests</b>	7	5
<b>Total equity</b>	<u>22,156</u>	<u>24,757</u>
<b>Non-current liability</b>		
Loans and borrowings	569	548
<b>Current liabilities</b>		
Trade and other payables	13,239	16,750
Contract liability	1,816	1,478
Loans and borrowings	16,121	14,305
	<u>31,176</u>	<u>32,533</u>
<b>Total liabilities</b>	<u>31,745</u>	<u>33,081</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>53,901</u></u>	<u><u>57,838</u></u>
<b>Net Assets Per Share Attributable to Ordinary Equity Holders of the Company (sen)</b>	29.60	33.08

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 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 PERIOD ENDED 30 SEPTEMBER 2019**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>9 months ended 30-Sep-19 RM'000</b>	<b>9 months ended 30-Sep-18 RM'000</b>
<b>Loss before taxation</b>	(2,601)	(950)
<b>Adjustments for non-cash items:-</b>		
Impairment loss on receivables	769	848
Amortisation of prepaid land lease payments	33	32
Depreciation of property, plant and equipment	1,561	1,714
Interest income	(254)	(315)
Interest expense	738	664
Share of results of an associated company	-	407
Reversal of impairment loss on receivables	(595)	(39)
Non-cash and operating items - others	(66)	69
	<u>(415)</u>	<u>2,430</u>
<b>Changes in working capital:-</b>		
Inventories	666	998
Receivables	(2,328)	1,287
Prepayments	(74)	1
Payables	(3,173)	(6,276)
Payment of finance cost	(700)	(623)
Net payment of income tax	(429)	(1,092)
	<u>(6,038)</u>	<u>(5,705)</u>
<b>Net cash flows used in operating activities</b>	<u>(6,453)</u>	<u>(3,275)</u>
<b>Investing Activities</b>		
Purchase of property, plant and equipment	(781)	(1,363)
Proceeds from disposal of property, plant and equipment	76	28
Interest received	254	315
<b>Net cash flows used in investing activities</b>	<u>(451)</u>	<u>(1,020)</u>
<b>Financing Activities</b>		
Net drawdown of short term borrowings	2,111	2,319
Net (repayment)/drawdown of long term borrowings	(203)	58
Interest paid	(38)	(41)
<b>Net cash flows generated from financing activities</b>	<u>1,870</u>	<u>2,336</u>
<b>Net Change in Cash &amp; Cash Equivalents</b>	(5,034)	(1,959)
<b>Cash &amp; Cash Equivalents at the beginning of the financial period</b>	9,489	11,367
<b>Effects of the exchange rate changes</b>	-	-
<b>Cash &amp; Cash Equivalents at the end of the financial period</b>	<u>4,455</u>	<u>9,408</u>

**Cash and cash equivalents at the end of the financial period comprise of the following:**

Cash and bank balances	1,663	1,674
Deposits with financial institution	6,045	10,901
Bank overdrafts	(3,253)	(3,167)
	<u>4,455</u>	<u>9,408</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 2018 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 PERIOD ENDED 30 SEPTEMBER 2019**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<-----Attributable to Owners of the Company----->				Non- Controlling Interests	Total Equity
	<-----Non-Distributable----->					
	Share Capital	Translation Reserves	Accumulated Losses	Total	Total	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2019</b>	29,933	354	(5,535)	24,752	5	24,757
Total comprehensive loss for the financial period	-	(55)	(2,548)	(2,603)	2	(2,601)
<b>At 30 September 2019</b>	<u>29,933</u>	<u>299</u>	<u>(8,083)</u>	<u>22,149</u>	<u>7</u>	<u>22,156</u>
<b>At 1 January 2018</b>	29,933	744	(1,619)	29,058	18	29,076
Total comprehensive loss for the financial period	-	(66)	(1,578)	(1,644)	(1)	(1,645)
<b>At 30 September 2018</b>	<u>29,933</u>	<u>678</u>	<u>(3,197)</u>	<u>27,414</u>	<u>17</u>	<u>27,431</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 2018 and the accompanying explanatory notes attached to the interim financial statements.