

**HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)**  
**INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31-Mar-20 RM'000	Preceding Year Corresponding Quarter 31-Mar-19 RM'000	Current Year To Date 31-Mar-20 RM'000	Preceding Year Corresponding Period 31-Mar-19 RM'000
<b>Revenue</b>	17,659	15,324	17,659	15,324
<b>Operating Expenses</b>	(17,386)	(16,159)	(17,386)	(16,159)
<b>Other Operating Income</b>	256	134	256	134
<b>Finance Cost</b>	(239)	(246)	(239)	(246)
<b>Share Of Results Of An Associate</b>	(147)	-	(147)	-
<b>Profit/(Loss) Before Taxation</b>	143	(947)	143	(947)
<b>Taxation</b>	-	(100)	-	(100)
<b>Profit/(Loss) For The Period</b>	143	(1,047)	143	(1,047)
<b>Other Comprehensive Income, Net Of Items That Will Be Reclassified Subsequently To Profit Or Loss Translation Reserves</b>	(13)	44	(13)	44
<b>Total Comprehensive Income/(Loss) For The Period</b>	130	(1,003)	130	(1,003)
<b>Profit/(Loss) For The Period Attributable To:</b>				
<b>Owners Of The Company</b>	143	(1,047)	143	(1,047)
<b>Non-Controlling Interests</b>	-	-	-	-
	143	(1,047)	143	(1,047)
<b>Total Comprehensive Income/(Loss) For The Period Attributable To:</b>				
<b>Owners Of The Company</b>	130	(1,003)	130	(1,003)
<b>Non-Controlling Interests</b>	-	-	-	-
	130	(1,003)	130	(1,003)
<b>Earning/(Loss) Per Share Attributable To Owners Of The Company</b>				
<b>Basic (sen)</b>	0.19	(1.40)	0.19	(1.40)
<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 2019 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 31 MARCH 2020**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>As at 31-Mar-20 RM'000</b>	<b>As at 31-Dec-19 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	11,782	11,768
Right-of-use assets	3,456	3,271
Investment in an associate	-	-
	<u>15,238</u>	<u>15,039</u>
<b>Current assets</b>		
Inventories	6,981	8,227
Trade and other receivables	32,008	25,965
Prepayments	454	282
Tax recoverable	310	250
Other investment	1	1
Cash, bank balances and short-term deposits	3,746	9,073
	<u>43,500</u>	<u>43,798</u>
<b>TOTAL ASSETS</b>	<u><u>58,738</u></u>	<u><u>58,837</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to Owners of the Company</b>		
Share capital	29,933	29,933
Translation reserves	300	313
Accumulated losses	(7,613)	(7,756)
	<u>22,620</u>	<u>22,490</u>
<b>Non-controlling interests</b>	<u>8</u>	<u>8</u>
<b>Total equity</b>	<u>22,628</u>	<u>22,498</u>
<b>Non-current liability</b>		
Lease liabilities	1,106	1,211
<b>Current liabilities</b>		
Trade and other payables	16,118	17,452
Contract liabilities	2,381	2,021
Loans and borrowings	16,072	15,226
Lease liabilities	433	429
	<u>35,004</u>	<u>35,128</u>
<b>Total liabilities</b>	<u>36,110</u>	<u>36,339</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>58,738</u></u>	<u><u>58,837</u></u>
<b>Net Assets Per Share Attributable to Ordinary Equity Holders of the Company (sen)</b>	30.23	30.05

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 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 31 MARCH 2020**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>3 months ended 31-Mar-20 RM'000</b>	<b>3 months ended 31-Mar-19 (RM'000)</b>
<b>Profit/(Loss) before taxation</b>	143	(947)
<b>Adjustments for non-cash items:-</b>		
Impairment loss on receivables	172	96
Amortisation of prepaid land lease payments	-	11
Depreciation of property, plant and equipment	487	548
Depreciation of right-of-use assets	98	-
Interest income	(18)	(108)
Interest expense	239	246
Share of results of an associate	147	-
Reversal of impairment loss on receivables	(623)	-
Reversal of impairment loss on investment of an associate	(160)	-
Non-cash and operating items - others	(58)	115
	<u>427</u>	<u>(39)</u>
<b>Changes in working capital:-</b>		
Inventories	1,246	577
Receivables	(5,534)	341
Prepayments	(172)	(250)
Payables	(974)	(4,043)
Payment of finance cost	(209)	(233)
Net payment of income tax	(60)	(130)
	<u>(5,703)</u>	<u>(3,738)</u>
<b>Net cash flows used in operating activities</b>	<u>(5,276)</u>	<u>(3,777)</u>
<b>Investing Activities</b>		
Purchase of property, plant and equipment & right-of-use assets	(538)	(347)
Proceeds from disposal of property, plant and equipment	3	13
Interest received	18	108
<b>Net cash flows used in investing activities</b>	<u>(517)</u>	<u>(226)</u>
<b>Financing Activities</b>		
Net drawdown of short term borrowings	1,496	4,509
Payment of lease liabilities	(350)	(71)
Interest paid	(30)	(13)
<b>Net cash flows generated from financing activities</b>	<u>1,116</u>	<u>4,425</u>
<b>Net Change in Cash &amp; Cash Equivalents</b>	(4,677)	422
<b>Cash &amp; Cash Equivalents at the beginning of the financial period</b>	5,810	9,489
<b>Effects of the exchange rate changes</b>	-	-
<b>Cash &amp; Cash Equivalents at the end of the financial period</b>	<u>1,133</u>	<u>9,911</u>
<b>Cash and cash equivalents at the end of the financial period comprise of the following:</b>		
Cash and bank balances	2,723	2,119
Deposits with financial institution	1,023	11,085
Bank overdrafts	(2,613)	(3,293)
	<u>1,133</u>	<u>9,911</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 2019 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 31 MARCH 2020**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

<-----Attributable to owners of the Company----->

	<b>Share Capital</b>	<b>Translation Reserves</b>	<b>Accumulated Losses</b>	<b>Shareholders' equity</b>	<b>Non-Controlling Interests</b>	<b>Total equity</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 1 January 2020</b>	29,933	313	(7,756)	22,490	8	22,498
Total comprehensive income for the financial period	-	(13)	143	130	-	130
<b>At 31 March 2020</b>	29,933	300	(7,613)	22,620	8	22,628
<b>At 1 January 2019</b>	29,933	354	(5,535)	24,752	5	24,757
Total comprehensive loss for the financial period	-	44	(1,047)	(1,003)	-	(1,003)
<b>At 31 March 2019</b>	29,933	398	(6,582)	23,749	5	23,754

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 2019 and the accompanying explanatory notes attached to the interim financial statements.