



**HWA TAI INDUSTRIES BERHAD (Company No. 197401002656 (19688-V))**

**INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>As at 30-Sep-20</b>	<b>As at 31-Dec-19</b>
	<b>RM'000</b>	<b>RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	17,768	11,768
Right-of-use assets	3,743	3,271
Investment in an associate	-	-
	<b>21,511</b>	<b>15,039</b>
<b>Current assets</b>		
Inventories	8,932	8,227
Trade and other receivables	24,144	25,965
Prepayments	376	282
Tax recoverable	275	250
Other investment	-	1
Cash, bank balances and short-term deposits	6,456	9,073
	<b>40,183</b>	<b>43,798</b>
<b>TOTAL ASSETS</b>	<b>61,694</b>	<b>58,837</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to Owners of the Company</b>		
Share capital	29,933	29,933
Translation reserves	315	313
Accumulated losses	(7,222)	(7,756)
	<b>23,026</b>	<b>22,490</b>
<b>Non-controlling interests</b>	<b>7</b>	<b>8</b>
<b>Total equity</b>	<b>23,033</b>	<b>22,498</b>
<b>Non-current liability</b>		
Lease liabilities	1,448	1,211
<b>Current liabilities</b>		
Trade and other payables	14,016	17,452
Contract liabilities	3,476	2,021
Loans and borrowings	19,136	15,226
Lease liabilities	585	429
	<b>37,213</b>	<b>35,128</b>
<b>Total liabilities</b>	<b>38,661</b>	<b>36,339</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>61,694</b>	<b>58,837</b>
<b>Net Assets Per Share Attributable to Ordinary Equity Holders of the Company (sen)</b>	<b>30.77</b>	<b>30.05</b>

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.



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**INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

			Cumulative Quarter	
	Current Year Quarter  30-Sep-20 RM'000	Preceding Year Corresponding Quarter 30-Sep-19 RM'000	Current Year To Date  30-Sep-20 RM'000	Preceding Year Corresponding Period 30-Sep-19 RM'000
<b>Revenue</b>	17,820	15,524	54,642	46,563
<b>Operating Expenses</b>	(17,442)	(16,532)	(53,310)	(48,802)
<b>Other Operating Income</b>	-	217	489	709
<b>Finance Cost</b>	(247)	(232)	(729)	(738)
<b>Share Of Results Of An Associate</b>	-	(68)	(344)	(333)
<b>Profit/(Loss) Before Taxation</b>	131	(1,091)	748	(2,601)
<b>Taxation</b>	85	255	(215)	55
<b>Profit/(Loss) For The Period</b>	216	(836)	533	(2,546)
<b>Other Comprehensive Income, Net Of Items That Will Be Reclassified Subsequently To Profit Or Loss Translation Reserves</b>	-	(65)	2	(55)
<b>Total Comprehensive Income/(Loss) For The Period</b>	216	(901)	535	(2,601)
<b>Profit/(Loss) For The Period Attributable To:</b>				
<b>Owners Of The Company</b>	216	(836)	534	(2,548)
<b>Non-Controlling Interests</b>	-	-	(1)	2
	216	(836)	533	(2,546)
<b>Total Comprehensive Income/(Loss) For The Period Attributable To:</b>				
<b>Owners Of The Company</b>	216	(901)	536	(2,603)
<b>Non-Controlling Interests</b>	-	-	(1)	2
	216	(901)	535	(2,601)
<b>Earning/(Loss) Per Share Attributable To Owners Of The Company</b>				
<b>Basic (sen)</b>	0.29	(1.12)	0.71	(3.40)
<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. 197401002656 (19688-V))**  
**INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>9 months ended 30-Sep-20 RM'000</b>	<b>9 months ended 30-Sep-19 (RM'000)</b>
<b>Profit/(Loss) before taxation</b>	748	(2,601)
<b>Adjustments for non-cash items:-</b>		
Impairment loss on receivables	807	769
Amortisation of prepaid land lease payments	-	33
Depreciation of property, plant and equipment	1,479	1,561
Depreciation of right-of-use assets	328	-
Interest income	(56)	(254)
Interest expense	730	738
Share of results of an associate	344	333
Reversal of impairment loss on receivables	(1,264)	(595)
Reversal of impairment loss on investment of an associate	(342)	(388)
Non-cash and operating items - others	(10)	(11)
	<u>2,764</u>	<u>(415)</u>
<b>Changes in working capital:-</b>		
Inventories	(705)	666
Receivables	2,281	(2,328)
Prepayments	(94)	(74)
Payables	(1,981)	(3,173)
Payment of finance cost	(641)	(700)
Net payment of income tax	(240)	(429)
	<u>(1,380)</u>	<u>(6,038)</u>
<b>Net cash flows generated from/(used in) operating activities</b>	<u>1,384</u>	<u>(6,453)</u>
<b>Investing Activities</b>		
Purchase of property, plant and equipment & right-of-use assets	(7,478)	(781)
Proceeds from disposal of property, plant and equipment	4	76
Interest received	56	254
<b>Net cash flows used in investing activities</b>	<u>(7,418)</u>	<u>(451)</u>
<b>Financing Activities</b>		
Net drawdown of short term borrowings	5,901	2,111
Payment of lease liabilities	(428)	(203)
Interest paid	(89)	(38)
<b>Net cash flows generated from financing activities</b>	<u>5,384</u>	<u>1,870</u>
<b>Net Change in Cash &amp; Cash Equivalents</b>	<u>(650)</u>	<u>(5,034)</u>
<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>	24	-
<b>Cash &amp; Cash Equivalents at the end of the financial period</b>	<u>5,184</u>	<u>4,455</u>
<b>Cash and cash equivalents at the end of the financial period comprise of the following:</b>		
Cash and bank balances	1,956	1,663
Deposits with financial institution	4,500	6,045
Bank overdrafts	(1,272)	(3,253)
	<u>5,184</u>	<u>4,455</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.



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**INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<-----Attributable to Owners of the Company----->					
	Share Capital	Translation Reserves	Accumulated Losses	Shareholders' equity	Non-Controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2020</b>	29,933	313	(7,756)	22,490	8	22,498
Total comprehensive income for the financial period	-	2	534	536	(1)	535
<b>At 30 September 2020</b>	29,933	315	(7,222)	23,026	7	23,033
<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>	29,933	299	(8,083)	22,149	7	22,156

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.