

**HO WAH GENTING BERHAD (272923-H)**  
**Condensed Consolidated Income Statement**  
**for the first quarter ended 31 March 2009**

	Individual Quarter 31 March		Cumulative Quarters 31 March	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
<b>Continuing operations</b>				
<b>Revenue</b>				
- sales of goods	21,727	37,837	21,727	37,837
- services	138	117	138	117
	<b>21,865</b>	<b>37,954</b>	<b>21,865</b>	<b>37,954</b>
<b>Cost of sales</b>				
- sales of goods	(22,667)	(33,002)	(22,667)	(33,002)
- services	(22,667)	(33,002)	(22,667)	(33,002)
	<b>(802)</b>	<b>4,952</b>	<b>(802)</b>	<b>4,952</b>
<b>Gross (Loss)/Profit</b>				
Operating expenses	(2,360)	(3,198)	(2,360)	(3,198)
	<b>(3,162)</b>	<b>1,754</b>	<b>(3,162)</b>	<b>1,754</b>
<b>Operating (Loss)/Profit</b>				
Interest expense	(2,127)	(1,533)	(2,127)	(1,533)
Interest income	3	13	3	13
Share of results of Associates	(764)	(29)	(764)	(29)
	<b>(6,049)</b>	<b>205</b>	<b>(6,049)</b>	<b>205</b>
<b>(Loss)/Profit before tax</b>				
Tax expense	353	(294)	353	(294)
	<b>(5,696)</b>	<b>(89)</b>	<b>(5,696)</b>	<b>(89)</b>
<b>Loss for the period</b>				
Attributable to :				
Shareholders of the Company	(5,657)	162	(5,657)	162
Minority interests	(39)	(251)	(39)	(251)
	<b>(5,696)</b>	<b>(89)</b>	<b>(5,696)</b>	<b>(89)</b>
<b>Loss for the period</b>				
Earnings per share attributable to shareholders of the Company				
- <b>Basic (sen)</b>	<b>(2.05)</b>	<b>0.06</b>	<b>(2.05)</b>	<b>0.06</b>
- <b>Fully diluted (sen)</b>	<b>(2.05)</b>	<b>0.06</b>	<b>(2.05)</b>	<b>0.06</b>

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008.

**HO WAH GENTING BERHAD (272923-H)**  
**Condensed Consolidated Balance Sheet**  
**As at 31 March 2009**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
	<b>31.03.09</b>	<b>31.12.08</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	68,322	60,542
Exploration & evaluation assets	993	423
Prepaid lease payments	6,917	6,675
Investment in Associates	25,581	25,763
Other long term investments	187	187
	<b>102,001</b>	<b>93,590</b>
<b>Current assets</b>		
Inventories	45,097	45,463
Leasehold properties held for sale	7,000	7,000
Trade and other receivables	24,255	23,295
Prepaid lease payments	270	256
Tax recoverable	3,266	2,733
Cash and bank balances	6,635	28,285
	<b>86,523</b>	<b>107,032</b>
<b>TOTAL ASSETS</b>	<b>188,523</b>	<b>200,621</b>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to :		
Equity holders of the parent		
Share capital	275,778	275,778
Reserves	(209,986)	(213,781)
	<b>65,792</b>	<b>61,997</b>
Minority interests	746	784
<b>Total equity</b>	<b>66,538</b>	<b>62,781</b>
<b>Non-current and deferred liabilities</b>		
Borrowings	19,204	19,773
Deferred tax liabilities	-	316
	<b>19,204</b>	<b>20,089</b>
<b>Current liabilities</b>		
Trade and other payables	20,113	31,748
Amount due to Associate	2,491	2,586
Borrowings	78,566	81,805
Tax payable	1,611	1,611
	<b>102,782</b>	<b>117,751</b>
<b>Total liabilities</b>	<b>121,986</b>	<b>137,840</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>188,523</b>	<b>200,621</b>
The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 Dec 2008.		
<b>Net Assets per share (RM)</b>	<b>0.239</b>	<b>0.225</b>
<b>Net Tangible Assets per share (RM)</b>	<b>0.238</b>	<b>0.224</b>

**HO WAH GENTING BERHAD (272923-H)**  
**Condensed Consolidated Statement of Changes in Equity**  
**for the first quarter ended 31 March 2009**

	← Attributable to shareholders of the Company < Non-distributable >					→		
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Exchange fluctuation reserve RM'000	Accumulated losses RM'000	Sub-total RM'000	Minority interests RM'000	Total equity RM'000
<b><u>Current 3 months ended 31.03.09</u></b>								
At 1 January 2009	275,778	41,218	-	1,428	(256,426)	61,997	784	62,781
Net profit/(loss) for the period	-	-	-	-	(5,657)	(5,657)	(39)	(5,696)
Fair value adjustment of freehold land and buildings during the period	-	-	6,429	-	-	6,429	-	6,429
Translation differences	-	-	-	3,023	-	3,023	-	3,023
Subscription of shares by minority interests	-	-	-	-	-	-	-	-
<b>At 31 March 2009</b>	<b>275,778</b>	<b>41,218</b>	<b>6,429</b>	<b>4,451</b>	<b>(262,083)</b>	<b>65,792</b>	<b>746</b>	<b>66,538</b>
<b><u>Preceding 3 months ended 31.03.08</u></b>								
At 1 January 2008	275,778	41,218	-	(63)	(252,447)	64,486	13,833	78,319
Net profit/(loss) for the period	-	-	-	-	162	162	(251)	(89)
Disposal of a subsidiary	-	-	-	-	-	-	(1)	(1)
Translation differences	-	-	-	(2,272)	-	(2,272)	-	(2,272)
Subscription of shares by minority interests	-	-	-	-	-	-	980	980
<b>At 31 March 2008</b>	<b>275,778</b>	<b>41,218</b>	<b>-</b>	<b>(2,335)</b>	<b>(252,285)</b>	<b>62,376</b>	<b>14,561</b>	<b>76,937</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 Dec 2008.

**HO WAH GENTING BERHAD (272923-H)**  
**Condensed Consolidated Cash Flow Statement**  
**for the first quarter ended 31 March 2009**

	31.03.2009 RM'000	31.03.2008 RM'000
<b>Cash flows from/(used in) operating activities</b>		
Profit/(Loss) before taxation	(6,049)	205
Adjustments for :		
Amortisation of prepaid lease payments	73	83
Depreciation	2,189	1,951
Dividend income	(2)	(2)
Fixed asset(s) written off	9	-
Gain on disposal of a subsidiary	-	(1)
Interest expense	2,127	1,533
Interest income	(3)	(13)
Share in losses of associate(s)	764	29
Unrealised gain on foreign exchange	(1,223)	(795)
Unrealised loss on foreign exchange	1,170	624
<b>Operating (loss)/profit before working capital changes</b>	<b>(945)</b>	<b>3,614</b>
(Increase)/decrease in inventories	3,626	(8,765)
(Increase)/decrease in trade and other receivables	259	7,945
Increase/(decrease) in trade and other payables	(12,956)	14,739
<b>Cash (used in)/generated from operations</b>	<b>(10,016)</b>	<b>17,533</b>
Income taxes paid	(350)	(1,218)
Interest paid	(2,127)	(1,533)
Interest received	3	13
<b>Net cash (used in)/from operating activities</b>	<b>(12,489)</b>	<b>14,795</b>
<b>Cash flows from/(used in) investing activities</b>		
Dividends received	2	2
Disposal of property, plant and equipment	2	-
(Increase)/decrease in pledged fixed deposits	-	69
Payment for exploration and evaluation assets	(570)	-
Purchase of property, plant and equipment	(9)	(5,129)
Prepaid lease payments made	-	(83)
<b>Net cash used in investing activities</b>	<b>(575)</b>	<b>(5,141)</b>
<b>Cash flows from/(used in) financing activities</b>		
Advances from/(Repayments to) associate(s)	-	(68)
Proceeds from term loan(s)	-	3,160
Proceeds from/(Repayments of) trade finance	(7,993)	(16,161)
Proceeds from issuance of shares to minority interests of a subsidiary	-	980
Repayment of term loan(s)	(1,446)	(1,124)
Repayment of hire purchase liabilities	(6)	(13)
<b>Net cash used in financing activities</b>	<b>(9,445)</b>	<b>(13,226)</b>
Exchange differences	748	(2,272)
Net increase in cash and cash equivalents	(21,761)	(5,844)
Cash and cash equivalents at beginning of period	26,939	11,072
<b>Cash and cash equivalents at end of period (Note 1)</b>	<b>5,177</b>	<b>5,228</b>

**NOTE**

**1. Cash and cash equivalents**

Cash and cash equivalents comprise of :

	31.03.2009 RM'000	31.03.2008 RM'000
Cash and bank balances	6,635	6,512
Deposits with licensed banks	-	-
	6,635	6,512
Bank overdrafts	(1,458)	(1,284)
Deposits pledged as security	-	-
	<b>5,177</b>	<b>5,228</b>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008.