

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Income Statement
for the second quarter ended 30 June 2009

	Individual Quarter		Cumulative Quarters	
	Apr - Jun 2009	Apr - Jun 2008	Jan - Jun 2009	Jan - Jun 2008
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue				
- sales of goods	36,602	38,340	58,329	76,177
- services	139	117	276	234
	36,741	38,457	58,605	76,411
Cost of sales				
- sales of goods	(36,768)	(34,119)	(59,435)	(67,121)
- services	-	-	-	-
	(36,768)	(34,119)	(59,435)	(67,121)
Gross (Loss)/Profit	(27)	4,338	(830)	9,290
Operating expenses	(2,440)	(2,806)	(4,800)	(6,004)
Operating (Loss)/Profit	(2,467)	1,532	(5,630)	3,286
Interest expense	(2,216)	(1,667)	(4,343)	(3,200)
Interest income	9	20	12	33
Share of results of Associates	(367)	(26)	(1,131)	(55)
(Loss)/Profit before tax	(5,041)	(141)	(11,092)	64
Tax expense	(353)	(300)	-	(594)
Loss for the period	(5,394)	(441)	(11,092)	(530)
Attributable to :				
Shareholders of the Company	(5,354)	1	(11,013)	163
Minority interests	(40)	(442)	(79)	(693)
Loss for the period	(5,394)	(441)	(11,092)	(530)
Earnings per share attributable to shareholders of the Company				
- Basic (sen)	(1.94)	0.00	(3.99)	0.06
- Fully diluted (sen)	(1.94)	0.00	(3.99)	0.06

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 30 June 2009

	Unaudited As at 30.06.09 RM'000	Audited As at 31.12.08 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	65,619	60,542
Exploration & evaluation assets	1,335	423
Prepaid lease payments	6,570	6,675
Investment in Associates	24,666	25,763
Other long term investments	184	187
	98,374	93,590
Current assets		
Inventories	49,091	45,463
Leasehold properties held for sale	7,000	7,000
Trade and other receivables	31,046	23,295
Prepaid lease payments	256	256
Tax recoverable	3,038	2,732
Cash and bank balances	3,594	28,285
	94,025	107,031
TOTAL ASSETS	192,399	200,621
EQUITY AND LIABILITIES		
Equity attributable to :		
Equity holders of the parent		
Share capital	275,778	275,778
Reserves	(215,301)	(213,781)
	60,477	61,997
Minority interests	705	784
Total equity	61,182	62,781
Non-current and deferred liabilities		
Borrowings	18,656	19,773
Deferred tax liabilities	322	316
	18,978	20,089
Current liabilities		
Trade and other payables	23,525	31,748
Amount due to Associate	2,492	2,586
Borrowings	84,611	81,806
Tax payable	1,611	1,611
	112,239	117,751
Total liabilities	131,217	137,840
TOTAL EQUITY AND LIABILITIES	192,399	200,621
The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 Dec 2008.		
Net Assets per share (RM)	0.219	0.225
Net Tangible Assets per share (RM)	0.218	0.224

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Changes in Equity
for the second quarter ended 30 June 2009

	← Attributable to shareholders of the Company → < Non-distributable >					Sub-total RM'000	Minority interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Exchange fluctuation reserve RM'000	Accumulated losses RM'000			
<u>Current 6 months ended 30.06.09</u>								
At 1 January 2009	275,778	41,218	-	1,427	(256,426)	61,997	784	62,781
Net profit/(loss) for the period	-	-	-	-	(11,013)	(11,013)	(79)	(11,092)
Fair value adjustment of freehold land and buildings during the period	-	-	8,971	-	-	8,971	-	8,971
Translation differences	-	-	-	522	-	522	-	522
Subscription of shares by minority interests	-	-	-	-	-	-	-	-
At 30 June 2009	275,778	41,218	8,971	1,949	(267,439)	60,477	705	61,182
<u>Preceding 6 months ended 30.06.08</u>								
At 1 January 2008	275,778	41,218	-	(63)	(252,447)	64,486	13,833	78,319
Net profit/(loss) for the period	-	-	-	-	163	163	(693)	(530)
Disposal of a subsidiary	-	-	-	-	-	-	(1)	(1)
Translation differences	-	-	-	(1,053)	-	(1,053)	-	(1,053)
Subscription of shares by minority interests	-	-	-	-	-	-	980	980
At 30 June 2008	275,778	41,218	-	(1,116)	(252,284)	63,596	14,119	77,715

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 second quarter ended 30 June 2009

	30.06.2009 RM'000	30.06.2008 RM'000
Cash flows (used in)/from operating activities		
Profit/(Loss) before taxation	(11,092)	64
Adjustments for :		
Amortisation of prepaid lease payments	131	164
Depreciation	4,273	3,938
Dividend income	(2)	(2)
Fixed asset(s) written off	9	-
Gain on disposal of a subsidiary	-	(1)
Gain on disposal of quoted investment	(1)	-
Interest expense	4,343	3,200
Interest income	(12)	(33)
Share in losses of associate(s)	1,131	55
Unrealised gain on foreign exchange	-	(953)
Unrealised loss on foreign exchange	41	906
Operating (loss)/profit before working capital change	(1,179)	7,338
(Increase)/decrease in inventories	(3,463)	(17,527)
(Increase)/decrease in trade and other receivables	(5,933)	(7,370)
Increase/(decrease) in trade and other payables	(8,707)	25,593
Cash (used in)/generated from operation	(19,282)	8,034
Income taxes paid	(293)	(544)
Interest paid	(4,343)	(3,200)
Interest received	12	33
Net cash (used in)/from operating activities	(23,906)	4,323
Cash flows from/(used in) investing activities		
Dividends received	2	2
Disposal of property, plant and equipment	2	1
(Increase)/decrease in pledged fixed deposits	(1,734)	(1,451)
Payment for exploration and evaluation assets	(912)	(216)
Purchase of property, plant and equipment	(5)	(8,529)
Prepaid lease payments made	-	(263)
Proceed from disposal of quoted investment	4	-
Net cash used in investing activities	(2,643)	(10,456)
Cash flows from/(used in) financing activities		
Advances from/(Repayments to) associate(s)	-	(105)
Proceeds from term loan(s)	-	27,677
Proceeds from/(Repayments of) trade finance	3,870	(22,616)
Proceeds from issuance of shares to minority interests of a subsidiary	-	980
Repayment of term loan(s)	(2,881)	(1,983)
Repayment of hire purchase liabilities	(12)	(28)
Net cash from/(used in) financing activities	977	3,925
Exchange differences	555	(1,053)
Net decrease in cash and cash equivalents	(25,017)	(3,261)
Cash and cash equivalents at beginning of period	26,939	11,092
Cash and cash equivalents at end of period (Note 1)	1,922	7,831

NOTE

1. Cash and cash equivalent

Cash and cash equivalents comprise of :

	30.06.2009 RM'000	30.06.2008 RM'000
Cash and bank balances	3,594	9,279
Deposits with licensed banks	5,392	1,500
Bank overdrafts	8,986	10,779
Deposits pledged as security	(1,672)	(1,448)
	(5,392)	(1,500)
	1,922	7,831

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