

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

	Individual Quarter		Cumulative Quarters	
	Jul - Sep 2009	Jul - Sep 2008	Jan - Sep 2009	Jan - Sep 2008
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue				
- sales of goods	51,098	93,951	109,427	170,128
- services	138	117	414	351
	51,236	94,068	109,841	170,479
 Cost of sales				
- sales of goods	(49,626)	(92,738)	(109,061)	(159,859)
- services	-	-	-	-
	(49,626)	(92,738)	(109,061)	(159,859)
 Gross Profit	1,610	1,330	780	10,620
 Operating expenses	(1,934)	(1,465)	(6,734)	(7,470)
 Operating (Loss)/Profit	(324)	(135)	(5,954)	3,150
 Interest expense	(2,290)	(1,749)	(6,633)	(4,949)
Interest income	2	6	14	40
 Share of results of Associates	(289)	(25)	(1,420)	(80)
 Loss before tax	(2,901)	(1,903)	(13,993)	(1,839)
 Tax expense	-	(153)	-	(747)
 Net loss for the period	(2,901)	(2,056)	(13,993)	(2,586)
 Attributable to :				
Shareholders of the Company	(2,851)	(1,791)	(13,864)	(1,629)
Minority interests	(50)	(265)	(129)	(957)
 Net loss for the period	(2,901)	(2,056)	(13,993)	(2,586)
 Loss per share attributable to shareholders of the Company				
- Basic (sen)	(1.03)	(0.65)	(5.03)	(0.59)
- Fully diluted (sen)	(1.03)	(0.65)	(5.03)	(0.59)

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 September 2009

	Unaudited	Audited
	As at	As at
	30.09.09	31.12.08
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	64,113	60,542
Exploration & evaluation assets	2,430	423
Prepaid lease payments	6,556	6,675
Investment in Associates	24,885	25,763
Other long term investments	184	187
	98,168	93,590
Current assets		
Inventories	42,065	45,463
Leasehold properties held for sale	7,000	7,000
Trade and other receivables	37,419	23,295
Prepaid lease payments	260	256
Tax recoverable	3,176	2,732
Cash and bank balances	4,900	28,285
	94,820	107,031
TOTAL ASSETS	192,988	200,621
EQUITY AND LIABILITIES		
Equity attributable to :		
Equity holders of the parent		
Share capital	275,778	275,778
Reserves	(217,226)	(213,781)
	58,552	61,997
Minority interests	655	784
Total equity	59,207	62,781
Non-current and deferred liabilities		
Borrowings	18,101	19,773
Deferred tax liabilities	331	316
	18,432	20,089
Current liabilities		
Trade and other payables	24,121	31,748
Amount due to Associate	2,492	2,586
Borrowings	87,145	81,806
Tax payable	1,591	1,611
	115,349	117,751
Total liabilities	133,781	137,840
TOTAL EQUITY AND LIABILITIES	192,988	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)	0.212	0.225
Net Tangible Assets per share (RM)	0.202	0.222

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

	← Attributable to shareholders of the Company < Non-distributable >					→	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 9 months ended 30.09.09</u>								
At 1 January 2009	275,778	41,218	-	1,427	(256,426)	61,997	784	62,781
Net loss for the period	-	-	-	-	(13,864)	(13,864)	(129)	(13,993)
Fair value adjustment of freehold land and buildings during the period	-	-	8,971	-	-	8,971	-	8,971
Translation differences	-	-	-	1,448	-	1,448	-	1,448
At 30 September 2009	275,778	41,218	8,971	2,875	(270,290)	58,552	655	59,207
<u>Preceding 9 months ended 30.09.08</u>								
At 1 January 2008	275,778	41,218	-	(63)	(252,447)	64,486	13,833	78,319
Net loss for the period	-	-	-	-	(1,629)	(1,629)	(957)	(2,586)
Translation differences	-	-	-	(169)	-	(169)	-	(169)
At 30 September 2008	275,778	41,218	-	(232)	(254,076)	62,688	12,876	75,564

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 third quarter ended 30 September 2009

	30.09.2009 RM'000	30.09.2008 RM'000
Cash flows from/(used in) operating activities		
Loss before taxation	(13,993)	(1,838)
Adjustments for :		
Amortisation of prepaid lease payments	196	248
Depreciation	6,379	5,895
Dividend income	(4)	(5)
Gain on disposal of quoted investment	(1)	-
Interest expense	6,633	4,949
Interest income	(14)	(41)
Loss on disposal of property, plant and equipment	-	20
Property, plant and equipment written off	9	-
Share in losses of associate(s)	1,420	80
Unrealised gain on foreign exchange	(76)	(1,664)
Unrealised loss on foreign exchange	92	1,756
Operating profit before working capital changes	641	9,400
Decrease/(increase) in inventories	4,265	(10,876)
Increase in trade and other receivables	(11,007)	(34,962)
(Decrease)/increase in trade and other payables	(8,333)	41,119
Cash (used in)/generated from operations	(14,434)	4,681
Income taxes paid	(416)	(970)
Interest paid	(6,633)	(4,949)
Interest received	14	41
Net cash used in operating activities	(21,469)	(1,197)
Cash flows from/(used in) investing activities		
Dividends received	4	5
Increase in pledged fixed deposits	(2,571)	(1,451)
Payment for exploration and evaluation assets	(2,007)	(386)
Purchase of property, plant and equipment	(60)	(29,168)
Prepaid lease payments made	-	(84)
Proceeds from disposal of property, plant and equipment	2	-
Proceeds from disposal of quoted investment	4	-
Net cash used in investing activities	(4,628)	(31,084)
Cash flows from/(used in) financing activities		
Proceeds from term loan(s)	-	28,516
Proceeds from trade finance	5,772	2,409
Repayment of term loan(s)	(3,840)	(2,878)
Repayment of hire purchase liabilities	(18)	(42)
Net cash from financing activities	1,914	28,005
Exchange differences	451	(169)
Net decrease in cash and cash equivalents	(23,732)	(4,445)
Cash and cash equivalents at beginning of period	26,939	11,093
Cash and cash equivalents at end of period (Note 1)	3,207	6,648

NOTE

1. Cash and cash equivalents

Cash and cash equivalents comprise of

	30.09.2009 RM'000	30.09.2008 RM'000
Cash and bank balances	4,900	8,073
Deposits with licensed banks	6,254	1,500
Bank overdrafts	(1,693)	(1,425)
Deposits pledged as security	(6,254)	(1,500)
	3,207	6,648

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