

**HO WAH GENTING BERHAD (272923-H)**  
**Condensed Consolidated Income Statement**  
**for the current year ended 31 December 2009**

	Individual Quarter		Cumulative Quarters	
	Oct - Dec 2009	Oct - Dec 2008	Jan - Dec 2009	Jan - Dec 2008
	RM'000	RM'000	RM'000	Audited RM'000
<b>Continuing operations</b>				
<b>Revenue</b>				
- sales of goods	34,102	50,192	143,529	220,320
- services	103	117	517	468
	<b>34,205</b>	<b>50,309</b>	<b>144,046</b>	<b>220,788</b>
 Cost of sales				
- sales of goods	(39,493)	(58,101)	(148,554)	(217,984)
- services	-	-	-	-
	(39,493)	(58,101)	(148,554)	(217,984)
	<b>(5,288)</b>	<b>(7,792)</b>	<b>(4,508)</b>	<b>2,804</b>
<b>Gross (Loss)/Profit</b>				
Operating (expenses)/income	(2,715)	4,494	(9,449)	(2,785)
	<b>(8,003)</b>	<b>(3,298)</b>	<b>(13,957)</b>	<b>19</b>
<b>Operating (Loss)/Profit</b>				
Interest expense	(2,255)	(2,631)	(8,888)	(7,580)
Interest income	4	119	18	-
Share of results of Associates	(878)	(26)	(2,298)	(216)
	<b>(11,132)</b>	<b>(5,836)</b>	<b>(25,125)</b>	<b>(7,777)</b>
<b>Loss before tax</b>				
Tax expense	1,504	2,413	1,504	1,643
	<b>(9,628)</b>	<b>(3,423)</b>	<b>(23,621)</b>	<b>(6,134)</b>
<b>Net loss for the period</b>				
Attributable to :				
Shareholders of the Company	(9,581)	(2,243)	(23,445)	(3,979)
Minority interests	(47)	(1,180)	(176)	(2,155)
	<b>(9,628)</b>	<b>(3,423)</b>	<b>(23,621)</b>	<b>(6,134)</b>
 Loss per share attributable to shareholders of the Company				
- Basic (sen)	(3.47)	(0.81)	(8.50)	(1.44)
- Fully diluted (sen)	(3.47)	(0.81)	(8.50)	(1.44)

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 December 2009**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
	<b>31.12.09</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	60,375	60,542
Exploration & evaluation assets	2,909	423
Prepaid lease payments	6,371	6,675
Investment in Associates	23,442	25,763
Other long term investments	184	187
	<b>93,281</b>	<b>93,590</b>
<b>Current assets</b>		
Inventories	35,975	45,463
Leasehold properties held for sale	7,000	7,000
Trade and other receivables	23,704	23,295
Prepaid lease payments	254	256
Tax recoverable	2,672	2,732
Cash and bank balances	5,019	28,285
	<b>74,624</b>	<b>107,031</b>
<b>TOTAL ASSETS</b>	<b>167,905</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	(228,242)	(213,781)
	<b>47,536</b>	<b>61,997</b>
Minority interests	608	784
<b>Total equity</b>	<b>48,144</b>	<b>62,781</b>
<b>Non-current and deferred liabilities</b>		
Borrowings	35,479	19,773
Deferred tax liabilities	-	316
	<b>35,479</b>	<b>20,089</b>
<b>Current liabilities</b>		
Trade and other payables	19,780	31,748
Amount due to Associate	2,578	2,586
Borrowings	61,552	81,806
Tax payable	372	1,611
	<b>84,282</b>	<b>117,751</b>
<b>Total liabilities</b>	<b>119,761</b>	<b>137,840</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>167,905</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>0.172</b>	<b>0.225</b>
<b>Net Tangible Assets per share (RM)</b>	<b>0.161</b>	<b>0.222</b>

**HO WAH GENTING BERHAD (272923-H)**  
**Condensed Consolidated Statement of Changes in Equity**  
**for the current year ended 31 December 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 12 months ended 31.12.09</u></b>								
At 1 January 2009	275,778	41,218	-	1,427	(256,426)	61,997	784	62,781
Net loss for the period	-	-	-	-	(23,445)	(23,445)	(176)	(23,621)
Fair value adjustment of freehold land and buildings during the period	-	-	8,971	-	-	8,971	-	8,971
Translation differences	-	-	-	13	-	13	-	13
<b>At 31 December 2009</b>	<b>275,778</b>	<b>41,218</b>	<b>8,971</b>	<b>1,440</b>	<b>(279,871)</b>	<b>47,536</b>	<b>608</b>	<b>48,144</b>
<b><u>Preceding 12 months ended 31.12.08</u></b>								
At 1 January 2008	275,778	41,218	-	(63)	(252,447)	64,486	13,833	78,319
Net loss for the period	-	-	-	-	(3,979)	(3,979)	(2,155)	(6,134)
Dilution of equity stake in CVM Minerals Limited	-	-	-	-	-	-	(10,894)	(10,894)
Translation differences	-	-	-	1,490	-	1,490	-	1,490
<b>At 31 December 2008</b>	<b>275,778</b>	<b>41,218</b>	<b>-</b>	<b>1,427</b>	<b>(256,426)</b>	<b>61,997</b>	<b>784</b>	<b>62,781</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 current year ended 31 December 2009**

	<u>NOTE</u>	<b>31.12.2009</b> <b>RM'000</b>	<b>31.12.2008</b> <b>RM'000</b>
<b>Cash flows from/(used in) operating activities</b>			
Loss before taxation		(25,125)	(7,777)
Adjustments for :			
Amortisation of prepaid lease payments		259	335
Depreciation		9,090	8,119
Fair value adjustment on leasehold properties held for sale		-	1,224
Gross dividend income from quoted investments in Malaysia		(5)	(5)
Gain on disposal of quoted investment(s)		(1)	-
Loss/(Gain) on disposal of a subsidiary	<b>1</b>	35	(511)
Gain on deemed disposal of a subsidiary	<b>2</b>	-	(11,345)
Interest expense		8,888	7,580
Interest income		(18)	(160)
Write down of inventories		-	9,322
Loss on disposal of property, plant and equipment		20	20
Provision for doubtful debts		-	975
Provision for doubtful debts no longer required		-	(296)
Property, plant and equipment written off		10	-
Share in losses of associate(s)		2,298	216
Unrealised gain on foreign exchange		(270)	(70)
Unrealised loss on foreign exchange		7	1,015
<b>Operating (loss)/profit before working capital changes</b>		<b>(4,812)</b>	<b>8,642</b>
Decrease/(increase) in inventories		9,224	(9,790)
Decrease in trade and other receivables		5,892	8,790
(Decrease)/increase in trade and other payables		(11,866)	229
<b>Cash (used in)/generated from operations</b>		<b>(1,562)</b>	<b>7,871</b>
Income taxes (paid)/refund		(32)	967
Interest paid		(8,888)	(7,580)
Interest received		18	160
<b>Net cash (used in)/generated from operating activities</b>		<b>(10,464)</b>	<b>1,418</b>
<b>Cash flows from/(used in) investing activities</b>			
Dividends received		4	5
(Increase)/decrease in fixed deposits pledged		(3,343)	69
Deemed disposal of a subsidiary	<b>2</b>	-	(853)
Disposal of a subsidiary	<b>1</b>	(35)	(11)
Payment for exploration and evaluation assets		(2,675)	(423)
Purchase of property, plant and equipment		(335)	(21,140)
Proceeds from disposal of property, plant and equipment		2	32
Proceeds from disposal of quoted investment(s)		4	-
<b>Net cash used in investing activities</b>		<b>(6,378)</b>	<b>(22,321)</b>
<b>Cash flows from/(used in) financing activities</b>			
Advances from/(Repayments to) associate(s)		1	-
(Advances to)/Repayments from associate(s)		(3,000)	-
Proceeds from term loan(s)		-	41,699
Proceeds from/(Repayments of) trade finance		1,307	(731)
Repayment of term loan(s)		(4,889)	(4,678)
Repayment of hire purchase liabilities		(24)	(57)
<b>Net cash (used in)/generated from financing activities</b>		<b>(6,605)</b>	<b>36,233</b>
Exchange differences		262	537
Net (decrease)/increase in cash and cash equivalents		(23,187)	15,867
Cash and cash equivalents at beginning of period		26,939	11,072
<b>Cash and cash equivalents at end of period</b>	<b>3</b>	<b>3,752</b>	<b>26,939</b>

**HO WAH GENTING BERHAD (272923-H)**  
**Condensed Consolidated Cash Flow Statement**  
**for the current year ended 31 December 2009**

**NOTE**

**1. Analysis of disposal of a subsidiary**

	<b>31.12.2009</b>	<b>31.12.2008</b>
	<b>RM'000</b>	<b>RM'000</b>
Plant and equipment	-	1
Cash and cash equivalents	35	11
Trade and other payables	-	(523)
Minority interests	-	-
Net assets/(liabilities) disposed of	<u>35</u>	<u>(511)</u>
<b>(Loss)/Gain on disposal of a subsidiary</b>	<b>(35)</b>	<b>511</b>
Net proceeds received	0	-
Less : Cash and cash equivalents disposed of	<u>(35)</u>	<u>(11)</u>
<b>Net cash outflow on disposal</b>	<b><u>(35)</u></b>	<b><u>(11)</u></b>

**2. Analysis of deemed disposal of a subsidiary**

	<b>31.12.2009</b>	<b>31.12.2008</b>
	<b>RM'000</b>	<b>RM'000</b>
Property, plant and equipment	-	98,669
Exploration and evaluation of assets	-	1,627
Prepaid lease payments	-	5,713
Goodwill	-	285
Other receivables, deposits and prepayments	-	7,486
Cash and bank balances	-	853
Other payables and accruals	-	(27,319)
Short term borrowings	-	(32,973)
Long term borrowings	-	(29,951)
Net assets/(liabilities) disposed of	<u>-</u>	<u>24,390</u>
Gain on deemed disposal of a subsidiary	-	11,345
Less : Minority interests	-	(10,894)
Less : Transfer to investment in an associate	<u>-</u>	<u>(24,841)</u>
Net proceeds received	-	-
Less : Cash and cash equivalents disposed of	<u>-</u>	<u>(853)</u>
<b>Net cash outflow on deemed disposal</b>	<b><u>-</u></b>	<b><u>(853)</u></b>

**3. Cash and cash equivalents**

Cash and cash equivalents comprise of

	<b>31.12.2009</b>	<b>31.12.2008</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and bank balances	5,019	28,285
Deposits with licensed banks	6,843	-
	<u>11,862</u>	<u>28,285</u>
Bank overdrafts	(1,267)	(1,346)
Deposits pledged as security	(6,843)	-
	<u><u>3,752</u></u>	<u><u>26,939</u></u>

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