

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Comprehensive Income
for the third quarter ended 30 September 2010

	Individual Quarter		Cumulative Quarters	
	Jul - Sep 2010	Jul - Sep 2009	Jan - Sep 2010	Jan - Sep 2009
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue				
- sales of goods	88,003	51,098	185,958	109,427
- services	33	138	99	414
	88,036	51,236	186,057	109,841
Cost of sales				
- sales of goods	(78,702)	(49,626)	(175,018)	(109,061)
- services	-	-	-	-
	(78,702)	(49,626)	(175,018)	(109,061)
Gross Profit	9,334	1,610	11,039	780
Operating (expenses)/income	(3,754)	(1,934)	(10,472)	(6,734)
Gain on deemed disposal of a quoted associat	0	-	15,419	-
Operating Profit/(Loss)	5,580	(324)	15,986	(5,954)
Interest expense	(1,593)	(2,290)	(5,548)	(6,633)
Interest income	33	2	110	14
Share of results of Associates	(1,893)	(289)	(3,954)	(1,420)
Profit/(Loss) before tax	2,127	(2,901)	6,594	(13,993)
Income tax expense	-	-	-	-
Net Profit/(Loss) for the period	2,127	(2,901)	6,594	(13,993)
Other Comprehensive (Loss)/Income:				
Currency translation differences arising from consolidation	(2,439)	925	(2,027)	1,447
Gain arising from revaluation of property, plant and equipment	-	-	-	8,971
Available for sale ("AFS") quoted investments	(11)	-	(74)	-
Income tax relating to components of other comprehensive income	-	-	-	-
Other Comprehensive (Loss)/Income net of tax	(2,450)	925	(2,101)	10,418
Total Comprehensive (Loss)/Income for the period	(323)	(1,976)	4,493	(3,575)
Profit/(Loss) attributable to:				
Equity holders of the Company	2,260	(2,851)	6,861	(13,864)
Minority interests	(133)	(50)	(267)	(129)
	2,127	(2,901)	6,594	(13,993)
Total Comprehensive (Loss)/Income attributable to:				
Equity holders of the Company	(190)	(1,926)	4,760	(3,446)
Minority interests	(133)	(50)	(267)	(129)
	(323)	(1,976)	4,493	(3,575)
Profit/(Loss) per share attributable to equity holders of the Company				
- Basic (sen)	0.55	(1.03)	1.91	(5.03)
- Diluted (sen)	0.53	(1.03)	1.80	(5.03)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2009.

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Financial Position
As at 30 September 2010

	Unaudited	Audited
	As at	As at
	30.09.10	31.12.09
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	52,207	60,374
Exploration & evaluation assets	3,076	3,017
Mine development expenditure	2,372	-
Prepaid lease payments	5,856	6,371
Investment in Associates	33,936	23,063
Available for sale quoted investments	96	184
	97,543	93,009
Current assets		
Inventories	42,066	35,961
Leasehold properties held for sale	1,850	7,000
Trade and other receivables	50,190	20,721
Amount due from an associate	-	2,982
Prepaid lease payments	240	254
Tax recoverable	1,052	2,625
Cash and bank balances	11,589	5,018
	106,987	74,561
TOTAL ASSETS	204,530	167,570
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company:		
Share capital	82,733	275,778
Reserves	(2,371)	(228,684)
	80,362	47,094
Minority interests	341	608
TOTAL EQUITY	80,703	47,702
Non-current liabilities		
Long term borrowings	23,482	31,000
Deferred tax liabilities	-	-
	23,482	31,000
Current liabilities		
Trade and other payables	43,097	19,887
Amount due to an associate	2,544	2,578
Short term borrowings	54,423	66,031
Tax payable	281	372
	100,345	88,868
TOTAL LIABILITIES	123,827	119,868
TOTAL EQUITY AND LIABILITIES	204,530	167,570
The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2009.		
Net Assets per share (RM)	0.19	0.17
Net Tangible Assets per share (RM)	0.19	0.16

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Changes in Equity
for the third quarter ended 30 September 2010

	← Attributable to shareholders of the Company →							Sub-total RM'000	Minority interest RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Fair value reserve RM'000	Equity reserve RM'000	Exchange fluctuation reserve RM'000	Accumulated losses RM'000			
<u>Current Year's 9 months ended 30.09.10</u>										
At 1 January 2010	275,778	41,218	8,971	-	-	1,360	(280,233)	47,094	608	47,702
Effects of applying FRS 139	-	-	-	(14)	-	-	-	(14)	-	(14)
Restated Balance at 1 January 2010	275,778	41,218	8,971	(14)	-	1,360	(280,233)	47,080	608	47,688
Share capital reduction	(220,623)	(41,218)	-	-	-	-	261,841	-	-	-
Increase in share capital via rights issue of ordinary shares	27,578	-	-	-	-	-	-	27,578	-	27,578
Offer and acceptance of share options granted to employees	-	-	-	-	944	-	-	944	-	944
Total comprehensive income for the financial period ended 30 September 2010	-	-	-	(74)	-	(2,027)	6,861	4,760	(267)	4,493
At 30 September 2010	82,733	-	8,971	(88)	944	(667)	(11,531)	80,362	341	80,703
<u>Preceding Year's 9 months ended 30.09.09</u>										
At 1 January 2009	275,778	41,218	-	-	-	1,427	(256,426)	61,997	784	62,781
Total comprehensive loss for the financial period ended 30 September 2009	-	-	8,971	-	-	1,447	(13,864)	(3,446)	(129)	(3,575)
At 30 September 2009	275,778	41,218	8,971	-	-	2,874	(270,290)	58,551	655	59,206

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009.

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Cash Flow Statement
for the third quarter ended 30 September 2010

	<u>NOTE</u>	30.09.2010 RM'000	30.09.2009 RM'000
Cash flows from/(used in) operating activities:			
Profit/(Loss) before tax		6,594	(13,993)
Adjustments for:			
Amortisation of prepaid lease payment		185	196
Depreciation		6,308	6,379
Gross dividend income from quoted investments in Malaysia		(5)	(4)
Gain on disposal of quoted investment(s)		-	(1)
Gain on disposal of property, plant and equipment		(18)	-
Gain on deemed disposal of a quoted associate		(15,419)	-
Impairment of leasehold property held for sale		150	-
Interest expense		5,548	6,633
Interest income		(110)	(14)
Loss on disposal of property, plant and equipment		26	-
Property, plant and equipment written off		-	9
Share options granted to employees ("ESOS")		944	-
Share in results of associates		3,954	1,420
Unrealised gain on foreign exchange		(256)	(76)
Unrealised loss on foreign exchange		544	92
Operating profit before working capital change		8,445	641
(Increase)/decrease in inventories		(9,578)	4,265
Increase in trade and other receivables		(29,475)	(11,007)
Increase/(decrease) in trade and other payables		26,145	(8,333)
Cash used in operations		(4,463)	(14,434)
Income taxes refund/(paid)		1,274	(416)
Interest paid		(5,548)	(6,633)
Interest received		110	14
Net cash used in operating activities:		(8,627)	(21,469)
Cash flows from/(used in) investing activities:			
Dividends received		5	4
Increase in fixed deposits pledged		(2,707)	(2,571)
Payment for exploration and evaluation asset		(59)	(2,007)
Payment for mine development expenditure		(2,372)	-
Purchase of property, plant and equipment		(1,001)	(60)
Proceeds from disposal of property, plant and equipment		4,472	2
Proceeds from disposal of quoted investments		-	4
Net cash used in investing activities:		(1,662)	(4,628)
Cash flows from/(used in) financing activities:			
Repayments from associate(s)		2,966	-
Proceeds from rights issue of ordinary shares		27,578	-
(Repayments of)/Proceeds from trade finance		(2,771)	5,772
Repayments of term loans		(10,642)	(3,840)
Repayments of hire purchase liabilities		(24)	(18)
Net cash generated from financing activities		17,107	1,914
Exchange differences		(484)	451
Net increase/(decrease) in cash and cash equivalents		6,334	(23,732)
Cash and cash equivalents at beginning of period		3,751	26,939
Cash and cash equivalents at end of period	1	10,085	3,207

NOTE

1. Cash and cash equivalents

Cash and cash equivalents comprise of

	30.09.2010 RM'000	30.09.2009 RM'000
Cash and bank balances	11,589	4,900
Deposits with licensed bank	8,850	6,254
	20,439	11,154
Bank overdrafts	(1,504)	(1,693)
Deposits pledged as security	(8,850)	(6,254)
	10,085	3,207

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2009