

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Comprehensive Income
for the financial period ended 31 March 2011

	Individual Quarter		Cumulative Quarters	
	Jan - Mar 2011	Jan - Mar 2010	Jan - Mar 2011	Jan - Mar 2010
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue				
- sales of goods	51,480	40,636	51,480	40,636
- services	162	33	162	33
	<u>51,642</u>	<u>40,669</u>	<u>51,642</u>	<u>40,669</u>
Cost of sales				
- sales of goods	(48,607)	(40,154)	(48,607)	(40,154)
- services	-	-	-	-
	<u>(48,607)</u>	<u>(40,154)</u>	<u>(48,607)</u>	<u>(40,154)</u>
Gross Profit	3,035	515	3,035	515
Operating (expenses)/income	(3,305)	(2,942)	(3,305)	(2,942)
Gain on deemed disposal of a quoted associat	1,416	15,419	1,416	15,419
Operating Profit	1,146	12,992	1,146	12,992
Interest expense	(1,466)	(2,129)	(1,466)	(2,129)
Interest income	57	1	57	1
Share of results of Associate	(2,498)	(957)	(2,498)	(957)
(Loss)/Profit before tax	(2,761)	9,907	(2,761)	9,907
Income tax expense	-	-	-	-
Net (Loss)/Profit for the period	(2,761)	9,907	(2,761)	9,907
Other Comprehensive Income/(Loss):				
Currency translation differences arising from consolidation	1,956	(178)	1,956	(178)
Gain arising from revaluation of property, plant and equipment	-	-	-	-
Available for sale ("AFS") quoted investments	33	(39)	33	(39)
Income tax relating to components of other comprehensive income/(loss)	-	-	-	-
Other Comprehensive Income/(Loss) net of tax	1,989	(217)	1,989	(217)
Total Comprehensive (Loss)/Income for the period	(772)	9,690	(772)	9,690
Profit/(Loss) attributable to:				
Owners of the Company	(2,352)	9,960	(2,352)	9,960
Non controlling interests	(409)	(53)	(409)	(53)
	<u>(2,761)</u>	<u>9,907</u>	<u>(2,761)</u>	<u>9,907</u>
Total Comprehensive (Loss)/Income attributable to:				
Owners of the Company	(363)	9,743	(363)	9,743
Non controlling interests	(409)	(53)	(409)	(53)
	<u>(772)</u>	<u>9,690</u>	<u>(772)</u>	<u>9,690</u>
(Loss)/Profit per share attributable to owners of the Company				
- Basic (sen)	(0.51)	3.61	(0.51)	3.61
- Diluted (sen)	N/A	N/A	N/A	N/A

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2010.

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Financial Position
As at 31 March 2011

	Unaudited	Audited
	As at	As at
	31.03.11	31.12.10
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	58,377	58,170
Exploration & evaluation assets	3,098	3,084
Mine development expenditure	6,325	4,969
Prepaid lease payments	5,637	5,741
Investment in Associates	39,657	38,677
Available for sale quoted investments	133	100
	113,227	110,741
Current assets		
Inventories	44,166	34,667
Leasehold properties held for sale	1,850	1,850
Trade and other receivables	39,245	34,689
Prepaid lease payments	235	237
Tax recoverable	1,023	1,043
Cash and bank balances	12,925	20,353
	99,444	92,839
TOTAL ASSETS	212,671	203,580
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company:		
Share capital	92,517	91,777
Reserves	4,282	4,645
	96,799	96,422
Non controlling interests	(339)	70
TOTAL EQUITY	96,460	96,492
Non-current liabilities		
Long term borrowings	14,782	16,183
Retirement benefits obligation	396	346
	15,178	16,529
Current liabilities		
Trade and other payables	42,861	24,447
Amount due to an associate	2,548	2,566
Short term borrowings	55,402	63,294
Tax payable	222	252
	101,033	90,559
TOTAL LIABILITIES	116,211	107,088
TOTAL EQUITY AND LIABILITIES	212,671	203,580
The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2010.		
Net Assets per share (RM)	0.21	0.21
Net Tangible Assets per share (RM)	0.20	0.20

HOWAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Changes in Equity
for the financial period ended 31 March 2011

	Attributable to Shareholders of the Company										Total equity RM'000	
	A					Non Distributable						B
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Fair value reserve RM'000	Equity reserve RM'000	Warrant reserve RM'000	Other reserve RM'000	Exchange fluctuation reserve RM'000	Accumulated losses RM'000	Sub-total RM'000	Non controlling interests RM'000	
Current Year's 3 months ended 31.03.11												
At 1 January 2011	91,777	4,348	8,971	(84)	666	9,652	(9,652)	(715)	(8,541)	96,422	70	96,492
Share options granted to employees: - converted into ordinary shares	740	203	-	-	(203)	-	-	-	-	740	-	740
Total comprehensive loss for the financial period ended 31 March 2011	-	-	-	33	-	-	-	1,956	(2,352)	(363)	(409)	(772)
At 31 March 2011	92,517	4,551	8,971	(51)	463	9,652	(9,652)	1,241	(10,893)	96,799	(339)	96,460
Preceding Year's 3 months ended 31.03.10												
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	(220,622)	(41,218)	-	-	-	-	-	-	261,840	-	-	-
Total comprehensive income for the financial period ended 31 March 2010	-	-	-	(39)	-	-	-	(178)	9,960	9,743	(53)	9,690
At 31 March 2010	55,156	-	8,971	(53)	-	-	-	1,182	(8,433)	56,823	555	57,378

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010.

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Cash Flow Statement
for the financial period ended 31 March 2011

	<u>NOTE</u>	31.03.2011 RM'000	31.03.2010 RM'000
Cash flows from/(used in) operating activities			
(Loss)/Profit before taxation		(2,761)	9,907
Adjustments for:			
Amortisation of prepaid lease payments		59	63
Depreciation		2,065	2,157
Gross dividend income from quoted investment(s) in Malaysia		(2)	(3)
Gain on disposal of property, plant and equipment		(18)	-
Gain on deemed disposal of a quoted associate		(1,416)	(15,419)
Interest expense		1,466	2,129
Interest income		(66)	(1)
Share of results of associates		2,498	957
Unrealised gain on foreign exchange		(267)	(257)
Unrealised loss on foreign exchange		217	249
Operating profit/(loss) before working capital changes		1,775	(218)
Increase in inventories		(9,988)	(7,898)
Increase in trade and other receivables		(3,945)	(6,734)
Increase in trade and other payables		18,834	11,207
Cash flows from/(used in) operations		6,676	(3,643)
Income tax paid		(30)	(30)
Interest paid		(1,466)	(2,129)
Interest received		66	1
Net cash from/(used in) operating activities		5,246	(5,801)
Cash flows used in investing activities			
Dividends received		2	3
Increase in fixed deposits pledged		(914)	(767)
Payment for exploration and evaluation assets		(14)	(110)
Payment for mine development expenditure		(1,276)	-
Purchase of property, plant and equipment		(2,757)	(216)
Proceeds from disposal of property, plant and equipment		21	-
Net cash used in investing activities		(4,938)	(1,090)
Cash flows (used in)/from financing activities			
Advance(s)/Repayment(s) from associate(s)		2	3,000
Repayment(s) to associate(s)		-	(3)
Proceeds from conversion of share options into ordinary shares		740	-
Proceeds from/(Repayments of) trade finance		(6,622)	3,803
Repayments of term loan(s)		(1,747)	(186)
Repayments of hire purchase and finance lease liabilities		(10)	(6)
Net cash (used in)/from financing activities		(7,637)	6,608
Exchange differences		(89)	(45)
Net decrease in cash and cash equivalents		(7,418)	(328)
Cash and cash equivalents at beginning of year		18,840	3,751
Cash and cash equivalents at end of year	1	11,422	3,423

NOTE

1. Cash and cash equivalents

Cash and cash equivalents comprise of

	31.03.2011 RM'000	31.03.2010 RM'000
Cash and bank balances	12,925	5,000
Deposits with licensed banks	10,418	6,769
Bank overdrafts	23,343	11,769
Deposits pledged as security	(1,503)	(1,577)
	(10,418)	(6,769)
	11,422	3,423

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2010.

HO WAH GENTING BERHAD (272923-H)
DISCLOSURE OF REALISED AND UNREALISED PROFITS/LOSSES

		As at 31 Mar 2011	As at 31 Dec 2010
		RM'000	RM'000
	Total retained profits/(accumulated losses) of HWGB and its subsidiaries:		
	- Realised	(96,435)	(95,165)
	- Unrealised	32,332	30,916
		(64,103)	(64,249)
	Total share of accumulated losses from associated companies:		
	- Realised	(11,312)	(8,814)
	- Unrealised	(1,339)	(1,339)
		(76,754)	(74,402)
	Consolidation adjustments	65,861	65,861
	Total group accumulated losses as per consolidated accounts	(10,893)	(8,541)