

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Comprehensive Income
for the financial period ended 30 June 2011

	Individual Quarter		Cumulative Quarters	
	Apr - Jun 2011	Apr - Jun 2010	Jan - Jun 2011	Jan - Jun 2010
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue				
- sales of goods	69,036	57,319	120,517	97,955
- services	158	33	319	66
	<u>69,194</u>	<u>57,352</u>	<u>120,836</u>	<u>98,021</u>
Cost of sales				
- sales of goods	(69,396)	(56,162)	(118,003)	(96,316)
- services	-	-	-	-
	<u>(69,396)</u>	<u>(56,162)</u>	<u>(118,003)</u>	<u>(96,316)</u>
Gross (Loss)/Profit	(202)	1,190	2,833	1,705
Operating expenses	(2,557)	(3,776)	(5,862)	(6,718)
Gain on deemed disposal of a quoted associate	10,788	-	12,204	15,419
Operating Profit/(Loss)	8,029	(2,586)	9,175	10,406
Interest expense	(1,409)	(1,826)	(2,875)	(3,955)
Interest income	25	75	82	77
Share of results of Associates	(1,845)	(1,104)	(4,344)	(2,061)
Profit/(Loss) before tax	4,800	(5,441)	2,038	4,467
Income tax expense	-	-	-	-
Net Profit/(Loss) for the period	4,800	(5,441)	2,038	4,467
Other Comprehensive Income/(Loss):				
Currency translation differences arising from consolidation	(1,133)	590	823	412
Gain arising from revaluation of property, plant and equipment	-	-	-	-
Available for sale ("AFS") quoted investments	(37)	(24)	(4)	(63)
Income tax relating to components of other comprehensive income/(loss)	-	-	-	-
Other Comprehensive (Loss)/Income net of tax	(1,170)	566	819	349
Total Comprehensive Income/(Loss) for the period	3,630	(4,875)	2,857	4,816
Profit/(Loss) attributable to:				
Owners of the Company	6,246	(5,360)	3,895	4,601
Non controlling interests	(1,446)	(81)	(1,857)	(134)
	<u>4,800</u>	<u>(5,441)</u>	<u>2,038</u>	<u>4,467</u>
Total Comprehensive Income/(Loss) attributable to:				
Owners of the Company	5,076	(4,794)	4,714	4,950
Non controlling interests	(1,446)	(81)	(1,857)	(134)
	<u>3,630</u>	<u>(4,875)</u>	<u>2,857</u>	<u>4,816</u>
Profit/(Loss) per share attributable to owners of the Company				
- Basic (sen)	1.35	(1.37)	0.84	1.38
- Diluted (sen)	1.13	N/A	N/A	1.06

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 30 June 2011

	Unaudited	Audited
	As at	As at
	30.06.11	31.12.10
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	57,705	58,170
Exploration & evaluation assets	3,007	3,084
Mine development expenditure	6,892	4,969
Prepaid lease payments	5,553	5,741
Investment in Associates	47,825	38,677
Available for sale quoted investments	96	100
	121,078	110,741
Current assets		
Inventories	48,661	34,667
Leasehold properties held for sale	1,850	1,850
Trade and other receivables	48,012	34,689
Prepaid lease payments	234	237
Tax recoverable	1,015	1,043
Cash and bank balances	9,497	20,353
	109,269	92,839
TOTAL ASSETS	230,347	203,580
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company:		
Share capital	92,651	91,777
Reserves	9,359	4,645
	102,010	96,422
Non controlling interests	(1,787)	70
TOTAL EQUITY	100,223	96,492
Non-current liabilities		
Long term borrowings	15,637	16,183
Retirement benefits obligation	448	346
	16,085	16,529
Current liabilities		
Trade and other payables	52,372	24,447
Amount due to associates	2,566	2,566
Short term borrowings	58,909	63,294
Tax payable	192	252
	114,039	90,559
TOTAL LIABILITIES	130,124	107,088
TOTAL EQUITY AND LIABILITIES	230,347	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)	0.22	0.21
Net Tangible Assets per share (RM)	0.21	0.20

HOWAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Changes in Equity
for the financial period ended 30 June 2011

← Attributable to Shareholders of the Company →
 Non Distributable

	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	Total equity RM'000
Current Year's 6 months ended 30.06.11												
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	874	240	-	-	(240)	-	-	-	-	874	-	874
Total comprehensive loss for the financial period ended 30 June 2011	-	-	-	(4)	-	-	-	823	3,895	4,714	(1,857)	2,857
At 30 June 2011	92,651	4,588	8,971	(88)	426	9,652	(9,652)	108	(4,646)	102,010	(1,787)	100,223
Preceding Year's 6 months ended 30.06.10												
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	(220,623)	(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	-	-	-	-	888	-	-	-	-	888	-	888
Total comprehensive income for the financial period ended 30 June 2010	-	-	-	(63)	-	-	-	412	4,601	4,950	(134)	4,816
At 30 June 2010	82,733	-	8,971	(77)	888	-	-	1,772	(13,791)	80,496	474	80,970

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 30 June 2011

	<u>NOTE</u>	30.06.2011 RM'000	30.06.2010 RM'000
Cash flows from/(used in) operating activities			
Profit before taxation		2,038	4,467
Adjustments for:			
Amortisation of prepaid lease payments		117	125
Depreciation		4,668	4,338
Gross dividend income from quoted investment(s) in Malaysia		(2)	(3)
Gain on disposal of property, plant and equipment		(17)	(18)
Gain on deemed disposal of a quoted associate		(12,204)	(15,419)
Interest expense		2,875	3,955
Interest income		(81)	(77)
Loss on disposal of property, plant and equipment		-	26
Provision for retirement benefits		109	-
Share options granted to employees ("ESOS")		-	888
Share of results of associates		4,344	2,061
Unrealised gain on foreign exchange		(176)	(32)
Unrealised loss on foreign exchange		19	60
Operating profit before working capital change		1,690	371
Increase in inventories		(14,753)	(14,118)
Increase in trade and other receivables		(11,868)	(12,224)
Increase in trade and other payables		28,078	21,123
Cash flows from/(used in) operation		3,147	(4,848)
Income tax paid		(60)	1,325
Interest paid		(2,875)	(3,955)
Interest received		81	77
Net cash from/(used in) operating activities		293	(7,401)
Cash flows (used in)/from investing activities			
Dividends received		2	3
Increase in fixed deposits pledged		(1,815)	(1,750)
Payment for exploration and evaluation assets		-	(164)
Payment for mine development expenditure		(2,020)	(897)
Purchase of property, plant and equipment		(4,656)	(883)
Proceeds from disposal of property, plant and equipment		21	4,472
Net cash (used in)/from investing activities		(8,468)	781
Cash flows (used in)/from financing activities			
Repayments from associate(s)		-	646
Proceeds from rights issue of ordinary share		-	27,578
Proceeds from conversion of share options into ordinary share		874	-
Proceeds from/(Repayments of) trade finance		107	(1,941)
Repayments of term loan(s)		(3,480)	(10,180)
Repayments of hire purchase and finance lease liabilities		(21)	(12)
Net cash (used in)/from financing activities		(2,520)	16,091
Exchange differences		(59)	(156)
Net (decrease)/increase in cash and cash equivalents		(10,754)	9,315
Cash and cash equivalents at beginning of year		18,840	3,751
Cash and cash equivalents at end of year	1	8,086	13,066

NOTE

1. Cash and cash equivalent:

Cash and cash equivalents comprise of :

	30.06.2011 RM'000	30.06.2010 RM'000
Cash and bank balances	9,497	14,473
Deposits with licensed banks	11,245	8,275
	20,742	22,748
Bank overdrafts	(1,411)	(1,407)
Deposits pledged as security	(11,245)	(8,275)
	8,086	13,066

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 30 Jun 2011	As at 31 Dec 2010
		RM'000	RM'000
	Total retained profits/(accumulated losses) of HWGB and its subsidiaries:		
	- Realised	(104,291)	(95,165)
	- Unrealised	46,423	30,916
		(57,868)	(64,249)
	Total share of accumulated losses from associated companies:		
	- Realised	(13,158)	(8,814)
	- Unrealised	(1,339)	(1,339)
		(72,365)	(74,402)
	Consolidation adjustments	67,719	65,861
	Total group accumulated losses as per financial statements	(4,646)	(8,541)