

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

	Individual Quarter		Cumulative Quarters	
	Jul - Sep 2011	Jul - Sep 2010	Jan - Sep 2011	Jan - Sep 2010
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue				
- sales of goods	72,328	88,003	192,844	185,958
- services	156	33	475	99
	<u>72,484</u>	<u>88,036</u>	<u>193,319</u>	<u>186,057</u>
Cost of sales				
- sales of goods	(70,343)	(78,702)	(188,345)	(175,018)
- services	-	-	-	-
	<u>(70,343)</u>	<u>(78,702)</u>	<u>(188,345)</u>	<u>(175,018)</u>
Gross Profit	2,141	9,334	4,974	11,039
Operating expenses	(5,041)	(3,754)	(10,902)	(10,472)
Gain on deemed disposal of a quoted associate	-	-	12,204	15,419
Operating (Loss)/Profit	(2,900)	5,580	6,276	15,986
Interest expense	(1,405)	(1,593)	(4,280)	(5,548)
Interest income	171	33	252	110
Share of results of Associates	(1,982)	(1,893)	(6,326)	(3,954)
(Loss)/Profit before tax	(6,116)	2,127	(4,078)	6,594
Income tax expense	(714)	-	(714)	-
Net (Loss)/Profit for the period	(6,830)	2,127	(4,792)	6,594
Other Comprehensive Income/(Loss):				
Currency translation differences arising from consolidation	1,214	(2,439)	2,036	(2,027)
Gain arising from revaluation of property, plant and equipment	-	-	-	-
Available for sale ("AFS") quoted investments	(11)	(11)	(15)	(74)
Income tax relating to components of other comprehensive income/(loss)	-	-	-	-
Other Comprehensive Income/(Loss) net of tax	1,203	(2,450)	2,021	(2,101)
Total Comprehensive (Loss)/Income for the period	(5,627)	(323)	(2,771)	4,493
(Loss)/Profit attributable to:				
Owners of the Company	(5,553)	2,260	(1,658)	6,861
Non controlling interests	(1,277)	(133)	(3,134)	(267)
	<u>(6,830)</u>	<u>2,127</u>	<u>(4,792)</u>	<u>6,594</u>
Total Comprehensive (Loss)/Income attributable to:				
Owners of the Company	(4,350)	(190)	363	4,760
Non controlling interests	(1,277)	(133)	(3,134)	(267)
	<u>(5,627)</u>	<u>(323)</u>	<u>(2,771)</u>	<u>4,493</u>
(Loss)/Profit per share attributable to owners of the Company				
- Basic (sen)	(1.20)	0.55	(0.36)	1.91
- Diluted (sen)	N/A	0.53	N/A	1.80

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 September 2011

	Unaudited	Audited
	As at	As at
	30.09.11	31.12.10
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	57,686	58,170
Exploration & evaluation assets	4,277	3,084
Mine development expenditure	6,663	4,969
Prepaid lease payments	5,704	5,741
Investment in Associates	46,928	38,677
Available for sale quoted investments	85	100
	121,343	110,741
Current assets		
Inventories	41,227	34,667
Leasehold properties held for sale	1,850	1,850
Trade and other receivables	49,950	34,689
Prepaid lease payments	243	237
Tax recoverable	102	1,043
Cash and bank balances	14,423	20,353
	107,795	92,839
TOTAL ASSETS	229,138	203,580
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company:		
Share capital	97,425	91,777
Reserves	10,987	4,645
	108,412	96,422
Non controlling interests	(3,064)	70
TOTAL EQUITY	105,348	96,492
Non-current liabilities		
Long term borrowings	11,109	16,183
Retirement benefits obligation	533	346
	11,642	16,529
Current liabilities		
Trade and other payables	46,074	24,447
Amount due to associates	2,544	2,566
Short term borrowings	63,368	63,294
Tax payable	162	252
	112,148	90,559
TOTAL LIABILITIES	123,790	107,088
TOTAL EQUITY AND LIABILITIES	229,138	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

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

	Attributable to Shareholders of the Company										Total equity RM'000	
	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	
Current Year's 9 months ended 30.09.11												
At 1 January 2011	91,777	4,348	8,971	(84)	666	9,652	(9,652)	(715)	(8,541)	96,422	70	96,492
Increase in share capital via rights issue of ordinary shares	4,739	-	-	-	-	-	-	-	-	4,739	-	4,739
Increase in share premium via rights issue of ordinary shares	-	5,924	-	-	-	-	-	-	-	5,924	-	5,924
Issuance of additional Warrants 2010/2015	-	-	-	-	-	1,032	(1,032)	-	-	-	-	-
Issuance of New Warrants	-	-	-	-	-	2,956	(2,956)	-	-	-	-	-
Share options granted to employees: - converted into ordinary shares	909	256	-	-	(256)	-	-	-	-	909	-	909
- offer and acceptance of additional share options	-	-	-	-	55	-	-	-	-	55	-	55
Total comprehensive loss for the financial period ended 30 September 2011	-	-	-	(15)	-	-	-	2,036	(1,658)	363	(3,134)	(2,771)
At 30 September 2011	97,425	10,528	8,971	(99)	465	13,641	(13,641)	1,321	(10,199)	108,412	(3,064)	105,348
Preceding Year's 9 months ended 30.09.10												
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	-	-	-	-	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

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 Sep 2011

	<u>NOTE</u>	30.09.2011 RM'000	30.09.2010 RM'000
Cash flows from/(used in) operating activitie:			
(Loss)/Profit before taxatior		(4,078)	6,594
Adjustments for:			
Amortisation of prepaid lease payment		715	185
Depreciation		6,764	6,308
Gross dividend income from quoted investment(s) in Malaysi		(22)	(5)
Gain on disposal of property, plant and equipmen		(17)	(18)
Gain on deemed disposal of a quoted associat		(12,204)	(15,419)
Impairment of leasehold property held for sal		-	150
Interest expense		4,280	5,548
Interest income		(252)	(110)
Loss on disposal of property, plant and equipmen		23	26
Provision for retirement benefit:		162	-
Share options granted to employees ("ESOS")		55	944
Share of results of associates:		6,326	3,954
Unrealised gain on foreign exchange:		(1,234)	(256)
Unrealised loss on foreign exchange:		48	544
		566	8,445
Operating profit before working capital change			
Increase in inventories:		(4,849)	(9,578)
Increase in trade and other receivable:		(9,462)	(29,475)
Increase in trade and other payable:		19,146	26,145
		5,401	(4,463)
Cash flows from/(used in) operation:			
Income tax (paid)/refund		(90)	1,274
Interest paid		(4,280)	(5,548)
Interest received		252	110
		1,283	(8,627)
Net cash from/(used in) operating activitie:			
Cash flows (used in)/from investing activitie:			
Dividends received		21	5
Increase in fixed deposits pledge:		(2,711)	(2,707)
Payment for exploration and evaluation asset		(1,370)	(59)
Payment for mine development expenditur		(1,976)	(2,372)
Payment for purchase of property, plant and equipmen		(5,349)	(1,001)
Prepaid lease payments made		-	-
Proceeds from disposal of property, plant and equipmen		33	4,472
		(11,352)	(1,662)
Net cash (used in) investing activitie:			
Cash flows (used in)/from financing activitie:			
Repayments from associate(s)		-	2,966
Proceeds from rights issue of ordinary share:		10,663	27,578
Proceeds from conversion of share options into ordinary share		909	-
Proceeds from/(Repayments of) trade financ		(2,022)	(2,771)
Repayments of term loan(s)		(5,355)	(10,642)
Repayments of hire purchase and finance lease liabilit		(35)	(24)
		4,160	17,107
Net cash from financing activitie:			
Exchange differences:		26	(484)
		(5,883)	6,334
Net (decrease)/increase in cash and cash equivalent		(5,883)	6,334
Cash and cash equivalents at beginning of yea		18,840	3,751
		12,957	10,085
Cash and cash equivalents at end of financial perio	1	12,957	10,085

NOTE

1. Cash and cash equivalent:

Cash and cash equivalents comprise of

	30.09.2011 RM'000	30.09.2010 RM'000
Cash and bank balances	14,423	11,589
Deposits with licensed bank:	12,913	8,850
	27,336	20,439
Bank overdrafts	(1,466)	(1,504)
Deposits pledged as security	(12,913)	(8,850)
	12,957	10,085

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 Sep 2011	As at 31 Dec 2010
	RM'000	RM'000
Total retained profits/(accumulated losses) of HWGB and its subsidiaries:		
- Realised	(109,138)	(95,165)
- Unrealised	46,423	30,916
	(62,715)	(64,249)
Total share of accumulated losses from associated companies:		
- Realised	(15,140)	(8,814)
- Unrealised	(1,339)	(1,339)
	(79,194)	(74,402)
Consolidation adjustments	68,995	65,861
Total group accumulated losses as per financial statements	(10,199)	(8,541)