

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Comprehensive Income
for the financial period ended 30 September 2012

	Individual Quarter		Cumulative Quarters	
	Jul - Sep 2012	Jul - Sep 2011	Jan - Sep 2012	Jan - Sep 2011
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue				
- sales of goods	80,301	72,328	185,830	192,844
- services	159	156	470	475
	80,460	72,483	186,300	193,319
Cost of sales				
- sales of goods	(79,529)	(70,343)	(183,804)	(188,345)
- services	-	-	-	-
	(79,529)	(70,343)	(183,804)	(188,345)
Gross Profit	931	2,141	2,496	4,974
Operating expenses	(3,853)	(5,041)	(10,083)	(10,902)
Gain on deemed disposal of a quoted associate	-	-	-	12,204
Operating (Loss)/Profit	(2,922)	(2,900)	(7,587)	6,276
Interest expense	(1,252)	(1,405)	(3,774)	(4,280)
Interest income	25	171	133	252
Share of results of Associates	(6)	(1,982)	(17)	(6,326)
Loss before tax	(4,155)	(6,116)	(11,245)	(4,078)
Income tax expense	-	(714)	-	(714)
Net Loss for the period	(4,155)	(6,830)	(11,245)	(4,792)
Other Comprehensive Income/(Loss):				
Currency translation differences arising from consolidation	(234)	1,214	(229)	2,036
Available for sale ("AFS") quoted investments	12,656	(11)	(8,568)	(15)
Income tax relating to components of other comprehensive income/(loss)	-	-	-	-
Other Comprehensive Income/(Loss) net of tax	12,422	1,203	(8,797)	2,021
Total Comprehensive Income/(Loss) for the period	8,267	(5,627)	(20,042)	(2,771)
Loss attributable to:				
Owners of the Company	(2,696)	(5,553)	(9,029)	(1,658)
Non controlling interests	(1,459)	(1,277)	(2,216)	(3,134)
	(4,155)	(6,830)	(11,245)	(4,792)
Total Comprehensive Income/(Loss) attributable to:				
Owners of the Company	9,727	(4,350)	(17,826)	363
Non controlling interests	(1,459)	(1,277)	(2,216)	(3,134)
	8,268	(5,627)	(20,042)	(2,771)
Loss per share attributable to owners of the Company				
- Basic (sen)	(0.50)	(1.20)	(1.71)	(0.36)
- 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 2011.

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Financial Position
As at 30 September 2012

	Un-audited As at 30.09.12 RM'000	Audited As at 31.12.11 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	62,038	66,732
Exploration & evaluation assets	1,295	475
Prepaid lease payments	5,307	5,600
Investment in Associates	1,038	1,055
Available for sale quoted investments	28,071	36,639
Deferred tax assets	600	600
	98,349	111,101
Current assets		
Inventories	38,090	34,783
Trade and other receivables	78,002	33,568
Prepaid lease payments	236	242
Tax recoverable	19	101
Cash and bank balances	6,627	15,956
	122,974	84,650
TOTAL ASSETS	221,323	195,751
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company:		
Share capital	107,413	97,451
Reserves	(13,403)	(3,617)
	94,010	93,834
Non controlling interests	(6,430)	(4,263)
TOTAL EQUITY	87,580	89,571
Non-current liabilities		
Long term borrowings	2,583	8,927
Retirement benefits obligation	1,068	935
	3,651	9,862
Current liabilities		
Trade and other payables	66,575	28,766
Amount due to associates	2,542	2,542
Short term borrowings	60,933	64,878
Tax payable	42	132
	130,092	96,318
TOTAL LIABILITIES	133,743	106,180
TOTAL EQUITY AND LIABILITIES	221,323	195,751

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2011.

Net Assets per share (RM)	0.18	0.19
Net Tangible Assets per share (RM)	0.17	0.19

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Changes in Equity
for the financial period ended 30 September 2012

← ← **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	Employee share option 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
<u>Current Year's 9 months ended 30.09.12</u>												
At 1 January 2012	97,451	10,535	8,971	(8,194)	430	13,640	(13,640)	203	(15,562)	93,834	(4,263)	89,571
Increase in share capital via placement of ordinary shares	9,745	-	-	-	-	-	-	-	-	9,745	-	9,745
Increase in share premium via placement of ordinary shares	-	8,040	-	-	-	-	-	-	-	8,040	-	8,040
Share options granted to employees: - converted into ordinary shares	217	64	-	-	(64)	-	-	-	-	217	-	217
Subscription for ordinary shares in subsidiary company	-	-	-	-	-	-	-	-	-	-	49	49
Total comprehensive loss for the financial period ended 30 September 2012	-	-	-	(8,568)	-	-	-	(229)	(9,029)	(17,826)	(2,216)	(20,042)
At 30 September 2012	107,413	18,639	8,971	(16,762)	366	13,640	(13,640)	(26)	(24,591)	94,010	(6,430)	87,580
<u>Preceding Year's 9 months ended 30.09.11</u>												
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	13,640	(13,640)	1,321	(10,199)	108,412	(3,064)	105,348

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2011.

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Cash Flow Statement
for the financial period ended 30 September 2012

	<u>NOTE</u>	30.09.2012 RM'000	30.09.2011 RM'000
Cash flows from/(used in) operating activities			
Loss before taxation		(11,245)	(4,078)
Adjustments for:			
Amortisation of prepaid lease payments		178	715
Depreciation		7,048	6,764
Gross dividend income from quoted investment(s) in Malaysia		(2)	(22)
Gain on disposal of property, plant and equipment		-	(17)
Gain on deemed disposal of a quoted associate		-	(12,204)
Interest expense		3,774	4,280
Interest income		(132)	(252)
Loss on disposal of property, plant and equipment		129	23
Provision for retirement benefits		167	162
Share options granted to employees ("ESOS")		-	55
Share of results of associates		17	6,326
Unrealised gain on foreign exchange		-	(1,234)
Unrealised loss on foreign exchange		578	48
		512	566
Increase in inventories		(4,547)	(4,849)
Increase in trade and other receivables		(28,650)	(9,462)
Increase in trade and other payables		33,654	19,146
		969	5,401
Cash flows from operations			
Income tax paid		(90)	(90)
Income tax refunded		29	-
Interest paid		(3,774)	(4,280)
Interest received		132	252
		(2,734)	1,283
Net cash (used in)/from operating activities			
Cash flows from/(used in) investing activities			
Dividends received		2	21
Increase in fixed deposits pledged		(2,787)	(2,711)
Payment for exploration and evaluation assets		(820)	(1,370)
Payment for mine development expenditure		(41)	(1,976)
Purchase of property, plant and equipment		(3,368)	(5,349)
Proceeds from disposal of property, plant and equipment		70	33
		(6,944)	(11,352)
Net cash used in investing activities			
Cash flows from/(used in) financing activities			
Proceeds from rights issue of ordinary shares		-	10,663
Proceeds from placement of ordinary shares		17,785	-
Proceeds from conversion of share options into ordinary shares		217	909
Repayments of trade finance		(1,498)	(2,022)
Repayments of term loan(s)		(5,942)	(5,355)
Repayments of hire purchase and finance lease liabilities		(60)	(35)
		10,502	4,160
Net cash from financing activities			
Exchange differences		(39)	26
		785	(5,883)
Net increase/(decrease) in cash and cash equivalents		785	(5,883)
Cash and cash equivalents at beginning of period		4,908	18,840
		5,693	12,957
Cash and cash equivalents at end of period	1	5,693	12,957

NOTE

1. Cash and cash equivalents

Cash and cash equivalents comprise of :

	30.09.2012 RM'000	30.09.2011 RM'000
Cash and bank balances	6,627	14,423
Deposits with licensed banks	16,019	12,913
	22,646	27,336
Bank overdrafts	(934)	(1,466)
Deposits pledged as security	(16,019)	(12,913)
	5,693	12,957

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2011.

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

	As at 30 Sep 2012	As at 31 Dec 2011
	RM'000	RM'000
Total retained profits/(accumulated losses) of HWGB and its subsidiaries:		
- Realised	(133,108)	(118,577)
- Unrealised	5,539	2,236
	(127,569)	(116,341)
Total share of accumulated losses from associated companies:		
- Realised	(1,362)	(1,345)
- Unrealised	-	-
	(128,931)	(117,686)
Consolidation adjustments	104,340	102,124
Total group accumulated losses as per financial statements	(24,591)	(15,562)