

**HO WAH GENTING BERHAD (272923-H)**  
**Condensed Consolidated Statement of Comprehensive Income**  
**for the financial period ended 31 March 2013**

	Individual Quarter		Cumulative Quarters	
	Jan -Mar 2013	Jan -Mar 2012	Jan -Mar 2013	Jan -Mar 2012
	RM'000	RM'000	RM'000	RM'000
<b>Continuing operations</b>				
<b>Revenue</b>				
- sales of goods	48,108	49,103	48,108	49,103
- services	170	156	170	156
	<b>48,278</b>	<b>49,259</b>	<b>48,278</b>	<b>49,259</b>
Cost of sales				
- sales of goods	(49,053)	(48,243)	(49,053)	(48,243)
- services	-	-	-	-
	(49,053)	(48,243)	(49,053)	(48,243)
<b>Gross (Loss)/Profit</b>	<b>(775)</b>	<b>1,016</b>	<b>(775)</b>	<b>1,016</b>
Operating expenses	(3,158)	(3,369)	(3,158)	(3,369)
<b>Operating Loss</b>	<b>(3,933)</b>	<b>(2,353)</b>	<b>(3,933)</b>	<b>(2,353)</b>
Interest expense	(1,117)	(1,655)	(1,117)	(1,655)
Interest income	3	31	3	31
Share of results of Associates	(5)	(7)	(5)	(7)
<b>Loss before tax</b>	<b>(5,052)</b>	<b>(3,984)</b>	<b>(5,052)</b>	<b>(3,984)</b>
Income tax expense	-	-	-	-
<b>Net Loss for the period</b>	<b>(5,052)</b>	<b>(3,984)</b>	<b>(5,052)</b>	<b>(3,984)</b>
<b>Other Comprehensive Income/(Loss):</b>				
Currency translation differences arising from:				
- consolidation	198	(727)	198	(727)
Available for sale ("AFS") quoted investments	(5,698)	(10,083)	(5,698)	(10,083)
Income tax relating to components of other comprehensive income/(loss)	-	-	-	-
<b>Other Comprehensive Loss net of tax</b>	<b>(5,500)</b>	<b>(10,810)</b>	<b>(5,500)</b>	<b>(10,810)</b>
<b>Total Comprehensive Loss for the period</b>	<b>(10,552)</b>	<b>(14,794)</b>	<b>(10,552)</b>	<b>(14,794)</b>
(Loss)/Profit attributable to:				
Owners of the Company	(4,432)	(4,120)	(4,432)	(4,120)
Non controlling interests	(620)	136	(620)	136
	<b>(5,052)</b>	<b>(3,984)</b>	<b>(5,052)</b>	<b>(3,984)</b>
Total Comprehensive (Loss)/Income attributable to:				
Owners of the Company	(9,932)	(14,930)	(9,932)	(14,930)
Non controlling interests	(620)	136	(620)	136
	<b>(10,552)</b>	<b>(14,794)</b>	<b>(10,552)</b>	<b>(14,794)</b>
<b>Loss per share attributable to owners of the Company</b>				
- Basic (sen)	<b>(0.82)</b>	<b>(0.82)</b>	<b>(0.82)</b>	<b>(0.82)</b>
- 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 2012.

**HO WAH GENTING BERHAD (272923-H)**  
**Condensed Consolidated Statement of Financial Position**  
**As at 31 March 2013**

	<b>As at 31.03.13 RM'000</b>	<b>Audited As at 31.12.12 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	57,410	58,078
Investment property	9,363	9,435
Exploration & evaluation assets	3,217	3,217
Intangible asset	52	52
Investment in Associates	1,035	1,040
Other financial assets	17,913	23,611
Deferred tax assets	600	600
	<b>89,590</b>	<b>96,033</b>
<b>Current assets</b>		
Inventories	49,885	41,997
Trade receivables	24,063	33,927
Other receivables, deposits and prepayments	3,789	4,595
Tax recoverable	286	243
Fixed deposits	940	932
Cash and bank balances	23,088	21,991
	<b>102,051</b>	<b>103,685</b>
<b>TOTAL ASSETS</b>	<b>191,641</b>	<b>199,718</b>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to owners of the Company:		
Share capital	107,457	107,418
Reserves	(30,440)	(20,508)
	<b>77,017</b>	<b>86,910</b>
Non controlling interests	(6,454)	(5,834)
<b>TOTAL EQUITY</b>	<b>70,563</b>	<b>81,076</b>
<b>Non-current liabilities</b>		
Hire purchase and finance lease liabilities	166	180
Retirement benefits obligation	1,574	1,689
	<b>1,740</b>	<b>1,869</b>
<b>Current liabilities</b>		
Trade payables	32,440	31,537
Other payables	12,592	12,838
Hire purchase and finance lease liabilities	62	63
Amount due to associates	2,551	2,546
Short term borrowings	71,688	69,736
Tax payable	5	53
	<b>119,338</b>	<b>116,773</b>
<b>TOTAL LIABILITIES</b>	<b>121,078</b>	<b>118,642</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>191,641</b>	<b>199,718</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2012.

<b>Net Assets per share (RM)</b>	<b>0.14</b>	<b>0.16</b>
<b>Net Tangible Assets per share (RM)</b>	<b>0.14</b>	<b>0.15</b>

**HO WAH GENTING BERHAD (272923-H)**  
**Condensed Consolidated Statement of Changes in Equity**  
**for the financial period ended 31 March 2013**

←←←←←  
**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
<b><u>Current Year's 3 months ended 31.03.13</u></b>												
At 1 January 2013	107,418	18,639	6,380	(59)	366	13,640	(13,640)	(135)	(45,699)	86,910	(5,834)	81,076
Share options granted to employees: - converted into ordinary shares	39	11	-	-	(11)	-	-	-	-	39	-	39
Total comprehensive loss for the financial period ended 31 March 2013	-	-	-	(5,698)	-	-	-	198	(4,432)	(9,932)	(620)	(10,552)
<b>At 31 March 2013</b>	<b>107,457</b>	<b>18,650</b>	<b>6,380</b>	<b>(5,757)</b>	<b>355</b>	<b>13,640</b>	<b>(13,640)</b>	<b>63</b>	<b>(50,131)</b>	<b>77,017</b>	<b>(6,454)</b>	<b>70,563</b>
<b><u>Preceding Year's 3 months ended 31.03.12</u></b>												
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 rights issue of ordinary shares	9,745	-	-	-	-	-	-	-	-	9,745	-	9,745
Increase in share premium via rights issue of ordinary shares	-	8,039	-	-	-	-	-	-	-	8,039	-	8,039
Share options granted to employees: - converted into ordinary shares	133	37	-	-	(37)	-	-	-	-	133	-	133
Total comprehensive loss for the financial period ended 31 March 2012	-	-	-	(10,083)	-	-	-	(727)	(4,120)	(14,930)	136	(14,794)
<b>At 31 March 2012</b>	<b>107,329</b>	<b>18,611</b>	<b>8,971</b>	<b>(18,277)</b>	<b>393</b>	<b>13,640</b>	<b>(13,640)</b>	<b>(524)</b>	<b>(19,682)</b>	<b>96,821</b>	<b>(4,127)</b>	<b>92,694</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2012.

**HO WAH GENTING BERHAD (272923-H)**  
**Condensed Consolidated Cash Flow Statement**  
**for the financial period ended 31 March 2013**

<u>NOTE</u>	31.03.2013 RM'000	31.03.2012 RM'000
<b>Cash flows from/(used in) operating activities</b>		
Loss before taxation	(5,052)	(3,984)
Adjustments for:		
Amortisation of prepaid lease payments	-	59
Depreciation	1,695	2,492
Interest expense	1,115	1,655
Interest income	(3)	(31)
Loss on disposal of property, plant and equipment	37	127
Provision for retirement benefits	55	55
Payments for retirement benefits	(188)	-
Share of results of associates	5	7
Unrealised gain on foreign exchange	(302)	(46)
Unrealised loss on foreign exchange	155	99
<b>Operating (loss)/profit before working capital changes</b>	<b>(2,483)</b>	<b>433</b>
Increase in inventories	(7,365)	(5,860)
Decrease in trade and other receivables	11,126	1,426
Increase in trade and other payables	288	11,878
<b>Cash flows generated from operations</b>	<b>1,566</b>	<b>7,877</b>
Income tax paid	(7)	(30)
Income tax refunded	-	29
Interest paid	(1,115)	(1,655)
Interest received	3	31
<b>Net cash generated from operating activities</b>	<b>447</b>	<b>6,252</b>
<b>Cash flows from/(used in) investing activities</b>		
Increase in fixed deposits pledged and sinking funds	(1,234)	(919)
Payment for exploration and evaluation assets	-	(182)
Payment for mine development expenditure	-	(7)
Purchase of property, plant and equipment	(752)	(1,003)
Proceeds from disposal of property, plant and equipment	31	68
<b>Net cash used in investing activities</b>	<b>(1,955)</b>	<b>(2,043)</b>
<b>Cash flows from/(used in) financing activities</b>		
Advance(s) from associate(s)	5	7
Proceeds from placement of ordinary shares	-	17,784
Proceeds from conversion of share options into ordinary shares	39	133
Proceeds from trade finance	3,091	-
Repayments of trade finance	-	(4,594)
Repayments of term loan(s)	(2,003)	(1,962)
Repayments of hire purchase and finance lease liabilities	(16)	(29)
<b>Net cash from financing activities</b>	<b>1,116</b>	<b>11,339</b>
Exchange differences	(9)	(34)
Net (decrease)/increase in cash and cash equivalents	(401)	15,514
Cash and cash equivalents at beginning of year	5,407	4,908
<b>Cash and cash equivalents at end of period</b>	<b>5,006</b>	<b>20,422</b>

**NOTE**

**1. Cash and cash equivalents**

Cash and cash equivalents comprise of :

	31.03.2013 RM'000	31.03.2012 RM'000
Cash and bank balances	23,088	35,432
Deposits with licensed banks	940	630
Bank overdrafts	24,028	36,062
Deposits pledged as security & sinking funds	(693)	(1,470)
	(18,329)	(14,170)
	<b>5,006</b>	<b>20,422</b>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2012.

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

	As at 31 Mar 2013	As at 31 Dec 2012
	<b>RM'000</b>	<b>RM'000</b>
Total retained profits/(accumulated losses) of HWGB and its subsidiaries:		
- Realised	(66,873)	(61,686)
- Unrealised	347	207
	<b>(66,526)</b>	<b>(61,479)</b>
Total share of accumulated losses from associated companies:		
- Realised	(1,365)	(1,360)
- Unrealised	-	-
	<b>(67,891)</b>	<b>(62,839)</b>
Consolidation adjustments	17,760	17,140
<b>Total group accumulated losses as per financial statements</b>	<b>(50,131)</b>	<b>(45,699)</b>