

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Comprehensive Income
for the financial period ended 30 June 2013

	Individual Quarter		Cumulative Quarters	
	Apr - Jun 2013	Apr - Jun 2012	Jan - Jun 2013	Jan - Jun 2012
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue				
- sales of goods	69,000	56,426	117,108	105,529
- services	166	156	336	311
	69,166	56,582	117,444	105,840
 Cost of sales				
- sales of goods	(67,822)	(56,031)	(116,875)	(104,274)
- services	-	-	-	-
	(67,822)	(56,031)	(116,875)	(104,274)
	1,344	551	569	1,566
Gross Profit				
Operating expenses	(3,152)	(2,861)	(6,310)	(6,230)
	(1,808)	(2,310)	(5,741)	(4,664)
Operating Loss				
Interest expense	(1,073)	(866)	(2,190)	(2,522)
Interest income	18	77	21	107
Share of results of Associates	(2)	(4)	(7)	(11)
	(2,865)	(3,103)	(7,917)	(7,090)
Loss before tax				
Income tax expense	-	-	-	-
	(2,865)	(3,103)	(7,917)	(7,090)
Net Loss for the period				
Other Comprehensive Income/(Loss):				
Currency translation differences arising from consolidation	305	731	503	5
Available for sale ("AFS") quoted investments	(2,607)	(11,141)	(8,305)	(21,224)
Income tax relating to components of other comprehensive income/(loss)	-	-	-	-
	(2,302)	(10,410)	(7,802)	(21,219)
Other Comprehensive Loss net of tax				
Total Comprehensive Loss for the period	(5,167)	(13,513)	(15,719)	(28,309)
 Loss attributable to:				
Owners of the Company	(2,596)	(2,211)	(7,028)	(6,333)
Non controlling interests	(269)	(893)	(889)	(757)
	(2,865)	(3,103)	(7,917)	(7,090)
 Total Comprehensive Loss attributable to:				
Owners of the Company	(4,898)	(12,621)	(14,830)	(27,552)
Non controlling interests	(269)	(892)	(889)	(757)
	(5,167)	(13,513)	(15,719)	(28,309)
 Loss per share attributable to owners of the Company				
- Basic (sen)	(0.478)	(0.408)	(1.293)	(1.215)
- 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 30 June 2013

	As at 30 Jun 2013 RM'000	Audited As at 31 Dec 2012 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	57,345	58,078
Investment property	9,293	9,435
Exploration & evaluation assets	4,014	3,217
Intangible asset	52	52
Investment in Associates	1,033	1,040
Other financial assets	15,306	23,611
Deferred tax assets	600	600
	87,643	96,033
Current assets		
Inventories	46,885	41,997
Trade receivables	34,959	33,927
Other receivables, deposits and prepayments	5,898	4,595
Tax recoverable	72	243
Fixed deposits	740	932
Cash and bank balances	31,042	21,991
	119,596	103,685
TOTAL ASSETS	207,239	199,718
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company:		
Share capital	118,203	107,418
Reserves	(32,382)	(20,508)
	85,821	86,910
Non controlling interests	(6,723)	(5,834)
TOTAL EQUITY	79,098	81,076
Non-current liabilities		
Hire purchase and finance lease liabilities	150	180
Retirement benefits obligation	1,608	1,689
	1,758	1,869
Current liabilities		
Trade payables	40,245	31,537
Other payables	13,175	12,838
Hire purchase and finance lease liabilities	62	63
Amount due to associates	2,542	2,546
Short term borrowings	70,307	69,736
Tax payable	52	53
	126,383	116,773
TOTAL LIABILITIES	128,141	118,642
TOTAL EQUITY AND LIABILITIES	207,239	199,718
Net Assets per share (RM)	0.15	0.16
Net Tangible Assets per share (RM)	0.12	0.15

The Condensed Consolidated Statement of Financial Position 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 Changes in Equity
for the financial period ended 30 June 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
<u>Current Year's 6 months ended 30 June 2013</u>												
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
Increase in share capital via placement of ordinary shares	10,746	-	-	-	-	-	-	-	-	10,746	-	10,746
Increase in share premium via placement of ordinary shares	-	2,956	-	-	-	-	-	-	-	2,956	-	2,956
Loss for the period	-	-	-	-	-	-	-	-	(7,028)	(7,028)	(889)	(7,917)
Other comprehensive loss	-	-	-	(8,305)	-	-	-	503	-	(7,802)	-	(7,802)
Total comprehensive loss	-	-	-	(8,305)	-	-	-	503	(7,028)	(14,830)	(889)	(15,719)
At 30 June 2013	118,203	21,606	6,380	(8,364)	355	13,640	(13,640)	368	(52,727)	85,821	(6,723)	79,098
<u>Preceding Year's 6 months ended 30 June 2012</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 rights issue of ordinary shares	9,745	-	-	-	-	-	-	-	-	9,745	-	9,745
Increase in share premium via rights issue of ordinary shares	-	8,040	-	-	-	-	-	-	-	8,040	-	8,040
Share options granted to employees: - converted into ordinary shares	162	49	-	-	(49)	-	-	-	-	162	-	162
Loss for the period	-	-	-	-	-	-	-	-	(6,333)	(6,333)	(757)	(7,090)
Other comprehensive loss	-	-	-	(21,224)	-	-	-	5	-	(21,219)	-	(21,219)
Total comprehensive loss	-	-	-	(21,224)	-	-	-	5	(6,333)	(27,552)	(757)	(28,309)
At 30 June 2012	107,358	18,624	8,971	(29,418)	381	13,640	(13,640)	208	(21,895)	84,229	(5,020)	79,209

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 30 June 2013

NOTE	30 Jun 2013 RM'000	30 Jun 2012 RM'000
Cash flows from/(used in) operating activities		
Loss before taxation	(7,917)	(7,090)
Adjustments for:		
Amortisation of prepaid lease payments	-	118
Depreciation	3,195	4,750
Fixed asset(s) written off	-	45
Gross dividend income from quoted investment(s) in Malaysia	-	(2)
Interest expense	2,190	2,522
Interest income	(21)	(107)
Loss on disposal of property, plant and equipment	37	129
Provision for retirement benefits	58	111
Payments for retirement benefits	(137)	-
Share of results of associates	7	11
Unrealised loss on foreign exchange	273	250
	(2,315)	737
Operating (loss)/profit before working capital changes		
Increase in inventories	(3,433)	(19,323)
Increase in trade and other receivables	(1,211)	(790)
Increase in trade and other payables	10,046	25,903
	3,087	6,527
Cash flows generated from operations		
Income tax paid	(8)	(60)
Income tax refunded	-	29
Interest paid	(2,190)	(2,522)
Interest received	21	107
	910	4,081
Net cash generated from operating activities		
Cash flows from/(used in) investing activities		
Dividends received	-	2
Increase in fixed deposits and sinking funds pledged	(2,217)	(1,847)
Payment for exploration and evaluation assets	(797)	(705)
Payment for mine development expenditure	-	(19)
Purchase of property, plant and equipment	(1,581)	(3,160)
Proceeds from disposal of property, plant and equipment	32	70
	(4,563)	(5,659)
Net cash used in investing activities		
Cash flows from/(used in) financing activities		
Proceeds from placement of ordinary shares	13,701	17,784
Proceeds from conversion of share options into ordinary shares	39	162
Proceeds from trade finance	4,224	-
Repayments of trade finance	(2,637)	(6,009)
Repayments of term loan(s)	(5,307)	(3,777)
Repayments of hire purchase and finance lease liabilities	(32)	(45)
	9,988	8,115
Net cash from financing activities		
Exchange differences	(82)	82
	6,253	6,619
Net increase in cash and cash equivalents		
Cash and cash equivalents at beginning of year	5,407	4,907
	11,660	11,526
Cash and cash equivalents at end of period		

NOTE

1. Cash and cash equivalents

Cash and cash equivalents comprise of :

	30 Jun 2013 RM'000	30 Jun 2012 RM'000
Cash and bank balances	31,042	26,536
Deposits with licensed banks	740	630
	31,782	27,166
Bank overdrafts	-	(1,470)
Deposits and sinking funds pledged for security	(20,122)	(14,170)
	11,660	11,526

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 30 Jun 2013	As at 31 Dec 2012
	RM'000	RM'000
Total retained profits/(accumulated losses) of HWGB and its subsidiaries:		
- Realised	(70,099)	(61,686)
- Unrealised	710	207
	(69,389)	(61,479)
Total share of accumulated losses from associated companies:		
- Realised	(1,367)	(1,360)
- Unrealised	-	-
	(70,756)	(62,839)
Consolidation adjustments	18,029	17,140
Total group accumulated losses as per financial statements	(52,727)	(45,699)