

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

	Individual Quarter		Cumulative Quarters	
	Oct - Dec 2013	Oct - Dec 2012	Jan - Dec 2013	Jan - Dec 2012
	RM'000	RM'000	RM'000	RM'000
<b>Continuing operations</b>				
<b>Revenue</b>				
- sales of goods	45,649	57,097	228,522	242,927
- services	170	170	674	640
	<b>45,819</b>	<b>57,267</b>	<b>229,196</b>	<b>243,567</b>
Cost of sales				
- sales of goods	(46,304)	(54,487)	(228,832)	(238,291)
- services	-	-	-	-
	(46,304)	(54,487)	(228,832)	(238,291)
<b>Gross Profit/(Loss)</b>	<b>(485)</b>	<b>2,780</b>	<b>364</b>	<b>5,276</b>
Other operating income	5,024	1,243	9,476	3,959
Distribution costs	(949)	(1,177)	(3,657)	(3,795)
Administrative expenses	(3,632)	(4,158)	(12,566)	(11,696)
Other operating expenses	(13,718)	(20,317)	(14,753)	(22,827)
<b>Operating Loss</b>	<b>(13,760)</b>	<b>(21,629)</b>	<b>(21,136)</b>	<b>(29,083)</b>
Interest expense	(1,262)	(1,267)	(4,699)	(5,041)
Share of results of Associates	10	2	(10)	(15)
<b>Loss before tax</b>	<b>(15,012)</b>	<b>(22,894)</b>	<b>(25,845)</b>	<b>(34,139)</b>
Income tax expense	(289)	-	(289)	-
<b>Net Loss for the period/year</b>	<b>(15,301)</b>	<b>(22,894)</b>	<b>(26,134)</b>	<b>(34,139)</b>
<b>Other Comprehensive Income/(Loss):</b>				
Currency translation differences arising from consolidation	(1,010)	(318)	(102)	(547)
Income/(Loss) on fair value changes on AFS				
- Current period/year	7,304	-	2	(8,567)
- Transfer to profit or loss	-	16,702	-	16,702
Income tax relating to components of other comprehensive income/(loss)	-	-	-	-
<b>Other Comprehensive Income/(Loss) net of tax</b>	<b>6,294</b>	<b>16,384</b>	<b>(100)</b>	<b>7,588</b>
<b>Total Comprehensive Income/(Loss) for the period/year</b>	<b>(9,007)</b>	<b>(6,510)</b>	<b>(26,234)</b>	<b>(26,551)</b>
Loss attributable to:				
Owners of the Company	(14,946)	(23,490)	(24,442)	(32,519)
Non controlling interests	(355)	596	(1,692)	(1,620)
	<b>(15,301)</b>	<b>(22,894)</b>	<b>(26,134)</b>	<b>(34,139)</b>
Total Comprehensive Income/(Loss) attributable to:				
Owners of the Company	(8,652)	(7,106)	(24,542)	(24,931)
Non controlling interests	(355)	596	(1,692)	(1,620)
	<b>(9,007)</b>	<b>(6,510)</b>	<b>(26,234)</b>	<b>(26,551)</b>
<b>Loss per share attributable to owners of the Company</b>				
- Basic (sen)	<b>(2.63)</b>	<b>(4.33)</b>	<b>(4.31)</b>	<b>(6.12)</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 December 2013**

	<b>Un-audited</b> <b>As at</b> <b>31 Dec 2013</b> <b>RM'000</b>	<b>Audited</b> <b>As at</b> <b>31 Dec 2012</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	56,333	58,078
Investment property	9,151	9,435
Exploration & evaluation assets	4,406	3,217
Intangible asset	158	52
Investment in Associates	1,030	1,040
Other financial assets	12,620	23,611
Goodwill on consolidation	3,025	-
Deferred tax assets	300	600
	<b>87,023</b>	<b>96,033</b>
<b>Current assets</b>		
Inventories	45,031	41,997
Trade receivables	19,262	33,927
Other receivables, deposits and prepayments	4,029	4,595
Tax recoverable	236	243
Fixed deposits	108	932
Cash and bank balances	29,711	21,991
	<b>98,377</b>	<b>103,685</b>
<b>TOTAL ASSETS</b>	<b>185,400</b>	<b>199,718</b>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to owners of the Company:		
Share capital	118,206	107,418
Reserves	28,047	25,191
Accumulated losses	(70,141)	(45,699)
	<b>76,112</b>	<b>86,910</b>
Non controlling interests	(7,408)	(5,834)
<b>TOTAL EQUITY</b>	<b>68,704</b>	<b>81,076</b>
<b>Non-current liabilities</b>		
Hire purchase and finance lease liabilities	115	180
Retirement benefits obligation	1,685	1,689
	<b>1,800</b>	<b>1,869</b>
<b>Current liabilities</b>		
Trade payables	25,905	31,537
Other payables and accruals	13,275	12,838
Hire purchase and finance lease liabilities	65	63
Amount due to associates	2,362	2,546
Short term borrowings	73,263	69,736
Tax payable	26	53
	<b>114,896</b>	<b>116,773</b>
<b>TOTAL LIABILITIES</b>	<b>116,696</b>	<b>118,642</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>185,400</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>0.13</b>	<b>0.16</b>
<b>Net Tangible Assets per share (RM)</b>	<b>0.12</b>	<b>0.15</b>

**HO WAH GENTING BERHAD (272923-H)**  
**Condensed Consolidated Statement of Changes in Equity**  
**for the financial year ended 31 December 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>Current Year's 12 months ended 31 Dec 2013</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
<b>Transactions with owners:</b>												
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	118	118
Exercise of employee share options	43	12	-	-	(12)	-	-	-	-	43	-	43
Share issued pursuant to private placement	10,745	2,956	-	-	-	-	-	-	-	13,701	-	13,701
	10,788	2,968	-	-	(12)	-	-	-	-	13,744	118	13,862
<b>Total comprehensive income/(loss):</b>												
Loss for the year	-	-	-	-	-	-	-	-	(24,442)	(24,442)	(1,692)	(26,134)
Other comprehensive loss	-	-	-	2	-	-	-	(102)	-	(100)	-	(100)
Total comprehensive loss	-	-	-	2	-	-	-	(102)	(24,442)	(24,542)	(1,692)	(26,234)
<b>At 31 December 2013</b>	<b>118,206</b>	<b>21,607</b>	<b>6,380</b>	<b>(57)</b>	<b>354</b>	<b>13,640</b>	<b>(13,640)</b>	<b>(237)</b>	<b>(70,141)</b>	<b>76,112</b>	<b>(7,408)</b>	<b>68,704</b>
<b>AUDITED</b>												
<b>Preceding Year's 12 months ended 31 Dec 2012</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
Transitional adjustment	-	-	(2,591)	-	-	-	-	209	2,382	-	-	-
<b>As restated</b>	<b>97,451</b>	<b>10,535</b>	<b>6,380</b>	<b>(8,194)</b>	<b>430</b>	<b>13,640</b>	<b>(13,640)</b>	<b>412</b>	<b>(13,180)</b>	<b>93,834</b>	<b>(4,263)</b>	<b>89,571</b>
<b>Transactions with owners:</b>												
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	49	49
Exercise of employee share options	222	64	-	-	(64)	-	-	-	-	222	-	222
Share issued pursuant to private placement	9,745	8,040	-	-	-	-	-	-	-	17,785	-	17,785
	9,967	8,104	-	-	(64)	-	-	-	-	18,007	49	18,056
<b>Total comprehensive income/(loss):</b>												
Loss for the year	-	-	-	-	-	-	-	-	(32,519)	(32,519)	(1,620)	(34,139)
Other comprehensive loss	-	-	-	8,135	-	-	-	(547)	-	7,588	-	7,588
Total comprehensive loss	-	-	-	8,135	-	-	-	(547)	(32,519)	(24,931)	(1,620)	(26,551)
<b>At 31 December 2012</b>	<b>107,418</b>	<b>18,639</b>	<b>6,380</b>	<b>(59)</b>	<b>366</b>	<b>13,640</b>	<b>(13,640)</b>	<b>(135)</b>	<b>(45,699)</b>	<b>86,910</b>	<b>(5,834)</b>	<b>81,076</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 year ended 31 December 2013**

	<u>NOTE</u>	31.12.2013 RM'000	Audited 31.12.2012 RM'000
<b>Cash flows from/(used in) operating activities</b>			
Loss before taxation		(25,845)	(34,139)
Adjustments for:			
Amortisation of intangible asset		14	1
Bad debts written off		14	-
Depreciation		6,872	8,420
Gross dividend income from quoted investment(s) in Malaysia		-	(2)
Gain on disposal of quoted investment(s)		(7)	-
Impairment loss on other financial assets		12,638	21,163
Interest expense		4,699	5,041
Interest income		(68)	(136)
Loss on disposal of property, plant and equipment		38	123
Provision for retirement benefits		409	909
Share of results of associates		10	15
Unrealised gain on foreign exchange		(2,546)	(62)
Unrealised loss on foreign exchange		373	455
		<b>(3,399)</b>	<b>1,788</b>
Decrease/(Increase) in inventories		1,758	(8,574)
Decrease/(Increase) in trade and other receivables		18,314	(10,260)
(Decrease)/Increase in trade and other payables		(10,949)	16,294
		<b>5,724</b>	<b>(752)</b>
<b>Cash flows from/(used in) operations</b>			
Income tax refunded		-	28
Income tax paid		(11)	(154)
Interest paid		(4,699)	(5,041)
Interest received		68	136
		<b>1,082</b>	<b>(5,783)</b>
<b>Cash flows from/(used in) investing activities</b>			
Dividends received		-	2
Increase in sinking funds account		(5,171)	(3,700)
(Increase)/Decrease in fixed deposits pledged		(108)	22
Acquisition of shares in subsidiaries		(3,120)	-
Payment for exploration and evaluation assets		(1,189)	(2,742)
Purchase of property, plant and equipment		(3,204)	(3,624)
Proceeds from disposal of property, plant and equipment		261	74
Proceeds from disposal of quoted investment(s)		25	-
		<b>(12,506)</b>	<b>(9,968)</b>
<b>Cash flows from/(used in) financing activities</b>			
Repayment(s) to associate(s)		(180)	-
Proceeds from placement of ordinary shares		13,701	17,785
Proceeds from exercise of employees share options		43	222
Proceeds from trade finance		134,996	146,911
Repayments of trade finance		(130,470)	(139,442)
Repayments of term loan(s)		(8,541)	(7,971)
Repayments of hire purchase and finance lease liabilities		(64)	(177)
Payments of retirement benefits		(204)	-
		<b>9,281</b>	<b>17,328</b>
Exchange differences		(367)	(1,076)
		<b>(2,510)</b>	<b>501</b>
Net (decrease)/increase in cash and cash equivalents		5,407	4,906
Cash and cash equivalents at beginning of year		5,407	4,906
	<b>1</b>	<b>2,897</b>	<b>5,407</b>

**NOTE**

**1. Cash and cash equivalents**

Cash and cash equivalents comprise of :

	31.12.2013 RM'000	31.12.2012 RM'000
Cash and bank balances	29,711	21,991
Deposits with licensed banks	108	932
Bank overdrafts	(3,467)	(622)
	<b>26,352</b>	<b>22,301</b>
Deposits pledged as security	(108)	(610)
Sinking fund account	(23,347)	(16,284)
	<b>2,897</b>	<b>5,407</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 Dec 2013	As at 31 Dec 2012
	<b>RM'000</b>	<b>RM'000</b>
Total accumulated losses of HWGB and its subsidiaries:		
- Realised	(87,710)	(61,686)
- Unrealised	107	207
	<b>(87,603)</b>	<b>(61,479)</b>
Total share of accumulated losses from associated companies:		
- Realised	(1,370)	(1,360)
- Unrealised	-	-
	<b>(88,973)</b>	<b>(62,839)</b>
Consolidation adjustments	18,832	17,140
<b>Total group accumulated losses as per financial statements</b>	<b>(70,141)</b>	<b>(45,699)</b>