

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Comprehensive Income
for the financial year ended 31 December 2014

	Individual Quarter		Cumulative Quarters	
	2014 Oct - Dec RM'000	2013 Oct - Dec RM'000	2014 Jan - Dec RM'000	2013 Jan - Dec RM'000
Continuing operations				
Revenue				
- sales of goods	38,416	45,649	190,140	228,523
- rendering of services	648	-	648	-
- rental income	101	170	610	674
	39,165	45,819	191,398	229,197
Cost of sales				
- sales of goods	(41,333)	(46,304)	(190,189)	(228,452)
- rendering of services	(576)	-	(576)	-
- rental income	-	-	-	-
	(41,909)	(46,304)	(190,765)	(228,452)
Gross profit/(loss)	(2,744)	(485)	633	745
Other operating income	2,089	5,024	5,786	6,990
Distribution costs	(730)	(949)	(3,183)	(3,615)
Administrative expenses	(3,874)	(3,632)	(12,892)	(12,288)
Other operating expenses	(4,962)	(13,718)	(8,483)	(12,957)
Operating loss	(10,221)	(13,760)	(18,139)	(21,125)
Finance costs	(1,121)	(1,262)	(4,592)	(4,688)
Share of results of associates	(74)	10	(74)	(10)
Loss before tax	(11,416)	(15,012)	(22,805)	(25,823)
Income tax expense	(242)	(289)	(242)	(300)
Net loss for the period/year	(11,658)	(15,301)	(23,047)	(26,123)
Other comprehensive Income/(Loss):				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of retirement benefits obligations	-	-	-	227
Gain on revaluation of buildings, net of tax effect	-	-	-	197
Items that may be reclassified subsequently to profit or loss				
Gain/(Loss) on fair value changes on available for sale financial assets				
- Current year	(793)	7,304	(7)	9
- Transfer to profit or loss	-	-	-	(3)
Foreign currency translation differences	1,051	(1,010)	(357)	(88)
Other comprehensive income/(loss) for the period/year, net of tax	258	6,294	(364)	342
Total comprehensive loss for the period/year	(11,400)	(9,007)	(23,411)	(25,781)
Loss attributable to:				
Owners of the Company	(10,862)	(14,946)	(21,197)	(24,431)
Non controlling interests	(796)	(355)	(1,850)	(1,692)
	(11,658)	(15,301)	(23,047)	(26,123)
Total comprehensive loss attributable to:				
Owners of the Company	(10,604)	(8,652)	(21,561)	(24,089)
Non controlling interests	(796)	(355)	(1,850)	(1,692)
	(11,400)	(9,007)	(23,411)	(25,781)
Profit/(Loss) per share attributable to owners of the Company				
- Basic (sen)	(1.84)	(2.63)	(3.59)	(4.31)
- 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 2013

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Financial Position
As at 31 December 2014

	Un-audited As at 31 Dec 2014 RM'000	Audited As at 31 Dec 2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	58,721	58,703
Investment property	-	9,151
Exploration & evaluation assets	4,473	4,406
Intangible asset	78	158
Investment in associates	-	1,030
Other financial assets	5,991	12,682
Goodwill on consolidation	-	3,025
Deferred tax assets	-	300
	69,263	89,455
Current assets		
Inventories	55,320	45,031
Trade receivables	8,809	19,570
Other receivables, deposits and prepayments	4,417	4,208
Tax recoverable	182	58
Fixed deposits	235	765
Cash and bank balances	11,612	29,052
	80,575	98,684
TOTAL ASSETS	149,838	188,139
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company:		
Share capital	118,206	118,206
Reserves	27,895	28,259
Accumulated losses	(91,098)	(69,901)
	55,003	76,564
Non controlling interests	(9,246)	(7,408)
TOTAL EQUITY	45,757	69,156
Non-current liabilities		
Hire purchase and finance lease liabilities	63	114
Long term borrowings	22,937	-
Retirement benefits obligation	1,498	1,473
Deferred tax liabilities	2,138	2,188
	26,636	3,775
Current liabilities		
Trade payables	32,259	25,836
Other payables and accruals	20,662	13,634
Hire purchase and finance lease liabilities	52	66
Amount due to associates	-	2,383
Short term borrowings	24,468	73,263
Tax payable	4	26
	77,445	115,208
TOTAL LIABILITIES	104,081	118,983
TOTAL EQUITY AND LIABILITIES	149,838	188,139
-		
The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2013		
Net Assets per share (RM)	0.09	0.13
Net Tangible Assets per share (RM)	0.08	0.12

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Changes in Equity
for the financial year ended 31 December 2014

	← Attributable to Shareholders of the Company →											Non controlling interests RM'000	Total equity RM'000
	← Non Distributable →										Sub-total RM'000		
	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				
Current year's 12 months ended 31 December 2014													
At 1 January 2014	118,206	21,606	6,577	(53)	352	13,640	(13,640)	(223)	(69,901)	76,564	(7,408)	69,156	
Transactions with owners:													
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	12	12	
	-	-	-	-	-	-	-	-	-	-	12	12	
Other comprehensive income/(loss) for the year													
Remeasurement of net retirement benefits obligations	-	-	-	-	-	-	-	-	-	-	-	-	
Net gain on fair value changes of available for sale financial assets	-	-	-	(7)	-	-	-	-	-	(7)	-	(7)	
Foreign currency translation differences	-	-	-	-	-	-	(357)	-	-	(357)	-	(357)	
	-	-	-	(7)	-	-	(357)	-	-	(364)	-	(364)	
Net loss for the year	-	-	-	-	-	-	-	(21,197)	(21,197)	(21,197)	(1,850)	(23,047)	
Total comprehensive loss for the year	-	-	-	(7)	-	-	-	(357)	(21,197)	(21,561)	(1,850)	(23,411)	
At 31 December 2014	118,206	21,606	6,577	(60)	352	13,640	(13,640)	(580)	(91,098)	55,003	(9,246)	45,757	
Audited													
Preceding year's 12 months ended 31 December 2013													
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	
Transactions with owners:													
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	118	118	
Exercise of employee share options	43	12	-	-	(12)	-	-	-	-	43	-	43	
Share options lapsed	-	-	-	-	(2)	-	-	-	2	-	-	-	
Share issued pursuant to private placement	10,745	2,955	-	-	-	-	-	-	-	13,700	-	13,700	
	10,788	2,967	-	-	(14)	-	-	-	2	13,743	118	13,861	
Other comprehensive income/(loss) for the year:													
Remeasurement of net retirement benefits obligations	-	-	-	-	-	-	-	-	227	227	-	227	
Gain on revaluation of buildings, net of tax effect	-	-	197	-	-	-	-	-	-	197	-	197	
Net gain on fair value changes of available for sale financial assets	-	-	-	6	-	-	-	-	-	6	-	6	
Foreign currency translation differences	-	-	-	-	-	-	(88)	-	-	(88)	-	(88)	
	-	-	197	6	-	-	(88)	227	342	342	-	342	
Net loss for the year	-	-	-	-	-	-	-	(24,431)	(24,431)	(24,431)	(1,692)	(26,123)	
Total comprehensive loss for the year	-	-	197	6	-	-	-	(88)	(24,204)	(24,089)	(1,692)	(25,781)	
At 31 December 2013	118,206	21,606	6,577	(53)	352	13,640	(13,640)	(223)	(69,901)	76,564	(7,408)	69,156	

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2013

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statements of Cash Flows
for the financial year ended 31 December 2014

	NOTE	Un-audited 31 Dec 2014 RM'000	Audited 31 Dec 2013 RM'000
Cash flows from/(used in) operating activities			
Loss before taxation		(22,805)	(25,823)
Adjustments for:			
Amortisation of intangible asset		80	14
Bad debts written off		11	14
Depreciation		4,411	6,883
Gross dividend income from available for sale financial assets in Malaysia		(3)	-
Gain on disposal of available for sale financial assets		(426)	(7)
Impairment loss on available for sale of financial assets		2,538	10,918
Impairment loss on investment in associate		43	-
Interest expense		4,592	4,688
Interest income		(17)	(68)
(Gain)/Loss on disposal of property, plant and equipment		(58)	38
Loss on disposal of investment property		672	-
Gain on disposal of a subsidiary		(41)	-
Loss on deemed disposal of an associate		123	-
Allowance for doubtful debts		997	-
Provision for retirement benefit obligations		235	437
Share of results of associates		-	10
Unrealised gain on foreign exchange		(424)	(474)
Operating loss before working capital changes		(10,072)	(3,370)
Increase in inventories		(10,282)	(5,913)
Decrease in trade and other receivables		7,717	14,883
Increase/(Decrease) in trade and other payables		15,476	(4,265)
Cash flows from operations		2,839	1,335
Income tax paid		(5)	(37)
Income tax refunded		2	-
Interest paid		(4,592)	(4,688)
Interest received		17	68
Retirement benefits paid		(319)	(165)
Net cash from/(used in) operating activities		(2,058)	(3,487)
Cash flows from/(used in) investing activities			
Dividends received		3	-
Decrease/(Increase) in sinking funds account		16,454	(7,891)
Decrease/(Increase) in fixed deposits pledged		29	(155)
Acquisition of shares in subsidiaries		(1,450)	(3,098)
Payment for exploration and evaluation assets		(67)	(1,189)
Purchase of property, plant and equipment		(2,771)	(2,922)
Proceeds from disposal of property, plant and equipment		104	34
Proceeds from disposal of investment property		8,300	-
Proceeds from disposal of available for sale financial assets		4,572	24
Proceeds from disposal of a subsidiary		*	-
Net cash from/(used in) investing activities		25,174	(15,197)
Cash flows from/(used in) financing activities			
Proceeds from shares issued pursuant to private placement		-	13,700
Proceeds from exercise of employees share options		-	43
Proceeds from trade finance		41,903	144,020
Repayments of trade finance		(67,091)	(136,028)
Repayments of term loan(s)		(5,453)	(7,919)
Repayments of hire purchase and finance lease liabilities		(65)	(63)
Net cash (used in)/from financing activities		(30,706)	13,753
Exchange differences		5,946	5,892
Net decrease in cash and cash equivalents		(1,644)	961
Cash and cash equivalents at beginning of year		6,368	5,407
Cash and cash equivalents at end of year	1	4,724	6,368

NOTE

1. Cash and cash equivalents

Cash and cash equivalents comprise of :

	31 Dec 2014 RM'000	31 Dec 2013 RM'000
Cash and bank balances	11,612	29,052
Deposits with licensed banks	235	765
Bank overdraft	-	-
	<u>11,847</u>	<u>29,817</u>
Deposits pledged as security	(235)	(765)
Sinking fund account	(6,888)	(22,684)
	<u>4,724</u>	<u>6,368</u>

* Amount less than RM1,000

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2013.

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

	As at 31 Dec 2014 RM'000	Audited As at 31 Dec 2013 RM'000
Total accumulated losses of HWGB and its subsidiaries:		
- Realised	(91,233)	(73,265)
- Unrealised	(4,305)	774
	(95,538)	(72,491)
Total share of accumulated losses from associated companies:		
- Realised	(1,370)	(1,370)
- Unrealised	-	-
	(96,908)	(73,861)
Consolidation adjustments	5,810	3,960
Total group accumulated losses as per financial statements	(91,098)	(69,901)