

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Profit and Loss and
Other Comprehensive Income for the financial period ended
31 March 2018

	Individual Quarter		Cumulative Quarters	
	2018 Jan - Mar RM'000	2017 Jan - Mar RM'000	2018 Jan - Mar RM'000	2017 Jan - Mar RM'000
Continuing operations				
Revenue				
- sales of goods	38,582	32,996	38,582	32,996
- rendering of services	1,066	896	1,066	896
- rental income	55	33	55	33
	39,703	33,925	39,703	33,925
Cost of sales				
- sales of goods	(36,480)	(31,263)	(36,480)	(31,263)
- rendering of services	(995)	(814)	(995)	(814)
- rental income	-	-	-	-
	(37,475)	(32,077)	(37,475)	(32,077)
Gross profit	2,228	1,848	2,228	1,848
Other operating income	1,012	715	1,012	715
Distribution costs	(613)	(749)	(613)	(749)
Administrative expenses	(3,219)	(2,320)	(3,219)	(2,320)
Other operating expenses	(1,818)	(796)	(1,818)	(796)
Loss from operations	(2,410)	(1,302)	(2,410)	(1,302)
Finance costs	(196)	(530)	(196)	(530)
Share of losses of associate	(317)	-	(317)	-
Loss before taxation	(2,923)	(1,832)	(2,923)	(1,832)
Income tax expense	-	-	-	-
Net loss for the period	(2,923)	(1,832)	(2,923)	(1,832)
Other comprehensive Gain/(Loss):				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of retirement benefits obligations	-	-	-	-
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences	(496)	(90)	(496)	(90)
Other comprehensive loss for the period, net of tax	(496)	(90)	(496)	(90)
Total comprehensive loss for the period	(3,419)	(1,922)	(3,419)	(1,922)
Loss attributable to:				
Owners of the Company	(2,783)	(1,661)	(2,783)	(1,661)
Non controlling interests	(140)	(171)	(140)	(171)
	(2,923)	(1,832)	(2,923)	(1,832)
Total comprehensive loss attributable to:				
Owners of the Company	(3,279)	(1,751)	(3,279)	(1,751)
Non controlling interests	(140)	(171)	(140)	(171)
	(3,419)	(1,922)	(3,419)	(1,922)
Loss per share attributable to owners of the Company				
- Basic (sen)	(1.10)	(0.17)	(1.10)	(0.17)
- 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 2017

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Financial Position
As at 31 March 2018

	Unaudited As at 31 Mar 2018 RM'000	Audited As at 31 Dec 2017 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	35,511	37,792
Intangible asset	9	11
Investment in associate	547	864
Deferred tax assets	2,769	2,769
	38,836	41,436
Current assets		
Inventories	17,298	20,784
Trade receivables	13,123	15,802
Other receivables, deposits and prepayments	3,213	1,110
Tax recoverable	54	56
Fixed deposits	154	150
Cash and bank balances	15,150	3,838
	48,992	41,740
TOTAL ASSETS	87,828	83,176
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company:		
Share capital	63,251	49,924
Reserves	40,268	40,818
Accumulated losses	(45,049)	(42,291)
	58,470	48,451
Non controlling interests	(26,920)	(26,780)
TOTAL EQUITY	31,550	21,671
Non-current liabilities		
Hire purchase and finance lease liabilities	199	205
Long term borrowings	9,999	11,963
Retirement benefits obligation	3,079	3,089
Deferred tax liabilities	2,780	2,780
	16,057	18,037
Current liabilities		
Trade payables	8,849	11,459
Other payables and accruals	24,708	25,027
Hire purchase and finance lease liabilities	42	50
Short term borrowings	6,622	6,932
	40,221	43,468
TOTAL LIABILITIES	56,278	61,505
TOTAL EQUITY AND LIABILITIES	87,828	83,176
	-	-
Net Assets per share (RM)	0.10	0.02
Net Tangible Assets per share (RM)	0.10	0.02

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2017

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statement of Changes in Equity
for the financial period ended 31 March 2018

----- Attributable to Shareholders of the Company -----										
----- Non Distributable -----										
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Employee share option reserve RM'000	Warrant 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
Current year's 3 months period ended 31 March 2018 (Unaudited)										
At 1 January 2018	49,924	23,098	10,019	1,902	7,348	(1,549)	(42,291)	48,451	(26,780)	21,671
Transaction with owners:										
Employee Share Option ("ESOS") exercised	31	-	-	-	-	-	-	31	-	31
Transfer of ESOS Reserve upon exercise of ESOS	29	-	-	(29)	-	-	-	-	-	-
ESOS lapsed	-	-	-	(25)	-	-	25	-	-	-
Issuance of shares pursuant to Private Placement	13,484	-	-	-	-	-	-	13,484	-	13,484
Expenses related to Private Placement of shares	(217)	-	-	-	-	-	-	(217)	-	(217)
	13,327	-	-	(54)	-	-	25	13,298	-	13,298
Other comprehensive gain/(loss) for the period										
Remeasurement of retirement benefits obligations	-	-	-	-	-	(496)	-	(496)	-	(496)
Foreign currency translation differences	-	-	-	-	-	(496)	-	(496)	-	(496)
Loss for the period	-	-	-	-	-	-	(2,783)	(2,783)	(140)	(2,923)
Total comprehensive loss for the period	-	-	-	-	-	(496)	(2,783)	(3,279)	(140)	(3,419)
At 31 March 2018	63,251	23,098	10,019	1,848	7,348	(2,045)	(45,049)	58,470	(26,920)	31,550
Preceding year's 3 months period ended 31 March 2017 (Unaudited)										
At 1 January 2017	49,902	23,098	10,019	2,066	7,348	(256)	(31,415)	60,762	(17,865)	42,897
Other comprehensive gain/(loss) for the period										
Foreign currency translation differences	-	-	-	-	-	(90)	-	(90)	-	(90)
Other comprehensive gain/(loss) for the period	-	-	-	-	-	(90)	-	(90)	-	(90)
Loss for the period	-	-	-	-	-	-	(1,661)	(1,661)	(171)	(1,832)
Total comprehensive income/(loss) for the period	-	-	-	-	-	(90)	(1,661)	(1,751)	(171)	(1,922)
At 31 March 2017	49,902	23,098	10,019	2,066	7,348	(346)	(33,076)	59,011	(18,036)	40,975

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2017

HO WAH GENTING BERHAD (272923-H)
Condensed Consolidated Statements of Cash Flows
for the financial period ended 31 March 2018

	<u>NOTE</u>	Unaudited 31 Mar 2018 RM'000	Unaudited 31 Mar 2017 RM'000
Cash flows from / (used in) operating activities			
Loss before taxation		(2,923)	(1,832)
Adjustments for:			
Amortisation of intangible asset	Part B 6	2	2
Depreciation	Part B 6	1,239	1,116
Interest expense	Part B 6	196	530
Interest income	Part B 6	(7)	(9)
Gain on disposal of plant and equipment	Part B 6	(25)	(1)
Allowance for doubtful debts no longer required	Part B 6	(2)	-
Provision for retirement benefit obligations		241	134
Share of losses from associate		317	-
Unrealised loss on foreign exchange	Part B 6	1,098	388
Unrealised gain on foreign exchange	Part B 6	(409)	(126)
Operating (loss)/profit before working capital changes		(273)	202
Decrease/(Increase) in inventories		2,596	(1,650)
(Increase)/Decrease in trade and other receivables		(279)	815
Decrease in trade and other payables		(1,899)	(2,436)
Cash flows from / (used in) operations		145	(3,069)
Interest paid		(196)	(530)
Interest received		7	9
Retirement benefits paid		(98)	(2)
Net cash used in operating activities		(142)	(3,592)
Cash flows from / (used in) investing activities			
Decrease in fixed deposits pledged		(5)	(6)
Purchase of plant and equipment		(21)	(96)
Proceeds from disposal of plant and equipment		25	1
Net cash used in investing activities		(1)	(101)
Cash flows from / (used in) financing activities			
Proceeds from shares issued pursuant to private placement		13,484	-
Proceeds from exercise of ESOS		31	-
Payment of corporate exercise expenses		(217)	-
Repayment of term loan(s)		(1,715)	(1,907)
Repayment of hire purchase and finance lease liabilities		(14)	(13)
Net cash from / (used in) financing activities		11,569	(1,920)
Exchange differences		(114)	(21)
Net increase / (decrease) in cash and cash equivalents		11,312	(5,634)
Cash and cash equivalents at beginning of period		3,838	7,653
Cash and cash equivalents at end of period		15,150	2,019
Cash and cash equivalents at end of period comprises:			
Cash and bank balances		15,150	2,019
Deposits with licensed banks		154	175
		15,304	2,194
Deposits pledged as security		(154)	(175)
		15,150	2,019
		-	-

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2017