

**Condensed Consolidated Statement of Comprehensive Income  
for the financial period ended 30 June 2019**

	Note	Individual Quarter		Cummulative Quarters	
		2019	2018	2019	2018
		Apr - Jun RM'000	Apr - Jun RM'000	Jan - Jun RM'000	Jan - Jun RM'000
<b>Continuing operations</b>					
<b>Revenue</b>					
- sales of goods		60,830	36,210	96,895	74,792
- rendering of services		1,142	1,189	2,365	2,255
- rental income		55	55	110	110
		<b>62,027</b>	<b>37,454</b>	<b>99,370</b>	<b>77,157</b>
<b>Cost of sales</b>					
- sales of goods		(55,874)	(33,639)	(88,829)	(70,119)
- rendering of services		(1,094)	(1,133)	(2,266)	(2,128)
- rental income		-	-	-	-
		(56,968)	(34,772)	(91,095)	(72,247)
		<b>5,059</b>	<b>2,682</b>	<b>8,275</b>	<b>4,910</b>
Other operating income		224	591	1,101	1,596
Distribution costs		(789)	(561)	(1,506)	(1,174)
Administrative expenses		(3,022)	(2,083)	(5,873)	(5,302)
Other operating expenses		(64)	1,038	(877)	(782)
Net allowance for expected credit loss of receivables		1	2	3	4
<b>Profit/(Loss) from operations</b>	Part B 6	<b>1,409</b>	<b>1,669</b>	<b>1,123</b>	<b>(748)</b>
Finance income	Part B 7	9	11	53	18
Finance costs	Part B 8	(534)	(519)	(1,048)	(715)
Net finance costs		(525)	(508)	(995)	(697)
Share of losses of an associate		-	(547)	-	(864)
		<b>884</b>	<b>614</b>	<b>128</b>	<b>(2,309)</b>
<b>Profit/(Loss) before taxation</b>		<b>884</b>	<b>614</b>	<b>128</b>	<b>(2,309)</b>
Income tax expense	Part B 9	(1,058)	(201)	(1,312)	(201)
		<b>(174)</b>	<b>413</b>	<b>(1,184)</b>	<b>(2,510)</b>
<b>Profit/(Loss) for the period</b>		<b>(174)</b>	<b>413</b>	<b>(1,184)</b>	<b>(2,510)</b>
<b>Other comprehensive gain/(loss):</b>					
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Remeasurement of retirement benefits obligations		-	-	-	-
<b>Items that may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences		186	547	(5)	51
		<b>186</b>	<b>547</b>	<b>(5)</b>	<b>51</b>
<b>Other comprehensive loss for the period, net of tax</b>		<b>186</b>	<b>547</b>	<b>(5)</b>	<b>51</b>
		<b>12</b>	<b>960</b>	<b>(1,189)</b>	<b>(2,459)</b>
<b>Total comprehensive loss for the period</b>		<b>12</b>	<b>960</b>	<b>(1,189)</b>	<b>(2,459)</b>
<b>Profit/(Loss) attributable to:</b>					
Owners of the Company		(174)	562	(1,184)	(2,221)
Non controlling interests		#	(149)	*	(289)
		<b>(174)</b>	<b>413</b>	<b>(1,184)</b>	<b>(2,510)</b>
<b>Total comprehensive profit/(loss) attributable to:</b>					
Owners of the Company		12	1,109	(1,189)	(2,170)
Non controlling interests		#	(149)	*	(289)
		<b>12</b>	<b>960</b>	<b>(1,189)</b>	<b>(2,459)</b>
<b>Loss per share attributable to owners of the Company</b>					
- Basic (sen)	Part B 17	<b>(0.05)</b>	<b>0.19</b>	<b>(0.34)</b>	<b>(0.77)</b>
- Diluted (sen)	Part B 17	N/A	N/A	N/A	N/A

\* Represents RM258

# Represents RM146

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2018

**HO WAH GENTING BERHAD**

(Company no: 272923-H)

**Condensed Consolidated Statement of Financial Position  
as at 30 June 2019**

	Note	Unaudited as at 30 Jun 2019 RM'000	Audited as at 31 Dec 2018 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		35,972	36,332
Right of use assets		51	-
Investment in associate	Part B 11	-	-
		<b>36,023</b>	<b>36,332</b>
<b>Current assets</b>			
Inventories		29,678	27,406
Trade receivables		25,508	16,772
Other receivables, deposits and prepayments		4,153	1,184
Amount due from an associate		7,965	6,030
Fixed deposits		100	154
Cash and bank balances		4,111	5,001
		<b>71,515</b>	<b>56,547</b>
<b>TOTAL ASSETS</b>		<b>107,538</b>	<b>92,879</b>
<b>EQUITY AND LIABILITIES</b>			
Equity attributable to owners of the Company:			
Share capital		89,271	86,350
Reserves		18,893	18,917
Accumulated losses		(76,429)	(75,234)
		<b>31,735</b>	<b>30,033</b>
Non controlling interests		6	466
<b>TOTAL EQUITY</b>		<b>31,741</b>	<b>30,499</b>
<b>Non-current liabilities</b>			
Other payables and accruals		-	2,068
Hire purchase liabilities	Part B 12	426	470
Lease liabilities	Part B 12	39	-
Long term borrowings	Part B 12	5,101	5,506
Retirement benefits obligation		3,628	3,388
Deferred tax liabilities		2,962	2,962
		<b>12,156</b>	<b>14,394</b>
<b>Current liabilities</b>			
Trade payables		19,553	11,607
Other payables and accruals		24,730	17,457
Tax payables		649	805
Hire purchase liabilities	Part B 12	93	95
Lease liabilities	Part B 12	12	-
Short term borrowings	Part B 12	18,604	18,022
		<b>63,641</b>	<b>47,986</b>
<b>TOTAL LIABILITIES</b>		<b>75,797</b>	<b>62,380</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>107,538</b>	<b>92,879</b>
		-	-
<b>Net Assets per share (RM)</b>		<b>0.09</b>	<b>0.09</b>
<b>Net Tangible Assets per share (RM)</b>		<b>0.09</b>	<b>0.09</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2018

**HO WAH GENTING BERHAD**  
(Company no: 272923-H)  
**Condensed Consolidated Statement of Changes in Equity**  
**for the financial period ended 30 June 2019**

	----- Attributable to Shareholders of the Company -----							Sub-total RM'000	Non controlling interests RM'000	Total equity RM'000
	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			
<b>Current year's 6 months period ended 30 Jun 2019 (Unaudited)</b>										
At 1 January 2019	86,350	-	10,019	2,713	7,348	(1,163)	(75,234)	30,033	466	30,499
<b>Transactions with owners:</b>										
Employee Share Option ("ESOS") lapsed	-	-	-	(19)	-	-	19	-	-	-
Issuance of shares pursuant to Private Placement	2,921	-	-	-	-	-	-	2,921	-	2,921
Acquisition of non controlling interest	-	-	-	-	-	-	(30)	(30)	(460)	(490)
<b>Total transactions with owners</b>	2,921	-	-	(19)	-	-	(11)	2,891	(460)	2,431
<b>Other comprehensive income/(loss) for the period</b>										
Remeasurement of retirement benefits obligations	-	-	-	-	-	-	-	-	-	-
Foreign currency translation differences	-	-	-	-	-	(5)	-	(5)	-	(5)
	-	-	-	-	-	(5)	-	(5)	-	(5)
Loss for the period	-	-	-	-	-	-	(1,184)	(1,184)	*	(1,184)
<b>Total comprehensive loss for the period</b>	-	-	-	-	-	(5)	(1,184)	(1,189)	-	(1,189)
<b>At 30 June 2019</b>	<b>89,271</b>	<b>-</b>	<b>10,019</b>	<b>2,694</b>	<b>7,348</b>	<b>(1,168)</b>	<b>(76,429)</b>	<b>31,735</b>	<b>6</b>	<b>31,741</b>
<b>Preceding year's 6 months period ended 30 June 2018 (Unaudited)</b>										
At 1 January 2018	49,924	23,098	10,019	1,902	7,348	(1,549)	(42,291)	48,451	(26,780)	21,671
<b>Transactions with owners:</b>										
Employee Share Options ("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)
<b>Total transactions with owners</b>	13,327	-	-	(54)	-	-	25	13,298	-	13,298
<b>Other comprehensive income/(loss) for the period</b>										
Foreign currency translation differences	-	-	-	-	-	51	-	51	-	51
Remeasurement of net retirement benefit obligations	-	-	-	-	-	-	-	-	-	-
Other comprehensive loss for the period	-	-	-	-	-	51	-	51	-	51
Loss for the period	-	-	-	-	-	-	(2,221)	(2,221)	(289)	(2,510)
<b>Total comprehensive loss for the period</b>	-	-	-	-	-	51	(2,221)	(2,170)	(289)	(2,459)
<b>At 30 June 2018</b>	<b>63,251</b>	<b>23,098</b>	<b>10,019</b>	<b>1,848</b>	<b>7,348</b>	<b>(1,498)</b>	<b>(44,487)</b>	<b>59,579</b>	<b>(27,069)</b>	<b>32,510</b>

\* Represents RM258

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2018

**HO WAH GENTING BERHAD**  
(Company no: 272923-H)  
**Condensed Consolidated Statements of Cash Flows**  
**for the financial period ended 30 June 2019**

	<u>NOTE</u>	Unaudited 30 June 2019 RM'000	Unaudited 30 June 2018 RM'000
<b>Cash flows from / (used in) operating activities</b>			
Profits/(Loss) before taxation		128	(2,309)
Adjustments for:			
Amortisation of intangible asset	Part B 6	-	4
Bad debts written off	Part B 6	34	-
Depreciation - Property, plant and equipment	Part B 6	1,704	1,662
Depreciation - Right of use assets	Part B 6	6	-
Interest expense	Part B 8	1,048	715
Interest income	Part B 7	(53)	(18)
Gain on disposal of plant and equipment	Part B 6	(9)	(76)
Allowance for expected credit loss no longer required	Part B 6	(3)	(4)
Provision for retirement benefit obligations		248	358
Share of losses from an associate		-	864
Unrealised loss on foreign exchange	Part B 6	170	56
Unrealised gain on foreign exchange	Part B 6	(12)	(201)
<b>Operating profit before working capital changes</b>		<b>3,261</b>	<b>1,051</b>
Increase in inventories		(2,273)	(2,316)
(Increased)/Decrease in trade and other receivables		(11,727)	738
Increase/(Decrease) in trade and other payables		12,981	(7,247)
<b>Cash generated / (used in) from operations</b>		<b>2,242</b>	<b>(7,774)</b>
Income tax paid		(1,515)	-
Interest paid		(1,048)	(715)
Interest received		110	18
Retirement benefits paid		(6)	(102)
<b>Net cash used in operating activities</b>		<b>(217)</b>	<b>(8,573)</b>
<b>Cash flows from/(used in) investing activities</b>			
Decrease/(Increase) in fixed deposits pledged		55	(5)
Acquisition of non-controlling interest		(490)	-
Advances to an associate		(1,935)	(4,030)
Purchase of plant and equipment		(1,366)	(1,787)
Proceeds from disposal of plant and equipment		16	76
<b>Net cash used in investing activities</b>		<b>(3,720)</b>	<b>(5,746)</b>
<b>Cash flows from/(used in) financing activities</b>			
Proceeds from shares issued pursuant to private placement		2,921	13,484
Proceeds from exercise of ESOS		-	31
Payment of corporate exercise expenses		-	(217)
Proceeds from trade financing		30,511	8,827
Repayment of trade financing		(26,638)	(3,026)
Repayment of term loan(s)		(3,696)	(2,901)
Proceeds from hire purchase liabilities		-	392
Repayment of hire purchase liabilities		(47)	(36)
Payment of lease liabilities		(6)	-
<b>Net cash from financing activities</b>		<b>3,045</b>	<b>16,554</b>
Exchange differences		2	5
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(890)</b>	<b>2,240</b>
Cash and cash equivalents at beginning of period		5,001	3,838
<b>Cash and cash equivalents at end of period</b>		<b>4,111</b>	<b>6,078</b>
<b>Cash and cash equivalents at end of period comprises:</b>			
Cash and bank balances		4,111	6,078
Deposits with licensed banks		100	154
		4,211	6,232
Deposits pledged as security		(100)	(154)
		<b>4,111</b>	<b>6,078</b>

The Condensed Consolidated Statement Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2018