

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

	Note	Individual Quarter		Cummulative Quarters	
		2019	2018	2019	2018
		Jul - Sep RM'000	Jul - Sep RM'000	Jan - Sep RM'000	Jan - Sep RM'000
<b>Continuing operations</b>					
<b>Revenue</b>					
- sales of goods		46,195	42,858	143,090	117,650
- rendering of services		971	1,188	3,336	3,443
- rental income		56	56	166	166
		<b>47,222</b>	<b>44,102</b>	<b>146,592</b>	<b>121,259</b>
<b>Cost of sales</b>					
- sales of goods		(43,402)	(39,193)	(132,231)	(109,312)
- rendering of services		(902)	(1,124)	(3,168)	(3,252)
- rental income		-	-	-	-
		(44,304)	(40,317)	(135,399)	(112,564)
		<b>2,918</b>	<b>3,785</b>	<b>11,193</b>	<b>8,695</b>
Other operating income		1,115	1,151	2,216	2,747
Distribution costs		(685)	(644)	(2,191)	(1,818)
Administrative expenses		(2,907)	(3,246)	(8,780)	(8,548)
Other operating expenses		(329)	(534)	(1,206)	(1,316)
Net allowance for expected credit loss of receivables		-	3	3	7
<b>Profit/(Loss) from operations</b>	Part B 6	<b>112</b>	<b>515</b>	<b>1,235</b>	<b>(233)</b>
Finance income	Part B 7	2	3	55	21
Finance costs	Part B 8	(493)	(397)	(1,541)	(1,112)
Net finance costs		(491)	(394)	(1,486)	(1,091)
Share of losses of an associate		-	-	-	(864)
		<b>(379)</b>	<b>121</b>	<b>(251)</b>	<b>(2,188)</b>
<b>Profit/(Loss) before taxation</b>		<b>(379)</b>	<b>121</b>	<b>(251)</b>	<b>(2,188)</b>
Income tax expense	Part B 9	(343)	(2,299)	(1,655)	(2,500)
<b>Loss for the period</b>		<b>(722)</b>	<b>(2,178)</b>	<b>(1,906)</b>	<b>(4,688)</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		255	296	250	347
<b>Other comprehensive gain for the period, net of tax</b>		<b>255</b>	<b>296</b>	<b>250</b>	<b>347</b>
<b>Total comprehensive loss for the period</b>		<b>(467)</b>	<b>(1,882)</b>	<b>(1,656)</b>	<b>(4,341)</b>
<b>Loss attributable to:</b>					
Owners of the Company		(722)	(2,106)	(1,906)	(4,327)
Non controlling interests		#	(72)	*	(361)
		<b>(722)</b>	<b>(2,178)</b>	<b>(1,906)</b>	<b>(4,688)</b>
<b>Total comprehensive loss attributable to:</b>					
Owners of the Company		(467)	(1,810)	(1,656)	(3,980)
Non controlling interests		#	(72)	*	(361)
		<b>(467)</b>	<b>(1,882)</b>	<b>(1,656)</b>	<b>(4,341)</b>
<b>Loss per share attributable to owners of the Company</b>					
- Basic (sen)	Part B 17	<b>(0.21)</b>	<b>(0.70)</b>	<b>(0.55)</b>	<b>(1.44)</b>
- Diluted (sen)	Part B 17	N/A	N/A	N/A	N/A

\* Represents RM311

# Represents RM53

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 September 2019**

	Note	Unaudited as at 30 Sep 2019 RM'000	Audited as at 31 Dec 2018 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		35,529	36,332
Right of use assets		47	-
Investment in associate	Part B 11	-	-
		<b>35,576</b>	<b>36,332</b>
<b>Current assets</b>			
Inventories		22,752	27,406
Trade receivables		16,449	16,772
Other receivables, deposits and prepayments		1,189	1,184
Amount due from an associate		7,965	6,030
Fixed deposits with licensed bank		100	154
Cash and bank balances		6,671	5,001
		<b>55,126</b>	<b>56,547</b>
<b>TOTAL ASSETS</b>		<b>90,702</b>	<b>92,879</b>
<b>EQUITY AND LIABILITIES</b>			
Equity attributable to owners of the Company:			
Share capital		89,271	86,350
Reserves		19,145	18,917
Accumulated losses		(77,148)	(75,234)
		<b>31,268</b>	<b>30,033</b>
Non controlling interests		6	466
<b>TOTAL EQUITY</b>		<b>31,274</b>	<b>30,499</b>
<b>Non-current liabilities</b>			
Other payables and accruals		-	2,068
Hire purchase liabilities	Part B 12	402	470
Lease liabilities	Part B 12	36	-
Long term borrowings	Part B 12	5,123	5,506
Retirement benefits obligation		3,803	3,388
Deferred tax liabilities		2,962	2,962
		<b>12,326</b>	<b>14,394</b>
<b>Current liabilities</b>			
Trade payables		8,020	11,607
Other payables and accruals		23,236	17,457
Tax payables		563	805
Hire purchase liabilities	Part B 12	93	95
Lease liabilities	Part B 12	13	-
Short term borrowings	Part B 12	15,177	18,022
		<b>47,102</b>	<b>47,986</b>
<b>TOTAL LIABILITIES</b>		<b>59,428</b>	<b>62,380</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>90,702</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 September 2019**

	----- Attributable to Shareholders of the Company -----							Sub-total RM'000	Non controlling interests RM'000	Total equity RM'000
	----- 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			
<b>Current year's 9 months period ended 30 September 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	-	-	-	(22)	-	-	22	-	-	-
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	-	-	(22)	-	-	(8)	2,891	(460)	2,431
<b>Other comprehensive income/(loss) for the period</b>										
Remeasurement of retirement benefits obligations	-	-	-	-	-	-	-	-	-	-
Foreign currency translation differences	-	-	-	-	-	250	-	250	-	250
	-	-	-	-	-	250	-	250	-	250
Loss for the period	-	-	-	-	-	-	(1,906)	(1,906)	*	(1,906)
<b>Total comprehensive loss for the period</b>	-	-	-	-	-	250	(1,906)	(1,656)	-	(1,656)
<b>At 30 September 2019</b>	<b>89,271</b>	<b>-</b>	<b>10,019</b>	<b>2,691</b>	<b>7,348</b>	<b>(913)</b>	<b>(77,148)</b>	<b>31,268</b>	<b>6</b>	<b>31,274</b>
<b>Preceding year's 9 months period ended 30 September 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	-	-	-	(98)	-	-	98	-	-	-
Issuance of shares pursuant to Private Placement	13,484	-	-	-	-	-	-	13,484	-	13,484
Expenses related to Private Placement of shares	(217)	-	-	-	-	-	-	(217)	-	(217)
Grant of equity settled share options to employees	-	-	-	970	-	-	-	970	-	970
<b>Total transactions with owners</b>	13,327	-	-	843	-	-	98	14,268	-	14,268
<b>Other comprehensive income/(loss) for the period</b>										
Foreign currency translation differences	-	-	-	-	-	347	-	347	-	347
Remeasurement of net retirement benefit obligations	-	-	-	-	-	-	-	-	-	-
Other comprehensive loss for the period	-	-	-	-	-	347	-	347	-	347
Loss for the period	-	-	-	-	-	-	(4,327)	(4,327)	(361)	(4,688)
<b>Total comprehensive loss for the period</b>	-	-	-	-	-	347	(4,327)	(3,980)	(361)	(4,341)
<b>At 30 September 2018</b>	<b>63,251</b>	<b>23,098</b>	<b>10,019</b>	<b>2,745</b>	<b>7,348</b>	<b>(1,202)</b>	<b>(46,520)</b>	<b>58,739</b>	<b>(27,141)</b>	<b>31,598</b>

\* Represents RM311

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 September 2019**

	<u>NOTE</u>	Unaudited 30 Sep 2019 RM'000	Unaudited 30 Sep 2018 RM'000
<b>Cash flows from / (used in) operating activities</b>			
Loss before taxation		(251)	(2,188)
Adjustments for:			
Amortisation of intangible asset	Part B 6	-	6
Bad debts written off	Part B 6	34	-
Depreciation - Property, plant and equipment	Part B 6	2,578	2,629
Depreciation - Right of use assets	Part B 6	10	-
Interest expense	Part B 8	1,541	1,112
Interest income	Part B 7	(55)	(21)
Gain on disposal of plant and equipment	Part B 6	(28)	(77)
Gain on disposal of shares in a subsidiary	Part B 6	(122)	-
Allowance for expected credit loss no longer required	Part B 6	(3)	(7)
Provision for retirement benefit obligations		372	482
Grant of equity settled share options pursuant to ESOS		-	970
Share of losses from an associate		-	864
Unrealised loss on foreign exchange	Part B 6	243	200
Unrealised gain on foreign exchange	Part B 6	(314)	(583)
<b>Operating profit before working capital changes</b>		<b>4,005</b>	<b>3,387</b>
Decrease/(Increase) in inventories		4,654	(3,134)
Decrease in trade and other receivables		296	1,367
Increase/(Decrease) in trade and other payables		66	(9,385)
<b>Cash generated from/(used in) operations</b>		<b>9,021</b>	<b>(7,765)</b>
Income tax paid		(1,960)	(1,153)
Interest paid		(1,541)	(1,112)
Interest received		21	21
Retirement benefits paid		(9)	(103)
<b>Net cash from/(used in) operating activities</b>		<b>5,532</b>	<b>(10,112)</b>
<b>Cash flows from/(used in) investing activities</b>			
Decrease/(Increase) in fixed deposits pledged		55	(5)
Acquisition of non-controlling interest		(490)	-
Net cash flow on disposal of a subsidiary		(3)	-
Advances to an associate		(1,844)	(5,030)
Purchase of plant and equipment		(1,484)	(1,891)
Proceeds from disposal of plant and equipment		35	77
Proceeds from disposal of shares in a subsidiary		8	-
<b>Net cash used in investing activities</b>		<b>(3,723)</b>	<b>(6,849)</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		57,156	30,117
Repayment of trade financing		(55,202)	(22,529)
Repayment of term loan(s)		(5,347)	(4,622)
Proceeds from hire purchase liabilities		-	392
Repayment of hire purchase liabilities		(71)	(59)
Payment of lease liabilities		(9)	-
<b>Net cash (used in)/from financing activities</b>		<b>(552)</b>	<b>16,597</b>
Exchange differences		413	39
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>1,670</b>	<b>(325)</b>
Cash and cash equivalents at beginning of period		5,001	3,838
<b>Cash and cash equivalents at end of period</b>		<b>6,671</b>	<b>3,513</b>
<b>Cash and cash equivalents at end of period comprises:</b>			
Cash and bank balances		6,671	3,513
Deposits with licensed banks		100	154
		6,771	3,667
Deposits pledged as security		(100)	(154)
		<b>6,671</b>	<b>3,513</b>
		-	-

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