

**Condensed Consolidated Statement of Comprehensive Income
for the financial year ended 31 December 2019**

	Note	Individual Quarter		Cummulative Quarters	
		2019	2018	2019	2018
		Oct - Dec RM'000	Oct - Dec RM'000	Jan - Dec RM'000	Jan - Dec RM'000
Continuing operations					
Revenue					
- sales of goods		32,577	37,222	175,667	154,872
- rendering of services		1,764	1,171	5,100	4,614
- rental income		37	55	203	221
		34,378	38,448	180,970	159,707
Cost of sales					
- sales of goods		(30,756)	(34,408)	(162,987)	(143,720)
- rendering of services		(1,661)	(1,104)	(4,829)	(4,356)
- rental income		-	-	-	-
		(32,417)	(35,512)	(167,816)	(148,076)
		1,961	2,936	13,154	11,631
Other operating income		322	964	2,538	3,712
Distribution costs		(690)	(692)	(2,881)	(2,510)
Administrative expenses		(2,573)	(3,914)	(11,353)	(12,462)
Other operating expenses		(464)	1,289	(1,670)	(27)
Net allowance for expected credit loss of receivables		(4,042)	-	(4,039)	7
Profit/(Loss) from operations	Part B 6	(5,486)	583	(4,251)	351
Finance income	Part B 7	268	91	323	111
Finance costs	Part B 8	(354)	739	(1,895)	(373)
Net finance income/(costs)		(86)	830	(1,572)	(262)
Share of losses of an associate	Part B 11	-	-	-	(864)
		(5,572)	1,413	(5,823)	(775)
Profit/(Loss) before taxation		(5,572)	1,413	(5,823)	(775)
Income tax expense	Part B 9	488	(3,106)	(1,167)	(5,606)
Loss for the period/year		(5,084)	(1,693)	(6,990)	(6,381)
Other comprehensive gain/(loss):					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of retirement benefits obligations		(496)	(86)	(496)	(86)
Items that may be reclassified subsequently to profit or loss					
Foreign currency translation differences		(661)	39	(411)	386
		(1,157)	(47)	(907)	300
Total comprehensive loss for the period/year		(6,241)	(1,740)	(7,897)	(6,081)
Loss attributable to:					
Owners of the Company		(5,084)	(28,665)	(6,990)	(32,992)
Non controlling interests		#	26,972	*	26,611
		(5,084)	(1,693)	(6,990)	(6,381)
Total comprehensive loss attributable to:					
Owners of the Company		(6,241)	(28,712)	(7,897)	(32,692)
Non controlling interests		#	26,972	*	26,611
		(6,241)	(1,740)	(7,897)	(6,081)
Loss per share attributable to owners of the Company					
- Basic (sen)	Part B 16	(1.38)	(9.37)	(1.90)	(10.79)
- Diluted (sen)	Part B 16	N/A	N/A	N/A	N/A

* Represents debit of RM224

Represents credit of RM87

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 31 December 2019**

	Note	Unaudited as at 31 Dec 2019 RM'000	Audited as at 31 Dec 2018 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		33,983	36,332
Right of use assets		44	-
Investment in associate	Part B 11	-	-
		34,027	36,332
Current assets			
Inventories		31,303	27,406
Trade receivables		15,804	16,772
Other receivables, deposits and prepayments		1,487	1,184
Amount due from an associate		3,965	6,030
Fixed deposits with licensed bank		100	154
Cash and bank balances		8,558	5,001
		61,217	56,547
TOTAL ASSETS		95,244	92,879
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company:			
Share capital		97,526	86,350
Reserves		18,484	18,917
Accumulated losses		(82,728)	(75,234)
		33,282	30,033
Non controlling interests		6	466
TOTAL EQUITY		33,288	30,499
Non-current liabilities			
Other payables and accruals		-	2,068
Hire purchase liabilities	Part B 12	378	470
Lease liabilities	Part B 12	33	-
Long term borrowings	Part B 12	5,036	5,506
Retirement benefits obligation		4,556	3,388
Deferred tax liabilities		2,451	2,962
		12,454	14,394
Current liabilities			
Trade payables		18,028	11,607
Other payables and accruals		18,099	17,457
Tax payables		145	805
Hire purchase liabilities	Part B 12	92	95
Lease liabilities	Part B 12	13	-
Short term borrowings	Part B 12	13,125	18,022
		49,502	47,986
TOTAL LIABILITIES		61,956	62,380
TOTAL EQUITY AND LIABILITIES		95,244	92,879
		-	-
Net Assets per share (RM)		0.07	0.09
Net Tangible Assets per share (RM)		0.07	0.09

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 year ended 31 December 2019

	----- Attributable to Shareholders of the Company -----									Total equity RM'000
	----- Non Distributable -----							Sub-total RM'000	Non controlling interests 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			
Current year's 12 months period ended 31 December 2019 (Unaudited)										
At 1 January 2019	86,350	-	10,019	2,713	7,348	(1,163)	(75,234)	30,033	466	30,499
Transactions with owners:										
Employee Share Option ("ESOS") lapsed	-	-	-	(22)	-	-	22	-	-	-
Issuance of shares pursuant to Private Placement	2,921	-	-	-	-	-	-	2,921	-	2,921
Issuance of shares pursuant to Creditors' Capitalisation	8,255	-	-	-	-	-	-	8,255	-	8,255
Acquisition of non controlling interest	-	-	-	-	-	-	(30)	(30)	(460)	(490)
Total transactions with owners	11,176	-	-	(22)	-	-	(8)	11,146	(460)	10,686
Other comprehensive income/(loss) for the year										
Remeasurement of retirement benefits obligations	-	-	-	-	-	-	(496)	(496)	-	(496)
Foreign currency translation differences	-	-	-	-	-	(411)	-	(411)	-	(411)
Other comprehensive loss for the year	-	-	-	-	-	(411)	(496)	(907)	-	(907)
Loss for the year	-	-	-	-	-	-	(6,990)	(6,990)	*	(6,990)
Total comprehensive loss for the year	-	-	-	-	-	(411)	(7,486)	(7,897)	-	(7,897)
At 31 December 2019	97,526	-	10,019	2,691	7,348	(1,574)	(82,728)	33,282	6	33,288
Preceding year's 12 months period ended 31 December 2018 (Audited)										
At 1 January 2018	49,924	23,098	10,019	1,902	7,348	(1,549)	(42,291)	48,451	(26,780)	21,671
Transfer in accordance with Section 618 (2) of the Companies Act 2016	23,098	(23,098)	-	-	-	-	-	-	-	-
Transactions with owners:										
Employee Share Options ("ESOS") exercised	31	-	-	-	-	-	-	31	-	31
Transfer of ESOS reserve upon exercise of ESOS	29	-	-	(29)	-	-	-	-	-	-
ESOS lapsed	-	-	-	(135)	-	-	135	-	-	-
Disposal of subsidiary	-	-	-	-	-	-	-	-	635	635
Issuance of shares pursuant to Private Placement	13,484	-	-	-	-	-	-	13,484	-	13,484
Expenses related to Private Placement of shares	(216)	-	-	-	-	-	-	(216)	-	(216)
Grant of equity settled share options to employees	-	-	-	975	-	-	-	975	-	975
Total transactions with owners	13,328	-	-	811	-	-	135	14,274	635	14,909
Other comprehensive income/(loss) for the year										
Foreign currency translation differences	-	-	-	-	-	386	-	386	-	386
Remeasurement of net retirement benefit obligations	-	-	-	-	-	-	(86)	(86)	-	(86)
Other comprehensive income/(loss) for the year	-	-	-	-	-	386	(86)	300	-	300
Profit/(Loss) for the year	-	-	-	-	-	-	(32,992)	(32,992)	26,611	(6,381)
Total comprehensive income/(loss) for the year	-	-	-	-	-	386	(33,078)	(32,692)	26,611	(6,081)
At 31 December 2018	86,350	-	10,019	2,713	7,348	(1,163)	(75,234)	30,033	466	30,499

* Represents debit of RM224

HO WAH GENTING BERHAD
(Company no: 272923-H)
Condensed Consolidated Statements of Cash Flows
for the financial year ended 31 December 2019

	NOTE	Unaudited 31 Dec 2019 RM'000	Audited 31 Dec 2018 RM'000
Cash flows from / (used in) operating activities			
Loss before taxation		(5,823)	(775)
Adjustments for:			
Amortisation of intangible asset	Part B 6	-	8
Bad debts written off	Part B 6	34	27
Depreciation - Property, plant and equipment	Part B 6	3,458	3,332
Depreciation - Right of use assets	Part B 6	14	-
Interest expense	Part B 8	1,895	373
Interest income	Part B 7	(323)	(111)
Gain on disposal of plant and equipment	Part B 6	(41)	(93)
Gain on disposal of shares in a subsidiary	Part B 6	(119)	(589)
Allowance for expected credit loss	Part B 6	4,044	-
Allowance for expected credit loss no longer required	Part B 6	(5)	(7)
Provision for retirement benefit obligations		582	454
Grant of equity settled share options pursuant to ESOS		-	975
Share of losses from an associate		-	864
Unrealised loss on foreign exchange	Part B 6	483	19
Unrealised gain on foreign exchange	Part B 6	(43)	(391)
Operating profit before working capital changes		4,156	4,086
Increase in inventories		(3,898)	(6,009)
Decrease/(Increase) in trade and other receivables		720	(150)
Increase/(Decrease) in trade and other payables	Note 1	13,268	(2,794)
Cash generated from/(used in) operations		14,246	(4,867)
Income tax paid		(2,380)	(1,818)
Interest paid		(1,895)	(1,483)
Interest received		135	20
Retirement benefits paid		(9)	(105)
Net cash from/(used in) operating activities		10,097	(8,253)
Cash flows from/(used in) investing activities			
Decrease/(Increase) in fixed deposits pledged		55	(4)
Acquisition of non-controlling interest		(490)	-
Net cash flow on disposal of a subsidiary		(3)	(2)
Advances to an associate		(1,935)	(6,030)
Purchase of plant and equipment		(1,552)	(1,579)
Proceeds from disposal of plant and equipment		50	93
Proceeds from disposal of shares in a subsidiary		8	-
Net cash used in investing activities		(3,867)	(7,522)
Cash flows from/(used in) financing activities			
Proceeds from issuance of shares		2,921	13,484
Proceeds from exercise of ESOS		-	31
Payment of corporate exercise expenses		-	(216)
Proceeds from trade financing		71,293	48,721
Repayment of trade financing		(69,250)	(38,100)
Proceeds from term loan(s)		-	11,324
Repayment of term loan(s)		(7,286)	(17,715)
Repayment of hire purchase liabilities		(95)	(82)
Payment of lease liabilities		(12)	-
Net cash (used in)/from financing activities		(2,429)	17,447
Exchange differences		(244)	(509)
Net increase/(decrease) in cash and cash equivalents		3,557	1,163
Cash and cash equivalents at beginning of year		5,001	3,838
Cash and cash equivalents at end of year		8,558	5,001
Cash and cash equivalents at end of year comprises:			
Cash and bank balances		8,558	5,001
Deposits with licensed banks		100	154
		8,658	5,155
Deposits pledged as security		(100)	(154)
		8,558	5,001

Note 1

Included in the "increase in trade and other payable" for the financial year ended 31 December 2019 is an amount of RM8,254,415 being the total amount due to three (3) creditors of the Company settled by way of Creditors' Capitalisation as stated in Note 7 (b) of Part A below.

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