



HO WAH GENTING BERHAD

(Company no: 272923-H)

Condensed Consolidated Statement of Comprehensive Income for the period ended 30 June 2020

	Note	Individual Quarter		Cummulative Quarters	
		2020 Apr - Jun RM'000	2019 Apr - Jun RM'000	2020 Jan - Jun RM'000	2019 Jan - Jun RM'000
Continuing operations					
Revenue					
- sales of goods		53,217	60,830	100,924	96,895
- rendering of services		28	1,142	474	2,365
- rental income		22	55	44	110
		53,267	62,027	101,442	99,370
Cost of sales					
- sales of goods		(49,358)	(55,874)	(93,722)	(88,829)
- rendering of services		(29)	(1,094)	(441)	(2,266)
- rental income		-	-	-	-
		(49,387)	(56,968)	(94,163)	(91,095)
Gross profit		3,880	5,059	7,279	8,275
Other operating income		(598)	224	2,213	1,101
Distribution costs		(743)	(789)	(1,429)	(1,506)
Administrative expenses		(3,449)	(3,022)	(6,379)	(5,873)
Other operating expenses		(420)	(64)	(741)	(877)
Net allowance for expected credit loss of receivables		1	1	3	3
Profit/(Loss) from operations	Part B 6	(1,329)	1,409	946	1,123
Finance income	Part B 7	19	9	27	53
Finance costs	Part B 8	(389)	(534)	(718)	(1,048)
Net finance costs		(370)	(525)	(691)	(995)
Share of losses of an associate	Part B 11	-	-	-	-
Profit/(Loss) before taxation		(1,699)	884	255	128
Income tax expense	Part B 9	(171)	(1,058)	(957)	(1,312)
Loss for the period		(1,870)	(174)	(702)	(1,184)
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		(189)	(191)	905	(5)
Other comprehensive gain/(loss) for the period, net of tax		(189)	(191)	905	(5)
Total comprehensive income/(loss) for the period		(2,059)	(365)	203	(1,189)
Profit/(Loss) attributable to:					
Owners of the Company		(1,869)	(174)	(700)	(1,184)
Non controlling interests		(1)	#	(2)	*
		(1,870)	(174)	(702)	(1,184)
Total comprehensive income/(loss) attributable to:					
Owners of the Company		2,263	(365)	205	(1,189)
Non controlling interests		(1)	#	(2)	*
		(2,059)	(365)	203	(1,189)
Earnings/(Loss) per share attributable to owners of the Company					
- Basic (sen)	Part B 18	(0.40)	(0.05)	(0.15)	(0.34)
- Diluted (sen)	Part B 18	N/A	N/A	N/A	N/A

* Represents debit of RM258

Represents debit of RM146

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2019.



HO WAH GENTING BERHAD

(Company no: 272923-H)

Condensed Consolidated Statement of Financial Position as at 30 June 2020

	Note	Unaudited as at 30 Jun 2020 RM'000	Audited as at 31 Dec 2019 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		33,733	33,391
Right of use assets		1,026	636
Investment in an associate	Part B 11	-	-
		34,759	34,027
Current assets			
Inventories		48,350	31,303
Trade receivables		19,095	15,804
Other receivables, deposits and prepayments		8,575	1,487
Amount due from an associate		3,965	3,965
Fixed deposits with licensed bank		100	100
Cash and bank balances		16,241	8,559
		96,326	61,218
TOTAL ASSETS		131,085	95,245
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company:			
Share capital		104,396	97,526
Reserves		18,158	18,512
Accumulated losses		(83,446)	(82,755)
		39,108	33,283
Non controlling interests		4	6
TOTAL EQUITY		39,112	33,289
Non-current liabilities			
Lease liabilities	Part B 12	733	403
Long term borrowings	Part B 12	4,798	5,036
Retirement benefits obligation		5,017	4,556
Deferred tax liabilities		2,451	2,451
		12,999	12,446
Current liabilities			
Trade payables		22,712	18,028
Other payables and accruals		24,511	18,099
Amount due to holding company		10,000	-
Tax payables		331	145
Lease liabilities	Part B 12	116	113
Short term borrowings	Part B 12	21,304	13,125
		78,974	49,510
TOTAL LIABILITIES		91,973	61,956
TOTAL EQUITY AND LIABILITIES		131,085	95,245
Net Assets per share (RM)		0.08	0.10
Net Tangible Assets per share (RM)		0.08	0.10

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2019.



HO WAH GENTING BERHAD

(Company no: 272923-H)

Condensed Consolidated Statement of Changes in Equity for the period ended 30 June 2020

Note	Attributable to Shareholders of the Company							Non controlling interests	Total equity
	Share capital	Revaluation reserve	Employee share option reserve	Warrant reserve	Exchange fluctuation reserve	Accumulated losses	Sub-total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current year's 6 months period ended 30 June 2020 (Unaudited)									
At 1 January 2020	97,526	10,019	2,691	7,348	(1,546)	(82,755)	33,283	6	33,289
Transactions with owners:									
Issuance of shares pursuant to Private Placement	4,230	-	-	-	-	-	4,230	-	4,230
Employee Share Option ("ESOS") exercised	1,390	-	-	-	-	-	1,390	-	1,390
Transfer of ESOS Reserve upon exercise of ESOS	1,250	-	(1,250)	-	-	-	-	-	-
Employee Share Option ("ESOS") lapsed	-	-	(9)	-	-	9	-	-	-
Total transactions with owners	6,870	-	(1,259)	-	-	9	5,620	-	5,620
Other comprehensive income/(loss) for the period									
Remeasurement of retirement benefits obligations	-	-	-	-	-	-	-	-	-
Foreign currency translation differences	-	-	-	-	905	-	905	-	905
Other comprehensive gain for the period	-	-	-	-	905	-	905	-	905
Profit for the period	-	-	-	-	-	(700)	(700)	(2)	(702)
Total comprehensive income for the period	-	-	-	-	905	(700)	205	(2)	203
At 30 June 2020	104,396	10,019	1,432	7,348	(641)	(83,446)	39,108	4	39,112
Preceding year's 6 months period ended 30 June 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 Options ("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)
Total transactions with owners	2,921	-	(19)	-	-	(11)	2,891	(460)	2,431
Other comprehensive income/(loss) for the period									
Foreign currency translation differences	-	-	-	-	(5)	-	(5)	-	(5)
Remeasurement of net retirement benefit obligations	-	-	-	-	-	-	-	-	-
Other comprehensive income/(loss) for the period	-	-	-	-	(5)	-	(5)	-	(5)
Loss for the period	-	-	-	-	-	(1,184)	(1,184)	*	(1,184)
Total comprehensive income/(loss) for the period	-	-	-	-	(5)	(1,184)	(1,189)	-	(1,189)
At 30 June 2019	89,271	10,019	2,694	7,348	(1,168)	(76,429)	31,735	6	31,741

* 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 2019



HO WAH GENTING BERHAD

(Company no: 272923-H)

Condensed Consolidated Statements of Cash Flows for the period ended 30 June 2020

	Note	Unaudited 30 Jun 2020 RM'000	Unaudited 30 Jun 2019 RM'000
Cash flows from / (used in) operating activities			
Profit before taxation		255	128
Adjustments for:			
Bad debts written off	Part B 6	-	34
Depreciation - Property, plant and equipment	Part B 6	1,748	1,704
Depreciation - Right of use assets	Part B 6	59	6
Interest expense	Part B 8	718	1,048
Interest income	Part B 7	(27)	(53)
Gain on disposal of plant and equipment	Part B 6	-	(9)
Allowance for expected credit loss no longer required	Part B 6	(3)	(3)
Provision for retirement benefit obligations		280	248
Unrealised loss on foreign exchange	Part B 6	222	170
Unrealised gain on foreign exchange	Part B 6	(819)	(12)
Operating profit before working capital changes		2,433	3,261
Increase in inventories		(15,598)	(2,273)
Increase in trade and other receivables		(9,620)	(11,727)
Increase in trade and other payables		19,773	12,981
Cash (used in)/generated from operations		(3,012)	2,242
Income tax paid		(628)	(1,515)
Interest paid	Part B 8	(718)	(1,048)
Interest received	Part B 7	27	110
Retirement benefits paid		(41)	(6)
Net cash used in operating activities		(4,372)	(217)
Cash flows from/(used in) investing activities			
Increase in fixed deposits pledged		-	55
Acquisition of non-controlling interest		-	(490)
Advances to an associate		-	(1,935)
Purchase of plant and equipment		(1,515)	(1,366)
Proceeds from disposal of plant and equipment		-	16
Net cash used in investing activities		(1,515)	(3,720)
Cash flows from/(used in) financing activities			
Proceeds from issuance of shares pursuant to private placement	Part A 7 (a)	4,230	2,921
Proceeds from exercise of ESOS	Part A 7 (b)	1,390	-
Proceeds from trade financing		46,048	30,511
Repayment of trade financing		(38,532)	(26,638)
Repayment of term loan(s)		(222)	(3,696)
Proceeds from hire purchase liabilities		400	-
Repayment of hire purchase liabilities		(62)	(47)
Payment of lease liabilities		(6)	(6)
Net cash from financing activities		13,246	3,045
Exchange differences		323	2
Net increase/(decrease) in cash and cash equivalents		7,682	(890)
Cash and cash equivalents at beginning of period		8,559	5,001
Cash and cash equivalents at end of period		16,241	4,111
Cash and cash equivalents at end of period comprises:			
Cash and bank balances		16,241	4,111
Deposits with licensed banks		100	100
		16,341	4,211
Deposits pledged as security		(100)	(100)
		16,241	4,111

The Condensed Consolidated Statement Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019