



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 31 DECEMBER 2008
(Unaudited)

	AS AT <u>31.12.2008</u> RM'000	(AUDITED) AS AT <u>31.12.2007</u> RM'000
ASSETS		
<u>Non-Current Assets</u>		
Property, plant & equipment	82,507	73,894
Investment properties	56,621	58,600
Prepaid lease rentals	51,018	23,733
Land held for property development	36,277	28,090
Investment in associates	27,682	25,968
Other investments	22,078	24,965
Other non-current assets	23,357	17,072
	<u>299,540</u>	<u>252,322</u>
<u>Current Assets</u>		
Inventories	68,369	59,714
Property development costs	3,674	1,866
Trade and other receivables	104,736	124,743
Current tax assets	2,896	4,166
Cash & cash equivalents	41,641	51,650
	<u>221,316</u>	<u>242,139</u>
Total Assets	<u>520,856</u>	<u>494,461</u>



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 31 DECEMBER 2008 (*Continuation*)
(*Unaudited*)

	AS AT <u>31.12.2008</u> RM'000	(AUDITED) AS AT <u>31.12.2007</u> RM'000
EQUITY AND LIABILITIES		
<u>Equity</u>		
Share capital	231,559	231,559
Reserves	84,974	83,644
Treasury shares	<u>(235)</u>	<u>(235)</u>
	316,298	314,968
Minority interests	27,709	30,087
Total equity	<u>344,007</u>	<u>345,055</u>
<u>Non-Current Liabilities</u>		
Long term borrowings	6,687	14,782
Deferred tax liabilities	6,122	6,003
Deferred income	<u>14,656</u>	<u>15,441</u>
	<u>27,465</u>	<u>36,226</u>
<u>Current Liabilities</u>		
Trade and other payables	91,977	78,079
Overdraft & short term borrowings	52,109	31,050
Current tax liabilities	<u>5,298</u>	<u>4,051</u>
	<u>149,384</u>	<u>113,180</u>
Total liabilities	176,849	149,406
Total equity and liabilities	<u>520,856</u>	<u>494,461</u>
Net assets per share (RM)	1.37	1.36

(The Condensed Consolidated Balance Sheets should be read in conjunction with
the Annual Audited Accounts for the year ended 31 December 2007)



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR FINANCIAL YEAR ENDED 31 DECEMBER 2008
(Unaudited)

	CURRENT QUARTER <u>ENDED 31.12.2008</u> RM'000	COMPARATIVE QUARTER <u>ENDED 31.12.2007</u> RM'000	CUMULATIVE 12 MONTHS <u>ENDED 31.12.2008</u> RM'000	COMPARATIVE 12 MONTHS <u>ENDED 31.12.2007</u> RM'000
Revenue	107,483	132,654	463,007	472,453
Operating expenses	(105,904)	(123,954)	(438,727)	(447,442)
Other operating income	2,666	(1,144)	10,309	3,960
Profit from operations	4,245	7,556	34,589	28,971
Finance costs	(1,140)	(934)	(3,944)	(3,835)
Net (loss)/gain from investments	(1,939)	2,086	(1,094)	21,387
Share of results of associates	(1,950)	2,383	(38)	2,453
(Loss)/Profit before tax	(784)	11,091	29,513	48,976
Tax expense	(1,311)	(1,020)	(7,810)	(6,130)
(Loss)/Profit from continuing operations	(2,095)	10,071	21,703	42,846
Discontinued operations	-	200	(32)	(70)
Net (loss)/profit for the period	<u>(2,095)</u>	<u>10,271</u>	<u>21,671</u>	<u>42,776</u>
Attributable to:				
Equity holders of the Company	(2,743)	9,845	19,330	41,344
Minority interest	648	426	2,341	1,432
	<u>(2,095)</u>	<u>10,271</u>	<u>21,671</u>	<u>42,776</u>
Earnings per share				
Basic (sen)	(1.19)	4.26	8.36	17.88

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Accounts for the year ended 31 December 2007)



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR FINANCIAL YEAR ENDED 31 DECEMBER 2008
(Unaudited)

	< ----- Attributable to equity holders of the Company ----- >								
	Share Capital <u>RM'000</u>	Share Premium <u>RM'000</u>	Exchange Translation Reserve <u>RM'000</u>	Capital Reserve <u>RM'000</u>	Unappropriated profit/(Accu- mulated loss) <u>RM'000</u>	Treasury Shares <u>RM'000</u>	Total <u>RM'000</u>	Minority interests <u>RM'000</u>	Total equity <u>RM'000</u>
Balance as at 1.1.2007	231,559	23,586	5,796	754	31,543	(235)	293,003	31,072	324,075
Exchange translation differences			(443)				(443)	(547)	(990)
Changes of equity interest in subsidiaries							-	(60)	(60)
Net profit for the period					41,344		41,344	1,432	42,776
Dividend paid					(18,936)		(18,936)	(1,810)	(20,746)
Balance as at 31.12.2007	<u>231,559</u>	<u>23,586</u>	<u>5,353</u>	<u>754</u>	<u>53,951</u>	<u>(235)</u>	<u>314,968</u>	<u>30,087</u>	<u>345,055</u>
Balance as at 1.1.2008	231,559	23,586	5,353	754	53,951	(235)	314,968	30,087	345,055
Exchange translation differences			(2,001)				(2,001)	331	(1,670)
Transfer to capital reserve				400	(400)		-		-
Changes of equity interest in subsidiaries							-	(2,999)	(2,999)
Net profit for the period					19,330		19,330	2,341	21,671
Dividend paid					(15,999)		(15,999)	(2,051)	(18,050)
Balance as at 31.12.2008	<u>231,559</u>	<u>23,586</u>	<u>3,352</u>	<u>1,154</u>	<u>56,882</u>	<u>(235)</u>	<u>316,298</u>	<u>27,709</u>	<u>344,007</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Accounts for the year ended 31 December 2007)



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR FINANCIAL YEAR ENDED 31 DECEMBER 2008
(Unaudited)

	CUMULATIVE 12 MONTHS <u>31.12.2008</u> RM'000	CUMULATIVE 12 MONTHS <u>31.12.2007</u> RM'000
Profit before tax	29,513	48,976
Adjustments for :		
Non-cash items	<u>11,862</u>	<u>(9,138)</u>
Operating profit before changes in working capital	41,375	39,838
Changes in current assets	833	(9,156)
Changes in current liabilities	10,604	(1,676)
Tax paid	<u>(5,647)</u>	<u>(3,692)</u>
Net cash from operating activities		
- Continuing operations	47,165	25,314
- Discontinued operations	<u>1,262</u>	<u>1,476</u>
	<u>48,427</u>	<u>26,790</u>
Investing Activities		
Equity investments	(43,597)	(1,000)
Other investments	(9,173)	35,280
Placement of pledged fixed deposits	<u>(55)</u>	<u>(269)</u>
Net cash (used in)/from investing activities		
- Continuing operations	(52,825)	34,011
- Discontinued operations	-	(91)
	<u>(52,825)</u>	<u>33,920</u>
Financing Activities		
Capital injection by minority shareholders	-	392
Dividend paid to shareholders	(15,999)	(18,936)
Dividend paid to minority interests	(2,051)	(1,810)
Net drawdown/(repayment) of borrowings	<u>11,093</u>	<u>(25,027)</u>
Net cash used in financing activities	<u>(6,957)</u>	<u>(45,381)</u>



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR FINANCIAL YEAR ENDED 31 DECEMBER 2008 (Continuation)
(Unaudited)

	CUMULATIVE 12 MONTHS <u>31.12.2008</u> RM'000	CUMULATIVE 12 MONTHS <u>31.12.2007</u> RM'000
Net Changes in Cash & Cash Equivalents	(11,355)	15,329
Effects of changes in exchange rates	75	(22)
	<u>(11,280)</u>	<u>15,307</u>
Cash & Cash Equivalents at beginning of period	48,674	33,510
Effects of changes in exchange rates	634	(143)
	<u>49,308</u>	<u>33,367</u>
Cash & Cash Equivalents at end of period	<u><u>38,028</u></u>	<u><u>48,674</u></u>
Represented by:		
Cash & cash equivalents	41,641	51,650
Bank overdrafts	(2,953)	(2,371)
	<u>38,688</u>	<u>49,279</u>
Less: Fixed deposits (pledged)	(660)	(605)
	<u><u>38,028</u></u>	<u><u>48,674</u></u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with
the Annual Audited Accounts for the year ended 31 December 2007)



EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 DECEMBER 2008

1. ACCOUNTING POLICIES

The unaudited interim financial report has been prepared in accordance with Financial Reporting Standard 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The significant accounting policies and methods of computation applied to the financial statements are consistent with those applied to the annual audited accounts for the year ended 31 December 2007 except for the adoption of the following new and revised Financial Reporting Standards (“FRS”) issued by the Malaysian Accounting Standards Board that are effective for the Group for the financial period beginning on or after 1 January 2008:

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

The adoption of the above FRSs does not have significant financial impact on the Group.

2. AUDIT OPINION ON THE PRECEDING FINANCIAL STATEMENTS

The preceding annual audited financial statements were not qualified by the Auditors.

3. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

Textiles division posted lower revenue in the fourth quarter and the Electronics division faces a more volatile market that depends on global demand.

4. UNUSUAL ITEMS

There were no unusual items which affect assets, liabilities, equity, income or cash flows during the reporting quarter and financial year to date.

5. MATERIAL CHANGES IN ESTIMATES OF AMOUNTS PREVIOUSLY REPORTED

There were no material changes in estimates of amounts previously reported.

6. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale or repayments of debt and equity securities undertaken by the Company during the financial year.

**7. DIVIDENDS PAID**

On 18 March 2008, the Company paid an interim dividends of 1% tax exempt and 3% less 26% tax which amounted to RM7.44 million in respect of the financial year ended 31 December 2007.

The Company paid a final dividend of 5% less 26% tax for the financial year 2007 on 28 July 2008.

8. SEGMENT INFORMATION

	Textile & Garment	Lighting & Pagers	Properties	Plantation	Trading & Others	Group total
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
REVENUE						
External sales	136,450	215,912	33,912	6,551	70,182	463,007
Inter-segment sales	-	-	382	-	3,709	4,091
Total revenue	<u>136,450</u>	<u>215,912</u>	<u>34,294</u>	<u>6,551</u>	<u>73,891</u>	<u>467,098</u>
RESULTS						
Segment operating profit/(loss)	10,087	26,505	(4,265)	(536)	4,288	36,079
Unallocated corporate expenses						<u>(1,490)</u>
Profit from operations						34,589
Finance costs						(3,944)
Net loss from investments						(1,094)
Share of results of associates	<u>18</u>	<u>-</u>	<u>(150)</u>	<u>-</u>	<u>94</u>	<u>(38)</u>
Profit before tax						29,513
Tax expense						<u>(7,810)</u>
Profit from continuing operations						21,703
Discontinued operations						<u>(32)</u>
Net profit for the period						<u>21,671</u>

9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The values of property, plant and equipment of the Group have been brought forward without amendment from the previous annual audited accounts.

10. SUBSEQUENT EVENTS

There are no material subsequent events at the date of this report.



11. EFFECT OF CHANGES IN COMPOSITION OF GROUP

In the first quarter, the Company completed the acquisition of 5,000,000 ordinary shares of RM1.00 each representing 100% shareholding interest in Fauzi-Lim Plantation Sdn Bhd for a cash consideration of RM34,250,000.

In the second quarter, the Company acquired 2 ordinary shares of RM1.00 each and 3 ordinary shares of RM1.00 each representing 100% shareholding interest in Etika Gangsa Sdn Bhd and Taka Worldwide Trading Sdn Bhd respectively for a cash consideration of RM1,544,000 each. These companies have 500 acres of lands each and 66 years lease agreement with Yayasan Al-Khairiah and Badan Kebajikan AL-Nur Kelantan respectively for the purpose of oil palms cultivation in the state of Kelantan.

In the third quarter, the Company acquired 171,765 ordinary shares of RM1.00 each representing approximately 2.39% shareholding interest in Davex Holdings Berhad (DHB), thus increasing its shareholding in DHB from 97.61% to 100%.

During the quarter, the subsidiary of the Company, DHB has entered into a Share Sale Agreement for the acquisition of 150,000 ordinary shares of RM1.00 each in VXL Alliance Sdn Bhd (VXL) for a cash consideration of RM79,233. The principal activity of VXL is provision of transportation and logistics services. Two subsidiaries of the Company, namely Specific Form Sdn Bhd and Realistic Returns Sdn Bhd have commenced member's voluntary winding-up proceedings.

12. CHANGES IN CONTINGENT LIABILITIES AND ASSETS

There were no material changes in contingent liabilities and assets during the financial year.

13. REVIEW OF PERFORMANCE

The Group registered total revenue of RM107 million in the fourth quarter, bringing the total revenue to RM463 million for financial year 2008, RM9 million lower as compared to 2007. The decrease was mainly attributed by lower contribution from both Properties and Freight divisions. The Group's pre-tax profit stood at RM29.5 million as compared to RM49 million in 2007. Higher pre-tax profit reported in 2007 mainly due to investment gain of RM21.4 million.

For current reporting quarter, the Group posted lower revenue as compared to the preceding year corresponding quarter, mainly affected by the global recession. Pre-tax loss reported at RM0.8 million, largely due to allowance for doubtful debts, impairment loss from investments and also lower share of profit from associated companies during the reporting quarter.

14. COMPARISON WITH IMMEDIATE PRECEDING QUARTER ON MATERIAL CHANGES IN PROFIT BEFORE TAX

During the reporting quarter, the Group registered a revenue of RM107 million as compared to RM130 million in the preceding quarter, a decrease of approximately of 17%. Pre-tax loss reported at RM0.8 million as compared to pre-tax profit of RM10.1 million, mainly attributed to recognition of impairment loss and doubtful debts as well as written-down of assets during the quarter.

**15. PROSPECTS FOR FINANCIAL YEAR 2009**

In the light of the current uncertain global outlook, the Board expects the performance of the Group in the financial year 2009 to be challenging.

16. VARIANCE IN PROFIT FORECAST

There was no profit forecast issued for the financial year.

17. TAXATION

The tax expense consists of:

	Fourth Quarter <u>RM '000</u>	Current Year-to-date <u>RM '000</u>
Current tax expense		
- current period	1,460	8,779
- overestimated in prior years	(61)	(517)
Deferred tax expense		
- current period	(4)	(681)
- (over)/under estimated in prior years	(84)	229
	<u>1,311</u>	<u>7,810</u>

The numerical reconciliation between the tax expense and the product of accounting profit multiplied by the applicable tax rate is as follows:

	Fourth Quarter <u>RM '000</u>	Current Year-to-Date <u>RM '000</u>
Accounting profit (excluding share of results of associates)	<u>1,166</u>	<u>29,551</u>
Tax at the applicable tax rate of 26%	303	7,683
Tax effect of expenses not deductible in determining taxable profit	1,043	2,691
Deferred tax assets arising from unused tax losses and unabsorbed capital allowance	703	1,898
Tax effect of income not taxable in determining taxable profit	550	(1,587)
Tax effect on utilisation of deductible temporary differences not previously recognised	(354)	(1,106)
Tax effect of differences in tax rates	(789)	(1,481)
Tax overestimated in prior years	(145)	(288)
	<u>1,311</u>	<u>7,810</u>



18. PROFIT/LOSS ON SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

Save for sales of properties in the ordinary course of business within the Group's Properties Division, there were no other profits or losses on sale of properties and unquoted investments during the financial year.

19. PURCHASES AND DISPOSAL OF QUOTED SECURITIES

During the financial year, the Group did not transact in any quoted securities. At 31 December 2008, quoted securities of the Group were as follows:

	RM'000
At cost	15,171
At carrying value	13,381
At market value	13,659

20. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals announced or pending as at the date of making this report.

21. GROUP BORROWINGS

Particulars of Group borrowings at the end of the reporting quarter are as follows:

	RM'000
Short term – unsecured	18,896
Short term – secured	33,213
Long term – secured	6,687

Foreign borrowings as at 31 December 2008 included in the above are as follows:

Currency	Amount '000	RM '000
Australian Dollar	AUD 867	2,030
Singapore Dollar	SGD 108	257

The foreign borrowings were drawn by the foreign subsidiaries in their respective local currencies.

22. SUMMARY OF OFF-BALANCE SHEET FINANCIAL INSTRUMENTS

The Group has entered into foreign currency forward contracts to protect the Group against unfavourable exchange rate movements for transactions billed in foreign currencies. These forward contracts are not recognised in the financial statements at inception.

At 31 December 2008, the Group has entered into foreign currency forward contracts with the following contract amounts and maturities:

Hedged item	Contract Amount '000	Average Contractual Rates	Amount to be received/settled RM '000
Trade receivables	AUD 3,500	2.37	8,299
Trade payables	EURO 197	4.86	957

**23. COMPUTATION OF EARNINGS PER SHARE (“EPS”)**

Computation of the EPS is as follows:

	Current Quarter <u>31.12.2008</u> RM'000	Comparative Quarter <u>31.12.2007</u> RM'000	Cumulative 12 months <u>31.12.2008</u> RM'000	Cumulative 12 months <u>31.12.2007</u> RM'000
Net (loss)/profit for the period from:				
- Continuing operations	(2,743)	9,645	19,362	41,414
- Discontinued operations	-	200	(32)	(70)
Net (loss)/profit for the period	<u>(2,743)</u>	<u>9,845</u>	<u>19,330</u>	<u>41,344</u>
No. of ordinary shares after deducting treasury shares	<u>231,204</u>	<u>231,204</u>	<u>231,204</u>	<u>231,204</u>
Basic EPS from:				
- Continuing operations	(1.19)	4.17	8.37	17.91
- Discontinued operations	-	0.09	(0.01)	(0.03)
Total basic EPS attributable to equity holders of the company (sen)	<u>(1.19)</u>	<u>4.26</u>	<u>8.36</u>	<u>17.88</u>

24. DIVIDEND

During the reporting quarter, the Board of Directors declared an interim dividend of 3% tax exempt which amounted to RM6.94 million in respect of the financial year ended 31 December 2008 which will be paid on 26 February 2009.

The Board proposes a final dividend of 3% tax exempt which amounted to RM6.94 million for the financial year ended 31 December 2008, subject to approval of the shareholders at the forthcoming annual general meeting.

By Order of the Board

LIM KONG YOW
Company Secretary
26 February 2009