



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

**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**AS AT 30 SEPTEMBER 2009**  
*(Unaudited)*

	AS AT <u>30.9.2009</u> RM'000	(AUDITED) AS AT <u>31.12.2008</u> RM'000
<b>ASSETS</b>		
<u>Non-Current Assets</u>		
Property, plant & equipment	72,491	70,970
Investment properties	59,918	59,918
Biological assets	11,079	11,539
Prepaid lease rentals	50,403	51,018
Land held for property development	36,102	36,277
Investment in associates	29,525	28,129
Other investments	36,034	22,078
Other non-current assets	19,372	21,731
	<u>314,924</u>	<u>301,660</u>
<u>Current Assets</u>		
Inventories	70,171	68,357
Property development costs	2,070	2,463
Trade and other receivables	102,312	102,042
Current tax assets	1,185	2,895
Cash & cash equivalents	46,975	42,027
	<u>222,713</u>	<u>217,784</u>
Total Assets	<u>537,637</u>	<u>519,444</u>



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

CONDENSED CONSOLIDATED BALANCE SHEETS  
AS AT 30 SEPTEMBER 2009 (Continuation)  
(Unaudited)

	AS AT 30.9.2009 RM'000	(AUDITED) AS AT 31.12.2008 RM'000
<b>EQUITY AND LIABILITIES</b>		
<u>Equity</u>		
Share capital	231,559	231,559
Reserves	96,773	84,664
Treasury shares	(235)	(235)
	<hr/>	<hr/>
	328,097	315,988
Minority interests	29,182	27,855
	<hr/>	<hr/>
Total equity	357,279	343,843
<u>Non-Current Liabilities</u>		
Long term borrowings	15,640	6,638
Deferred tax liabilities	2,644	2,332
Deferred income	13,931	14,656
	<hr/>	<hr/>
	32,215	23,626
<u>Current Liabilities</u>		
Trade and other payables	103,247	95,385
Overdraft & short term borrowings	38,792	51,343
Current tax liabilities	6,104	5,247
	<hr/>	<hr/>
	148,143	151,975
	<hr/>	<hr/>
Total liabilities	180,358	175,601
	<hr/>	<hr/>
Total equity and liabilities	537,637	519,444
	<hr/>	<hr/>
Net assets per share (RM)	1.42	1.37

(The Condensed Consolidated Balance Sheets should be read in conjunction with  
the Annual Audited Accounts for the year ended 31 December 2008)



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

**CONDENSED CONSOLIDATED INCOME STATEMENTS**  
**FOR THE 9-MONTH PERIOD ENDED 30 SEPTEMBER 2009**  
*(Unaudited)*

	CURRENT QUARTER <u>ENDED 30.9.2009</u> RM'000	COMPARATIVE QUARTER <u>ENDED 30.9.2008</u> RM'000	CUMULATIVE 9 MONTHS <u>ENDED 30.9.2009</u> RM'000	COMPARATIVE 9 MONTHS <u>ENDED 30.9.2008</u> RM'000
Revenue	125,389	129,536	365,933	355,524
Operating expenses	(111,939)	(121,107)	(335,966)	(332,823)
Other operating income	(495)	2,383	3,555	7,643
Profit from operations	12,955	10,812	33,522	30,344
Finance costs	(955)	(1,117)	(3,110)	(2,804)
Net gain/(loss) from investments	951	(575)	2,581	845
Share of results of associates	2,187	1,079	1,200	1,912
Profit before tax	15,138	10,199	34,193	30,297
Tax expense	(4,670)	(2,649)	(9,611)	(6,499)
Profit from continuing operations	10,468	7,550	24,582	23,798
Discontinued operations	-	(9)	-	(32)
Net profit for the period	<u>10,468</u>	<u>7,541</u>	<u>24,582</u>	<u>23,766</u>
Attributable to:				
Equity holders of the Company	10,397	6,997	23,108	22,073
Minority interests	71	544	1,474	1,693
	<u>10,468</u>	<u>7,541</u>	<u>24,582</u>	<u>23,766</u>
Earnings per share				
Basic (sen)	4.50	3.03	9.99	9.55

(The Condensed Consolidated Income Statements should be read in conjunction with  
the Annual Audited Accounts for the year ended 31 December 2008)



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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2009**  
(Unaudited)

	< ----- Attributable to equity holders of the Company ----- >								
	Share Capital	Share Premium	Exchange Translation Reserve	Capital Reserve	Unappropriated profit/(Accu- mulated loss)	Treasury Shares	Total	Minority interests	Total equity
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</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			(395)				(395)	458	63
Transfer to capital reserve				400	(400)		-		-
Changes of equity interest in subsidiaries							-	(2,987)	(2,987)
Net profit for the period					22,073		22,073	1,693	23,766
Dividend paid					(15,999)		(15,999)	(1,002)	(17,001)
Balance as at 30.9.2008	<u>231,559</u>	<u>23,586</u>	<u>4,958</u>	<u>1,154</u>	<u>59,625</u>	<u>(235)</u>	<u>320,647</u>	<u>28,249</u>	<u>348,896</u>
Balance as at 1.1.2009	231,559	23,586	3,699	1,154	56,225	(235)	315,988	27,855	343,843
Exchange translation differences			2,873				2,873	378	3,251
Acquisition of shares in subsidiary							-	148	148
Net profit for the period					23,108		23,108	1,474	24,582
Dividend paid					(13,872)		(13,872)	(673)	(14,545)
Balance as at 30.9.2009	<u>231,559</u>	<u>23,586</u>	<u>6,572</u>	<u>1,154</u>	<u>65,461</u>	<u>(235)</u>	<u>328,097</u>	<u>29,182</u>	<u>357,279</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 2008)



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

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**  
**FOR THE 9-MONTH PERIOD ENDED 30 SEPTEMBER 2009**  
*(Unaudited)*

	CUMULATIVE 9 MONTHS <u>30.9.2009</u> RM'000	CUMULATIVE 9 MONTHS <u>30.9.2008</u> RM'000
Profit before tax	34,193	30,297
Adjustments for :		
Non-cash items	<u>6,947</u>	<u>2,136</u>
Operating profit before changes in working capital	41,140	32,433
Changes in current assets	6,065	16,468
Changes in current liabilities	(15,761)	1,061
Net income tax paid	<u>(6,868)</u>	<u>(3,802)</u>
Net cash from operating activities		
- Continuing operations	24,576	46,160
- Discontinued operations	<u>-</u>	<u>1,287</u>
	<u>24,576</u>	<u>47,447</u>
Investing Activities		
Equity investments	617	(43,596)
Purchase of shares in associates	(196)	-
Other investments	(16,806)	(9,481)
Withdrawal/(Placement) of pledged fixed deposits	<u>2</u>	<u>(55)</u>
Net cash used in investing activities	<u>(16,383)</u>	<u>(53,132)</u>
Financing Activities		
Capital injection by minority shareholders	240	-
Dividend paid to shareholders	(13,872)	(15,999)
Dividend paid to minority interests	(673)	(1,002)
Net drawdown of borrowings	<u>11,610</u>	<u>23,773</u>
Net cash (used in)/from financing activities	<u>(2,695)</u>	<u>6,772</u>



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

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**  
**FOR THE 9-MONTH PERIOD ENDED 30 SEPTEMBER 2009 (Continuation)**  
*(Unaudited)*

	CUMULATIVE 9 MONTHS <u>30.9.2009</u> RM'000	CUMULATIVE 9 MONTHS <u>30.9.2008</u> RM'000
Net Changes in Cash & Cash Equivalents	5,498	1,087
Effects of changes in exchange rates	342	47
	<hr/> 5,840	<hr/> 1,134
Cash & Cash Equivalents at beginning of period	<span style="border: 1px solid black; padding: 2px;">37,890</span>	<span style="border: 1px solid black; padding: 2px;">48,674</span>
Effects of changes in exchange rates	51	562
	37,941	49,236
	<hr/>	<hr/>
Cash & Cash Equivalents at end of period	<u>43,781</u>	<u>50,370</u>
 Represented by:		
Cash & cash equivalents	46,975	53,590
Bank overdrafts	(1,262)	(2,560)
	<hr/>	<hr/>
	45,713	51,030
Less: Fixed deposits (pledged)	(1,932)	(660)
	<hr/>	<hr/>
	<u>43,781</u>	<u>50,370</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with  
the Annual Audited Accounts for the year ended 31 December 2008)



**EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2009**

**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 2008 except for the adoption of the following new and revised Financial Reporting Standard (“FRS”) issued by the Malaysian Accounting Standards Board that are effective for the Group for the financial period beginning on or after 1 January 2009 :-

**FRS 8 Operating Segments**

The adoption of the above FRS 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**

Garments division traditionally experienced a rise in demand in the third quarter whereas 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.

**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 reporting period.

**7. DIVIDEND PAID**

On 26 February 2009, the Company paid an interim dividend of 3% tax exempt which amounted to RM6.94 million in respect of the financial year ended 31 December 2008.

The Company paid a final dividend of 3% tax exempt which amounted to RM6.94 million for the financial year ended 31 December 2008 on 3 August 2009.



## 8. SEGMENT INFORMATION

	Garments	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	112,823	165,712	38,569	3,493	45,336	365,933
Inter-segment sales	-	1	286	-	2,255	2,542
Total revenue	<u>112,823</u>	<u>165,713</u>	<u>38,855</u>	<u>3,493</u>	<u>47,591</u>	<u>368,475</u>
RESULTS						
Segment operating profit	12,821	22,225	2,606	(3,894)	2,508	36,266
Unallocated corporate expenses						<u>(2,744)</u>
Profit from operations						33,522
Finance costs						(3,110)
Net gain from investments						2,581
Share of results of associates	<u>2</u>		<u>(962)</u>		<u>2,160</u>	<u>1,200</u>
Profit before tax						34,193
Tax expense						<u>(9,611)</u>
Net profit for the period						<u>24,582</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

During the reporting quarter, the Company has entered into a Share Sale Agreement to dispose of its entire shareholding of 2,750,000 ordinary shares of RM1.00 each in MWE Optical Holdings Sdn Bhd, representing 55% equity interest for a total cash consideration of RM1.00.

## 12. CHANGES IN CONTINGENT LIABILITIES AND ASSETS

There were no material changes in contingent liabilities and assets in the reporting quarter.



**13. REVIEW OF PERFORMANCE OF CURRENT QUARTER**

The Group registered total revenue of RM125 million for current reporting quarter, slightly lower than RM130 million reported in the preceding year corresponding quarter. Both Garments and Pagers divisions recorded lower revenue for current reporting quarter whereas Properties divisions contributed higher revenue. Despite the reduction in revenue, the Group managed to record higher profit from operations at RM13.0 million, mainly attributed to better profit margins. The Group's pre-tax profit also reported higher at RM15.1 million as compared to RM10.2 million in the preceding year corresponding quarter, partly attributed to higher gains from investments as well as better associates' results.

For the current nine-month period, the Group reported RM366 million in revenue, increased by RM10 million as compared to RM356 million in 2008. Besides, pre-tax profit also reported higher at RM34.2 million as compared to RM30.3 million in 2008.

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

The Group maintained its revenue at RM125 million for both current and preceding second quarters. However, profit from operations was reported higher at RM13.0 million as compared to RM11.0 million recorded in the second quarter. Contribution from associates of RM2.2 million has increased the pre-tax profit for the current reporting quarter to RM15.1 million as compared to RM11.3 million in the preceding second quarter.

**15. PROSPECTS FOR FINANCIAL YEAR 2009**

Barring any unforeseen circumstances, the Board expects the performance of the Group for the remaining quarter to be satisfactory.

**16. VARIANCE IN PROFIT FORECAST**

There was no profit forecast issued for the financial year.

**17. TAXATION**

The tax expense consists of:

	Third Quarter <u>RM '000</u>	Current Year-to-Date <u>RM '000</u>
Current tax expense		
- current period	2,959	8,146
- underestimated in prior years	737	1,150
Deferred tax expense		
- current period	963	431
- under/overestimated in prior years	11	(116)
	<u>4,670</u>	<u>9,611</u>

**17. TAXATION (Continuation)**

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

	Third Quarter <u>RM '000</u>	Current Year-to-Date <u>RM '000</u>
Accounting profit (excluding share of results of associates)	<u>12,951</u>	<u>32,993</u>
Tax at the applicable tax rate of 25%	3,238	8,248
Tax effect of expenses not deductible in determining taxable profit	610	1,876
Deferred tax assets arising from unused tax losses and unabsorbed capital allowance	149	485
Tax effect of income not taxable in determining taxable profit	(441)	(1,259)
Tax effect on utilisation of deductible temporary differences not previously recognised	(404)	(867)
Tax effect of differences in tax rates	(151)	(827)
Real property gain tax	921	921
Tax underestimated in prior years	748	1,034
	<u>4,670</u>	<u>9,611</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 material profits or losses on sale of properties and unquoted investments during the reporting quarter.

**19. PURCHASES AND DISPOSAL OF QUOTED SECURITIES**

In the first quarter, the Company purchased securities quoted on the Bursa Malaysia for a total consideration of RM10.4 million. During the reporting quarter, the Company disposed securities quoted on the Bursa Malaysia with a book value of RM2.0 million for a total consideration of RM2.6 million which gave rise to a gain of RM0.6 million. Save as disclosed, there were no other transactions involving quoted securities during the financial period. At 30 September 2009, quoted securities of the Group were as follows:

	RM'000
At cost	23,563
At carrying value	23,563
At market value	41,232



**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	2,326
Short term – secured	36,466
Long term – secured	15,640

Foreign borrowings as at 30 September 2009 included in the above are as follows:

Currency	Amount '000	RM '000
Australian Dollar	AUD 132	397
Singapore Dollar	SGD 92	224

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 30 September 2009, 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 2,500	2.83	7,074
	GBP 140	5.84	817
Trade payables	USD 533	3.50	1,864

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

Computation of the EPS is as follows:

	Current Quarter <u>30.9.2009</u> RM'000	Comparative Quarter <u>30.9.2008</u> RM'000	Cumulative 9 months <u>30.9.2009</u> RM'000	Cumulative 9 months <u>30.9.2008</u> RM'000
Net profit/(loss) for the period from:				
- Continuing operations	10,397	7,006	23,108	22,105
- Discontinued operations	-	(9)	-	(32)
Net profit for the period	<u>10,397</u>	<u>6,997</u>	<u>23,108</u>	<u>22,073</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	4.50	3.03	9.99	9.56
- Discontinued operations	-	(0.00)	-	(0.01)
Total basic EPS attributable to equity holders of the company (sen)	<u>4.50</u>	<u>3.03</u>	<u>9.99</u>	<u>9.55</u>

**24. DIVIDEND**

The Board of Directors declares an interim dividend of 4% tax exempt which amounted to RM9.25 million in respect of the financial year ending 31 December 2009. The book closure and payment dates will be announced in due course.

By Order of the Board

LIM KONG YOW  
Company Secretary  
25 November 2009