



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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011
(Unaudited)

	AS AT <u>31.12.2011</u> RM'000	(AUDITED) AS AT <u>31.12.2010</u> RM'000
ASSETS		
<u>Non-Current Assets</u>		
Property, plant & equipment	104,529	100,787
Investment properties	55,953	66,193
Biological assets	9,697	10,311
Land use rights	26,387	27,061
Land held for property development	28,947	38,181
Investment in associates	2,716	36,091
Other investments	187,774	69,598
Other non-current assets	17,694	17,837
	<u>433,697</u>	<u>366,059</u>
<u>Current Assets</u>		
Inventories	74,852	77,464
Property development costs	9,092	7,283
Trade and other receivables	94,760	97,265
Other current assets	2,080	3,212
Current tax receivable	5,642	3,229
Cash & cash equivalents	119,212	56,834
Derivatives	6	-
	<u>305,644</u>	<u>245,287</u>
Non-current assets held for sale	-	12,347
	<u>305,644</u>	<u>257,634</u>
Total Assets	<u>739,341</u>	<u>623,693</u>



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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011 (Cont'd)
(Unaudited)

	AS AT 31.12.2011 RM'000	(AUDITED) AS AT 31.12.2010 RM'000
EQUITY AND LIABILITIES		
<u>Equity attributable to Owners of the Parents</u>		
Share capital	231,559	231,559
Reserves	203,326	165,308
Treasury shares	(235)	(235)
	<u>434,650</u>	<u>396,632</u>
Minority interests	19,213	19,537
Total equity	<u>453,863</u>	<u>416,169</u>
<u>Non-Current Liabilities</u>		
Loans and borrowings	80,847	18,888
Deferred tax liabilities	2,828	2,871
Deferred income	13,210	14,385
	<u>96,885</u>	<u>36,144</u>
<u>Current Liabilities</u>		
Trade and other payables	91,774	87,578
Loans and borrowings	88,269	59,763
Other current liabilities	3,418	946
Current tax payable	5,132	5,223
Derivatives	-	1,003
	<u>188,593</u>	<u>154,513</u>
Non-current liabilities held for sale	-	16,867
	<u>188,593</u>	<u>171,380</u>
Total liabilities	285,478	207,524
Total equity and liabilities	<u>739,341</u>	<u>623,693</u>
Net assets per share (RM)	1.88	1.72

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Accounts for the year ended 31 December 2010)



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

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2011
(Unaudited)

	CURRENT QUARTER ENDED 31.12.2011 RM'000	COMPARATIVE QUARTER ENDED 31.12.2010 RM'000	CUMULATIVE 12 MONTHS ENDED 31.12.2011 RM'000	COMPARATIVE 12 MONTHS ENDED 31.12.2010 RM'000
Revenue	135,357	153,429	500,383	499,114
Cost of sales	(106,731)	(122,651)	(377,359)	(383,750)
Gross profit	28,626	30,778	123,024	115,364
Interest income	1,740	505	2,748	1,232
Other income	(378)	413	4,159	6,207
Other expenses	(16,161)	(26,611)	(80,892)	(79,024)
Operating profit	13,827	5,085	49,039	43,779
Finance costs	(1,986)	(284)	(6,996)	(4,126)
Gain from investments	1,806	-	18,126	-
Share of results of associates	(34)	4,055	(172)	10,752
Profit before tax	13,613	8,856	59,997	50,405
Income tax expense	(2,148)	(2,232)	(11,686)	(10,242)
Profit for the period	11,465	6,624	48,311	40,163
Other comprehensive income:				
Fair value gain on available-for-sale financial assets	19,271	(260)	26,290	8,411
Realisation of capital reserve	-	-	(450)	-
Foreign currency translation	163	(2,805)	(276)	(6,278)
	19,434	(3,065)	25,564	2,133
Total comprehensive income	30,899	3,559	73,875	42,296
Profit attributable to:				
Owners of the parent	10,978	10,847	47,304	44,365
Minority interest	487	(4,223)	1,007	(4,202)
	11,465	6,624	48,311	40,163
Total comprehensive income attributable to:				
Owners of the parent	30,411	12,008	72,699	50,995
Minority interest	488	(8,449)	1,176	(8,699)
	30,899	3,559	73,875	42,296
Basic earnings per share attributable to owners of the parent (sen)	4.75	4.69	20.46	19.19

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Audited Accounts for the year ended 31 December 2010)



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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2011
(Unaudited)

	< ----- Attributable to equity holders of the Company ----- >							Total Equity
	< ----- Non-distributable ----- >				Distributable		Minority Interests	
	Share Capital	Share Premium	Treasury Shares	Reserves	Retained Earnings	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>	<u>RM'000</u>	<u>RM'000</u>
At 1.1.2010	231,559	23,586	(235)	11,509	66,150	332,569	29,312	361,881
Effects of adopting FRS 139	-	-	-	21,764	552	22,316	46	22,362
	<u>231,559</u>	<u>23,586</u>	<u>(235)</u>	<u>33,273</u>	<u>66,702</u>	<u>354,885</u>	<u>29,358</u>	<u>384,243</u>
Total comprehensive income	-	-	-	6,630	44,365	50,995	(8,699)	42,296
Dividend paid	-	-	-	-	(9,248)	(9,248)	(1,122)	(10,370)
At 31.12.2010	<u>231,559</u>	<u>23,586</u>	<u>(235)</u>	<u>39,903</u>	<u>101,819</u>	<u>396,632</u>	<u>19,537</u>	<u>416,169</u>
At 1.1.2011	231,559	23,586	(235)	39,903	101,819	396,632	19,537	416,169
Total comprehensive income	-	-	-	25,395	47,304	72,699	1,176	73,875
Liquidation of subsidiary	-	-	-	-	-	-	(25)	(25)
Disposal of subsidiary	-	-	-	-	-	-	(428)	(428)
Dividend paid	-	-	-	-	(34,681)	(34,681)	(1,047)	(35,728)
At 31.12.2011	<u>231,559</u>	<u>23,586</u>	<u>(235)</u>	<u>65,298</u>	<u>114,442</u>	<u>434,650</u>	<u>19,213</u>	<u>453,863</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 2010)



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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2011
(Unaudited)

	<u>31.12.2011</u>	<u>31.12.2010</u>
	RM'000	RM'000
Profit before tax	59,997	50,405
Adjustments for :		
Non-cash items	(7,793)	3,266
Operating profit before working capital changes	52,204	53,671
Changes in current assets	18,372	(18,613)
Changes in current liabilities	(793)	3,065
Net income tax paid	(14,350)	(10,980)
Net cash from operating activities	55,433	27,143
Investing Activities		
Equity investments	(1,127)	(1,476)
Associates	29,203	-
Other investments	(88,392)	(19,679)
Dividends received from associate	5,896	4,161
Net cash used in investing activities	(54,420)	(16,994)
Financing Activities		
Dividends paid to shareholders	(34,681)	(9,248)
Dividends paid to minority interests	(1,047)	(1,122)
Net drawdown of borrowings	91,517	14,171
Net cash from financing activities	55,789	3,801
Net increase in Cash & Cash Equivalents	56,802	13,950
Effects of foreign change rate changes	73	(692)
	56,875	13,258
Cash & Cash Equivalents at beginning of period	58,034	45,932
Effects of foreign change rate changes	676	(1,156)
	58,710	44,776
Cash & Cash Equivalents at end of period	115,585	58,034



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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2011 (Cont'd)
(Unaudited)

Represented by:

Cash & cash equivalents	119,212	58,125
Bank overdrafts	(3,627)	(91)
	<u>115,585</u>	<u>58,034</u>

Cash & cash equivalents	119,212	58,125
Less: Reclassified to non-assets held for sale	-	(1,291)
As per Balance Sheet	<u>119,212</u>	<u>56,834</u>

(The Condensed Consolidated Statements of Cash Flow should be read in conjunction with
the Annual Audited Accounts for the year ended 31 December 2010)



EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

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 2010 except for the adoption of the following new and revised Financial Reporting Standards (“FRSs”) issued by the Malaysian Accounting Standards Board that are effective for the Group for the financial period beginning on or after 1 January 2011 :-

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
Amendments to FRS 2	Shared-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
Amendments to FRS 132	Classification of Rights Issues
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 1	Additional Exemptions to First-time Adopters
Amendments to FRS 1	Group Cash-settled Share-based Payment Transactions
IC Interpretation 4	Determining Whether An Arrangement contains a Lease
IC Interpretation 18	Transfers of Assets from Customers
Improvements to FRSs issued in 2010	

Adoption of the above standards did not have significant impact on the financial performance or position of the Group except as discussed below:

Revised FRS 3 Business Combinations and Amendments to FRS 127 Consolidated and Separate Financial Statements

The revised FRS 3 will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments have been made to FRS 107 Statement of Cash Flows, FRS 112 Income Taxes, FRS 121 The Effects of Changes in Foreign Exchange Rates, FRS 128 Investments in Associates and FRS 131 Interests in Joint Ventures. The changes from revised FRS 3 and Amendments to FRS 127 will affect future acquisitions or loss of control and transactions with minority interests.

**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

Textile, Lighting and Pagers divisions traditionally record better performance in last quarter.

4. UNUSUAL ITEMS

There were no unusual items which affect assets, liabilities, equity, income or cash flows during the year.

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 year.

7. DIVIDENDS PAID

On 7 January 2011, the Company paid an interim dividend of 5% tax exempt which amounted to RM11.56 million in respect of the financial year ended 31 December 2010.

On 3 August 2011, the Company paid a final dividend of 5% tax exempt which amounted to RM11.56 million in respect of the financial year ended 31 December 2010.

On 15 December 2011, the Company paid an interim dividend of 1% tax exempt and 4% single tier which amounted to RM11.56 million in respect of the financial year ended 31 December 2011.

8. SEGMENT INFORMATION

	Textile	Lighting & Pagers	Properties	Plantation	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	184,106	214,000	13,748	11,470	77,059	500,383
Inter-segment sales	-	-	286	-	16,846	17,132
Total revenue	<u>184,106</u>	<u>214,000</u>	<u>14,034</u>	<u>11,470</u>	<u>93,905</u>	<u>517,515</u>
Results						
Segment profit/(loss)	<u>23,063</u>	<u>33,549</u>	<u>(1,404)</u>	<u>1,066</u>	<u>(7,235)</u>	49,039
Finance costs						(6,996)
Gain from investments						18,126
Share of results of associates	<u>1</u>	<u>-</u>	<u>153</u>	<u>-</u>	<u>(326)</u>	(172)
Profit before tax						59,997
Income tax expense						<u>(11,686)</u>
Profit for the period						<u>48,311</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

- i) In the first quarter, the subsidiary of the Company, Bay Potential Sdn Bhd had been struck off from the Register of Companies Commission of Malaysia pursuant to Section 308 of the Companies Act, 1965.
- ii) In the first quarter, the Company disposed its entire shareholding of 900,000 ordinary shares of RM1 each in MWE Advanced Structure Sdn Bhd, representing 90% equity interest for a total cash consideration of RM1.
- iii) In the second quarter, the Company disposed its 39% shareholding in its associates, representing 2,260,500 ordinary shares of US\$0.10 each in PI International Holdings Limited for a total cash consideration of HK\$78,100,275.
- iv) In the second quarter, the subsidiary of the Company, United Sweethearts Garment Sdn Bhd acquired 50% shareholding in its associate, representing 25,000 ordinary shares of US\$1.00 each in Sun Meridian Global Ltd for a total cash consideration of US\$25,000.
- v) During the quarter, the subsidiaries of the Company, MWE Development Sdn Bhd and Lup Ching Holdings Sdn Bhd had convened the Final Meeting to conclude the Members' Voluntary Winding-Up. After the expiration of three months, both companies will be dissolved pursuant to Section 272 (5) of the Companies Act, 1965.
- vi) During the quarter, the subsidiary of the Company, Davex (Malaysia) Sdn Bhd incorporated a new wholly-owned subsidiary, namely Davex Vietnam Company Limited with the intended paid up capital of US\$200,000.
- vii) During the quarter, the subsidiary of the Company, Davex Holdings Berhad disposed its entire shareholding of 600,000 ordinary shares of RM1 each in VXL Alliance Sdn Bhd, representing 60% equity interest for a total cash consideration of RM622,200.

12. CHANGES IN CONTINGENT LIABILITIES AND ASSETS

Subsequent to our 3rd quarter Announcement, the Company had on 15 February 2012, filed appeal to the Court of Appeal for the legal suit against the Company for damages for breach of contract.

Other than the above, there were no other material changes in contingent liabilities and assets for the current financial year.



13. REVIEW OF PERFORMANCE OF CURRENT QUARTER

During the reporting quarter, Group's revenue stood at RM135.4 million, RM18.0 million lower as compared to RM153.4 million reported in the corresponding quarter of 2010. However, the Group maintained its revenue at RM500 million as compare to the previous financial year. Profit for the year reported at RM48.3 million, higher than RM40.2 million recorded in the previous financial year mainly arose from the disposal gains of the construction subsidiary and Hong Kong associates.

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

The Group registered higher revenue in the last quarter as compared to RM117.7 million in the immediate third quarter. Despite the increase in revenue, pre-tax profit reduced to RM13.6 million as compared to RM15.7 million in the preceding quarter, mainly attributed to deliveries of product mix with a lower margins.

15. PROSPECTS FOR FINANCIAL YEAR 2012

The Board is confident that the performance of the Group in the financial year 2012 will be comparable to that of the previous financial year.

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 income tax		
- current period	2,686	13,121
- over provision in prior years	(479)	(1,419)
Deferred tax		
- current period	(64)	(32)
- under provision in prior years	5	16
	<u>2,148</u>	<u>11,686</u>

**17. TAXATION (Cont'd)**

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group is as follows:

	Fourth Quarter <u>RM '000</u>	Current Year-to-Date <u>RM '000</u>
Profit before tax (excluding share of results of associates)	<u>13,647</u>	<u>60,169</u>
Taxation at Malaysian statutory tax rate of 25%	3,412	15,042
Expenses not deductible for tax purposes	2,522	5,292
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowance	1,123	1,661
Income not subject to tax	(2,564)	(5,528)
Utilisation of previously unrecognised deductible temporary differences	(517)	(1,207)
Tax effect of differences in tax rates	(1,354)	(2,171)
Over provision of tax in prior years	(474)	(1,403)
	<u>2,148</u>	<u>11,686</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 year.

19. PURCHASES AND DISPOSAL OF QUOTED SECURITIES

a) The dealings in quoted securities for the current quarter and current year are as follows:

	3 months ended <u>31.12.2011</u> RM'000	12 months ended <u>31.12.2011</u> RM'000
Available-for-sale financial assets:		
Total purchase at cost	2	92,869
Total disposal proceeds	-	2,416
Total gain	<u>-</u>	<u>1,087</u>

b) The total investments in quoted securities as at 31 December 2011 are as follows:

	RM'000
At cost	120,700
At carrying/market value	<u>177,164</u>

**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 as at 31 December 2011 are as follows:

	RM'000
Short term – unsecured	1,300
Short term – secured	86,969
Long term – secured	80,847

Foreign borrowings as at 31 December 2011 included in the above are as follows:

Currency	Amount '000	RM '000
Singapore Dollar	SGD 135	329

The foreign borrowings were drawn by the foreign subsidiary in its local currency.

22. DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses forward currency contracts to manage some of the foreign transactions exposure. These contracts do not qualify for hedge accounting under FRS 139. There are no credit, market and liquidity risks associated with the derivatives. As at 31 December 2011, the Group had entered into the following forward currency contracts :

Type of derivatives	Contract amount (RM'000)	Fair value (RM'000)
Forward contract - Less than 1 year	6,954	6,600

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

Computation of the EPS is as follows:

	Current Quarter <u>31.12.2011</u> RM'000	Comparative Quarter <u>31.12.2010</u> RM'000	Cumulative 12 months <u>31.12.2011</u> RM'000	Cumulative 12 months <u>31.12.2010</u> RM'000
Profit for the period	<u>10,978</u>	<u>10,847</u>	<u>47,304</u>	<u>44,365</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 attributable to owners of the parent (sen)	<u>4.75</u>	<u>4.69</u>	<u>20.46</u>	<u>19.19</u>

**24. DISCLOSURE OF REALISED AND UNREALISED PROFITS/LOSSES**

	<u>As at 31.12.2011</u> RM'000	<u>As at 31.12.2010</u> RM'000
Total retained profits of the Group:		
- Realised profit	161,256	118,025
- Unrealised (loss)/profit	(1,417)	1,671
	<u>159,839</u>	<u>119,696</u>
Total share of retained profits from associates:		
- Realised (loss)/profit	(17,480)	12,891
- Unrealised profit	-	216
	<u>142,359</u>	<u>132,803</u>
Less: Consol adjustments	(27,917)	(30,984)
Total group retained profits	<u><u>114,442</u></u>	<u><u>101,819</u></u>

25. DIVIDEND

- (a) i) The Board of Directors declares a second interim dividend of 5% single tier which amounted to RM11.56 million for the financial year ended 31 December 2011.
- ii) The second interim dividend for the financial year ended 31 December 2011 is 5 sen per ordinary share of RM1 each.
- iii) The final dividend declared and paid for the previous year's corresponding period was 5 sen tax exempt per ordinary share of RM1 each.
- iv) The second interim dividend shall be payable on 30 March 2012.
- v) A depositor shall qualify for entitlement to the second interim dividend only in respect of:
- Shares transferred into the Depositor's Securities Account before 4.00 pm on 15 March 2012 in respect of ordinary transfer; and
 - Shares bought on Bursa Securities on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.
- (b) The total dividends for the current financial year ended 31 December 2011 is 10 sen per ordinary share of RM1 each.

By Order of the Board

LIM KONG YOW
Company Secretary
24 February 2012