



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2016

	<u>30.9.2016</u>	<u>31.3.2016</u>
	Unaudited	Audited
	RM'000	RM'000
Assets		
<u>Non-Current Assets</u>		
Property, plant & equipment	38,028	28,287
Investment properties	62,705	62,705
Investment in associates	234,423	237,043
Other investments	193,047	211,235
Other non-current assets	40,451	45,179
	<u>568,654</u>	<u>584,449</u>
<u>Current Assets</u>		
Property development costs	8,087	8,079
Inventories	30,097	46,407
Trade and other receivables	57,911	42,400
Prepayments	2,884	2,108
Tax recoverable	3,406	2,217
Cash and bank balances	119,250	100,487
	<u>221,635</u>	<u>201,698</u>
Assets of disposal group classified as held for sale	44,482	45,023
	<u>266,117</u>	<u>246,721</u>
Total assets	<u><u>834,771</u></u>	<u><u>831,170</u></u>



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2016 (Cont'd)

	<u>30.9.2016</u> Unaudited RM'000	<u>31.3.2016</u> Audited RM'000
Equity and liabilities		
<u>Current Liabilities</u>		
Trade and other payables	44,777	32,034
Loans and borrowings	170,457	157,328
Current tax payable	461	1,337
Derivatives liabilities	49	187
	<u>215,744</u>	<u>190,886</u>
Liabilities directly associated with disposal group classified as held for sale	<u>15,266</u>	<u>15,802</u>
	<u>231,010</u>	<u>206,688</u>
<u>Non-Current Liabilities</u>		
Loans and borrowings	42,166	46,390
Deferred tax liabilities	5,246	5,201
	<u>47,412</u>	<u>51,591</u>
Total liabilities	278,422	258,279
<u>Equity</u>		
Share capital	231,559	231,559
Reserves	313,302	330,472
Treasury shares	(1,931)	(1,931)
	<u>542,930</u>	<u>560,100</u>
Non-controlling interests	13,419	12,791
Total equity	<u>556,349</u>	<u>572,891</u>
Total equity and liabilities	<u><u>834,771</u></u>	<u><u>831,170</u></u>
Net assets per share (RM)	2.36	2.43

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Audited Accounts for the year ended 31 March 2016)



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER 2016

	Current quarter 30.9.2016 RM'000	Comparative quarter 30.9.2015 RM'000	Cumulative 6 months 30.9.2016 RM'000	Comparative 6 months 30.9.2015 RM'000
Revenue	77,216	87,829	167,803	170,968
Cost of sales	(61,268)	(67,697)	(132,519)	(130,702)
Gross profit	15,948	20,132	35,284	40,266
Interest income	775	528	1,509	941
Other income	1,474	2,152	1,979	2,838
Other operating expenses	(18,110)	(79,713)	(32,303)	(91,223)
Operating profit/loss	87	(56,901)	6,469	(47,178)
Finance costs	(2,970)	(3,351)	(6,019)	(6,658)
Share of results of associates	2,264	3,736	4,436	6,412
(Loss)/Profit before tax	(619)	(56,516)	4,886	(47,424)
Income tax expense	(630)	(1,961)	(2,378)	(3,816)
(Loss)/Profit from continuing operations, net of tax	(1,249)	(58,477)	2,508	(51,240)
Loss from discontinued operations, net of tax	(158)	(124)	(200)	(131)
(Loss)/Profit net of tax	(1,407)	(58,601)	2,308	(51,371)
Other comprehensive income:				
Fair value gain on available-for-sale financial assets	(2,331)	(14,278)	(18,187)	(24,945)
Foreign currency translation	1,095	13,307	3,942	14,784
	(1,236)	(971)	(14,245)	(10,161)
Total comprehensive income	(2,643)	(59,572)	(11,937)	(61,532)
(Loss)/Profit attributable to:				
Owners of the parent	(1,472)	(58,945)	2,129	(52,197)
Non-controlling interest	65	344	179	826
	(1,407)	(58,601)	2,308	(51,371)
Total comprehensive income attributable to:				
Owners of the parent	(2,828)	(61,723)	(12,565)	(64,375)
Non-controlling interest	185	2,151	628	2,843
	(2,643)	(59,572)	(11,937)	(61,532)
Basic earnings per share (sen)	(0.64)	(25.60)	0.92	(22.67)

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Audited Accounts for the year ended 31 March 2016)



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THREE-MONTH PERIOD ENDED 30 SEPTEMBER 2016

	< ----- Attributable to owners of the parent ----- >					Non-controlling Interests	Total Equity
	Share Capital	Treasury Shares	Other Reserves	Distributable 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>
At 1.4.2015	231,559	(1,931)	156,348	240,787	626,763	14,040	640,803
Total comprehensive income	-	-	(12,178)	(52,197)	(64,375)	2,843	(61,532)
Dissolution of subsidiary	-	-	(890)	-	(890)	(318)	(1,208)
Dividend paid	-	-	-	(4,605)	(4,605)	-	(4,605)
At 30.9.2015	<u>231,559</u>	<u>(1,931)</u>	<u>143,280</u>	<u>183,985</u>	<u>556,893</u>	<u>16,565</u>	<u>573,458</u>
At 1.4.2016	231,559	(1,931)	129,446	201,026	560,100	12,791	572,891
Total comprehensive income	-	-	(14,694)	2,129	(12,565)	628	(11,937)
Dividend paid	-	-	-	(4,605)	(4,605)	-	(4,605)
At 30.9.2016	<u>231,559</u>	<u>(1,931)</u>	<u>114,752</u>	<u>198,550</u>	<u>542,930</u>	<u>13,419</u>	<u>556,349</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with
with the Annual Audited Accounts for the year ended 31 March 2016)



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX-MONTH PERIOD ENDED 30 SEPT 2016

	6 months ended	
	<u>30.9.2016</u>	<u>30.9.2015</u>
	Unaudited RM'000	Unaudited RM'000
Cash flows from operating activities		
Profit/(Loss) before tax from continuing operations	4,886	(47,424)
Loss before tax from discontinued operations	(200)	(131)
	<u>4,686</u>	<u>(47,555)</u>
Adjustment for :		
Amortisation of biological assets	307	307
Amortisation of land use rights	213	218
Depreciation of property, plant and equipment	2,035	1,762
Gain on disposal of other investments	-	(360)
Gain on dissolution of subsidiary	-	(888)
Land use rights written off	517	-
Net fair value loss/(gain) on derivatives assets	(138)	-
Impairment loss on unquoted equity investment	-	12,294
Impairment loss on investment in associates	12,200	61,612
Investment in associate written off	273	-
Net unrealised foreign exchange (gain)/loss	(284)	(359)
Property, plant and equipment written off	3	1
Share of results of associates	(4,436)	(6,412)
Dividend income	(4,622)	(7,076)
Interest income	(1,509)	(941)
Interest expenses	6,019	6,658
Operating profit before working capital changes	<u>15,264</u>	<u>19,261</u>
Changes in inventories	16,676	6,092
Changes in property development activities	(9)	(2)
Changes in receivables	(15,599)	(3,331)
Changes in payables	11,743	(807)
Changes in trade line borrowings	160	(1,234)
Cash (used in)/generated from operations	<u>28,235</u>	<u>19,979</u>
Interest received	1,509	941
Interest paid	(6,019)	(6,658)
Net income tax paid	(4,456)	(4,076)
Net cash generated from operating activities	<u>19,269</u>	<u>10,186</u>



MWE HOLDINGS BERHAD (5713-D)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX-MONTH PERIOD ENDED
30 SEPTEMBER 2016 (Cont'd)**

	3 months ended	
	<u>30.9.2016</u>	<u>30.9.2015</u>
	Unaudited	Unaudited
	RM'000	RM'000
Cash flows from investing activities		
Addition in investment in an associate	(5,417)	-
Dissolution of a subsidiary, net of cash	-	329
Dividends received	4,622	7,076
Proceeds from disposal of other investments	-	3,135
Purchase of property, plant and equipment	(7,184)	(1,092)
Net cash generated from investing activities	<u>(7,979)</u>	<u>9,448</u>
Cash flows from financing activities		
Bank borrowings raised	11,150	-
Dividends paid to shareholders	(4,605)	(4,605)
Placement in short term deposits	(1,931)	(288)
Repayment of bank borrowings	(2,191)	(1,341)
Repayment of hire purchase and finance lease instalments	(229)	(238)
Net cash generated from financing activities	<u>2,194</u>	<u>(6,472)</u>
Net increase in cash & cash equivalents	<u>13,484</u>	<u>11,644</u>
Effects of foreign exchange rate changes	99	(240)
	13,583	11,404
Cash & cash equivalents at beginning of year	<u>99,378</u>	<u>89,598</u>
Effects of foreign exchange rate changes	2,552	9,322
	101,930	100,438
Cash & cash equivalents at end of period	<u><u>115,513</u></u>	<u><u>111,842</u></u>
<i>Represented by :</i>		
Cash & bank balances	119,250	113,648
Deposits with licensed banks with maturity of more than 3 months	(3,737)	(1,806)
	<u>115,513</u>	<u>111,842</u>

(The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the Annual Audited Accounts for the year ended 31 March 2016)



MWE HOLDINGS BERHAD (5713-D)

EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER 2016

1. CORPORATE INFORMATION

The Company is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

2. ACCOUNTING POLICIES

The unaudited interim financial report has been prepared in accordance with Financial Reporting Standard (FRS) 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 March 2016.

Standards and interpretations issued but not yet effective

The Group intends to adopt the following standards, if applicable, when they become effective. The adoption of the following standards and interpretations will have no material impact on the financial statements of the Group.

Amendments to FRS 116 & 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to FRS 116 & 141	Agriculture: Bearer Plants
Amendments to FRS 10 & 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to FRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to FRS 127	Equity Method in Separate Financial Statements
Amendments to FRS 101	Disclosure Initiatives
Amendments to FRS 10, 12 & 128	Investment Entities: Applying the Consolidation Exception
FRS 14	Regulatory Deferral Accounts
FRS 9	Financial Instrument
Annual Improvements to FRSs 2012-2014 Cycle	

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the MFRS Framework.

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012 with the exception of entities that are within the scope of MFRS 141: Agriculture and IC Interpretation 15: Agreements for Construction of Real Estate, including its parent, significant investor and venturer (herein called 'Transitioning Entities').



2. ACCOUNTING POLICIES (cont'd)

Malaysian Financial Reporting Standards (MFRS Framework) (cont'd)

The Company falls within the definition of Transitioning Entities and is currently exempted from adopting the MFRS. Accordingly, the Company will adopt the MFRS and present its first MFRS financial statements for the annual period beginning 1 April 2017. In presenting its first MFRS financial statements, the Company will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

3. AUDIT OPINION ON THE PRECEDING FINANCIAL STATEMENTS

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

4. EFFECT OF CHANGES IN COMPOSITION OF GROUP

In the first quarter,

- i) The Company and its indirect wholly-owned subsidiary, Melati Mewah Sdn Bhd ("MMSB") had on 5 May 2016 entered into separate conditional Sale and Purchase Agreements respectively with Newfields Land Sdn Bhd's ("NLSB") wholly-owned subsidiaries in relation to the disposals by:
 - a) MMSB of its nine (9) pieces of leasehold lands, all located in the Mukim of Raja, District of Petaling, Selangor Darul Ehsan measuring approximately 481,925 sq. meters to Pristine Primavera Sdn Bhd, a wholly-owned subsidiary of NLSB for a cash consideration of RM54,930,000; and
 - b) the Company of its entire shareholding of 25,000,000 ordinary shares of RM1 each representing 100% equity interest in MWE Golf & Country Club Berhad to Saujana Setara Sdn Bhd, a wholly-owned subsidiary of NLSB for a cash consideration of RM1.
- ii) First Cosmopolitan Sdn Bhd, a wholly-owned subsidiary of the Company, transfer its wholly-owned subsidiary, namely Devanna Limited, a company incorporated in British Virgin Islands, to the Company, for a consideration of RM4,000,005.
- iii) The Company purchased additional 6,000,000 shares in WCE Holdings Berhad (formerly known as Kumpulan Europlus Berhad) ("WCE"), an associate of the Company, for a total cash consideration of RM5,409,980. The Company increased its shareholding in WCE from 25% to 25.6%.
- iv) The Company had on 14 June 2016, announced that a Final Meeting of MWE Weaving Mills Sdn Bhd ("MWMSB"), a wholly-owned subsidiary of the Company, in relation to the Members' Voluntary Winding-up was concluded and a Return by Liquidators were lodged on the same date with the Companies Commission of Malaysia and the Receiver respectively. On the expiration of 3 months after the said lodgement, MWMSB will be dissolved.



5. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

Textiles division is involved in manufacturing and sale of garments for export markets and thus mainly depends on US purchasing power and economy as a whole. As for Telecommunications segment which design and manufacture telecommunication products, faces a more volatile market that depends on global market conditions.

6. UNUSUAL ITEMS

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

7. MATERIAL CHANGES IN ESTIMATES OF AMOUNTS PREVIOUSLY REPORTED

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

8. DEBT AND EQUITY SECURITIES

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

9. DIVIDENDS PAID

On 29 June 2016, the Company paid an interim single-tier dividend of 2% which amounted to RM4.6 million in respect of the financial year ended 31 March 2016.

10. VARIANCE IN PROFIT FORECAST

There was no profit forecast issued for the financial year.

11. STATUS OF CORPORATE PROPOSALS

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

12. 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.

**13. GROUP BORROWINGS**

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

	<u>Secured</u> RM '000	<u>Unsecured</u> RM '000	<u>Total</u> RM '000
<u>30.9.2016</u>			
Short term			
Obligations under finance lease	109	-	109
Bankers' acceptances and trust receipts	-	161	161
Revolving credit	161,500	1,300	162,800
Term loans	7,387	-	7,387
	168,996	1,461	170,457
Long term			
Obligations under finance lease	72	-	72
Term loans	42,094	-	42,094
	42,166	-	42,166
	211,162	1,461	212,623

There were no foreign borrowings as at 30 September 2016.

14. DERIVATIVE FINANCIAL INSTRUMENTS

Type of derivatives	Contract/Notional amount (RM'000)
Forward currency contracts - Less than 1 year	1,857

The Group uses forward currency contracts to manage some of the transaction exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency transaction exposure. Such derivatives do not qualify for hedge accounting.

**15. SEGMENT INFORMATION**

The Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

	Textile <u>RM'000</u>	Tele- communication <u>RM'000</u>	Properties <u>RM'000</u>	Other Operations <u>RM'000</u>	Total <u>RM'000</u>
30 September 2016					
<u>Revenue</u>					
External sales	123,514	23,486	2,852	17,951	167,803
Discontinued operations	-	-	-	-	3,078
Inter-segment sales	-	-	180	20	200
Total revenue	123,514	23,486	3,032	17,971	171,081
<u>Results</u>					
Segment profit/(loss)	13,631	1,038	306	(8,506)	6,469
Finance costs					(6,019)
Share of results of associates	-	-	(7)	4,443	4,436
Profit before tax					4,886
30 September 2015					
<u>Revenue</u>					
External sales	109,782	39,173	2,707	19,306	170,968
Discontinued operations	-	-	-	-	3,408
Inter-segment sales	-	-	192	670	862
Total revenue	109,782	39,173	2,899	19,976	175,238
<u>Results</u>					
Segment profit/(loss)	16,215	4,062	222	(67,677)	(47,178)
Finance costs					(6,658)
Share of results of associates	-	-	(63)	6,475	6,412
Loss before tax					(47,424)



16. PERFORMANCE REVIEW

Group performance

During the reporting period, the Group's revenue reduced by RM3.2 million, from RM171.0 million reported in FY2016 to RM167.8 million. However, the Group reported RM4.9 million in pre-tax profit as compared to RM47.4 million pre-tax loss in FY2016, mainly attributed to higher impairment losses on investment in associate as well as other investment in FY2016.

Textile division

Textile division registered RM123.5 million in revenue during the reporting period, contributing 74% of the revenue of the Group. Revenue increased to RM123.5 million as compared to RM109.8 million in FY2016, mainly derived from strengthening of USD against Ringgit which translated into higher sale. Despite the 13% increase in revenue, pre-tax profit reduced to RM13.0 million as compared to RM15.2 million in FY2016, mainly attributed to higher operation costs incurred by Vietnam's subsidiary.

Telecommunications division

For the current six-month period, Telecommunications division reported lower revenue at RM23.5 million as compared to RM39.2 million in FY2016, mainly due to lower sales recorded from ODM business. Pre-tax profit also reported lower at RM1.0 million.

Properties division

For current period, Properties division reported RM3.0 million in revenue, slightly higher than RM2.9 million recorded in FY2016. Pre-tax profit increased to RM0.2 million.

Other operations

Plantation division reported higher revenue for current reporting period mainly due to higher crop yields. As a result, the division managed to reduce its losses from RM1.2 million to RM0.5 million.

Industrial division reported RM9.1 million in revenue, 10% lower as compared to RM10.1 million in FY2016, mainly attributed to lower sales from the Dongfeng heavy commercial vehicle.

For current reporting period, the Group recorded RM4.4 million share of profit in associates. However, the Group also recognised RM12.2 million impairment losses for investment in quoted associate, being the effect of mark to market of its share price as at 30/9/2016. As a result, the Group reported total pre-tax profit of RM4.9 million.

**17. COMMENT ON MATERIAL CHANGE IN PROFIT BEFORE TAX**

During the reporting quarter, the Group posted total revenue of RM77.2 million, 12% lower as compared to RM87.8 million in preceding corresponding quarter. However, pre-tax loss was recorded lower at RM0.6 million as compared to RM56.5 million, mainly attributed to higher impairment loss on investment in associate and other investment in FY2016.

The Group registered RM77.2 million in revenue, reduced by RM13.4 million as compared to RM90.6 million reported in the preceding first quarter. The reduction in revenue mainly attributed to slowdown of ODM business in Telecommunication division. The Group reported pre-tax losses of RM0.6 million in current quarter as compared to RM5.5 million pre-tax profit for preceding first quarter was mainly attributed to higher impairment loss on investment in associate as well as lower operation profit from manufacturing divisions.

18. PROSPECTS FOR FINANCIAL YEAR 2017

The continual uncertainties in developed and developing countries' economies and the rising operational costs had adversely affected our manufacturing sectors. Besides, volatile global markets post US presidential election also might impact the group business. However, manufacturing divisions particularly in the export businesses are anticipated to benefit from the strengthening of USD.

19. (LOSS)/PROFIT BEFORE TAX

Included in the (loss)/profit before tax are the following items:

	Current quarter <u>30.9.2016</u> RM'000	Comparative quarter <u>30.9.2015</u> RM'000	Current quarter <u>30.9.2016</u> RM'000	Comparative Quarter <u>30.9.2015</u> RM'000
Amortisation of biological assets	154	307	307	307
Amortisation of land use rights	107	109	213	218
Depreciation of property, plant and equipment	1,132	1,011	2,035	1,762
Impairment loss				
- Other investment	-	12,294	-	12,294
- Investment in associate	7,667	65,109	12,200	61,612
Interest expenses	4,271	9,979	6,019	6,658
Interest income	(775)	(528)	(1,509)	(941)
Gain on disposal of unquoted investment	-	-	-	(360)
Gain on dissolution of subsidiary	-	(888)	-	(888)
Land use rights written off	-	-	517	-
Net fair value gain on derivatives	(59)	-	(138)	-
Net unrealised foreign exchange gain	(125)	(359)	(284)	(359)
Property, plant and equipment written off	-	1	3	1

**20. INCOME TAX EXPENSE**

The tax expense consists of:

	Current quarter <u>30.9.2016</u> RM'000	Comparative quarter <u>30.9.2015</u> RM'000	Cumulative 6 months <u>30.9.2016</u> RM'000	Comparative 6 months <u>30.9.2015</u> RM'000
Current income tax				
- current period	688	1,961	2,352	3,786
Deferred tax				
- current period	(58)	-	26	-
- under provision in prior years	-	-	-	30
Income tax expense	<u>630</u>	<u>1,961</u>	<u>2,378</u>	<u>3,816</u>

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:

	Current quarter <u>30.9.2016</u> RM'000	Comparative quarter <u>30.9.2015</u> RM'000	Cumulative 6 months <u>30.9.2016</u> RM'000	Comparative 6 months <u>30.9.2015</u> RM'000
(Loss)/Profit before tax from continuing operations	(619)	(56,516)	4,886	(47,424)
Loss before tax from discontinued operations	<u>(158)</u>	<u>(124)</u>	<u>(200)</u>	<u>(131)</u>
(Loss)/Profit before tax, total	<u>(777)</u>	<u>(56,640)</u>	<u>4,686</u>	<u>(47,555)</u>
Taxation at 24%	(186)	(13,594)	1,125	(11,413)
Expenses not deductible	2,227	17,127	3,971	18,516
Deferred tax assets not recognised	-	50	-	105
Income not subject to tax	(624)	(405)	(909)	(835)
Utilisation of previously unrecognised deductible temporary differences	(46)	(27)	(68)	(37)
Tax effect of differences in tax rate	(198)	(293)	(676)	(1,011)
Under provision of tax in prior years	-	-	-	30
Share of results of associates	(543)	(897)	(1,065)	(1,539)
	<u>630</u>	<u>1,961</u>	<u>2,378</u>	<u>3,816</u>

**21. SUBSEQUENT EVENT**

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

22. CHANGES IN MATERIAL LITIGATION

There was no material litigation against the Group in the reporting period.

23. EARNINGS PER SHARE ("EPS")

Computation of the EPS is as follows:

	Current quarter <u>30.9.2016</u> RM'000	Comparative quarter <u>30.9.2015</u> RM'000	Cumulative 6 months <u>30.9.2016</u> RM'000	Comparative 6 months <u>30.9.2015</u> RM'000
(Loss)/Profit for the period	<u>(1,472)</u>	<u>(58,945)</u>	<u>2,129</u>	<u>(52,197)</u>
No. of ordinary shares after deducting treasury shares	230,235	230,235	230,235	230,235
Basic EPS (sen)	<u>(0.64)</u>	<u>(25.60)</u>	<u>0.92</u>	<u>(22.67)</u>

24. BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

	Current quarter <u>30.9.2016</u> RM'000	Comparative Quarter <u>30.9.2015</u> RM'000
Total retained profits of the Group:		
- Realised profit	121,714	108,002
- Unrealised profit	<u>3,659</u>	<u>5,928</u>
	125,373	113,930
Total share of retained profits from associates:		
- Realised loss	(14,653)	(5,467)
Add: Consol adjustments	87,830	75,522
Retained profits as per financial statements	<u>198,550</u>	<u>183,985</u>



MWE HOLDINGS BERHAD (5713-D)

25. DIVIDEND

The Board of Directors does not recommend any dividend payment during this reporting quarter.

**By Order of the Board
LIM KONG YOW
Company Secretary
25 November 2016**