

DXN HOLDINGS BHD. (Company No : 363120-V) (Incorporated in Malaysia)

(Incorporated in Malaysia) CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2004

(The figures have not been audited)

	INDIVIDUAL QUARTER CURRENT YEAR QUARTER 30-Nov-04 RM'000	INDIVIDUAL QUARTER PRECEDING YEAR CORRESPONDING QUARTER 30-Nov-03 RM'000	CUMULATIVE QUARTERS CURRENT YEAR TO DATE 30-Nov-04 RM'000	CUMULATIVE QUARTERS PRECEDING YEAR CORRESPONDING PERIOD 30-Nov-03 RM'000
Revenue	45,783	31,336	129,915	66,836
Operating profit	6,796	6,437	21,799	14,261
Financing costs	(128)	(345)	(414)	(862)
Interest Income	77	50	286	73
Share of profit of associate	63	8	178	18
Profit before taxation	6,808	6,150	21,849	13,490
Tax expense	(1,386)	(1,340)	(4,399)	(2,664)
Profit after taxation	5,422	4,810	17,450	10,826
Minority interests	-	-	-	-
Net profit for the period	5,422	4,810	17,450	10,826
Earnings per share (sen) -Basic (based on RM0.25 per ordinary share)	2.26	3.21	7.26	6.46
-Diluted (based on RM0.25 per ordinary share)	2.25		7.24	

The notes set out on pages 5 to 9 form an integral part of, and should be read in conjunction with, this interim financial report.

DXN HOLDINGS BHD.

(Company No : 363120-V) (Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEET AT 30 NOVEMBER 2004

	(Unaudited) As at end of 30-Nov-04 RM'000	(Audited) As at end of 29-Feb-04 RM'000
Property, plant and equipment	43,788	38,201
Investment in an associate	346	168
Other Investments	1,288	1,288
Deferred tax assets	178	591
Goodwill on consolidation	1,622	1,755
Current assets		
Inventories	19,373	16,458
Trade and other receivables	36,038	31,682
Tax refundable	1,079	942
Cash and cash equivalents	32,999	27,145
	89,489	76,227
Current liabilities		
Trade and other payables	19,120	18,928
Borrowings	5,110	1,866
Taxation	681	160
	24,911	20,954
Net current assets	64,578	55,273
	111,800	97,276
Shareholders' Funds	333,000	2.,2.
Share capital	60,156	60,013
Share premium	1,533	1,206
Exchange fluctuation reserve	(34)	151
Retained Profits	35,356	20,070
	97,011	81,440
Negative goodwill	10,706	10,706
Borrowings	3,587	4,731
Deferred tax liabilities	496	399
	111,800	97,276

The notes set out on pages 5 to 9 form an integral part of, and should be read in conjunction with, this interim financial report.

DXN HOLDINGS BHD.

(Company No : 363120-V) (Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 NOVEMBER 2004

Profit before taxation 21,849 13,490 13,491 13,648 12,880 13,161 13,648 13,161 13,648 13,161 13,648 13,161 13,648 13,161 13,648 13,161 13,648 13,161 13,648 13,161 13,648 13,161 13,648 13,161 13,648 13,161 13,648 13,161 13,164 13,161 13,164 13,161 13,164 13,161 13,		30-Nov-04 RM'000	30-Nov-03 RM'000
Profit before taxation 21,849 13,490 Adjustments for: -	Cash flow from operating activities		
Non-cash items		21,849	13,490
Non-operating items	Adjustments for: -		
3,161 3,648	Non-cash items	3,033	2,859
3,161 3,648	Non-operating items	128	789
Changes in working capital: - Net change in current assets		3,161	3,648
Net change in current liabilities (7,325) (26,033) 23,283 (26,033) Cash generated from operations 17,922 14,388 Interest income 286 73 Interest paid (414) (862) Tax paid (3,478) (2,349) Net cash generated from operating activities 14,316 11,250 Cash flow from investing activities Withdrawal / (Placement) of fixed deposit 338 2,592 Purchase of property, plant and equipment (8,816) (2,019) Acquisition of subsidiaries net of cash acquired - 6,881 Net cash outflow from investing activities (8,478) 7,454 Cash flow from financing activities Borrowings 2,087 3,686) Issue of shares - ESOS 407 - Rights Issue - 22,333 Public Issue - 22,333 Dividend paid (2,164) (8,000) Net cash inflow from financing activities 330 14,312 Net increase in cash and cash equivalents 6,168 33,0	Operating profit before changes in working capital	25,010	17,138
Net change in current liabilities	Changes in working capital: -		
Cash generated from operations 17,922 14,388 Interest income 286 73 Interest paid (414) (862) Tax paid (3,478) (2,349) Net cash generated from operating activities 14,316 11,250 Cash flow from investing activities 338 2,592 Withdrawal / (Placement) of fixed deposit 338 2,592 Purchase of property, plant and equipment (8,816) (2,019) Acquisition of subsidiaries net of cash acquired - 6,881 Net cash outflow from investing activities (8,478) 7,454 Cash flow from financing activities 2,087 (3,686) Issue of shares - ESOS 407 - Rights Issue - 22,333 Public Issue - 22,332 Dividend paid (2,164) (8,000) Net cash inflow from financing activities 330 14,312 Net increase in cash and cash equivalents 6,168 33,016 Cash and cash equivalents at beginning of the period 23,969 (2,361) <tr< td=""><td>Net change in current assets</td><td>(7,325)</td><td></td></tr<>	Net change in current assets	(7,325)	
Cash generated from operations 17,922 14,388 Interest income 286 73 Interest paid (414) (862) Tax paid (3,478) (2,349) Net cash generated from operating activities 14,316 11,250 Cash flow from investing activities 338 2,592 Withdrawal / (Placement) of fixed deposit 338 2,592 Purchase of property, plant and equipment (8,816) (2,019) Acquisition of subsidiaries net of cash acquired - 6,881 Net cash outflow from investing activities (8,478) 7,454 Cash flow from financing activities 2,087 (3,686) Issue of shares - ESOS 407 - Rights Issue - 22,333 Public Issue - 6,300 Share Issue Expenses (2,635) Dividend paid (2,164) (8,000) Net cash inflow from financing activities 330 14,312 Net increase in cash and cash equivalents 6,168 33,016 Cash and cash equivalents at beginning of t	Net change in current liabilities	237	(26,033)
Interest income 286 73 Interest paid (414) (862) Tax paid (3,478) (2,349) Net cash generated from operating activities 14,316 11,250 Cash flow from investing activities 8 2,592 Purchase of property, plant and equipment (8,816) (2,019) Acquisition of subsidiaries net of cash acquired - 6,881 Net cash outflow from investing activities (8,478) 7,454 Cash flow from financing activities 2,087 (3,686) Issue of shares - ESOS 407 - Rights Issue - 22,333 Public Issue - 22,333 Public Issue Expenses (2,635) (2,635) Dividend paid (2,164) (8,000) Net cash inflow from financing activities 330 14,312 Net increase in cash and cash equivalents 6,168 33,016 Cash and cash equivalents at beginning of the period 23,969 (2,361) Effect of foreign exchange rate changes on cash balances 24 - <td></td> <td>(7,088)</td> <td>(2,750)</td>		(7,088)	(2,750)
Interest paid	Cash generated from operations	17,922	14,388
Tax paid (3,478) (2,349) Net cash generated from operating activities 14,316 11,250 Cash flow from investing activities 338 2,592 Withdrawal / (Placement) of fixed deposit 338 2,592 Purchase of property, plant and equipment (8,816) (2,019) Acquisition of subsidiaries net of cash acquired - 6,881 Net cash outflow from investing activities (8,478) 7,454 Cash flow from financing activities 2,087 (3,686) Issue of shares - ESOS 407 - Rights Issue - 22,333 Public Issue - 22,333 Public Issue Expenses (2,635) (2,635) Dividend paid (2,164) (8,000) Net cash inflow from financing activities 330 14,312 Net increase in cash and cash equivalents 6,168 33,016 Cash and cash equivalents at beginning of the period 23,969 (2,361) Effect of foreign exchange rate changes on cash balances 24 -	Interest income	286	73
Net cash generated from operating activities 14,316 11,250 Cash flow from investing activities 338 2,592 Purchase of property, plant and equipment (8,816) (2,019) Acquisition of subsidiaries net of cash acquired - 6,881 Net cash outflow from investing activities (8,478) 7,454 Cash flow from financing activities 2,087 (3,686) Issue of shares - ESOS 407 - Rights Issue - 22,333 Public Issue - 22,333 Public Issue Expenses (2,635) (2,635) Dividend paid (2,164) (8,000) Net cash inflow from financing activities 330 14,312 Net increase in cash and cash equivalents 6,168 33,016 Cash and cash equivalents at beginning of the period 23,969 (2,361) Effect of foreign exchange rate changes on cash balances 24 -	Interest paid	(414)	(862)
Cash flow from investing activities 338 2,592 Purchase of property, plant and equipment (8,816) (2,019) Acquisition of subsidiaries net of cash acquired - 6,881 Net cash outflow from investing activities (8,478) 7,454 Cash flow from financing activities 2,087 (3,686) Issue of shares - ESOS 407 - Rights Issue - 22,333 Public Issue - 6,300 Share Issue Expenses (2,635) (2,635) Dividend paid (2,164) (8,000) Net cash inflow from financing activities 330 14,312 Net increase in cash and cash equivalents 6,168 33,016 Cash and cash equivalents at beginning of the period 23,969 (2,361) Effect of foreign exchange rate changes on cash balances 24 -	Tax paid	(3,478)	(2,349)
Withdrawal / (Placement) of fixed deposit 338 2,592 Purchase of property, plant and equipment (8,816) (2,019) Acquisition of subsidiaries net of cash acquired - 6,881 Net cash outflow from investing activities (8,478) 7,454 Cash flow from financing activities 2,087 (3,686) Issue of shares - ESOS 407 - Rights Issue - 22,333 Public Issue Expenses - 6,300 Share Issue Expenses (2,635) (2,635) Dividend paid (2,164) (8,000) Net cash inflow from financing activities 330 14,312 Net increase in cash and cash equivalents 6,168 33,016 Cash and cash equivalents at beginning of the period 23,969 (2,361) Effect of foreign exchange rate changes on cash balances 24 -	Net cash generated from operating activities	14,316	11,250
Purchase of property, plant and equipment (8,816) (2,019) Acquisition of subsidiaries net of cash acquired - 6,881 Net cash outflow from investing activities (8,478) 7,454 Cash flow from financing activities 2,087 (3,686) Borrowings 2,087 (3,686) Issue of shares - ESOS 407 - Rights Issue - 22,333 Public Issue - 6,300 Share Issue Expenses (2,635) (2,635) Dividend paid (2,164) (8,000) Net cash inflow from financing activities 330 14,312 Net increase in cash and cash equivalents 6,168 33,016 Cash and cash equivalents at beginning of the period 23,969 (2,361) Effect of foreign exchange rate changes on cash balances 24 -	Cash flow from investing activities		
Acquisition of subsidiaries net of cash acquired - 6,881 Net cash outflow from investing activities (8,478) 7,454 Cash flow from financing activities 2,087 (3,686) Issue of shares - ESOS 407 - Rights Issue - 22,333 Public Issue Share Issue Expenses (2,635) (2,635) Dividend paid (2,164) (8,000) Net cash inflow from financing activities 330 14,312 Net increase in cash and cash equivalents 6,168 33,016 Cash and cash equivalents at beginning of the period 23,969 (2,361) Effect of foreign exchange rate changes on cash balances 24 -	Withdrawal / (Placement) of fixed deposit	338	2,592
Net cash outflow from investing activities (8,478) 7,454 Cash flow from financing activities 2,087 (3,686) Issue of shares - ESOS 407 - Rights Issue - 22,333 Public Issue 6,300 (2,635) Share Issue Expenses (2,635) (2,635) Dividend paid (2,164) (8,000) Net cash inflow from financing activities 330 14,312 Net increase in cash and cash equivalents 6,168 33,016 Cash and cash equivalents at beginning of the period 23,969 (2,361) Effect of foreign exchange rate changes on cash balances 24 -		(8,816)	(2,019)
Cash flow from financing activities 2,087 (3,686) Issue of shares - ESOS 407 - Rights Issue - 22,333 Public Issue - 6,300 Share Issue Expenses (2,635) Dividend paid (2,164) (8,000) Net cash inflow from financing activities 330 14,312 Net increase in cash and cash equivalents 6,168 33,016 Cash and cash equivalents at beginning of the period 23,969 (2,361) Effect of foreign exchange rate changes on cash balances 24 -	Acquisition of subsidiaries net of cash acquired	-	6,881
Some state Som	Net cash outflow from investing activities	(8,478)	7,454
Issue of shares - ESOS 407 - Rights Issue - 22,333 Public Issue 6,300 Share Issue Expenses (2,635) Dividend paid (2,164) (8,000) Net cash inflow from financing activities 330 14,312 Net increase in cash and cash equivalents 6,168 33,016 Cash and cash equivalents at beginning of the period 23,969 (2,361) Effect of foreign exchange rate changes on cash balances 24 -	Cash flow from financing activities		
Rights Issue - 22,333 Public Issue 6,300 Share Issue Expenses (2,635) Dividend paid (2,164) (8,000) Net cash inflow from financing activities 330 14,312 Net increase in cash and cash equivalents 6,168 33,016 Cash and cash equivalents at beginning of the period 23,969 (2,361) Effect of foreign exchange rate changes on cash balances 24 -	Borrowings	2,087	(3,686)
Public Issue Share Issue Expenses Dividend paid Net cash inflow from financing activities Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the period Effect of foreign exchange rate changes on cash balances 6,300 (2,635) (8,000) 14,312 Net increase in cash and cash equivalents 6,168 33,016 Cash and cash equivalents at beginning of the period 23,969 (2,361) Effect of foreign exchange rate changes on cash balances	Issue of shares - ESOS	407	-
Share Issue Expenses Dividend paid Net cash inflow from financing activities Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the period Effect of foreign exchange rate changes on cash balances (2,635) (8,000) (14,312) 23,016 23,969 (2,361) 24 -	Rights Issue	-	22,333
Dividend paid Net cash inflow from financing activities Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the period Effect of foreign exchange rate changes on cash balances (2,164) (8,000) 14,312 (8,000) 23,016 23,969 (2,361) 24 -	Public Issue		6,300
Net cash inflow from financing activities 330 14,312 Net increase in cash and cash equivalents 6,168 33,016 Cash and cash equivalents at beginning of the period 23,969 (2,361) Effect of foreign exchange rate changes on cash balances 24 -	Share Issue Expenses		(2,635)
Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the period Effect of foreign exchange rate changes on cash balances 23,969 (2,361) 24	Dividend paid	(2,164)	(8,000)
Cash and cash equivalents at beginning of the period 23,969 (2,361) Effect of foreign exchange rate changes on cash balances 24 -	Net cash inflow from financing activities	330	14,312
Effect of foreign exchange rate changes on cash balances 24 -	Net increase in cash and cash equivalents	6,168	33,016
	Cash and cash equivalents at beginning of the period	23,969	(2,361)
Cash and cash equivalents at end of the period 30,161 30,655	Effect of foreign exchange rate changes on cash balances	24	-
	Cash and cash equivalents at end of the period	30,161	30,655

Note:

Cash and cash equivalents

 $Cash\ and\ cash\ equivalents\ included\ in\ the\ condensed\ consolidated\ cash\ flow\ statement\ comprise\ the\ following:$

	RM'000	RM'000	
Cash and bank balances	28,342	22,210	
Fixed deposits with licensed banks	4,657	10,407	
	32,999	32,617	
Less : Fixed deposits pledged	(2,838)	(1,962)	
Bank overdraft	-	-	
Cash and cash equivalents	30,161	30,655	

The notes set out on pages 5 to 9 form an integral part of, and should be read in conjunction with, this interim financial report.

DXN HOLDINGS BHD.

(Company No : 363120-V) (Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 NOVEMBER 2004

	Share Capital	Share Premium	Exchange Fluctuation Reserve	Distributable Retained Profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 March 2004	60,013	1,206	151	20,070	81,440
Issue of shares					
- ESOS	143	327	-	-	470
Net profit for the period	-	-	-	17,450	17,450
Net loss not recognised in income statement					
- Exchange differences on translation of					
foreign entities	-	-	(185)	-	(185)
Dividend	-	-	-	(2,164)	(2,164)
As at 30 November 2004	60,156	1,533	(34)	35,356	97,011

	Share Capital RM'000	Capital Premium Fluct Res	Exchange Fluctuation Reserve	Distributable Retained Profits RM'000	Total RM'000
			RM'000		
As at 1 March 2003	375	-	-	35,582	35,957
Net profit for the period	-	-	-	10,826	10,826
Net loss not recognised in income statement					
- Exchange differences on translation of					
foreign entities			278		278
Increase in share capital					
- bonus issue	30,500	-	-	(30,500)	-
- acquisition of subsidiaries	4,292	-	-	-	4,292
- rights issue	22,333	-	-	-	22,333
- public issue	2,500	3,800			6,300
-interim dividend				(1,296)	(1,296)
Share issue expenses		(2,635)			(2,635)
As at 30 November 2003	60,000	1,165	278	14,612	76,055

The notes set out on page 5 to 9 form an integral part of and should be read in conjunction with this interim financial report.