



**DXN HOLDINGS BHD.**  
**(Company No : 363120-V)**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED INCOME STATEMENTS**  
**FOR THE PERIOD ENDED 30 NOVEMBER 2004**  
*(The figures have not been audited)*

|   | INDIVIDUAL QUARTER<br>CURRENT<br>YEAR<br>QUARTER<br><br>30-Nov-04<br>RM'000 | INDIVIDUAL QUARTER<br>PRECEDING<br>YEAR<br>CORRESPONDING<br>QUARTER<br>30-Nov-03<br>RM'000 | CUMULATIVE QUARTERS<br>CURRENT<br>YEAR<br>TO<br>DATE<br>30-Nov-04<br>RM'000 | CUMULATIVE QUARTERS<br>PRECEDING<br>YEAR<br>CORRESPONDING<br>PERIOD<br>30-Nov-03<br>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.

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**CONDENSED CONSOLIDATED BALANCE SHEET AT 30 NOVEMBER 2004**

|                               | <b>(Unaudited)</b> | <b>(Audited)</b> |
|-------------------------------|--------------------|------------------|
|                               | <b>As at</b>       | <b>As at</b>     |
|                               | <b>end of</b>      | <b>end of</b>    |
|                               | <b>30-Nov-04</b>   | <b>29-Feb-04</b> |
|                               | <b>RM'000</b>      | <b>RM'000</b>    |
| 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            |
| <b>Current assets</b>         |                    |                  |
| 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           |
| <b>Current liabilities</b>    |                    |                  |
| Trade and other payables      | 19,120             | 18,928           |
| Borrowings                    | 5,110              | 1,866            |
| Taxation                      | 681                | 160              |
|                               | 24,911             | 20,954           |
| <b>Net current assets</b>     | 64,578             | 55,273           |
|                               | 111,800            | 97,276           |
| <b>Shareholders' Funds</b>    |                    |                  |
| 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           |
|                               | -                  | -                |

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**DXN HOLDINGS BHD.**  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED 30 NOVEMBER 2004**

|  | 30-Nov-04<br>RM'000 | 30-Nov-03<br>RM'000 |
|--|---------------------|---------------------|
| <b>Cash flow from operating activities</b>               |                     |                     |
| Profit before taxation                                   | 21,849              | 13,490              |
| Adjustments for: -                                       |                     |                     |
| Non-cash items   | 3,033               | 2,859               |
| Non-operating items                                      | 128                 | 789                 |
|  | 3,161               | 3,648               |
| Operating profit before changes in working capital       | 25,010              | 17,138              |
| Changes in working capital: -                            |                     |                     |
| Net change in current assets                             | (7,325)             | 23,283              |
| Net change in current liabilities                        | 237                 | (26,033)            |
|  | (7,088)             | (2,750)             |
| Cash generated from operations                           | 17,922              | 14,388              |
| Interest income  | 286                 | 73                  |
| Interest paid  | (414)               | (862)               |
| Tax paid   | (3,478)             | (2,349)             |
| <i>Net cash generated from operating activities</i>      | 14,316              | 11,250              |
| <b>Cash flow from investing activities</b>               |                     |                     |
| 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               |
| <i>Net cash outflow from investing activities</i>        | (8,478)             | 7,454               |
| <b>Cash flow from financing activities</b>               |                     |                     |
| Borrowings   | 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)             |
| <i>Net cash inflow from financing activities</i>         | 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 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  |

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

|   | <b>Share<br/>Capital</b> | <b>Share<br/>Premium</b> | <b>Non-Distributable<br/>Exchange<br/>Fluctuation<br/>Reserve</b> | <b>Distributable<br/>Retained<br/>Profits</b> | <b>Total</b>  |
|---|--------------------------|--------------------------|---|---|---------------|
|   | <b>RM'000</b>            | <b>RM'000</b>            | <b>RM'000</b>   | <b>RM'000</b>                                 | <b>RM'000</b> |
| 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)       |
| <b>As at 30 November 2004</b>                             | <b>60,156</b>            | <b>1,533</b>             | <b>(34)</b>   | <b>35,356</b>                                 | <b>97,011</b> |

|   | <b>Share<br/>Capital</b> | <b>Share<br/>Premium</b> | <b>Non-Distributable<br/>Exchange<br/>Fluctuation<br/>Reserve</b> | <b>Distributable<br/>Retained<br/>Profits</b> | <b>Total</b>  |
|---|--------------------------|--------------------------|---|---|---------------|
|   | <b>RM'000</b>            | <b>RM'000</b>            | <b>RM'000</b>   | <b>RM'000</b>                                 | <b>RM'000</b> |
| 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)       |
| <b>As at 30 November 2003</b>                             | <b>60,000</b>            | <b>1,165</b>             | <b>278</b>  | <b>14,612</b>                                 | <b>76,055</b> |

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