



Scanwolf Corporation Berhad (Company no: 740909-T)
Condensed Consolidated Income Statement
 For the second quarter ended 30 September 2009
 (The figures have not been audited)

	Individual Quarter 3 months ended 30 September		Cumulative Quarter 6 months ended 30 September	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Revenue	11,056	10,349	19,758	20,462
Other operating income	20	22	62	60
Operating expenses	(8,794)	(8,735)	(16,179)	(16,923)
Depreciation & amortisation	(816)	(765)	(1,582)	(1,509)
Finance costs	(26)	(81)	(66)	(116)
Profit before taxation	1,440	790	1,993	1,974
Taxation	(226)	(75)	(226)	(195)
Net profit for the period	1,214	715	1,767	1,779
Attributable to :				
Equity holders of the Company	1,214	715	1,767	1,779
Earnings per share (sen):				
Basic	1.52	0.89	2.22	2.22

Note:

The unaudited condensed income statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2009 and the accompanying explanatory notes attached to the Interim Financial Report.



Scanwolf Corporation Berhad (Company no: 740909-T)

Condensed Balance Sheet

As at 30 September 2009

(The figures have not been audited)

	As at 30 September 2009 RM'000	(Audited) As at 31 March 2009 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	29,247	30,236
Investment property	800	800
Prepaid lease payment	2,394	2,421
Total non-current assets	32,441	33,457
Current assets		
Inventories	9,734	10,065
Trade receivables	12,471	11,192
Other receivables, deposit and prepayment	547	903
Current tax assets	547	527
Cash and bank balances	1,388	1,322
Total current assets	24,687	24,009
TOTAL ASSETS	57,128	57,466
EQUITY AND LIABILITIES		
Share capital	40,000	40,000
Reserves	7,687	7,515
Total Equity	47,687	47,515
Non-current liabilities		
Hire purchase payables	405	588
Deferred taxation	2,841	2,841
Total non-current liabilities	3,246	3,429
Current liabilities		
Trade payables	2,413	1,843
Other payables	1,360	1,370
Hire purchase payables	397	446
Borrowings	2,025	2,863
Total current liabilities	6,195	6,522
Total liabilities	9,441	9,951
TOTAL EQUITY AND LIABILITIES	57,128	57,466
Net Assets per share (RM)	0.60	0.59

Note:

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 31 March 2009 and the accompanying explanatory notes attached to the Interim Financial Report.



Scanwolf Corporation Berhad (Company no: 740909-T)
 Condensed Consolidated Statement of Changes in Equity
 For the second quarter ended 30 September 2009
 (The figures have not been audited)

	Non-distributable				Distributable		Total RM'000
	Share Capital RM'000	Reverse Acquisition Reserve RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Treasury Shares RM'000	Retained Profits RM'000	
As at 1 April 2009	40,000	(19,524)	2,035	1,483	(91)	23,612	47,515
Profit for the quarter	-	-	-	-	-	553	553
As at 30 June 2009	40,000	(19,524)	2,035	1,483	(91)	24,165	48,068
Profit for the quarter	-	-	-	-	-	1,214	1,214
Dividend paid	-	-	-	-	-	(1,595)	(1,595)
As at 30 September 2009	40,000	(19,524)	2,035	1,483	(91)	23,784	47,687

Note:

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2009 and the accompanying explanatory notes attached to the Interim Financial Report.



Scanwolf Corporation Berhad (Company no: 740909-T)
Condensed Consolidated Cashflow Statement
For the second quarter ended 30 September 2009
(The figures have not been audited)

	Cumulative	
	6 months ended 30 Sept	
Note	2009	2008
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,993	1,779
Adjustments for:		
Depreciation of property, plant and equipment	1,582	1,482
Amortisation of prepaid lease payment	27	27
Income tax expenses	-	195
Finance costs	66	116
	<u>3,668</u>	<u>3,599</u>
Movements in working capital:		
(Increase)/Decrease in:		
Inventories	332	479
Trade receivables	(967)	1,385
Other receivables, deposits and prepaid expenses	43	(303)
(Decrease)/Increase in:		
Trade payables	390	(2,918)
Other payables and accrued expenses	171	(351)
	<u>3,637</u>	<u>1,891</u>
Cash Generated From Operations	3,637	1,891
Income tax paid	(211)	(268)
	<u>3,426</u>	<u>1,623</u>
Net Cash Generated From Operating Activities	3,426	1,623
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(593)	(1,322)
Payment of listing/share issue expenses	-	(4)
	<u>(593)</u>	<u>(1,326)</u>
Net Cash Used In Investing Activities	(593)	(1,326)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from / (repayment of) bankers' acceptances	(838)	623
Dividend paid	(1,595)	(2,400)
Purchase of treasury shares	(1)	(27)
Finance costs paid	(66)	(116)
Repayment of hire-purchase payables	(230)	(86)
	<u>(2,730)</u>	<u>(2,006)</u>
Net Cash Used In Financing Activities	(2,730)	(2,006)
NET INCREASE/(DECREASE) IN CASH AND CASH	103	(1,709)
CASH AND CASH EQUIVALENTS AT BEGINNING	1,321	1,567
CASH AND CASH EQUIVALENTS AT END	1,424	(142)

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* denotes RM2.00

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2009 and the accompanying explanatory notes attached to the Interim Financial Report.

Scanwolf Corporation Berhad (Company no: 740909-T)
Notes To The Interim Report
For the second quarter ended 30 September 2009
(The figures have not been audited)

Part A - Explanatory Notes Pursuant to FRS 134

1. Basis of Preparation

The unaudited interim financial statements have been prepared in accordance with the reporting requirements outlined in the Financial Reporting Standards ("FRS") No. 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2009. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2009.

Changes in Significant Accounting Policies

The accounting policies and method of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the year ended 31 March 2009.

The following new FRS and Interpretations were issued but not yet effective and have not been applied by the Group:

FRS 7: Financial Instruments: Disclosures

FRS 8: Operating Segments

FRS 139: Financial Instruments: Recognition and Measurement

Amendments to FRS 1 : First-time Adoption of Financial Reporting Standards

Amendments to FRS 2 : Share-based Payment: Vesting Conditions and Cancellations

Amendments to FRS 127 : Consolidated and Separate Financial Statements: Cost of an Investment in a
Subsidiary, Jointly Controlled Entity or Associate

IC Interpretation 9: Reassessment of Embedded Derivatives

IC Interpretation 11: IFRS 2 – Group and Treasury Shares Transactions

IC Interpretation 10: Interim Financial Reporting and Impairment

IC Interpretation 14: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their
interaction

The above new FRSs and Interpretations are expected to have no significant impact on the financial statements of the Group upon their initial application.

The Group are exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of the above mentioned FRS and IC Interpretation.

2. Auditors' Report on Preceding Annual Financial Statements

The preceding audited financial statements for the financial year ended 31 March 2009 was not subject to any qualification.

3. Comments about Seasonality or Cyclicity of Operations

Normally the Group experiences lower sales during the first half of the financial year.

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4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

5. Changes in estimates

There were no changes in estimates of amounts which have a material effect in the current quarter under review.

6. Debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities in the current quarter.

As at 30 September 2009, the number of treasury shares held is 270,900 ordinary shares.

7. Dividend paid

A final tax exempt dividend of 4% or 2 sen per share for financial year ended 31 March 2009 amounting to RM1,594,581 was paid on 25 September 2009.

8. Segmental information

Segmental information for the Group by primary format, business segment is presented as follows:

Business Segment	6 Months ended 30 Sept 2009 RM'000	6 Months ended 30 Sept 2008 RM'000
<u>Revenue</u>		
Manufacturing	17,734	15,317
Trading	2,024	5,145
	<u>19,758</u>	<u>20,462</u>
<u>Segment Results</u>		
Manufacturing	1,850	1,545
Trading	209	545
	<u>2,059</u>	<u>2,090</u>
Finance cost	(66)	(116)
	<u>1,993</u>	<u>1,974</u>
Income tax expense	(226)	(195)
Profit from operations	<u>1,767</u>	<u>1,779</u>
<u>Geographical Segments</u>		
<u>Revenue</u>		
<u>Export Market</u>		
Asia	8,034	8,617
Middle East	4,254	2,265
Africa	654	891
Oceania	188	289
Others	231	237
	<u>13,361</u>	<u>12,299</u>
Malaysia	6,397	8,163
	<u>19,758</u>	<u>20,462</u>

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9. Valuation of property, plant and equipment

There were no valuation of the property, plant and equipment in the current quarter under review.

10. Material events subsequent to the end of the quarter

In the opinion of the Directors, there were no material events between the end of the current quarter and the date of this report, which is likely to substantially affect the current quarter results under review.

11. Changes in the composition of the Group

There were no changes in the composition of the Group since the last quarter.

12. Contingent liabilities

The Group has no contingent liabilities which upon crystallisation would have a material impact on the financial position and business of the Group as at 20 November 2009 (the latest practicable date which is not earlier than 7 days from the date of issue of this financial results).

13. Capital commitments

As at 20 November 2009 (the latest practicable date which is not earlier than 7 days from the date of issue of this financial results), the commitment for capital expenditure contracted by the Group which might have a material impact on the financial position or business of the Group.

	RM'000
Acquisition of lease industrial land in Vietnam	<u>3,433</u>

14. Cash and cash equivalents

	As at 30 Sept 2009 RM'000	As at 30 Sept 2008 RM'000
Bank overdrafts	-	(1,284)
Cash & bank balances	1,388	1,142
	<u>1,388</u>	<u>(142)</u>

PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

1. Review of performance

	6 months ended 30 Sept 2009 RM'000	6 months ended 30 Sept 2008 RM'000	Variation %
Revenue	19,758	20,462	-3.4%
Profit before taxation (PBT)	1,993	1,974	1.0%

The Group recorded revenue of RM19.8 million for the 6 months ended 30 September 2009, a decrease of 3.4% as compared to the preceding year same quarter. The decrease in the revenue is due to the impact of the global financial crisis which has somewhat abated in the current quarter under review.

As a result the Group was able to maintain the profit level as achieved in the corresponding period last year.

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Notes To The Interim Report
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2. Variation of results against preceding quarter

	Current quarter ended 30 Sept 2009 RM'000	Preceding quarter ended 30 June 2009 RM'000	Variation %
Revenue	11,056	8,702	27.1%
Profit before taxation	1,440	553	153.9%

The Group reported a profit of RM1.4 million for the current quarter ended 30 September 2009 compared to RM0.5 million recorded in the immediate preceding quarter ended 30 June 2009. The increase in profit is due to the increase in revenue by 27% brought about by the increase in demand mainly from its oversea customers.

3. Prospects

For the financial year ending 31 March 2010, the Group expects to perform better in the light of the easing off of the global economic crisis and signs of a gradual recovery in the developed countries.

4. Profit forecast and profit guarantee

The Company did not issue any profit forecast or profit guarantee in this quarter and financial year to date.

5. Taxation

	3 months ended 30 Sept 2009 RM'000	Year to Date RM'000
Income tax		
Current tax expenses	190	190
Adjustment recognised in relation to income tax of prior years	36	36
	226	226

The effective tax rate is lower than the statutory tax rate principally due to reinvestment allowance claim by Scanwolf Plastic Industries Sdn Bhd, a wholly-owned subsidiary of the Company.

6. Unquoted investments and properties

There were no changes in the unquoted investments and properties of the Group during the current quarter under review.

7. Quoted securities

There were no acquisitions or disposals of quoted securities during the current quarter under review.

8. Group's borrowings and debt securities

	30 September 2009 RM'000	31 March 2009 RM'000
Secured:		
Bankers' acceptances	2,025	2,863

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9. Off balance sheet financial instruments

As at 20 November 2009, the Group does not have any off balance sheet financial instruments.

10. Material litigation

Neither the Company nor its subsidiaries is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiaries and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiaries.

11. Dividends

The Directors declared a first interim tax exempt dividend of 3% or 1.5 sen per share for the financial year ending 31 March 2010.

The entitlement date is 15 January 2010 and is payable on 28 January 2010.

12. Earnings per share

Basic earnings per share is calculated by dividing net profit attributable to ordinary equity holders by the weighted average number of ordinary shares in issue during the period.

Weighted average number of ordinary shares for calculation of basic earnings per share:

	3 months ended 30 September 2009 RM'000	6 months ended 30 September 2009 RM'000
Profit attributable to shareholders	1,214	1,767
Number of ordinary shares as at beginning	79,731	79,731
Shares purchased and held as treasury shares	-	-
Weighted average number of ordinary shares	79,731	79,731
Basic earnings per share (sen)	1.52	2.22

13. Corporate proposals

There were no corporate proposals announced in this quarter and financial year to date.

14. Authorisation for issue

The unaudited interim financial reports were authorised for issue by the Board of Directors.

By order of the Board

Loo Bin Keong
Chief Executive Director

21 November 2009