



WEIN BERHAD

(Company No. 742890-W)
(Incorporated in Malaysia)

Notes to the Unaudited Interim Financial Report

A. EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134): INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in compliance with Financial Reporting Standard (“FRS”) 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009.

The accounting policies and presentation adopted for the interim financial report are consistent with those adopted for the annual financial statements for the year ended 31 December 2009, except for the adoption of the following:

FRSs / Interpretations	Effective date
FRS 7 – Financial Instruments: Disclosures	1 January 2010
FRS 8 – Operating Segments	1 July 2009
FRS 101 – Presentation of Financial Statements	1 January 2010
FRS 139 – Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 139 – Reclassification of Financial Assets	1 January 2010
Amendments to FRS 139 – Eligible Hedged Items	1 January 2010
Amendments to IC Interpretation 9 and FRS 139 – Embedded Derivatives	1 January 2010
Amendments to FRS 1 and FRS 127 – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 132 and FRS 101 – Puttable Financial Instruments and Obligations Arising on Liquidation	1 January 2010
IC Interpretation 9 – Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10 – Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 13 – Customer Loyalty Programmes	1 January 2010

The adoption of the above standards, amendments and interpretations do not have any material impact on the financial statements of the Group except for the adoption of the following standards:

a) Amendments to FRS 101 – Presentation of Financial Statements.

The amendment to FRS 101 requires changes in the format of the financial statements including the amounts directly attributable to shareholders in the primary statements, but does not affect the measurement of reported profit or equity. The Group has elected to show other comprehensive income in one statement of comprehensive income and hence, all owner changes in equity are presented in the consolidated statement of changes in equity, whereas non-owner changes in equity are shown in the consolidated statement of comprehensive income.

b) FRS 7 – Financial Instruments: Disclosures.

This standard requires additional disclosures regarding fair value measurements and liquidity risk in the full year financial statements, and has no effect on reported profit or equity. However, FRS 7 disclosures are not required in the interim financial statements, and hence, no further disclosures has been made in these interim financial statements.



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c) FRS 117 - Leases

The Group has reassessed and determined that all leasehold land of the Group are in substance finance leases and has reclassified the prepaid land lease payments to property, plant and equipment. The change in accounting policy has been made retrospectively in accordance with the transitional provisions of the amendment.

The reclassification does not impact on the income statement.

The following comparative figures have been restated following the adoption of the amendment to FRS 117:

	31 December 2009	
	As restated RM'000	As stated previously RM'000
Property, plant and equipment	20,248	13,788
Prepaid lease payments	-	6,460



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A2. Auditors' report on preceding annual financial statements

The auditors have expressed an unqualified opinion on the Company's statutory financial statements for the year ended 31 December 2009 in their report dated 29 April 2010.

A3. Seasonality or cyclical factors

As the customers base has broaden, the seasonality or cyclical factors affecting the Ewein Group have minimised.

A4. Exceptional and extraordinary items

There were no material exceptional and extraordinary items for the period under review.

A5. Changes in estimates

There were no changes in estimates that had a material effect in the current quarter and period to date results.

A6. Debt and equity securities

There have been no issuances, cancellations, repurchases, resale and repayments of debts and equity securities during the current quarter and period to date.

A7. Dividend paid

A first and final tax exempt dividend of 2.5 sen per share for the financial year ended 31 December 2009 totaling RM2.65 million was paid out on 20 August 2010.

A8. Segment information

There is no segment information as the Group operates in one manufacturing segment only.



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A9. Valuation of property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The valuation of land and buildings has been brought forward without amendment from the previous audited financial statements.

A10. Events subsequent to the balance sheet date

There were no material post balance sheet events subsequent to the end of the current interim period.

A11. Changes in Group's composition

There were no changes in the composition of the Group for the current quarter and financial period to-date.

A12. Changes in contingent liabilities and assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

A13. Commitments

There was no capital commitment as 30 June 2010.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

For the 6 month period ended 30 June 2010, Ewein Group reported a revenue of RM61.992 million and a profit after taxation of RM7.141 million as compared to RM43.460 million and RM4.076 million of the corresponding period last year. The revenue and profit after tax increased significantly by 42.64% and 82.40% respectively due to recovery of the electronics industry.

B2. Variation of results against preceding quarter

For the second quarter ended 30 June 2010, Ewein Group's revenue increased by 14.64% or RM4.228 million, to RM33.110 million as compared to RM28.882 million of the immediate preceding first quarter. The Group recorded a profit after tax of RM3.738 million as compared to RM3.404 million in the immediate preceding quarter due to higher revenue.



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B3. Current year prospects

Up to this quarter, the recovery of the electronics industry has not shown any signs of slowdown and if the situation were to persist, and barring unforeseen circumstances, the Group is optimistic of achieving better performance for the financial year 2010.

B4. Variance between actual profit and forecast profit

This is not applicable as no profit forecast has been published.

B5. Tax expense

	Current Quarter Ended 30 June 2010 RM'000	Current Year-to-date 30 June 2010 RM'000
Current tax expense	1,006	1,635
Deferred tax expense	-	-
	<hr/>	<hr/>
	1,006	1,635

B6. Unquoted investments and properties

There were no disposal of unquoted investments and properties for the current quarter and financial period-to-date.

B7. Quoted investments

	Carrying amount as at 30 June 2010 RM'000	Market Value as at 30 June 2010 RM'000
Quoted Shares	<u>2,062</u>	<u>2,062</u>

B8. Status of corporate proposals

There are no corporate proposals announced as at the date of this announcement.



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B9. Borrowings

Ewein Group's borrowings as at 30 June 2010 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Current :			
- Hire purchase obligations	91	-	91
- Term loans	699	-	699
	<u>790</u>	<u>-</u>	<u>790</u>
Non current :			
- Hire purchase obligations	45	-	45
- Term loans	1,572	-	1,572
	<u>1,617</u>	<u>-</u>	<u>1,617</u>
Total	<u>2,407</u>	<u>-</u>	<u>2,407</u>

The above borrowings are denominated in Malaysia.

B10. Off balance sheet financial instruments

During the financial period to date, the Group did not enter into any contracts involving off balance sheet financial instruments.

B11. Material litigation

Ewein Group is not engaged in any material litigation for the current financial period.

B12. Proposed dividend

No dividend has been proposed for the current quarter ended 30 June 2010.

B13. Basic earnings per share

The calculation of basic earnings per ordinary share for the current quarter and the six months financial period ended 30 June 2010 is based on the net profit attributable to ordinary shareholders of RM3.738 million and RM7.141 million respectively and the weighted average number of ordinary shares outstanding during the current quarter and the six months financial period ended 30 June 2010 of 105,462,600.

B14. Authorisation for issue

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Board.



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By Order of the Board

Chee Wai Hong (MIA 17181)
Secretary

Date: 24 August 2010