

# PWE INDUSTRIES BERHAD

(18904-M)

## Condensed Consolidated Income Statements

### For The Forth Quarter Period Ended 31 March 2010

The Board of Directors of PWE Industries Berhad wishes to announce the unaudited results of the Group for the fourth quarter ended 31 March 2010.

	3 months ended		12 months ended	
	3/31/2010 RM'000	3/31/2009 RM'000	3/31/2010 RM'000	3/31/2009 RM'000
Revenue	-	-	-	-
Other operating income	-	-	-	-
Depreciation	-	-	-	-
Other operating expenses	(91)	350	(215)	(248)
<b>Loss from operations</b>	<b>(91)</b>	<b>350</b>	<b>(215)</b>	<b>(248)</b>
Finance costs, net	-	-	-	-
<b>Loss before taxation</b>	<b>(91)</b>	<b>350</b>	<b>(215)</b>	<b>(248)</b>
Income tax expense	-	(956)	-	(956)
<b>Loss for the period</b>	<b>(91)</b>	<b>(606)</b>	<b>(215)</b>	<b>(1,204)</b>
Attributable to:				
Equity holders of the parent	(91)	(606)	(215)	(1,204)
Minority interest	-	-	-	-
	<b>(91)</b>	<b>(606)</b>	<b>(215)</b>	<b>(1,204)</b>
Basic loss per share	0.22 sen	1.44 sen	0.51 sen	2.87

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 March 2009 and the accompanying explanatory notes attached to the interim financial statements.

# PWE INDUSTRIES BERHAD

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## Condensed Consolidated Balance Sheet

As at 31 March 2010

	Note	As at 3/31/2010 RM'000	As at 3/31/2009 RM'000 (restated)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Office Equipment and Furniture		-	-
		<u>-</u>	<u>-</u>
<b>Current assets</b>			
Trade receivables		2,496	2,496
Other receivables		7,316	7,117
Cash and bank balances		7	7
		<u>9,819</u>	<u>9,620</u>
<b>TOTAL ASSETS</b>		<u><b>9,819</b></u>	<u><b>9,620</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		42,000	42,000
Accumulated Losses		(35,828)	(35,613)
<b>Total equity</b>		<u>6,172</u>	<u>6,387</u>
<b>Current liabilities</b>			
Trade payables		148	148
Other payables		2,543	2,129
Tax payable		956	956
		<u>3,647</u>	<u>3,233</u>
<b>Total liabilities</b>		<u>3,647</u>	<u>3,233</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>9,819</b></u>	<u><b>9,620</b></u>
<b>Net assets per share attributable to ordinary equity holders of the parent (sen)</b>		<b>14.70</b>	<b>15.21</b>

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

# PWE INDUSTRIES BERHAD

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## Condensed Consolidated Statement of Changes in Equity

For the Forth Quarter Period Ended 31 March 2010

	<-----Attributable to Equity Holders of the Parent----->			Total Equity
	Share Capital RM	Accumulated Losses RM (restated)	Total RM (restated)	RM (restated)
At 1 April 2009	42,000,000	(35,613,451)	6,386,549	6,386,549
Loss for the period	-	(214,708)	(214,708)	(214,708)
At 31 March 2010	<u>42,000,000</u>	<u>(35,828,159)</u>	<u>6,171,841</u>	<u>6,171,841</u>
At 1 April 2008	42,000,000	(34,409,120)	7,590,880	7,590,880
Loss for the period	-	(232,786)	(232,786)	(232,786)
At 31 March 2009	<u>42,000,000</u>	<u>(34,641,906)</u>	<u>7,358,094</u>	<u>7,358,094</u>

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

# PWE INDUSTRIES BERHAD

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## Condensed Consolidated Cash Flow Statement

For the Forth Quarter Period Ended 31 March 2010

	12 months ended	
	3/31/2010	3/31/2009
	RM'000	RM'000
Net cash used in operating activities	-	-
Net cash used in investing activities	-	-
Net cash generated from financing activities	-	-
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of financial period	7	7
Cash and cash equivalents at end of financial period	7	7

Cash and cash equivalents at the end of the financial period comprise the following :

	As at	As at
	3/31/2010	3/31/2009
	RM'000	RM'000
Cash and bank balances	7	7
	7	7

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

**PWE INDUSTRIES BERHAD**  
(18904-M)

**NOTES TO THE UNAUDITED RESULTS FOR THE 4<sup>th</sup> QUARTER ENDED 31 MARCH 2010**

**NOTES :**

**1. Accounting Policies**

The Interim financial report of the Group was prepared in line with MASB 26, Interim Financial Reporting and Listing Requirements of Bursa Malaysia.

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

**2. Audit Qualification**

The audit report in respect of the annual financial statement for the year ended 31 March 2009 was not qualified.

**3. Explanatory comment about the seasonality or cyclicity of operations**

The business of the Group are not subject to seasonal or cyclical fluctuations.

**4. Exceptional Items**

There was no exceptional items in the quarterly financial statement under review.

**5. Accounting Estimates**

There were no changes in estimates of amounts reported in prior interim periods of the current financial period or in prior financial years that have a material effect in the current interim period.

**6. Issuance or Repayment of Debt and Equity Securities**

There were no issuances and repayment of debt securities, share buy-backs, share cancellations, share held as treasury shares and resale of treasury shares for the period ended 31 March 2010.

**7. Dividend Paid**

No dividends were paid during the quarter.

**8. Segmental Reporting**

The information for each of the Group's industry segments is as follows:

	<u>Turnover</u>		<u>Loss before tax</u>		<u>Total Assets</u>	
	<u>3 months ended</u>	<u>12 months ended</u>	<u>3 months ended</u>	<u>12 months ended</u>	<u>3 months ended</u>	<u>12 months ended</u>
	<u>31.03.10</u>	<u>31.03.10</u>	<u>31.03.10</u>	<u>31.03.10</u>	<u>31.03.10</u>	<u>31.03.09</u>
	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>
Timber extraction and trading	-	-	(17,245)	(19,998)	3,426,399	3,428,649
Investment holding	-	-	(73,743)	(194,710)	6,393,186	6,191,941
	-	-	(90,988)	(214,708)	9,819,585	9,620,590
Group's share of associated Companies results	-	-	-	-	-	-
	-	-	(90,988)	(214,708)	9,819,585	9,620,590
Exceptional items	-	-	-	-	-	-
	-	-	(90,988)	(214,708)	9,819,585	9,620,590

**9. Valuation of Property, Plant and Equipment**

The valuation of Office Equipment and furniture have been brought forward, without amendment from the previous annual report.

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## NOTES TO THE UNAUDITED RESULTS FOR THE 4<sup>th</sup> QUARTER ENDED 31 MARCH 2010

### 10. Subsequent Material Events

The subsequent event pertaining to the Proposed Acquisition of Pansar Company Sdn Bhd and Pansar Engineering Services Sdn Bhd is detailed under note 22.

### 11. Changes in the Composition of the Group

There was no changes in the composition of the Group during the current quarter ended 31 March 2010.

### 12. Contingent Asset

	<u>Group</u>	
	<u>31.03.10</u>	<u>31.03.09</u>
	RM	RM
<u>Contingent Asset</u>		
Shortfall in profit guarantee receivable from the vendor of timber rights	6,978,359	6,978,359

The contingent asset is in respect of the shortfall in profit guarantee for the financial year ended 31 March 1999. The shortfall is receivable from Equatorial Timber Marketing Sdn. Bhd., the vendor of the timber rights, a company in which a director, Tan Sri Dato' Paduka (Dr) Ting Pek Khiing, has substantial financial interests. The proposed settlement of the shortfall in the profit guarantee are disclosed in Note 22.

### 13. Commitments

There were no commitments in respect of the Group since the last annual balance sheet date to the date of this report.

### 14. Significant Related Party Transactions

There were no significant related party transactions during the current quarter under review.

### 15. Review of Performance of the Company and its Principal subsidiaries

For the twelve (12) months period ended 31 March 2010 under review, the pre-tax loss of RM214,708 was mainly due to administration expenses.

### 16. Comment on financial results (current quarter compared with the preceding quarter)

The Group recorded a pre-tax loss of RM90,988 for the 4<sup>th</sup> quarter this year compared to a pre-tax loss of RM123,720 for the preceding 3<sup>rd</sup> quarter last year due to the administration expenses incurred.

### 17. Prospects for the current financial year

We do not foresee any operations for the Group for the next quarter pending the finalisation of the corporate exercise.

### 18. Variance of Actual Profit from Forecast Profit

Not applicable.

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**NOTES TO THE UNAUDITED RESULTS FOR THE 4<sup>th</sup> QUARTER ENDED 31 MARCH 2010**

**19. Taxation**

	<u>Current Quarter 31.03.10</u>	<u>Cumulative Quarter 31.03.09</u>
	RM	RM
• Current taxation	-	-
• Deferred taxation	-	-
• Share of tax in associated companies	-	-
• Under provision of prior years	-	-
	-	-

**20. Profit on sale of Investments and / or Properties**

There were no profits on sale of unquoted investments and/or properties during the current financial period ended 31 March 2010.

**21. Quoted Securities**

There was no purchase or disposal of quoted securities during the current financial period ended 31 March 2010.

**22. Status of Corporate Proposals**

Further to the Company's quarterly announcement for the financial quarter ended 31 December 2009 (which was announced on 25 February 2010), the Company had obtained the following approvals for its Proposed Restructuring Scheme :-

- (a) approval of shareholders of the Company in an extraordinary general meeting on 2 March 2010;
- (b) approval of the Securities Commission on 23 March 2010 for the Proposed Waiver;
- (c) confirmation from the High Court of Sabah and Sarawak on 29 March 2010 for the Proposed Capital Reduction; and
- (d) approval of Bursa Malaysia Securities Berhad on 21 May 2010 for the listing of and quotation for the new ordinary shares of RM0.50 each in the Company to be issued pursuant to the Proposed Acquisitions.

The Company is in the midst of implementing the Proposed Restructuring Scheme and the Proposed Restructuring Scheme is expected to be completed by the third quarter of 2010

**23. Group Borrowings and Debt Securities.**

There were no group borrowings and debt securities as at 31 March 2010.

**24. Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments at the date of this report.

**25. Material Litigation**

There were no material litigation pending at the date of this report.

**26. Dividend**

The Directors do not propose the payment of any interim dividend for the 4<sup>th</sup> quarter ended 31 March 2010.

**27. Earnings Per Share**

Basic earnings per share is calculated by dividing the net loss attributable to the shareholders of RM214,708 by the weighted average number of ordinary shares in issue as at 31 March 2010 of 42,000,000 shares.

<b>Weighted average number of ordinary shares</b>	<b><u>RM'000</u></b>
Issued ordinary shares at beginning of period	42,000
Effect of shares issued during the quarter	-
<b>Weighted average number of ordinary shares</b>	<b>42,000</b>