

**SUIWAH CORPORATION BHD.**  
**COMPANY NO : 253837 H**  
**(Incorporated in Malaysia)**

**Condensed Consolidated Income Statement**

(The figures have not been audited)

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 Months Ended</b>		<b>9 Months Ended</b>	
	<b>28 / 29 February</b>		<b>28 / 29 February</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	97,965	110,408	285,588	288,112
Other operating income	1,114	519	1,883	987
Operating expenses	(94,891)	(103,173)	(273,485)	(273,746)
Profit from operations	<u>4,187</u>	<u>7,754</u>	<u>13,986</u>	<u>15,353</u>
Finance income	136	208	675	613
Finance cost	(132)	(172)	(378)	(593)
Share of loss of an associate	(47)	-	(414)	-
Profit before taxation	<u>4,145</u>	<u>7,790</u>	<u>13,868</u>	<u>15,373</u>
Income tax	(1,228)	(1,922)	(3,603)	(3,779)
Profit after taxation	<u>2,917</u>	<u>5,868</u>	<u>10,266</u>	<u>11,594</u>
<b>Attributable to:</b>				
Equity holders of the parent	2,973	5,808	9,943	11,333
Minority interest	<u>(56)</u>	<u>60</u>	<u>323</u>	<u>261</u>
	<u>2,917</u>	<u>5,868</u>	<u>10,266</u>	<u>11,594</u>
<b>Earnings per share attributable to equity holders of the parent</b>				
Basic (based on ordinary share - sen)	5.15	9.92	17.16	19.26
Fully diluted (based on ordinary share - sen)	5.15	9.92	17.16	19.26

\* The effect on the basic earnings per share for the individual and cumulative quarters ended 28 February 2009 arising from the assumed conversion of the existing Employee Share Options Scheme ("ESOS") is anti-dilutive. Accordingly, the diluted earnings per share for the quarters are presented as equals to basic earnings per share

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 May 2008 and the accompany explanatory notes attached to the interim financial statements)

**SUIWAH CORPORATION BHD.**  
**COMPANY NO: 253837 H**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED BALANCE SHEET**  
(The figures have not been audited)

	<b>As At End of Current Quarter 28 February 2009 (Unaudited) RM'000</b>	<b>As At Preceding Financial Year End 31 May 2008 (Audited) RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	83,449	67,410
Land held for development	800	800
Prepaid land lease payments	32,035	32,315
Investment in an associate	639	635
Other investments	3	3
Goodwill on consolidation	5,957	4,665
	<u>122,883</u>	<u>105,828</u>
<b>Current assets</b>		
Properties development cost	14,541	14,444
Short term investment	22,516	25,060
Inventories	33,514	28,067
Trade receivables	13,868	17,811
Other receivables	9,221	7,965
Loan receivables	38	79
Cash and bank balances	22,160	19,994
	<u>115,858</u>	<u>113,420</u>
<b>TOTAL ASSETS</b>	<u>238,741</u>	<u>219,248</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	61,000	61,000
Share premium	13,935	13,935
Treasury shares	(4,750)	(4,303)
Other reserves	1,940	1,970
Retained earnings	88,990	82,483
	<u>161,115</u>	<u>155,085</u>
Minority interest	1,388	1,065
<b>Total equity</b>	<u>162,503</u>	<u>156,150</u>
<b>Non-current liabilities</b>		
Long term loan	4,917	5,667
Deferred tax liabilities	2,820	2,846
	<u>7,737</u>	<u>8,513</u>
<b>Current liabilities</b>		
Short term borrowings	1,000	1,000
Trade payables	53,196	43,823
Other payables	12,873	7,712
Taxation	1,432	2,050
	<u>68,501</u>	<u>54,585</u>
<b>Total liabilities</b>	<u>76,238</u>	<u>63,098</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>238,741</u>	<u>219,248</u>
Net assets per share attributable to equity holders of the parent (RM)	2.79	2.67

**SUIWAH CORPORATION BHD.**  
**COMPANY NO: 253837 H**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>9 Months Ended 28 February 2009 RM' 000</b>	<b>9 Months Ended 29 February 2008 RM' 000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	13,868	15,373
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	5,713	5,280
Amortisation of prepaid land lease payments	280	280
Interest expense	378	593
Interest income	(675)	(613)
Share of losses in an associate	414	-
Operating profit before working capital changes	<u>19,978</u>	<u>20,913</u>
Increase in property development cost	(97)	(6,008)
Decrease / (increase) in receivables	3,281	(877)
Increase in inventories	(5,447)	(993)
Increase in payables	<u>12,731</u>	<u>25,844</u>
Cash generated from operations	30,446	38,879
Interest paid	(378)	(593)
Interest received	675	613
Tax paid	(4,221)	(3,377)
Net cash generated from operating activities	<u>26,522</u>	<u>35,522</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Decrease / (increase) in short term investments	2,543	(1,000)
Acquisition of subsidiary (Note A13)	(43)	-
Additional investment in associate	(419)	-
Purchase of property, plant and equipment	<u>(21,752)</u>	<u>(2,203)</u>
Net cash used in investing activities	<u>(19,671)</u>	<u>(3,203)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of bank term loan	(750)	(750)
Dividends paid	(3,466)	(3,430)
Purchase of treasury shares	(447)	(894)
Decrease in bankers' acceptance	-	(2,829)
Net cash used in financing activities	<u>(4,663)</u>	<u>(7,903)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	2,188	24,416
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	(22)	(11)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<u>19,994</u>	<u>21,472</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u>22,160</u>	<u>45,877</u>
Cash and cash equivalents comprise:		
Cash and bank balances	9,455	7,090
Deposit with licensed banks	<u>12,705</u>	<u>38,787</u>
	<u>22,160</u>	<u>45,877</u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Statements for the year ended 31 May 2008 and the accompanying explanatory notes attached to the interim financial statements)

**SUIWAH CORPORATION BHD.**  
**COMPANY NO : 253837 H**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For The Nine Months Ended 29 February 2009

	← Attributable to Equity Holders of the Parent →									
	← Non - distributable →						Distributable			
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Revaluation Reserve RM'000	Foreign exchange Reserve RM'000	Share Option Reserve RM'000	Retained Profits RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
<b>At 31 May 2008</b>	61,000	13,935	(4,303)	1,587	(481)	864	82,483	155,085	1,065	156,150
Realisation of revaluation reserves	-	-	-	(30)	-	-	30	-	-	-
Foreign exchange difference	-	-	-	-	0	-	-	0	-	0
Profit for the period	-	-	-	-	-	-	9,943	9,943	323	10,266
Total recognised income and expense for the period	-	-	-	(30)	0	-	9,973	9,943	323	10,266
First & final dividends	-	-	-	-	-	-	(3,466)	(3,466)	-	(3,466)
Purchase of treasury shares	-	-	(447)	-	-	-	-	(447)	-	(447)
<b>At 28 February 2009</b>	61,000	13,935	(4,750)	1,557	(481)	864	88,990	161,115	1,388	162,503

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For The Nine Months Ended 29 February 2008

	← Attributable to Equity Holders of the Parent →									
	← Non - distributable →						Distributable			
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Revaluation Reserve RM'000	Foreign exchange Reserve RM'000	Share Option Reserve RM'000	Retained Profits RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
<b>At 31 May 2007</b>	61,000	13,935	(2,993)	1,561	370	864	75,400	150,137	716	150,853
Realisation of revaluation reserves	-	-	-	(27)	-	-	27	-	-	-
Foreign exchange difference	-	-	-	-	13	-	-	13	-	13
Profit for the period	-	-	-	-	-	-	11,333	11,333	261	11,594
Total recognised income and expense for the period	-	-	-	(27)	13	-	11,360	11,346	261	11,607
First & final dividends	-	-	-	-	-	-	(3,430)	(3,430)	-	(3,430)
Purchase of treasury shares	-	-	(894)	-	-	-	-	(894)	-	(894)
<b>At 29 February 2008</b>	61,000	13,935	(3,887)	1,534	383	864	83,330	157,159	977	158,136

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 May 2008 and the explanatory notes attached to the interim financial statements)

**SUIWAH CORPORATION BHD. (Company No: 253837 H)**  
**INTERIM REPORT FOR THE NINE-MONTHS PERIOD ENDED 28 FEBRUARY 2009**  
**NOTES TO INTERIM FINANCIAL REPORT**  
**PART A – EXPLANATORY NOTES PURSUANT TO FRS134**

**A1. Basis of preparation**

The interim financial report of the Group is unaudited and has been prepared in accordance with FRS134 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 of the Group for the financial year ended 31 May 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 May 2008.

**A2. Changes in accounting policies**

The accounting policies and presentation adopted for the interim financial report are consistent with those adopted for the audited financial statements for the year ended 31 May 2008, except for the adoption of the following new and revised Financial Reporting Standards (“FRS”), amendment to FRS and Interpretations effective for the financial period beginning on or after 1 July 2007:

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
FRS 134	Interim Financial Reporting
FRS 137	Provision, Contingent Liabilities and Contingent Assets
Amendments to FRS 121	The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2	Members’ Shares in Co-operation Entities and Similar Instruments
IC Interpretation 5	Rights to Interests arising from Decommissioning, Restoration and Environment Rehabilitation Funds
IC Interpretation 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment
IC Interpretation 7	Applying the Restatement Approach under FRS 129 <sup>2004</sup> Financial Reporting in Hyperinflationary Economics
IC Interpretation 8	Scope of FRS 2

At the date of authorisation of the interim financial report, FRS 139: Financial Instruments: Recognition and Measurement was in issue but yet effective. The Group has not adopted FRS 139 as it is only effective from 1 January 2010. The Group is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 139.

The adoption of the above new and revised FRSS, amendments to FRS and Interpretation do not have any significant impact on the financial statements of the Group.

### **A3. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report of the annual financial statements for the financial year ended 31 May 2008 was not subject to any qualification.

### **A4. Comments About Seasonal or Cyclical Factors**

Retail sales are anticipated to slow down especially in the coming 4<sup>th</sup> quarter as the festival seasons such as Christmas, Chinese New Year were already over.

As for our manufacturing arm, the current economic crisis has affected the customer demand for Qdos Group. Nevertheless, with the stringent cost down measures implemented by the Group, it is expected to be profitable for the financial year 2009.

### **A5. Unusual Items Due to Their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter under review and financial year to date.

### **A6. Changes in Estimates**

There was no material changes in estimates of amount reported in prior interim period or financial period that have a material effect in the current year.

### **A7. Carrying Amount of Revalued Assets**

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 May 2008.

### **A8. Debt and Equity Securities**

There were no shares exercised and listed pursuant to the Suiwah Employee Share Option Scheme ("ESOS") for the quarter under review. There were no shares exercised and listed between 1 June 2008 and 28 February 2009.

During the quarter, the Company bought back 7,600 units of its own shares for a total cash consideration of RM7,258. The average price paid per share was RM0.955. The said shares are currently held as treasury shares.

There were no cancellation of shares and resale of treasury shares during the quarter.

### **A9. Dividends Paid**

The first and final dividend in respect of financial year ended 31 May 2008, of 8% less 25% taxation on 57,760,148 ordinary shares, amounting to total dividend payable of RM3,465,609 (6.00 sen net per share) has been approved by the shareholders at the Company's Annual General Meeting on 28 November 2008 and has been subsequently paid on 15 December 2008.

#### A10. Segmental Information

	<b>9 months ended 28.2.2009 (RM'000)</b>
<b>Segment Revenue</b>	
Retail	237,572
Manufacturing	42,746
Property investment and development	5,269
Money lending	1
Group revenue	<b>285,588</b>

	<b>9 months ended 28.2.2009 (RM'000)</b>
<b>Segment Results</b>	
Retail	11,811
Manufacturing	1,134
Property investment and development	1,041
Money lending	-
Profit from operations	<b>13,986</b>
Finance income	675
Finance cost	(378)
Share of loss of associate	(414)
Taxation	(3,603)
Profit after tax	<b>10,266</b>

The directors are of the opinion that inter-segment transactions are minimal and have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

#### A11. Valuation of Property, Plant and Equipment

The value of properties has been brought forward without amendments from the annual financial statements for the year ended 31 May 2008.

#### A12. Subsequent Material Events

There were no material events subsequent to the end of the interim period.

#### A13. Changes in the Composition of the Group

On 1 August 2008, the Company acquired 100% equity interest in Sunshine Amanjaya Sdn Bhd ("SASB") for a total consideration of Ringgit Malaysia One Hundred Thousand (RM100,000.00) only. Upon the completion of the acquisition, SASB has become a wholly-owned subsidiary of Suiwah.

The assets and liabilities arising from the acquisition are as follows:

	RM
Trade and other receivables	553,802
Cash and bank balances	56,901
Trade and other payables	1,802,298
Total net assets	(1,191,595)
Goodwill arising on acquisition	1,291,595
Purchase consideration	100,000

Cash outflow arising on acquisition:

	RM
Purchase consideration	100,000
Cash and cash equivalents of subsidiary acquired	56,901
Net cash outflow of the Company	43,099

On 17 November 2008, Suiwah Corporation Bhd announced that it has incorporated a new foreign subsidiary in Indonesia, known as PT. Sunshine Amanjaya Indonesia with an issued and paid up capital of US\$100,000, comprising 100,000 shares of US\$1 each, where 99% is held by Suiwah and the remaining 1% held by Sunshine Amanajaya Sdn Bhd.

#### **A14. Changes in Contingent Liabilities**

As at the period ended 28 February 2009, the Company has given corporate guarantees amounting to RM5,916,634 to secure banking facilities granted to a subsidiary.

#### **A15. Capital Commitments**

The Group's capital commitments as at 24 April 2009 are as follow:

	RM'000
Approved and contracted for:	
Plant & Machinery	14
Office Equipment and Furniture and Fittings	3
<b>Total</b>	<b>17</b>
Approved but not contracted for	Nil

#### **A16. Authorisation for Issue**

On 24 April 2009, the Board of Directors authorised this interim report together with its accompanying disclosure notes as set out in Part A & Part B.



**SUIWAH CORPORATION BHD. (Company No: 253837 H)**

**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS**

**B1. Review of Performance of the Group**

The Group's revenue for the quarter under review was RM97.965 million as compared to RM110.408 million for the preceding year corresponding quarter ended 29 February 2008, recording a decrease of 11.27%. The Group's profit before tax for the same period was RM4.145 million as compared with profit before tax of RM7.790 million previously, a decrease of 46.79%. The current global economy downturn and its impact on our market have contributed to an overall decline.

**B2. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

The Group's revenue for the quarter ended 28 February 2009 was RM97.965 million as compared to RM97.205 million for the preceding quarter ended 30 November 2008, an increase of 0.78%. The Group's profit before tax for the current quarter was RM4.145 million, as compared with profit before tax of RM6.844 million recorded in the preceding quarter, a decrease of 39.44%. The decrease in the Group's profitability was mainly due to weaker market sentiment and higher fixed cost incurred in the current quarter.

**B3. Commentary on Prospects**

The global financial & economy recession is severe and is likely to impact consumer spending and sentiment. This in return will affect in the Group's operation and profitability in the future. Barring any unforeseen circumstances, the Group will take appropriate measures to mitigate the impact and continue to remain profitable.

**B4. Variance from Profit Forecast and Profit Guarantee**

This is not applicable to the Group.

**B5. Taxation**

Taxation comprises:-

	Individual Quarter		Cumulative Quarter	
	Current	Preceding	Current	Preceding
	RM'000	RM'000	RM'000	RM'000
Tax expense for the year	1,253	1,972	3,678	3,879
Deferred taxation	(25)	(50)	(75)	(100)
Total	1,228	1,922	3,603	3,779

The effective rate of taxation of the Group is lower than the statutory rate of taxation as certain subsidiaries of Qdos Group are enjoying pioneer status.

**B6. Profits on Sale of investments and/or Properties**

There were no sales of investments and/or properties by the Group during the quarter under review.

**B7. Sales of Unquoted Investments and Properties**

There were no sales of unquoted investment and properties for the current quarter and financial to date.

**B8. Quoted Securities**

- (a) There were no disposals of quoted securities during the quarter under review.
- (b) As at the end of the quarter, investments in quoted securities of the Group were as follows:-

	<b>RM</b>
Total investment at cost	<u>10,302</u>
Total investment at carrying value/book value (after provision for diminution in value)	<u>3,217</u>
Total market value of quoted investments at end of the quarter	<u>1,502</u>

**B9. Status of Corporate Proposals**

There were no changes of the status of corporate proposals by the Group for the current quarter and financial to date.

**B10. Group Borrowings**

The Group's total borrowings as at end of the financial period under review are:

- (a) Secured by way of:
- Fixed deposits of certain subsidiaries amounting to RM5.50 million;
  - First and second legal charge over the long term leasehold land and building of a subsidiary with net book values of RM29,386,501 and
  - a corporate guarantee by the Company.

- (b) Short term borrowings

Term loan due within 12 months	<b>RM</b> <u>1,000,008</u>
--------------------------------	-------------------------------

- (c) Long term borrowings

Term loan	<b>RM</b> <u>4,916,626</u>
-----------	-------------------------------

- (d) There were no borrowings or debt securities denominated in foreign currencies.

### **B11. Off Balance Sheet Financial Instruments**

The Group does not have any financial instruments with off balance sheet risk outstanding as at 24 April 2009.

### **B12. Material Litigation**

As of the date of this announcement, neither the Company nor any of its subsidiary companies are aware of or engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Directors of the Company are not aware of any proceedings pending or threatened against the Company and its subsidiary companies or of any facts likely to give rise to any proceedings which might materially and/or adversely affect the position or business of the Group

### **B13. Dividend**

The first and final dividend in respect of financial year ended 31 May 2008, of 8% less 25% taxation on 57,760,148 ordinary shares, amounting to total dividend payable of RM3,465,609 (6.00 sen net per share) has been approved by the shareholders at the Company's Annual General Meeting on 28 November 2008 and has been subsequently paid on 15 December 2008.

### **B14. Earnings Per Share**

The basic earnings per share has been calculated by dividing the Group's net profit for the period attributable to ordinary equity holders of the Company by the weighted number of ordinary shares in issue in the respective periods as follows:

	<b>Current Quarter ended 28.2.2009</b>	<b>Preceding Quarter ended 29.2.2008</b>	<b>Current Cumulative Quarter ended 28.2.2009</b>	<b>Preceding Cumulative Quarter ended 29.2.2008</b>
Profit attributable to ordinary equity holders of the parent for the financial period (RM'000)	2,973	5,808	9,943	11,333
Weighted number of ordinary shares in issue ('000)				
- Basic	57,758	58,550	57,948	58,852
- Diluted	57,758	58,550	57,948	58,852
Basic earnings per share (sen)	5.15	9.92	17.16	19.26
Diluted earnings per share (sen) *	5.15	9.92	17.16	19.26

\* The effect on the basic earnings per share for the individual and cumulative quarters ended 28 February 2009 arising from the assumed conversion of the Employees Share Options Scheme ("ESOS") is anti-dilutive. Accordingly, the diluted earnings per share is presented as equals to basic earnings per share.

**B15. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 24 April 2009.