

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

	As At End of Current Quarter 31 May 2009 (Unaudited) RM'000	As At Preceding Financial Year End 31 May 2008 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	82,827	67,410
Land held for development	800	800
Prepaid land lease payments	31,942	32,315
Investment in an associate	911	635
Other investments	3	3
Goodwill on consolidation	5,957	4,665
	<u>122,440</u>	<u>105,828</u>
Current assets		
Properties development cost	15,292	14,444
Short term investment	20,544	25,060
Inventories	25,958	28,067
Trade receivables	21,753	17,811
Other receivables	11,248	7,965
Loan receivables	259	79
Cash and bank balances	20,792	19,994
	<u>115,846</u>	<u>113,420</u>
TOTAL ASSETS	<u>238,286</u>	<u>219,248</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	61,000	61,000
Share premium	13,935	13,935
Treasury shares	(4,750)	(4,303)
Other reserves	1,886	1,970
Retained earnings	89,702	82,483
	<u>161,773</u>	<u>155,085</u>
Minority interest	1,156	1,065
Total equity	<u>162,929</u>	<u>156,150</u>
Non-current liabilities		
Long term loan	4,667	5,667
Deferred tax liabilities	2,243	2,846
	<u>6,910</u>	<u>8,513</u>
Current liabilities		
Short term borrowings	10,281	1,000
Trade payables	46,143	43,823
Other payables	11,077	7,712
Taxation	946	2,050
	<u>68,447</u>	<u>54,585</u>
Total liabilities	<u>75,357</u>	<u>63,098</u>
TOTAL EQUITY AND LIABILITIES	<u>238,286</u>	<u>219,248</u>
Net assets per share attributable to equity holders of the parent (RM)	2.80	2.67
	-	-

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Report for the financial 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 CASH FLOW STATEMENT

	12 Months Ended 31 May 2009 RM' 000	12 Months Ended 31 May 2008 RM' 000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	12,807	15,196
Adjustments for:		
Amortisation of prepaid land lease payment	373	373
Depreciation of property, plant and equipment	8,226	6,973
Gain on disposal of property, plant & equipment	(20)	(16)
Interest expense	586	560
Interest income	(870)	(942)
Impairment loss for land held for development	-	1,200
Impairment loss on short term investments	-	159
Inventories written down	359	145
Inventories written off	-	144
Net unrealised foreign exchange losses	71	228
Loan interest in suspense	-	3
Loss in disposal on short term investments	-	957
Property, plant and equipment written off	18	423
Provision for doubtful debts	1	-
Reversal of loan interest in suspend	(426)	-
Reversal of provision for doubtful debts	(31)	(9)
Share of losses in an associate	228	364
Operating profit before working capital changes	<u>21,322</u>	<u>25,758</u>
Increase in property development cost	(848)	(2,165)
(Increase) / decrease in receivables	(5,607)	202
Decrease in inventories	1,750	2,224
Increase in payables	<u>5,684</u>	<u>4,738</u>
Cash generated from operations	<u>22,301</u>	<u>30,757</u>
Interest paid	(586)	(560)
Interest received	870	942
Tax paid	<u>(5,165)</u>	<u>(3,723)</u>
Net cash generated from operating activities	<u>17,420</u>	<u>27,416</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of subsidiary (Note A13)	(1,292)	-
Decrease / (increase) in short term investment	4,516	(12,585)
Proceeds from disposal of property, plant and equipment	-	101
Purchase of property, plant and equipment	(23,641)	(2,354)
Increase in investment in an associates	(530)	(1,090)
Net cash used in investing activities	<u>(20,947)</u>	<u>(15,928)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of bank term loan	(1,000)	(1,000)
Dividends paid	(3,466)	(3,430)
Purchase of treasury shares	(447)	(1,310)
Net changes in bankers' acceptance	<u>1,470</u>	<u>(2,829)</u>
Net cash used in financing activities	<u>(3,443)</u>	<u>(8,569)</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(6,970)	2,919
EFFECTS OF EXCHANGE RATE CHANGES	(43)	(805)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>19,994</u>	<u>17,880</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>12,981</u>	<u>19,994</u>
Cash and cash equivalents comprise:		
Cash and bank balances	11,820	7,808
Deposit with licensed banks	8,972	12,186
Less: Overdraft	<u>(7,811)</u>	<u>-</u>
	<u>12,981</u>	<u>19,994</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 Twelve Months Ended 31 May 2009

	← Attributable to Equity Holders of the Parent →						Total RM'000	Minority Interest RM'000	Total Equity RM'000	
	← 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			
At 31 May 2008	61,000	13,935	(4,303)	1,587	(481)	864	82,483	155,085	1,065	156,150
Realisation of revaluation reserves	-	-	-	(40)	-	-	40	-	-	-
Foreign exchange difference	-	-	-	-	(44)	-	-	(44)	-	(44)
Profit for the period	-	-	-	-	-	-	10,645	10,645	91	10,736
Total recognised income and expense for the period	-	-	-	(40)	(44)	-	10,685	10,601	91	10,692
First & final dividends	-	-	-	-	-	-	(3,466)	(3,466)	-	(3,466)
Purchase of treasury shares	-	-	(447)	-	-	-	-	(447)	-	(447)
At 31 May 2009	61,000	13,935	(4,750)	1,547	(525)	864	89,702	161,773	1,156	162,929

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Twelve Months Ended 31 May 2008

	← Attributable to Equity Holders of the Parent →						Total RM'000	Minority Interest RM'000	Total Equity RM'000	
	← 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			
At 31 May 2007	61,000	13,935	(2,993)	1,561	370	864	75,399	150,136	716	150,852
Realisation of revaluation reserves	-	-	-	(128)	-	-	128	-	-	-
Effects of changes in tax rate on deferred taxation	-	-	-	154	-	-	-	154	-	154
Foreign exchange difference	-	-	-	-	(851)	-	-	(851)	-	(851)
Profit for the period	-	-	-	-	-	-	10,386	10,386	349	10,735
Total recognised income and expense for the period	-	-	-	26	(851)	-	10,514	9,689	349	10,038
First & final dividends	-	-	-	-	-	-	(3,430)	(3,430)	-	(3,430)
Purchase of treasury shares	-	-	(1,310)	-	-	-	-	(1,310)	-	(1,310)
At 31 May 2008	61,000	13,935	(4,303)	1,587	(481)	864	82,483	155,085	1,065	156,150

(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
(Incorporated in Malaysia)

Condensed Consolidated Income Statement

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	31 May		31 May	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Revenue	82,462	85,701	368,050	373,813
Other operating income	494	978	2,377	1,965
Operating expenses	(84,191)	(86,854)	(357,676)	(360,600)
Profit from operations	<u>(1,235)</u>	<u>(175)</u>	<u>12,751</u>	<u>15,178</u>
Finance income	195	362	870	942
Finance cost	(208)	-	(586)	(560)
Share of profit / (loss) of an associate	186	(364)	(228)	(364)
Profit before taxation	<u>(1,062)</u>	<u>(177)</u>	<u>12,807</u>	<u>15,196</u>
Income tax	1,532	(682)	(2,071)	(4,461)
Profit after taxation	<u>470</u>	<u>(859)</u>	<u>10,736</u>	<u>10,735</u>
Attributable to:				
Equity holders of the parent	702	(947)	10,645	10,386
Minority interest	<u>(232)</u>	<u>88</u>	<u>91</u>	<u>349</u>
	<u>470</u>	<u>(859)</u>	<u>10,736</u>	<u>10,735</u>
Earnings per share attributable to equity holders of the parent				
Basic (based on ordinary share - sen)	1.21	(1.62)	18.39	17.68
Fully diluted (based on ordinary share - sen)	1.21	(1.62)	18.39	17.68

* The effect on the basic earnings per share for the individual and cumulative quarters ended 31 May 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)
INTERIM REPORT FOR THE TWELVE-MONTHS PERIOD ENDED 31 MAY 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 ²⁰⁰⁴ Financial Reporting in Hyperinflationary Economics
IC Interpretation 8	Scope of FRS 2

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.

At the date of authorisation of the interim financial report, the following new and revised Financial Reporting Standards (“FRS”), amendments to FRS and Interpretations have been issued and effective for the financial period beginning on or after 1 January 2010.

FRS 4		Insurance Contracts
FRS 7		Financial Instruments: Disclosures
FRS 8		Operating Segments
FRS 123		Borrowing Costs
FRS139		Financial Instruments: Recognition and Standards
Amendments to FRS 1	to	First-time Adoption of Financial Reporting Standard
Amendments to FRS 2	to	Share-base Payment: Vesting Conditions and Cancellations
Amendments to FRS 127	to	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 10		Interim Financial Reporting and Impairment
IC Interpretation 11		FRS 2 – Group and Treasury Share Transactions
IC Interpretation 13		Customers Loyalty Programmes
IC Interpretation 14		FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The new FRSs, Amendments to FRSs and Interpretations above are expected to have no significant impact on the financial statements of the Group upon initial application except for the changes in disclosures arising from the adoption of FRSs. The Group is exempted from disclosing the possible impact, if any, to the financial statements upon initial application of FRS 7 and FRS 139.

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 current quarter. It is anticipated to improve in the first half of calendar year 2010.

As for our manufacturing arm, the current economic crisis has affected the customer order for Qdos Group. Nevertheless, with the stringent cost down measures implemented, the Group is expected to continue to be profitable.

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 31 May 2009.

There were no share buy back for the Company during the quarter. A total number of 3,247,700 shares are held as treasury shares as at 31 May 2009.

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.

The Board has recommended a first and final dividend of 8% less 25% income tax in respect of the financial year ended 31 May 2009

A10. Segmental Information

	12 months ended 31.5.2009 (RM'000)
Segment Revenue	
Retail	302,415
Manufacturing	59,599
Property investment and development	6,030
Money lending	6
Group revenue	368,050

	12 months ended 31.5.2009 (RM'000)
Segment Results	
Retail	11,274
Manufacturing	2,603
Property investment and development	(1,130)
Money lending	4
Profit from operations	12,751
Finance income	870
Finance cost	(586)
Share of loss of associate	(228)
Taxation	(2,071)
Profit after tax	10,736

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 31 May 2009, the Company has given corporate guarantees amounting to RM5,666,632 to secure banking facilities granted to a subsidiary.

A15. Capital Commitments

The Group's capital commitments as at 30 July 2009 are as follow:

	RM'000
Approved and contracted for:	
Plant & Machinery	-
Office Equipment and Furniture and Fittings	57
Total	57
Approved but not contracted for	Nil

A16. Authorisation for Issue

On 30 July 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 RM82.462 million as compared to RM85.701 million for the preceding year corresponding quarter ended 31 May 2008, recording a decrease of 3.78%.

The Group's loss before tax for the same period was RM1.062 million as compared with the loss before tax of RM177k previously. The overall decline was due to the current global economy downturn and its impact on our market and higher fixed cost incurred in the current quarter.

The results for the current financial period have not been affected by any transactions or events of a material or unusual nature that has arisen between 31 May 2009 and the date of this report.

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

The Group's revenue for the quarter ended 31 May 2009 was RM82.462 million as compared to RM97.965 million for the preceding quarter ended 28 February 2009, a decrease of 15.83%.

The Group's loss before tax for the current quarter was RM1.062 million, as compared with profit before tax of RM4.145 million recorded in the preceding quarter. The decrease in the Group's profitability was mainly due to the ongoing global economic financial crisis that has directly affected consumer spending.

B3. Commentary on Prospects

The ongoing global economic financial crisis is likely to continue to have an impact on consumer spending. And, this 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, so that it may continue to remain profitable for the next financial year.

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	(1,502)	704	2,176	4,261
Deferred taxation	124	(238)	49	(352)
(Over) / Under provision:				
Income Tax	(161)	(131)	(161)	197
Deferred Tax	7	347	7	355
Total	(1,532)	682	2,071	4,461

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:-

	RM
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>1,722</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 RM29,309,168 and
 - a corporate guarantee by the Company.

- (b) Short term borrowings

Term loan due within 12 months	RM <u>1,000,008</u>
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- (c) Long term borrowings

Term loan	RM <u>4,666,624</u>
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- (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 30 July 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.

The Board has recommended a first and final dividend of 8% less 25% income tax in respect of the financial year ended 31 May 2009

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:

	Current Quarter ended 31.5.2009	Preceding Quarter ended 31.5.2008	Current Cumulative Quarter ended 31.5.2009	Preceding Cumulative Quarter ended 31.5.2008
Profit attributable to ordinary equity holders of the parent for the financial period (RM'000)	702	(947)	10,645	10,386
Weighted number of ordinary shares in issue ('000)				
- Basic	57,753	58,417	57,881	58,743
- Diluted	57,753	58,417	57,881	58,743
Basic earnings per share (sen)	1.21	(1.62)	18.39	17.68
Diluted earnings per share (sen) *	1.21	(1.62)	18.39	17.68

* The effect on the basic earnings per share for the individual and cumulative quarters ended 31 May 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 30 July 2009.