

Notes to and forming part of the Financial Statements

- For The Year Ended 31 December 2007 (cont'd)

Year ended 31 December 2006	Continuing operations					Discontinued operations RM	Total RM
	Textile & garments RM	Properties RM	Lighting & pagers RM	Other operations RM	Group total RM		
REVENUE							
Sales	129,969,463	68,602,251	152,795,040	91,514,806	442,881,560	12,981,871	455,863,431
Less:							
Inter-segment sales	-	356,456	-	2,045,161	2,401,617	1,198,604	3,600,221
External sales	129,969,463	68,245,795	152,795,040	89,469,645	440,479,943	11,783,267	452,263,210
RESULTS							
Segment operating profit/(loss)	8,085,895	161,115	14,603,655	4,513,097	27,363,762	(440,706)	26,923,056
Unallocated corporate expenses					(3,606,826)	-	(3,606,826)
Profit/(loss) from operations					23,756,936	(440,706)	23,316,230
Add/(Less):							
Finance costs					(4,719,824)	(110,109)	(4,829,933)
Fair value adjustment on investment properties					(2,000,000)	-	(2,000,000)
Net gain from investments					17,763,660	-	17,763,660
Share of results of associates	5,787	603,945	-	(3,788,460)	(3,178,728)	-	(3,178,728)
Profit/(Loss) before tax					31,622,044	(550,815)	31,071,229
(Less)/Add:							
Tax (expense)/income for the year					(4,219,659)	91,013	(4,128,646)
Net profit/(loss) for the year					27,402,385	(459,802)	26,942,583

Notes to and forming part of the Financial Statements

- For The Year Ended 31 December 2007 (cont'd)

At 31 December 2007	Continuing operations				
	Textile & garments RM	Properties RM	Lighting & pagers RM	Other operations RM	Group total RM
Discontinued operations RM					
Total RM					
OTHER INFORMATION					
Segment assets	62,127,394	162,784,081	92,475,541	128,563,673	445,950,689
Associates	53,432	2,449,344	-	23,465,169	25,967,945
					25,967,945
Unallocated corporate assets	62,180,826	165,233,425	92,475,541	152,028,842	471,918,634
					1,303,740
Total assets					493,157,460
					494,461,200
Segment liabilities	9,207,607	23,371,915	29,019,841	31,920,720	93,520,083
Unallocated corporate liabilities					-
Total liabilities					55,885,700
					149,405,783
Capital expenditure					
- Property, plant and equipment	2,332,511	97,031	2,797,783	2,730,753	7,958,078
- Investment properties	-	3,697,884	-	-	3,697,884
- Prepaid lease payments	-	-	1,183,516	-	1,183,516
					165,697
Depreciation	1,969,034	575,645	3,012,531	2,229,065	7,786,275
Amortisation of prepaid lease payments	27,706	198,177	15,572	96,527	337,982
					13,678
Impairment loss on goodwill					-
					2,306,108

Notes to and forming part of the Financial Statements

- For The Year Ended 31 December 2007 (cont'd)

←-----Continuing operations -----→							
At 31 December 2006	Textile & garments RM	Properties RM	Lighting & pagers RM	Other operations RM	Group total RM	Discontinued operations RM	Total RM
OTHER INFORMATION							
Segment assets	59,183,107	164,146,359	85,398,875	137,035,156	445,763,497	4,849,796	450,613,293
Associates	26,435	2,014,122	-	21,143,444	23,184,001	-	23,184,001
Unallocated corporate assets	59,209,542	166,160,481	85,398,875	158,178,600	468,947,498	4,849,796	473,797,294
Total assets					26,558,913	-	26,558,913
Segment liabilities	8,489,856	22,196,811	24,347,515	38,671,286	93,705,468	2,294,896	96,000,364
Unallocated corporate liabilities					80,280,613	-	80,280,613
Total liabilities					173,986,081	2,294,896	176,280,977
Capital expenditure							
- Property, plant and equipment	3,285,873	126,330	2,907,686	3,072,274	9,392,163	22,333	9,414,496
- Investment properties	-	366,604	-	-	366,604	-	366,604
Goodwill on acquisition					2,982,796	-	2,982,796
Depreciation	2,253,217	832,518	2,952,498	1,706,727	7,744,960	295,643	8,040,603
Amortisation of prepaid lease payments	11,542	214,431	15,572	78,075	319,620	14,920	334,540
Impairment loss on goodwill					3,606,826	-	3,606,826

Notes to and forming part of the Financial Statements

- For The Year Ended 31 December 2007 (*cont'd*)

(b) Secondary reporting format - geographical segment

The Group operates mainly in Malaysia and the Asia Pacific. In determining the geographical segments of the Group, revenue is based on the geographical location of customers. Total assets and capital expenditure are based on the geographical locations of the assets.

	Revenue RM	Capital expenditure RM	Total assets RM
2007			
Malaysia	333,804,118	11,576,357	357,664,319
Asia Pacific	138,649,566	1,428,818	81,394,022
Others	-	-	8,196,088
	<u>472,453,684</u>	<u>13,005,175</u>	<u>447,254,429</u>
Associates			25,967,945
Unallocated assets			21,238,826
			<u>494,461,200</u>
2006			
Malaysia	311,162,676	5,716,401	353,788,669
Asia Pacific	129,173,323	4,064,699	76,436,417
Others	143,944	-	20,388,207
	<u>440,479,943</u>	<u>9,781,100</u>	<u>450,613,293</u>
Associates			23,184,001
Unallocated assets			26,558,913
			<u>500,356,207</u>

All inter-segment transactions have been carried out in the normal course of business and have been established under negotiated terms.

47. FINANCIAL INSTRUMENTS

(a) Credit risk

At balance sheet date, the Group did not have any significant exposure to any individual customer or counter-party or any major concentration of credit risk related to any financial assets.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet and up to the amount of corporate guarantees given as disclosed in Note 44.

Notes to and forming part of the Financial Statements

- For The Year Ended 31 December 2007 (*cont'd*)

(b) Foreign currency exchange risk

At 31 December 2007, the foreign currency amounts to be received and the contractual exchange rate of the Group's outstanding forward contracts are as follows:

	Its equivalent in RM	Average contractual rate	Settlement period within 1 year
Forward contracts on trade receivables AUD1,400,000	3,994,200	2.8530	3,994,200

The net unrecognised loss on foreign currency forward contracts at 31 December 2007 for trade receivables amounted to RM21,000.

(c) Fair values

The carrying amounts of the financial assets and liabilities of the Group and of the Company at 31 December 2007 approximated their fair values except as stated below:

	Group		Company	
	Carrying amounts RM	Fair values RM	Carrying amounts RM	Fair values RM
Other investments				
Unquoted shares	9,699,909	*	-	-

- * It is not practical to estimate the fair values of these investments due to lack of quoted market values and the inability to estimate fair values without incurring excessive costs. These investments are carried at their original costs less any diminution in value.

Notes to and forming part of the Financial Statements

- For The Year Ended 31 December 2007 (cont'd)

(d). Currency exposure

2007	Transaction Currencies										
	Ringgit Malaysia RM	United States Dollar RM	Singapore Dollar RM	Euro RM	Australian Dollar RM	Sterling Pound RM	Hong Kong Dollar RM	Indian Rupee RM	Others RM		
Functional currencies of the Group											
Investments											
United States Dollar	6,250,000	-	1,850,889	-	-	-	-	-	-	-	-
Trade and other receivables											
Ringgit Malaysia	-	11,255,505	245,820	69,343	564,754	985,084	-	-	-	-	-
Singapore Dollar	-	4,141,632	-	-	-	-	-	-	-	-	-
United States Dollar	53,288	-	-	-	-	-	-	-	-	-	-
Cash and bank balances and fixed deposits											
Ringgit Malaysia	-	3,347,740	1,830	34	20,285	-	-	-	-	-	626
Singapore Dollar	-	5,751,331	-	-	-	-	-	-	-	-	-
United States Dollar	567	-	-	-	-	-	-	-	-	-	-
Trade and other payables											
Ringgit Malaysia	-	1,325,385	814,889	2,653,574	8,269	177,227	54,770	146,691	21,787	-	-
Singapore Dollar	-	1,942,527	-	-	-	-	-	-	-	-	-
Borrowings											
Ringgit Malaysia	-	14,743,345	-	-	-	-	-	-	-	-	-

Notes to and forming part of the Financial Statements

- For The Year Ended 31 December 2007 (*cont'd*)

2006	Transaction Currencies									
	Ringgit Malaysia RM	United States Dollar RM	Singapore Dollar RM	Euro RM	Australian Dollar RM	Sterling Pound RM	Hong Kong Dollar RM	Indian Rupee RM	Others RM	
Functional currencies of the Group										
Investments										
United States Dollar	10,264,919	-	2,899,389	-	-	-	-	-	-	-
Trade and other receivables										
Ringgit Malaysia	-	15,289,084	34,041	1,002,200	422,050	1,718,973	-	-	-	-
Singapore Dollar	-	2,364,902	-	-	-	-	-	-	-	-
United States Dollar	939,554	-	-	-	-	-	-	-	-	-
Cash and bank balances and fixed deposits										
Ringgit Malaysia	-	1,458,046	1,770	1,990	97,978	1,890	-	-	1,062	-
Singapore Dollar	-	3,865,123	-	-	-	-	-	-	-	-
Trade and other payables										
Ringgit Malaysia	-	1,963,166	563,158	6,051,073	412,455	31,159	421,982	423,927	11,717	-
Singapore Dollar	-	1,927,002	-	-	-	-	-	-	-	-
Borrowings										
Ringgit Malaysia	-	13,237,150	-	-	-	-	-	-	-	-

Notes to and forming part of the Financial Statements

- For The Year Ended 31 December 2007 (*cont'd*)

48. COMPARATIVE FIGURES

The following comparative figures of the Group have been restated to conform with the current year's presentation:

	As restated RM	As previously stated RM
(a) Changes in accounting policies upon adoption of FRS 117, Leases		
Balance sheet at 31 December 2006		
Property, plant and equipment	74,582,058	97,617,604
Prepaid lease payments	23,035,546	-
(b) Re-presentation of the income statement for the year ended 31 December 2006 arising from the discontinued operations		
Continuing operations		
Gross revenue	440,479,943	451,834,995
Cost of sales	(362,449,232)	(373,682,905)
Selling and distribution expenses	(13,885,150)	(14,110,344)
Administrative and general expenses	(43,350,642)	(43,616,110)
Finance costs	(4,719,824)	(4,820,276)
Loss before tax from discontinued operations	-	(81,080)
Tax expense	(4,219,659)	(4,128,646)
Discontinued operations		
Net loss from discontinued operations	(459,802)	-

49. SIGNIFICANT EVENT

During the financial year, the Company has entered into a conditional Share Sale Agreement ("SSA") for the acquisition of the entire issued and paid-up share capital of Fauzi-Lim Plantation Sdn Bhd ("FLP") representing 5,000,000 ordinary shares of RM1.00 each, for a cash consideration of RM34,250,000 ("Proposed Acquisition"), subject to the conditions of SSA. The principal activity of FLP is to manage and operate an oil palm plantation.

The Company has placed a down payment of RM3,420,006 during the year for the Proposed Acquisition. The Company has obtained approval of the relevant authorities for the Proposed Acquisition and the said acquisition was completed in March 2008.

50. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements of the Company and of the Group were authorised for issue by the Board of Directors on 23 April 2008.

Statement By Directors

In the opinion of the directors, the financial statements set out on pages 36 to 108 are drawn up:

- (a) so as to give a true and fair view of the state of affairs of the Company and of the Group at 31 December 2007 and of their results and cash flows for the year then ended; and
- (b) in accordance with the provisions of the Companies Act, 1965 and applicable MASB Approved Accounting Standards for Entities Other Than Private Entities.

Signed on behalf of the directors in accordance with a resolution of the directors

DATO' SURIN UPATKOON
Director

TANG KING HUA
Director

Kuala Lumpur
23 April 2008

Statutory Declaration

I, Lim Kong Yow, being the director primarily responsible for the financial management of MWE Holdings Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 36 to 108 are correct.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared at
Kuala Lumpur in the Federal Territory

this 23 April 2008

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LIM KONG YOW

Before me:

T THANDONEE RAJAGOPAL (W 228)
Commissioner for Oaths

Properties Held By The Group

Particulars of Titles	Tenure	Land Area	Description /Existing Use	Net Book Value as at 31.12.07 RM	Approximate Age of Building	Year of Acquisition
H.S.(D) 138972 to 139228, P.T. 3065 to 3320 Mukim of Bukit Raja Daerah Petaling Selangor Darul Ehsan	Leasehold (99 years – expiring on 04.12.2090)	209 acres	Golf course & Clubhouse and residential development	55,617,260	13 years	1992
Lot 818, Seksyen 19 Bandar Georgetown Daerah Timur Laut Penang	Freehold	37,703 sq. ft.	20 storey out of 25 storey office block with 1 basement car park – office & for rental	34,000,000	11 years	1990
Lot 529, Seksyen 19 Bandar Kuala Lumpur Wilayah Persekutuan	Leasehold (99 years – expiring on 1.1.2079)	13,407 sq. m.	49 units of penthouse and condominiums for sale & rental	18,523,660	14 years	1991
Lot 1233, Grant (1st Grade) 11818 Section 1, Georgetown, Daerah Timur Laut, Penang	Freehold	61,323 sq. ft.	Level 2, 3, 5 (part), 6 & 7 of 8 storey office block	7,836,000	14 years	1988 & 2007
H.S.(D) 37849 P.T. No. 474, Mukim 6 Daerah Seberang Perai Tengah Penang	Leasehold (60 years – expiring on 23.09.2052)	5.88 acres	Office and factory building	6,213,414	9 years	1992
Lot 886, Geran No. 12563 Seksyen 3 Bandar Georgetown Daerah Timur Laut, Penang	Freehold	50,720 sq. ft.	Land for development	6,130,873	-	2007
Geran 25978 & 26200 Lot 4019 & 4478, Mukim Setapak Daerah Kuala Lumpur Wilayah Persekutuan	Freehold	3422 sq. m.	Land for development	6,103,323	-	2006
PM 440, Lot 186 Mukim of Bandar Selayang, Dearah Gombak Selangor Darul Ehsan	Leasehold (99 years – expiring on 5.9.2074)	8625 sq. m.	Office and factory building	5,003,804	16 years	1990
Lot 468 Geran No. 39724 Mukim 12 Seberang Perai Selatan, Penang	Leasehold (999 years – expiring on 31.12.2875)	11.55 acres	Office and factory building	4,592,390	33 years	1991
H.S. (D) 3245 P.T 2944, Mukim 11 Daerah Seberang Perai Tengah, Penang	Leasehold (60 years – expiring on 29.06.2052)	2.79 acres	Factory building	4,131,996	15 years	1991

Analysis of Equity Securities As At 17 April 2008

Class of security	:	Ordinary Shares of RM1.00 each
Authorised Share Capital	:	RM500,000,000
Tota Issue and Paid up capital	:	RM231,559,015
Voting right	:	1 vote per share
Number of shareholders	:	9,110

Size of Holdings	No. of Holders	% of Holders	No. of Shares	% of Shares
1 – 99	71	0.78	1,981	0.00
100 – 1,000	2,554	28.04	2,439,812	1.05
1,001 – 10,000	5,540	60.81	21,966,186	9.49
10,001 – 100,000	839	9.21	20,539,140	8.87
100,001 – 11,577,951	103	1.13	112,378,474	48.53
11,577,952 and above	3	0.03	74,233,422	32.06
Total	9,110	100.00	231,559,015	100.00

Directors' Shareholding

Name	Direct	No. of shares held* %*	Indirect	%*
Dato' Surin Upatkoon	786,630	0.34	75,153,739 (a)	32.50
Tang King Hua	10,030,800	4.34	2,181,700 (b)	0.94
Lim Kong Yow	48,000	0.02 (d)	4,000 (c)	(d)
Lawrence Lim Swee Lin	320,000	0.14	-	-
Dato' Dr Loga Bala Mohan a/l Jaganathan	-	-	-	-
Dato' Ahmad Hasmuni bin Hj Hussein	-	-	-	-
Dato' Shahbudin bin Imam Mohamad	-	-	-	-
Tan Chor Teck	350,000	0.15	9,719,680 (e)	4.20

Notes:

(a) Deemed interested through his spouse and by virtue of Section 6A(4) of the Companies Act, 1965 held through Pinjaya Sdn Bhd, Casi Management Sdn Bhd and Magnum 4D Berhad Group.

(b) Deemed interested through his spouse and by virtue of Section 6A(4) of the Companies Act, 1965 held through Idea Kosmo Sdn Bhd.

(c) Held through his spouse.

(d) Shareholding is insignificant.

(e) Deemed interested through family members and by virtue of Section 6A(4) of the Companies Act, 1965 held through Simansu Sdn Bhd.

* Excluding a total of 355,000 shares bought back by MWE and retained as treasury shares as at 17 April 2008.

Analysis of Equity Securities As At 17 April 2008 (cont'd)

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of shareholders	No. of shares held	% of shares
1.	PINJAYA SDN BHD	39,196,722	16.93
2.	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD <i>Qualifier : Pledged Securities Account for Pinjaya Sdn Bhd</i>	21,048,700	9.09
3.	A.A. ANTHONY NOMINEES (ASING) SDN BHD <i>Qualifier : Pledged Securities Account for Greenland Timber Industries Pte Ltd</i>	13,988,000	6.04
4.	INTER-PACIFIC EQUITY NOMINEES (ASING) SDN BHD <i>Qualifier : Driscoll Shipping Ltd</i>	11,500,000	4.97
5.	A.A. ANTHONY NOMINEES (ASING) SDN BHD <i>Qualifier : Pledged Securities Account for Citibase Limited</i>	10,929,400	4.72
6.	MAYBAN NOMINEES (TEMPATAN) SDN BHD <i>Qualifier : Pledged Securities Account for Pinjaya Sdn Bhd</i>	10,656,000	4.60
7.	MAYBAN NOMINEES (TEMPATAN) SDN BHD <i>Qualifier : Pledged Securities Account for Tang King Hua</i>	9,164,500	3.96
8.	AMSEC NOMINEES (TEMPATAN) SDN BHD <i>Qualifier : AmBank (M) Berhad for E&O Property Development Berhad</i>	8,200,000	3.54
9.	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>Qualifier : CIMB for Simansu Sdn Bhd</i>	8,058,000	3.48
10.	TIMELESS IMAGE SDN BHD	4,100,000	1.77
11.	MULTI-PURPOSE INSURANS BHD	3,853,800	1.66
12.	A.A. ANTHONY NOMINEES (TEMPATAN) SDN BHD <i>Qualifier : Pledged Securities Account for MCC Credit Sdn Bhd</i>	3,481,200	1.50
13.	MAGNUM 4D BERHAD	2,765,800	1.19
14.	A.A. ANTHONY NOMINEES (TEMPATAN) SDN BHD <i>Qualifier : for New Kota Credit Sendirian Berhad</i>	2,730,500	1.18
15.	EB NOMINEES (TEMPATAN) SENDIRIAN BERHAD <i>Qualifier : Pledged Securities Account for E & O Developers Sdn Bhd</i>	2,125,000	0.92
16.	PACIFIC & ORIENT INSURANCE CO BERHAD	2,088,000	0.90
17.	IDEA KOSMO SDN BHD	2,067,500	0.89
18.	NG KWENG THEAM	1,725,600	0.75
19.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD <i>Qualifier : Pledged Securities Account for A.A.Anthony Securities Sdn Bhd</i>	1,697,000	0.73

Analysis of Equity Securities As At 17 April 2008 (cont'd)

No.	Name of shareholders	No. of shares held	% of shares
20.	MAYBAN NOMINEES (TEMPATAN) SDN BHD <i>Qualifier : Pledged Securities Account for A.A.Anthony Securities Sdn Bhd</i>	1,477,600	0.64
21.	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>Qualifier : Pengurusan Danaharta Nasional Berhad for Raja Zainal Abidin Bin Raja Hussin</i>	1,209,000	0.52
22.	KAM LOONG MINING SDN BHD	1,123,000	0.49
23.	TAN TOH HUA	1,041,400	0.45
24.	YEAP LEONG PENG	1,000,000	0.43
25.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD <i>Qualifier: Pledged Securities Account for Muhammad Marzuki Bin A. Samad</i>	940,000	0.41
26.	ABM HOLDINGS SDN BHD	871,400	0.38
27.	TANG KING HUA	866,300	0.37
28.	CIMSEC NOMINEES (ASING) SDN BHD <i>Qualifier: Danaharta Managers Sdn Bhd for Surin Upatkoorn</i>	788,392	0.34
29.	GOLDEN BAY HOLDING SDN BHD	743,000	0.32
30.	HUANG PHANG LYE	590,000	0.26
Total		170,025,814	73.43

SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest No. of Shares	%*	Indirect Interest No. of Shares	%*
Pinjaya Sdn Bhd	70,901,422	30.67	-	-
Greenland Timber Industries Pte Ltd	17,162,600	7.42	-	-
Dato' Surin Upatkoorn	786,630	0.34	75,153,739(a)	32.50
Tang King Hua	10,030,800	4.34	2,181,700(b)	0.94

Notes:

(a) Deemed interested held through his spouse and by virtue of Section 6A(4) of the Companies Act, 1965 held through Pinjaya Sdn Bhd, Casi Management Sdn Bhd and Magnum 4D Berhad Group.

(b) Deemed interested through his spouse and by virtue of Section 6A(4) of the Companies Act, 1965 held through Idea Kosmo Sdn Bhd.

* Excluding a total of 355,000 shares bought back by MWE and retained as treasury shares as at 17 April 2008.

Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the **ANNUAL GENERAL MEETING** of the Company will be held at the Company's Registered Office at 846, Jalan Raya, 14209 Sungei Bakap, Seberang Perai Selatan, Pulau Pinang on Thursday, 29 May 2008 at 10.30 a.m. for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements for the year ended 31 December 2007 and the Reports of the Directors and Auditors thereon. *(Please refer to Note A)*
2. To declare a final dividend of 5% less tax at 26% for the financial year ended 31 December 2007. **(Resolution 1)**
3. To re-elect the following Directors who retires in accordance with Article 109 of the Articles of Association of the Company:-
 - (i) Mr. Lawrence Lim Swee Lin **(Resolution 2)**
 - (ii) Mr. Tan Chor Teck **(Resolution 3)**
4. To re-appoint Dato' Ahmad Hasmuni Bin Hj Hussein as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting of the Company pursuant to Section 129(6) of the Companies Act, 1965. **(Resolution 4)**
5. To approve the payment of Directors' fees of RM120,000 in respect of the year ended 31 December 2007 (2006 : RM91,250). **(Resolution 5)**
6. To re-appoint Messrs Moores Rowland as the Company's Auditors and to authorise the Directors to fix their remuneration. **(Resolution 6)**
7. **As Special Business:**

To consider and, if thought fit, pass the following Ordinary Resolutions:

 - (i) **AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965**

"**THAT** pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby empowered to issue new ordinary shares in the Company, from time to time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued and paid-up share capital of the Company for the time being and the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional new ordinary shares so issued on the Bursa Malaysia Securities Berhad ("Bursa Securities") **AND THAT** such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."**(Resolution 7)**
 - (ii) **RENEWAL OF THE PROPOSED SHARE BUY-BACK**

"**THAT**, subject to compliance with Section 67A of the Companies Act, 1965 and the Listing Requirements of Bursa Securities, the Company be and is hereby authorised to utilise not exceeding the total retained profits and/or share premium account of the Company based on the audited

Notice Of Annual General Meeting *(cont'd)*

financial statements for the financial year ended 31 December 2007 of RM35,218,050 and RM23,586,099 respectively, to purchase on Bursa Securities up to 23,155,901 ordinary shares of RM1.00 each of the Company which together with the 355,000 ordinary shares of RM1.00 each already purchased earlier and retained as treasury shares, represent 10% of the total issued and paid-up share capital of 231,559,015 ordinary shares of RM1.00 each **AND THAT** upon completion of the purchase by the Company of its own shares, the Directors of the Company be and are hereby authorised to :

- (a) cancel the shares purchased; or
- (b) retain the shares purchased as treasury shares for distribution as dividends to the shareholders of the Company and/or resell on the Bursa Securities; or
- (c) retain part of the shares purchased as treasury shares and cancel the remainder.

Whereby an announcement regarding the intention of the Directors of the Company in relation to the proposed treatment of the shares purchased and rationale thereof has been made to Bursa Securities **AND THAT** such authority from the shareholders would be effective immediately upon passing of this Ordinary Resolution and the aforesaid authority from shareholders will expire at the conclusion of the next Annual General Meeting ("AGM") unless the authority is renewed by ordinary resolution passed at the said AGM (either unconditionally or subject to condition), or upon the expiration of the period within which the next AGM is required by law to be held or if earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the guidelines issued by Bursa Securities or any other relevant authority **AND THAT** authority be and is hereby given to the Directors of the Company to take all such steps as are necessary including the opening and maintaining of a central depositories account(s) under the Securities Industry (Central Depositories) Act, 1991, and entering into all other agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations, and/or amendments (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things as the said Directors may deem fit and expedient in the best interest of the Company."

(Resolution 8)

8. To transact any other ordinary business of which due notice shall have been given.

NOTICE OF BOOKS CLOSURE

NOTICE IS ALSO HEREBY GIVEN THAT the final dividend of 5% less tax at 26% in respect of the financial year ended 31 December 2007, if approved by shareholders, will be paid on 28 July 2008 to depositors registered in the Records of Depositors at the close of business on 18 July 2008.

A Depositor shall qualify for entitlement only in respect of:

- (a) shares transferred into the Depositor's Securities Account before 4.00 p.m. on 18 July 2008 in respect of ordinary transfers; and
- (b) shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

Notice Of Annual General Meeting *(cont'd)*

By Order of the Board

LIM KONG YOW (MIA 4979)

Company Secretary

7 May 2008

Penang

Notes:

- A. *This Agenda is meant for discussion only. The provisions of Section 169 of the Companies Act, 1965 and the Articles of Association of the Company require that the audited financial statements and the Reports of the Directors and Auditors thereon be laid before the Company at its Annual General Meeting. As such this Agenda item is not a business which requires a resolution to be put to the vote by shareholders.*
1. *A member of the Company entitled to attend and vote at the Meeting, is entitled to appoint a proxy or two proxies to attend and vote instead of him. Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy. A member of the Company who is an authorised nominee as defined under the Central Depositories Act, 1991 may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. A proxy need not be a member of the Company.*
 2. *The form of proxy in the case of an individual shall be signed by the appointor or his attorney and in the case of a corporation, must be executed under seal or under the hand of an officer or attorney duly authorised.*
 3. *The instrument appointing a proxy must be deposited at the Company's Registered Office at 846, Jalan Raya, 14209 Sungei Bakap, Seberang Perai Selatan, Pulau Pinang not less than 48 hours before the time appointed for holding the Meeting.*

EXPLANATORY NOTES ON SPECIAL BUSINESS

The Proposed Resolution 7, if passed, will renew the powers given to the Directors at the last Annual General Meeting authority to issue up to ten percent (10%) of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the interests of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

The Proposed Resolution 8, if passed, will empower the Directors of the Company to buy back and/or hold from time to time shares of the Company not exceeding ten percent (10%) of the issued and paid-up share capital of the Company from time to time being quoted on Bursa Securities as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interests of the Company. The details of the Proposed Resolution 8 is set out in the Statement to Shareholders dated 7 May 2008.

Statement Accompanying Notice of Annual General Meeting

(Pursuant to Paragraph 8.28(2) of the Listing Requirements of the Bursa Malaysia Securities Berhad)

1. Directors who are standing for re-election and re-appointment at the Annual General Meeting of the Company

- (i) Mr. Lawrence Lim Swee Lin
- (ii) Mr. Tan Chor Teck
- (iii) Dato' Ahmad Hasmuni bin Hj Hussein (re-appointed under Section 129(6) of the Companies Act, 1965)

Details of Directors who are standing for re-election and re-appointment are set out in the Directors' Profile appearing on page 6 to 9 of the Annual Report.

2. Details of attendance of Directors at Board Meetings

There were five (5) Board meetings held during the financial year ended 31 December 2007. Details of attendance of the Directors are set out in the Statement on Corporate Governance appearing on page 17 of the Annual Report.

3. Place, Date and Time of Annual General Meeting

The Annual General Meeting of the Company shall be held at 846, Jalan Raya, 14209 Sungei Bakap, Seberang Perai Selatan, Pulau Pinang on Thursday, 29 May 2008 at 10.30 a.m.



MWE HOLDINGS BERHAD (5713-D)

(Incorporated in Malaysia)

Registered Office : 846 Jalan Raya, 14209 Sungei Bakap,
Seberang Perai Selatan, Penang

FORM OF PROXY

CDS ACCOUNT NO.	NO. OF SHARES HELD

I/We, Tel No :
(FULL NAME IN BLOCK CAPITALS)

NRIC No : (old) (new) / Co. Reg No

of
(ADDRESS)

being a member / members of MWE HOLDINGS BERHAD, hereby appoint

..... NRIC No:
(FULL NAME IN CAPITALS) (NEW & OLD IC NOS.)

of
(ADDRESS)

or failing whomNRIC No:
(FULL NAME IN CAPITALS) (NEW & OLD IC NOS.)

of.....
(ADDRESS)

or failing whom , THE CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at the Company's Registered Office at 846, Jalan Raya, 14209 Sungei Bakap, Seberang Perai Selatan, Penang on Thursday, 29 May 2008 at 10.30 a.m. and at any adjournment thereof.

RESOLUTIONS	* FOR	* AGAINST
1. Declaration of a Final Dividend of 5% less tax at 26%		
2. Re-election of Mr.Lawrence Lim Swee Lin as Director		
3. Re-election of Mr.Tan Chor Teck as Director		
4. Re-appointment of Dato' Ahmad Hasmuni Bin Hj Hussein as Director		
5. Approval of Directors' fees		
6. Re-appointment of Auditors		
7. To authorise Directors to allot and issue shares pursuant to Section 132D of the Companies Act, 1965		
8. To approve the renewal of Proposed Share Buy-Back		

* Please indicate with an "X" in the spaces provided how you wish your votes to be cast. (If you do not do so, the Proxy will vote or abstain from voting at his discretion)

Dated this day of 2008.

.....
Signature of Witness

Name:

Address:

Occupation:

.....
Signature of Shareholder (s)

Notes:

1. A member of the Company entitled to attend and vote at the Meeting, is entitled to appoint a proxy or two proxies to attend and vote instead of him. Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy. A member of the Company who is an authorised nominee as defined under the Central Depositories Act, 1991 may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. A proxy need not be a member of the Company.
2. The form of proxy in the case of an individual shall be signed by the appointor or his attorney and in the case of a corporation, must be executed under seal or under the hand of an officer or attorney duly authorised.
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Affix
Stamp

The Company Secretary
MWE HOLDINGS BERHAD

846 Jalan Raya
14209 Sungei Bakap
Seberang Perai Selatan, Penang

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