



**WANG-ZHENG BERHAD**  
**(Company No.: 612237-K)**  
**(Incorporated in Malaysia)**

**CONSOLIDATED FINANCIAL RESULTS AND NOTES**  
**3rd QUARTER ENDED 30 SEPTEMBER 2014**

**Condensed Consolidated Income Statement for the quarter ended 30 September 2014**

(The figures presented here have not been audited)

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current year</u> <u>Quarter</u> <u>30 SEP 2014</u> RM'000	<u>Preceding Year</u> <u>Corresponding</u> <u>Quarter</u> <u>30 SEP 2013</u> RM'000	<u>Current</u> <u>Year</u> <u>To Date</u> <u>30 SEP 2014</u> RM'000	<u>Preceding Year</u> <u>Corresponding</u> <u>Period</u> <u>30 SEP 2013</u> RM'000
<b>Continuing operations</b>				
Revenue	64,112	57,606	177,925	177,734
Operating expenses	(62,993)	(54,305)	(170,916)	(164,438)
Other operating income	7,273	726	8,961	2,500
Profit from operations	8,392	4,027	15,970	15,796
Interest income	612	470	1,779	1,327
Finance costs	(946)	(955)	(3,007)	(2,957)
Profit before tax	8,058	3,542	14,742	14,166
Income tax expense	(2,805)	(890)	(4,472)	(3,540)
Profit from continuing operations	5,253	2,652	10,270	10,626
<b>Discontinued operations</b>				
Loss from discontinued operations	(2,909)	(1,609)	(4,183)	(3,472)
Profit for the period	2,344	1,043	6,087	7,154
Profit attributed to:				
Equity holders of the parent	2,344	1,044	6,087	7,152
Non-controlling Interests	0	(1)	0	2
	2,344	1,043	6,087	7,154
Earnings per share attributable to equity holders of the parent:				
Basic (sen) - Continuing operations	3.31	1.67	6.48	6.70
Basic (sen) - Discontinued operations	(1.83)	(1.01)	(2.64)	(2.19)
Total	1.48	0.66	3.84	4.51
- Diluted (sen)	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements)

**Condensed Consolidated Statement of Comprehensive Income for the quarter ended 30 September 2014**

(The figures presented here have not been audited)

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>Current year Quarter 30 SEP 2014 RM'000</b>	<b>Preceding Year Corresponding Quarter 30 SEP 2013 RM'000</b>	<b>Current Year To Date 30 SEP 2014 RM'000</b>	<b>Preceding Year Corresponding Period 30 SEP 2013 RM'000</b>
Profit for the period	2,344	1,043	6,087	7,154
Other Comprehensive income				
- Foreign currency translation differences for foreign operations	439	736	106	1,830
Total comprehensive income for the period	<u>2,783</u>	<u>1,779</u>	<u>6,193</u>	<u>8,984</u>
Total comprehensive income attributable to:				
Equity holders of the parent	2,783	1,780	6,193	8,982
Non-controlling Interests	<u>0</u>	<u>(1)</u>	<u>0</u>	<u>2</u>
	<u>2,783</u>	<u>1,779</u>	<u>6,193</u>	<u>8,984</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements)

**Condensed Consolidated Statement of Financial Position as at 30 September 2014**

(The figures presented here have not been audited unless stated otherwise)

	<b>As At End Of Current Quarter 30 SEP 2014 RM'000</b>	<b>(Audited) Preceding Financial Year-Ended 31 DEC 2013 RM'000</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	43,772	42,769
Other investments	16,848	16,812
	<u>60,620</u>	<u>59,581</u>
<b>Current Assets</b>		
Non-current assets held for sales	-	18,417
Assets of discontinued operations	13,849	18,984
Inventories	46,867	39,743
Trade receivables	42,520	49,243
Other receivables, deposits and prepayments	3,922	2,872
Tax recoverable	-	22
Fixed deposits with licensed banks	44,702	43,041
Cash and bank balances	43,680	43,065
	<u>195,540</u>	<u>215,387</u>
<b>TOTAL ASSETS</b>	<u>256,160</u>	<u>274,968</u>
<b>Equity</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	80,000	80,000
Share premium	6,677	6,677
Treasury shares	(650)	(650)
Exchange translation reserve	2,564	2,458
Retained profits	73,004	70,797
	<u>161,595</u>	<u>159,282</u>
Non-controlling interests	-	405
<b>Total equity</b>	<u>161,595</u>	<u>159,687</u>
<b>Non-Current Liabilities</b>		
Borrowings	18,953	33,211
Deferred taxation	3,242	3,243
	<u>22,195</u>	<u>36,454</u>
<b>Current Liabilities</b>		
Liabilities of discontinued operations	11	662
Trade payables	2,598	5,813
Other payables	6,811	8,038
Amount owing to directors	149	198
Short term borrowings	58,875	62,721
Taxation	3,926	1,395
	<u>72,370</u>	<u>78,827</u>
<b>Total Liabilities</b>	<u>94,565</u>	<u>115,281</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>256,160</u>	<u>274,968</u>
<b>Net Asset per share attributable to ordinary equity holders of the parent (RM)</b>	<u>1.02</u>	<u>1.00</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements).

**Condensed Consolidated Statement of Cash Flows as at 30 September 2014**

(The figures presented here have not been audited unless stated otherwise)

	<b>Cumulative Current Year 30 SEP 2014 RM'000</b>	<b>Cumulative Preceding Year 30 SEP 2013 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax		
- Continuing operations	14,742	14,166
- Discontinued operations	(4,183)	(3,472)
Adjustments for:		
Bad debt written off	6	-
Depreciation of property, plant and equipment	3,855	4,319
Gain on disposal of investment property	(6,583)	(988)
Loss (Gain) on disposal of property, plant and equipment	1,951	(126)
Impairment on inventories	6	-
Impairment on trade receivables	653	45
Interest expense	3,007	2,957
Interest income	(1,836)	(1,350)
Property, plant and equipment written off	1	104
Reversal of impairment on slow moving inventories	-	(47)
Reversal of impairment on trade receivables	(186)	(9)
Operating profit before working capital changes	<u>11,433</u>	<u>15,599</u>
(Increase)/Decrease in working capital:		
Inventories	(4,352)	2,091
Trade and other receivables	4,297	3,745
Trade and other payables	(4,658)	(2,463)
Amount owing to directors	(49)	(49)
Cash generated from operations	<u>6,671</u>	<u>18,923</u>
Interest received	1,836	1,350
Interest paid	(3,007)	(2,957)
Income tax refunded	-	214
Income tax paid	(3,894)	(3,986)
<b>Net cash from operating activities</b>	<u><u>1,606</u></u>	<u><u>13,544</u></u>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of non-current assets held for sales	25,000	2,550
Proceeds from disposal of property, plant and equipment	3,923	281
Purchase of property, plant and equipment	(1,234)	(1,301)
Acquisition of interests from non-controlling interest	(320)	-
Acquisition of other investments	-	(16,799)
<b>Net cash from (used in) investing activities</b>	<u><u>27,369</u></u>	<u><u>(15,269)</u></u>

**Condensed Consolidated Statement of Cash Flows as at 30 September 2014**

(The figures presented here have not been audited unless stated otherwise)

	<b>Cumulative Current Year 30 SEP 2014 RM'000</b>	<b>Cumulative Preceding Year 30 SEP 2013 RM'000</b>
<b>Cash flows from financing activities</b>		
Dividend paid	(3,965)	(3,172)
Net (repayment)/drawdown of bank borrowings	(18,704)	8,599
<b>Net cash (used in) from financing activities</b>	<u>(22,669)</u>	<u>5,427</u>
Net increase in cash and cash equivalents	6,306	3,702
Effect of exchange rate fluctuations on cash held	106	1,830
Cash and cash equivalents at beginning of financial year	93,623	81,426
Cash and cash equivalents at end of financial period	<u><b>100,035</b></u>	<u><b>86,958</b></u>
<b>Cash and cash equivalents comprise:</b>		
<b>Continuing operations</b>		
Fixed deposits with licensed banks	44,702	42,373
Cash and bank balances	<u>43,680</u>	<u>35,949</u>
	<u>88,382</u>	<u>78,322</u>
<b>Discontinued operations</b>		
Fixed deposits with licensed banks	-	-
Cash & bank balances	<u>11,653</u>	<u>8,636</u>
	<u>11,653</u>	<u>8,636</u>
	<u><b>100,035</b></u>	<u><b>86,958</b></u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.)

**Condensed Consolidated Statement of Changes in Equity for the quarter ended 30 September 2014**

(The figures presented here have not been audited)

	----- Attributable to Equity Holders of the Parent -----						Non-Controlling Interest RM'000	Total RM'000
	Non-distributable			Distributable				
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Exchange Translation Reserve RM'000	Retained Profit RM'000			
<b>Balance as at 1 January 2014</b>	80,000	6,677	(650)	2,458	70,797	405	159,687	
Profit for the period	-	-	-	-	6,087	-	6,087	
Other Comprehensive income	-	-	-	106	-	-	106	
Total comprehensive income for the period	-	-	-	106	6,087	-	6,193	
Dividends	-	-	-	-	(3,965)	-	(3,965)	
Acquisition on additional interest in a subsidiary from non-controlling interests	-	-	-	-	85	(405)	(320)	
<b>Balance as at 30 September 2014</b>	<b>80,000</b>	<b>6,677</b>	<b>(650)</b>	<b>2,564</b>	<b>73,004</b>	<b>-</b>	<b>161,595</b>	
<b>Balance as at 1 January 2013</b>	80,000	6,677	(650)	544	64,814	403	151,788	
Profit for the period	-	-	-	-	7,152	2	7,154	
Other Comprehensive income	-	-	-	1,830	-	-	1,830	
Total comprehensive income for the period	-	-	-	1,830	7,152	2	8,984	
Dividends	-	-	-	-	(3,172)	-	(3,172)	
<b>Balance as at 30 September 2013</b>	<b>80,000</b>	<b>6,677</b>	<b>(650)</b>	<b>2,374</b>	<b>68,794</b>	<b>405</b>	<b>157,600</b>	

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the financial statements.)