



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

CONSOLIDATED FINANCIAL RESULTS AND NOTES
4th QUARTER ENDED 31 DECEMBER 2013

Condensed Consolidated Income Statement for the quarter ended 31 December 2013

(The figures presented here have not been audited)

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u> (Audited)	
	<u>Current year</u> <u>Quarter</u> <u>31 DEC 2013</u> RM'000	<u>Preceding Year</u> <u>Corresponding</u> <u>Quarter</u> <u>31 DEC 2012</u> RM'000	<u>Current</u> <u>Year</u> <u>To Date</u> <u>31 DEC 2013</u> RM'000	<u>Preceding Year</u> <u>Corresponding</u> <u>Period</u> <u>31 DEC 2012</u> RM'000
Revenue	68,138	71,026	247,143	259,523
Operating expenses	(66,374)	(71,383)	(235,578)	(250,217)
Other operating income	1,979	2,766	4,479	4,908
Profit from operations	<u>3,743</u>	<u>2,409</u>	<u>16,044</u>	<u>14,214</u>
Interest income	851	368	2,201	1,444
Finance costs	(1,150)	(885)	(4,107)	(3,559)
Profit before tax	<u>3,444</u>	<u>1,892</u>	<u>14,138</u>	<u>12,099</u>
Income tax expense	(1,437)	(1,529)	(4,977)	(5,101)
Profit for the period	<u><u>2,007</u></u>	<u><u>363</u></u>	<u><u>9,161</u></u>	<u><u>6,998</u></u>
Profit (loss) attributed to:				
Equity holders of the parent	2,088	360	9,240	6,995
Non-controlling Interests	<u>(81)</u>	<u>3</u>	<u>(79)</u>	<u>3</u>
	<u><u>2,007</u></u>	<u><u>363</u></u>	<u><u>9,161</u></u>	<u><u>6,998</u></u>
Earnings per share attributable to equity holders of the parent:				
EPS - Basic (sen)	<u>1.32</u>	<u>0.23</u>	<u>5.83</u>	<u>4.41</u>
- Diluted (sen)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</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 2012 and the accompanying explanatory notes attached to the interim financial statements)

Condensed Consolidated Statement of Comprehensive Income for the quarter ended 31 December 2013

(The figures presented here have not been audited)

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u> (Audited)	
	Current year Quarter 31 DEC 2013 RM'000	Preceding Year Corresponding Quarter 31 DEC 2012 RM'000	Current Year To Date 31 DEC 2013 RM'000	Preceding Year Corresponding Period 31 DEC 2012 RM'000
Profit for the period	2,007	363	9,161	6,998
Other Comprehensive income				
- Foreign currency translation differences for foreign operations	329	182	2,159	(643)
Total comprehensive income for the period	<u>2,336</u>	<u>545</u>	<u>11,320</u>	<u>6,355</u>
Total comprehensive income (loss) attributable to:				
Equity holders of the parent	2,417	542	11,399	6,352
Non-controlling Interests	<u>(81)</u>	<u>3</u>	<u>(79)</u>	<u>3</u>
	<u>2,336</u>	<u>545</u>	<u>11,320</u>	<u>6,355</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 2012 and the accompanying explanatory notes attached to the interim financial statements)

Condensed Consolidated Statement of Financial Position as at 31 December 2013

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

	As At End Of Current Quarter 31 DEC 2013 RM'000	(Audited) Preceding Financial Year-Ended 31 DEC 2012 RM'000
Non-Current Assets		
Property, plant and equipment	49,544	52,353
Investment property	-	18,631
Other investments	16,812	14
	<u>66,356</u>	<u>70,998</u>
Current Assets		
Non-current assets held for sales	18,417	1,511
Inventories	42,521	44,153
Trade receivables	49,371	47,639
Other receivables, deposits and prepayments	3,021	2,141
Tax recoverable	1,910	2,070
Fixed deposit with licensed banks	43,041	36,061
Cash and bank balances	50,582	45,365
	<u>208,863</u>	<u>178,940</u>
TOTAL ASSETS	<u>275,219</u>	<u>249,938</u>
Equity		
Equity attributable to equity holders of the parent		
Share capital	80,000	80,000
Share premium	6,677	6,677
Treasury shares	(650)	(650)
Exchange translation reserve	2,703	544
Retained profits	70,881	64,813
	<u>159,611</u>	<u>151,384</u>
Non-controlling interests	324	403
Total equity	<u>159,935</u>	<u>151,787</u>
Non-Current Liabilities		
Borrowings	33,335	16,076
Deferred taxation	3,259	3,391
	<u>36,594</u>	<u>19,467</u>
Current Liabilities		
Trade payables	5,925	7,803
Other payables	8,762	8,717
Amount owing to directors	198	198
Short term borrowings	62,596	60,229
Taxation	1,209	1,737
	<u>78,690</u>	<u>78,684</u>
Total Liabilities	<u>115,284</u>	<u>98,151</u>
TOTAL EQUITY AND LIABILITIES	<u>275,219</u>	<u>249,938</u>
Net Asset per share attributable to ordinary equity holders of the parent (RM)	<u>1.01</u>	<u>0.95</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 2012 and the accompanying explanatory notes attached to the interim financial statements).

Condensed Consolidated Statement of Cash Flows as at 31 December 2013

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

	Cumulative Current Year 31 DEC 2013 RM'000	(Audited) Cumulative Preceding Year 31 DEC 2012 RM'000
Cash flows from operating activities		
Profit before tax	14,138	12,099
Adjustments for:		
Bad debt recovered	(24)	-
Bad debt written off	269	317
Depreciation of property, plant and equipment	5,786	5,360
Depreciation of investment properties	-	233
Gain on disposal of investment property	(988)	(196)
Gain on disposal of property, plant and equipment	(137)	(67)
Impairment on trade receivables	303	780
Interest expense	4,107	3,559
Interest income	(2,201)	(1,444)
Inventories written off	-	2,160
Inventories written down	-	3,057
Property, plant and equipment written off	103	-
Reversal of impairment on slow moving inventories	(47)	(273)
Reversal of impairment on trade receivables	(95)	(62)
Unrealised (gain) loss on foreign exchange	(540)	681
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Operating profit before working capital changes	20,674	26,204
(Increase)/Decrease in working capital:		
Inventories	1,332	(5,282)
Trade and other receivables	(2,525)	3,924
Trade and other payables	(2,832)	(11,594)
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Cash generated from operations	16,649	13,252
Interest received	2,201	1,444
Interest paid	(4,107)	(3,559)
Income tax refunded	364	353
Income tax paid	(5,526)	(3,698)
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Net cash from operating activities	9,581	7,792
Cash flows from investing activities		
Proceeds from disposal of non-current assets held for sales	2,550	-
Proceeds from disposal of property, plant and equipment	295	86
Proceeds from disposal of investment properties	-	700
Purchase of property, plant and equipment	(1,715)	(1,285)
Net cash inflow from acquisition of subsidiary	-	401
Acquisition of other investments	(16,798)	-
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Net cash used in investing activities	(15,668)	(98)

Condensed Consolidated Statement of Cash Flows as at 31 December 2013

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

	Cumulative Current Year 31 DEC 2013 RM'000	Cumulative Preceding Year 31 DEC 2012 RM'000
Cash flows from financing activities		
Dividend paid	(3,172)	(3,172)
Net drawdown of bank borrowings	19,297	11,692
Net cash from financing activities	<u>16,125</u>	<u>8,520</u>
Net increase in cash and cash equivalents	10,038	16,214
Effect of exchange rate fluctuations on cash held	2,159	(346)
Cash and cash equivalents at beginning of financial year	81,426	65,558
Cash and cash equivalents at end of financial year	<u>93,623</u>	<u>81,426</u>
Cash and cash equivalents comprise:		
Fixed deposits with licensed banks	43,041	36,061
Cash and bank balances	50,582	45,365
	<u>93,623</u>	<u>81,426</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 2012 and the accompanying explanatory notes attached to the interim financial statements.)

Condensed Consolidated Statement of Changes in Equity for the quarter ended 31 December 2013

(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			
Balance as at 1 January 2013	80,000	6,677	(650)	544	64,813	403	151,787	
Profit for the period	-	-	-	-	9,240	(79)	9,161	
Other Comprehensive income	-	-	-	2,159	-	-	2,159	
Total comprehensive income for the period	-	-	-	2,159	9,240	(79)	11,320	
Dividends	-	-	-	-	(3,172)	-	(3,172)	
Balance as at 31 December 2013	80,000	6,677	(650)	2,703	70,881	324	159,935	
Balance as at 1 January 2012	80,000	6,677	(650)	1,187	60,990	-	148,204	
Profit for the period	-	-	-	-	6,995	3	6,998	
Other Comprehensive income	-	-	-	(643)	-	-	(643)	
Total comprehensive income for the period	-	-	-	(643)	6,995	3	6,355	
Dividends	-	-	-	-	(3,172)	-	(3,172)	
Acquisition of subsidiary company	-	-	-	-	-	400	400	
Balance as at 31 December 2012	80,000	6,677	(650)	544	64,813	403	151,787	

(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 2012 and the accompanying explanatory notes attached to the financial statements.)