

# WOODLANDOR HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No.376693-D)

## Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income for the period ended 30 June 2016

|   | Note | 2016<br>Current<br>quarter ended<br>30 June<br>RM'000 | 2015<br>Comparative<br>quarter ended<br>30 June<br>RM'000 | 2016<br>6 months<br>Cumulative<br>to date<br>RM'000 | 2015<br>6 months<br>Cumulative<br>to date<br>RM'000 |
|---|------|---|---|---|---|
| Revenue   | B1   | 6,821   | 6,156   | 13,838  | 13,585  |
| Operating expenses                                  |      | (6,041)   | (5,707)   | (12,228)  | (12,714)  |
| Other operating income                              |      | 95  | 42  | 470   | 311   |
| <b>Profit from operations</b>                       |      | <b>875</b>  | <b>491</b>  | <b>2,080</b>  | <b>1,182</b>  |
| Finance cost  |      | (79)  | (90)  | (162)   | (189)   |
| Finance Income                                      |      | 42  | 36  | 61  | 72  |
| <b>Profit before tax</b>                            | B5   | <b>838</b>  | <b>437</b>  | <b>1,979</b>  | <b>1,065</b>  |
| Income tax expense                                  | B6   | (301)   | (174)   | (663)   | (457)   |
| <b>Net profit for the period</b>                    |      | <b>537</b>  | <b>263</b>  | <b>1,316</b>  | <b>608</b>  |
| Attributable to:                                    |      |   |   |   |   |
| Equity holders of the parent                        |      | 537   | 263   | 1,316   | 608   |
| Non-controlling interests                           |      | -   | -   | -   | -   |
| <b>Net profit for the period</b>                    |      | <b>537</b>  | <b>263</b>  | <b>1,316</b>  | <b>608</b>  |
| Earnings per ordinary share<br>of RM1.00 each (sen) |      |   |   |   |   |
| - Basic   | B11  | 1.34  | 0.66  | 3.29  | 1.52  |

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the annual audited financial statements for the year ended 31 December 2015)

# WOODLANDOR HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No.376693-D)

## Condensed Consolidated Statement of Financial Position as of 30 June 2016

|   | As of<br>30 June<br>2016<br>RM'000 | Audited<br>As of<br>31 December<br>2015<br>RM'000 |
|---|------------------------------------|---|
| <b>Note</b>   |                                    |   |
| <b>ASSETS</b>   |                                    |   |
| <b>Non-Current Assets</b>                               |                                    |   |
| Property, plant and equipment                           | 20,813                             | 21,228  |
| Investment properties                                   | 8,508                              | 8,508   |
| Prepaid lease payments                                  | 997                                | 1,003   |
| Other investments                                       | 357                                | 357   |
|   | <hr/>                              | <hr/>   |
| <b>Total Non-Current Assets</b>                         | <b>30,675</b>                      | <b>31,096</b>                                     |
| <b>Current Assets</b>                                   |                                    |   |
| Inventories   | 7,724                              | 8,269   |
| Trade receivables (net of allowance for doubtful debts) | 8,099                              | 8,938   |
| Other receivables and prepaid expenses                  | 1,387                              | 1,188   |
| Tax recoverable   | -                                  | 172   |
| Deposits with licensed banks                            | 5,620                              | 5,367   |
| Cash and bank balances                                  | 2,727                              | 1,573   |
|   | <hr/>                              | <hr/>   |
| <b>Total Current Assets</b>                             | <b>25,557</b>                      | <b>25,507</b>                                     |
|   | <hr/>                              | <hr/>   |
| <b>TOTAL ASSETS</b>                                     | <b>56,232</b>                      | <b>56,603</b>                                     |

(Forward)

|  | Note | As of<br>30 June<br>2016<br>RM'000 | Audited<br>As of<br>31 December<br>2015<br>RM'000 |
|--|------|------------------------------------|---|
| <b>EQUITY AND LIABILITIES</b>                              |      |                                    |   |
| <b>Equity attributable to equity holders of the parent</b> |      |                                    |   |
| Share capital  |      | 40,001                             | 40,001  |
| Reserves   |      | 2,332                              | 1,016   |
| <b>Total equity</b>  |      | <b>42,333</b>                      | <b>41,017</b>                                     |
| <b>Long-term and Deferred Liabilities</b>                  |      |                                    |   |
| Long-term borrowings                                       | B8   | 593                                | 724   |
| Deferred tax liabilities                                   |      | 804                                | 830   |
| <b>Total Long-Term and Deferred Liabilities</b>            |      | <b>1,397</b>                       | <b>1,554</b>                                      |
| <b>Current Liabilities</b>                                 |      |                                    |   |
| Trade payables   |      | 6,158                              | 6,917   |
| Other payables and accrued expenses                        |      | 1,660                              | 2,257   |
| Short-term borrowings                                      | B8   | 4,586                              | 4,858   |
| Tax liabilities  |      | 98                                 | -   |
| <b>Total Current Liabilities</b>                           |      | <b>12,502</b>                      | <b>14,032</b>                                     |
| <b>Total Liabilities</b>                                   |      | <b>13,899</b>                      | <b>15,586</b>                                     |
| <b>TOTAL EQUITY AND LIABILITIES</b>                        |      | <b>56,232</b>                      | <b>56,603</b>                                     |
| Net assets per share (RM)                                  |      | 1.06                               | 1.03  |

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the annual audited financial statements for the year ended 31 December 2015)

# WOODLANDOR HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No.376693-D)

## Condensed Consolidated Statement of Changes In Equity for the period ended 30 June 2016

|                              |                         | <u>Non-</u><br><u>distributable</u> | <u>Distributable</u>       | Shareholders'    |
|------------------------------|-------------------------|-------------------------------------|----------------------------|------------------|
|                              | Share Capital<br>RM'000 | Share Premium<br>RM'000             | Retained Profits<br>RM'000 | Equity<br>RM'000 |
| Balance as of 1 January 2016 | 40,001                  | 1                                   | 1,015                      | 41,017           |
| Net profit for the period    | -                       | -                                   | 1,316                      | 1,316            |
| Balance as of 30 June 2016   | 40,001                  | 1                                   | 2,331                      | 42,333           |
| Balance as of 1 January 2015 | 40,001                  | 1                                   | 466                        | 40,468           |
| Net profit for the period    | -                       | -                                   | 608                        | 608              |
| Balance as of 30 June 2015   | 40,001                  | 1                                   | 1,074                      | 41,076           |

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the annual audited financial statements for the year ended 31 December 2015)

# WOODLANDOR HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No.376693-D)

## Condensed Consolidated Statement of Cash Flow for the period ended 30 June 2016

|   | For the<br>period ended<br>30 June<br>2016<br>RM'000 | For the<br>period ended<br>30 June<br>2015<br>RM'000 |
|---|--|--|
| <b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>   |  |  |
| Profit before tax                                       | 1,979  | 1,065  |
| Adjustments for:  |  |  |
| Depreciation of property, plant and equipment           | 626  | 645  |
| Finance cost  | 162  | 189  |
| Amortisation of prepaid lease payments                  | 6  | 5  |
| Gain on disposal of property, plant and equipment       | -  | (34)   |
| Finance income  | (61)   | (72)   |
| Interest income from Overdue debts                      | (1)  | -  |
| Operating Profit Before Working Capital Changes         | <u>2,711</u>   | <u>1,798</u>   |
| Changes in working capital :                            |  |  |
| Net change in current assets                            | 1,159  | 3,347  |
| Net change in current liabilities                       | <u>(1,356)</u>                                       | <u>(2,167)</u>                                       |
| Cash Generated From Operations                          | 2,514  | 2,978  |
| Tax paid  | <u>(393)</u>   | <u>(555)</u>   |
| Net Cash From Operating Activities                      | <u>2,121</u>   | <u>2,423</u>   |
| <b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>   |  |  |
| Proceeds from disposal of property, plant and equipment | -  | 34   |
| Interest received                                       | 62   | 72   |
| Purchase of property, plant and equipment               | <u>(211)</u>   | <u>(133)</u>   |
| Increase in fixed deposits pledged with licensed banks  | <u>(16)</u>  | <u>(25)</u>  |
| Net Cash Used In Investing Activities                   | <u>(165)</u>   | <u>(52)</u>  |
| <b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>   |  |  |
| Net repayment of term loans                             | <u>(238)</u>   | <u>(183)</u>   |
| Net repayment of short-term borrowings                  | <u>(205)</u>   | <u>(879)</u>   |
| Interest expense paid                                   | <u>(162)</u>   | <u>(189)</u>   |
| Net payment of hire-purchase obligations                | <u>40</u>  | <u>(249)</u>   |
| Net Cash Used In Financing Activities                   | <u>(565)</u>   | <u>(1,500)</u>                                       |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>        | <b>1,391</b>   | <b>871</b>   |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b> | <b>5,810</b>   | <b>5,690</b>   |
| <b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>       | <b><u>7,201</u></b>                                  | <b><u>6,561</u></b>                                  |
| <b>Cash and cash equivalents comprise:</b>              |  |  |
| Cash and bank balances                                  | 2,727  | 2,869  |
| Fixed deposits with licensed banks                      | 5,620  | 4,808  |
|   | <u>8,347</u>   | <u>7,677</u>   |
| Fixed deposits pledged with licensed banks              | <u>(1,146)</u>                                       | <u>(1,116)</u>                                       |
|   | <u>7,201</u>   | <u>6,561</u>   |

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the annual audited financial statements for the year ended 31 December 2015)

# WOODLANDOR HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No.376693-D)

## Selected Explanatory Notes to the Interim Financial Statements for the year 30 June 2016

### A1 *Accounting policies*

The interim financial statements of the Group are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2015. 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 Woodlandor Holdings Berhad (“Woodlandor” or the “Company”) and its subsidiaries (“Group”) since the year ended 31 December 2015.

### **Significant Accounting Policies**

The significant accounting policies adopted by the Group in this quarterly financial statements are consistent with those adopted in the recent annual audited financial statements for the year ended 31 December 2015 except for the adoption of the following new and revised Standards and IC Interpretations with effect from 1 January 2016 :-

| <u>MFRSs</u>   | <u>Titles</u>  |
|----------------|--|
| Amendments to: |  |
| MFRS 5         | Non-current Assets Held for Sales and Discounted Operation |
| MFRS 7         | Financial Instruments: Disclosure                          |
| MFRS 11        | Joint Arrangements   |
| MFRS 101       | Presentation of Financial Statements                       |
| MFRS 116       | Property, Plant and Equipment                              |
| MFRS 119       | Employee Benefit   |
| MFRS 127       | Separate Financial Statements                              |
| MFRS 128       | Investment in Associates and Joint Ventures                |
| MFRS 134       | Interim Financial Reporting                                |
| MFRS 138       | Intangible Assets  |

### Annual Improvements to FRSs 2012-2014 Cycle

The adoption of the above pronouncements did not have any impact on the financial statements of the Group.

## **A1 Accounting policies (Cont'd)**

### **Significant Accounting Policies (Cont'd)**

The following accounting standards, amendments to accounting standards and interpretations have been issued but not yet effective and not yet adopted by the Group.

| MFRSs                                    |  | Effective Date<br>On/after   |
|--|--|--|
| Amendments to<br>MFRS 107                | Disclosure Initiative  | 1 January 2017   |
| Amendments to<br>MFRS 112                | Recognition of Deferred Tax Assets<br>for Unrealised Losses                                  | 1 January 2017   |
| MFRS 15                                  | Revenue from Contracts with<br>Customers   | 1 January 2018   |
| MFRS 9                                   | Financial Instruments  | 1 January 2018   |
| Amendments to<br>MFRS 10 and MFRS<br>128 | Sales or Contribution of Assets<br>between an Investor and its<br>Associate or Joint Venture | Effective date yet<br>to be determined<br>by the Malaysia<br>Accounting<br>Standards Board |

The adoption of the above Standards and IC Interpretations should not expect any material effect on the financial statements of the Group.

### **A2 Declaration of audit qualification**

The audit report on the Group's preceding annual audited financial statements was not subject to any qualification.

### **A3 Seasonal or cyclical factors**

The Group's operations were not materially affected by any seasonality or cyclicity in the quarter under review.

### **A4 Unusual items affecting assets, liabilities, equity, net income or cash flows**

There was no item of material and unusual nature, which would adversely affect the Group's assets, liabilities, equity, net income or cash flows for the current financial year.

### **A5 Change in estimates**

There were no material changes in estimates of amounts reported in prior financial years.

**A6 *Debts and equity securities***

There were no issuances, repurchases and repayments of debt and equity securities during the year ended 30 June 2016.

**A7 *Dividend paid***

There was no dividend paid by the Company since the end of the previous financial year.

**A8 *Segmental reporting***

Segmental reporting for the financial period ended 30 June 2016:

|                           | Investment<br>holding<br>RM'000 | Manufacturing<br>RM'000 | Trading<br>RM'000 | Property<br>Development<br>RM'000 | Elimination<br>RM'000 | Consolidated<br>RM'000 |
|---------------------------|---------------------------------|-------------------------|-------------------|-----------------------------------|-----------------------|------------------------|
| <u>Revenue</u>            |                                 |                         |                   |                                   |                       |                        |
| External                  | -                               | 11,708                  | 2,130             | -                                 | -                     | 13,838                 |
| Inter-segment             | 593                             | 1,671                   | 217               | -                                 | (2,481)               | -                      |
| Total revenue             | 593                             | 13,379                  | 2,347             | -                                 | (2,481)               | 13,838                 |
| <u>Results</u>            |                                 |                         |                   |                                   |                       |                        |
| Segment results           | (492)                           | 2,257                   | (162)             | (3)                               | 480                   | 2,080                  |
| Finance cost              |                                 |                         |                   |                                   |                       | (162)                  |
| Finance income            |                                 |                         |                   |                                   |                       | 61                     |
| Profit before tax         |                                 |                         |                   |                                   |                       | 1,979                  |
| Income tax expense        |                                 |                         |                   |                                   |                       | (663)                  |
| Net profit for the period |                                 |                         |                   |                                   |                       | 1,316                  |

**A9 *Valuation of property, plant and equipment***

The valuation of property, plant and equipment has been brought forward without amendment from the previous annual audited financial statements.

**A10 *Subsequent material events***

There was no item of material and unusual nature, which would adversely affect the Group's assets, liabilities, equity, net income or cash flow for the current financial period to date.

**A11 *Changes in composition of the Group***

There were no other changes in the composition of the Group for the current financial period to date.

**A12 *Contingent liability***

The Group has no contingent liability for the current financial period to date.



## **Listing Requirements of Bursa Malaysia Securities Berhad – Part A of Appendix 9B**

### **B1 *Review of performance***

The Group's revenue for the current financial quarter compared to the previous corresponding quarter increased by RM0.665 million. The increased was mainly attributable to the manufacturing segment.

#### Manufacturing segment

Revenue from manufacturing segment increased from RM5.085 million to RM5.749 million over the corresponding quarter.

#### Trading segment

Revenue from trading segment increased from RM1.071 million to RM1.072 over the corresponding quarter.

Overall, the Group registered a profit before tax of RM0.838 million for the current financial quarter as compared to RM0.437 million in previous corresponding quarter. This was mainly due to better margin product mix.

### **B2 *Comparison with the immediate preceding quarter's result***

The Group posted a profit before tax of RM0.838 million for the current financial quarter as compared to profit before tax of RM1.141 million in the immediate preceding quarter. This was due to higher other operating income in the preceding financial quarter.

### **B3 *Prospect***

The Group's business segments are expected to operate in a more challenging environment. However, the Group will strike to continue to improve its efficiency and focus on better margin product mix to improve the Group's profitability.

### **B4 *Profit forecast or profit guarantee***

Not applicable as there was no profit forecast/guarantee published.

**B5 Profit before tax**

Profit before tax is arrived at after charging/(crediting) the following:

|                               | 2016<br>Current<br>quarter ended<br>30 June<br>RM'000 | 2016<br>6 months<br>Cumulative to<br>date<br>RM'000 |
|-------------------------------|---|---|
| Finance Income                | (42)  | (61)  |
| Depreciation and amortisation | 318   | 632   |
| Finance cost                  | 79  | 162   |

Other disclosure items pursuant to Appendix B 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

**B6 Income tax expense**

|                               | 2016<br>Current<br>quarter ended<br>30 June<br>RM'000 | 2016<br>6 months<br>Cumulative<br>to date<br>RM'000 |
|-------------------------------|---|---|
| Estimated current tax payable | 300   | 660   |
| Deferred tax                  | 1   | 3   |
|                               | <u>301</u>  | <u>663</u>  |

The effective tax rate on the Group's profit for the current quarter is higher than the statutory rate mainly due to operating profits of certain companies, which, for tax purposes, cannot be offset against operating losses of other companies in the Group.

**B7 Status of corporate proposals**

There was no corporate proposal announced but not completed at the date of issuance of the interim financial statements.

**B8 Group borrowings**

Group borrowings for the financial quarter ended 30 June 2016:

|                       |                 |
|-----------------------|-----------------|
|                       | Total<br>RM'000 |
| Secured:              |                 |
| Short term borrowings | 4,586           |
| Long term borrowings  | 593             |
|                       | <u>5,179</u>    |

The Group does not have any borrowings denominated in foreign currency.

**B9 Material litigations**

There is no material litigation as at the date of this quarterly report.

**B10 Dividend**

No interim dividend was recommended for the current quarter and financial period to date.

**B11 Earnings per Ordinary Share**

|  | 2016<br>Current<br>Quarter<br>ended<br>30 June | 2015<br>Comparative<br>Quarter<br>ended<br>30 June | 2016<br>6 months<br>Cumulative<br>to date | 2015<br>6 months<br>Cumulative<br>to date |
|--|--|--|---|---|
| a) Profit attributable to ordinary shareholders (RM'000) | 537  | 263  | 1,316                                     | 608                                       |
| b) Weighted average number of ordinary shares ('000)     |  |  |   |   |
| No. of ordinary shares at beginning of the period        | 40,001   | 40,001   | 40,001                                    | 40,001                                    |
| Effect of shares issued                                  | -  | -  | -   | -   |
| No. of ordinary shares at end of the period              | 40,001   | 40,001   | 40,001                                    | 40,001                                    |
| c) Earnings per ordinary share (sen)                     |  |  |   |   |
| - Basic  | 1.34   | 0.66   | 3.29                                      | 1.52                                      |

**B12 Realised and Unrealised Profit/(Loss) Disclosure**

|  | As at<br>30 June 2016<br>RM'000 | As at<br>30 June 2015<br>RM'000 |
|--|---------------------------------|---------------------------------|
| Total accumulated profit of the company and its subsidiaries : |                                 |                                 |
| - Realised   | 8,024                           | 5,542                           |
| - Unrealised   | 1,400                           | 1,370                           |
|  | <hr/>                           | <hr/>                           |
|  | 9,424                           | 6,912                           |
| Less: Consolidation adjustments                                | (7,093)                         | (6,825)                         |
| Total Group accumulated profit                                 | <hr/>                           | <hr/>                           |
|  | 2,331                           | 87                              |