

Condensed Consolidated Income Statements for the second quarter ended 30 June 2007

(The figures presented here have not been audited)

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current year Quarter 30 June 2007 RM'000	Preceding year Corresponding Quarter 30 June 2006 RM'000	Current Year To date 30 June 2007 RM'000	Preceding year Corresponding Period 30 June 2006 RM'000
Revenue	44,041	44,744	86,880	86,164
Operating expenses	(42,110)	(43,582)	(83,654)	(84,481)
Other operating income	266	11,982	464	12,196
Profit from operations	<u>2,197</u>	<u>13,144</u>	<u>3,690</u>	<u>13,879</u>
Finance costs	(423)	(491)	(773)	(1,037)
Investing results	0	0	0	0
Profit before tax	<u>1,774</u>	<u>12,653</u>	<u>2,917</u>	<u>12,842</u>
Taxation	(479)	(3,543)	(788)	(4,033)
Net profit/(loss) for the period	<u><u>1,295</u></u>	<u><u>9,110</u></u>	<u><u>2,129</u></u>	<u><u>8,809</u></u>
EPS - Basic (sen)	<u>1.08</u>	<u>7.59</u>	<u>1.77</u>	<u>7.34</u>
- Diluted (sen)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

Excluding insurance income of RM11.9 million in 2006, the Group showed much improved operating performance due to recovery of the disposable fibre-based segment. The Group is able to commence own manufacturing activities, thus lowering losses incurred while improving capacity utilisation.

Revenue is comparable among the two comparative quarters.

Operating expenses decreased by RM1.5 million mainly due to cost savings from the disposable fibre-based products. Finance cost decreased mainly due to lower utilisation of trade line banking facilities as the Group has sufficient inventory level to generate additional revenue.

Other operating income consisted mainly of interest earned from cash deposit with financial institutions.

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements of WZB and its subsidiaries for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Balance Sheets as at 30 June 2007

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

	(Unaudited) As at end of Current Quarter 30 June 2007 RM'000	Audited As at preceding Financial Year-End 31 Dec 06 RM'000
Property, plant & equipment	46,671	46,509
Investment property	3,985	3,998
Intangible assets	0	0
Deferred tax assets	0	0
Investment in Subsidiaries and Associates	0	0
Other Investments	16	16
Current assets		
Inventories	39,135	47,016
Trade receivables	38,032	40,644
Other receivables, deposits and prepayments	2,641	2,134
Tax recoverable	2,339	1,686
Cash & bank balances	16,600	18,672
	98,747	110,152
Current liabilities		
Trade payables	7,142	7,110
Other payables	2,911	3,303
Amount owing to directors	108	108
Short term borrowings	43,016	55,052
Taxation	1,158	445
	54,335	66,018
Net current assets	44,412	44,134
	95,084	94,657
Share capital	60,000	60,000
Share premium account	838	838
Retained profits	18,709	16,580
Shareholders' fund	79,547	77,418
Minorities interest	0	0
Long term liabilities		
Borrowings	14,775	16,477
Deferred taxation	762	762
	95,084	94,657
Net Asset per share (sen)	66	65

Lower inventories are mainly due to processed paper segment selling from inventory stockpile rather than accumulating higher inventory level. This is caused by relatively higher paper price and that the Group has sufficient inventory level. This is also reflected by lower short term borrowings as the Group did not need to drawdown much of its trading-line facilities with the financial institutions.

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements of WZB and its subsidiaries for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Cash Flow Statement as at 30 June 2007

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

	Cumulative Current Year 30 June 2007 RM'000	Audited Cumulative Preceding Year 30 June 2006 RM'000
Cash flows from operating activities		
Profit before tax	2,917	12,842
Adjustments for:		
Non-cash items	1,574	949
Non-operating items	595	898
Operating profit before working capital changes	<u>5,086</u>	<u>14,689</u>
(Increase)/Decrease in working capital:		
Inventories	7,881	(2,378)
Trade and other receivables	2,105	(7,631)
Trade and other payables	(359)	4,304
Amount owing to directors	-	(137)
Cash generated from/(used in) operations	<u>14,713</u>	<u>8,847</u>
Tax paid	(728)	(1,238)
Net cash generated from operating activities	<u>13,985</u>	<u>7,609</u>
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	256	-
Purchase of property, plant and equipment (Note A)	(1,432)	(7,329)
Interest received	178	139
Net cash used in investing activities	<u>(998)</u>	<u>(7,190)</u>
Cash flows from financing activities		
Upliftment of fixed deposit pledged to banking institutions	5,102	
Net repayment of bank borrowings	(14,286)	(3,744)
Interest paid	(773)	(1,037)
Net cash used in financing activities	<u>(9,957)</u>	<u>(4,781)</u>
Net increase/(decrease) in cash and cash equivalents	3,030	(4,362)
Cash and cash equivalents at beginning of financial period	13,570	17,942
Cash and cash equivalents at end of financial period	<u>16,600</u>	<u>13,580</u>

Cash and cash equivalents at end of financial period comprise:

Cash & bank balances	15,525	15,469
Deposits in the licensed banks	1,075	3,366
Bank overdrafts	-	-
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	16,600	18,835
Less: Deposits pledged to financial institutions	-	(5,255)
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	16,600	13,580
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Note A:

During the period, the Group acquired property, plant and equipment with an aggregate cost of RM 1,980K, of which RM 548K was acquired by means of finance leases. Cash payments of RM 1,432K were made to purchase property, plant and equipment.

Non-cash item consist mainly of depreciation whereas none operating items consists of interest paid and interest earned.

Property, plant and equipment purchased consist mainly of the final claims incurred for the construction costs of the Group's office-cum-factory building in Shah Alam, production line additions and additional forklifts to cater for increasingly higher revenue volume.

The relevant subsidiary companies have released all fixed deposits from being pledged as security for certain banking facilities granted to them.

The Condensed Consolidated Cashflow Statement should be read in conjunction with the Audited Financial Statements of WZB and its subsidiaries for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statements of Changes in Equity for the second quarter ended 30 June 2007

(The figures presented here have not been audited)

	Share Capital RM'000	Non-distributable Share Premium RM'000	Reserves on Consolidation RM'000	Distributable Retained Profit RM'000	Total RM'000
Balance as at 1 January 2007	60,000	838	-	16,580	77,418
Profit for the period				2,129	2,129
Balance as at 30 June 2007	<u>60,000</u>	<u>838</u>	<u>-</u>	<u>18,709</u>	<u>79,547</u>

Condensed Consolidated Statements of Changes in Equity for the second quarter ended 30 June 2006

(The figures presented here have not been audited)

	Share Capital RM'000	Non-distributable Share Premium RM'000	Reserves on Consolidation RM'000	Distributable Retained Profit RM'000	Total RM'000
Balance as at 1 January 2006	60,000	838	6,318	1,563	68,719
Loss for the period				8,809	8,809
Balance as at 30 June 2006	<u>60,000</u>	<u>838</u>	<u>6,318</u>	<u>10,372</u>	<u>77,528</u>

Notes:

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements of WZB and its subsidiaries for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to the financial statements.