



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

CONSOLIDATED FINANCIAL RESULTS AND NOTES
1st QUARTER ENDED 31 MARCH 2013

Condensed Consolidated Income Statement for the quarter ended 31 March 2013

(The figures presented here have not been audited)

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current year</u> <u>Quarter</u> <u>31 MAR 2013</u> RM'000	<u>Preceding Year</u> <u>Corresponding</u> <u>Quarter</u> <u>31 MAR 2012</u> RM'000	<u>Current</u> <u>Year</u> <u>To Date</u> <u>31 MAR 2013</u> RM'000	<u>Preceding Year</u> <u>Corresponding</u> <u>Period</u> <u>31 MAR 2012</u> RM'000
Revenue	66,255	59,922	66,255	59,922
Operating expenses	(61,460)	(57,907)	(61,460)	(57,907)
Other operating income	1,305	452	1,305	452
Profit from operations	<u>6,100</u>	<u>2,467</u>	<u>6,100</u>	<u>2,467</u>
Interest income	396	240	396	240
Finance costs	(1,052)	(896)	(1,052)	(896)
Profit before tax	<u>5,444</u>	<u>1,811</u>	<u>5,444</u>	<u>1,811</u>
Income tax expense	(1,522)	(642)	(1,522)	(642)
Profit for the period	<u><u>3,922</u></u>	<u><u>1,169</u></u>	<u><u>3,922</u></u>	<u><u>1,169</u></u>
Profit attributed to:				
Equity holders of the parent	3,920	1,169	3,920	1,169
Non-controlling Interests	<u>2</u>	<u>0</u>	<u>2</u>	<u>0</u>
	<u><u>3,922</u></u>	<u><u>1,169</u></u>	<u><u>3,922</u></u>	<u><u>1,169</u></u>
Earnings per share attributable to equity holders of the parent:				
EPS - Basic (sen)	<u>2.47</u>	<u>0.74</u>	<u>2.47</u>	<u>0.74</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 March 2013

(The figures presented here have not been audited)

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current year Quarter 31 MAR 2013 RM'000	Preceding Year Corresponding Quarter 31 MAR 2012 RM'000	Current Year To Date 31 MAR 2013 RM'000	Preceding Year Corresponding Period 31 MAR 2012 RM'000
Profit for the period	3,922	1,169	3,922	1,169
Other Comprehensive income				
- Foreign currency translation differences for foreign operations	406	(834)	406	(834)
Total comprehensive income for the period	<u>4,328</u>	<u>335</u>	<u>4,328</u>	<u>335</u>
Total comprehensive income attributable to:				
Equity holders of the parent	4,326	335	4,326	335
Non-controlling Interests	<u>2</u>	<u>0</u>	<u>2</u>	<u>0</u>
	<u>4,328</u>	<u>335</u>	<u>4,328</u>	<u>335</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 March 2013

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

	As At End Of Current Quarter 31 MAR 2013 RM'000	(Audited) Preceding Financial Year-Ended 31 DEC 2012 RM'000
Non-Current Assets		
Property, plant and equipment	51,782	52,353
Investment property	18,631	18,631
Other investments	16,449	14
	<u>86,862</u>	<u>70,998</u>
Current Assets		
Non-current assets held for sales	-	1,511
Inventories	48,164	44,153
Trade receivables	50,025	47,639
Other receivables, deposits and prepayments	3,020	2,141
Tax recoverable	619	2,070
Fixed deposit with licensed banks	35,411	36,061
Cash and bank balances	56,132	45,365
	<u>193,371</u>	<u>178,940</u>
TOTAL ASSETS	<u>280,233</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	950	544
Retained profits	68,734	64,814
	<u>155,711</u>	<u>151,385</u>
Non-controlling interests	405	403
Total equity	<u>156,116</u>	<u>151,788</u>
Non-Current Liabilities		
Borrowings	35,340	16,075
Deferred taxation	3,391	3,391
	<u>38,731</u>	<u>19,466</u>
Current Liabilities		
Trade payables	7,369	7,803
Other payables	6,929	8,717
Amount owing to directors	198	198
Short term borrowings	69,355	60,229
Taxation	1,535	1,737
	<u>85,386</u>	<u>78,684</u>
Total Liabilities	<u>124,117</u>	<u>98,150</u>
TOTAL EQUITY AND LIABILITIES	<u>280,233</u>	<u>249,938</u>
Net Asset per share attributable to ordinary equity holders of the parent (RM)	<u>0.98</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 March 2013

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

	Cumulative Current Year 31 MAR 2013 RM'000	Cumulative Preceding Year 31 MAR 2012 RM'000
Cash flows from operating activities		
Profit before tax	5,444	1,811
Adjustments for:		
Depreciation of property, plant and equipment	1,416	1,289
Gain on disposal of property, plant and equipment	(89)	(68)
Gain on disposal of non-current asset held for sale	(988)	-
Impairment on trade receivables	45	45
Interest expense	1,052	896
Interest income	(396)	(240)
Reversal of impairment on slow moving inventories	(27)	-
Reversal of impairment on trade receivables	(1)	(29)
Operating profit before working capital changes	<u>6,456</u>	<u>3,704</u>
(Increase)/Decrease in working capital:		
Inventories	(3,984)	(4,919)
Trade and other receivables	(3,491)	857
Trade and other payables	(2,222)	(14,654)
Cash used in operations	<u>(3,241)</u>	<u>(15,012)</u>
Interest received	396	240
Interest paid	(1,052)	(896)
Income tax refunded	122	353
Income tax paid	(619)	(736)
Net cash used in operating activities	<u>(4,394)</u>	<u>(16,051)</u>
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	164	68
Purchase of property, plant and equipment	(385)	(353)
Acquisition of other investments	(16,435)	-
Net cash used in investing activities	<u>(14,106)</u>	<u>(285)</u>

Condensed Consolidated Statement of Cash Flows as at 31 March 2013

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

	Cumulative Current Year 31 MAR 2013 RM'000	Cumulative Preceding Year 31 MAR 2012 RM'000
Cash flows from financing activities		
Net drawdown of bank borrowings	28,211	18,254
Net cash from financing activities	<u>28,211</u>	<u>18,254</u>
Net increase in cash and cash equivalents	9,711	1,918
Effect of exchange rate fluctuations on cash held	406	(834)
Cash and cash equivalents at beginning of financial year	81,426	65,558
Cash and cash equivalents at end of financial period	<u>91,543</u>	<u>66,642</u>
Cash and cash equivalents comprise:		
Fixed deposits with licensed banks	35,411	12,748
Cash and bank balances	56,132	53,894
	<u>91,543</u>	<u>66,642</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 March 2013

(The figures presented here have not been audited)

	----- Attributable to Equity Holders of the Parent -----						Total RM'000
	Non-distributable				Distributable	Non- Controlling Interest	
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Exchange Translation Reserve RM'000	Retained Profit RM'000	Non- Controlling Interest RM'000	Total RM'000
Balance as at 1 January 2013	80,000	6,677	(650)	544	64,814	403	151,788
Profit for the period	-	-	-	-	3,920	2	3,922
Other Comprehensive income	-	-	-	406	-	-	406
Total comprehensive income for the period	-	-	-	406	3,920	2	4,328
Balance as at 31 March 2013	80,000	6,677	(650)	950	68,734	405	156,116
Balance as at 1 January 2012	80,000	6,677	(650)	1,187	60,990	-	148,204
Profit for the period	-	-	-	-	1,169	-	1,169
Other Comprehensive income	-	-	-	(834)	-	-	(834)
Total comprehensive income for the period	-	-	-	(834)	1,169	-	335
Balance as at 31 March 2012	80,000	6,677	(650)	353	62,159	-	148,539

(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.)