



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

CONSOLIDATED FINANCIAL RESULTS AND NOTES
3rd QUARTER ENDED 30 SEPTEMBER 2013

Condensed Consolidated Income Statement for the quarter ended 30 September 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>30 SEP 2013</u> RM'000	<u>Preceding Year</u> <u>Corresponding</u> <u>Quarter</u> <u>30 SEP 2012</u> RM'000	<u>Current</u> <u>Year</u> <u>To Date</u> <u>30 SEP 2013</u> RM'000	<u>Preceding Year</u> <u>Corresponding</u> <u>Period</u> <u>30 SEP 2012</u> RM'000
Revenue	57,900	59,441	179,005	188,538
Operating expenses	(56,208)	(56,713)	(169,204)	(179,544)
Other operating income	726	668	2,500	2,100
Profit from operations	<u>2,418</u>	<u>3,396</u>	<u>12,301</u>	<u>11,094</u>
Interest income	470	450	1,350	1,033
Finance costs	(955)	(800)	(2,957)	(2,673)
Profit before tax	<u>1,933</u>	<u>3,046</u>	<u>10,694</u>	<u>9,454</u>
Income tax expense	(890)	(970)	(3,540)	(2,940)
Profit for the period	<u><u>1,043</u></u>	<u><u>2,076</u></u>	<u><u>7,154</u></u>	<u><u>6,514</u></u>
Profit attributed to:				
Equity holders of the parent	1,044	2,076	7,152	6,514
Non-controlling Interests	<u>(1)</u>	<u>0</u>	<u>2</u>	<u>0</u>
	<u><u>1,043</u></u>	<u><u>2,076</u></u>	<u><u>7,154</u></u>	<u><u>6,514</u></u>
Earnings per share attributable to equity holders of the parent:				
EPS - Basic (sen)	<u>0.66</u>	<u>1.31</u>	<u>4.51</u>	<u>4.11</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 30 September 2013

(The figures presented here have not been audited)

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current year Quarter 30 SEP 2013 RM'000	Preceding Year Corresponding Quarter 30 SEP 2012 RM'000	Current Year To Date 30 SEP 2013 RM'000	Preceding Year Corresponding Period 30 SEP 2012 RM'000
Profit for the period	1,043	2,076	7,154	6,514
Other Comprehensive income				
- Foreign currency translation differences for foreign operations	736	(619)	1,830	(808)
Total comprehensive income for the period	<u>1,779</u>	<u>1,457</u>	<u>8,984</u>	<u>5,706</u>
Total comprehensive income attributable to:				
Equity holders of the parent	1,780	1,457	8,982	5,706
Non-controlling Interests	<u>(1)</u>	<u>0</u>	<u>2</u>	<u>0</u>
	<u>1,779</u>	<u>1,457</u>	<u>8,984</u>	<u>5,706</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 30 September 2013

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

	As At End Of Current Quarter 30 SEP 2013 RM'000	(Audited) Preceding Financial Year-Ended 31 DEC 2012 RM'000
Non-Current Assets		
Property, plant and equipment	50,273	52,353
Investment property	18,456	18,631
Other investments	16,813	14
	<u>85,542</u>	<u>70,998</u>
Current Assets		
Non-current assets held for sales	-	1,511
Inventories	42,109	44,153
Trade receivables	42,655	47,639
Other receivables, deposits and prepayments	2,518	2,141
Tax recoverable	1,638	2,070
Fixed deposit with licensed banks	42,373	36,061
Cash and bank balances	44,585	45,365
	<u>175,878</u>	<u>178,940</u>
TOTAL ASSETS	<u>261,420</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	2,374	544
Retained profits	68,794	64,814
	<u>157,195</u>	<u>151,385</u>
Non-controlling interests	405	403
Total equity	<u>157,600</u>	<u>151,788</u>
Non-Current Liabilities		
Borrowings	34,115	16,075
Deferred taxation	3,391	3,391
	<u>37,506</u>	<u>19,466</u>
Current Liabilities		
Trade payables	5,977	7,803
Other payables	8,080	8,717
Amount owing to directors	149	198
Short term borrowings	51,118	60,229
Taxation	990	1,737
	<u>66,314</u>	<u>78,684</u>
Total Liabilities	<u>103,820</u>	<u>98,150</u>
TOTAL EQUITY AND LIABILITIES	<u>261,420</u>	<u>249,938</u>
Net Asset per share attributable to ordinary equity holders of the parent (RM)	<u>0.99</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 30 September 2013

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

	Cumulative Current Year 30 SEP 2013 RM'000	Cumulative Preceding Year 30 SEP 2012 RM'000
Cash flows from operating activities		
Profit before tax	10,694	9,454
Adjustments for:		
Bad debt written off	-	267
Depreciation of property, plant and equipment	4,319	3,749
Gain on disposal of investment property	(988)	-
Gain on disposal of property, plant and equipment	(126)	(55)
Impairment on trade receivables	45	184
Interest expense	2,957	2,673
Interest income	(1,350)	(1,033)
Property, plant and equipment written off	104	-
Reversal of impairment on slow moving inventories	(47)	-
Reversal of impairment on trade receivables	(9)	(52)
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Operating profit before working capital changes	15,599	15,187
(Increase)/Decrease in working capital:		
Inventories	2,091	(6,655)
Trade and other receivables	3,745	2,875
Trade and other payables	(2,463)	(12,052)
Amount owing to directors	(49)	(198)
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Cash generated from (used in) operations	18,923	(843)
Interest received	1,350	1,033
Interest paid	(2,957)	(2,673)
Income tax refunded	214	353
Income tax paid	(3,986)	(2,201)
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Net cash from (used in) operating activities	13,544	(4,331)
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	281	74
Purchase of property, plant and equipment	(1,301)	(946)
Acquisition of other investments	(16,799)	-
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Net cash used in investing activities	(15,269)	(872)

Condensed Consolidated Statement of Cash Flows as at 30 September 2013

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

	Cumulative Current Year 30 SEP 2013 RM'000	Cumulative Preceding Year 30 SEP 2012 RM'000
Cash flows from financing activities		
Dividend paid	(3,172)	(3,172)
Net drawdown of bank borrowings	8,599	17,600
Net cash from financing activities	<u>5,427</u>	<u>14,428</u>
Net increase in cash and cash equivalents	3,702	9,225
Effect of exchange rate fluctuations on cash held	1,830	(808)
Cash and cash equivalents at beginning of financial year	81,426	65,558
Cash and cash equivalents at end of financial period	<u>86,958</u>	<u>73,975</u>
Cash and cash equivalents comprise:		
Fixed deposits with licensed banks	42,373	16,944
Cash and bank balances	44,585	57,031
	<u>86,958</u>	<u>73,975</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 30 September 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	64,814	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)	
Balance as at 30 September 2013	80,000	6,677	(650)	2,374	68,794	405	157,600	
Balance as at 1 January 2012	80,000	6,677	(650)	1,187	60,990	-	148,204	
Profit for the period	-	-	-	-	6,514	-	6,514	
Other Comprehensive income	-	-	-	(808)	-	-	(808)	
Total comprehensive income for the period	-	-	-	(808)	6,514	-	5,706	
Dividends	-	-	-	-	(3,172)	-	(3,172)	
Balance as at 30 September 2012	80,000	6,677	(650)	379	64,332	-	150,738	

(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.)