



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

**CONSOLIDATED FINANCIAL RESULTS AND NOTES**  
**2nd QUARTER ENDED 30 JUNE 2015**

**Condensed Consolidated Income Statement for the quarter ended 30 June 2015**

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

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current year</u> <u>Quarter</u> <u>30 JUN 2015</u> RM'000	<u>Preceding Year</u> <u>Corresponding</u> <u>Quarter</u> <u>30 JUN 2014</u> RM'000	<u>Current</u> <u>Year</u> <u>To Date</u> <u>30 JUN 2015</u> RM'000	<u>Preceding Year</u> <u>Corresponding</u> <u>Period</u> <u>30 JUN 2014</u> RM'000
<b>Continuing operations</b>				
Revenue	65,247	56,227	133,418	113,813
Operating expenses	(64,854)	(53,953)	(129,632)	(107,920)
Other operating income	5,569	784	5,786	1,688
Profit from operations	<u>5,962</u>	<u>3,058</u>	<u>9,572</u>	<u>7,581</u>
Interest income	632	609	1,335	1,161
Finance costs	(849)	(1,067)	(1,673)	(2,061)
Profit before tax	<u>5,745</u>	<u>2,600</u>	<u>9,234</u>	<u>6,681</u>
Income tax expense	824	(630)	(15)	(1,667)
Profit from continuing operations	<u>6,569</u>	<u>1,970</u>	<u>9,219</u>	<u>5,014</u>
<b>Discontinued operations</b>				
Loss from discontinued operations	0	(603)	0	(1,271)
Profit for the period	<u><u>6,569</u></u>	<u><u>1,367</u></u>	<u><u>9,219</u></u>	<u><u>3,743</u></u>
Profit attributed to:				
Equity holders of the parent	6,569	1,367	9,219	3,742
Non-controlling Interests	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u><u>6,569</u></u>	<u><u>1,367</u></u>	<u><u>9,219</u></u>	<u><u>3,743</u></u>
Earnings per share attributable to equity holders of the parent:				
Basic (sen) - Continuing operations	4.14	1.24	5.81	3.16
Basic (sen) - Discontinued operations	<u>0.00</u>	<u>(0.38)</u>	<u>0.00</u>	<u>(0.80)</u>
Total	<u>4.14</u>	<u>0.86</u>	<u>5.81</u>	<u>2.36</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 2014 and the accompanying explanatory notes attached to the interim financial statements)

**Condensed Consolidated Statement of Comprehensive Income for the quarter ended 30 June 2015**

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

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>Current year Quarter 30 JUN 2015 RM'000</b>	<b>Preceding Year Corresponding Quarter 30 JUN 2014 RM'000</b>	<b>Current Year To Date 30 JUN 2015 RM'000</b>	<b>Preceding Year Corresponding Period 30 JUN 2014 RM'000</b>
Profit for the period	6,569	1,367	9,219	3,743
Other Comprehensive income - Reclassification adjustment of exchange reserves	(2,883)	(413)	(2,883)	(333)
Total comprehensive income for the period	<u>3,686</u>	<u>954</u>	<u>6,336</u>	<u>3,410</u>
Total comprehensive income attributable to:				
Equity holders of the parent	3,686	954	6,336	3,410
Non-controlling Interests	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>3,686</u>	<u>954</u>	<u>6,336</u>	<u>3,410</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 2014 and the accompanying explanatory notes attached to the interim financial statements)

**Condensed Consolidated Statement of Financial Position as at 30 June 2015**

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

	<b>As At End Of Current Quarter 30 JUN 2015 RM'000</b>	<b>(Audited) Preceding Financial Year-Ended 31 DEC 2014 RM'000</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	43,045	40,300
Other investments	16,855	16,848
	<u>59,900</u>	<u>57,148</u>
<b>Current Assets</b>		
Assets of discontinued operations	516	13,805
Inventories	48,137	57,462
Trade receivables	53,416	55,570
Other receivables, deposits and prepayments	4,830	4,517
Tax recoverable	1,768	30
Fixed deposits with licensed banks	47,414	46,609
Cash and bank balances	57,740	40,915
	<u>213,821</u>	<u>218,908</u>
<b>TOTAL ASSETS</b>	<u>273,721</u>	<u>276,056</u>
<b>Equity</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	80,000	80,000
Share premium	6,677	6,677
Treasury shares	(650)	(650)
Exchange translation reserve	0	2,883
Retained profits	83,023	73,804
<b>Total equity</b>	<u>169,050</u>	<u>162,714</u>
<b>Non-Current Liabilities</b>		
Borrowings	16,691	18,466
Deferred taxation	3,315	3,315
	<u>20,006</u>	<u>21,781</u>
<b>Current Liabilities</b>		
Liabilities of discontinued operations	2	2
Trade payables	8,671	4,674
Other payables	7,442	7,865
Amount owing to directors	297	198
Short term borrowings	66,673	76,394
Taxation	1,580	2,428
	<u>84,665</u>	<u>91,561</u>
<b>Total Liabilities</b>	<u>104,671</u>	<u>113,342</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>273,721</u>	<u>276,056</u>
<b>Net Asset per share attributable to ordinary equity holders of the parent (RM)</b>	<u>1.07</u>	<u>1.03</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 2014 and the accompanying explanatory notes attached to the interim financial statements)

**Condensed Consolidated Statement of Cash Flows as at 30 June 2015**

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

	<b>Cumulative Current Year 30 JUN 2015 RM'000</b>	<b>Cumulative Preceding Year 30 JUN 2014 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit (loss) before tax		
- Continuing operations	9,234	6,681
- Discontinued operations	-	(1,271)
Adjustments for:		
Depreciation of property, plant and equipment	2,354	2,627
Gain on disposal of property, plant and equipment	(7)	(16)
Impairment on inventories	-	6
Impairment on trade receivables	1,000	-
Interest expense	1,673	2,061
Interest income	(1,335)	(1,224)
Property, plant and equipment written off	-	1
Reversal of impairment on trade receivables	(23)	(180)
Reversal of impairment on investment in subsidiary	(1,103)	-
Unrealised gain on foreign exchange	(107)	-
Operating profit before working capital changes	<u>11,686</u>	<u>8,685</u>
(Increase)/Decrease in working capital:		
Inventories	9,325	567
Trade and other receivables	(10,880)	9,476
Trade and other payables	3,574	784
Amount owing to directors	99	99
Cash generated from operations	<u>13,804</u>	<u>19,611</u>
Interest received	1,335	1,224
Interest paid	(1,673)	(2,061)
Income tax paid	(1,243)	(1,807)
<b>Net cash generated from operating activities</b>	<u><u>12,223</u></u>	<u><u>16,967</u></u>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of non-current assets held for sales	-	16,170
Proceeds from disposal of property, plant and equipment	22	16
Purchase of property, plant and equipment	(5,013)	(262)
Capital distributions by subsidiary	11,575	-
<b>Net cash generated from investing activities</b>	<u><u>6,584</u></u>	<u><u>15,924</u></u>

**Condensed Consolidated Statement of Cash Flows as at 30 June 2015**  
(The figures presented here have not been audited unless stated otherwise)

	<b>Cumulative Current Year 30 JUN 2015 RM'000</b>	<b>Cumulative Preceding Year 30 JUN 2014 RM'000</b>
<b>Cash flows from financing activities</b>		
Net repayment of bank borrowings	(11,579)	(20,816)
<b>Net cash used in financing activities</b>	<u>(11,579)</u>	<u>(20,816)</u>
Net increase in cash and cash equivalents	7,228	12,075
Effect of exchange rate fluctuations on cash held	(2,883)	(333)
Cash and cash equivalents at beginning of financial year	101,321	93,623
Cash and cash equivalents at end of financial period	<u><b>105,666</b></u>	<u><b>105,365</b></u>
<b>Cash and cash equivalents comprise:</b>		
<b>Continuing operations</b>		
Fixed deposits with licensed banks	47,414	40,888
Cash and bank balances	<u>57,740</u>	<u>52,632</u>
	<u>105,154</u>	<u>93,520</u>
<b>Discontinued operations</b>		
Fixed deposits with licensed banks	461	516
Cash & bank balances	<u>51</u>	<u>11,329</u>
	<u>512</u>	<u>11,845</u>
	<u><b>105,666</b></u>	<u><b>105,365</b></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 2014 and the accompanying explanatory notes attached to the interim financial statements)

Condensed Consolidated Statement of Changes in Equity for the quarter ended 30 June 2015

(The figures presented here have not been audited)

	----- Attributable to Equity Holders of the Parent -----						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	Non- Controlling Interest RM'000	
<b>Balance as at 1 January 2015</b>	80,000	6,677	(650)	2,883	73,804	-	162,714
Profit for the period	-	-	-	-	9,219	-	9,219
Other Comprehensive income	-	-	-	(2,883)	-	-	(2,883)
Total comprehensive income for the period	-	-	-	(2,883)	9,219	-	6,336
<b>Balance as at 30 June 2015</b>	<b>80,000</b>	<b>6,677</b>	<b>(650)</b>	<b>-</b>	<b>83,023</b>	<b>-</b>	<b>169,050</b>
<b>Balance as at 1 January 2014</b>	80,000	6,677	(650)	2,458	70,797	405	159,687
Profit for the period	-	-	-	-	3,742	1	3,743
Other Comprehensive income	-	-	-	(333)	-	-	(333)
Total comprehensive income for the period	-	-	-	(333)	3,742	1	3,410
<b>Balance as at 30 June 2014</b>	<b>80,000</b>	<b>6,677</b>	<b>(650)</b>	<b>2,125</b>	<b>74,539</b>	<b>406</b>	<b>163,097</b>

(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 2014 and the accompanying explanatory notes attached to the financial statements)