



WELLCALL HOLDINGS BERHAD (707346 - W)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For The First Quarter Ended 31 December 2013
 (The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current quarter ended 31 Dec 2013 RM'000	Preceding year corresponding quarter ended 31 Dec 2012 RM'000	3 months Cumulative 31 Dec 2013 RM'000	3 months Cumulative 31 Dec 2012 RM'000
Revenue		35,297	31,733	35,297	31,733
Cost of sales		(24,176)	(22,847)	(24,176)	(22,847)
Gross profit		11,121	8,886	11,121	8,886
Other operating income		609	486	609	486
Selling and distribution expenses		(927)	(967)	(927)	(967)
Administrative expenses		(1,558)	(1,541)	(1,558)	(1,541)
Finance costs		(63)	(54)	(63)	(54)
Interest income		190	196	190	196
Profit before taxation		9,372	7,006	9,372	7,006
Taxation	B6	(2,159)	(1,796)	(2,159)	(1,796)
Profit for the period	B8	7,213	5,210	7,213	5,210
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		7,213	5,210	7,213	5,210
Attributable to :					
Equity holders of the Company		7,213	5,210	7,213	5,210
Earnings per share (sen):					
Basic	B12 (a)	5.44	3.93	5.44	3.93
Diluted	B12 (b)	5.43	3.92	5.43	3.92
Single Tier dividend per share (sen)		5.00	4.00	5.00	4.00

Note:

This is prepared based on the unaudited consolidated results of the Group for the current quarter ended 31 December 2013 and is to be read in conjunction with the audited financial statements for the financial year ended 30 September 2013 and the accompanying explanatory notes attached to the Interim Financial Report



WELLCALL HOLDINGS BERHAD (707346 - W)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2013

(The figures have not been audited)

	As at 31 December 2013 RM'000	(Audited) As at 30 September 2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	32,903	28,032
Other investment	10	10
	<u>32,913</u>	<u>28,042</u>
Current Assets		
Inventories	14,684	17,082
Trade receivables	4,761	4,750
Other receivables, deposits and prepayment	1,034	2,197
Deposits with licensed banks	30,311	28,431
Cash and bank balances	16,492	17,610
	<u>67,282</u>	<u>70,070</u>
TOTAL ASSETS	<u>100,195</u>	<u>98,112</u>
EQUITY AND LIABILITIES		
Equity attributable to the equity holders of the parent		
Share capital	66,333	66,333
Share premium	2,168	2,168
Capital reserve	242	242
Retained profits	15,053	14,473
Total Equity	<u>83,796</u>	<u>83,216</u>
Non-current liabilities		
Deferred taxation	2,808	2,821
Current liabilities		
Trade payables	4,106	4,313
Other payables and accruals	6,086	5,554
Provision for taxation	3,399	2,208
	<u>13,591</u>	<u>12,075</u>
Total liabilities	<u>16,399</u>	<u>14,896</u>
TOTAL EQUITY AND LIABILITIES	<u>100,195</u>	<u>98,112</u>
Net Assets per share (RM)	<u>0.632</u>	<u>0.627</u>

Note:

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 September 2013 and the accompanying explanatory notes attached to the Interim Financial Report



WELLCALL HOLDINGS BERHAD (707346 - W)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The First Quarter Ended 31 December 2013

(The figures have not been audited)

	<-----Non-distributable----->				<-Distributable->	
	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	Fair Value Reserve RM'000	Retained Profits RM'000	Total RM'000
As at 1 October 2013	66,333	2,168	242	-	14,473	83,216
ESOS						
Share options granted	-	-	-	-	-	-
Share options exercised/cancelled	-	-	-	-	-	-
Profit for the period	-	-	-	-	7,213	7,213
Dividend	-	-	-	-	(6,633)	(6,633)
As at 31 December 2013	66,333	2,168	242	-	15,053	83,796

Note:

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 September 2013 and the accompanying explanatory notes attached to the Interim Financial Report.



WELLCALL HOLDINGS BERHAD (707346 - W)

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

For The First Quarter Ended 31 December 2013

(The figures have not been audited)

	3 months ended 31 December 2013	3 months ended 31 December 2012
Note	RM'000	RM'000
CASHFLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	9,372	7,006
Adjustments for:		
Depreciation of property, plant and equipment	886	959
Staff costs under ESOS	-	6
Unrealised gain on foreign exchange	(609)	(485)
(Gain)/loss on disposal of property, plant and equipment	-	-
Interest expense	63	54
Interest income	(189)	(196)
Operating profit before working capital changes	<u>9,523</u>	<u>7,344</u>
Inventories	2,398	1,108
Receivables	1,761	434
Payables	<u>325</u>	<u>(631)</u>
Cash generated from operations	14,007	8,255
Tax paid	(981)	(983)
Interest paid	(64)	(54)
Interest received	<u>190</u>	<u>196</u>
Net cash generated from operating activities	<u>13,152</u>	<u>7,414</u>
CASHFLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	<u>(5,757)</u>	<u>(294)</u>
Net cash used in investing activities	<u>(5,757)</u>	<u>(294)</u>
CASHFLOW FROM FINANCING ACTIVITIES		
Dividend paid	<u>(6,633)</u>	<u>(5,303)</u>
Net cash used in financing activities	<u>(6,633)</u>	<u>(5,303)</u>
NET INCREASE/(DECREASED) IN CASH AND CASH EQUIVALENTS	762	1,817
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	<u>46,041</u>	<u>41,680</u>
CASH AND CASH EQUIVALENTS CARRIED FORWARD A14	<u>46,803</u>	<u>43,497</u>

Note:

This is prepared based on the unaudited consolidated results of the Group for the current quarter ended 31 December 2013 and is to be read in conjunction with the audited financial statements for the financial year ended 30 September 2013 and the accompanying explanatory notes attached to the Interim Financial Report



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 December 2013

Part A - Explanatory Notes Pursuant to MFRS 134

1. Basis of Preparation

The unaudited interim financial statements have been prepared in accordance with the reporting requirements outlined in the Malaysian Financial Reporting Standards ("MFRS") No 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 September 2013. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 September 2013.

Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 September 2013 except for the adoption of new MFRSs, amendments to MFRS and Issues Committee ("IC") Interpretations. The adoption of these new MFRSs, amendments to MFRS and IC Interpretations do not have material financial impact on the results and the financial position of the Group.

2. Auditors' Report on Preceding Annual Financial Statements

The preceding audited financial statements for the financial year ended 30 September 2013 was not subject to any qualification.

3. Comments about Seasonality or Cyclicity of Operations

The Group's operations are not materially affected by seasonal or cyclical changes during the current quarter under review.

4. Extraordinary and Exceptional Items

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

5. Changes in estimates

There were no changes in estimates of amounts which have a material effect in the current quarter under review.

6. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities in the current quarter and current financial year-to-date under review.

7. Dividend paid

A special interim single tier dividend of 5.0 sen on 132,666,015 ordinary shares of RM0.50 each in respect of the financial year ended 30 September 2013 amounting to approximately RM6,633,300.80 was paid on 23 December 2013.



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 December 2013

Part A - Explanatory Notes Pursuant to MFRS 134 (Cont'd)

8. Segmental information

Segmental information for the Group by geographical and business segment is presented as follows:

Geographical Segments	3 Months period ended 31 Dec 2013 RM'000	3 Months period ended 31 Dec 2012 RM'000
Revenue		
<i>Export Market</i>		
USA/Canada	4,627	5,009
Asia	7,205	7,318
Europe	5,692	3,980
Middle East	6,078	2,996
South America	4,451	5,161
Australia/New Zealand	3,121	3,878
Africa	400	702
	31,574	29,044
<i>Local Market</i>		
	3,723	2,689
	35,297	31,733
Results		
<i>Export Market</i>		
	8,384	6,412
<i>Local Market</i>		
	988	594
Profit from operations	9,372	7,006

Disclosure of segmental information of the Group by business segment is not presented as the Group is primarily engaged in only one business segment which is the manufacture of rubber hose

9. Valuation of property, plant and equipment

There were no valuation of the property, plant and equipment in the current quarter under review. The valuation of property, plant and equipment have been brought forward without amendments from the previous audited financial statements

10. Material events subsequent to the end of the quarter

Save as disclosed below and in Note 10 of Part B, in the opinion of the Directors, there were no material events between the end of the current quarter under review and the date of this report, which is likely to substantially affect the current quarterly results under review.

11. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter.

12. Contingent liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at 21 February 2014 (the latest practicable date which is not earlier than 7 days from the date of issue of this financial results)

13. Capital commitments

As at 21 February 2014, there were no material commitment for capital expenditure contracted for or known to be contracted by the Group which might have a material impact on the financial position or business of the Group

14. Cash and cash equivalents

	As at 31 Dec 2013 RM'000	As at 31 Dec 2012 RM'000
Deposits with licensed banks	30,311	23,212
Cash & bank balances	16,492	20,285
	46,803	43,497



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The First Quarter Ended 31 December 2013

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

1. Performance review

1.1 Analysis of Current Quarter Performance

	Current quarter ended 31 Dec 2013 RM'000	Preceding year corresponding quarter 31 Dec 2012 RM'000	Variation RM'000	%
Revenue				
- Export	31,574	29,044	2,530	8.71
- Local	3,723	2,689	1,034	38.45
	35,297	31,733	3,564	11.23
Profit before taxation	9,372	7,006	2,366	33.77

For the current quarter ended 31 December 2013, the Group recorded revenue of RM35,297 million, representing an increase of RM3,564 million or approximately 11.23% on a quarter to quarter basis. The export markets and local market contributed approximately 89.5% and 10.5% respectively to the Group's revenue. The export market recorded an increase of 8.71% and local market recorded a growth of 38.45%. The increase in turnover is mainly attributable to continued recovery in demand for our industrial rubber hose.

The Group reported a profit before taxation ("PBT") of RM9,372 million for the current quarter ended 31 December 2013 compared to PBT of RM7,006 million recorded in the corresponding quarter ended 31 December 2012, representing an increase of RM2,366 million or 33.77%. The increase in PBT is not in line with the decrease in turnover and is mainly attributable to lower raw material cost, favourable foreign exchange gain and lower overheads as a result of higher utilisation of production capacity.

1.2 Analysis of year-to-date performance

Not applicable as this is the first quarter results.

2. Comparisons with previous quarter's results

	Current quarter ended 31 Dec 2013 RM'000	Preceding quarter ended 30 Sept 2013 RM'000	Variation RM'000	%
Revenue	35,297	33,708	1,589	4.71
Profit before taxation	9,372	10,302	(930)	(9.03)

The Group reported a lower PBT of RM9,372 million for the current quarter ended 31 December 2013 compared to PBT of RM10,302 million recorded in the preceding quarter ended 30 September 2013. The decrease in PBT is not in line with the increase in turnover and are mainly attributable to the more aggressive pricing strategy to secure new customers and new market segment. This is also in line with the strategy of the Group to further expand its production capacity in the newly acquired leasehold factory land.

3. Prospects

Demand for industrial rubber hoses will continue to see gradual recovery from both the emerging and developed economies, with higher growth rates projected from the emerging markets. Moving forward, the Group will ensure it stays ahead of market trends, responding swiftly to changes for betterment through automation and research. In the near term, the Group expects the raw material prices to trend at current levels with possibly further downward inclination. The recent easing of these raw material prices has enabled a more favourable operating environment for sustainable growth in demand and earnings. The outlook for the global economy in 2014 remains challenging and uncertain. Nevertheless, the Group's strategies remain focused on leveraging on its extensive customer network, competitive products, quality services and a wider range of products to enhance its competitive edge.

Barring unforeseen circumstances, the Board believe that the Group's prospects for the financial year ending 30 September 2014 remains favourable.



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 December 2013

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)

4. Board of directors statement on internal targets

The Group did not announce or disclose any profit estimates, forecast, projections or internal management targets in a public documents

5. Profit forecast or profit guarantee

The Group did not announce or disclose any profit forecast or profit guarantee in a public document

6. Taxation

	3 months ended 31 Dec 2013 RM'000	3 months ended 31 Dec 2012 RM'000
Income tax	2,172	1,808
Deferred tax		
- Current period	(13)	(12)
	(13)	(12)
	2,159	1,796

The deferred tax liabilities arose from accelerated capital allowances over depreciation of qualifying plant and equipment

7. Group's borrowings and debt securities

As at 21 February 2014, the Group does not have any outstanding borrowings.

8. Profit for the period

	Current quarter/ Cumulative to date 31 Dec 2013 RM'000
Profit for the period is arrived at after (charging)/crediting :-	
(i) Depreciation	886
(ii) Foreign exchange gain	609

Save as disclosed above and in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, the other items under Appendix 9B, Part A (16) of the Bursa Listing Requirements are not applicable

9. Disclosure of realised and unrealised profits

The breakdown of the retained profits of Wellcall Holdings Bhd and its subsidiary company ("Group") as at 31 December 2013, into realised and unrealised profits, pursuant to a directive issued by Bursa Securities on 25 March 2010 and 20 December 2010 is as follows :

	As at 31 Dec 2013 RM'000	As at 30 Sept 2013 RM'000
Total retained profits/(accumulated losses) of the Group		
- realised	43,303	43,344
- unrealised		
in respect of deferred tax recognised in income statement	(2,808)	(2,821)
in respect of foreign exchange translation	609	1
	(2,199)	(2,820)
	41,104	40,524
Less: Consolidation Adjustments	(26,051)	(26,051)
Total Group retained profits as per consolidated accounts	15,053	14,473



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The First Quarter Ended 31 December 2013

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)

10. Dividends

The Board of Directors have recommended a first interim single tier dividend of 5.0 sen per share amounting to approximately RM6,633,300.80 in respect of the financial year ending 30 September 2014. The entitlement date and payment date for the said dividend shall be 13 March 2014 and 26 March 2014 respectively. During the previous corresponding period, the Company declared a first interim single tier dividend of 4.0 sen per share for the financial year ended 30 September 2013 amounted to RM5,303,040.60. The total dividend paid and payable for the current financial year is 5.0 sen per share.

The total dividend payable by the Company in respect of the financial year ending 30 September 2014 is 5.0 sen per share represented by a total amount of approximately RM6,633,300.80.

Records of Dividends

Financial Year	Dividend per share (sen)	Total Dividend (RM'000)	Status
2014	5.00 (1st interim)	6,633,301	Payable
	5.00	6,633,301	
2013	18.00	23,872,684	Paid
2012	16.00	21,203,464	Paid
2011	12.00	15,867,047	Paid
2010	11.00	14,500,860	Paid
2009	11.00	14,372,251	Paid
2008 *	8.67	11,162,210	Paid
2007 *	6.34	8,055,482	Paid
2006 *	2.43	3,000,300	Paid
Total		118,667,599	

* adjusted to reflect the bonus issue of 42,646,005 new ordinary shares of RM0.50 each in the Company ("Shares") ("Bonus Share") on the basis of 1 Bonus Share for every 2 existing Shares held in the Company, which was completed on 22 February 2008.

11. Material litigation

Neither the Company nor its subsidiary company is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary company and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary company.

12. Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing net profit attributable to ordinary equity holders by the weighted average number of ordinary shares in issue during the period.

Weighted average number of ordinary shares for calculation of basic earnings per share:

	3 months ended 31 Dec 2013 RM'000
Profit attributable to shareholders	7,213
Issued ordinary shares at the beginning of period ('000)	132,666
Effect of shares issued during the period ('000)	-
Weighted average number of shares in issue ('000)	132,666
Basic earnings per share (sen)	5.44



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 December 2013

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)

(b) Diluted earnings per share

Diluted earnings per share is calculated by dividing net profit attributable to ordinary equity holders by the adjusted weighted average number of ordinary shares issued and issuable during the period.

Adjusted weighted average number of ordinary shares issued and issuable used for the calculation of diluted earnings per share:

	3 months ended 31 Dec 2013 RM'000
Profit after taxation	7,213
Issued ordinary shares at the beginning of period ('000)	132,666
Effect of shares issued during the period ('000)	-
Effect of share options ('000)	153
Weighted average number of shares in issue ('000)	132,819
Diluted earnings per share (sen)	5.43

13. Status of corporate proposals

Proposed Share Split

The Proposed Share Split involves the subdivision of every one (1) existing ordinary share of RM0.50 each in Wellcall into two and half (2.5) ordinary shares of RM0.20 each held by the shareholders of Wellcall whose names appear in the Record of Depositors of the Company on an entitlement date to be determined and announced later ("Proposed Share Split")

As at 25 November 2013, the issued and paid-up share capital of Wellcall is RM 66,333,007.50 divided into 132,666,015 ordinary shares of RM0.50 each. The Subdivided Shares shall, upon allotment and issue, rank pari passu in all respects with each other. The Subdivided Shares will be credited directly into the respective central depository system accounts of the entitled shareholders and there will not be any suspension on the trading of shares in Wellcall for the purpose of implementing the Proposed Share Split.

The Proposed Share Split has been approved by Bursa Malaysia Securities Sdn Bhd and shareholders of Wellcall on 18 December 2013 and 26 February 2014 respectively. The entitlement date and listing date for the Proposed Share Split shall be 25 March 2014 and 26 March 2014 respectively.

14. Authorisation for issue

The unaudited interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 26 February 2014.

By order of the Board

Wong Shan May (F) (LS 0008582)
Company Secretary
26 February 2014