



**WELLCALL HOLDINGS BERHAD (707346 - W)**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**For The First Quarter Ended 31 December 2014**  
 (The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current quarter ended 31 Dec 2014 RM'000	Preceding year corresponding quarter ended 31 Dec 2013 RM'000	3 months Cumulative 31 Dec 2014 RM'000	3 months Cumulative 31 Dec 2013 RM'000
Revenue		44,130	35,297	44,130	35,297
Cost of sales		(28,858)	(24,176)	(28,858)	(24,176)
Gross profit		15,272	11,121	15,272	11,121
Other operating income		1,103	609	1,103	609
Selling and distribution expenses		(1,263)	(927)	(1,263)	(927)
Administrative expenses		(1,909)	(1,558)	(1,909)	(1,558)
Finance costs		(72)	(63)	(72)	(63)
Interest income		213	190	213	190
<b>Profit before taxation</b>		<b>13,344</b>	<b>9,372</b>	<b>13,344</b>	<b>9,372</b>
Taxation	B6	(3,141)	(2,159)	(3,141)	(2,159)
<b>Profit for the period</b>	B8	<b>10,203</b>	<b>7,213</b>	<b>10,203</b>	<b>7,213</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>10,203</b>	<b>7,213</b>	<b>10,203</b>	<b>7,213</b>
<b>Attributable to :</b>					
Equity holders of the Company		10,203	7,213	10,203	7,213
<b>Earnings per share (sen):</b>					
Basic	B12 (a)	3.07	2.18	3.07	2.18
Diluted	B12 (b)	3.07	2.17	3.07	2.17
<b>Single Tier dividend per share (sen)</b>		<b>2.30</b>	<b>2.00</b>	<b>2.30</b>	<b>2.00</b>

**Note:**

This is prepared based on the unaudited consolidated results of the Group for the current quarter ended 31 December 2014 and is to be read in conjunction with the audited financial statements for the financial year ended 30 September 2014 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 2014**

(The figures have not been audited)

	As at 31 December 2014 RM'000	(Audited) As at 30 September 2014 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	32,455	32,709
Other investment	10	10
	<u>32,465</u>	<u>32,719</u>
<b>Current Assets</b>		
Inventories	16,997	18,644
Trade receivables	6,748	6,292
Other receivables, deposits and prepayment	13,711	8,528
Deposits with licensed banks	23,842	26,970
Cash and bank balances	15,261	13,671
	<u>76,559</u>	<u>74,105</u>
<b>TOTAL ASSETS</b>	<u>109,024</u>	<u>106,824</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to the equity holders of the parent</b>		
Share capital	66,393	66,393
Share premium	2,444	2,444
Capital reserve	126	126
Retained profits	19,962	17,393
<b>Total Equity</b>	<u>88,925</u>	<u>86,356</u>
<b>Non-current liabilities</b>		
Deferred taxation	2,730	2,774
<b>Current liabilities</b>		
Trade payables	4,463	6,295
Other payables and accruals	7,482	8,270
Provision for taxation	5,424	3,129
	<u>17,369</u>	<u>17,694</u>
<b>Total liabilities</b>	<u>20,099</u>	<u>20,468</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>109,024</u>	<u>106,824</u>
<b>Net Assets per share (RM)</b>	<u>0.268</u>	<u>0.260</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 2014 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 2014

(The figures have not been audited)

	<---Non-distributable--->			Fair Value Reserve RM'000	<-Distributable->	
	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000		Retained Profits RM'000	Total RM'000
As at 1 October 2014	66,393	2,444	126	-	17,394	86,357
ESOS						
Share options granted	-	-	-	-	-	-
Share options exercised/cancelled	-	-	-	-	-	-
Profit for the period	-	-	-	-	10,203	10,203
Dividend	-	-	-	-	(7,635)	(7,635)
As at 31 December 2014	<u>66,393</u>	<u>2,444</u>	<u>126</u>	<u>-</u>	<u>19,962</u>	<u>88,925</u>

**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 2014 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 2014**

(The figures have not been audited)

	Note	3 months ended 31 December 2014 RM'000	3 months ended 31 December 2013 RM'000
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		13,344	9,372
Adjustments for:			
Depreciation of property, plant and equipment		1,054	886
Staff costs under ESOS		-	-
Unrealised gain on foreign exchange		(1,197)	(609)
(Gain)/loss on disposal of property, plant and equipment		-	-
Interest expense		72	63
Interest income		(213)	(189)
Operating profit before working capital changes		<u>13,060</u>	<u>9,523</u>
Inventories		1,647	2,398
Receivables		(5,638)	1,761
Payables		(2,619)	325
Cash generated from operations		<u>6,450</u>	<u>14,007</u>
Tax paid		(890)	(981)
Interest paid		(72)	(64)
Interest received		213	190
Net cash generated from operating activities		<u>5,701</u>	<u>13,152</u>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of fixed assets		-	-
Purchase of property, plant and equipment		(801)	(5,757)
Net cash used in investing activities		<u>(801)</u>	<u>(5,757)</u>
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>			
Dividend paid		(7,635)	(6,633)
Proceeds from issuance of shares pursuant to employees' share options scheme		-	-
Net cash used in financing activities		<u>(7,635)</u>	<u>(6,633)</u>
<b>NET INCREASE/(DECREASED) IN CASH AND CASH EQUIVALENTS</b>		(2,735)	762
<b>EFFECT OF EXCHANGE RATE CHANGES</b>		1,197	-
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>		<u>40,641</u>	<u>46,041</u>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	A14	<u>39,103</u>	<u>46,803</u>

**Note:**

This is prepared based on the unaudited consolidated results of the Group for the current quarter ended 31 December 2014 and is to be read in conjunction with the audited financial statements for the financial year ended 30 September 2014 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 2014**

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**Part A - Explanatory Notes Pursuant to MFRS 134**

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**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 2014. 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 2014.

**Changes in accounting policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 September 2014 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 2014 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 2.3 sen on 331,965,037 ordinary shares of RM0.20 each in respect of the financial year ended 30 September 2014 amounting to approximately RM7,635,195.85 was paid on 23 December 2014.



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The First Quarter Ended 31 December 2014

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	3 Months
	period ended	period ended
Revenue	31 Dec 2014	31 Dec 2013
	RM'000	RM'000
<b>Export Market</b>		
USA/Canada	9,988	4,627
Asia	8,047	7,205
Middle East	6,286	6,078
Europe	6,097	5,692
Australia/New Zealand	5,101	3,121
South America	4,282	4,451
Africa	1,552	400
	<u>41,353</u>	<u>31,574</u>
<b>Local Market</b>	<u>2,777</u>	<u>3,723</u>
	<u>44,130</u>	<u>35,297</u>
<b>Results</b>		
Export Market	12,505	8,384
Local Market	840	988
Profit from operations	<u>13,345</u>	<u>9,372</u>

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 industrial 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 23 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 23 February 2014, the Group had commitments for approved and contracted for capital expenditures amounting approximately to RM30.84 million.

14. Cash and cash equivalents

	As at	As at
	31 Dec 2014	31 Dec 2013
	RM'000	RM'000
Deposits with licensed banks	23,842	30,311
Cash & bank balances	15,261	16,492
	<u>39,103</u>	<u>46,803</u>
Deposits with licensed banks	<b>RM'000</b>	<b>RM'000</b>
(i) Islamic	22,600	18,600
(ii) Non-Islamic	1,242	11,711
	<u>23,842</u>	<u>30,311</u>
Total cash (excluding islamic instrument) ("A") (RM'000)	16,503	28,203
Total assets ("B") (RM'000)	109,024	100,195
A / B (%)	15.14	28.15



WELLCALL HOLDINGS BERHAD (707346-W)

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**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 2014 RM'000	Preceding year corresponding quarter 31 Dec 2013 RM'000	Variation RM'000	%
Revenue				
- Export	41,353	31,574	9,779	30.97
- Local	2,777	3,723	(946)	(25.41)
	<u>44,130</u>	<u>35,297</u>	8,833	25.02
Profit before taxation	<u>13,344</u>	<u>9,372</u>	3,972	42.38

For the current quarter ended 31 December 2014, the Group recorded revenue of RM44.130 million, representing an increase of RM3.972 million or approximately 42.38% on a quarter to quarter basis. The export markets and local market contributed approximately 93.7% and 6.3% respectively to the Group's revenue. The export market recorded an increase of 36.83% and local market recorded a decline of 25.41%. The increase in turnover is mainly attributable to continued recovery in demand for our industrial rubber hose with the exception of local sales. The local customers is holding back orders in anticipation the introduction of Government Service Tax ("GST") of 6%, which will result in lower tax paid compared to the current Sales Tax of 10%.

The Group reported a profit before taxation ("PBT") of RM13.344 million for the current quarter ended 31 December 2014 compared to PBT of RM9.372 million recorded in the corresponding quarter ended 31 December 2013, representing an increase of RM3.972 million or 42.38%. The increase in PBT is not in line with the increase in turnover and are mainly attributable and is mainly attributable 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 2014 RM'000	Preceding quarter ended 30 Sept 2014 RM'000	Variation RM'000	%
Revenue	44,130	37,431	6,699	17.90
Profit before taxation	13,344	10,545	2,799	26.54

The Group reported a higher PBT of RM13.344 million for the current quarter ended 31 December 2014 compared to PBT of RM10.545 million recorded in the preceding quarter ended 30 September 2014. The increase in PBT is not in line with the increase 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.

**3. Prospects**

Demand for industrial rubber hoses will continue to see gradual recovery from both the emerging and developed economies. 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 raw material prices has enabled a more favourable operating environment for sustainable growth in demand and earnings. During the financial year, the Group has undertaken various marketing initiatives to expand its customer base with the view to absorb the additional capacity that will come onstream from Factory 3, which is expected to be completed in April/May 2015 (production expected to commence in July/August 2015). The outlook of the global economy for 2015 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 2015 remains favourable.



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The First Quarter Ended 31 December 2014

**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 2014 RM'000	3 months ended 31 Dec 2013 RM'000
Income tax	3,185	2,172
Deferred tax		
- Current period	(44)	(13)
	3,141	2,159

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 23 February 2015, the Group does not have any outstanding borrowings.

**8. Profit for the period**

	Current quarter/ Cumulative to date 31 Dec 2014 RM'000
Profit for the period is arrived at after (charging)/crediting :-	
(i) Depreciation	1,054
(ii) Foreign exchange gain	1,197

Save as disclosed above and in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive, 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 2014, 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 2014 RM'000	As at 30 Sept 2014 RM'000
Total retained profits/(accumulated losses) of the Group		
- realised	47,546	45,991
- unrealised		
in respect of deferred tax recognised in income statement	(2,730)	(2,774)
in respect of foreign exchange translation	1,197	228
	(1,533)	(2,546)
	46,013	43,445
Less: Consolidation Adjustments	(26,051)	(26,051)
Total Group retained profits as per consolidated accounts	19,962	17,394





WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The First Quarter Ended 31 December 2014

**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 2.3 sen per share amounting to approximately RM7,635,195.85 in respect of the financial year ending 30 September 2015. The entitlement date and payment date for the said dividend shall be 16 March 2015 and 26 March 2015 respectively. During the previous corresponding period, the Company declared a first interim single tier dividend of 2.0 sen per share for the financial year ended 30 September 2014 amounted to RM6,633,300.80.

The total dividend payable by the Company in respect of the financial year ending 30 September 2015 is 2.3 sen per share represented by a total amount of approximately RM7,635,195.85.

Records of Dividends

Financial Year	Dividend per share (sen)	Total Dividend (RM'000)	Status
<b>2015</b>	<b>2.30</b>	<b>7,635,196</b>	<b>Payable</b>
	2.30	7,635,196	
2014 *	8.30	27,541,099	Paid
2013 *	7.20	23,872,684	Paid
2012 *	6.40	21,203,464	Paid
2011 *	4.80	15,867,047	Paid
2010 *	4.40	14,500,860	Paid
2009 *	4.40	14,372,251	Paid
2008 ^ *	3.47	11,162,210	Paid
2007 ^ *	2.54	8,055,482	Paid
2006 ^ *	0.97	3,000,300	Paid
<b>Total</b>		<b>147,210,593</b>	

\* adjusted to reflect the share split 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 in Wellcall ("Shares") ("Share Split"), which was completed on 26 March 2014

^ 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:

	Cumulative to date 31 Dec 2014 RM'000
Profit attributable to shareholders	10,203
Issued ordinary shares at the beginning of period ('000)	331,965
Effect of shares issued during the period ('000)	-
Weighted average number of shares in issue ('000)	331,965
Basic earnings per share (sen)	3.07



WELLCALL HOLDINGS BERHAD (707346-W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
For The First Quarter Ended 31 December 2014

**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:

	<b>Cumulative to date 31 Dec 2014 RM'000</b>
Profit after taxation	10,203
Issued ordinary shares at the beginning of period ('000)	331,965
Effect of shares issued during the period ('000)	-
Effect of share options ('000)	228
Weighted average number of shares in issue ('000)	332,193
Diluted earnings per share (sen)	3.07

**13. Status of corporate proposals**

There were no corporate proposals announced as at 23 February 2015.

**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 2015.

By order of the Board

Woon Oi Ling (F) (MAICSA 7032288)  
Company Secretary  
26 February 2015