



WELLCALL HOLDINGS BERHAD (707346 - W)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For The Third Quarter Ended 30 June 2015
(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current quarter ended 30 Jun 2015 RM'000	Preceding year corresponding quarter ended 30 Jun 2014 RM'000	9 months Cumulative 30 Jun 2015 RM'000	9 months Cumulative 30 Jun 2014 RM'000
Revenue		37,938	39,663	119,845	108,932
Cost of sales		(25,610)	(27,343)	(78,113)	(74,334)
Gross profit		12,328	12,320	41,732	34,598
Other operating income		921	393	3,498	1,394
Selling and distribution expenses		(939)	(1,414)	(3,293)	(3,152)
Administrative expenses		(1,222)	(1,843)	(5,164)	(5,232)
Finance costs		(130)	(78)	(292)	(202)
Interest income		189	231	593	651
Profit before taxation		11,147	9,609	37,074	28,057
Taxation	B6	(2,668)	(2,250)	(8,697)	(6,458)
Profit for the period	B8	8,479	7,359	28,377	21,599
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		8,479	7,359	28,377	21,599
Attributable to :					
Equity holders of the Company		8,479	7,359	28,377	21,599
Earnings per share (sen):					
Basic	B12 (a)	2.55	2.22	8.55	6.51
Diluted	B12 (b)	2.55	2.22	8.53	6.50
Single Tier dividend per share (sen)		2.30	2.00	6.90	6.00

Note:

This is prepared based on the unaudited consolidated results of the Group for the current quarter ended 30 June 2015 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 30 June 2015

(The figures have not been audited)

	Note	As at 30 Jun 2015 RM'000	(Audited) As at 30 Sep 2014 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		60,314	32,709
Other investment		10	10
		<u>60,324</u>	<u>32,719</u>
Current Assets			
Inventories		17,914	18,644
Trade receivables		5,195	6,292
Other receivables, deposits and prepayment		679	8,528
Deposits with licensed banks		22,453	26,970
Cash and bank balances		16,409	13,671
		<u>62,650</u>	<u>74,105</u>
TOTAL ASSETS		<u>122,974</u>	<u>106,824</u>
EQUITY AND LIABILITIES			
Equity attributable to the equity holders of the parent			
Share capital		66,393	66,393
Share premium		2,443	2,443
Capital reserve		126	126
Retained profits		22,865	17,394
Total Equity		<u>91,827</u>	<u>86,356</u>
Non-current liabilities			
Borrowings	B7	13,460	-
Deferred taxation		2,640	2,774
		<u>16,100</u>	<u>2,774</u>
Current liabilities			
Trade payables		4,793	6,295
Other payables and accruals		4,979	8,270
Provision for taxation		5,275	3,129
		<u>15,047</u>	<u>17,694</u>
Total liabilities		<u>31,147</u>	<u>20,468</u>
TOTAL EQUITY AND LIABILITIES		<u>122,974</u>	<u>106,824</u>
Net Assets per share (RM)		<u>0.277</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 Third Quarter Ended 30 June 2015

(The figures have not been audited)

	<---Non-distributable--->			<-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	2,443	126	17,394	86,356
ESOS					
Share options granted	-	-	-	-	-
Share options exercised/cancelled	-	-	-	-	-
Profit for the period	-	-	-	28,377	28,377
Dividend	-	-	-	(22,906)	(22,906)
As at 30 June 2015	<u>66,393</u>	<u>2,443</u>	<u>126</u>	<u>22,865</u>	<u>91,827</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 Third Quarter Ended 30 June 2015

(The figures have not been audited)

	Note	9 months ended 30 Jun 2015 RM'000	9 months ended 30 Jun 2014 RM'000
CASHFLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		37,074	28,057
Adjustments for:			
Depreciation of property, plant and equipment		2,930	2,768
Staff costs under ESOS		-	-
Unrealised gain on foreign exchange		(3,238)	(1,294)
(Gain)/Loss on disposal of property, plant and equipment		37	(97)
Interest expense		234	202
Interest income		(593)	(651)
Operating profit before working capital changes		<u>36,444</u>	<u>28,985</u>
Movement in inventories		730	(434)
Movement in receivables		8,947	4,865
Movement in payables		(4,793)	1,263
Cash generated from operations		<u>41,328</u>	<u>34,679</u>
Tax paid		(6,685)	(6,015)
Interest paid		(234)	(202)
Interest received		593	651
Net cash generated from operating activities		<u>35,002</u>	<u>29,113</u>
CASHFLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of fixed assets		420	97
Purchase of property, plant and equipment		(30,993)	(8,388)
Net cash used in investing activities		<u>(30,573)</u>	<u>(8,291)</u>
CASHFLOW FROM FINANCING ACTIVITIES			
Dividend paid		(22,906)	(19,906)
Proceeds from drawdown of loan		13,460	-
share options scheme		-	219
Net cash used in financing activities		<u>(9,446)</u>	<u>(19,687)</u>
NET INCREASE/(DECREASED) IN CASH AND CASH EQUIVALENTS		(5,017)	1,135
EFFECT OF EXCHANGE RATE CHANGES		3,238	-
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		<u>40,641</u>	<u>46,041</u>
CASH AND CASH EQUIVALENTS CARRIED FORWARD	A14	<u>38,862</u>	<u>47,176</u>

Note:

This is prepared based on the unaudited consolidated results of the Group for the current quarter ended 30 June 2015 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 Third Quarter Ended 30 June 2015

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 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

Please refer to Part B Note 7 below.

7. Dividend paid

A second interim single tier dividend of 2.3 sen on 331,965,037 ordinary shares of RM0.20 each in respect of the financial year ending 30 September 2015 amounting to RM7,635,196.35 was paid on 23 June 2015.



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 30 June 2015

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:

	9 Months period ended 30 Jun 2015 RM'000	9 Months period ended 30 Jun 2014 RM'000
Geographical Segments		
Revenue		
<i>Export Market</i>		
USA/Canada	24,699	19,088
Asia	23,987	23,113
Middle East	17,713	16,344
Europe	15,172	16,270
Australia/New Zealand	12,801	10,928
South America	8,947	10,294
Africa	3,360	2,252
	<u>106,679</u>	<u>98,289</u>
<i>Local Market</i>	13,166	10,643
	<u>119,845</u>	<u>108,932</u>
Results		
<i>Export Market</i>	33,001	25,316
<i>Local Market</i>	4,073	2,741
Profit from operations	<u>37,074</u>	<u>28,057</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 26 August 2015 (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 26 August 2015, the Group had commitments for approved and contracted for capital expenditures amounting approximately to RM5.652 million.



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 30 June 2015

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

14. Cash and cash equivalents

	As at 30 Jun 2015 RM'000	As at 30 Jun 2014 RM'000
Deposits with licensed banks	22,453	26,250
Cash & bank balances	16,409	20,926
	<u>38,862</u>	<u>47,176</u>
Deposits with licensed banks	RM'000	RM'000
(i) Islamic	18,003	16,000
(ii) Non-Islamic	4,450	10,250
	<u>22,453</u>	<u>26,250</u>
Total cash (excluding islamic instrument) ("A") (RM'000)	20,859	31,176
Total assets ("B") (RM'000)	122,974	106,824
A / B (%)	16.96	29.18



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 30 June 2015

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

1. Performance review

1.1 Analysis of Current Quarter Performance

	Current	Preceding year	Variance	
	quarter ended	corresponding		
	30 Jun 2015	30 Jun 2014	RM'000	%
	RM'000	RM'000		
Revenue				
- Export	30,210	35,842	(5,632)	(15.71)
- Local	7,728	3,821	3,907	102.25
	<u>37,938</u>	<u>39,663</u>	(1,725)	(4.35)
Profit before taxation	<u>11,147</u>	<u>9,609</u>	1,538	16.01

For the current quarter ended 30 June 2015, the Group recorded revenue of RM37.938 million, representing a decrease of RM1.725 million or approximately 4.35% on a quarter to quarter basis. The export markets and local market contributed approximately 79.63% and 20.37% respectively to the Group's revenue. The export market recorded a decrease of 15.71% while the local market recorded an increase of 102.25%, this was due to a shift in distribution channel from direct exporting to going through local distributors for some overseas market.

The Group reported a profit before taxation ("PBT") of RM11.147 million for the current quarter ended 30 June 2015 compared to PBT of RM9.609 million recorded in the corresponding quarter ended 30 June 2014, representing an increase of RM1.538 million or 16.01%. The increase in PBT is not in line with the decrease in turnover 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

	9 months	9 months	Variance	
	period ended	period ended		
	30 Jun 2015	30 Jun 2014	RM'000	%
	RM'000	RM'000		
Revenue				
- Export	106,679	98,289	8,390	8.54
- Local	13,166	10,643	2,523	23.71
	<u>119,845</u>	<u>108,932</u>	10,913	10.02
Profit before taxation	<u>37,074</u>	<u>28,057</u>	9,017	32.14

For the current nine (9) months ended 30 June 2015, the Group recorded revenue of RM119.845 million, representing an increase of RM10.913 million or approximately 10.02% from RM108.932 million achieved in the corresponding period of the preceding financial year. The export markets contributed approximately 89.01% to the Group's revenue. The export market registered an increase of 8.54% and the local market recorded an increase of 23.71% compared to the corresponding period of the preceding financial year. The overall 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 RM37.074 million for the nine (9) months ended 30 June 2015 compared to PBT of RM28.057 million recorded in the corresponding period ended 30 June 2014, representing an increase of RM9.017 million or 32.14%. 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.



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 30 June 2015

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

2. Comparisons with previous quarter's results

	Current quarter ended 30 Jun 2015 RM'000	Preceding quarter ended 31 Mar 2015 RM'000	Variance RM'000	%
Revenue	37,938	37,777	161	0.43
Profit before taxation	11,147	12,582	(1,435)	(11.41)

The Group reported a lower profit before tax ("PBT") of RM11.147 million for the current quarter ended 30 June 2015 compared to PBT of RM12.582 million recorded in the preceding quarter ended 31 March 2015. The decrease in PBT is not in line with the slight increase in revenue and is mainly attributable to higher manufacturing overheads such as packing material cost and freight & transport charges.

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 through automation and research. In the near term, the Group expects the raw material prices to trend at current levels or possibly further weakening of prices. The recent easing of raw material prices has enabled a more favourable operating environment for sustainable growth in demand and earnings. During the financial period, 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 has been completed in July 2015 and now in final testing phase. 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 wide 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.

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 30 Jun 2015 RM'000	3 months ended 30 Jun 2014 RM'000
Income tax	2,757	2,336
Deferred tax		
- Current period	(89)	(86)
	<u>2,668</u>	<u>2,250</u>

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



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 30 June 2015

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

7. Group's borrowings and debt securities

The details of the Group's borrowings are as follows:

Description	30 Jun 2015 RM'000	30 Sep 2014 RM'000
Islamic - Term loan (secured)	13,460	-

8. Profit for the period

	3 Months ended 30 Jun 2015 RM'000	9 Months ended 30 Jun 2015 RM'000
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Profit for the period is arrived at after charging/(crediting) :-

(i) Depreciation	952	2,930
(ii) Foreign exchange gain	(824)	(3,238)
(iii) Term loan interest	58	58
(iv) (Gain)/Loss on disposal of property, plant & equipment	-	37

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 30 June 2015, 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 30 Jun 2015 RM'000	As at 30 Sept 2014 RM'000
Total retained profits/(accumulated losses) of the Group		
- realised	48,318	45,990
- unrealised		
in respect of deferred tax recognised in income statement	(2,640)	(2,774)
in respect of foreign exchange translation	3,238	228
	598	(2,546)
	48,916	43,444
Less: Consolidation Adjustments	(26,051)	(26,051)
Total Group retained profits as per consolidated accounts	22,865	17,393



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Third Quarter Ended 30 June 2015

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

10. Dividends

The Board of Directors have recommended a third interim single tier dividend of 2.3 sen per share amounting to approximately RM7,635,196.51 in respect of the financial year ending 30 September 2015. The entitlement date and payment date for the said dividends shall be 15 September 2015 and 28 September 2015 respectively. During the previous corresponding period, the Company declared a third interim single tier dividend of 2.0 sen per share for the financial year ended 30 September 2014 amounting to approximately RM6,633,300.74.

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 RM7,635,196.51

Record of Dividends

Financial Year	Dividend Per Share (Sen)		Total Dividend	Status
			RM	
2015	2.30	3rd interim	7,635,196	Payable
2015	4.60		15,270,392	Paid
	6.90		22,905,588	
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
Total			162,480,985	

* 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.



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Third Quarter Ended 30 June 2015

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

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 30 Jun 2015 RM'000	9 Months ended 30 Jun 2015 RM'000
Profit attributable to shareholders	8,479	28,377
Issued ordinary shares at the beginning of period ('000)	331,965	331,965
Effect of shares issued during the period ('000)	-	-
Weighted average number of shares in issue ('000)	331,965	331,965
Basic earnings per share (sen)	2.55	8.55

(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 30 Jun 2015 RM'000	9 Months ended 30 Jun 2015 RM'000
Profit attributable to shareholders	8,479	28,377
Issued ordinary shares at the beginning of period ('000)	331,965	331,965
Effect of shares issued during the period ('000)	-	-
Effect of share options ('000)	560	560
Weighted average number of shares in issue ('000)	332,525	332,525
Diluted earnings per share (sen)	2.55	8.53

13. Status of corporate proposals

There were no corporate proposals announced as at 26 August 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 28 August 2015.

By order of the Board

Woon Oi Ling (F) (MAICSA 7032288)

Company Secretary

28 August 2015