



WELLCALL HOLDINGS BERHAD (707346 - W)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For The First Quarter Ended 31 December 2015

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current quarter ended 31 Dec 2015 RM'000	Preceding year corresponding quarter ended 31 Dec 2014 RM'000	3 months Cumulative 31 Dec 2015 RM'000	3 months Cumulative 31 Dec 2014 RM'000
Revenue		33,805	44,130	33,805	44,130
Cost of sales		(20,668)	(28,858)	(20,668)	(28,858)
Gross profit		13,137	15,272	13,137	15,272
Other operating income		784	1,103	784	1,103
Selling and distribution expenses		(806)	(1,263)	(806)	(1,263)
Administrative expenses		(1,738)	(1,909)	(1,738)	(1,909)
Finance costs		(224)	(72)	(224)	(72)
Interest income		177	213	177	213
Profit before taxation		11,330	13,344	11,330	13,344
Taxation	B6	(2,735)	(3,141)	(2,735)	(3,141)
Profit for the period	B8	8,595	10,203	8,595	10,203
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		8,595	10,203	8,595	10,203
Attributable to :					
Equity holders of the Company		8,595	10,203	8,595	10,203
Earnings per share (sen):					
Basic	B12 (a)	2.59	3.07	2.59	3.07
Diluted	B12 (b)	2.58	3.07	2.58	3.07
Single Tier dividend per share (sen)		2.30	2.30	2.30	2.30

Note:

This is prepared based on the unaudited consolidated results of the Group for the current quarter ended 31 December 2015 and is to be read in conjunction with the audited financial statements for the financial year ended 30 September 2015 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 2015

(The figures have not been audited)

	Note	As at 31 Dec 2015 RM'000	(Audited) As at 30 Sep 2015 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		61,815	63,296
Other investment		10	10
		<u>61,825</u>	<u>63,306</u>
Current Assets			
Inventories		15,986	20,016
Trade receivables		5,926	7,464
Other receivables, deposits and prepayment		11,498	12,050
Deposits with licensed banks		19,103	23,003
Cash and bank balances		22,839	13,480
		<u>75,352</u>	<u>76,013</u>
TOTAL ASSETS		<u>137,177</u>	<u>139,319</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		29,138	28,178
Total Equity		<u>98,100</u>	<u>97,140</u>
Non-current liabilities			
Borrowings - non-current	B7	13,354	9,650
Deferred taxation		4,309	4,278
		<u>17,663</u>	<u>13,928</u>
Current liabilities			
Trade payables		3,258	5,387
Other payables and accruals		10,194	14,902
Borrowings - current	B7	7,962	7,962
Provision for taxation		-	-
		<u>21,414</u>	<u>28,251</u>
Total liabilities		<u>39,077</u>	<u>42,179</u>
TOTAL EQUITY AND LIABILITIES		<u>137,177</u>	<u>139,319</u>
Net Assets per share (RM)		<u>0.296</u>	<u>0.293</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 2015 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 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 2015	66,393	2,443	126	28,178	97,140
ESOS					
Share options granted	-	-	-	-	-
Share options exercised/cancelled	-	-	-	-	-
Profit for the period	-	-	-	8,595	8,595
Dividend	-	-	-	(7,635)	(7,635)
As at 31 December 2015	<u>66,393</u>	<u>2,443</u>	<u>126</u>	<u>29,138</u>	<u>98,100</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 2015 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 2015

(The figures have not been audited)

	Note	3 months ended 31 Dec 2015 RM'000	3 months ended 31 Dec 2014 RM'000
CASHFLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		11,330	13,344
Adjustments for:			
Depreciation of property, plant and equipment		1,557	1,054
Unrealised (gain)/loss on foreign exchange		(773)	(1,197)
(Gain)/Loss on disposal of property, plant and equipment		-	-
Interest expense		244	72
Interest income		(177)	(213)
Operating profit before working capital changes		<u>12,181</u>	<u>13,060</u>
Movement in inventories		4,030	1,647
Movement in receivables		1,101	(5,638)
Movement in payables		(6,837)	(2,619)
Cash generated from operations		<u>10,475</u>	<u>6,450</u>
Tax paid		(1,717)	(890)
Interest paid		(244)	(72)
Interest received		177	213
Net cash generated from operating activities		<u>8,691</u>	<u>5,701</u>
CASHFLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of fixed assets		-	-
Purchase of property, plant and equipment		(76)	(801)
Net cash used in investing activities		<u>(76)</u>	<u>(801)</u>
CASHFLOW FROM FINANCING ACTIVITIES			
Dividend paid		(7,635)	(7,635)
Proceeds from drawdown of loan		4,206	-
Repayment of loan		(500)	-
share options scheme		-	-
Net cash used in financing activities		<u>(3,929)</u>	<u>(7,635)</u>
NET INCREASE/(DECREASED) IN CASH AND CASH EQUIVALENTS		4,686	(2,735)
EFFECT OF EXCHANGE RATE CHANGES		773	1,197
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		<u>36,483</u>	<u>40,641</u>
CASH AND CASH EQUIVALENTS CARRIED FORWARD	A14	<u>41,942</u>	<u>39,103</u>

Note:

This is prepared based on the unaudited consolidated results of the Group for the current quarter ended 31 December 2015 and is to be read in conjunction with the audited financial statements for the financial year ended 30 September 2015 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 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 2015. 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 2015.

Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 September 2015 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 2015 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 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 ending 30 September 2015 amounting to RM7,635,196.33 was paid on 22 September 2015.



WELLCALL HOLDINGS BERHAD (707346-W)

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

Geographical Segments	3 Months	3 Months
	period ended	period ended
Revenue	31 Dec 2015	31 Dec 2014
	RM'000	RM'000
Export Market		
USA/Canada	5,404	9,988
Asia	6,202	8,047
Middle East	4,784	6,286
Europe	4,669	6,097
Australia/New Zealand	4,174	5,101
South America	4,011	4,282
Africa	1,097	1,552
	30,341	41,353
Local Market	3,464	2,777
	33,805	44,130
Results		
Export Market	10,169	12,504
Local Market	1,161	840
Profit from operations	11,330	13,344

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 19 February 2016 (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 19 February 2016, the Group had commitments for approved and contracted for capital expenditures amounting approximately to RM51,000.



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 December 2015

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

14. Cash and cash equivalents

	As at 31 Dec 2015 RM'000	As at 31 Dec 2014 RM'000
Deposits with licensed banks	19,103	23,842
Cash & bank balances	22,839	15,261
	<u>41,942</u>	<u>39,103</u>
Deposits with licensed banks	RM'000	RM'000
(i) Islamic	17,503	22,600
(ii) Non-Islamic	1,600	1,242
	<u>19,103</u>	<u>23,842</u>
Total cash (excluding islamic instrument) ("A") (RM'000)	24,439	16,503
Total assets ("B") (RM'000)	137,177	109,024
A / B (%)	17.82	15.14

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

1. Performance review

1.1 Analysis of Current Quarter Performance

	Current quarter ended 31 Dec 2015 RM'000	Preceding year corresponding quarter ended 31 Dec 2014 RM'000	Variance	
			RM'000	%
Revenue				
- Export	30,341	41,353	(11,012)	(26.63)
- Local	3,464	2,777	687	24.74
	<u>33,805</u>	<u>44,130</u>	<u>(10,325)</u>	<u>(23.40)</u>
Profit before taxation	<u>11,330</u>	<u>13,344</u>	<u>(2,014)</u>	<u>(15.09)</u>

For the current quarter ended 31 December 2015, the Group recorded revenue of RM33.805 million, representing a decrease of RM10.325 million or approximately 23.40% on a quarter to quarter basis. The export markets and local market contributed approximately 89.75% and 10.25% respectively to the Group's revenue. The export market recorded a decrease of 26.63% while the local market recorded an increase of 24.74%. The decrease in export revenue was mainly attributable to slower recovery of global demand for industrial rubber hose.

The Group reported a profit before taxation ("PBT") of RM11.330 million for the current quarter ended 31 December 2015 compared to PBT of RM13.344 million recorded in the corresponding quarter ended 31 December 2014, representing a decrease of RM2.014 million or 15.09%. The decrease in PBT was not in line with the decrease in revenue and was mainly attributable to lower overheads as the Group continues to improve on cost efficiency through upgrading of machineries.



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 December 2015

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

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 2015 RM'000	Preceding quarter ended 30 Sep 2015 RM'000	Variance RM'000	%
Revenue	33,805	38,267	(4,462)	(11.66)
Profit before taxation	11,330	11,459	(129)	(1.13)

The Group reported a lower profit before tax ("PBT") of RM11.330 million for the current quarter ended 31 December 2015 compared to PBT of RM11.459 million recorded in the preceding quarter ended 30 September 2015. The slight decrease in PBT is not in line with the decrease in revenue and was mainly attributable to lower overheads and administrative expenses.

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 and US Dollar to remain strong. The easing of raw material prices has enabled a more favourable operating environment for sustainable growth in demand and earnings.

In the current financial year, with the additional capacity and product lines brought about by Factory 3, the Group hopes to further penetrate the market by offering a wider range of industrial hose. The outlook of the global economy for 2016 remains challenging and uncertain. Nevertheless, the Group's strategies are to focus on leveraging on its extensive customer network, improved productivity, quality services and product range to enhance its competitive edge.

Barring unforeseen circumstances, the Board believe that the Group's prospects for the financial year ending 30 September 2016 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.



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QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 December 2015

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

6. Taxation

	3 months ended	3 months ended
	31 Dec 2015	31 Dec 2014
	RM'000	RM'000
Income tax	2,704	3,185
Deferred tax		
- Current period	31	(44)
	<u>2,735</u>	<u>3,141</u>

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

7. Group's borrowings and debt securities

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

Description	31 Dec 2015	30 Sep 2015
	RM'000	RM'000
Islamic - Term loan (secured)	<u>21,316</u>	<u>17,612</u>

8. Profit for the period

	3 months ended
	31 Dec 2015
	RM'000
Profit for the period is arrived at after charging/(crediting) :-	
(i) Depreciation	1,557
(ii) Unrealised foreign exchange gain	(773)
(iii) Term loan interest	244
(iv) (Gain)/Loss on disposal of property, plant & equipment	-

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.



WELLCALL HOLDINGS BERHAD (707346-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 December 2015

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

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 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 31 Dec 2015 RM'000	As at 30 Sep 2015 RM'000
Total retained profits/(accumulated losses) of the Group		
- realised	58,725	58,592
- unrealised		
in respect of deferred tax recognised in income statement	(4,309)	(4,278)
in respect of foreign exchange translation	773	(85)
	(3,536)	(4,363)
	55,189	54,229
Less: Consolidation Adjustments	(26,051)	(26,051)
Total Group retained profits as per consolidated accounts	29,138	28,178

10. Dividends

The Board of Directors have recommended a first interim single tier dividend of 2.3 sen per share amounting to approximately RM7,635,196.51 in respect of the financial year ended 30 September 2016. The entitlement date and payment date for the said dividends shall be 11 March 2016 and 23 March 2016 respectively. During the previous corresponding period, the Company declared a first interim single tier dividend of 2.3 sen per share for the financial year ended 30 September 2015 amounting to approximately RM7,635,195.85.

The total dividend payable by the Company in respect of the financial year ending 30 September 2016 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	
2016	2.30	First interim	7,635,196	Payable
	2.30		7,635,196	
2015	9.20		30,540,784	Paid
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			177,751,377	

* 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



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QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 December 2015

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

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 2015
	RM'000
Profit attributable to shareholders	8,595
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)	2.59

(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 2015
	RM'000
Profit attributable to shareholders	8,595
Issued ordinary shares at the beginning of period ('000)	331,965
Effect of shares issued during the period ('000)	-
Effect of share options ('000)	561
Weighted average number of shares in issue ('000)	332,526
Diluted earnings per share (sen)	2.58

13. Status of corporate proposals

There were no corporate proposals announced as at 19 February 2016.

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 25 February 2016.

By order of the Board

Woon Oi Ling (F) (MAICSA 7032288)
Company Secretary
25 February 2016