

**WELLCALL HOLDINGS BERHAD**

(Company No.: 707346-W)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THIRD QUARTER ENDED 30 JUNE 2017**

(The figures have not been audited)

	Note	Individual Quarter		Cumulative Quarter	
		3-Months Ended		9-Months Ended	
		30 Jun 2017	30 Jun 2016	30 Jun 2017	30 Jun 2016
		RM'000	RM'000	RM'000	RM'000
			(Restated)		(Restated)
<b>Revenue</b>		<b>39,012</b>	<b>35,799</b>	<b>115,518</b>	<b>102,167</b>
Cost of sales		(24,959)	(22,847)	(72,456)	(63,125)
<b>Gross profit</b>		<b>14,053</b>	<b>12,952</b>	<b>43,062</b>	<b>39,042</b>
Other operating income		58	131	2,351	943
Selling and distribution costs		(1,016)	(906)	(3,155)	(2,745)
Administrative expenses		(2,292)	(1,688)	(7,030)	(6,312)
Other operating expenses		(29)	-	(29)	-
<b>Profit from operations</b>		<b>10,774</b>	<b>10,489</b>	<b>35,199</b>	<b>30,928</b>
Finance costs		(234)	(360)	(720)	(833)
Interest income		230	176	596	549
<b>Profit before taxation</b>		<b>10,770</b>	<b>10,305</b>	<b>35,075</b>	<b>30,644</b>
Tax expense		(2,677)	(2,555)	(8,790)	(7,400)
<b>Profit for the period</b>		<b>8,093</b>	<b>7,750</b>	<b>26,285</b>	<b>23,244</b>
<b>Other comprehensive income</b>		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>8,093</b>	<b>7,750</b>	<b>26,285</b>	<b>23,244</b>
<b>Attributable to:</b>					
Equity holders of the Company		8,093	7,750	26,285	23,244
<b>Earnings per share (sen):</b>					
Basic		2.44	2.33	7.92	7.00
Diluted		2.44	2.33	7.92	6.99
<b>Single tier dividend per share (sen)</b>	<b>B10</b>	1.55	2.30	6.15	6.90

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2016 and the accompanying notes to the Interim Financial Report.

**WELLCALL HOLDINGS BERHAD**

(Company No.: 707346-W)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2017**

(The figures have not been audited)

	<u>As At</u>	<u>Audited</u>
	<u>30 Jun 2017</u>	<u>30 Sep 2016</u>
	<u>RM'000</u>	<u>RM'000</u>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	61,091	64,469
Other investment	10	10
	<u>61,101</u>	<u>64,479</u>
<b>Current assets</b>		
Inventories	15,455	16,798
Trade receivables	8,175	7,185
Other receivables, deposits and prepayment	236	148
Tax recoverable	5,528	8,361
Deposits with licensed banks	20,709	18,410
Cash and bank balances	18,064	18,418
	<u>68,167</u>	<u>69,320</u>
<b>TOTAL ASSETS</b>	<b><u>129,268</u></b>	<b><u>133,799</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Share capital	68,836	66,393
Share premium	-	2,443
Retained profit	32,434	29,054
<b>TOTAL EQUITY</b>	<b><u>101,270</u></b>	<b><u>97,890</u></b>
<b>Non-current liabilities</b>		
Term loans	10,329	13,727
Deferred taxation	4,618	4,390
	<u>14,947</u>	<u>18,117</u>
<b>Current liabilities</b>		
Trade payables	2,312	4,967
Other payables and accruals	6,207	8,293
Term loans	4,532	4,532
	<u>13,051</u>	<u>17,792</u>
<b>TOTAL LIABILITIES</b>	<b><u>27,998</u></b>	<b><u>35,909</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>129,268</u></b>	<b><u>133,799</u></b>
Net assets per share attributable to equity holders of the Company (RM)	<u>0.305</u>	<u>0.295</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2016 and the accompanying notes to the Interim Financial Report.

**WELLCALL HOLDINGS BERHAD**

(Company No.: 707346-W)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THIRD QUARTER ENDED 30 JUNE 2017**

(The figures have not been audited)

	← Non-Distributable →			Distributable	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Option Reserve RM'000	Retained Profit RM'000	
<b>At 1 October 2016</b>	66,393	2,443	-	29,054	97,890
Adjustment for effects of Companies Act 2016 (Note a)	2,443	(2,443)	-	-	-
Total comprehensive income for the period	-	-	-	26,285	26,285
Dividends	-	-	-	(22,905)	(22,905)
<b>At 30 June 2017</b>	<b>68,836</b>	<b>-</b>	<b>-</b>	<b>32,434</b>	<b>101,270</b>
<b>At 1 October 2015</b>	66,393	2,443	126	28,178	97,140
Total comprehensive income for the period	-	-	-	23,244	23,244
Dividends	-	-	-	(22,905)	(22,905)
<b>At 30 June 2016</b>	<b>66,393</b>	<b>2,443</b>	<b>126</b>	<b>28,517</b>	<b>97,479</b>

Note a:

With the Companies Act 2016 ("CA 2016") that has taken effect on 31 January 2017, the credit standing in the share premium account of RM2,443K (above) has been transferred to the share capital account. Pursuant to sub-section 618(3) and 618(4) of the CA 2016, the Group may exercise its right to use the credit amounts being transferred from share premium account within twenty four (24) months after the commencement of the CA 2016. The Board of Directors will make a decision thereon by 31 January 2019.

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2016 and the accompanying notes to the Interim Financial Report.

**WELLCALL HOLDINGS BERHAD**

(Company No.: 707346-W)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE THIRD QUARTER ENDED 30 JUNE 2017**

(The figures have not been audited)

	9-Months Ended	
	30 Jun 2017 RM'000	30 Jun 2016 RM'000 (Restated)
<b>Cash Flows from Operating Activities</b>		
Profit before taxation	35,075	30,644
Adjustments for:		
Depreciation of property, plant and equipment	4,334	4,667
Unrealized (gain)/loss on foreign exchange	29	(826)
(Gain)/Loss on disposal of property, plant and equipment	(6)	(27)
Interest expense	518	833
Interest income	(596)	(549)
Operating profit before working capital changes	39,354	34,742
Net change in inventories	1,343	5,278
Net change in receivables	(1,078)	5,661
Net change in payables	(4,741)	(10,470)
Cash generated from operations	34,878	35,211
Tax paid	(5,729)	(6,877)
Interest paid	(518)	(833)
Interest received	596	549
Net cash generated from operating activities	29,227	28,050
<b>Cash Flows from Investing Activities</b>		
Proceeds from disposal of property, plant and equipment	6	27
Purchase of property, plant and equipment	(956)	(6,383)
Net cash used in investing activities	(950)	(6,356)
<b>Cash Flows from Financing Activities</b>		
Dividends paid	(22,905)	(22,905)
Proceeds from drawdown of term loans	-	4,304
Repayment of term loans	(3,398)	(2,732)
Net cash used in financing activities	(26,303)	(21,333)
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	<b>1,974</b>	<b>361</b>
Effect of Exchange Rate Changes	(29)	826
<b>Cash and Cash Equivalents at beginning of the year</b>	<b>36,828</b>	<b>36,483</b>
<b>Cash and Cash Equivalents at end of the quarter</b>	<b>38,773</b>	<b>37,670</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2016 and the accompanying notes to the Interim Financial Report.

## WELLCALL HOLDINGS BERHAD

(Company No.: 707346-W)  
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### NOTES TO THE INTERIM FINANCIAL REPORT

#### A. Explanatory Notes Pursuant to MFRS 134

##### A1. Basis of Preparation

The Interim Financial Report is unaudited and has been prepared in accordance with the reporting requirements outlined in the Malaysian Financial Reporting Standard ("MFRS") No. 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad ("BMSB").

The Interim Financial Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 September 2016. These explanatory notes attached 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 2016.

##### Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 September 2016 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.

##### Comparatives

Certain comparative figures in this Interim Financial Report have been reclassified and restated to conform with the presentation of the Audited Financial Statements for the year ended 30 September 2016.

##### A2. Auditors' Report on Preceding Annual Financial Statements

The preceding audited financial statements for the financial year ended 30 September 2016 was not subject to any qualification.

##### A3. Seasonal or Cyclical Factors

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

##### A4. Unusual Items

There were no material items of an unusual nature and amount affecting the results of current quarter and cumulative period-to-date.

##### A5. Changes in Estimates

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

##### A6. Changes in Debt and Equity Securities

Please refer to Part B Note B7.

##### A7. Dividend Paid

A second interim single tier dividend of 2.30 sen on 331,965,037 ordinary shares in respect of the financial year ending 30 September 2017 amounting to approximately RM7,635,196 was paid on 22 June 2017.

##### A8. Segmental Information

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

Geographical Segments	9-Months Ended	
	30 Jun 2017	30 Jun 2016
Revenue	RM'000	RM'000
<i>Export Market</i>		
USA/Canada	23,142	14,458
Asia	20,516	20,997
Middle East	14,187	18,015
Europe	19,949	16,489
Australia/New Zealand	11,434	10,672
South America	12,089	9,140
Africa	2,366	2,601
	<u>103,683</u>	<u>92,372</u>
<i>Local Market</i>	<u>11,835</u>	<u>9,795</u>
	<u>115,518</u>	<u>102,167</u>
<b>Results</b>		
<i>Export Market</i>	31,482	27,706
<i>Local Market</i>	3,593	2,938
Profit before taxation	<u>35,075</u>	<u>30,644</u>

**WELLCALL HOLDINGS BERHAD**

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**NOTES TO THE INTERIM FINANCIAL REPORT (Continued)****A. Explanatory Notes Pursuant to MFRS 134 (Continued)****A9. Valuation of Property, Plant and Equipment**

There were no valuation of 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.

**A10. Material Events Subsequent to the End of the Quarter**

On 17 July 2017, TA Securities Holdings Bhd., appointed Adviser, on behalf of the Board of Directors ("Board") had announced that the Company proposed to undertake the following proposals:

- (I) Proposed share split involving the subdivision of every 2 ordinary shares in Wellcall Holdings Bhd. ("WHB or the Company") into 3 ordinary shares in WHB held at an entitlement date to be determined later ("Proposed Share Split"); and
- (II) Proposed amendments to the Memorandum and Articles of Association of the Company ("Proposed Amendments").

The Proposed Share Split and Proposed Amendments are not conditional upon any other corporate proposal undertaken or to be undertaken by the Company. For the avoidance of doubt, the Proposed Share Split and Proposed Amendments are not inter-conditional upon each other.

The rationale for the Proposed Share Split is expected to improve the trading liquidity of ordinary shares in WHB ("WHB Shares") on the Main Board of Bursa Securities Malaysia Bhd. as a result of the increase in the number of WHB Shares in issue. In addition, the Proposed Share Split will result in a downward adjustment to the market price of WHB Shares, potentially increasing the affordability of WHB Shares which is expected to appeal to a wider group of shareholders and/or investors to participate in the growth of the Company and its subsidiary. The Proposed Share Split will also enable the existing shareholders of the Company to have a larger number of WHB Shares while maintaining their percentage of equity interest.

The rationale for the Proposed Amendments are to facilitate and to reflect the consequences of the migration to the no par value regime under the Companies Act 2016 effective from 31 January 2017.

Bursa Malaysia Securities Berhad had, vide its letter dated 25 July 2017, approved the Proposed Share Split.

The Proposed Share Split and Proposed Amendments are subject to and conditional upon approval being obtained from the shareholders of WHB at the Extraordinary General Meeting ("EGM") to be held on 28 August 2017, which approval has been obtained in the EGM held on 28 August 2017.

Other than the abovementioned corporate proposal, there were no material events between the end of the current quarter under review and the date of this report, which is likely and substantially affecting the results of current quarter and cumulative period-to-date, except as disclosed in Part B Note B10.

**A11. Changes in Composition of the Group**

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

**A12. Contingent Liabilities and Contingent Assets**

There were no contingent liabilities or contingent assets since the last annual reporting date.

**A13. Capital Commitment**

There were no material capital commitments approved and contracted for capital expenditures as at the date of this report.

**A14. Cash and Cash Equivalents**

Cash and cash equivalents included in the Condensed Consolidated Statement of Cash Flows comprises of the following amounts:

	<b>As at</b>	<b>As at</b>
	<b>30 Jun 2017</b>	<b>30 Jun 2016</b>
	<b>RM'000</b>	<b>RM'000</b>
Deposit with licensed banks	20,709	18,770
Cash and bank balances	18,064	18,900
	<b>38,773</b>	<b>37,670</b>
Deposit with licensed banks:		
(a) Islamic	18,759	16,300
(b) Non-Islamic	1,950	2,470
	<b>20,709</b>	<b>18,770</b>
Total cash (excluding Islamic instrument) ("A")	20,014	21,370
Total assets ("B")	129,268	133,799
A/B (%)	15%	16%

**WELLCALL HOLDINGS BERHAD**

(Company No.: 707346-W)

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**NOTES TO THE INTERIM FINANCIAL REPORT (Continued)****B. Additional Information Required by the Bursa Malaysia Securities Berhad Listing Requirements****B1.1. Analysis of Current Quarter Performance**

	<b>3-Months Ended</b>		<b>Variance</b>	
	<b>30 Jun 2017</b>	<b>30 Jun 2016</b>		
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
Revenue				
(a) Export	34,957	32,119	2,838	9%
(b) Local	4,055	3,680	375	10%
	<u>39,012</u>	<u>35,799</u>	3,213	9%
Profit before taxation ("PBT")	<u>10,770</u>	<u>10,305</u>	465	5%

For the current quarter ended 30 June 2017, the Group recorded revenue of RM39.012 million, representing an increase of revenue by RM3.213 million or approximately 9% on a quarter to quarter basis. The export markets and local market contributed approximately 90% and 10% respectively to the Group's revenue. The increase in overall revenue was mainly attributable to continuation on the recovery of global demand for industrial rubber hose market coupled with increase in pricing for some hoses.

The Group recorded a slight increase in PBT of RM10.770 million for the current quarter ended 30 June 2017 compared to PBT of RM10.305 million recorded in the corresponding quarter ended 30 June 2016, mainly resulted from higher cost of sales and operating costs.

**B1.2. Analysis of Cumulative Quarter Performance (Year-to-Date)**

	<b>9-Months Ended</b>		<b>Variance</b>	
	<b>30 Jun 2017</b>	<b>30 Jun 2016</b>		
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
Revenue				
(a) Export	103,683	92,372	11,311	12%
(b) Local	11,835	9,795	2,040	21%
	<u>115,518</u>	<u>102,167</u>	13,351	13%
Profit before taxation ("PBT")	<u>35,075</u>	<u>30,644</u>	4,431	14%

The Group recorded revenue of RM115.518 million, representing an increase of RM13.351 million or approximately 13% from RM102.167 million for the nine (9) months period ended 30 June 2017. The export market contributed approximately 90% to the Group's revenue. The export and local market registered an increase of 12% and 21% respectively as compared to the corresponding period of the preceding financial year. The overall improvement in revenue were mainly attributable to the recovery of global demand for industrial rubber hose and fairly benefited from the strengthening of the foreign currency translation arising from export sales.

The Group recorded a PBT of RM35.075 million for the nine (9) months period ended 30 June 2017 compared to PBT of RM30.644 million recorded in corresponding period of the preceding financial year, representing an increase of RM4.431 million or 14%. Higher PBT achieved in current nine (9) months period mainly arising from continuous improvement in revenue and gross profit achieved coupled with slightly lower in operating cost.

**B2. Comparison with Previous Quarter Results**

	<b>Current</b>	<b>Preceding</b>	<b>Variance</b>	
	<b>Quarter</b>	<b>Quarter</b>		
	<b>3-Months Ended</b>		<b>RM'000</b>	
	<b>30 Jun 2017</b>	<b>31 Mar 2017</b>	<b>RM'000</b>	
Revenue	39,012	38,654	358	1%
Profit before taxation ("PBT")	10,770	11,808	(1,038)	-9%

The Group has recorded a slight increase in revenue to RM39.012 million for the current quarter ended 30 June 2017 as compared to RM38.654 million recorded in the preceding quarter ended 31 March 2017, which was a fairly steady growth despite the challenges in the volatility of the global economy.

The Group recorded a slightly lower PBT of RM10.770 million for the current quarter ended 30 June 2017 as compared to RM11.808 million recorded in the preceding quarter ended 31 March 2017 mainly due to decrease in operating income coupled with higher cost of sales.

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**NOTES TO THE INTERIM FINANCIAL REPORT (Continued)****B. Additional Information Required by the Bursa Malaysia Securities Berhad Listing Requirements (Continued)****B3. Prospect**

Demand for industrial rubber hoses will see a more prominent continuous gradual recovery from both emerging and developed economies. Moving forward, the Group will continue to 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 continue to fluctuate due to supply and demand mechanism of raw materials and foreign exchange volatility.

However, the outlook and headwinds of the global economy remains challenging. Nevertheless, the Group strategies are to focus on leveraging its extensive customer network, productivity, quality services and product range to enhance its competitive edge.

Barring any unforeseen circumstances, the Board believes that the Group's prospects for the coming financial year ending 30 September 2017 remains positive with challenges ahead.

**B4. Board of Directors Statement on Internal Targets**

The Group did not announce or disclose any profit estimate, forecast, projection or internal management target in any public document.

**B5. Profit Forecast and Profit Guarantee**

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

**B6. Tax Expense**

	Individual Quarter		Cumulative Quarter	
	3-Months Ended		9-Months Ended	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	RM'000	RM'000	RM'000	RM'000
Income tax	2,641	2,411	8,562	7,225
Deferred tax	36	144	228	175
	<u>2,677</u>	<u>2,555</u>	<u>8,790</u>	<u>7,400</u>

The deferred tax liabilities arose from accelerated capital allowances over depreciation plant and machineries.

**B7. Group Borrowings**

The details of the Group's borrowings were as follows:-

	As at	As at
	30 June 2017	30 Sep 2016
	RM'000	RM'000
Islamic Term Loan (Secured)		
(a) Short term	4,532	4,532
(b) Long term	10,329	13,727
	<u>14,861</u>	<u>18,259</u>

**B8. Profit Before Taxation**

	Individual Quarter		Cumulative Quarter	
	3-Months Ended		9-Months Ended	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	RM'000	RM'000	RM'000	RM'000
Profit for the period is arrived at after charging/(crediting):				
(a) Depreciation of property, plant and equipment	1,382	1,451	4,334	4,667
(b) Unrealized (gain)/loss on foreign exchange	241	(1,442)	29	(826)
(c) Interest expense	166	280	518	620
(d) (Gain)/Loss on disposal of property, plant and equipment	-	(7)	(6)	(27)

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.



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**NOTES TO THE INTERIM FINANCIAL REPORT (Continued)****B. Additional Information Required by the Bursa Malaysia Securities Berhad Listing Requirements (Continued)****B9. Disclosure of Realized and Unrealized Profits**

The breakdown of retained profit of the Group as at 30 June 2017 into realized or unrealized profit, pursuant to a directive issued by Bursa Securities on 25 March 2010 and 20 December 2010 is as follows:

	<u>As at</u> <u>30 June 2017</u> <u>RM'000</u>	<u>As at</u> <u>30 Sep 2016</u> <u>RM'000</u>
Total realized retained profit of the Group		
(a) Realized	63,132	59,557
(b) Unrealized		
- in respect of deferred taxation recognized in income statement	(4,618)	(4,390)
- in respect of foreign exchange translation	(29)	(62)
	<u>(4,647)</u>	<u>(4,452)</u>
	58,485	55,105
Less: Consolidation adjustments	<u>(26,051)</u>	<u>(26,051)</u>
Total Group retained profit as per consolidated accounts	<u>32,434</u>	<u>29,054</u>

**B10. Dividends**

The Board of Directors have recommended a third interim single tier dividend of 1.55 sen per share amounting to approximately RM7,718,187 in respect of financial year ending 30 September 2017. The entitlement date and payment date for the said dividends shall be on 19 September 2017 and 29 September 2017 respectively. During the previous corresponding period, the Company declared a third interim single tier dividend of 2.30 sen per share for the financial year ended 30 September 2016 amounting to RM7,635,196.

The total dividend payable by the Company in respect of the financial year ending 30 September 2017 is 1.55 sen per share represented by a total amount of approximately RM7,718,187, upon listing of the subdivided shares as disclosed in Part A Note A10.

**Records of Dividends**

<u>Financial Year</u>	<u>Dividend</u> <u>Per Share</u> <u>Sen</u>	<u>Total</u> <u>Dividend</u> <u>RM</u>	<u>Status</u>
2017 #	1.55	7,718,187	Payable
2017	4.60	15,270,392	Paid
	<u>6.15</u>	<u>22,988,579</u>	
2016	9.20	30,540,785	Paid
2015	9.20	30,540,785	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
		<u>223,645,546</u>	

# based on the Proposed Share Split involving the subdivision of every two (2) ordinary shares in WHB into three (3) ordinary shares in WHB held in WHB ("Subdivided Shares").

\* adjusted to reflect the share split of every one (1) existing ordinary share of RM0.50 each in WHB into two and half (2.5) ordinary shares of RM0.20 each in WHB ("Shares") ("Share Split"), which was completed on 26 March 2014.

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

**B11. Material Litigation**

Neither the Company nor its subsidiary company were engaged in any material 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 companies.

**WELLCALL HOLDINGS BERHAD**

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**NOTES TO THE INTERIM FINANCIAL REPORT (Continued)****B. Additional Information Required by the Bursa Malaysia Securities Berhad Listing Requirements (Continued)****B12. 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:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3-Months Ended</b>		<b>9-Months Ended</b>	
	<b>30 June 2017</b>	<b>30 June 2016</b>	<b>30 June 2017</b>	<b>30 June 2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit attributable to equity holders	8,093	7,750	26,285	23,244
Issued ordinary shares at the beginning of period ('000)	331,965	331,965	331,965	331,965
Effect of shares issued during the period ('000)	-	-	-	-
Weighted average number of shares in issue ('000)	<u>331,965</u>	<u>331,965</u>	<u>331,965</u>	<u>331,965</u>
Basic earnings per share (sen)	<u>2.44</u>	<u>2.33</u>	<u>7.92</u>	<u>7.00</u>

## (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 in 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>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3-Months Ended</b>		<b>9-Months Ended</b>	
	<b>30 June 2017</b>	<b>30 June 2016</b>	<b>30 June 2017</b>	<b>30 June 2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit attributable to equity holders	8,093	7,750	26,285	23,244
Issued ordinary shares at the beginning of period ('000)	331,965	331,965	331,965	331,965
Effect of shares issued during the period ('000)	-	-	-	-
Effect of share options ('000)	-	561	-	561
Weighted average number of shares in issue ('000)	<u>331,965</u>	<u>332,526</u>	<u>331,965</u>	<u>332,526</u>
Diluted earnings per share (sen)	<u>2.44</u>	<u>2.33</u>	<u>7.92</u>	<u>6.99</u>

**B13. Corporate Proposal**

There were no corporate proposals announced as at the date of this report, except as disclosed in Part A Note A10.

**B14. Authorization for Issue**

The unaudited interim financial statements were authorized for issue by the Board of Directors in accordance with a Resolution of the Directors dated 28 August 2017.

**BY ORDER OF THE BOARD**

TEO SOON MEI (f) (MAICSA 7018590)

Company Secretary

28 August 2017