



WANG-ZHENG BERHAD
(Company No.: 612237-K)
(Incorporated in Malaysia)

CONSOLIDATED FINANCIAL RESULTS AND NOTES
1st QUARTER ENDED 31 MARCH 2018

Condensed Consolidated Income Statement for the quarter ended 31 March 2018

(The figures presented here have not been audited unless stated otherwise)

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current year Quarter 31 MAR 2018 RM'000	Preceding Year Corresponding Quarter 31 MAR 2017 RM'000	Current Year To Date 31 MAR 2018 RM'000	Preceding Year Corresponding Period 31 MAR 2017 RM'000
Revenue	54,471	67,235	54,471	67,235
Cost of sales	(46,544)	(56,539)	(46,544)	(56,539)
Gross profit	<u>7,927</u>	<u>10,696</u>	<u>7,927</u>	<u>10,696</u>
Other income	629	787	629	787
Marketing and distribution expenses	(103)	(757)	(103)	(757)
Administration expenses	(4,648)	(6,122)	(4,648)	(6,122)
Operating Profit	<u>3,805</u>	<u>4,604</u>	<u>3,805</u>	<u>4,604</u>
Interest income	819	848	819	848
Finance costs	(593)	(766)	(593)	(766)
Profit before tax	<u>4,031</u>	<u>4,686</u>	<u>4,031</u>	<u>4,686</u>
Income tax expense	(997)	(1,758)	(997)	(1,758)
Profit for the period	<u><u>3,034</u></u>	<u><u>2,928</u></u>	<u><u>3,034</u></u>	<u><u>2,928</u></u>
Profit attributed to:				
Equity holders of the parent	<u>3,034</u>	<u>2,928</u>	<u>3,034</u>	<u>2,928</u>
	<u><u>3,034</u></u>	<u><u>2,928</u></u>	<u><u>3,034</u></u>	<u><u>2,928</u></u>
Earnings per share attributable to equity holders of the parent:				
Basic (sen)	<u>1.91</u>	<u>1.85</u>	<u>1.91</u>	<u>1.85</u>
Diluted (sen)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements)

Quarterly report on consolidated results for the first financial quarter ended 31 March 2018

Condensed Consolidated Statement of Comprehensive Income for the quarter ended 31 March 2018

(The figures presented here have not been audited unless stated otherwise)

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current year</u> <u>Quarter</u> <u>31 MAR 2018</u> RM'000	<u>Preceding Year</u> <u>Corresponding</u> <u>Quarter</u> <u>31 MAR 2017</u> RM'000	<u>Current</u> <u>Year</u> <u>To Date</u> <u>31 MAR 2018</u> RM'000	<u>Preceding Year</u> <u>Corresponding</u> <u>Period</u> <u>31 MAR 2017</u> RM'000
Profit for the period	3,034	2,928	3,034	2,928
Other comprehensive income:	-	-	-	-
Total comprehensive income for the period	<u>3,034</u>	<u>2,928</u>	<u>3,034</u>	<u>2,928</u>
Total comprehensive income attributable to:				
Equity holders of the parent	<u>3,034</u>	<u>2,928</u>	<u>3,034</u>	<u>2,928</u>
	<u>3,034</u>	<u>2,928</u>	<u>3,034</u>	<u>2,928</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements)

Quarterly report on consolidated results for the first financial quarter ended 31 March 2018

Condensed Consolidated Statement of Financial Position as at 31 March 2018

(The figures presented here have not been audited unless stated otherwise)

	As At End Of Current Quarter 31 MAR 2018 RM'000	(Audited) Preceding Financial Year-Ended 31 DEC 2017 RM'000
Non-Current Assets		
Property, plant and equipment	35,267	36,254
Investment property	8,080	7,903
Other investments	88	88
	43,435	44,245
Current Assets		
Inventories	45,557	45,075
Trade receivables	48,170	60,244
Other receivables, deposits and prepayments	4,134	3,265
Fixed deposits with licensed banks	58,773	58,445
Cash and bank balances	55,822	52,512
	212,456	219,541
TOTAL ASSETS	255,891	263,786
Equity		
Equity attributable to equity holders of the parent		
Share capital	86,677	86,677
Treasury shares	(650)	(650)
Retained profits	103,327	100,293
Total equity	189,354	186,320
Non-Current Liabilities		
Borrowings	9,501	10,156
Deferred taxation	2,077	2,078
	11,578	12,234
Current Liabilities		
Trade payables	6,659	7,928
Other payables	5,723	9,857
Short term borrowings	42,194	46,895
Taxation	383	552
	54,959	65,232
Total Liabilities	66,537	77,466
TOTAL EQUITY AND LIABILITIES	255,891	263,786
Net Asset per share attributable to ordinary equity holders of the parent (RM)	1.19	1.17

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements)

Condensed Consolidated Statement of Cash Flows for the quarter ended 31 March 2018

(The figures presented here have not been audited unless stated otherwise)

	Cumulative Current Year 31 MAR 2018 RM'000	Cumulative Preceding Year 31 MAR 2017 RM'000
Cash flows from operating activities		
Profit before tax	4,031	4,686
Adjustments for:		
Bad debt written off	-	-
Depreciation of property, plant and equipment	1,095	1,130
Gain on disposal of property, plant and equipment	-	(95)
Interest expense	593	766
Interest income	(819)	(848)
Reversal of impairment on trade receivables	(1)	(9)
Unrealised loss on foreign exchange	5	574
Operating profit before working capital changes	<u>4,904</u>	<u>6,204</u>
(Increase)/Decrease in working capital:		
Inventories	(482)	(447)
Trade and other receivables	11,201	13,634
Trade and other payables	(5,403)	(195)
Amount owing to directors	-	50
Cash generated from operations	<u>10,220</u>	<u>19,246</u>
Interest received	819	848
Interest paid	(593)	(766)
Income tax refunded	75	19
Income tax paid	(1,241)	(826)
Net cash generated from operating activities	<u>9,280</u>	<u>18,521</u>
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	-	96
Purchase of investment properties	(177)	(1,305)
Purchase of property, plant and equipment	(108)	(1,092)
Net cash used in investing activities	<u>(285)</u>	<u>(2,301)</u>

Condensed Consolidated Statement of Cash Flows for the quarter ended 31 March 2018

(The figures presented here have not been audited unless stated otherwise)

	Cumulative Current Year 31 MAR 2018 RM'000	(Audited) Cumulative Preceding Year 31 MAR 2017 RM'000
Cash flows from financing activities		
Net repayment of bank borrowings	(5,356)	(7,682)
Net cash used in financing activities	<u>(5,356)</u>	<u>(7,682)</u>
Net increase in cash and cash equivalents	3,639	8,538
Cash and cash equivalents at beginning of financial year	110,956	116,065
Cash and cash equivalents at end of financial period	<u>114,595</u>	<u>124,603</u>
Cash and cash equivalents comprise:		
Fixed deposits with licensed banks	58,773	58,194
Cash and bank balances	<u>55,822</u>	<u>66,409</u>
	<u>114,595</u>	<u>124,603</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements)

Quarterly report on consolidated results for the first financial quarter ended 31 March 2018

Condensed Consolidated Statement of Changes in Equity for the quarter ended 31 March 2018

(The figures presented here have not been audited)

	----- Attributable to Equity Holders of the Parent -----			
	Share Capital RM'000	Treasury Shares RM'000	Retained Profit RM'000	Total RM'000
Balance as at 1 January 2018	86,677	(650)	100,293	186,320
Profit for the period	-	-	3,034	3,034
Other comprehensive income:	-	-	-	-
Total comprehensive income for the period	-	-	3,034	3,034
Balance as at 31 March 2018	<u>86,677</u>	<u>(650)</u>	<u>103,327</u>	<u>189,354</u>
Balance as at 1 January 2017	86,677	(650)	94,493	180,520
Profit for the period	-	-	2,928	2,928
Other comprehensive income:	-	-	-	-
Total comprehensive income for the period	-	-	2,928	2,928
Balance as at 31 March 2017	<u>86,677</u>	<u>(650)</u>	<u>97,421</u>	<u>183,448</u>

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the financial statements)