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WELLCALL HOLDINGS BERHAD
(Company No.: 707346-W)

ANNUAL REPORT 2011

Wellcall Holdings Berhad • Annual Report 2011



WELLCALL HOLDINGS BERHAD
(Company No.: 707346-W)

Plot 48, Jalan Johan 2/5,
Kawasan Perindustrian Pengkalan II
Fasa II, 31500 Lahat, Ipoh, Perak Darul Ridzuan
Tel: 605 3668805 / 3668806 / 3668807 / 3668808
Fax: 605 3668768

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Corporate Information

BOARD OF DIRECTORS

Datuk Ng Peng Hong @ Ng Peng Hay

(Independent Non-Executive Chairman)

Huang Sha

(Non-Independent Managing Director)

Chew Chee Chek

(Non-Independent Executive Director)

Tan Kang Seng

(Non-Independent Non-Executive Director)

Leong Hon Chong

(Non-Independent Executive Director)

Huang Kai Lin

(Alternate Director to Leong Hon Chong)

Goh Hoon Leum

(Independent Non-Executive Director)

YB Dato' Haji Mohtar bin Nong

(Independent Non-Executive Director)

Mat Zaid bin Ibrahim

(Alternate Director to
YB Dato' Haji Mohtar bin Nong)

Low Siew Ching

(Independent Non-Executive Director)

Yang Chong Yaw, Alan

(Independent Non-Executive Director)

PRINCIPAL PLACE OF BUSINESS

Plot 48, Jalan Johan 2/5
Kawasan Perindustrian Pengkalan II
Fasa II, 31500 Lahat, Ipoh
Perak Darul Ridzuan.

Tel : 05-366 8805

Fax : 05-366 8768

REGISTERED OFFICE

Unit C-6-5, 6th Floor, Block C
Megan Avenue II
No. 12 Jalan Yap Kwan Seng
50450 Kuala Lumpur

Tel : 03-2161 1000

Fax : 03-2166 3322

AUDIT COMMITTEE

Goh Hoon Leum

Chairman
(Independent Non-Executive Director)

Yang Chong Yaw, Alan

Member of the Committee
(Independent Non-Executive Director)

Tan Kang Seng

Member of the Committee
(Non-Independent Executive Director)

REMUNERATION COMMITTEE

Goh Hoon Leum

Chairman
(Independent Non-Executive Director)

Yang Chong Yaw, Alan

Member of the Committee
(Independent Non-Executive Director)

Chew Chee Chek

Member of the Committee
(Non-Independent Executive Director)

NOMINATION COMMITTEE

Datuk Ng Peng Hong @ Ng Peng Hay

Chairman
(Independent Non-Executive Chairman)

Goh Hoon Leum

Member of the Committee
(Independent Non-Executive Director)

Yang Chong Yaw, Alan

Member of the Committee
(Independent Non-Executive Director)

REGISTRARS

Symphony Share Registrars Sdn Bhd
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya, Selangor

Tel : 03-7841 8000

Fax : 03-7841 8151/52

PRINCIPAL BANKERS

Malayan Banking Berhad
HSBC Bank Malaysia Berhad

COMPANY SECRETARY

Wong Shan May (LS0008582)

AUDITORS

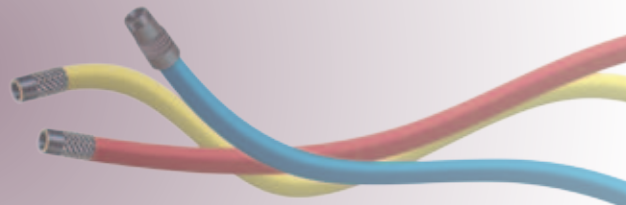
Ong & Wong
Chartered Accountants
Unit C-20-5, 20th Floor, Block C
Megan Avenue II
No. 12 Jalan Yap Kwan Seng
50450 Kuala Lumpur

Tel : 03-2161 1000

Fax : 03-2166 9131

STOCK EXCHANGE LISTING

Main Market
Bursa Malaysia Securities Berhad
Stock Name : Wellcal
Stock Code : 7231
Sector : Industrial Products



Corporate Structure



WELLCALL HOLDINGS BERHAD

(Company No: 707346-W)



WELLCALL HOSE (M) SDN BHD

(Company No: 343730-A)

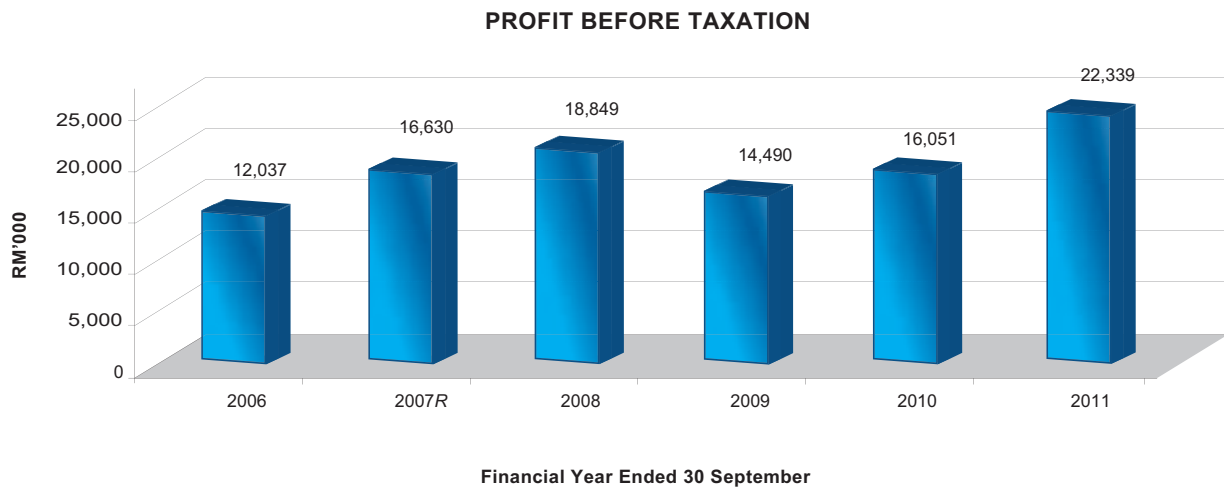
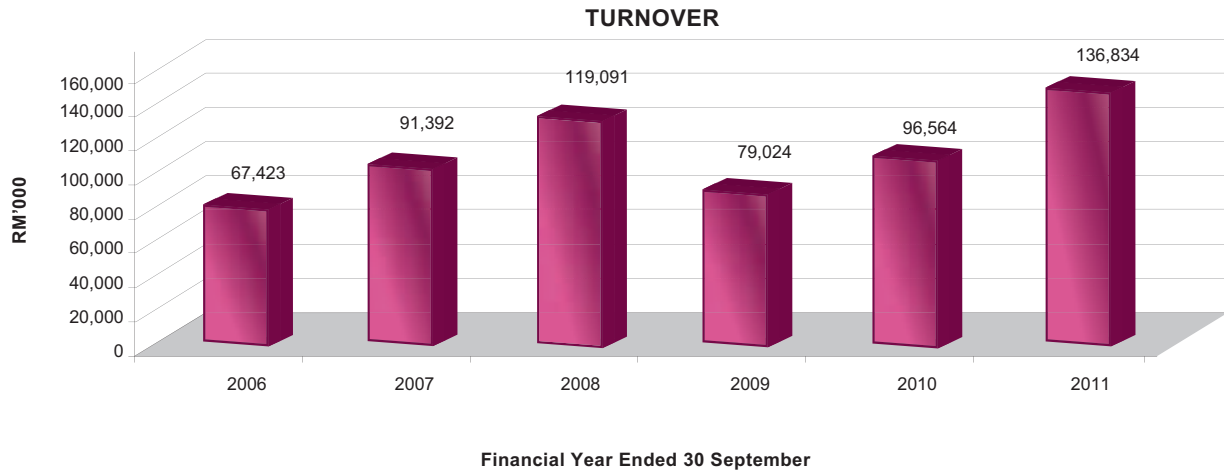
SUBSIDIARY COMPANY

WELLCALL HOSE (M) SDN BHD

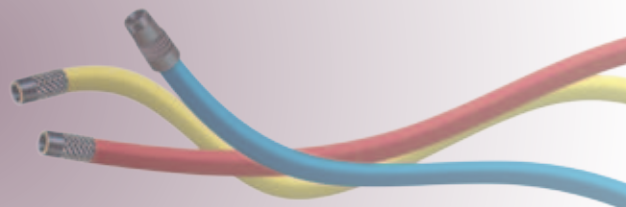
PRINCIPAL ACTIVITIES

Manufacturing of rubber hose and related products

Six Year Group Financial Review



Note : R - Restated



Six Year Group Financial Review (Cont'd)

	Financial year ended 30 September					
	2006 RM'000 (Restated)	2007 RM'000	2008 RM'000	2009 RM'000	2010 RM'000 (Restated)	2011 RM'000
Revenue	67,423	91,392	119,091	79,024	96,564	136,834
Earnings before interest, depreciation and taxation	13,323	19,068	21,387	17,452	18,875	24,858
Interest expenses	(200)	(246)	(289)	(190)	(187)	(258)
Interest income	522	604	850	674	723	901
Depreciation	(1,608)	(2,796)	(3,099)	(3,446)	(3,364)	(3,162)
Profit before tax	12,037	16,630	18,849	14,490	16,051	22,339
Taxation	(1,155)	(1,424)	(1,737)	(1,147)	(1,430)	(7,014)
Profit attributable to equity holders	10,882	15,206	17,112	13,343	14,621	15,325
Net Assets	54,428	66,169	74,541	80,361	77,351	78,042
Net EPS	10.57	12.07	13.33	10.30	11.12	11.65
Net dividend rate (tax exempt) (%)	7.77	12.67	17.34	22.00	22.00	24.00
Weighted average number of shares in issue ('000)	102,996	125,999	128,397	129,523	131,826	132,055
Par Value of Ordinary Share (RM)	0.50	0.50	0.50	0.50	0.50	0.50
Net assets per share (RM)	52.84	52.52	58.06	62.04	58.68	59.09

Note:

1. The figures for financial year ended 30 September 2006 is prepared based on a proforma consolidated basis on the assumption that the current structure of the Group has been in existence since financial year ended 30 September 2004.
2. Issuance of 17,098,400 ordinary shares pursuant to the public issue was completed on 17 July 2006.
3. During the financial year 2007, the Group changed its accounting policy in compliance with Financial Reporting Standards 2 (Share-based Payment). The comparative amount in the financial year ended 30 September 2006 have been restated.
4. The weighted average number of shares in issue is arrived at after taking into account of the bonus issue of 42,646,005 new ordinary shares of RM0.50 each in the Company ("Shares") ("Bonus Shares") on the basis of 1 Bonus Share for every 2 existing Shares held in the Company which has completed on 22 February 2008.

Chairman's Statement

Dear Valued Shareholders,

On behalf of the Board of Directors, I am pleased to present to you the Annual Report of Wellcall Holdings Berhad ("Wellcall" or "Company") and its subsidiary company ("Group") for the financial year ended 30 September 2011 ("FYE 2011").

INDUSTRY REVIEW

The past twelve (12) months of FYE 2011 have been rather challenging for the industry rubber hose as a whole, as it continued to face margin pressures on subdued demand, high raw material costs and the weak US dollar. The average synthetic rubber and standard Malaysian rubber ("SMR") price rose by 53% and 31% respectively to RM12.9/kg and RM13.65/kg respectively in FYE 2011 from FYE 2010, due to the tightness in rubber supply amid an increase in demand from China and India for their booming auto and tyre manufacturing industries. The situation was further compounded by bad weather, i.e. severe drought and unusually heavy rainfall in Thailand, the prolonged wintering season, outbreak of rubber tree bark disease in Vietnam as well as higher-than-expected rubber tree replanting activities in most major producing countries.

During the period, the US dollar has also weakened against the Ringgit Malaysia by around 8%, as major economies grappled with uncertainties.

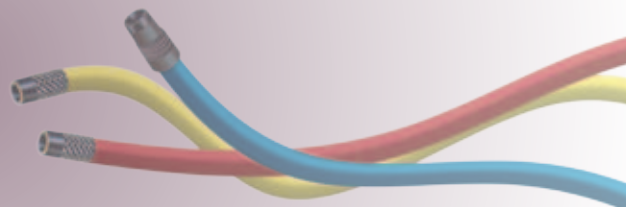
Fortunately, the synthetic rubber and SMR prices have corrected sharply in the last seven months, in tandem with other commodity prices amid growing global economic concerns, and as weather conditions improved. Synthetic rubber and SMR prices have since declined by approximately 41% and 29% respectively from its peak of RM14.5 and RM15/kg respectively on April 2011 to around RM8.70/kg and RM10.50/kg respectively as at November 2011.

Despite the challenging operating environment, we remain buoyant on the longer term outlook of the rubber hose industry due to its recession-resilient nature. Being a necessity item especially in the traditional economic engine, we believe demand will remain robust despite the possible global economic slowdown.

PERFORMANCE REVIEW

For FYE 2011, the Group recorded a revenue of RM136.83 million, representing an increase of RM40.27 million or approximately 41.71% compared to RM96.56 million achieved in the previous financial year ended 30 September 2010 ("FYE 2010"). The increase in revenue was driven by demand of our entire product range and our exports to Asia, Middle East, North America, South America, Australia, New Zealand and Africa. The aforesaid export markets have recorded an increase in turnover ranging from 15% to 118% compared to FYE 2010.

The Group reported a profit after taxation ("PAT") of RM15.33 million for FYE 2011 compared to RM14.62 million recorded in the previous FYE 2010, representing an increase of RM0.71 million or 4.8%. The increase in PAT was lower in proportion to the increase in turnover and were mainly attributable to higher raw material cost and higher effective tax rate attributable to the higher post pioneer tax rate and one off deferred tax adjustment (arising from differential rates between pioneer and post pioneer rate of 7.5% and 25%), which is depicted in the following:



Chairman's Statement (Cont'd)

	Financial Year Ended		Differences	
	FYE 2011 RM'000	FYE 2010 RM'000	RM'000	%
Turnover	136,834	96,564	40,270	41.70
Profit before taxation	22,339	16,051	6,288	39.18
Taxation				
- Income tax	4,927	1,316		
- Deferred tax	* 2,087	114		
	(7,014)	(1,430)		
Profit after taxation	15,325	14,621	704	4.81

* included adjustment made to the opening balance amounted to RM1.774 million (arising from differential rates between pioneer and post pioneer rate of 7.5% and 25%)

OPERATIONS REVIEW

The principal activity of Wellcall is investment holding, while the principal activity of our wholly-owned subsidiary is manufacturing industrial rubber hose for customers who are mainly in the business of distributing rubber hose to original equipment manufacturers and manufacturers. The recovery in demand in FYE 2011 continued to improve the utilisation of our production capacity.

We continue to attract new customers, which has contributed positively towards the recovery in demand for the Group's industrial hose during FYE 2011. Our Group started off by manufacturing and selling rubber hose to 3 major application markets and we have since expanded to include more than 6 major application markets, i.e. air and water, welding and gas, oil and fuel, automobile, ship building and food and beverage. Our Group sells to customers in most continents in the world, covering a total of 60 countries. For FYE 2011, we exported approximately 92.0 % of our rubber hose to the Middle East, Europe, USA, Canada, Australia, New Zealand, Asia, Africa and South America.

MARKET OUTLOOK

In light of the continuation of volatility in synthetic rubber and SMR prices, we believe that the operating environment will remain challenging. There could be a softening of demand as customers are ordering minimal quantities in anticipation of a slower economic growth projected in 2012. Moving forward, we will continue to operate cautiously with sound practices. Emphasis will be given to better costs control, management efficiency and meeting customer needs. We are confident that our management is adequately prepared and ready to take on these challenges and opportunities that lie ahead.

Chairman's Statement (Cont'd)

DIVIDEND

The Board of Directors is not recommending any final dividend payment for FYE 2011.

For FYE 2011, the Company had:

- i) On 28 March 2011, paid a first interim single tier dividend of 3.0 sen per ordinary share on 131,826,015 ordinary shares of RM0.50 each amounted to RM3,954,780.45;
- ii) On 24 June 2011, paid a second interim single tier dividend of 2.5 sen per ordinary share on 132,358,515 ordinary shares of RM0.50 each amounted to RM3,308,962.88;
- iii) On 23 September 2011, paid a third interim single tier dividend of 3.0 sen per ordinary share on 132,358,515 ordinary shares of RM0.50 each amounted to RM3,970,755.45; and
- iv) On 28 December 2011, paid a special interim single tier dividend of 3.5 sen per ordinary share on 132,358,515 ordinary shares of RM0.50 each amounted to RM4,632,548.03

The total single tier dividend of 12.0 sen per ordinary share declared and paid for FYE 2011 represents a distribution to shareholders of approximately 103.53% of the Group's net profit for this financial year.

ACKNOWLEDGEMENTS

I would like to take this opportunity to express my sincere appreciation and gratitude to all our existing shareholders, investment analysts, bankers and fund managers for their continuous support and confidence in the Group; our valuable customers, suppliers, business associates, Government agencies and friends for their support of our products and services; and to our management and employees for their commitment and dedication in carrying out their duties and responsibilities diligently. I would also like to thank our fellow Directors for their valuable advice, guidance and support rendered to the Group. I am fully confident that their wisdom and experience will benefit and bring the Group to greater heights.

Last but not least, we are mindful and determined that we will constantly improve our performance in the coming years by adhering to our quality policy of "Continuous Improvement and Innovation Are Our Duties" and strive towards maintaining the Group's vision to be the world's leading manufacturer with excellent quality industrial hose.

DATUK NG PENG HONG @ NG PENG HAY

Chairman



Directors' Profile

DATUK NG PENG HONG @ NG PENG HAY, D.M.S.M., D.S.M., P.J.K.

Age	: 59
Nationality	: Malaysian
Qualification	: Malaysian Certificate of Education
Occupation	: Company Director
Position	: Independent Non-Executive Chairman
Other Directorships of Public Companies	: Bonia Corporation Berhad Farm's Best Berhad Ta Win Holdings Berhad Komarkcorp Berhad ICapital.Biz Berhad
The Date He Was First Appointed to the Board	: 17 April 2006

The Details of Any Board Committee to Which He Belongs :

Chairman of the Nomination Committee

Securities Holding in the Company :

Direct :

Nil

Indirect :

Nil

Securities Holding in the Subsidiary :

Nil

Family Relationship With Any Director and / or Major Shareholders of the Company :

Nil

Conflict of Interest :

None

List of Convictions for Offences Within the Past 10 Years Other Than Traffic Offences :

None

Working Experience :

He was appointed to the Board of Wellcall on 17 April 2006. He served as the State Assemblyman for Tengkeru Constituency under Barisan Nasional between 1982 and 1986. He then served as a Senator in the Malaysian Parliament from 1987 to 1993. His first involvement in social activities was upon completing his secondary education. He was appointed as the Investment Co-ordinator of the Malacca State Development Corporation to handle direct investments in the State of Melaka since 1988. Together with his team of officials and his excellent public relations, he has helped in attracting numerous Taiwanese, Singaporean and Chinese investors into the State of Melaka. In recognition of his efforts and dedication, he was conferred the Darjah Mulia Seri Melaka by his Excellency, the Governor of Melaka in 1992. On 17 July 1999, the Taiwanese Government awarded him the Economic Medal. He is the Chairman of MCA, 7th Branch Melaka since 1982. Presently, he is the Chairman of Malaysia Crime Prevention Foundation, Melaka (MCPF), Board Member of Malaysian Investment Development Authority (MIDA) and Board Members of Invest Melaka Berhad. He also sits on the Board of Bonia Corporation Berhad, Farm's Best Berhad, Ta Win Holdings Berhad, Komarkcorp Berhad and ICapital.Biz Berhad.

The Number of Board Meetings Attended in the Financial Year :

4 out of 4

Director's Profile (Cont'd)

HUANG SHA, PMP

Age	: 56
Nationality	: Taiwanese (Malaysian Permanent Resident)
Qualification	: Secondary Education, Taiwan
Occupation	: Company Director
Position	: Non-Independent Managing Director
Other Directorships of Public Companies	: Nil
The Date He Was First Appointed to the Board	: 17 April 2006

The Details of Any Board Committee to Which He Belongs :

Nil

Securities Holding in the Company :**Direct :**

4,513,418 ordinary shares

Indirect :

195,000 ordinary shares

Securities Holding in the Subsidiary :

Deemed to have interests in shares of the subsidiary to the extent Wellcall has an interest.

Family Relationship With Any Director and / or Major Shareholders of the Company :

Father of Mr. Huang Kai Lin

Conflict of Interest :

None

List of Convictions for Offences Within the Past 10 Years Other Than Traffic Offences :

None

Working Experience :

He was appointed to the Board of Wellcall on 17 April 2006 and was appointed Managing Director on the even date. Huang Sha began his career in 1972 upon completing his secondary education and worked for various manufacturers of rubber products in Taiwan and Indonesia and progressed to the position of production manager. From 1989 to the mid-1990s, he joined Jetflo Robin (M) Sdn Bhd, a manufacturer of industrial rubber hose, as a General Manager. Subsequently, he established our subsidiary, Wellcall Hose (M) Sdn Bhd ("WHSB"), together with 2 other partners. With his in-depth knowledge, skills and expertise in all aspects of the manufacturing of rubber hose for more than 30 years, he has formulated our subsidiary's strategic plans to be in line with the changes in the trends of various industries and customers needs. He has also led WHSB to new heights by diversifying its customer's base and expanding its existing product range in the oil and gas sector as well as developing 3 new rubber hose, namely food and beverage hose, chemical hose and steam hose. As recognition for his achievement in the industry, he was awarded the Winner of the Global Top Enterprise Golden Solid Awards by the Chinese Enterprise Development Association of Taiwan on 2 October 2004. He also heads our R&D division where he plays a pivotal role in the product formulation and development. He is also the Managing Director of our subsidiary, WHSB, where he is currently responsible for the strategic planning and development of our Group.

The Number of Board Meetings Attended in the Financial Year :

4 out of 4



Director's Profile (Cont'd)

CHEW CHEE CHEK

Age	: 41
Nationality	: Malaysian
Qualification	: Diploma In Commerce (Financial Accounting), Kolej Tunku Abdul Rahman, Malaysia Fellow of the Association of Chartered Certified Accountants, UK
Occupation	: Company Director
Position	: Non-Independent Executive Director
Other Directorships of Public Companies	: Komarkcorp Berhad
The Date He Was First Appointed to the Board	: 17 April 2006

The Details of Any Board Committee to Which He Belongs :

Member of the Remuneration Committee

Securities Holding in the Company :**Direct :**

14,197,291 ordinary shares

Indirect :

225,000 ordinary shares

Securities Holding in the Subsidiary :

Deemed to have interests in shares of the subsidiary to the extent Wellcall has an interest.

Family Relationship With Any Director and / or Major Shareholders of the Company :

Nil

Conflict of Interest :

None

List of Convictions for Offences Within the Past 10 Years Other Than Traffic Offences :

None

Working Experience :

He was appointed to the Board of Wellcall on 17 April 2006. He graduated with a Diploma in Commerce (Financial Accounting) in 1993 from Tunku Abdul Rahman College and is a fellow of the Association of Chartered Certified Accountants. He started his career as an Audit Assistant in BDO Binder, Kuala Lumpur, a public accounting firm, from 1994 to 1995. In 1995, he joined PricewaterhouseCoopers (formerly known as Coopers & Lybrand) as Audit Semi Senior and subsequently promoted to Audit Senior. In 1996, he joined Amanah Merchant Bank Berhad as a Corporate Finance Executive where he acquired extensive experience in corporate restructuring exercise involving initial public offer, merger and acquisition, reverse takeover, back door listing, debt restructuring, rights issue, private placement and bonus issue. Subsequently, he was promoted to the position of Corporate Finance Assistant Manager. In 2000, he joined Komarkcorp Berhad as a Group Financial Controller and in 2003, he was appointed as an Independent Non-Executive Director of Komarkcorp Berhad. During the same time, from 2000 to 2004, he also ventured into management consultancy practice. He also sits on the board of directors of a few private limited companies.

The Number of Board Meetings Attended in the Financial Year :

4 out of 4

Director's Profile (Cont'd)

TAN KANG SENG

Age	: 44
Nationality	: Malaysian
Qualification	: Malaysian Certificate of Education
Occupation	: Company Director
Position	: Non-Independent Non-Executive Director
Other Directorships of Public Companies	: Nil
The Date He Was First Appointed to the Board	: 17 April 2006

The Details of Any Board Committee to Which He Belongs :

Member of the Audit Committee

Securities Holding in the Company :**Direct :**

450,000 ordinary shares

Indirect :

14,647,861 ordinary shares

Securities Holding in the Subsidiary :

Deemed to have interests in shares of the subsidiary to the extent Wellcall has an interest.

Family Relationship With Any Director and / or Major Shareholders of the Company :

Nil

Conflict of Interest :

None

List of Convictions for Offences Within the Past 10 Years Other Than Traffic Offences :

None

Working Experience :

He was appointed to the Board of Wellcall on 17 April 2006. Upon completion of his secondary education in 1984, he was involved in his family business, Poh Huat Chan, which is mainly a wholesaler of religion-related prayer offering products. In 2000, he became the personal assistant to Datuk Ng Peng Hong @ Ng Peng Hay and subsequently he resigned in September 2006 to focus in his business. Throughout his career spanning more than 18 years, Tan Kang Seng has gained vast experience in the retail and commerce sector. He is also a Non-Executive Director of our subsidiary, WHSB.

The Number of Board Meetings Attended in the Financial Year :

4 out of 4



Director's Profile (Cont'd)

LEONG HON CHONG

Age	: 66
Nationality	: Malaysian
Qualification	: Bachelor of Commerce (Accountancy), University of Otago in New Zealand
Occupation	: Company Director
Position	: Non-Independent Executive Director
Other Directorships of Public Companies	: Nil
The Date He Was First Appointed to the Board	: 17 April 2006

The Details of Any Board Committee to Which He Belongs :

Nil

Securities Holding in the Company :**Direct :**

2,851,827 ordinary shares

Indirect :

Nil

Securities Holding in the Subsidiary :

Deemed to have interests in shares of the subsidiary to the extent Wellcall has an interest.

Family Relationship With Any Director and / or Major Shareholders of the Company :

Nil

Conflict of Interest :

None

List of Convictions for Offences Within the Past 10 Years Other Than Traffic Offences :

None

Working Experience :

He was appointed to the Board of Wellcall on 17 April 2006. He graduated from the University of Otago in New Zealand with a Bachelor of Commerce (Accountancy) in 1970. He started his career as an auditor with Swenry & Co., a public accounting firm in New Zealand. After 2 years, he joined Malaysia Vetsing Sdn Bhd as an Accounts Supervisor till 1975. From 1975 to 1985, he furthered his career with Carter Semiconductor Sdn Bhd as a Controller for the company's administration, finance and marketing divisions. In 1985 he set up a proprietorship providing management consultancy services till mid-1990s. Subsequently, he established our subsidiary, Wellcall Hose (M) Sdn Bhd, together with Huang Sha and Lin Kun Pao and was appointed as an Executive Director of our subsidiary where he is currently responsible for the administration and marketing functions of our Group.

The Number of Board Meetings Attended in the Financial Year :

4 out of 4

Director's Profile (Cont'd)

GOH HOON LEUM

Age	: 61
Nationality	: Singaporean
Qualification	: Master of Property, University of Newcastle, Australia Bachelor of Land Economics (2nd Class Honours), University of Technology, Sydney, Diploma in Management, Association of Business Executive UK
Occupation	: Company Director
Position	: Independent Non-Executive Director
Other Directorships of Public Companies	: Nil
The Date He Was First Appointed to the Board	: 8 December 2010

The Details of Any Board Committee to Which He Belongs :

Chairman of the Audit Committee, Member of the Nomination Committee and Chairman of the Remuneration Committee

Securities Holding in the Company :

Nil

Securities Holding in the Subsidiary :

Nil

Family Relationship With Any Director and / or Major Shareholders of the Company :

Nil

Conflict of Interest :

None

List of Convictions for Offences Within the Past 10 Years Other Than Traffic Offences :

None

Working Experience :

He was appointed to the Board of Wellcall on 8 December 2010. Mr Goh is the Fellow member of Singapore Institute of Surveyors and Valuers and he is also a member of Australia Property Institute. He holds a Bachelor in Land Economics from University of Technology, Sydney and Master in Property from University of Newcastle.

Mr Goh has 30 years of experience in construction and property development industry. He spent first 5 years of his employment in construction industry before starting his 13 years career with Hong Leong Group, an established property development company. He owned property consultancy and investment business before joining public listed companies as their Project Director.

He specialized in property development management advisory and been serving clients in Singapore and PRC. He is well connected with the industry and has been involved in ensuring optimization the land use of many delicate development projects. He is a licensed Appraiser in Lands & Buildings and an accredited Resident Technical Officer (Building & Civil Engineering Works) of Singapore.

Mr. Goh was conferred Public Service Medal (PBM) in 1996 by the President of The Republic of Singapore and appointed Honorary Associates by the University of Technology, Sydney, 2000.

The Number of Board Meetings Attended in the Financial Year :

4 out of 4



Director's Profile (Cont'd)

HUANG KAI LIN

Age	: 27
Nationality	: Taiwanese (Malaysian Permanent Resident)
Qualification	: Bachelor of Chemical Engineering, National Taiwan University, Taiwan
Occupation	: Company Director
Position	: Alternate Director to Leong Hon Chong
Other Directorships of Public Companies	: NIL
The Date He Was First Appointed to the Board	: 12 April 2010

The Details of Any Board Committee to Which He Belongs :

Nil

Securities Holding in the Company :**Direct :**

Nil

Indirect :

4,708,418 ordinary shares

Securities Holding in the Subsidiary :

Nil

Family Relationship With Any Director and / or Major Shareholders of the Company :

He is a son to Mr Huang Sha, PMP, the Managing Director of the Company.

Conflict of Interest :

None

List of Convictions for Offences Within the Past 10 Years Other Than Traffic Offences :

None

Working Experience :

He was appointed to the Board of Wellcall on 12 April 2010. He graduated from the National Taiwan University, Taiwan in Bachelor of Chemical Engineering in 2008. He has 3 years of working experience in the rubber product industry, and later joined as an engineer in the R&D department of Wellcall Hose (M) Sdn Bhd. On 1 December 2011, he was promoted as Manufacturing and Operations Manager of Wellcall Hose (M) Sdn Bhd.

The Number of Board Meetings Attended in the Financial Year :

4 out of 4

Director's Profile (Cont'd)

LOW SIEW CHING

Age	: 47
Nationality	: Malaysian
Qualification	: Bachelor of Science (Major in Mathematics & s Statistic) Deakin University, Geelong Victoria, Australia
Occupation	: Company Director
Position	: Independent Non-Executive Director
Other Directorships of Public Companies	: NIL
The Date He Was First Appointed to the Board	: 8 December 2010

The Details of Any Board Committee to Which He Belongs :

Nil

Securities Holding in the Company :

Nil

Securities Holding in the Subsidiary :

Nil

Family Relationship With Any Director and / or Major Shareholders of the Company :

Nil

Conflict of Interest :

None

List of Convictions for Offences Within the Past 10 Years Other Than Traffic Offences :

None

Working Experience :

He was appointed to the Board of Wellcall on 8 December 2010. He obtained his Bachelor of Science (Major in Mathematics and Statistics) from Deakin University, Geelong Victoria, Australia in 1990. Mr Low has more than 15 years of experience in property development and construction industry. He is presently the General Manager of Sport Marketing Services Pte Ltd, a company that markets sports activities/products in Vietnam.

The Number of Board Meetings Attended in the Financial Year :

3 out of 4



Director's Profile (Cont'd)

YB DATO' HAJI MOHTAR BIN NONG, DPMT, ASM, PJC, PJK, BLB

Age	: 57
Nationality	: Malaysian
Qualification	: Bachelor of Economics (Hons), Universiti Kebangsaan Malaysia Master in Business Administration, University of Dubuque, Iowa, USA
Occupation	: Company Director
Position	: Independent Non-Executive Director
Other Directorships of Public Companies	: Astino Berhad
The Date He Was First Appointed to the Board	: 17 April 2006

The Details of Any Board Committee to Which He Belongs :

Nil

Securities Holding in the Company :

Nil

Securities Holding in the Subsidiary :

Nil

Family Relationship With Any Director and / or Major Shareholders of the Company :

Nil

Conflict of Interest :

None

List of Convictions for Offences Within the Past 10 Years Other Than Traffic Offences :

None

Working Experience :

He was appointed to the Board of Wellcall on 17 April 2006. He obtained his Master in Business Administration from University of Dubuque, Iowa, USA in 1994 and a Bachelor of Economics (Hons) from Universiti Kebangsaan Malaysia in 1978. He served in various positions within the Terengganu State from 1978 until 2006 including General Manager of Yayasan Pembangunan Usahawan Terengganu, President of Majlis Perbandaran Kuala Terengganu and State Financial Officer. He was appointed as the Terengganu State Secretary in January 2007 and subsequently retired in 2010. He is also currently a director of various private companies and sits on the Board of Astino Berhad.

The Number of Board Meetings Attended in the Financial Year :

3 out of 4

Director's Profile (Cont'd)

MAT ZAID BIN IBRAHIM, PJC

Age	: 48
Nationality	: Malaysian
Qualification	: Diploma in Valuation, University of Technology, Malaysia Bachelor of Surveying in Property Management (Hon), University of Technology, Malaysia
Occupation	: Company Director
Position	: Alternate Director to YB Dato' Haji Mohtar bin Nong
Other Directorships of Public Companies	: Nil
The Date He Was First Appointed to the Board	: 17 April 2006

The Details of Any Board Committee to Which He Belongs :

Nil

Securities Holding in the Company :

Nil

Securities Holding in the Subsidiary :

Nil

Family Relationship With Any Director and / or Major Shareholders of the Company :

Nil

Conflict of Interest :

None

List of Convictions for Offences Within the Past 10 Years Other Than Traffic Offences :

None

Working Experience :

He was appointed to the Board of Wellcall on 17 April 2006. He graduated from the University of Technology, Malaysia in Bachelor of Surveying in Property Management with Honours and a Diploma in Valuation in 1986 and 1982 respectively. He started his career with Yayasan Islam Terengganu ("YIT") in 1986 as an Assistant Director (Development & Investment) where he is in-charge of YIT's investment and was promoted as Principal Assistant Director (Development & Investment) in 2006. He also sits on the board of directors of other private companies.

The Number of Board Meetings Attended in the Financial Year :

4 out of 4



Director's Profile (Cont'd)

YANG CHONG YAW, ALAN

Age	: 42
Nationality	: Malaysian
Qualification	: Bachelor of Economics (Accounting and Finance), Macquarie University, Sydney, Australia Master of Business Administration, Macquarie Graduate School of Management, Sydney, Australia Member of CPA Australian
Occupation	: Company Director
Position	: Independent Non-Executive Director
Other Directorships of Public Companies	: Nil
The Date He Was First Appointed to the Board	: 17 April 2006

The Details of Any Board Committee to Which He Belongs :

Member of the Audit Committee, Nomination Committee and Remuneration Committee

Securities Holding in the Company :**Direct :**

150,000 ordinary shares

Indirect :

Nil

Securities Holding in the Subsidiary :

Nil

Family Relationship With Any Director and / or Major Shareholders of the Company :

Nil

Conflict of Interest :

None

List of Convictions for Offences Within the Past 10 Years Other Than Traffic Offences :

None

Working Experience :

He was appointed to the Board of Wellcall on 17 April 2006. He obtained his Master of Business Administration from Macquarie Graduate School of Management, Sydney, Australia in 1999 and a Bachelor of Economics (Accounting and Finance) from Macquarie University, Sydney, Australia in 1992. He is also a member of CPA Australia. Mr Yang has more than 15 years of experience in corporate finance and accounting. He is presently the Chief Operating Officer of Firegent iASP Sdn Bhd, a company that provides software as a service to the insurance industry.

The Number of Board Meetings Attended in the Financial Year :

4 out of 4

Statement on Corporate Governance

The Board of Directors ("Board") of the Company is pleased to report that for the financial year under review, the Company has continued to apply good governance practices in managing and directing the business affairs of the Group, by adopting the substance and spirit of the principles advocated by the Malaysian Code on Corporate Governance ("Code") wherever possible. In this Statement, the Board has considered the manner in which the principles of the Code have been applied, the extent of compliance with the Best Practices and the alternatives for departure from such best practices.

BOARD OF DIRECTORS

Board Composition and Balance

The Group is controlled and led by a dynamic Board which is primarily entrusted with the responsibility of charting the direction of the Group. In addition, the Board oversees the conduct of the Group businesses and established and maintained an adequate system of internal controls. Due to limitations inherent to any system of internal controls, the Board focused primarily on the mitigation of any foreseeable or potential risks facing the Group.

In the management and day-to-day operations of the Group, the Board, through the Executive Directors, is fully assisted by the Management. The Board outlines the policies and objectives of the Group, which are carried out by the Management through the supervision of the Executive Directors.

The Board members consist of one (1) Independent Non-Executive Chairman, one (1) Non-Independent Managing Director, two (2) Non-Independent Executive Directors, one (1) Non-Independent Non-Executive Director, four (4) Independent Non-Executive Directors and two (2) Alternate Directors.

The profiles of individual Directors are set out on pages 9 to 19 of the Annual Report.

The composition of the Board not only reflects the broad range of experience, skills and knowledge required to successfully direct and supervise the Group business activities, but also the importance of independence in decision-making at the Board level.

There is also balance in the Board because of the presence of Independent Non-Executive Directors with the necessary caliber to carry sufficient weight in the Board's decision making process. These Independent Non-Executive Directors are independent of the management and free from any business or other relationship that could materially interfere with the exercise of their independent judgement. They have the capability to ensure that the strategies proposed by the Management are fully deliberated and examined in the long-term interest of the Group, as well as the shareholders, employees, customers, suppliers and the many communities in which the Group conducts its businesses.

In discharging its duties, the Board met a total of four (4) times during the financial year ended 30 September 2011. The record of attendance at the meetings of the Board of Directors for the financial year ended 30 September 2011 is as follows:-

Directors	No. of Board Meetings Attended
Datuk Ng Peng Hong @ Ng Peng Hay	4/4
Huang Sha	4/4
Chew Chee Chek	4/4
Tan Kang Seng	4/4
Leong Hon Chong	4/4
YB Dato' Haji Mohtar bin Nong	3/4
Mat Zaid bin Ibrahim (<i>Alternate Director to YB Dato' Haji Mohtar bin Nong</i>)	4/4
Goh Hoon Leum	4/4
Low Siew Ching	3/4
Yang Chong Yaw, Alan	4/4
Huang Kai Lin (<i>Alternate Director to Leong Hon Chong</i>)	4/4



Statement on Corporate Governance (Cont'd)

Board Responsibilities

The Board is primarily responsible for the Group's overall corporate governance, strategic plans, business performance, succession planning, risk management, as well as reviewing the adequacy and integrity of its internal control and management information systems. The Board meets regularly to review the Group's corporate strategies, business operations and financial performance.

Directors' Training

The Group acknowledges the fact that continuous education is vital for the Board members to gain insight into the state of economy, technological advances in our core business, latest regulatory developments and management strategies. Therefore, the Directors are encouraged to evaluate their own training needs on a continuous process and to determine the relevant programmes, seminars and briefings that would enhance their knowledge to enable the Directors to discharge their responsibilities more effectively. All members of the Board have attended the Mandatory Accreditation Programme ("MAP") organised by approved organisations of Bursa Malaysia Securities Berhad ("Bursa Securities").

Statement on Continuing Education Programme

For the financial year ended 30 September 2011, the following Directors had attended the external courses:

Director	Details of External Seminars Attended
Chew Chee Chek	One day seminar on International Financial Reporting Standard (IFRS) organised by Messrs. Ong & Wong, Chartered Accountants on Thursday, 15 December 2011
Goh Hoon Leum	Mandatory Accreditation Programme for Directors of Public Listed Companies (Pursuant to Paragraph 15.09 of Bursa Listing Requirements organised by Bursatra Sdn Bhd on 26 January 2011 to 27 January 2011
Huang Sha	Two days talk on successful entrepreneurship organised by China Youth Association on 1 July 2011 to 2 July 2011
Huang Kai Lin	Two days talk on successful entrepreneurship organised by China Youth Association on 1 July 2011 to 2 July 2011
Low Siew Ching	Mandatory Accreditation Programme for Directors of Public Listed Companies (Pursuant to Paragraph 15.09 of Bursa Listing Requirements organised by Bursatra Sdn Bhd on 26 January 2011 to 27 January 2011
Mat Zaid bin Ibrahim	"Kursus Amalan Persekitaran Berkualiti (QE) untuk Ketua Fasilitator, Ketua Zon" organised by Malaysia Productivity Corporation on 6 March 2011 to 7 March 2011 "Seminar Khas Pemantapan Profesionalisme" organised by Pejabat Perdana Menteri & Pejabat Ketua Pengarah Perkhidmatan Awam Malaysia on 21 May 2011 to 23 May 2011
Datuk Ng Peng Hong @ Ng Peng Hay	Briefing on the New Corporate Governance Blueprint issued by Securities Commission organised by KPMG on 23 August 2011

In addition, the Board of Directors had been briefed by the external auditors and company secretary pertaining to the recent changes made to the Malaysian Financial Reporting Standards and Bursa Securities Listing Requirements respectively.

Appointment and Re-election of Directors

In accordance with the Company's Articles of Association, the Board can appoint any person to be a Director as and when it is deemed necessary. Any person so appointed shall hold office until the next Annual General Meeting ("AGM") and shall then be eligible for re-election. At the first AGM, all the Directors shall retire from office, and at the AGM in every subsequent year one-third of the Directors shall retire from office and eligible for re-election. An election of Directors takes place every year and all the Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

Statement on Corporate Governance (Cont'd)

Information and External Advice

The Board is provided with comprehensive board papers on a timely basis prior to board meetings. This is to ensure and to enable the Directors to discharge their duties and responsibilities competently and in a well-informed manner. All members of the Board have access to the advice and services of the company secretary. The Directors meet, review and approve all corporate announcements, including the announcement of the quarterly financial results, prior to releasing them to Bursa Securities. Directors are also empowered to seek such external independent professional advice as they may require, at the expense of the Group, to enable them to make well-informed decisions.

Directors' Remuneration

Directors' remuneration is decided in line with the objective recommended by the Code to determine the remuneration for Directors so as to attract and retain Directors of the caliber needed to run the Company successfully. In general, the component parts of remuneration are structured so as to link rewards to performance, in the case of Executive Directors. In the case of Non-Executive Directors, the level of remuneration reflects the experience and responsibilities undertaken by the particular Non-Executive concerned. Directors do not participate in decisions regarding their own remuneration packages and Directors' fees must be approved by shareholders at the AGM.

The details of the remuneration of the Directors of the Company for the financial year under review are as follows :-

Category	Fees (RM'000)	Salaries & Other Emoluments (RM'000)	Benefit in Kind (RM'000)
Executive Director	–	1,916	33
Non-Executive Director	312	–	–

The numbers of Directors of the Company whose total remuneration during the financial year under review that fall within the following bands are as follows:-

Range of Remuneration	Executive Director	Non-Executive Director
Below RM50,000	–	3
RM50,001 – RM100,000	–	3
RM250,001 – RM300,000	2	–
RM400,001 – RM450,000	1	–
RM1,000,001 – RM1,050,000	1	–

The Company has opted not to disclose each Director's remuneration as the Board considers the information to be sensitive and proprietary.



Statement on Corporate Governance (Cont'd)

Board Committees

In order to ensure the effective discharge of its fiduciary duties, the Board has established various Board Committees to assist the Board in the running of the Group. This is to allow the members of the Board Committees to deliberate and examine issues within their terms of reference in greater detail and subsequently recommend and report to the Board. The functions and terms of reference of the committees, as well as the authority delegated by the Board to these committees, have been clearly defined and approved by the Board. All Board Committees do not have executive powers but only the power to make recommendations to the Board.

The Board Committees for the financial year under review are as follows:

(a) Audit Committee

The Audit Committee is responsible for the recommendation to our Board regarding the selection of the external auditors, reviewing the results and scope of the audit and other services provided by the Group's external auditors and reviews and evaluates the Group's internal audit and control functions. The Audit Committee is also responsible for the assessment of financial risk and matters relating to related party transactions and conflict of interests. The Audit Committee may obtain advice from independent parties and other professionals in the performance of its duties. The current members of our Audit Committee are as follows:

Name	Designation	Directorship
Goh Hoon Leum	Chairman	Independent Non-Executive Director
Yang Chong Yaw, Alan	Member	Independent Non-Executive Director
Tan Kang Seng	Member	Non-Independent Non-Executive Director

The Terms of Reference of the Committee are as stated on pages 27 to 30 of this Annual Report. A summary of the activities of the Audit Committee during the year is set out in the Audit Committee Report on page 30.

The Committee met a total of four (4) times during the financial year ended 30 September 2011.

(b) Remuneration Committee

The Remuneration Committee was appointed by our Board and consists of three (3) members, a majority of whom are Independent Non-Executive Directors. The Chairman is an Independent Non-Executive Director. The Remuneration Committee is primarily charged with the responsibility of recommending to our Board the policy and framework for our Directors' remuneration including the remuneration and terms of service of our Executive Directors in all its forms, drawing from outside advice, if necessary.

The determination of remuneration of our Executive and Non-Executive Directors shall be a matter to be determined by our Board as a whole after taking into consideration of the Remuneration Committee's recommendations. The current members of our Remuneration Committee are set forth below:

Name	Designation	Directorship
Goh Hoon Leum	Chairman	Independent Non-Executive Director
Yang Chong Yaw, Alan	Member	Independent Non-Executive Director
Chew Chee Chek	Member	Non-Independent Executive Director

The Committee met a total of two (2) times during the financial year ended 30 September 2011.

Statement on Corporate Governance (Cont'd)

(c) Nomination Committee

The Nomination Committee was appointed by our Board and consists of three (3) members, all of whom are Independent Non-Executive Directors. The Nomination Committee is primarily responsible for proposing new nominees for our Board as well as the Directors to fill the seats on board committees, and assessing the Directors on an ongoing basis.

In particular, the Board through this Committee would review on an annual basis the required mix of skills and experience and other core qualities, including core competencies, which the Non-Executive Directors should bring to the Board. The current members of the Nomination Committee are set forth below:

Name	Designation	Directorship
Datuk Ng Peng Hong @ Ng Peng Hay	Chairman	Independent Non-Executive Chairman
Goh Hoon Leum	Member	Independent Non-Executive Director
Yang Chong Yaw, Alan	Member	Independent Non-Executive Director

The Committee met a total of two (2) times during the financial year ended 30 September 2011.

INVESTOR RELATIONS AND SHAREHOLDER COMMUNICATION

The Board clearly recognises the importance of transparency and accountability to all its stakeholders, particularly its shareholders and investors as it ensures that market credibility and investors' confidence are maintained. Through extensive disclosures of appropriate and relevant information, using various channels of communication on a timely basis, the Group aims to effectively provide shareholders and investors with information to fulfill transparency and accountability objectives. At this juncture, the channel of communication to shareholders, stakeholders and general public for the overall performance and operations of the Group's business activities are press releases, public announcements on quarterly basis, annual report and disclosures to the Bursa Securities. Meetings with institutional investors, fund managers, analysts, research houses and members of the media from time to time provide an additional avenue for the Board and management to convey information about Group performance, strategy and other matters affecting shareholders' interests.

ANNUAL GENERAL MEETING

The upcoming Annual General Meeting represents the principal forum for dialogue and interaction with shareholders. Shareholders are accorded both the opportunity and time to raise questions on the agenda items of the general meeting. The notice of meeting and the annual report are sent out to shareholders at least 21 days before the date of the meeting in accordance with the Company's Articles of Association.

ACCOUNTABILITY AND AUDIT**Financial Reporting**

The Board aims to present a balanced, insightful and timely assessment of the Group's financial position and prospects by ensuring quality financial reporting through the annual audited financial statements and quarterly financial results to its stakeholders, in particular, shareholders, investors and the regulatory authorities. The Audit Committee assists the Board in scrutinising information for disclosure to ensure the quality of financial reporting and adequacy of such information, prior to submission to the Board for its approval. As required by the Companies Act, 1965 ("Act"), the Directors are responsible for the preparation of financial statements in accordance with applicable approved accounting standards and to give a true and fair view of the state of affairs of the Group and Company at the end of each financial year and of the results and cash flows of the Group and Company for the financial year.



Statement on Corporate Governance (Cont'd)

In preparing the financial statements, the Directors have:

- adopted appropriate accounting policies and applied them consistently;
- made judgements and estimates that are prudent and reasonable;
- ensured that applicable accounting standards have been followed; and
- prepared the financial statements on a going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and Company have adequate resources to continue in operational existence for the foreseeable future.

The Directors have responsibility for ensuring that the Company keeps proper accounting records which disclose with reasonable accuracy at any time, the financial position of the Group and Company and to enable them to ensure that the financial statements comply with the Act and applicable approved accounting standards. In addition, the Directors are also responsible for taking reasonable steps to safeguard the assets for the Group and Company and to prevent and detect fraud as well as other irregularities.

Internal Control

The Board acknowledges its overall responsibility for maintaining a sound system of internal controls that provides reasonable assessment of effective and efficient operations, internal financial controls and compliance with laws and regulations as well as with internal procedures and guidelines. The effectiveness of the systems of internal controls of the Group is reviewed periodically by the Audit Committee. Further details of the Group's system of internal controls are set out in the Statement of Internal Control section of this Annual Report.

Relationship with Auditors

The Board maintains a transparent and professional relationship with the external auditors. The Audit Committee meets with the external auditors at least once a year to discuss their audit plan, audit findings and the financial statements. The Audit Committee also meets the external auditors without the presence of the Executive Directors and the management whenever deemed necessary. From time to time, the auditors highlight to the Audit Committee and the Board on matters that require the Board's attention. The role of the Audit Committee in relation to both the internal and external auditors is described in the Audit Committee Report of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

The Company has involved in various activities as part of its Corporate Social Responsibility (CSR) efforts:-

(a) Occupational Safety and Health

The Company is committed to maintain high safety and health standards at work place. A committee has been set up to monitor the compliance of the safety and health standards. A series of in-house programmes on safety and health are regularly conducted with the assistance of external experts and committee members. This includes training on handling chemical, flammable materials and machineries in work place.

(b) Contribution to charitable causes

The Company has been contributing regularly to schools with an objective to provide the less fortunate an opportunity to pursue further education.

Statement of Internal Control

The Board of Directors is ultimately responsible for the Group's system of internal control and for reviewing the effectiveness of the internal control system during the year pursuant to paragraph 15.27 (b) of the Bursa Securities Listing Requirements. Internal control system is primarily designed to cater for the business needs and manage the potential business risks of the Group. The Board has overall responsibility for the Group's system of internal control, which aims to:

- safeguard shareholders' investments and the Group's assets;
- ensure that proper accounting records are maintained; and
- ensure that the financial information provided within the business and for publication is reliable.

In view of the limitations that are inherent in any systems of internal control, such systems are designed to mitigate rather than eliminate the likelihood of fraud and error. Accordingly, these systems can provide only reasonable and not absolute assurance against material misstatement or loss. The concept of reasonable assurance also recognizes that the cost of control procedures should not exceed the expected benefits.

There are always opportunities to further improve the current internal control systems of the Group. A programme of actions to enhance the internal control system was undertaken in line with the corporate governance compliances. The Company had on 17 November 2006 outsourced the internal audit function of the Group to Matrix Consultancy Sdn Bhd ("Matrix Consultancy"). Matrix Consultancy reports direct to the Audit Committee. Its role is to provide the Audit Committee with independent and objective reports on the state of internal controls of the operating units within the Group and the extent of compliance by such units with the Group's established policies and procedures and the regulatory requirements of the relevant authorities.

In seeking to achieve the objectives of the internal control systems, the following key elements have been considered:

CONTROL ENVIRONMENT AND ACTIVITIES

It is imperative that the Group should operate on a sound system of internal control. In general, the overall line of communications across the business is well defined and there is an appropriate integrity in risk management. There is also a limit on authority that clearly defines authorization limit to ensure proper identification of accountabilities and segregation of duties. Operation Control procedures have been established according to ISO9001:2000 standard. This will ensure that the business process flow is accordingly and properly executed.

RISK MANAGEMENT

The Board fully supports the contents of the Statement on Internal Control and Guidance for Directors of Public Listed Companies. The Board together with the assistance of a professional firm will undertake to review the existing risk management process in place within the various business operations, with the aim of formalizing the risk management functions across the Group.

As an ongoing process, significant business risks faced by the Group are identified and evaluated and consideration is given on the potential impact of achieving the business objectives. This includes examining principal business risks in critical areas, assessing the likelihood of material exposures and identifying the measures taken to mitigate, avoid or eliminate these risks.

GOING CONCERN

The Board, based on the current business activities and facilities available as well as the stable economic environment, have a reasonable expectations that the Group is in a position to continue its operational presence and existence in the foreseeable future. Hence the Group financial statements have been prepared on the going concern basis.



Audit Committee Report

The Audit Committee of Wellcall is pleased to present the Audit Committee Report for the financial year ended 30 September 2011.

1. MEMBERSHIP AND ATTENDANCE

Composition of Audit Committee	Number of Audit Committee Meetings	
	Held	Attended
Goh Hoon Leum <i>Chairman/Independent Non-Executive Director</i>	4	4
Yang Chong Yaw, Alan <i>Member/Independent Non-Executive Director</i>	4	4
Tan Kang Seng <i>Member/Non-Independent Non-Executive Director</i>	4	4

2. COMPOSITION AND TERMS OF REFERENCE

2.1 MEMBERSHIP

- (a) The Audit Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist of not less than three (3) members of whom the majority shall be Independent Directors. All members of the Audit Committee should be Non-Executive Directors, financially literate and at least one (1) member of the Audit Committee:-
 - i) must be a member of the Malaysian Institute of Accountants; or
 - ii) if he is not a member of the Malaysian Institute of Accountants, he must have at least three (3) years working experience and:-
 - (aa) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act, 1967; or
 - (bb) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act, 1967; or
 - iii) fulfils the requirements as may be prescribed or approved by Bursa Securities and/or other relevant authorities from time to time.
- (b) No alternate Director shall be appointed as a member of the Audit Committee.
- (c) In the event of any vacancy in the Audit Committee resulting in the non-compliance of item (a) above, the vacancy must be filled within three (3) months of that event.
- (d) The Board must review the term of office and performance of an Audit Committee and each of its members at least once every three (3) years to determine whether such Audit Committee and members have carried out their duties in accordance with their terms of reference.

2.2 QUORUM

A quorum of two (2) members and the majority of members present shall be Independent Directors.

2.3 CHAIRMAN

The members of the Audit Committee shall elect a Chairman from among their number who shall be an Independent Director.

2.4 MEETINGS

Meetings shall be held at least four (4) times a year and such additional meetings may be called at any time at the discretion of the Chairman of the Audit Committee. However, at least twice a year the Audit Committee shall meet with the external auditors without the present of executive Board members. The Audit Committee may invite any other Directors, management and staff to be in attendance during meetings to assist in its deliberation.

The Company Secretary or their representatives shall be responsible for sending out notices of meetings, preparing and keeping minutes of meetings and circulating the minutes of meetings to committee members and to all members of the Board.

2.5 OBJECTIVES

- (a) To recommend to the Board regarding the selection of the external auditors, reviewing the results and scope of the audit and other services provided by the Group's external auditors;
- (b) To review and evaluate the Group's internal audit and control functions;
- (c) To be responsible for the assessment of financial risk and matters relating to related party transactions and conflict of interests;
- (d) To assist the Board in discharge its responsibilities by reviewing the adequacy and integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- (e) To reinforce the independence of the external auditors and thereby help assure that they will have free rein in the audit process;
- (f) To provide, by way of regular meetings, a line of communication between the Board and the external auditors;
- (g) To provide a forum for discussion that is independent of the management; and
- (h) To review the quality of the audits conducted by the external auditors of the Company.

2.6 DUTIES AND RESPONSIBILITIES

The functions of the Audit Committee are as follows:-

- a) to review the following and report the same to the Board of Directors:-
 - i) with the external auditors, the audit plan;
 - ii) with the external auditors, his evaluation of the system of internal controls;
 - iii) with the external auditor, his audit report;
 - iv) the assistance given by the Company's employees to the external auditors;



Audit Committee Report (Cont'd)

- v) to do the following in relation to the internal audit function:-
 - review the adequacy of the scope, the functions and resources of the internal audit functions and that it has the necessary authority to carry out its work;
 - review the internal audit programmes, processes, the results of the internal audit programmes, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
 - review any appraisal or assessment of the performance of members of the internal audit function;
 - approve any appointments or termination of senior staff members of the internal audit function; and
 - take cognisance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning.
 - vi) the quarterly and year-end financial statements of the Company, prior to the approval by the Board, focusing particularly on:-
 - Changes in or implementation of major accounting policy changes;
 - Significant and unusual events;
 - The going concern assumption; and
 - Compliance with accounting standards and other legal requirements.
 - vii) any related party transaction and conflict of interest situation that may arise within the Company or group including any transaction, procedure or course of conduct that raises questions of management integrity;
 - viii) any letter of resignation from the external auditors of the Company;
 - ix) whether there is reason (supported by grounds) to believe that the Company's external auditors is not suitable for re-appointment; and
 - x) review the list of eligible employees and the allocation of Employees' Share Option Scheme ("ESOS") to be offered to them.
- b) to consider the following and report the same to the Board of Directors:-
- i) the major findings of internal investigations and management's response;
 - ii) other topics as defined by the Board; and
 - iii) the nomination of a person or persons as external auditors together with such other functions as may be agreed by the Audit Committee and the Board.
- c) to discuss problems and reservations arising from the interim and final audits, and any matter that the external auditor may wish to raise (in the absence of management, where necessary).

2.7 RIGHTS OF THE AUDIT COMMITTEE

The Audit Committee shall, wherever necessary and reasonable for the performance of its duties, in accordance with a procedure to be determined by the Board of Directors and at the cost of the Company:-

- (a) have authority to investigate any matter within its terms of reference;
- (b) have the resources which are required to perform its duties;
- (c) have full and unrestricted access to any information pertaining to the Company;
- (d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any);
- (e) be able to obtain advice from independent parties and other professionals in the performance of its duties; and
- (f) be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other Directors and employees of the Company, whenever deemed necessary.

The chairman of the Audit Committee should engage on a continuous basis with the senior management, such as the chairman, chief executive officer, the finance director, head of internal audit and external auditors in order to be kept informed of matters affecting the Company.

3. SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

The Audit Committee has discharged its duties as set out in its Terms of Reference. During the financial year, the activities of the Audit Committee included:-

1. Reviewed the Quarterly Reports and the Annual Report to ensure adherence to legal and regulatory reporting requirements and appropriate resolution of all accounting matters requiring significant judgement;
2. Reviewed and deliberated the significant risk areas, internal control and financial matters brought to the attention of the external auditors in the course of their work;
3. Deliberated the emerging financial reporting issues pursuant to the introduction of new accounting standards and additional statutory/regulatory disclosure requirements;
4. Deliberated the best Board practices for meeting market expectations and protecting shareholders' interests that were highlighted by the external auditors; and
5. Noted that there was no option shares granted pursuant to the ESOS to eligible employees.



Audit Committee Report (Cont'd)

4. SUMMARY OF ACTIVITIES OF THE OUTSOURCED INTERNAL AUDIT DEPARTMENT

The Company had on 17 November 2006 outsourced the internal audit function of the Group to Matrix Consultancy. Matrix Consultancy reports direct to the Audit Committee. Its role is to provide the Committee with independent and objective reports on the state of internal controls of the operating units within the Group and the extent of compliance by such units with the Group's established policies and procedures and the regulatory requirements of the relevant authorities. The Audit Committee reviews and approves the internal audit plan of the Group submitted by Matrix Consultancy. During the financial year ended 30 September 2011, the areas audited included audits of the various departments covering the subsidiary of the Group. Internal audit reports were issued to the Audit Committee regularly and tabled in the Audit Committee meetings. The reports are also issued to the respective operations management, incorporating audit recommendations and management responses with regards to any audit findings on the weaknesses in the systems and controls of the operations. Matrix Consultancy also follows up with management on the implementation of the agreed audit recommendations.

The professional fees incurred for the internal audit function in respect of financial year ended 30 September 2011 amounted to RM37,500.

Other Information

SHARE BUYBACKS

There were no share buyback exercise undertaken by the Company during the financial year under review.

OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

During the current financial year ended 30 September 2011, a total of 532,500 new ordinary shares were issued and allotted pursuant to the exercise of ESOS options. During the financial year ended 30 September 2011, there are no ESOS options being granted to other eligible employees of Wellcall Group and no issuances of warrants or convertible securities during the financial year.

AMERICAN DEPOSITORY RECEIPT ("ADR") OR GLOBAL DEPOSITORY RECEIPT ("GDR")

The Company did not sponsor any ADR or GDR programme during the financial year.

IMPOSITION OF SANCTIONS/PENALTIES

There were no public sanctions and/or penalties imposed on the Company and its subsidiary company, Directors or management by the relevant regulatory bodies during the financial year.

NON-AUDIT FEES

The non-audit fees paid or payable to external auditors and their affiliated company for the financial year ended 30 September 2011 are as follows:

	RM'000
O & W Tax Consultants Sdn Bhd	6

PROFIT GUARANTEES

During the financial year, there were no profit guarantees given by the Company.

MATERIAL CONTRACTS

During the financial year, there were no material contracts (not being contracts entered into the ordinary course of business) entered into by the Company and its subsidiaries involving Directors' and/or substantial shareholders' interests.

REVALUATION POLICY

During the financial year, the Company and its subsidiary do not have any revaluation policy on its landed properties.

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Directors' Report

for the year ended 30th September, 2011

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30th September, 2011.

PRINCIPAL ACTIVITIES

The Company is principally engaged as an investment holding company. The principal activity of the subsidiary company is disclosed in Note 5 to the financial statements. There have been no significant changes in these activities during the financial year.

RESULTS

	Group RM	Company RM
Profit before taxation	22,339,315	15,380,375
Taxation	(7,013,953)	(38,289)
Profit for the year	15,325,362	15,342,086

DIVIDENDS

Dividends declared and paid by the Company since the end of the previous financial year were:

- a special interim single tier dividend of 3.00 sen per share on 131,826,015 ordinary shares of RM0.50 each amounting to RM3,954,780 in respect of the financial year ended 30th September, 2010 was paid on 23rd December, 2010.
- a first interim single tier dividend of 3.00 sen per share on 131,826,015 ordinary shares of RM0.50 each amounting to RM3,954,780 in respect of the financial year ended 30th September, 2011 was paid on 28th March, 2011.
- a second interim single tier exempt dividend of 2.50 sen per share on 132,358,515 ordinary shares of RM0.50 each amounting to RM3,308,963 in respect of the financial year ended 30th September, 2011 was paid on 24th June, 2011.
- a third interim single tier dividend of 3.00 sen per share on 132,358,515 ordinary shares of RM0.50 each amounting to RM3,970,756 in respect of the financial year ended 30th September, 2011 was paid on 23rd September, 2011.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUE OF SHARES

The following ordinary shares were issued by the Company during the financial year:

Class	Number of shares	Term of issue	Purpose of issue
Ordinary	532,500	Cash	Exercise of ESOS

These new ordinary shares rank pari passu with the existing shares in issue of the Company.



Directors' Report (Cont'd)

SHARE OPTION

During the financial year, the Company did not grant any option to any person to take up the unissued shares of the Company, apart from the issue of shares pursuant to the Employees' Share Option Scheme ("ESOS").

The ESOS of the Company is governed by the By-Laws approved by the shareholders at an Extraordinary General Meeting held on 15th November, 2005. It grants options to eligible directors and employees of the Group to subscribe for up to 15% of the issued and paid-up share capital of the Company.

The salient features of the ESOS are as follows:

- i) Eligible directors and employees are those who attained the age of at least 18 years old and are employed full-time by and on the payroll of a company within the Group and have served in the employment of the Group.
- ii) Each offer shall be made in writing and is personal to the eligible grantee and shall be incapable of being assigned, transferred, encumbered or otherwise disposed of in any manner whatsoever.
- iii) The subscription price of each ordinary share comprised in any option shall be as follows:
 - a) In respect of any offer which is made in conjunction with the Company's listing on Bursa Securities, the initial public offer price; and
 - b) In respect of any offer which is made subsequent to the Company's listing on Bursa Securities, the weighted average market price of the shares for the five (5) market days immediately preceding the date of offer with a discount of not more than 10% (or such other pricing mechanism as may be permitted by the relevant authorities) at the ESOS committee's discretion, provided that the subscription price shall in no event be less than the par value of the shares.
- iv) The ESOS shall be implemented for a year of 10 years from the date of full compliance with all relevant requirements governing the ESOS.
- v) The number of new shares that may be offered to an eligible grantee shall be determined at the discretion of the ESOS committee after taking into consideration the performance, seniority and length of service of the eligible grantee.
- vi) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank *pari passu* in all respects with the existing ordinary shares of the Company except that the shares so issued will not be entitled to any dividends, rights, allotments and/or any distributions which may be declared, made or paid to shareholders prior to the date of allotment of the new ordinary shares.

Details of the ESOS options granted to eligible directors and employees are set out in the section on Directors' Interests in Shares in this report and Note 11 to the financial statements.

DIRECTORS

The directors who served since the date of the last report are:

Datuk Ng Peng Hong @ Ng Peng Hay, DMSM, DSM, PJK
 Huang Sha, PMP
 Goh Hoon Leum
 Leong Hon Chong
 Chew Chee Chek
 Yang Chong Yaw Alan
 Low Siew Ching
 Dato' Haji Mohtar Bin Nong, DPMT, ASM, PJC, PJK, BLB
 Tan Kang Seng
 Mat Zaid Bin Ibrahim, PJC (*alternate director to Dato' Haji Mohtar Bin Nong, DPMT, ASM, PJC, PJK, BLB*)
 Huang Kai Lin (*alternate director to Leong Hon Chong*)

Directors' Report (Cont'd)

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' shareholdings, particulars of directors' interests in the shares of the Company and its subsidiary company at the end of the financial year are as follows:

	Number of ordinary shares of RM0.50 each			
	Balance at 01.10.10	Bought	Sold	Balance at 30.09.11
Direct interest in ordinary shares of the Company				
Huang Sha, PMP	18,616,250	–	(14,102,832)	4,513,418
Leong Hon Chong	6,152,103	–	(3,300,276)	2,851,827
Tan Kang Seng	450,000	–	–	450,000
Chew Chee Chek	14,844,767	1,549,704	(2,197,180)	14,197,291
Yang Chong Yaw Alan	–	150,000	–	150,000
Deemed interest in ordinary shares of the Company				
Huang Sha, PMP*	157,500	37,500	–	195,000
Chew Chee Chek*	–	225,000	–	225,000
Indirect interest in ordinary shares of the Company				
Maximum Perspective Sdn. Bhd.				
Tan Kang Seng	14,674,861	–	–	14,674,861

* Deemed interested in shares by virtue of Section 134(12)(c) of the Companies (Amendment) Act, 2007.

	Options over number of ordinary shares of RM0.50 each			
	Balance at 01.10.10	Granted	Exercised	Balance at 30.09.11
Direct interest in ESOS options of the Company				
Yang Chong Yaw Alan	120,000	–	–	120,000

By virtue of their interests in the shares of the Company, Huang Sha, PMP, Leong Hon Chong, Chew Chee Chek, Tan Kang Seng and Yang Chong Yaw Alan are also deemed interested in shares of its subsidiary company to the extent that Wellcall Holdings Berhad has an interest.

Save as disclosed above, none of the other directors holding office at 30th September, 2011 had any interest in the ordinary shares of the Company and its subsidiary company during the financial year.



Directors' Report (Cont'd)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the financial statements, or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member or with a company in which the director has a substantial financial interest.

Neither during nor at the end of the financial year was the Company a party to any arrangements whose object was to enable the directors to acquire benefits by means of the acquisition of shares or debentures of the Group and of the Company or any other body corporate.

OTHER STATUTORY INFORMATION

Before the Statement of Comprehensive Income and Statement of Financial Position of the Group and of the Company were made out, the directors took reasonable steps:

- i) to ascertain that proper action had been taken in relation to the writing off of bad debts and, the making of allowance for doubtful debts, and have satisfied themselves that there were no known bad or doubtful debts; and
- ii) to ensure that any current assets which were unlikely to realise in the ordinary course of business their value as shown in the accounting records of which were written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

- i) which would require any amount to be written off as bad debts, or provided for as doubtful debts;
- ii) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading;
- iii) which have arisen which render adherence to the existing methods of valuation of assets or liabilities in the financial statements of the Group and of the Company misleading or inappropriate; and
- iv) not otherwise dealt with in this report or in the financial statements of the Group and of the Company, that would render any amount stated in the respective financial statements misleading.

At the date of this report, there does not exist:

- i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- ii) any contingent liability in respect of the Group and of the Company that has arisen since the end of the financial year.

No contingent liability or other liabilities of the Group and of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the directors:

- i) the results of the operations of the Group and of the Company for the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature; and
- ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

Directors' Report (Cont'd)

AUDITORS

The Auditors, ONG & WONG, have indicated their willingness to continue in office.

Signed in accordance with a resolution of the directors

HUANG SHA, PMP

Director

CHEW CHEE CHEK

Director

Kuala Lumpur

Dated: 28 December 2011



Statement by Directors

(Pursuant to Section 169[15] of the Companies Act, 1965)

We, **HUANG SHA, PMP** and **CHEW CHEE CHEK**, two of the directors of **WELLCALL HOLDINGS BERHAD**, state that, in the opinion of the directors, the financial statements set out on pages 42 to 68 are drawn up in accordance with applicable Financial Reporting Standards in Malaysia and the Companies Act, 1965 so as to give a true and fair view of the states of affairs of the Group and of the Company as at 30th September, 2011 and of the results of their operations, changes in equity and cash flows of the Group and of the Company for the financial year ended on that date.

Signed in accordance with a resolution of the directors

HUANG SHA, PMP
Director

CHEW CHEE CHEK
Director

Kuala Lumpur
Dated: 28 December 2011

Statutory Declaration

(Pursuant to Section 169[16] of the Companies Act, 1965)

I, **CHEW CHEE CHEK**, the director primarily responsible for the financial management of **WELLCALL HOLDINGS BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 42 to 68 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declaration Act, 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in)
Wilayah Persekutuan on)
28 December 2011)

CHEW CHEE CHEK

Before me,
Commissioner for Oaths

Independent Auditors' Report

to the Members of **WELLCALL HOLDINGS BERHAD** (Company No: 707346-W) (Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Wellcall Holdings Berhad, which comprise the statements of financial positions as at 30th September, 2011 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 42 to 68.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia, and for such internal control as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements has been properly drawn up in accordance with applicable Financial Reporting Standards in Malaysia and the Companies Act, 1965 so as to give a true and fair view of the financial position of the Group and of the Company as of 30th September, 2011 and of their financial performance and cash flows for the financial year then ended.



Independent Auditors' Report (Cont'd)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary company of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- b) We are satisfied that the financial statements of the subsidiary company that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- c) The audit reports on the financial statements of the subsidiary company did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

ONG & WONG
AF 0241
Chartered Accountants

WONG SHAN TY
2837/06/13(J)
Partner of Firm

Dated: 28 December 2011
Kuala Lumpur

Statement of Financial Position

as at 30th September, 2011

	Note	2011 RM	Group 2010 RM	2011 RM	Company 2010 RM
ASSETS					
Non-current assets					
Property, plant and equipment	3	29,770,317	29,694,337	–	–
Investments in subsidiary company	5	–	–	57,540,803	57,540,803
Other investment	6	10,000	10,000	–	–
		29,780,317	29,704,337	57,540,803	57,540,803
Current assets					
Inventories	7	22,902,591	11,337,360	–	–
Trade and other receivables	8	5,406,220	4,550,203	–	2,294
Tax recoverable		–	178,977	–	7,455
Amount due from subsidiary company	9	–	–	4,000,000	4,100,000
Deposits with licensed banks	10	26,347,000	28,837,000	12,100,000	11,000,000
Cash and bank balances		6,948,475	11,348,642	240,130	512,428
		61,604,286	56,252,182	16,340,130	15,622,177
TOTAL ASSETS		91,384,603	85,956,519	73,880,933	73,162,980
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	11	66,179,258	65,913,008	66,179,258	65,913,008
Share premium		2,037,561	1,637,075	2,037,561	1,637,075
Reserves	12	9,761,894	9,800,908	5,468,287	5,490,577
Total equity		77,978,713	77,350,991	73,685,106	73,040,660
Non-current liabilities					
Deferred taxation	13	2,871,654	784,840	–	–
Current liabilities					
Trade and other payables	14	9,696,993	7,820,688	184,910	122,320
Tax payable		837,243	–	10,917	–
		10,534,236	7,820,688	195,827	122,320
Total liabilities		13,405,890	8,605,528	195,827	122,320
TOTAL EQUITY AND LIABILITIES		91,384,603	85,956,519	73,880,933	76,335,590

The annexed notes form an integral part of these financial statements.



Statement of Comprehensive Income

for the year ended 30th September, 2011

		Group		Company	
	Note	2011 RM	2010 RM	2011 RM	2010 RM
Revenue		136,833,948	96,564,092	15,500,000	14,700,000
Cost of sales		(108,646,606)	(73,072,383)	–	–
Gross profit		28,187,342	23,491,709	15,500,000	14,700,000
Other operating income	15	3,102,382	933,160	338,600	212,550
		31,289,724	24,424,869	15,838,600	14,912,550
Administrative expenses		(4,673,302)	(4,578,704)	(458,225)	(444,596)
Selling & distribution costs		(4,019,554)	(3,607,534)	–	–
Profit from operations		22,596,868	16,238,631	15,380,375	14,467,954
Finance costs		(257,553)	(187,663)	–	–
Profit before taxation	16	22,339,315	16,050,968	15,380,375	14,467,954
Taxation	17	(7,013,953)	(1,429,560)	(38,289)	(5,999)
Profit for the year		15,325,362	14,621,408	15,342,086	14,461,955
Other comprehensive income		–	–	–	–
Total comprehensive income for the year		15,325,362	14,621,408	15,342,086	14,461,955
Earnings per share (sen)	18				
- Basic		11.61	11.12		
- Diluted		11.56	11.06		
Dividend per share (sen)	19	13.50	14.00		

The annexed notes form an integral part of these financial statements.

Statement of Changes In Equity

for the year ended 30th September, 2011

		< --- Attributable to Equity Holders of the Company --- >				
	Note	Share capital RM	Share premium RM	Option reserve RM	Distributable Retained profit RM	Total equity RM
Group						
At 1st October, 2009		65,493,008	1,281,531	419,475	13,167,191	80,361,205
ESOS options						
- granted		–	–	213,620	–	213,620
- exercised		420,000	355,544	(215,544)	–	560,000
Profit for the year		–	–	–	14,621,408	14,621,408
Dividends	19	–	–	–	(18,405,242)	(18,405,242)
At 30th September, 2010		65,913,008	1,637,075	417,551	9,383,357	77,350,991
ESOS options						
- granted		–	–	136,639	–	136,639
- exercised		266,250	400,486	(311,736)	–	355,000
Profit for the year		–	–	–	15,325,362	15,325,362
Dividends	19	–	–	–	(15,189,279)	(15,189,279)
At 30th September, 2011		66,179,258	2,037,561	242,454	9,519,440	77,978,713
Company						
At 1st October, 2009		65,493,008	1,281,531	419,475	9,016,313	76,210,327
ESOS options						
- granted		–	–	213,620	–	213,620
- exercised		420,000	355,544	(215,544)	–	560,000
Profit for the year		–	–	–	14,461,955	14,461,955
Dividends	19	–	–	–	(18,405,242)	(18,405,242)
At 30th September, 2010		65,913,008	1,637,075	417,551	5,073,026	73,040,660
ESOS options						
- granted		–	–	136,639	–	136,639
- exercised		266,250	400,486	(311,736)	–	355,000
Profit for the year		–	–	–	15,342,086	15,342,086
Dividends	19	–	–	–	(15,189,279)	(15,189,279)
At 30th September, 2011		66,179,258	2,037,561	242,454	5,225,833	73,685,106

The annexed notes form an integral part of these financial statements.



Statement of Cash Flows

for the year ended 30th September, 2011

	Note	Group 2011 RM	2010 RM	Company 2011 RM	2010 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before taxation		22,339,315	16,050,968	15,380,375	14,467,954
Adjustments for:					
Depreciation of property, plant & equipment		3,161,708	3,364,040	–	–
Share-based compensation		136,639	213,620	136,639	213,620
Unrealised loss/(gain) on foreign exchange		(482,843)	1,144	–	–
Gain on disposal of property, plant & equipment		(68,000)	–	–	–
Interest expense		257,553	187,663	–	–
Interest income		(903,228)	(727,543)	(338,600)	(212,550)
Operating profit before working capital changes		24,441,144	19,089,892	15,178,414	14,469,024
(Increase)/decrease in inventories		(11,565,231)	(1,286,882)	–	–
(Increase)/decrease in receivables		(373,174)	(1,816,875)	102,294	30,465,181
Increase/(decrease) in payables		1,876,305	2,990,545	62,590	(1,697)
Cash generated from operations		14,379,044	18,976,680	15,343,298	44,932,508
Tax paid		(3,910,919)	(1,766,441)	(19,917)	(14,700)
Interest paid		(257,553)	(187,663)	–	–
Interest received		903,228	727,543	338,600	212,550
Net cash generated from operating activities		11,113,800	17,750,119	15,661,981	45,130,358
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from disposal of property, plant & equipment		68,000	–	–	–
Purchase of property, plant & equipment		(3,237,688)	(1,960,051)	–	–
Investment in subsidiary company		–	–	–	(24,990,000)
Net cash used in investing activities		(3,169,688)	(1,960,051)	–	(24,990,000)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares		355,000	560,000	355,000	560,000
Dividend paid		(15,189,279)	(18,405,242)	(15,189,279)	(18,405,242)
Net cash used in financing activities		(14,834,279)	(17,845,242)	(14,834,279)	(17,845,242)
Net (decrease)/increase in cash and cash equivalents		(6,890,167)	(2,055,174)	827,702	2,295,116
Cash and cash equivalents at beginning of year		40,185,642	42,240,816	11,512,428	9,217,312
Cash and cash equivalents at end of year	A	33,295,475	40,185,642	12,340,130	11,512,428

The annexed notes form an integral part of these financial statements.

Statement of Cash Flows (Cont'd)

NOTE**A. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents included in the statement of cash flows comprise the following balance sheet amounts:

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Deposits with licensed banks	26,347,000	28,837,000	12,100,000	11,000,000
Cash & bank balances	6,948,475	11,348,642	240,130	512,428
	33,295,475	40,185,642	12,340,130	11,512,428

The annexed notes form an integral part of these financial statements.



Notes to the Financial Statements

30th September, 2011

1. GENERAL INFORMATION

The Company is principally engaged as an investment holding company. The principal activity of the subsidiary company is disclosed in note 5 to the financial statements.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities").

The registered office is located at Unit C-6-5, 6th Floor, Block C, Megan Avenue II, No. 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur.

The principal place at which business is carried on is located at Plot No. 48, Jalan Johan 2/5, Kawasan Perindustrian Pengkalan II, Fasa II, 31500 Ipoh, Perak Darul Ridzuan.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by the Group and the Company are consistent with those adopted in the previous years except for the adoption of the following new and revised Financial Reporting Standards ("FRSs") effective for the financial year beginning on 1st October 2010:

FRS 1 and Amendments	First-time Adoption of Financial Reporting Standards (revised)
Amendments to FRS 2	Share Based Payment
FRS 3	Business Combinations
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 7 and Amendments	Financial Instruments: Disclosures
Amendments to FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (revised)
Amendments to FRS 107	Statement of Cash Flows
Amendments to FRS 108	Accountancy Policies, Changes in Accounting Estimates and Errors
Amendments to FRS 110	Events after the Reporting Period
Amendments to FRS 116	Property, Plant and Equipment
Amendments to FRS 117	Leases
Amendments to FRS 118	Revenue
Amendments to FRS 119	Employee Benefits
FRS 123 and Amendments	Borrowing Costs (revised)
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 136	Impairment of Assets
FRS 139	Financial Instruments: Recognition and Measurement
IC Interpretation 17	Distribution of Non-cash Assets to Owners

The adoption of the above did not have any significant effects on the Group and the Company results upon their initial application, other than as discussed below:

i) FRS 7 Financial Instruments: Disclosures

Prior to 1st October, 2010, information about financial instruments was disclosed in accordance with the requirements of FRS 132 Financial Instruments: Disclosures and Presentation. FRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Group and the Company have applied FRS 7 prospectively in accordance with the transitional provisions. Hence, the new disclosures have not been applied to the comparatives. The new disclosures are included throughout the Group's and the Company's financial statements for the year ended 30th September, 2011.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

ii) **FRS 8: Operating Segments**

Upon the adoption of FRS 8, the Group and the Company's segmental reporting had been presented based on that used for internal reporting to the chief operating decision maker who makes decisions on the allocation of resources and assesses the performance of the reportable segments.

iii) **FRS 101: Presentation of Financial Statements (revised)**

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity, if any, will be presented as a single line labelled as total comprehensive income. In addition, the balance sheet was renamed as the statement of financial position in the financial statements. This Standard did not have any impact on the financial position and results of the Group and of the Company.

iv) **FRS 139: Financial Instruments: Recognition and Measurement, and Amendments to FRS 139: Financial Instruments: Recognition and Measurement**

The new Standard on FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items (collectively called financial instruments).

A financial instrument is recognised in the financial statements only when the Group or the Company becomes a party to the contractual provisions of the instrument. A financial instrument is recognised initially, at its fair value. Subsequent measurement of the financial instruments at the end of the period reflects the designation of the financial instruments.

Financial Assets

Loans and receivables

Loans and receivables category comprises debt instruments that are not quoted in an active market, trade and other receivables and cash and cash equivalents.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest ("EIR") method. Gains and losses arising from the derecognition of the loans and receivables, EIR amortisation and impairment losses are recognised in the statement of comprehensive income.

Financial Liabilities

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit and loss.

Under the transitional provision of FRS 139, the above changes are applied prospectively and the comparatives as at 30th September, 2010 are not restated.

This Standard did not have any significant impact on the financial position and results of the Group and of the Company.



Notes to the Financial Statements (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The Group and the Company have chosen not to early adopt the following FRSs and IC Interpretations ("ICs") which are not yet effective but are relevant to the Group and the Company:

FRS		Effective for financial periods beginning on or after
Amendment to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 3	Business Combinations	1 January 2011
Amendments to FRS 7	Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 101	Presentation of Financial Statements	1 January 2011
Amendments to FRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2011
Amendments to FRS 132	Financial Instruments: Presentation	1 January 2011
Amendments to FRS 139	Financial Instruments: Recognition and Measurement	1 January 2011

The adoption of the other FRSs and ICs above will have no material impact on the financial statements of the Company upon its initial application.

a. Basis of Preparation

The financial statements of the Group and of the Company have been prepared in accordance with the provisions of the Companies Act, 1965 and applicable FRSs. The financial statements have been prepared under the historical cost convention, except where otherwise stated in the respective accounting policies.

The financial statements are presented in Ringgit Malaysia ("RM") which is also the Company's functional currency.

b. Subsidiary Company and Basis of Consolidation

(i) Subsidiary Company

Subsidiary Company is an entity over which the Group has the power, directly or indirectly, to exercise control over the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investment in subsidiary company is stated at cost less impairment losses, if any. On disposal of such investment, the difference between the net disposal proceeds and its carrying amount is included in the statement of comprehensive income. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(f).

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

b. Subsidiary Company and Basis of Consolidation (Cont'd)

(ii) Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary company made up to the end of the financial year. The results of the subsidiary company are consolidated using the acquisition method.

Under the acquisition method, subsidiary company is consolidated from the date on which control is transferred to the Group and is no longer consolidated from the date that control ceases. The cost of acquisition is measured as the aggregate of fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the business combination. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. Any difference between the cost of acquisition and the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill or negative goodwill.

Intragroup transactions, balances and resulting unrealised gains are eliminated on consolidation and the consolidated financial statements reflect external transactions only. Unrealised losses are eliminated on consolidation unless costs cannot be recovered. Consistent accounting policies are applied for transactions and events in similar circumstances.

c. Foreign Currencies

The individual financial statements of each entity in the Group are measured using their respective functional currency.

In preparing the individual financial statements, transactions in currencies other than the entity's functional currency ("foreign currencies") are translated into the functional currencies using the exchange rates prevailing at the dates of the transactions. At each statement of financial position date, monetary assets and liabilities denominated in foreign currencies are translated at the rates prevailing on the statement of financial position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the exchange rate prevailing at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated at exchange rates at the date when the fair value is determined. Exchange differences arising on the settlement of monetary items or on translating monetary items at statement of financial position date are recognised in the statement of comprehensive income except for those arising on monetary items that form part of the Group's net investment in foreign operation.

The closing rates used in the translation of foreign currency monetary assets and liabilities are as follows:

	2011 RM	2010 RM
1 United States Dollar (USD)	3.21	3.05
1 Euro	4.29	4.16



Notes to the Financial Statements (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

d. Property, Plant and Equipment and Depreciation

Property, plant & equipment are stated at cost less accumulated depreciation and any impairment losses.

Other property, plant & equipment are depreciated on a straight line basis at rates calculated to write off the cost of the assets over their estimated useful lives. The principal annual rates are:

Leasehold land	51 - 60 years
Factory building	51 - 60 years
Electrical installation	10% - 15%
Fire fighting installation	10% - 15%
Furniture & fittings	15%
Motor vehicles	15%
Office equipment	15%
Plant and machinery	10% - 15%

Gain or loss arising from disposal of an asset is determined as the difference between the estimated net disposal proceeds and the carrying amount of an asset, and is recognised in the statement of comprehensive income.

e. Leased Assets

Leasehold land that normally has an indefinite economic life and title is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted as prepaid lease payments that are amortised over the lease term ranging from 51 to 60 years.

The Group had previously classified a lease of land as finance lease and had recognised the amount of prepaid lease payments as property within its property, plant and equipment. The Group treats such a lease as an operating lease, with the unamortised carrying amount classified as prepaid lease payments for land.

f. Impairment of Assets

The carrying amount of the Company's assets is reviewed at each statement of financial position date to determine whether there are any indications of impairment. If any such indications exist, the asset's recoverable amount is estimated to determine the amount of impairment loss. The policies on impairment of assets are summarized as follows:

i) Impairment of non-financial assets

Assets such as property, plant and equipment are reviewed for objective indications of impairment at each statement of financial position date or whenever there is any indication that these assets may be impaired. Where such indications exist, impairment loss is determined as the excess of the asset's carrying value over its recoverable amount (greater of value in use or fair value less costs to sell) and is recognized in the statement of comprehensive income. Any reversal of an impairment loss for these assets is recognized in the statement of comprehensive income. The carrying amount is increased to its revised recoverable amount, provided that the amount does not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

If an asset is carried at a revalued amount, impairment loss is treated as a revaluation decrease to the extent of previously recognised revaluation surplus for the same asset. Any subsequent reversal is treated as a revaluation increase.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

f. Impairment of Assets (Cont'd)

ii) Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of trade and other receivables is reduced by the impairment loss through the use of an allowance account. When the receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversed date. The amount of reversal is recognised in profit or loss.

g. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis.

Cost of finished goods and work-in-progress includes direct materials, direct labour, other direct costs and appropriate production overheads.

Net realisable value represents the estimated selling prices less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Where obsolete or damaged inventories can be positively identified, an allowance for obsolete and damaged inventories is made.

h. Financial Instruments

Financial instruments comprise financial assets, financial liabilities and off-balance sheet financial instruments. Financial instruments are recognised in the statement of financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(i) Cash and Cash Equivalents

Cash and cash equivalents comprise bank balances, cash in hand and short term highly liquid assets that are readily convertible to cash without significant risk of changes in value net of outstanding bank overdrafts.



Notes to the Financial Statements (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

h. Financial Instruments (Cont'd)

(ii) Other Investment

Other investment is stated at cost less allowance for diminution in value. A diminution in value is recognised as an expense in the period when, in the opinion of the directors, there is a permanent decline in value of such investment.

(iii) Receivables

Receivables are carried at anticipated realisable value. Bad debts are written off in the period in which they are identified. An estimate is made for doubtful debts based on a review of all outstanding amounts at the balance sheet date.

(iv) Payables

Payables are stated at the fair value of the consideration to be paid in the future for goods and services received.

(v) Equity Instruments

Ordinary shares are classified as equity in the statement of financial position. Costs directly attributable to the issuance of new equity shares are taken to equity as a deduction from the proceeds.

Dividends on ordinary shares are accounted for as an appropriation of retained profits in the period in which they are approved.

i. Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the statement of financial position date.

Deferred tax is provided for, using the liability method, on temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in the statement of comprehensive income, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or negative goodwill.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

j. Revenue Recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably.

(i) Sales of Goods

Revenue from sales of goods is measured at the fair value of the consideration receivable and is recognised in the statement of comprehensive income when the significant risks and rewards of ownership have been transferred to the customers.

(ii) Interest Income

Interest is recognised on an accrual basis that reflects the effective yield on the asset.

(iii) Dividend Income

Dividend income is recognised when the right to receive payment is established.

k. Employee Benefits

(i) Short Term Benefits

Wages, salaries, bonuses and allowances are recognised as expenses in the year in which the associated services are rendered by employees of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined Contribution Plans

Obligations for contributions to defined contribution plans such as the Employees Provident Fund ("E.P.F") are recognised as an expense in the statement of comprehensive income as incurred.

(iii) Share-Based Compensation Benefits

The Company operates an equity settled, share-based compensation plan i.e. the ESOS since 6th July, 2006, where ESOS options are issued to eligible directors and employees.

The fair value of employees' services rendered in exchange for the grant of the share options is recognised as an expense over the vesting period. The total amount to be expensed in the statement of comprehensive income over the vesting period is determined by reference to the fair value of each share option granted at the grant date and the number of share options vested by vesting date, with a corresponding increase in equity (option reserve). At each statement of financial position date, the Group will revise its estimates of the number of share options that are expected to become exercisable. The option reserves in respect of options which have been lapsed are transferred to retained earnings.

The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium when the options are exercised.



Notes to the Financial Statements (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

I. Critical Judgments Made in Applying Accounting Policies

In the preparation of the financial statements, management has been required to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial statements in the period in which the estimate is revised and in any future periods affected.

In the process of applying the accounting policies as described above, management is of the view that there are no instances of application of judgments which are expected to have significant effect on the amounts recognised in the financial statements.

3. PROPERTY, PLANT & EQUIPMENT

	As at 01.10.10 RM	Addition RM	Disposal/ Retirement RM	As at 30.09.11 RM
Group				
2011				
COST				
Leasehold land	2,395,483	–	–	2,395,483
Factory buildings	10,916,347	3,000	–	10,919,347
Electrical installation	1,851,678	10,890	–	1,862,568
Fire fighting installation	780,310	–	–	780,310
Furniture & fittings	188,361	2,440	–	190,801
Motor vehicles	1,485,585	463,616	(169,232)	1,779,969
Office equipment	261,187	58,883	–	320,070
Plant & machinery	25,010,391	2,698,859	–	27,709,250
	42,889,342	3,237,688	(169,232)	45,957,798

	As at 01.10.10 RM	Charge for the year RM	Disposal/ Retirement RM	As at 30.09.11 RM
ACCUMULATED DEPRECIATION				
Leasehold land	212,910	47,477	–	260,387
Factory buildings	870,621	221,631	–	1,092,252
Electrical installation	549,793	184,183	–	733,976
Fire fighting installation	255,056	77,732	–	332,788
Furniture & fittings	116,764	26,509	–	143,273
Motor vehicles	1,042,465	240,482	(169,232)	1,113,715
Office equipment	163,130	46,907	–	210,037
Plant & machinery	9,984,266	2,316,787	–	12,301,053
	13,195,005	3,161,708	(169,232)	16,187,481

Notes to the Financial Statements (Cont'd)

3. PROPERTY, PLANT & EQUIPMENT (CONT'D)

	As at 30.09.11 RM
NET BOOK VALUE	
Leasehold land	2,135,096
Factory buildings	9,827,095
Electrical installation	1,128,592
Fire fighting installation	447,522
Furniture & fittings	47,528
Motor vehicles	666,254
Office equipment	110,033
Plant & machinery	15,408,197
	29,770,317

	As at 01.10.09 RM	Addition RM	Disposal/ Retirement RM	As at 30.09.10 RM
2010 (Restated) COST				
Leasehold land	2,395,483	–	–	2,395,483
Factory buildings	10,897,347	19,000	–	10,916,347
Electrical installation	1,851,678	–	–	1,851,678
Fire fighting installation	780,310	–	–	780,310
Furniture & fittings	188,361	–	–	188,361
Motor vehicles	1,485,585	–	–	1,485,585
Office equipment	253,653	7,534	–	261,187
Plant & machinery	23,076,874	1,933,517	–	25,010,391
	40,929,291	1,960,051	–	42,889,342

	As at 01.10.09 RM	Charge for the year RM	Disposal/ Retirement RM	As at 30.09.10 RM
ACCUMULATED DEPRECIATION				
Leasehold land	165,434	47,476	–	212,910
Factory buildings	649,057	221,564	–	870,621
Electrical installation	366,111	183,682	–	549,793
Fire fighting installation	177,134	77,922	–	255,056
Furniture & fittings	90,271	26,493	–	116,764
Motor vehicles	851,068	191,397	–	1,042,465
Office equipment	126,636	36,494	–	163,130
Plant & machinery	7,405,254	2,579,012	–	9,984,266
	9,830,965	3,364,040	–	13,195,005



Notes to the Financial Statements (Cont'd)

3. PROPERTY, PLANT & EQUIPMENT (CONT'D)

	As at 30.09.10 RM (Restated)
NET BOOK VALUE	
Leasehold land	2,182,573
Factory buildings	10,045,726
Electrical installation	1,301,885
Fire fighting installation	525,254
Furniture & fittings	71,597
Motor vehicles	443,120
Office equipment	98,057
Plant & machinery	15,026,125
	29,694,337

Certain leasehold land and factory building of the Group with net book value of RM3,959,294 (2010: RM4,047,205) has been pledged as security to financial institution for banking facilities.

The depreciation was charged to the followings:

	2011 RM	2010 RM (Restated)
Factory overhead	2,847,810	3,109,656
Administrative expenses	313,898	254,384
	3,161,708	3,364,040

4. PREPAID LEASE PAYMENTS FOR LAND

	2011 RM	Group 2010 RM (Restated)
Cost at beginning of year	–	2,395,483
Accumulated amortisation at beginning of year	–	(165,434)
Carrying amount at beginning of year	–	2,230,049
Effects of adopting the amendments to FRS 117	–	(2,230,049)
	–	–

Notes to the Financial Statements (Cont'd)

5. INVESTMENT IN SUBSIDIARY COMPANY

	Company	
	2011 RM	2010 RM
Unquoted shares, at cost	57,540,803	57,540,803

The subsidiary company is:

	Country of incorporation	Principal activity	Effective equity interest	
			2011	2010
Wellcall Hose (M) Sdn. Bhd.	Malaysia	Manufacturing of rubber hose and related products	100%	100%

6. OTHER INVESTMENT

	Group	
	2011 RM	2010 RM
Unquoted shares in Malaysia, at cost	10,000	10,000

7. INVENTORIES

	Group	
	2011 RM	2010 RM
Raw materials	14,153,024	6,610,665
Work-in-progress	3,665,393	2,264,020
Finished goods	5,084,174	2,462,675
	22,902,591	11,337,360



Notes to the Financial Statements (Cont'd)

8. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Trade receivables	4,863,047	3,654,205	–	–
Other receivables	530,573	881,104	–	–
Deposits	12,600	14,894	–	2,294
	5,406,220	4,550,203	–	2,294
Currency exposure profile:				
- RM	2,601,415	2,436,817	–	2,294
- USD	2,245,582	2,113,386	–	–
- EURO	535,236	–	–	–
- SGD	23,987	–	–	–
	5,406,220	4,550,203	–	2,294
Trade receivables aging analysis:				
- Not due and not impaired	4,853,025	3,647,999	–	–
- Due and not impaired				
- 91 to 120	2,104	3,793	–	–
- 121 to 180	–	–	–	–
- 181 and above	7,918	2,413	–	–
	4,863,047	3,654,205	–	–

9. AMOUNT DUE FROM SUBSIDIARY COMPANY

This balance is unsecured, interest free and has no fixed term of repayment.

10. DEPOSITS WITH LICENSED BANKS

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Fixed deposits	23,947,000	28,837,000	12,100,000	11,000,000
Short term deposits	2,400,000	–	–	–
	26,347,000	28,837,000	12,100,000	11,000,000

Deposits with licensed banks comprise of fixed deposits and short term deposits. The maturity period of the Group and of the Company as at the end of the financial year is from 3 to 140 days and 14 to 140 days (2010: 9 to 365 days and 9 to 321 days) respectively.

Notes to the Financial Statements (Cont'd)

11. SHARE CAPITAL

	2011 RM	Company 2010 RM
Authorised:		
Number of ordinary shares		
At beginning of year at RM0.50	200,000,000	200,000,000
Created during the year at RM0.50 each	–	–
At end of year at RM0.50 each	200,000,000	200,000,000
Ordinary shares		
At beginning of year at RM0.50	100,000,000	100,000,000
Created during the year at RM0.50 each	–	–
At end of year at RM0.50 each	100,000,000	100,000,000
Issued and fully paid:		
Number of ordinary shares		
At beginning of year at RM0.50	131,826,015	130,986,015
Issued during the year at RM0.50 each	532,500	840,000
At end of year at RM0.50 each	132,358,515	131,826,015
Ordinary shares		
At beginning of year at RM0.50	65,913,008	65,493,008
Issued during the year at RM0.50 each	266,250	420,000
At end of year at RM0.50 each	66,179,258	65,913,008

ESOS options:

The details of ESOS options over the ordinary shares of the Company granted are as follows:

2011

Date granted	Exercisable period	Subscription price (sen/share)	At 01.10.10	Exercised	Forfeited/Lapsed	At 30.09.11
14.07.06	14.07.06 to 13.07.16	66*	1,357,500	(532,500)	–	825,000
09.02.07	09.02.07 to 13.07.16	189*	300,000	–	–	300,000
			1,657,500	(532,500)	–	1,125,000



Notes to the Financial Statements (Cont'd)

11. SHARE CAPITAL (CONT'D)**2010**

Date granted	Exercisable period	Subscription price (sen/share)	At 01.10.09	Exercised	Forfeited/ Lapsed	At 30.09.10
14.07.06	14.07.06 to 13.07.16	66*	2,197,500	(840,000)	–	1,357,500
09.02.07	09.02.07 to 13.07.16	189*	300,000	–	–	300,000
			2,497,500	(840,000)	–	1,657,500

* The exercise prices had been revised from RM1.00 per share to RM0.66 per share and from RM2.83 per share to RM1.89 per share respectively following the bonus issue on 22nd February, 2008.

	2011	2010
Number of ESOS options vested as at balance sheet date	532,500	832,500

12. RESERVES

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Option reserve	242,454	417,551	242,454	417,551
Retained profit	9,519,440	9,383,357	5,225,833	5,073,026
	9,761,894	9,800,908	5,468,287	5,490,577

Additional disclosure of realised and unrealised profits:

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Total retained profits of the Company and its subsidiary company				
- Realised	37,959,054	36,220,144	5,225,833	5,073,026
- Unrealised				
- in respect of deferred tax recognised	(2,871,654)	(784,840)	–	–
- in respect of foreign exchange translation	482,843	(1,144)	–	–
	(2,388,811)	(785,984)	–	–
	35,570,243	35,434,160	5,225,833	5,073,026
Less: Consolidation adjustments	(26,050,803)	(26,050,803)	–	–
	9,519,440	9,383,357	5,225,833	5,073,026

Notes to the Financial Statements (Cont'd)

13. DEFERRED TAXATION

	2011 RM	Group 2010 RM
At beginning of year	784,840	670,933
Transferred from income statement (Note 17)	2,086,814	113,907
At end of year	2,871,654	784,840
The net deferred tax liabilities is in respect of the following temporary differences:		
- Property, plant & equipment	2,871,654	784,840

14. TRADE AND OTHER PAYABLES

	2011 RM	2010 RM	2011 RM	2010 RM
Trade payables	5,019,508	4,098,095	–	–
Other payables	2,138,911	1,932,305	180,070	120,000
Accruals	2,538,574	1,790,288	4,840	2,320
	9,696,993	7,820,688	184,910	122,320
Currency exposure profile:				
- RM	8,794,050	7,070,258	184,910	122,320
- USD	884,917	719,183	–	–
- SGD	18,026	31,247	–	–
	9,696,993	7,820,688	184,910	122,320

The normal trade credit terms granted to the Group range from 30 to 60 days (2010: 30 to 60 days).

15. OTHER OPERATING INCOME

	2011 RM	Group 2010 RM	2011 RM	Company 2010 RM
Gain on disposal of property, plant & equipment	68,000	–	–	–
Interest income				
- Fixed deposits	864,239	674,795	334,539	190,108
- Repo	38,989	52,748	4,061	22,442
Realised gain on foreign exchange	1,644,911	196,145	–	–
Unrealised gain on foreign exchange	482,843	–	–	–
Others	3,400	9,472	–	–
	3,102,382	933,160	338,600	212,550



Notes to the Financial Statements (Cont'd)

16. PROFIT BEFORE TAXATION

	2011 RM	Group 2010 RM (Restated)	2011 RM	Company 2010 RM
Profit before taxation is arrived at after charging:				
Auditors' remuneration	21,000	19,320	2,500	2,320
Depreciation of property, plant & equipment	3,161,708	3,364,040	–	–
Directors' remuneration				
- Fees				
- Directors of the Company	324,000	240,000	180,000	120,000
- Other emoluments				
- Directors of the Company	1,915,968	1,876,320	–	–
- Directors of the subsidiary company	6,000	24,000	–	–
Finance costs				
- Bank charges, commission & commitment	257,553	187,663	–	–
Rental of office equipment	3,600	3,600	–	–
Staff costs				
- Salaries, wages & others	8,839,919	7,048,935	–	–
- E.P.F.	390,396	337,183	–	–
- Socso	54,635	49,859	–	–
- Share-based compensation	136,639	213,620	136,639	213,620
Unrealised loss on foreign exchange	–	1,144	–	–

17. TAXATION

	2011 RM	Group 2010 RM	2011 RM	Company 2010 RM
Current year's provision	4,848,030	1,313,858	28,030	3,858
Underprovision in prior year	79,109	1,795	10,259	2,141
Deferred taxation (Note 13)	2,086,814	113,907	–	–
	7,013,953	1,429,560	38,289	5,999
	%	%	%	%
Applicable tax rate	25	25	25	25
Tax effect of:				
- Exempt dividend income	6	–	(25)	(25)
- income exempted under pioneer status	–	(16)	–	–
Average effective tax rate	31	9	–	–

Notes to the Financial Statements (Cont'd)

17. TAXATION (CONT'D)

Subject to agreement with the Inland Revenue Board, the Company has the following balances:

	2011 RM	2010 RM (Restated)
Tax exempt account	15,439,700	15,439,700

The Company has tax exempt account to frank the payment of tax exempt dividends from its retained profit.

18. EARNINGS PER SHARE**a. Basic Earnings Per Share**

Basic earnings per share is calculated by dividing profit attributable to equity holders by the weighted average amount of ordinary shares of RM0.50 each issued during the financial year.

	2011 RM	2010 RM
Profit for the year attributable to equity holders of the Company (RM)	15,325,362	14,621,408
Number of ordinary shares in issue at the beginning of year	131,826,015	130,986,015
Effect of shares issued during the year	229,271	466,667
Weighted average number of shares in issue	132,055,286	131,452,682
Basic earnings per share (sen)	11.61	11.12

b. Diluted Earnings Per Share

Diluted earnings per share is calculated by dividing profit attributed to equity holders by the adjusted weighted average number of ordinary shares of RM0.50 each in issue and issuable during the financial year.



Notes to the Financial Statements (Cont'd)

19. DIVIDENDS

	2011		2010	
	Net dividend per share Sen	Amount RM	Net dividend per share Sen	Amount RM
Third interim tax exempt dividend paid	–	–	2.00	2,619,720
Special interim tax exempt dividend paid	–	–	4.00	5,239,440
Special interim single tier dividend paid	3.00	3,954,780	–	–
First interim single tier dividend paid	5.00	3,954,780	3.00	3,954,780
Second interim single tier dividend paid	2.50	3,308,963	2.50	3,295,650
Third interim single tier dividend paid	3.00	3,970,756	2.50	3,295,650

The Company declared and paid the single tier interim dividends as follows:

- i) RM3,954,780 in respect of the financial year ended 30th September, 2010 and paid on 23rd December, 2010.
- ii) RM3,954,780 in respect of the financial year ended 30th September, 2011 and paid on 28th March, 2011.
- iii) RM3,308,963 in respect of the financial year ended 30th September, 2011 and paid on 24th June, 2011.
- iv) RM3,970,756 in respect of the financial year ended 30th September, 2011 and paid on 21st September, 2011.

20. FINANCIAL INSTRUMENTS**a. Financial Risks****(i) Interest Rate Risk**

The interest rate risk that financial instruments' values will fluctuate as a result of changes in market interest rates, and the interest rates on classes of financial assets as at financial year end, are as follows :

	2011		2010	
	Carrying amount RM	Interest rate %	Carrying amount RM	Interest rate %
Group				
Financial Assets				
- Deposits with licensed banks	26,347,000	2.10 - 3.55	28,837,000	1.20 - 3.75
Company				
Financial Assets				
- Deposits with licensed banks	12,100,000	2.10 - 3.55	11,000,000	1.20 - 3.20

20. FINANCIAL INSTRUMENTS (CONT'D)**a. Financial Risks (Cont'd)****(ii) Credit Risk**

The maximum credit risk associated with recognised financial assets is the carrying amount shown in the balance sheet.

The Group has no significant concentration of credit risk that may arise from exposures to single debtor or to group of debtors.

As at 30th September, 2011, the Group had no significant credit risk associated with its exposure to potential counterparty failure to settle outstanding foreign currency transactions.

b. Fair Values

The fair values of financial assets and financial liabilities which are not carried at fair value on the balance sheets of the Group and of the Company are presented as follows:

	2011		2010	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
Group				
Financial Assets				
- Other investment				
- Unquoted shares	10,000	(1)	10,000	(1)
Company				
Financial Assets				
- Amount due from subsidiary company	4,000,000	(2)	4,100,000	(2)

(1) It is not practical to estimate the fair value of the non-current unquoted shares because of the lack of quoted market prices and the inability to estimate fair value without incurring excessive costs.

(2) It is not practical to estimate the fair value of amount due from subsidiary company due principally to the lack of fixed repayment term entered into by the parties involved and without incurring excessive costs. However, the Company does not anticipate the carrying amount recorded at the balance sheet date to be significantly different from the value that would eventually be received.

The following methods and assumptions were used to estimate the fair value at each class of financial instruments for which it is practicable to estimate the value:

(i) Cash and Cash Equivalents, Trade and Other Receivables/Payables

The carrying amounts approximate fair values due to the short maturity years of these instruments.

(ii) Other Financial Assets and Liabilities

The fair value of other financial assets and liabilities of the Group and of the Company is deemed to be equal to their carrying value unless stated otherwise in the relevant notes to the financial statements.



Notes to the Financial Statements (Cont'd)

21. SIGNIFICANT RELATED PARTY TRANSACTION

	Company	
	2011 RM	2010 RM
Dividend income from subsidiary company	15,500,000	14,700,000

22. SEGMENT INFORMATION

Segment information is presented in respect of the Group's business and geographical segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest-earning assets & revenue and corporate assets & expenses.

Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one year.

Business Segments

The Group's business segments mainly comprise the manufacture and sale of rubber hose and related products.

Business segmental information has therefore not been prepared as all the Group's revenue, operating profit, assets employed, liabilities, depreciation and amortisation, and non cash expenses are mainly confined to one business segment.

Geographical Segments

The manufacturing and investment holding segments are operated solely in Malaysia. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers while segment assets are based on the geographical location of assets.

	Revenue from external customers RM'000	Carrying amount of segment assets RM'000	Capital expenditure RM'000
2011			
Geographical location:			
Malaysia	10,901	91,495	3,238
Middle East	23,739	—	—
Europe	23,060	—	—
USA/Canada	18,428	—	—
Australia/New Zealand	13,045	—	—
Asia	29,584	—	—
South America	14,194	—	—
Africa	3,883	—	—
Total	136,834	91,495	3,238

Notes to the Financial Statements (Cont'd)

22. SEGMENT INFORMATION (CONT'D)

	Revenue from external customers RM'000	Carrying amount of segment assets RM'000	Capital expenditure RM'000
2010			
Geographical location:			
Malaysia	8,158	85,947	1,960
Middle East	20,591	—	—
Europe	14,697	—	—
USA/Canada	13,831	—	—
Australia/New Zealand	7,548	—	—
Asia	22,638	—	—
South America	6,492	—	—
Africa	2,609	—	—
Total	96,564	85,947	1,960

23. AUTHORISATION FOR ISSUE

The financial statements of the Company for the financial year ended 30th September, 2011 were authorised for issue in accordance with a resolution of the Board of Directors on 28th December, 2011.



Analysis of Shareholdings

STATISTICS ON SHAREHOLDINGS AS AT 30 DECEMBER 2011

Authorised capital	:	RM100,000,000.00
Issued share capital	:	132,358,515
Paid up share capital	:	RM66,179,257.50
Class of shares	:	Ordinary shares of RM0.50 each
Voting rights	:	One vote per share

DISTRIBUTION OF SHAREHOLDERS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
Less than 100	25	1.15	1,127	0.00
100 - 1,000	222	10.19	123,047	0.09
1,001 - 10,000	1,336	61.34	6,431,174	4.86
10,001 - 100,000	507	23.28	14,830,200	11.21
100,001 to less than 5% of issued shares	84	3.86	56,993,619	43.06
5% and above of issued shares	4	0.18	53,979,348	40.78
Total	2,178	100.00	132,358,515	100.00

SUBSTANTIAL SHAREHOLDERS

Name of Shareholders	Direct		Indirect		Total	
	No. of Shares Held	% of Issued Share Capital	No. of Shares Held	% of Issued Share Capital	No. of Shares Held	% of Issued Share Capital
Maximum Perspective Sdn Bhd - 14,647,861 shares held through HLG Nominee (Tempatan) Sdn Bhd	14,647,861	11.07	–	–	14,647,861	11.07
Tan Kang Seng	450,000	0.34	14,647,861 (a)	11.07	15,097,861	11.41
Chew Chee Chek	14,197,291	10.73	225,000	0.17	14,422,291	10.90

(a) Deemed interest by virtue of Section 6A of the Companies Act, 1965, through his shareholding in Maximum Perspective Sdn Bhd

Analysis of Shareholdings (Cont'd)

DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct		Indirect		Total	
	No. of Shares Held	% of Issued Share Capital	No. of Shares Held	% of Issued Share Capital	No. of Shares Held	% of Issued Share Capital
Datuk Ng Peng Hong @ Ng Peng Hay	–	–	–	–	–	–
Huang Sha*	4,513,418	3.41	195,000 (a)	0.15	4,708,418	3.56
Leong Hon Chong*	2,851,827	2.15	–	–	2,851,827	2.15
Chew Chee Chek*	14,197,291	10.73	225,000 (b)	0.17	14,422,291	10.90
Tan Kang Seng*	450,000	0.34	14,647,861 (c)	11.07	15,097,861	11.41
Yang Chong Yaw, Alan*	150,000	0.11	–	–	150,000	0.11
YB Dato' Haji Mohtar Bin Nong	–	–	–	–	–	–
Goh Hoon Leum	–	–	–	–	–	–
Low Siew Ching	–	–	–	–	–	–
Mat Zaid Bin Ibrahim (Alternate Director to YB Dato' Haji Mohtar Bin Nong)	–	–	–	–	–	–
Huang Kai Lin (Alternate Director to Leong Hon Chong)	–	–	4,708,418 (d)	3.56	4,708,418	3.56

(a) Deemed interest in 195,000 shares by virtue of Section 134(12)(c) of the Companies Act, 1965, through the shareholdings of his children in the Company

(b) Deemed interest in 225,000 shares by virtue of Section 134(12)(c) of the Companies Act, 1965, through the shareholdings of his spouse in the Company

(c) Deemed interest by virtue of Section 6A of the Companies Act, 1965, through his shareholding in Maximum Perspective Sdn Bhd

(d) Deemed interest in 4,708,418 shares by virtue of Section 134(12)(c) of the Companies Act, 1965, through the shareholdings of his family members in the Company

* By virtue of their interest in shares of the Company, the Directors are also deemed to have an interest in all the shares held by the Company in the subsidiary company to the extent that the Company has an interest



Analysis of Shareholdings (Cont'd)

30 LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	%
1	UOBM NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR SOCIETE GENERALE BANK & TRUST, SINGAPORE BRANCH(CUST ASSET)</i>	18,084,196	13.66
2	HLG NOMINEE (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR MAXIMUM PERSPECTIVE SDN BHD (CCTS)</i>	14,647,861	11.07
3	CHEW CHEE CHEK	14,197,291	10.73
4	CITIGROUP NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR CITIBANK NA, SINGAPORE (JULIUS BAER)</i>	7,050,000	5.33
5	CIMSEC NOMINEES (ASING) SDN BHD <i>BANK OF SINGAPORE LTD FOR RICH ALLIANCE GROUP LIMITED</i>	6,450,000	4.87
6	HSBC NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HBFS-B CLT 500)</i>	5,270,000	3.98
7	HUANG SHA	4,513,418	3.41
8	CIMSEC NOMINEES (ASING) SDN BHD <i>BANK OF SINGAPORE LIMITED FOR CLEVELAND MANAGEMENT LIMITED</i>	3,620,655	2.74
9	TAN GEOK LAN	3,000,000	2.27
10	LEONG HON CHONG	2,851,827	2.15
11	AMANAHRAYA TRUSTEES BERHAD <i>PUBLIC ISLAMIC OPPORTUNITIES FUND</i>	2,449,700	1.85
12	KENANGA NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR FONG KIAH YEOW</i>	2,365,087	1.79
13	LIN KUN-CHENG	2,177,800	1.65
14	HSU YU-TIEN	2,005,000	1.51
15	HLG NOMINEE (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR CHO KIM WING (CCTS)</i>	1,500,000	1.13
16	CITIGROUP NOMINEES (ASING) SDN BHD <i>CBNY FOR OLD WESTBURY GLOBAL SMALL & MID CAP FUND</i>	1,348,800	1.02
17	CHENG SHU NU	1,086,900	0.82
18	MAYBAN NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR GAN TEE JIN</i>	800,000	0.60
19	TEDDY ROBIN LOJIKIM	655,800	0.50
20	CIMSEC NOMINEES (ASING) SDN BHD <i>BANK OF SINGAPORE LTD FOR ETERNITY HOLDING GROUP LIMITED</i>	643,800	0.49

Analysis of Shareholdings (Cont'd)

30 LARGEST SHAREHOLDERS (CONT'D)

No.	Name of Shareholders	No. of Shares	%
21	LEE CHEAN SEONG	570,250	0.43
22	MAYBAN NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR SU TIING UH</i>	535,200	0.40
23	HLG NOMINEE (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TEO LIA ENG (CCTS)</i>	510,000	0.39
24	MERCSEC NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR FONG KIAH YEOW</i>	500,000	0.38
25	LIN CHING LING	472,950	0.36
26	LIANG CHIN YONG	465,300	0.35
27	LIU,CHI-CHUNG	460,000	0.35
28	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB BANK FOR FONG KIAH YEOW (MY1296)</i>	450,000	0.34
29	HLG NOMINEE (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TAN KANG SENG (CCTS)</i>	450,000	0.34
30	MAYBAN NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR CHONG KHONG SHOONG</i>	450,000	0.34
Total		99,581,835	75.24



Summary of Landed Properties and Buildings

Registered owner	Title No./location	Age of building (years)	Existing Usage	Land area (sq. ft)	Built-up area (sq. ft)	Tenure	Net book value as at 30 September 2011 (RM)
Wellcall Hose (M) Sdn Bhd	PT8290, Jalan Johan 2/5 Kawasan Perindustrian Pengkalan Il, Fasa II 31500 Lahat Ipoh, Perak Held under: HSD 48717 for P.T. 8290 in the Mukim of Sungai Terap, District Kinta, State of Perak	15	Industrial land erected with a block of factory/ office building including a canteen and workers' hostel, which is currently used by WHSB for the purpose of carrying out manufacturing activities	217,600	150,000	leasehold (expiring on 6 May 2056)	3,948,203
Wellcall Hose (M) Sdn Bhd	PT8300, Jalan Johan 2/5 Kawasan Perindustrian Pengkalan Il, Fasa II 31500 Lahat Ipoh, Perak Held under: HS(D) 48727 PT No. 8300 in the Mukim Sungai Terap, District of Kinta, State of Perak	5	Industrial land erected with a block of factory, a canteen and workers' hostel, for the purpose of carrying out manufacturing activities	286,973	190,000	leasehold (expiring on 6 May 2056)	8,013,988

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Sixth Annual General Meeting ("AGM") of **Wellcall Holdings Berhad** (707346-W) ("the Company") will be held at Langkawi Room, Bukit Jalil Golf & Country Resort, Jalan 3/155B, Bukit Jalil, 57000 Kuala Lumpur on Tuesday, 28 February 2012, at 10.30 a.m. for the following purposes:-

AS ORDINARY BUSINESS

- | | |
|--|---|
| 1. To receive the Audited Financial Statements of the Company together with the Reports of the Directors and Auditors thereon for the financial year ended 30 September 2011. | (Please refer to explanatory note below) |
| 2. To approve the payment of Directors' Fees of RM168,000.00 for the financial year ended 30 September 2011. | (Resolution 1) |
| 3. To re-elect the following Directors who retire by rotation pursuant to Article 94 of the Company's Articles of Association and being eligible, offered themselves for re-election:- | |
| (a) Huang Sha | (Resolution 2) |
| (b) Chew Chee Chek | (Resolution 3) |
| (c) Dato' Haji Mohtar Bin Nong | (Resolution 4) |
| 4. To re-appoint Messrs Ong & Wong as Auditors of the Company and to authorise the Board of Directors to fix their remuneration. | (Resolution 5) |

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modifications, the following Resolution:-

5. ORDINARY RESOLUTION – AUTHORITY FOR DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

"THAT, subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant government/regulatory authorities, the Directors be and are hereby authorised, pursuant to Section 132D of the Companies Act, 1965 to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed 10 per centum of the issued share capital of the Company for the time being."

(Resolution 6)

OTHER ORDINARY BUSINESS

6. To transact any other business of which due notice shall have been given.

By Order of the Board

WONG SHAN MAY (F) (LS0008582)
Company Secretary

Dated: 30 January 2012
Kuala Lumpur



Notice of Annual General Meeting (Cont'd)

NOTES

- (a) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a Member of the Company. The provisions of Section 149(1)(a) and 149(1)(b) of the Companies Act, 1965 ("the Act") shall not apply to the Company.
- (b) The instrument appointing a proxy must be deposited at the registered office of the Company at Unit C-6-5, 6th Floor, Block C, Megan Avenue II, No. 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for the meeting or at any adjournment thereof.
- (c) A Member shall not be entitled to appoint more than one (1) proxy to attend and vote at the same meeting. The provision of Section 149(1)(c) of the Act shall not apply to the Company.
- (d) In the case of a corporate member, the instrument appointing a proxy must be executed under its common seal or under the hand of its attorney.
- (e) Where a Member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one proxy in respect of each Securities Account it holds with shares of the Company standing to the credit of the said Securities Account.
- (f) In the event a member duly executes the proxy form but does not name any proxy, such member shall be deemed to have appointed the Chairman of the meeting as his proxy.
- (g) For the purpose of determining a member who shall be entitled to attend the Annual General Meeting of the Company, the Company shall request Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 22 February 2012. Only a depositor whose name appears therein shall be entitled to attend the said meeting or appoint a proxy to attend and/or vote in his stead.

EXPLANATORY NOTE ON ITEM 1:

This agenda item is meant for discussion only as the provision of Section 169 (1) of the Companies Act, 1965 does not require a formal approval of the Shareholders for the Audited Financial Statements. Hence, this item will not be put forward to the Shareholders for voting.

EXPLANATORY NOTE TO SPECIAL BUSINESS:

Ordinary Resolution – Resolution 6 - Authority for Directors to issue and allot shares pursuant to Section 132D of the Companies Act, 1965 ("the Act").

The Company had, during its Fifth AGM held on 25 February 2011, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 132D of the Act. The Company did not issue any shares pursuant to this mandate obtained.

The Ordinary Resolution 6 proposed under item 5 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Section 132D of the Act. The mandate, if passed will empower the Directors to issue and allot new shares up to 10% of the issued capital of the Company for purpose of funding the working capital, business expansion or strategic development of the Group. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority will commence from the date of this AGM and unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is sought, the Company will make an announcement in respect thereof.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING:

Details of Individuals Who Are Standing For Election as Directors.

No individual is seeking election as a Director at the Sixth Annual General Meeting of the Company.



**WELLCALL HOLDINGS BERHAD**(Company No: 707346-W)
(Incorporated in Malaysia under the Companies Act, 1965)**SIXTH ANNUAL GENERAL MEETING
FORM OF PROXY**

CDS Account No.	
No. of shares held	

*I/We (NRIC No)
(FULL NAME IN BLOCK LETTERS)

Telephone No of
(FULL ADDRESS)

being a shareholder of Wellcall Holdings Berhad ("Company"), hereby appoint
(FULL NAME IN BLOCK LETTERS) (NRIC No)

of or
(FULL ADDRESS)

failing *him/her (NRIC No)
(FULL NAME IN BLOCK LETTERS)

of or failing *him/her, the Chairman of the
(FULL ADDRESS)

meeting as *my/our proxy to vote for *me/us and on *my/our behalf at the Sixth Annual General Meeting of the Company to be held at Langkawi Room, Bukit Jalil Golf & Country Resort, Jalan 3/155B, Bukit Jalil, 57000 Kuala Lumpur on Tuesday, 28 February 2012 at 10.30 a.m. or at any adjournment thereof.

***My/Our proxy is to vote as indicated below:-**

Resolution		For	Against
1	ORDINARY BUSINESS To approve the payment of Directors' Fees of RM168,000.00 for the financial year ended 30 September 2011.		
2	To re-elect Director retiring pursuant to Article 94 of the Company's Articles of Association - Huang Sha		
3	To re-elect Director retiring pursuant to Article 94 of the Company's Articles of Association - Chew Chee Chek		
4	To re-elect Director retiring pursuant to Article 94 of the Company's Articles of Association - Dato' Haji Mohtar Bin Nong		
5	To re-appoint Messrs Ong & Wong as Auditors of the Company and to authorise the Board of Directors to fix their remuneration.		
6	SPECIAL BUSINESS Authority for Directors to issue and allot shares pursuant to Section 132D of the Companies Act, 1965.		

Please indicate with an "X" in the appropriate space how you wish your votes to be cast. Unless otherwise instructed, the proxy will vote as he thinks fit.

Dated this day of 2012.

* Delete if not applicable

Signature of Shareholder
(If shareholder is a Corporation,
this part should be executed under seal)

- (a) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a Member of the Company. The provisions of Section 149(1)(a) and 149(1)(b) of the Companies Act, 1965 ("the Act") shall not apply to the Company.
- (b) The instrument appointing a proxy must be deposited at the registered office of the Company at Unit C-6-5, 6th Floor, Block C, Megan Avenue II, No. 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for the meeting or at any adjournment thereof.
- (c) A Member shall not be entitled to appoint more than one (1) proxy to attend and vote at the same meeting. The provision of Section 149(1)(c) of the Act shall not apply to the Company.

- (d) In the case of a corporate member, the instrument appointing a proxy must be executed under its common seal or under the hand of its attorney.
- (e) Where a Member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one proxy in respect of each Securities Account it holds with shares of the Company standing to the credit of the said Securities Account.
- (f) In the event a member duly executed the proxy form but does not name any proxy, such member shall be deemed to have appointed the Chairman of the meeting as his proxy.
- (g) For the purpose of determining a member who shall be entitled to attend the Annual General Meeting of the Company, the Company shall request Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 22 February 2012. Only a depositor who name appears therein shall be entitled to attend the said meeting or appoint a proxy to attend and/or vote in his stead.



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Stamp

**THE COMPANY SECRETARY
WELLCALL HOLDINGS BERHAD (707346 W)**

Unit C-6-5, 6th Floor, Block C
Megan Avenue II
No. 12, Jalan Yap Kwan Seng
50450 Kuala Lumpur

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