

HUP SENG INDUSTRIES BERHAD (226098-P)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statement of Comprehensive Income

For the period ended 31 December 2011

The figures have not been audited

	Note	<u>2011</u> CURRENT QUARTER ENDED 31 December RM'000	<u>2010</u> CURRENT QUARTER ENDED 31 December RM'000	<u>2011</u> 12 MONTHS CUMULATIVE TO DATE RM'000	<u>2010</u> 12 MONTHS CUMULATIVE TO DATE RM'000
Revenue	7	64,989	57,926	240,231	219,071
Cost of sales		(43,237)	(39,084)	(162,048)	(143,241)
Gross profit		21,752	18,842	78,183	75,830
Other income		756	616	2,968	2,124
Administrative expenses		(4,358)	(8,148)	(26,058)	(20,759)
Selling and marketing expenses		(8,019)	(6,244)	(27,443)	(24,453)
Operating profit		10,131	5,066	27,650	32,742
Finance cost		-	-	-	-
Profit before tax		10,131	5,066	27,650	32,742
Income tax expense	17	(2,499)	(2,371)	(8,990)	(9,403)
Profit for the period		7,632	2,695	18,660	23,339
Other comprehensive income :					
Transfer to profit or loss upon disposal of property		-	-	(76)	-
Income tax relating to component of other comprehensive income		-	-	19	-
Other comprehensive income for the period, net of tax		-	-	(57)	-
Total comprehensive income for the period		7,632	2,695	18,603	23,339
Profit attributable to :					
Owners of the Parent		7,632	2,695	18,660	23,339
Total Comprehensive Income attributable to :					
Owners of the Parent		7,632	2,695	18,603	23,339
Earnings per share attributable to Owners of the Parent (sen) :					
-Basic	27	6.36	2.25	15.55	19.45
-Fully diluted	27	6.36	2.25	15.55	19.45

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)

HUP SENG INDUSTRIES BERHAD (226098-P)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**Condensed Consolidated Statement of Financial Position****As at 31 December 2011****The figures have not been audited**

	As at 31/12/2011 RM'000	As at 31/12/2010 RM'000 (Audited)
ASSETS:		
Non-current assets:		
Property, Plant and Equipment	68,492	68,574
Investment property	271	1,849
Goodwill on consolidation	-	8,909
Deferred tax assets	198	172
<i>Sub total</i>	68,961	79,504
Current assets:		
Inventories	22,393	25,406
Trade and other receivables	38,605	35,507
Cash and cash equivalents	73,855	53,696
<i>Sub total</i>	134,853	114,609
TOTAL ASSETS	203,814	194,113
EQUITY AND LIABILITIES:		
Equity attributable to Owners of the Company:		
Share capital	60,000	60,000
Other reserves	18,705	18,729
Retained earnings	68,396	67,769
TOTAL EQUITY <i>Sub total</i>	147,101	146,498
Non-current liabilities:		
Deferred tax liabilities	8,192	8,551
<i>Sub total</i>	8,192	8,551
Current liabilities:		
Trade payables	21,771	18,998
Other payables	17,453	16,820
Tax payable	3,297	3,246
Dividend payables	6,000	-
<i>Sub total</i>	48,521	39,064
TOTAL LIABILITIES	56,713	47,615
TOTAL EQUITY AND LIABILITIES	203,814	194,113

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)

HUP SENG INDUSTRIES BERHAD (226098-P)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**Condensed Consolidated Statement of Changes in Equity****The figures have not been audited****For the quarter ended 31 December 2011**

	Attributable to owners of the parent			
	Non-distributable		Distributable	Total
	Share capital RM'000	Other reserves RM'000	Retained earnings RM'000	
Opening balance at 1 January 2011	60,000	18,729	67,769	146,498
Total comprehensive income for the period	-	(24)	18,627	18,603
Transaction with the owners				
Dividends on ordinary share			(18,000)	(18,000)
Total transaction with the owners	-	-	(18,000)	(18,000)
Closing balance at 31 December 2011	60,000	18,705	68,396	147,101

For the corresponding quarter ended 31 December 2010

	Attributable to owners of the parent			
	Non-distributable		Distributable	Total
	Share capital RM'000	Other reserves RM'000	Retained earnings RM'000	
Opening balance at 1 January 2010	60,000	16,955	64,707	141,662
Effect of adopting amendment to FRS 117	-	1,774	-1,077	697
Opening balance at 1 January 2010, as restated	60,000	18,729	63,630	142,359
Total comprehensive income for the period	-	-	23,339	23,339
Transaction with the owners				
Dividends on ordinary share			(19,200)	(19,200)
Total transaction with the owners	-	-	(19,200)	(19,200)
Closing balance at 31 December 2010	60,000	18,729	67,769	146,498

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)

HUP SENG INDUSTRIES BERHAD (226098-P)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statement of Cash Flows

For the period ended 31 December 2011

The figures have not been audited

	2011	2010
	12 months	12 months
	ended	ended
	31/12/2011	31/12/2010
	RM'000	RM'000
Cash flows from operating activities:		
Profit before tax	27,650	32,742
Adjustments for:		
Allowance for doubtful debts	77	156
Bad debts written off	45	153
Depreciation of property, plant and equipment	4,243	4,183
Depreciation of investment property	3	17
Loss/(Gain) on disposal of property, plant and equipment	203	(1)
Gain on disposal of investment property	(400)	-
Interest income	(1,977)	(1,296)
Impairment loss on goodwill	8,909	4,319
(Reversal of)/Impairment loss on property, plant and equipment	(95)	402
(Reversal of)/Inventories written down	(85)	49
Inventories written off	1,070	265
Property, plant and equipment written off	318	34
Operating profit before changes in working capital	39,961	41,023
Decrease/(increase) in inventories	2,028	(2,301)
Increase in trade and other receivables	(2,976)	(1,418)
Decrease/ (Increase) in prepayment	233	(134)
Increase in trade and other payables	3,406	2,394
Cash flows from operations	42,652	39,564
Taxes paid	(9,783)	(8,975)
Net cash flows from operating activities	32,869	30,589
Cash flows from investing activities		
Interest received	1,977	1,296
Proceeds from disposal of property, plant and equipment	960	101
Proceeds from disposal of investment property	1,975	-
Purchase of property, plant and equipment	(5,622)	(1,310)
Net cash (used in) / from investing activities	(710)	87
Cash flows from financing activities		
Dividend paid	(12,000)	(19,200)
Net cash from financing activities	(12,000)	(19,200)
Net change in cash and cash equivalents	20,159	11,476
Cash and cash equivalents at beginning of financial period	53,696	42,220
Cash and cash equivalents at end of financial period	73,855	53,696

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)