

HUP SENG INDUSTRIES BERHAD (226098-P)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statement of Comprehensive Income

For the period ended 31 December 2012

The figures have not been audited

	Note	<u>2012</u> CURRENT QUARTER ENDED 31 December RM'000	<u>2011</u> CURRENT QUARTER ENDED 31 December RM'000 (restated)	<u>2012</u> 12 MONTHS CUMULATIVE TO DATE RM'000	<u>2011</u> 12 MONTHS CUMULATIVE TO DATE RM'000 (restated)
Revenue	9	63,144	64,989	247,818	240,231
Cost of sales		(40,743)	(43,237)	(159,924)	(162,048)
Gross profit		22,401	21,752	87,894	78,183
Other income		790	755	3,260	2,891
Administrative expenses		(4,288)	(4,358)	(17,436)	(26,058)
Selling and marketing expenses		(7,623)	(8,019)	(29,367)	(27,443)
Operating profit		11,280	10,130	44,351	27,573
Finance cost		-	-	-	-
Profit before tax	10	11,280	10,130	44,351	27,573
Income tax expense	21	(2,845)	(2,498)	(11,810)	(8,970)
Profit for the period		8,435	7,632	32,541	18,603
Total comprehensive income for the period, net of tax		8,435	7,632	32,541	18,603
Profit attributable to : Owners of the Parent		8,435	7,632	32,541	18,603
Total Comprehensive Income for the period, net of tax attributable to : Owners of the Parent		8,435	7,632	32,541	18,603
Earnings per share attributable to Owners of the Parent (sen) :					
-Basic	31(a)	7.03	6.36	27.12	15.50
-Diluted	31(b)	7.03	6.36	27.12	15.50

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these 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 2012****The figures have not been audited**

	Note	As at 31/12/2012 RM'000	As at 31/12/2011 RM'000 (restated)	As at 01/01/2011 RM'000 (restated)
ASSETS:				
Non-current assets:				
Property, Plant and Equipment		66,890	68,492	68,574
Investment property		218	271	1,849
Goodwill on consolidation		-	-	8,909
Deferred tax assets		37	198	172
<i>Sub total</i>		67,145	68,961	79,504
Current assets:				
Inventories		20,587	22,393	25,406
Trade and other receivables		36,275	36,182	33,364
Prepayments		727	409	607
Tax recoverable		797	2,014	1,536
Cash and cash equivalents	11	79,416	73,855	53,696
<i>Sub total</i>		137,802	134,853	114,609
TOTAL ASSETS		204,947	203,814	194,113
EQUITY AND LIABILITIES:				
Equity attributable to				
Owners of the Company :				
Share capital		60,000	60,000	60,000
Share premium		14,333	14,333	14,333
Retained earnings		78,909	72,768	72,165
TOTAL EQUITY		153,242	147,101	146,498
Non-current liabilities :				
Deferred tax liabilities		7,957	8,192	8,551
<i>Sub total</i>		7,957	8,192	8,551
Current liabilities:				
Trade and other payables		39,346	39,224	35,818
Income tax payable		4,402	3,297	3,246
Dividends payable		-	6,000	-
<i>Sub total</i>		43,748	48,521	39,064
TOTAL LIABILITIES		51,705	56,713	47,615
TOTAL EQUITY AND LIABILITIES		204,947	203,814	194,113

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with 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 year ended 31 December 2012**

	Attributable to owners of the parent			
	Non-distributable		Distributable	Total RM'000
	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	
Opening balance at 1 January 2012	60,000	14,333	72,768	147,101
Total comprehensive income for the year	-	-	32,541	32,541
Transaction with the owners				
Dividends on ordinary shares	-	-	(26,400)	(26,400)
Total transaction with the owners	-	-	(26,400)	(26,400)
Closing balance at 31 December 2012	60,000	14,333	78,909	153,242

For the corresponding year ended 31 December 2011

	Attributable to owners of the parent			
	Non-distributable		Distributable	Total RM'000
	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	
Opening balance at 1 January 2011	60,000	14,333	72,165	146,498
Total comprehensive income for the year	-	-	18,603	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	14,333	72,768	147,101

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with 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 year ended 31 December 2012

The figures have not been audited

	Note	<u>2012</u> 12 months ended 31/12/2012 RM'000	<u>2011</u> 12 months ended 31/12/2011 RM'000
Cash flows from operating activities:			
Profit before tax		44,351	27,573
Adjustments for:			
Allowance for doubtful debts		148	77
Bad debts written off		10	45
Depreciation of property, plant and equipment		4,221	4,244
Depreciation of investment property		2	3
(Gain)/Loss on disposal of property, plant and equipment		(7)	278
Gain on disposal of investment property		-	(399)
Interest income		(2,365)	(1,978)
Impairment loss on goodwill		-	8,909
Impairment loss /(Reversal of impairment loss) on property, plant and equipment		196	(95)
Reversal of inventories written down		-	(85)
Inventories written off		63	1,070
Property, plant and equipment written off		861	318
Total adjustments		3,129	12,387
Operating profit before changes in working capital		47,480	39,960
Changes in working capital			
Decrease in inventories		1,743	2,028
Increase in trade and other receivables		(251)	(2,941)
(Increase) / Decrease in prepayments		(318)	198
Decrease in trade and other payables		122	3,405
Total changes in working capital		1,296	2,690
Cash flows from operations		48,776	42,650
Taxes paid		(9,562)	(9,782)
Net cash flows from operating activities		39,214	32,868
Cash flows from investing activities			
Interest received		2,365	1,978
Proceeds from disposal of property, plant and equipment		370	960
Proceeds from disposal of investment property		-	1,975
Purchase of property, plant and equipment		(3,988)	(5,622)
Net cash used in investing activities		(1,253)	(709)
Cash flows from financing activities			
Dividends paid on ordinary shares		(32,400)	(12,000)
Net cash used in financing activities		(32,400)	(12,000)
Net increase in cash and cash equivalents		5,561	20,159
Cash and cash equivalents at beginning of financial year		73,855	53,696
Cash and cash equivalents at end of financial year	11	79,416	73,855

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)