

**HUP SENG INDUSTRIES BERHAD (226098-P)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**

**Condensed Consolidated Statement of Comprehensive Income**

**For the period ended 30 September 2013**

**The figures have not been audited**

	Note	<u>2013</u> CURRENT QUARTER ENDED 30 September RM'000	<u>2012</u> CURRENT QUARTER ENDED 30 September RM'000	<u>2013</u> 9 MONTHS CUMULATIVE TO DATE RM'000	<u>2012</u> 9 MONTHS CUMULATIVE TO DATE RM'000
Revenue	9	58,716	56,864	184,715	184,674
Cost of sales		(37,226)	(37,068)	(114,707)	(119,181)
<b>Gross profit</b>		21,490	19,796	70,008	65,493
Other income		800	854	2,505	2,470
Administrative expenses		(4,228)	(4,267)	(12,968)	(13,148)
Selling and marketing expenses		(7,482)	(6,903)	(22,230)	(21,744)
<b>Operating profit</b>		10,580	9,480	37,315	33,071
Finance cost		-	-	-	-
<b>Profit before tax</b>	10	<b>10,580</b>	<b>9,480</b>	<b>37,315</b>	<b>33,071</b>
Income tax expense	21	(2,797)	(2,553)	(9,922)	(8,965)
<b>Profit for the period</b>		<b>7,783</b>	<b>6,927</b>	<b>27,393</b>	<b>24,106</b>
<b>Total comprehensive income for the period, net of tax</b>		<b>7,783</b>	<b>6,927</b>	<b>27,393</b>	<b>24,106</b>
Profit attributable to : Owners of the Parent		7,783	6,927	27,393	24,106
Total Comprehensive Income for the period, net of tax attributable to : Owners of the Parent		7,783	6,927	27,393	24,106
Earnings per share attributable to Owners of the Parent (sen) :					
-Basic	31(a)	6.49	5.77	22.83	20.09
-Diluted	31(b)	6.49	5.77	22.83	20.09

*( 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 30 September 2013****The figures have not been audited**

	Note	As at 30/09/2013 RM'000	As at 31/12/2012 RM'000
<b><u>ASSETS:</u></b>			
<b>Non-current assets:</b>			
Property, Plant and Equipment		65,712	66,890
Investment property		217	218
Deferred tax assets		49	37
<i>Sub total</i>		65,978	67,145
<b>Current assets:</b>			
Inventories		21,258	20,587
Trade and other receivables		33,581	36,275
Prepayments		595	728
Tax recoverable		236	797
Cash and cash equivalents	11	85,551	79,416
<i>Sub total</i>		141,221	137,803
<b>TOTAL ASSETS</b>		<b>207,199</b>	<b>204,948</b>
<b><u>EQUITY AND LIABILITIES:</u></b>			
<b>Equity attributable to Owners of the Company :</b>			
Share capital		60,000	60,000
Share premium		14,333	14,333
Retained earnings		66,702	78,909
<b>TOTAL EQUITY</b>		<b>141,035</b>	<b>153,242</b>
<b>Non-current liabilities :</b>			
Deferred tax liabilities		7,842	7,958
<i>Sub total</i>		7,842	7,958
<b>Current liabilities:</b>			
Trade and other payables		35,060	39,346
Income tax payable		5,262	4,402
Dividends payable		18,000	-
<i>Sub total</i>		58,322	43,748
<b>TOTAL LIABILITIES</b>		<b>66,164</b>	<b>51,706</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>207,199</b>	<b>204,948</b>

( 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 cumulative period ended 30 September 2013**

	Attributable to owners of the parent			
	Non-distributable		Distributable	Total
	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	
<b>Opening balance at 1 January 2013</b>	60,000	14,333	78,909	153,242
Total comprehensive income for the period	-	-	27,393	27,393
Transaction with the owners				
Dividends on ordinary shares	-	-	(39,600)	(39,600)
Total transaction with the owners	-	-	(39,600)	(39,600)
<b>Closing balance at 30 September 2013</b>	<b>60,000</b>	<b>14,333</b>	<b>66,702</b>	<b>141,035</b>

**For the corresponding cumulative period ended 30 September 2012**

	Attributable to owners of the parent			
	Non-distributable		Distributable	Total
	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	
<b>Opening balance at 1 January 2012</b>	60,000	14,333	72,768	147,101
Total comprehensive income for the period	-	-	24,106	24,106
Transaction with the owners				
Dividends on ordinary share			(26,400)	(26,400)
Total transaction with the owners	-	-	(26,400)	(26,400)
<b>Closing balance at 30 September 2012</b>	<b>60,000</b>	<b>14,333</b>	<b>70,474</b>	<b>144,807</b>

*( 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 period ended 30 September 2013****The figures have not been audited**

	Note	<b>2013</b> 9 months ended 30/09/2013 RM'000	<b>2012</b> 9 months ended 30/09/2012 RM'000
<b>Cash flows from operating activities:</b>			
<b>Profit before tax</b>		<b>37,315</b>	<b>33,071</b>
Adjustments for:			
Allowance for doubtful debts		26	55
Bad debts written off		31	7
Depreciation of property, plant and equipment		3,276	3,112
Depreciation of investment property		-	2
Gain on disposal of property, plant and equipment		(9)	(8)
Interest income		(1,885)	(1,778)
Inventories written off		13	56
Property, plant and equipment written off		32	46
Total adjustments		1,484	1,492
Operating profit before changes in working capital		38,799	34,563
Changes in working capital			
(Increase)/Decrease in inventories		(684)	540
Decrease/(Increase) in trade and other receivables		2,637	(8,309)
Decrease/(Increase) in prepayments		133	(289)
Decrease in trade and other payables		(4,286)	(5,692)
Total changes in working capital		(2,200)	(13,750)
Cash flows from operations		36,599	20,813
Taxes paid		(8,629)	(6,525)
<b>Net cash flows from operating activities</b>		<b>27,970</b>	<b>14,288</b>
<b>Cash flows from investing activities</b>			
Interest received		1,885	1,778
Proceeds from disposal of property, plant and equipment		88	369
Purchase of property, plant and equipment		(2,208)	(3,237)
<b>Net cash used in investing activities</b>		<b>(235)</b>	<b>(1,090)</b>
<b>Cash flows from financing activities</b>			
Dividends paid on ordinary shares		(21,600)	(18,000)
<b>Net cash used in financing activities</b>		<b>(21,600)</b>	<b>(18,000)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>6,135</b>	<b>(4,802)</b>
<b>Cash and cash equivalents at beginning of financial period</b>		<b>79,416</b>	<b>73,855</b>
<b>Cash and cash equivalents at end of financial period</b>	11	<b>85,551</b>	<b>69,053</b>

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