

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

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****Condensed Consolidated Statement of Comprehensive Income****For the period ended 31 December 2013****The figures have not been audited**

	Note	<u>2013</u> CURRENT QUARTER ENDED 31 December RM'000	<u>2012</u> CURRENT QUARTER ENDED 31 December RM'000	<u>2013</u> 12 MONTHS CUMULATIVE TO DATE RM'000	<u>2012</u> 12 MONTHS CUMULATIVE TO DATE RM'000
Revenue	9	66,692	63,144	251,407	247,818
Cost of sales		(42,124)	(40,743)	(156,831)	(159,924)
<b>Gross profit</b>		24,568	22,401	94,576	87,894
Other income		824	790	3,329	3,260
Administrative expenses		(4,702)	(4,288)	(17,670)	(17,436)
Selling and marketing expenses		(7,923)	(7,623)	(30,153)	(29,367)
<b>Operating profit</b>		12,767	11,280	50,082	44,351
Finance cost		-	-	-	-
<b>Profit before tax</b>	10	<b>12,767</b>	<b>11,280</b>	<b>50,082</b>	<b>44,351</b>
Income tax expense	21	(3,415)	(2,845)	(13,337)	(11,810)
<b>Profit for the period</b>		<b>9,352</b>	<b>8,435</b>	<b>36,745</b>	<b>32,541</b>
<b>Total comprehensive income for the period, net of tax</b>		<b>9,352</b>	<b>8,435</b>	<b>36,745</b>	<b>32,541</b>
Profit attributable to : Owners of the Parent		9,352	8,435	36,745	32,541
Total Comprehensive Income for the period, net of tax attributable to : Owners of the Parent		9,352	8,435	36,745	32,541
Earnings per share attributable to Owners of the Parent (sen) :					
-Basic	31(a)	7.79	7.03	30.62	27.12
-Diluted	31(b)	7.79	7.03	30.62	27.12

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

	Note	As at 31/12/2013 RM'000	As at 31/12/2012 RM'000
<b><u>ASSETS:</u></b>			
<b>Non-current assets:</b>			
Property, Plant and Equipment		64,834	66,890
Investment property		217	218
Deferred tax assets		37	37
<i>Sub total</i>		65,088	67,145
<b>Current assets:</b>			
Inventories		20,818	20,587
Trade and other receivables		35,873	36,275
Prepayments		2,017	728
Tax recoverable		262	797
Cash and cash equivalents	11	81,145	79,416
<i>Sub total</i>		140,115	137,803
<b>TOTAL ASSETS</b>		<b>205,203</b>	<b>204,948</b>
<b><u>EQUITY AND LIABILITIES:</u></b>			
<b>Equity attributable to</b>			
<b>Owners of the Company :</b>			
Share capital		60,000	60,000
Share premium		14,333	14,333
Retained earnings		76,054	78,909
<b>TOTAL EQUITY</b>		<b>150,387</b>	<b>153,242</b>
<b>Non-current liabilities :</b>			
Deferred tax liabilities		7,728	7,958
<i>Sub total</i>		7,728	7,958
<b>Current liabilities:</b>			
Trade and other payables		42,216	39,346
Income tax payable		4,872	4,402
<i>Sub total</i>		47,088	43,748
<b>TOTAL LIABILITIES</b>		<b>54,816</b>	<b>51,706</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>205,203</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 year ended 31 December 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	-	-	36,745	36,745
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 31 December 2013</b>	<b>60,000</b>	<b>14,333</b>	<b>76,054</b>	<b>150,387</b>

**For the corresponding year  
ended 31 December 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	-	-	32,541	32,541
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 31 December 2012</b>	<b>60,000</b>	<b>14,333</b>	<b>78,909</b>	<b>153,242</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 year ended 31 December 2013**

**The figures have not been audited**

	Note	<b>2013</b> 12 months ended 31/12/2013 RM'000	<b>2012</b> 12 months ended 31/12/2012 RM'000
<b>Cash flows from operating activities:</b>			
<b>Profit before tax</b>		<b>50,082</b>	<b>44,351</b>
Adjustments for:			
Allowance for doubtful debts		71	148
Bad debts written off		35	10
Depreciation of property, plant and equipment		4,383	4,221
Depreciation of investment property		1	2
Gain on disposal of property, plant and equipment		(9)	(7)
Impairment loss on property, plant and equipment		-	196
Interest income		(2,505)	(2,365)
Inventories written off		18	63
Property, plant and equipment written off		215	861
Total adjustments		2,209	3,129
Operating profit before changes in working capital		52,291	47,480
Changes in working capital			
(Increase)/Decrease in inventories		(249)	1,743
Decrease/(Increase) in trade and other receivables		296	(251)
Increase in prepayments		(1,289)	(318)
Decrease in trade and other payables		2,870	122
Total changes in working capital		1,628	1,296
Cash flows from operations		53,919	48,776
Taxes paid		(12,562)	(9,562)
<b>Net cash flows from operating activities</b>		<b>41,357</b>	<b>39,214</b>
<b>Cash flows from investing activities</b>			
Interest received		2,505	2,365
Proceeds from disposal of property, plant and equipment		148	370
Purchase of property, plant and equipment		(2,681)	(3,988)
<b>Net cash used in investing activities</b>		<b>(28)</b>	<b>(1,253)</b>
<b>Cash flows from financing activities</b>			
Dividends paid on ordinary shares		(39,600)	(32,400)
<b>Net cash used in financing activities</b>		<b>(39,600)</b>	<b>(32,400)</b>
<b>Net increase in cash and cash equivalents</b>		<b>1,729</b>	<b>5,561</b>
<b>Cash and cash equivalents at beginning of financial year</b>		<b>79,416</b>	<b>73,855</b>
<b>Cash and cash equivalents at end of financial year</b>	11	<b>81,145</b>	<b>79,416</b>

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