

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

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**

**Condensed Consolidated Statement of Comprehensive Income**

**For the year ended 31 December 2014**

**The figures have not been audited**

	Note	<u>2014</u> CURRENT QUARTER ENDED 31 December RM'000	<u>2013</u> CURRENT QUARTER ENDED 31 December RM'000	<u>2014</u> 12 MONTHS CUMULATIVE TO DATE RM'000	<u>2013</u> 12 MONTHS CUMULATIVE TO DATE RM'000
Revenue		73,646	66,692	262,218	251,407
Cost of sales		(45,341)	(42,122)	(165,263)	(156,829)
<b>Gross profit</b>		<b>28,305</b>	<b>24,570</b>	<b>96,955</b>	<b>94,578</b>
Other income		930	780	3,442	3,285
Administrative expenses		(4,440)	(4,677)	(18,385)	(17,645)
Selling and marketing expenses		(8,053)	(7,906)	(30,287)	(30,136)
<b>Operating profit</b>		<b>16,742</b>	<b>12,767</b>	<b>51,725</b>	<b>50,082</b>
Finance cost		-	-	-	-
<b>Profit before tax</b>	10	<b>16,742</b>	<b>12,767</b>	<b>51,725</b>	<b>50,082</b>
Income tax expense	21	(4,146)	(3,415)	(13,578)	(13,337)
<b>Profit for the period</b>		<b>12,596</b>	<b>9,352</b>	<b>38,147</b>	<b>36,745</b>
<b>Total comprehensive income for the period, net of tax</b>		<b>12,596</b>	<b>9,352</b>	<b>38,147</b>	<b>36,745</b>
Profit attributable to : Owners of the Parent		12,596	9,352	38,147	36,745
Total Comprehensive Income for the period, net of tax attributable to : Owners of the Parent		12,596	9,352	38,147	36,745
Earnings per share attributable to Owners of the Parent (sen) :					
-Basic	31(a)	1.57	1.17	4.77	4.59
-Diluted	31(b)	1.57	1.17	4.77	4.59

*( 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 2014****The figures have not been audited**

	Note	As at 31/12/2014 RM'000	As at 31/12/2013 RM'000
<b><u>ASSETS:</u></b>			
<b>Non-current assets:</b>			
Property, Plant and Equipment		67,937	64,834
Investment property		215	217
Deferred tax assets		58	37
<i>Sub total</i>		68,210	65,088
<b>Current assets:</b>			
Inventories		20,779	20,818
Trade and other receivables		35,518	35,873
Prepayments		692	2,017
Tax recoverable		-	262
Cash and cash equivalents	11	100,808	81,145
<i>Sub total</i>		157,797	140,115
<b>TOTAL ASSETS</b>		<b>226,007</b>	<b>205,203</b>
<b><u>EQUITY AND LIABILITIES:</u></b>			
<b>Equity attributable to</b>			
<b>Owners of the Company :</b>			
Share capital		80,000	60,000
Share premium		-	14,333
Retained earnings		74,934	76,054
<b>TOTAL EQUITY</b>	<i>Sub total</i>	<b>154,934</b>	<b>150,387</b>
<b>Non-current liabilities :</b>			
Deferred tax liabilities		7,895	7,728
<i>Sub total</i>		7,895	7,728
<b>Current liabilities:</b>			
Trade and other payables		46,575	42,216
Income tax payable		4,603	4,872
Dividends payable		12,000	-
<i>Sub total</i>		63,178	47,088
<b>TOTAL LIABILITIES</b>		<b>71,073</b>	<b>54,816</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>226,007</b>	<b>205,203</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 2014**

	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 2014</b>	60,000	14,333	76,054	150,387
Total comprehensive income for the year	-	-	38,147	38,147
Transaction with the owners				
Capitalised for bonus issue	20,000	(14,333)	(5,667)	-
Dividends on ordinary shares	-	-	(33,600)	(33,600)
Total transaction with the owners	20,000	(14,333)	(39,267)	(33,600)
<b>Closing balance at 31 December 2014</b>	<b>80,000</b>	<b>-</b>	<b>74,934</b>	<b>154,934</b>

**For the corresponding 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 year	-	-	36,745	36,745
Transaction with the owners				
Dividends on ordinary share	-	-	(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>

*( 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 2014****The figures have not been audited**

	Note	<b>2014</b> 12 months ended 31/12/2014 RM'000	<b>2013</b> 12 months ended 31/12/2013 RM'000
<b>Cash flows from operating activities:</b>			
<b>Profit before tax</b>		<b>51,725</b>	<b>50,082</b>
Adjustments for:			
Allowance for doubtful debts		52	71
Bad debts written off		9	35
Depreciation of property, plant and equipment		4,844	4,384
Loss/(gain) on disposal of property, plant and equipment		2	(9)
Interest income		(2,691)	(2,505)
Reversal of impairment loss on property, plant and equipment		(42)	-
Inventories written off		32	18
Property, plant and equipment written off		356	215
Total adjustments		2,562	2,209
Operating profit before changes in working capital		54,287	52,291
Changes in working capital			
Decrease/ (increase) in inventories		7	(249)
Decrease in trade and other receivables		294	296
Decrease/(increase) in prepayments		1,325	(1,289)
Increase in trade and other payables		4,359	2,870
Total changes in working capital		5,985	1,628
Cash flows from operations		60,272	53,919
Taxes paid		(13,439)	(12,562)
<b>Net cash flows from operating activities</b>		<b>46,833</b>	<b>41,357</b>
<b>Cash flows from investing activities</b>			
Interest received		2,691	2,505
Proceeds from disposal of property, plant and equipment		156	148
Purchase of property, plant and equipment		(8,417)	(2,681)
<b>Net cash used in investing activities</b>		<b>(5,570)</b>	<b>(28)</b>
<b>Cash flows from financing activities</b>			
Dividends paid on ordinary shares		(21,600)	(39,600)
<b>Net cash used in financing activities</b>		<b>(21,600)</b>	<b>(39,600)</b>
<b>Net increase in cash and cash equivalents</b>		<b>19,663</b>	<b>1,729</b>
<b>Cash and cash equivalents at beginning of financial year</b>		<b>81,145</b>	<b>79,416</b>
<b>Cash and cash equivalents at end of financial year</b>	11	<b>100,808</b>	<b>81,145</b>

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