

HUP SENG INDUSTRIES BERHAD (226098-P)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statement of Comprehensive Income

For the period ended 30 June 2015

The figures have not been audited

	Note	<u>2015</u> CURRENT QUARTER ENDED 30 June RM'000	<u>2014</u> CURRENT QUARTER ENDED 30 June RM'000	<u>2015</u> 6 MONTHS CUMULATIVE TO DATE RM'000	<u>2014</u> 6 MONTHS CUMULATIVE TO DATE RM'000
Revenue		71,240	68,254	142,346	132,704
Cost of sales		(40,204)	(43,214)	(82,443)	(83,404)
Gross profit		31,036	25,040	59,903	49,300
Other income		1,081	864	2,110	1,714
Administrative expenses		(4,686)	(4,642)	(9,403)	(9,316)
Selling and marketing expenses		(7,856)	(7,978)	(15,232)	(15,354)
Operating profit		19,575	13,284	37,378	26,344
Finance cost		-	-	-	-
Profit before tax	10	19,575	13,284	37,378	26,344
Income tax expense	21	(5,025)	(3,544)	(9,599)	(7,046)
Profit for the period		14,550	9,740	27,779	19,298
Total comprehensive income for the period, net of tax		14,550	9,740	27,779	19,298
Profit attributable to : Owners of the Parent		14,550	9,740	27,779	19,298
Total Comprehensive Income for the period, net of tax attributable to : Owners of the Parent		14,550	9,740	27,779	19,298
Earnings per share attributable to Owners of the Parent (sen) :					
-Basic	31(a)	1.82	1.22	3.47	2.41
-Diluted	31(b)	1.82	1.22	3.47	2.41

(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 June 2015****The figures have not been audited**

	Note	As at 30/06/2015 RM'000	As at 31/12/2014 RM'000
<u>ASSETS:</u>			
Non-current assets:			
Property, Plant and Equipment		66,808	67,937
Investment property		214	215
Deferred tax assets		46	58
<i>Sub total</i>		67,068	68,210
Current assets:			
Inventories		22,499	20,779
Trade and other receivables		33,070	35,518
Prepayments		1,372	692
Cash and bank balances	11	104,289	100,808
<i>Sub total</i>		161,230	157,797
TOTAL ASSETS		228,298	226,007
<u>EQUITY AND LIABILITIES:</u>			
Equity attributable to Owners of the Company :			
Share capital		80,000	80,000
Retained earnings		90,713	74,934
TOTAL EQUITY	<i>Sub total</i>	170,713	154,934
Non-current liabilities :			
Deferred tax liabilities		7,731	7,895
<i>Sub total</i>		7,731	7,895
Current liabilities:			
Trade and other payables		40,069	46,575
Income tax payable		9,785	4,603
Dividends payable		-	12,000
<i>Sub total</i>		49,854	63,178
TOTAL LIABILITIES		57,585	71,073
TOTAL EQUITY AND LIABILITIES		228,298	226,007

(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 period ended 30 June 2015**

	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 2015	80,000	-	74,934	154,934
Total comprehensive income for the period	-	-	27,779	27,779
Transaction with the owners				
Dividends on ordinary shares	-	-	(12,000)	(12,000)
Total transaction with the owners	-	-	(12,000)	(12,000)
Closing balance at 30 June 2015	80,000	-	90,713	170,713

**For the corresponding period
ended 30 June 2014**

	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 2014	60,000	14,333	76,054	150,387
Total comprehensive income for the period	-	-	19,298	19,298
Transaction with the owners				
Capitalised for bonus issue	20,000	(14,333)	(5,667)	-
Dividends on ordinary shares	-	-	(21,600)	(21,600)
Total transaction with the owners	20,000	(14,333)	(27,267)	(21,600)
Closing balance at 30 June 2014	80,000	-	68,085	148,085

(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 June 2015****The figures have not been audited**

	Note	2015 6 months ended 30/06/2015 RM'000	2014 6 months ended 30/06/2014 RM'000
Cash flows from operating activities:			
Profit before tax		37,378	26,344
Adjustments for:			
Allowance for doubtful debts		87	25
Bad debts written off		51	1
Depreciation of property, plant and equipment		2,615	2,343
Loss/(Gain) on disposal of property, plant and equipment		4	(21)
Interest income		(1,669)	(1,277)
Reversal of impairment loss on property, plant and equipment		(15)	(42)
Inventories written off		24	9
Property, plant and equipment written off		109	315
Total adjustments		1,206	1,353
Operating profit before changes in working capital		38,584	27,697
Changes in working capital			
Increase in inventories		(1,744)	(742)
Decrease in trade and other receivables		2,310	971
(Increase)/decrease in prepayments		(680)	1,165
Decrease in trade and other payables		(6,506)	(3,217)
Total changes in working capital		(6,620)	(1,823)
Cash flows from operations		31,964	25,874
Taxes paid		(4,569)	(6,355)
Net cash flows from operating activities		27,395	19,519
Cash flows from investing activities			
Interest received		1,669	1,277
Proceeds from disposal of property, plant and equipment		26	84
Purchase of property, plant and equipment		(1,609)	(7,412)
Net cash from/(used in) investing activities		86	(6,051)
Cash flows from financing activities			
Dividends paid on ordinary shares		(24,000)	(9,600)
Net cash used in financing activities		(24,000)	(9,600)
Net increase in cash and cash equivalents		3,481	3,868
Cash and cash equivalents at beginning of financial year		100,508	81,145
Cash and cash equivalents at end of financial period	11	103,989	85,013

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