

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

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****Condensed Consolidated Statement of Comprehensive Income****For the period ended 30 September 2015****The figures have not been audited**

	Note	<u>2015</u> CURRENT QUARTER ENDED 30 September RM'000	<u>2014</u> CURRENT QUARTER ENDED 30 September RM'000	<u>2015</u> 9 MONTHS CUMULATIVE TO DATE RM'000	<u>2014</u> 9 MONTHS CUMULATIVE TO DATE RM'000
Revenue		64,443	55,868	206,789	188,572
Cost of sales		(37,323)	(36,518)	(119,766)	(119,922)
<b>Gross profit</b>		27,120	19,350	87,023	68,650
Other income		1,019	798	3,129	2,512
Administrative expenses		(4,669)	(4,629)	(14,072)	(13,945)
Selling and marketing expenses		(7,996)	(6,880)	(23,228)	(22,234)
<b>Operating profit</b>		15,474	8,639	52,852	34,983
Finance cost		-	-	-	-
<b>Profit before tax</b>	10	<b>15,474</b>	<b>8,639</b>	<b>52,852</b>	<b>34,983</b>
Income tax expense	21	(3,909)	(2,386)	(13,508)	(9,432)
<b>Profit for the period</b>		<b>11,565</b>	<b>6,253</b>	<b>39,344</b>	<b>25,551</b>
<b>Total comprehensive income for the period, net of tax</b>		<b>11,565</b>	<b>6,253</b>	<b>39,344</b>	<b>25,551</b>
Profit attributable to : Owners of the Parent		11,565	6,253	39,344	25,551
Total Comprehensive Income for the period, net of tax attributable to : Owners of the Parent		11,565	6,253	39,344	25,551
Earnings per share attributable to Owners of the Parent (sen) :					
-Basic	31(a)	1.45	0.78	4.92	3.19
-Diluted	31(b)	1.45	0.78	4.92	3.19

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

	Note	As at 30/09/2015 RM'000	As at 31/12/2014 RM'000
<b><u>ASSETS:</u></b>			
<b>Non-current assets:</b>			
Property, Plant and Equipment		65,486	67,937
Investment property		214	215
Deferred tax assets		62	58
<i>Sub total</i>		65,762	68,210
<b>Current assets:</b>			
Inventories		21,531	20,779
Trade and other receivables		31,505	35,518
Prepayments		1,208	692
Cash and bank balances	11	115,334	100,808
<i>Sub total</i>		169,578	157,797
<b>TOTAL ASSETS</b>		<b>235,340</b>	<b>226,007</b>
<b><u>EQUITY AND LIABILITIES:</u></b>			
<b>Equity attributable to Owners of the Company :</b>			
Share capital		80,000	80,000
Retained earnings		86,278	74,934
<b>TOTAL EQUITY</b>		<b>166,278</b>	<b>154,934</b>
<b>Non-current liabilities :</b>			
Deferred tax liabilities		7,577	7,895
<i>Sub total</i>		7,577	7,895
<b>Current liabilities:</b>			
Trade and other payables		37,202	46,575
Income tax payable		8,283	4,603
Dividends payable		16,000	12,000
<i>Sub total</i>		61,485	63,178
<b>TOTAL LIABILITIES</b>		<b>69,062</b>	<b>71,073</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>235,340</b>	<b>226,007</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 period ended 30 September 2015**

	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 2015</b>	80,000	-	74,934	154,934
Total comprehensive income for the period	-	-	39,344	39,344
Transaction with the owners				
Dividends on ordinary shares	-	-	(28,000)	(28,000)
Total transaction with the owners	-	-	(28,000)	(28,000)
<b>Closing balance at 30 September 2015</b>	<b>80,000</b>	<b>-</b>	<b>86,278</b>	<b>166,278</b>

**For the corresponding period ended 30 September 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 period	-	-	25,551	25,551
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)
<b>Closing balance at 30 September 2014</b>	<b>80,000</b>	<b>-</b>	<b>74,338</b>	<b>154,338</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 2015****The figures have not been audited**

	Note	<b>2015</b> <b>9 months</b> <b>ended</b> <b>30/09/2015</b> <b>RM'000</b>	<b>2014</b> <b>9 months</b> <b>ended</b> <b>30/09/2014</b> <b>RM'000</b>
<b>Cash flows from operating activities:</b>			
<b>Profit before tax</b>		<b>52,852</b>	<b>34,983</b>
Adjustments for:			
Allowance for doubtful debts		82	46
Bad debts written off		61	3
Depreciation of property, plant and equipment		3,971	3,557
Loss/(Gain) on disposal of property, plant and equipment		140	(21)
Interest income		(2,646)	(1,939)
Reversal of impairment loss on property, plant and equipment		(15)	(42)
Inventories written off		49	18
Property, plant and equipment written off		129	353
Total adjustments		1,771	1,975
Operating profit before changes in working capital		54,623	36,958
Changes in working capital			
Increase in inventories		(801)	(441)
Decrease in trade and other receivables		3,870	7,597
(Increase)/decrease in prepayments		(516)	1,316
Decrease in trade and other payables		(9,373)	(6,017)
Total changes in working capital		(6,820)	2,455
Cash flows from operations		47,803	39,413
Taxes paid		(10,150)	(10,246)
<b>Net cash flows from operating activities</b>		<b>37,653</b>	<b>29,167</b>
<b>Cash flows from investing activities</b>			
Placement of deposits for more than 3 months maturity with licensed bank		(2,500)	-
Interest received		2,646	1,939
Proceeds from disposal of property, plant and equipment		524	86
Purchase of property, plant and equipment		(2,297)	(8,103)
<b>Net cash used in investing activities</b>		<b>(1,627)</b>	<b>(6,078)</b>
<b>Cash flows from financing activities</b>			
Dividends paid on ordinary shares		(24,000)	(21,600)
<b>Net cash used in financing activities</b>		<b>(24,000)</b>	<b>(21,600)</b>
<b>Net increase in cash and cash equivalents</b>		<b>12,026</b>	<b>1,489</b>
<b>Cash and cash equivalents at beginning of financial year</b>		<b>100,508</b>	<b>81,145</b>
<b>Cash and cash equivalents at end of financial period</b>	11	<b>112,534</b>	<b>82,634</b>

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