

HUP SENG INDUSTRIES BERHAD (226098-P)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**Condensed Consolidated Statement of Comprehensive Income****For the period ended 31 December 2015****The figures have not been audited**

	Note	<u>2015</u> CURRENT QUARTER ENDED 31 December RM'000	<u>2014</u> CURRENT QUARTER ENDED 31 December RM'000	<u>2015</u> 12 MONTHS CUMULATIVE TO DATE RM'000	<u>2014</u> 12 MONTHS CUMULATIVE TO DATE RM'000
Revenue		80,071	73,646	286,860	262,218
Cost of sales		(44,805)	(45,341)	(164,571)	(165,263)
Gross profit		35,266	28,305	122,289	96,955
Other income		1,184	930	4,313	3,442
Administrative expenses		(5,752)	(4,440)	(19,824)	(18,385)
Selling and marketing expenses		(10,595)	(8,053)	(33,823)	(30,287)
Operating profit		20,103	16,742	72,955	51,725
Finance cost		-	-	-	-
Profit before tax	10	20,103	16,742	72,955	51,725
Income tax expense	21	(4,716)	(4,146)	(18,224)	(13,578)
Profit for the period		15,387	12,596	54,731	38,147
Total comprehensive income for the period, net of tax		15,387	12,596	54,731	38,147
Profit attributable to : Owners of the Parent		15,387	12,596	54,731	38,147
Total Comprehensive Income for the period, net of tax attributable to : Owners of the Parent		15,387	12,596	54,731	38,147
Earnings per share attributable to Owners of the Parent (sen) :					
-Basic	31(a)	1.92	1.57	6.84	4.77
-Diluted	31(b)	1.92	1.57	6.84	4.77

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

	Note	As at 31/12/2015 RM'000	As at 31/12/2014 RM'000
<u>ASSETS:</u>			
Non-current assets:			
Property, Plant and Equipment		64,653	67,937
Investment property		214	215
Deferred tax assets		37	58
<i>Sub total</i>		64,904	68,210
Current assets:			
Inventories		22,074	20,779
Trade and other receivables		37,261	35,518
Prepayments		786	692
Cash and bank balances	11	119,964	100,808
<i>Sub total</i>		180,085	157,797
TOTAL ASSETS		244,989	226,007
<u>EQUITY AND LIABILITIES:</u>			
Equity attributable to Owners of the Company :			
Share capital		80,000	80,000
Retained earnings		85,665	74,934
TOTAL EQUITY		165,665	154,934
Non-current liabilities :			
Deferred tax liabilities		7,306	7,895
<i>Sub total</i>		7,306	7,895
Current liabilities:			
Trade and other payables		49,072	46,575
Income tax payable		6,946	4,603
Dividends payable		16,000	12,000
<i>Sub total</i>		72,018	63,178
TOTAL LIABILITIES		79,324	71,073
TOTAL EQUITY AND LIABILITIES		244,989	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 31 December 2015**

	Attributable to owners of the parent			
	Non-distributable		Distributable	Total
	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	-	-	54,731	54,731
Transaction with the owners				
Dividends on ordinary shares	-	-	(44,000)	(44,000)
Total transaction with the owners	-	-	(44,000)	(44,000)
Closing balance at 31 December 2015	80,000	-	85,665	165,665

**For the corresponding period
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	
Opening balance at 1 January 2014	60,000	14,333	76,054	150,387
Total comprehensive income for the period	-	-	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)
Closing balance at 31 December 2014	80,000	-	74,934	154,934

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

	Note	2015 12 months ended 31/12/2015 RM'000	2014 12 months ended 31/12/2014 RM'000
Cash flows from operating activities:			
Profit before tax		72,955	51,725
Adjustments for:			
Allowance for doubtful debts		56	52
Bad debts written off		99	9
Depreciation of property, plant and equipment		5,309	4,844
Loss on disposal of property, plant and equipment		141	2
Interest income		(3,626)	(2,691)
Reversal of impairment loss on property, plant and equipment		(15)	(42)
Inventories written off		94	32
Property, plant and equipment written off		135	356
Unrealised exchange gain		(40)	-
Total adjustments		2,153	2,562
Operating profit before changes in working capital		75,108	54,287
Changes in working capital			
(Increase)/Decrease in inventories		(1,389)	7
(Increase)/Decrease in trade and other receivables		(1,858)	294
(Increase)/decrease in prepayments		(94)	1,325
Increase in trade and other payables		2,497	4,359
Total changes in working capital		(844)	5,985
Cash flows from operations		74,264	60,272
Taxes paid		(16,449)	(13,439)
Net cash flows from operating activities		57,815	46,833
Cash flows from investing activities			
Placement of deposits for more than 3 months maturity with licensed bank		(10,342)	(300)
Interest received		3,626	2,691
Proceeds from disposal of property, plant and equipment		601	156
Purchase of property, plant and equipment		(2,886)	(8,417)
Net cash used in investing activities		(9,001)	(5,870)
Cash flows from financing activities			
Dividends paid on ordinary shares		(40,000)	(21,600)
Net cash used in financing activities		(40,000)	(21,600)
Net increase in cash and cash equivalents		8,814	19,363
Cash and cash equivalents at beginning of financial year		100,508	81,145
Cash and cash equivalents at end of financial period	11	109,322	100,508

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