

**KUMPULAN H & L HIGH-TECH BERHAD (317805-V)
FINANCIAL RESULTS**

PART A1: QUARTERLY REPORT

* Quarterly report for the financial period ended

31-Oct-11

* Quarter

1st Quarter 2nd Quarter 3rd Quarter 4th Quarter Other

* Financial Year End

31-Oct-11

* The figures

() have been audited (x) have not been audited.

Please attach the full Quarterly Report Here:

Remarks:

PART A2: SUMMARY OF KEY FINANCIAL INFORMATION

Summary of key Financial Information
31-Oct-11

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-Oct-11 RM' 000	PRECEDING YEAR CORRESPONDING QUARTER 31-Oct-10 RM' 000	CURRENT YEAR TO DATE 31-Oct-11 RM' 000	PRECEDING YEAR CORRESPONDING PERIOD 31-Oct-10 RM' 000
1 Revenue	5,645	6,708	25,280	23,458
2 Profit/(loss) before tax	263	220	2,904	387
3 Net Profit/(loss) for the period	387	1,265	2,360	1,448
4 Profit/(loss) after tax and minority interest	583	1,428	2,544	1,691
5 Basic earnings/(loss) per share (sen)	1.59	3.79	6.82	4.49
6 Proposed/Declared Dividend per share - cash (sen)	3.00	1.00	3.00	1.00

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
7 Net assets per share attributable to Ordinary equity holders of the parent (RM)	1.3828	1.3586

PART A3: ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-Oct-11 RM' 000	PRECEDING YEAR CORRESPONDING QUARTER 31-Oct-10 RM' 000	CURRENT YEAR TO DATE 31-Oct-11 RM' 000	PRECEDING YEAR CORRESPONDING PERIOD 31-Oct-10 RM' 000
1 Gross Interest Income	83	99	311	199
2 Gross Interest Expense	87	62	278	111

KUMPULAN H & L HIGH-TECH BERHAD (317805-V)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 OCTOBER 2011 (UNAUDITED)

	INDIVIDUAL PERIOD 3 MONTHS ENDED		CUMULATIVE PERIOD 12 MONTHS ENDED	
	31-Oct-11 RM' 000	31-Oct-10 RM' 000	31-Oct-11 RM' 000	31-Oct-10 RM' 000
Revenue	5,645	6,708	25,280	23,458
Operating Expenses	(5,809)	(6,924)	(23,865)	(24,002)
Other Income	497	496	1,734	1,095
Gain on derivative financial instrument	-	-	-	-
Investing Income	17	1	33	8
Finance costs	(87)	(61)	(278)	(172)
Profit before tax	263	220	2,904	387
Tax expense	124	1,045	(544)	1,061
Profit after tax for the period	387	1,265	2,360	1,448
Other Comprehensive Income:				
Exchange translation reserve	-	-	(6)	137
Other Comprehensive Income net of tax	-	-	(6)	137
Total Comprehensive Income for the period	387	1,265	2,354	1,585
Profit attributable to:				
Equity holders of the Company	583	1,428	2,544	1,691
Non-Controlling Interest	(196)	(163)	(184)	(243)
	387	1,265	2,360	1,448
Total comprehensive income attributable to:				
Equity holders of the Company	586	1,285	2,530	1,644
Non-Controlling Interest	(199)	(20)	(176)	(59)
	387	1,265	2,354	1,585
Earnings per share attributable to equity holders of the Company:				
-Basic EPS (sen)	1.59	3.79	6.82	4.49
-Diluted EPS (sen)	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2010 and the accompanying explanatory notes attached to the interim financial statement.)

KUMPULAN H & L HIGH-TECH BERHAD (317805-V)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE QUARTER ENDED 31 OCTOBER 2011 (UNAUDITED)

		AS AT CURRENT FINANCIAL QUARTER ENDED 31-Oct-11 (Unaudited) RM' 000	AS AT 31-Oct-10 (Audited) RM' 000
ASSETS			
NON-CURRENT ASSETS			
Property, Plant & Equipment	A1	14,325	15,453
Investment Properties		14,272	14,448
Land Held for Development		2,909	2,909
Prepaid Lease Payments		1,962	1,987
Other investment		165	187
		<u>33,633</u>	<u>34,984</u>
CURRENT ASSETS			
Inventories		4,900	4,862
Trade Receivables		4,118	5,362
Other Receivables, Deposit & Prepayments		1,037	885
Other Investments		2,583	838
Tax Recoverable		142	80
Cash & Cash Equivalent		21,928	16,546
		<u>34,708</u>	<u>28,573</u>
TOTAL ASSETS		<u>68,341</u>	<u>63,557</u>
EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT			
Share Capital		40,612	40,612
Treasury Share, At Cost		(3,554)	(2,485)
Other Reserves		1,699	1,713
Retained Earnings		13,111	10,943
		<u>51,868</u>	<u>50,783</u>
Non-Controlling interest		192	365
TOTAL EQUITY		<u>52,060</u>	<u>51,148</u>
NON-CURRENT LIABILITIES			
Long Term Borrowings	B9	9,586	5,099
Deferred Income		21	42
Deferred Tax		1,445	1,373
		<u>11,052</u>	<u>6,514</u>
CURRENT LIABILITIES			
Short Term Borrowings	B9	997	765
Trade Payables		855	1,461
Other Payables, Deposits & Accruals		3,141	3,564
Deferred Income		21	21
Provision For Taxation		215	84
		<u>5,229</u>	<u>5,895</u>
TOTAL EQUITY AND LIABILITIES		<u>68,341</u>	<u>63,557</u>
NET ASSETS PER SHARE(RM)		1.3828	1.3586

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2010 and the accompanying explanatory notes attached to the interim financial statements).

KUMPULAN H & L HIGH-TECH BERHAD (317806-V)
 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE QUARTER ENDED 31 OCTOBER 2011 (UNAUDITED)

	←-----Attributable to Equity Holders of the Company -----→									Minority Interest	Total Equity
	←-----Non distributable-----→					←---Distributable---→					
	Share Capital	Share Premium	Revaluation Reserve	Exchange translation reserve	Fair value reserve	Hedge reserve	Retained Earnings	Treasury Share	Total		
(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)
12 months ended											
31 October 2011											
01 November 2010	40,612	-	1,535	178	-	-	10,943	(2,485)	50,783	365	51,148
Dividend	-	-	-	-	-	-	(376)	-	(376)	-	(376)
Purchase of treasury shares	-	-	-	-	-	-	-	(1,069)	(1,069)	-	(1,069)
Total comprehensive income for the period	-	-	(7)	(7)	-	-	2,544	-	2,530	(173)	2,357
31 October 2011	40,612	-	1,528	171	-	-	13,111	(3,554)	51,888	192	52,060
12 months ended											
31 October 2010											
01 November 2009	40,612	-	1,544	129	-	-	9,615	(2,485)	49,415	583	49,998
Total comprehensive income for the period	-	-	-	-	-	-	1,691	-	1,691	(202)	1,489
Dividend	-	-	-	-	-	-	(376)	-	(376)	-	(376)
Currency translation differences	-	-	(9)	105	-	-	-	-	96	-	96
31 October 2010	40,612	-	1,535	234	-	-	10,930	(2,485)	50,826	381	51,207

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2010 and the accompanying explanatory notes attached to the interim financial statement.)

KUMPULAN H & L HIGH-TECH BERHAD (317805-V)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 OCTOBER 2011 (UNAUDITED)

	2011 12 MONTHS ENDED 31/Oct/2011 (RM 000)	2010 12 MONTHS ENDED 31/Oct/2010 (RM 000)
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
PROFIT BEFORE TAXATION	2,904	388
ADJUSTMENTS:-		
NON CASH ITEMS	2,554	3,182
NON OPERATING ITEMS (INVESTING/FINANCING)	(66)	(134)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	5,392	3,436
<u>CHANGES IN WORKING CAPITAL</u>		
INVENTORIES	3	(956)
RECEIVABLES	961	(1,133)
PAYABLES	(1,028)	2,335
CASH GENERATED FROM OPERATIONS	5,328	3,682
INTEREST PAID	(278)	(172)
INTEREST RECEIVED	311	298
TAX (PAID)/REFUNDED, NET	(392)	402
NET CASH GENERATED FROM OPERATING ACTIVITIES	4,969	4,210
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
EQUITY INVESTMENT	33	8
PURCHASE OF PROPERTY, PLANT AND EQUIPMENT	(1,179)	(2,429)
OTHER INVESTMENT	(1,699)	(2,725)
NET CASH USED IN INVESTING ACTIVITIES	(2,845)	(5,146)
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
BORROWINGS (REPAYMENT)/DRAWDOWN, NET	4,719	3,611
DIVIDEND	(376)	(376)
PURCHASE OF TREASURY SHARES	(1,070)	-
NET CASH GENERATED FROM FINANCING ACTIVITIES	3,273	3,235
CURRENCY TRANSLATION DIFFERENCE	(15)	(56)
NET INCREASE IN CASH AND CASH EQUIVALENTS	5,382	2,243
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	16,546	12,206
CASH AND CASH EQUIVALENTS AT END OF PERIOD	21,928	14,449

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2010 and the accompanying explanatory notes attached to the interim financial statement.)

Part A-Explanatory Notes Pursuant to FRS 134

A1. Accounting policies and methods of computation

The interim financial report has been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The figures for the quarter ended 31 October 2011 have not been audited.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 October 2010. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year 31 October 2010, except for the followings:

- (i) New and Revised FRSs, IC Interpretations and Amendments issued but are not yet effective and not adopted early for the Group's current period.

The Group has not adopted the following new and revised FRSs, IC Interpretations and Amendments because they are not yet effective for the financial year ended 31 October 2010:

- (a) FRS 3 (revised), Business Combination.
- (b) FRS 137 (revised), Consolidated and Separate Financial Statements.
- (c) Amendments to FRS 2, FRS 5, FRS 138, FRS 139

The Group will adopt these Standards, if relevant to the Group's operation, beginning on 1 November 2010.

A2. Seasonal or cyclical of interim operations

The Group's business operations were not affected by any seasonal or cyclical factors.

A3. Unusual items affecting assets, liabilities, equity, net income or cash flows

There are no unusual items of nature, size or incidence that affect the assets, liabilities, equity, net income or cash flows of the Group during the financial year ended 31 October 2011 except that in early October 2011, the flooding in Thailand has severely damage the plant and machineries of a 70% owned subsidiary and the operation of this subsidiary has been suspended for the time being.

A4. Material changes in estimates

There were no changes in the nature and amount of changes in estimates of amounts reported in the immediate preceding quarter or changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter under review.

A5. Capital management, issuances, repurchase, and repayment of debts and equity instruments

The Group's objective of managing capital are to safeguard the Group's ability to continue in operations as going concern in order to provide fair returns for shareholders and benefits for other stakeholders and to maintain an optimal structure to reduce the cost of capital. In order to maintain the optimal capital structure, the Group may, from time to time, adjust the dividend payout to shareholders, return capital to shareholders, issue new shares, redeem debts or sell assets to reduce debts, where necessary.

The Group's strategy is to maintain a maximum gearing ratio of 50%. The ratio is calculated as the total liabilities to total equity. Total equity includes non-controlling interests.

The gearing ratios as at 31 October 2011 and 31 October 2010, which are within the Group's objectives for capital management, are as follows:

As At	31-Oct-11 RM '000	31-Oct-10 RM '000	Changes RM '000
Total liabilities	16,197	12,408	3,789
Total equity	52,060	51,148	912
Total capital	68,257	63,556	4,701
Gearing Ratio	31.1%	24.3%	6.9%

The increased in the gearing ratio during the period under review was mainly due to an additional term loan drawn down during the quarter under review.

Except disclosed below, there were no shares issued, shares cancellation, resale of treasury shares and repayments of debts and equity securities during the current quarter.

On 28 March 2007, approval has been obtained from the shareholders for the Company to buy-back its own shares. The authority granted by the shareholders was subsequently renewed in the Annual General Meeting held on 28 April 2011. The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the share buy-back scheme can be applied in the best interest of the Company and its shareholders.

During the current quarter under review, the Company had purchased 1,072,000 treasury shares at the average price of RM0.9960 per shares. Since the inception of the scheme, a total of 4,035,560 ordinary shares (after a share dividend distributed in May 2009) were repurchased from the open market for a total consideration of RM3,554,493 at an average price of RM0.8808 per share and held as treasury shares in accordance with Section 67A of the Companies Act, 1965. The share buy-back transactions were wholly financed by internally generated fund.

A6. Dividends paid

There were no dividends paid during the quarter under review.

A7. Operating segment information

With the adoption of FRS 8, Operating Segments, the Group has only two reportable segments: Manufacturing and trading, property investment and investment holding.

Segment information for the financial year ended 31 October 2011	Manufacturing & Trading	Property Investment	Total
	<i>RM '000</i>	<i>RM '000</i>	<i>RM '000</i>
Revenue from external customer	23,942	1,481	25,423
Intersegment revenue	-	-	-
Reportable segment profit / (loss)	2,047	735	2,782

Reconciliation of profit or loss	<i>RM '000</i>
Total profit for reportable segments	2,782
Investment income	33
Interest income	311
Unallocated amounts:-	
Corporate expenses	(211)
Other non-reportable segments	(11)
Group's profit before income tax expense	<u>2,904</u>

A8. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statement for the interim period.

A9. Effects of changes in composition of the Group

There were no changes to the composition of the Group during the interim period, including business combinations, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

A10. Changes in contingent liabilities and contingent assets since the date of statement of financial position of prior audited financial statement

Save as disclosed below, the Company is not aware of any contingent liabilities or contingent assets as at 31 October 2011:-

Contingent liabilities for corporate guarantee given by the Company to financial institutions for credit facilities granted to subsidiary companies.

	<i>RM '000</i>
Total contingent liabilities	10,242

A11. Capital Commitment

There were no capital commitments not provided for in the financial statement as at 31 October 2011 except the following:-

Contracted for purchase of leasehold land for RM3.055 million

**Part B-Explanatory Notes Pursuant to BURSA MALAYSIA SECURITIES BERHAD,
Chapter 9 of the Listing Requirement, Part A of Appendix 9B**

B1. Performance review for the current quarter and financial year-to-date

For the current fourth quarter ended 31 October 2011, the Group pretax profit when compared to a year earlier increased to RM0.263 million from RM0.220 million. The slight improvement was attributed to gross profit margin rose to 24.8% from 16.2% despite sales dropped by 15.8% or RM1.063 million and provision for impairment loss of RM0.65 million resulted from flooding in Thailand factory which damaged plant and machineries and shut down of factory production line for the time being.

For the year ended 31 October 2011, the Group pretax profit when compared to a year earlier jumped by 648.5% to RM2.904 million from RM0.388 million. The significant improvement was achieved from sales increased by 7.8% or RM1.821 million, gross profit margin improved to 28.1% from 20.0% and other income increased by 58.4% or RM0.638 million notwithstanding the provision for impairment loss of RM0.65 million due to flooding in Thailand factory.

B2. Comment on any material change in the profit before taxation as compared with immediate preceding quarter.

For the current quarter ended 31 October 2011 the Group pretax profit dipped down to RM0.263 million from a pretax profit of RM0.659 million achieved in the immediate preceding quarter. The profitability was dragged down by sales dropped by 6.4% or RM0.383 million, gross profit margin eased to 24.8% from 27.1% and provision for impairment loss of RM0.65 million caused by flood suffered by H & L High-Tech Mould Thailand.

B3. Next financial year's prospect

The current economy environment is highly uncertain especially in Europe and China. The Directors foresee a challenging year ahead. Nevertheless the Directors endeavor to maintain current performance for next financial year.

B4. Variance of actual profit from forecast profit

There were no profits forecast and profit guarantee issued by the Company for the quarter under review.

B5. Taxation

	Current Quarter RM '000	Cumulative Quarters RM '000
Current Year	311	469
Prior Year	(57)	3
Deferred Taxation	(378)	72
Tax expense *	(124)	544
* Effective tax rate		18.7%

The effective tax rate for financial year ended 31 October 2011 were lower than the statutory tax rate of 25% mainly due to unabsorbed tax allowance bought forward from prior year of assessment.

B6. Profits / Losses on disposal of unquoted investments and/or properties

The profits on disposal of unquoted investments and/or properties for the current quarter and financial year-to-date are as follow:-

	Current Quarter	Financial year-to- date
	<i>RM '000</i>	<i>RM '000</i>
Unquoted investments	24	24
Properties	-	128
Total Profits / (Losses)	24	152

B7. Purchase or disposal of quoted securities

As at 31 October 2011, the investments in quoted securities are as follow:-

Cost	Carrying Value	Market Value
<i>RM '000</i>	<i>RM '000</i>	<i>RM '000</i>
2,494	2,583	2,583

During the financial year under review, quoted securities purchased and held for trading was amounted to RM955,809 only.

B8. Status of corporate proposals

There was no corporate proposal announced but not completed as at 31 October 2011.

B9. Group borrowings and debt securities

The group's borrowings as at 31 October 2011 as follows:-

<i>RM '000</i>	Secured	Unsecured	Total
Short term	997	-	997
Long term	9,586	-	9,586
Total	10,583	-	10,583

All borrowings are denominated in local currency.

There was no debt securities issued as at 31 October 2011.

B10. Derivative financial instruments

With the early adoption of FRS 139, financial derivatives are recognized on their respective contract dates.

As at the date of statement of financial position, the Group has no outstanding derivative financial instruments.

B11. Gains and losses arising from fair value changes of financial liabilities

There were no gains or losses recognized for changes in the fair values of financial liabilities measured at fair value through profit or loss for current quarter.

B12. Changes in material litigation

There was no material litigation pending as at the date of this report.

B13. Dividends

The Board of Directors proposed a single-tier interim dividend of 3.0 sen per ordinary share of RM1.00 each in respect of the financial year ended 31 October 2011. The book closure date and payment date will be on 12th January 2012 and 30th January 2012 respectively.

B14. Earnings per share

a. Basic

The calculation of the basic earnings per share is based on the Group's net profit attributable to the equity holders divided by the weighted average number of ordinary shares of RM1.00 each in issue during the year excluding the weighted average treasury shares held by the Company.

	Current Quarter	Cumulative Quarters
Net profit / (loss) attributable to equity holders of the Company (RM '000)	583	2,544
Weighted average number of ordinary shares ('000)	36,577	37,324
Basic earnings per share (sen)	1.59	6.82

b. Diluted

Not applicable

B15. Audit report qualification and status of matters raised

The audit report of the Group's annual financial statements for the financial year ended 31 October 2010 did not contain any qualification.

B16. DISCLOSURES OF REALISED AND UNREALISED PROFITS/LOSSES

The breakdown of retained earnings as at the reporting date, which has been prepared by the Directors in accordance with the directives from Bursa Malaysia Securities Berhad stated above and Guidance on Special Matter No. 1 issued on 20 December 2010 by the Malaysian Institute of Accountants, are as follows:-

	As At 31-Oct-11
	RM '000
Realised Gain	13,044
Unrealised Gain	67
Total Retained Earnings	<u>13,111</u>

BY ORDER OF THE BOARD

Ng Bee Lian
Company Secretary

Kuala Lumpur