



## **NI HSIN RESOURCES BERHAD**

(Company No.: 653353-W)

(Incorporated in Malaysia under the Companies Act, 1965)

### **INTERIM FINANCIAL STATEMENTS**

**FOR THE TWELVE MONTHS ENDED**

**31 DECEMBER 2009**

**NI HSIN RESOURCES BERHAD**

(Company no. 653353-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2009**

(The figures have not been audited)

	Note	CURRENT QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 12 MONTHS ENDED	
		31.12.2009 RM'000	31.12.2008 RM'000	31.12.2009 RM'000	31.12.2008 RM'000
Revenue	A10	10,953	16,031	47,313	56,493
Cost of sales		(7,825)	(11,208)	(34,066)	(41,667)
<b>Gross Profit</b>		<b>3,128</b>	<b>4,823</b>	<b>13,247</b>	<b>14,826</b>
Other operating income		65	757	848	1,611
Operating expenses		(1,986)	(2,359)	(7,172)	(7,567)
Interest income		23	16	131	30
Finance costs		(1)	(190)	(324)	(930)
<b>Profit before taxation</b>		<b>1,229</b>	<b>3,047</b>	<b>6,730</b>	<b>7,970</b>
Income tax expenses	B5	(109)	(512)	(1,607)	(1,753)
<b>Profit for the period</b>		<b>1,120</b>	<b>2,535</b>	<b>5,123</b>	<b>6,217</b>
<b>Attributable to:</b>					
Equity holders of the parent		1,120	2,535	5,123	6,217
Minority interests		-	-	-	-
Profit for the period		<b>1,120</b>	<b>2,535</b>	<b>5,123</b>	<b>6,217</b>
<b>Earnings per share (sen) attributable to equity holders of the parent:</b>					
~ Basic	B12	0.48	1.09	2.22	2.74
~ Diluted	B12	N/A	N/A	N/A	N/A

The Unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the Interim Financial Statements.

**NI HSIN RESOURCES BERHAD**

(Company no. 653353-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2009**

(The figures have not been audited)

		(UNAUDITED) AS AT 31.12.2009 RM'000	(AUDITED) AS AT 31.12.2008 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	A7	34,514	34,156
Goodwill		5,105	5,105
		<u>39,619</u>	<u>39,261</u>
<b>Current assets</b>			
Inventories		16,111	22,333
Receivables, deposits and prepayments		3,798	6,588
Tax recoverable		416	902
Cash & cash equivalent		8,869	5,300
		<u>29,194</u>	<u>35,123</u>
<b>TOTAL ASSETS</b>		<u>68,813</u>	<u>74,384</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		47,320	47,320
Reserves		11,664	8,623
		<u>58,984</u>	<u>55,943</u>
<b>Total equity</b>		<u>58,984</u>	<u>55,943</u>
<b>Non-current liabilities</b>			
Borrowings	B8	-	146
Deferred tax liability		2,650	2,479
		<u>2,650</u>	<u>2,625</u>
<b>Current liabilities</b>			
Payables and accruals		5,032	5,017
Borrowings	B8	2,140	10,799
Taxation		7	-
		<u>7,179</u>	<u>15,816</u>
<b>Total liabilities</b>		<u>9,829</u>	<u>18,441</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>68,813</u>	<u>74,384</u>
Net Assets per share attributable to equity holders of the parent (RM)		0.26	0.24

The Unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the Interim Financial Statements.

**NI HSIN RESOURCES BERHAD**

(Company no. 653353-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2009**

(The figures have not been audited)

	← Non Distributable →			→ Distributable			Total RM'000
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Share Option Reserve RM'000	Property Revaluation Reserve RM'000	Retained Profits RM'000	
<b>At 1 January 2008</b>	45,000	1,311	(1,283)	264	3,133	2,201	50,626
Profit for the period	-	-	-	-	-	6,217	6,217
Purchase of treasury shares	-	-	(273)	-	-	-	(273)
Issuance of shares - Private Placement	2,320	580	-	-	-	-	2,900
Private Placement expenses	-	(71)	-	-	-	-	(71)
Share-based payment under ESOS	-	-	-	33	-	-	33
Transfer to/(from)	-	-	-	-	153	(153)	-
Dividend - 2008 Interim	-	-	-	-	-	(3,489)	(3,489)
<b>At 31 December 2008</b>	<b>47,320</b>	<b>1,820</b>	<b>(1,556)</b>	<b>297</b>	<b>3,286</b>	<b>4,776</b>	<b>55,943</b>
<b>At 1 January 2009</b>	47,320	1,820	(1,556)	297	3,286	4,776	55,943
Purchase of treasury shares	-	-	(120)	-	-	-	(120)
Surplus on revaluation of Property, plant and equipment	-	-	-	-	1,638	-	1,638
Profit for the period	-	-	-	-	-	5,123	5,123
Share-based payment under ESOS	-	-	-	9	-	-	9
Dividend - 2008 Final	-	-	-	-	-	(1,155)	(1,155)
Dividend - 2009 Interim	-	-	-	-	-	(2,454)	(2,454)
<b>At 31 December 2009</b>	<b>47,320</b>	<b>1,820</b>	<b>(1,676)</b>	<b>306</b>	<b>4,924</b>	<b>6,290</b>	<b>58,984</b>

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the Interim Financial Statements.

**NI HSIN RESOURCES BERHAD**

(Company no. 653353-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2009**

(The figures have not been audited)

	12 MONTHS ENDED	
	31.12.2009 RM'000	31.12.2008 RM'000
Net cash generated from operating activities	17,709	16,340
Net cash used in investing activities	(1,594)	(2,006)
Net cash used in from financing activities	<u>(12,605)</u>	<u>(8,800)</u>
Net increase in cash and cash equivalents	3,510	5,534
Effect of exchange rate fluctuations on cash held	(12)	(11)
Cash and cash equivalents at 1 January	<u>5,300</u>	<u>(223)</u>
Cash and cash equivalents at 31 December	<u><u>8,798</u></u>	<u><u>5,300</u></u>

Notes:

Cash and cash equivalent at the end of the financial year comprise the following :

	RM'000	RM'000
Bank and Cash balances	2,026	4,796
Fixed Deposit & Repo with licensed bank	6,843	504
Bank Overdraft (included within short term borrowings in Note B8)	<u>(71)</u>	<u>-</u>
	<u><u>8,798</u></u>	<u><u>5,300</u></u>

The Unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the Interim Financial Statements.

**NI HSIN RESOURCES BERHAD**

(Company no. 653353-W)

(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009****PART A: EXPLANATORY NOTES PURSUANT TO FRS 134: INTERIM FINANCIAL REPORTING****A1 BASIS OF PREPARATION**

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard (FRS) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2008.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the annual financial statement for the year ended 31 December 2008.

**A2 AUDITORS' REPORT ON PRECEDING FINANCIAL STATEMENTS**

There was no qualification on the audited financial statements for the Company or subsidiaries for the financial year ended 31 December 2008.

**A3 SEASONAL OR CYCLICAL FACTORS**

The Cookware Division's revenue is subject to seasonality due to market demand and supply conditions. Historically, demand for the premium cookware and kitchenware generally increases in the second half of the year due mainly to the seasonal nature of consumer spending behaviour in the export markets, where the shopping seasons normally peak in the final quarter of the year during festive periods such as Christmas and New Year.

**A4 UNUSUAL ITEMS DUE TO THE NATURE, SIZE OR INCIDENCE**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows during the current quarter and financial year ended 31 December 2009.

**A5 MATERIAL CHANGES IN ESTIMATES**

There were no material changes in estimates that have a material effect on the results for the current quarter and financial year ended 31 December 2009.

## A6 ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

Save as disclosed below, there were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation for the current financial year to-date:

### (a) Share Buy-backs

The cumulative shares bought back are being held as treasury shares with none of the shares being cancelled or resold during the financial year ended 31 December 2009.

The details of the share buy-back are as follows :

Month	No. of Shares	Price			Total Consideration Paid #
		Highest	Lowest	Average	
		RM	RM	RM	RM
January 2009	451,400	0.275	0.240	0.264	119,362

# Inclusive of transaction costs

The number of treasury shares held in hand as at 31 December 2009 are as follows :

	Average price per share (RM)	Number of shares	Amount RM
Balance at 1 January 2009		5,191,000	1,556,235
Increase in treasury shares		451,400	119,362
Total treasury shares at 31 December 2009	0.297	5,642,400	1,675,597

## A7 CARRYING AMOUNT OF REVALUED ASSETS

In compliance with FRS 116 on Property, Plant and Equipment, a revaluation exercise was carried out on 16 April 2009 by Henry Butcher Malaysia Sdn Bhd using the comparison method to reflect its fair value.

The market value of the properties revalued amounted to RM17,000,000.

Arising from this exercise, a revaluation surplus of RM1,638,000 net of tax was credited to equity. This has resulted in an increase in the net assets per share of the Group by 1 sen.

## A8 CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group, including business combinations, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations during the current quarter and financial year ended 31 December 2009.

## A9 DIVIDEND PAID

During the financial year ended 31 December 2009, the Company paid the following dividend:-

- final tax-exempt dividend of 0.50 sen per share in respect of the financial year ended 31 December 2008, amounting to RM1,154,788.02 was paid on 30 June 2009; and
- interim tax-exempt dividend of 0.50 sen per share in respect of the financial year ended 31 December 2009, amounting to RM1,154,788.02 was paid on 30 October 2009.

## A10 SEGMENTAL INFORMATION

The Group is principally engaged in the design, manufacture and sale of stainless steel kitchenware, cookware, convex mirror and research and development and manufacture of clad metals. The segmental results of the Group for the financial period under review based on activities are as follows:

### RESULTS FOR 3 MONTHS AND 12 MONTHS ENDED 31 DECEMBER 2009

	Current Quarter		Cumulative Quarter	
	3 months ended	3 months ended	12 months ended	12 months ended
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
	RM'000	RM'000	RM'000	RM'000
<b><u>Segment Revenue</u></b>				
Revenue from:				
Cookware	8,120	12,863	37,077	45,445
Convex mirror	1,386	1,276	4,747	4,645
Clad metals	3,436	5,777	16,067	20,865
Total revenue including inter-segment sales	12,942	19,916	57,891	70,955
Elimination of inter-segment sales	(1,989)	(3,885)	(10,578)	(14,462)
Total	10,953	16,031	47,313	56,493
	-	-	-	-

### **Segment Results**

Results from:				
Cookware	173	1,701	3,008	4,526
Convex mirror	349	455	1,030	764
Clad metals	738	900	3,247	3,745
	1,260	3,056	7,285	9,035
Elimination of inter-segment sales	31	255	24	112
Total result	1,291	3,311	7,309	9,147
Unallocated corporate exercise	(84)	(90)	(386)	(277)
Interest income	23	16	131	30
Interest expenses	(1)	(190)	(324)	(930)
Income tax expense	(109)	(512)	(1,607)	(1,753)
Profit for the period	1,120	2,535	5,123	6,217
	-	-	-	-

## A11 MATERIAL SUBSEQUENT EVENTS

There were no material events subsequent to the end of the quarter that have not been reflected in the financial statements for the financial period under review.

## A12 CONTINGENT LIABILITIES

Save as disclosed below, the Company is not aware of any other contingent liabilities as at 31 December 2009.

	<b>31.12.2009</b>
	RM'000
- Corporate guarantee given by the Company to licensed banks for credit facilities granted to NHC	24,140
- Corporate guarantee given by the Company to supplier for credit facilities granted to EGAM	800
	<u>24,940</u>



### A13 CAPITAL COMMITMENT

Capital commitments not provided for in the financial statements as at 31 December 2009 are as follows:

	<b>31.12.2009</b>
	RM'000
Approved and contracted for	
- Plant & Equipment	<u>59</u>

### A14 SIGNIFICANT RELATED PARTY TRANSACTIONS

Significant related party transactions which involve the directors of the Group for the financial year ended 31 December 2009 are as follows:

	<b>Transaction value for 12 months ended 31.12.2009</b>	<b>Balance outstanding as at 31.12.2009</b>
	RM'000	RM'000
With a company in which the Company's directors, Hsiao Chih Jen, Hsiao Chih Chien and Hsiao Chih Che, have substantial financial interest		
Sun New Stainless Steel Industry Ltd.		
Sales	4,521	2
Purchases	230	-
Ni Hsin International Trade (Shanghai) Co. Ltd.		
Sales	75	-
With a company in which the Company's directors, Hsiao Chih Jen and Hsiao Chih Chien, have substantial financial interest		
Everpro Sdn. Bhd.		
Sales	6,080	1,832
Rental income	162	-
Standardworld Holding Ltd.		
Royalty fee payable	208	208

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## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### PART B: ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

#### B1 REVIEW OF PERFORMANCE

For the quarter ended 31 December 2009, the Group recorded a revenue of RM10.95 million and profit before taxation ("PBT") of RM1.23 million. Revenue in the current quarter declined by RM5.08 million or 31.7% compared to the previous year's corresponding quarter. As a result of the lower revenue in the current quarter, the Group PBT also declined by RM1.82 million or 59.7% compared to the previous year's corresponding quarter.

For the year ended 31 December 2009, the Group achieved a revenue of RM47.31 million and PBT of RM6.73 million. The Group's revenue for the year ended 31 December 2009 declined by RM9.18 million or 16.2% compared to the previous financial year. As a result, the Group PBT declined by RM1.24 million or 15.6% compared to the previous financial year.

Revenue for the quarter ended 31 December 2009 declined due to the following reasons:

- (i) As the Group is revamping its marketing strategy for the Japanese market, the Group has not agreed to an exclusive distribution agreement of a cookware series to a Japanese customer. Hence there is a decline in sales to this customer in the financial period as the customer requested for exclusive rights to the distribution of this cookware series in Japan. Revenue from this customer was approximately RM1.5 million in financial year ended 31 December 2008. Sales to our other Japanese customers also declined in the quarter as our customers were cautious of the consumer spending sentiment in Japan in the last quarter.
- (ii) Sales of our Buffalo brand of cookware to our distributors in Singapore, Hong Kong, China and Taiwan declined due to weaker orders from our distributors as they have taken a conservative outlook on consumer spending for the fourth quarter of 2009.
- (iii) Sales of clad metal was lower due to weaker orders from customers in Japan and China.

Sales of convex mirrors remained constant in the current quarter.

Due to the factors above, revenue declined for the financial year ended 31 December 2009. The Group managed to reduce its operating costs by RM0.395 million in the year. Due to the repayment of its term loan and improvement in its operating cash flows, the Group's finance costs also reduced by RM0.61 million.

The Group's operating cashflows improved in the year ended 31 December 2009 to RM17.71 million compared to RM16.34 million achieved in the last financial year. The improvement in operating cashflows enabled the Group to fully settle its long term borrowing amounting to RM7.0 million by the third quarter. Net cash and cash equivalents at the end of the financial year increased to RM8.80 million.

#### B2 COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

	<b>3 months ended 31.12.2009</b>	<b>3 months ended 30.9.2009</b>
	RM'000	RM'000
Revenue	10,953	12,003
Profit before taxation	1,229	2,518
Profit for the period	1,120	1,804

Revenue for the current quarter declined compared to the immediate preceding quarter due to the same factors outlined in B1.

### B3 COMMENTARY ON PROSPECT

The Group's prospects are summarised as follows:

**(a) Japanese cookware market**

For the Japanese market, the Group will look for new distributors for its cookware range as the Group does not intend to enter into any exclusive distributorship with any customer unless significant minimum orders can be committed. The Group is currently in negotiation with several existing and potential customers to distribute our cookware products.

**(b) Semi-finished pressure cookers**

The Group's sales of semi-finished pressure cookers received favourable demand in the Japanese market. To the best knowledge and belief of the management, the Group is the only manufacturer of stainless steel pressure cookers in Malaysia for the Japanese market. The Group will continue to focus in designing new models for the Japanese market, especially a mid-price model to cater for the mass market in Japan.

**(c) Water filter casings**

The Group has developed a stainless steel water filter casing. The water filter casing is manufactured as a single piece without welding and is formed using flow and shear forming technologies. The Group has developed a new water filter system using our stainless steel water filter casing. This version of water filter system is targeted for home use, and will be unique as the casings and water filter body are made entirely of stainless steel to ensure product safety and durability. The Group has begun marketing its water filter casings.

**(d) Improving sales of Buffalo brand of cookware**

The Group will monitor its distributors' marketing plans for the Buffalo brand of cookware to improve sales in Singapore, Hong Kong, Taiwan and Malaysia. The Group's local distributor, Everpro Sdn Bhd, has opened its 6th and 7th Buffalo Lifestyle Corner outlet at Taman Segar, Cheras and Kota Damansara in the last quarter of 2009 as part of its business development plan to improve local sales.

Though the global economy is showing signs of improvement, the Directors believe that the current financial year will still be a challenging period for the premium cookware business. The Board of Directors is of the view that the Group will still face uncertainties in consumer spending for premium cookware in the current financial year and expects the results to be maintained.

### B4 VARIANCES FROM PROFIT FORECAST OR PROFIT GUARANTEE

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and forecast profit after tax and minority interest and for the shortfall in profit guarantee are not applicable.

### B5 TAXATION

	<b>Current Quarter 3 months ended 31.12.2009 RM'000</b>	<b>Cumulative Quarter 12 months ended 31.12.2009 RM'000</b>
In respect of the current period		
- Malaysian tax	380	1,791
- Deferred tax	(253)	(52)
	<u>127</u>	<u>1,739</u>
In respect of the prior year		
- Malaysian tax	(18)	(132)
	<u>109</u>	<u>1,607</u>

**B6 PROFIT ON SALES OF UNQUOTED INVESTMENTS AND/OR PROPERTIES**

There was no purchase or disposal of unquoted investment and/or properties during the current quarter and financial year ended 31 December 2009.

**B7 PURCHASE OR DISPOSAL OF QUOTED SECURITIES**

There was no purchase or disposal of quoted securities during the current quarter and financial year ended 31 December 2009.

**B8 GROUP BORROWINGS**

Save as disclosed below, there were no other borrowings or debt securities in the Group as at 31 December 2009:

	<b>As at 31.12.2009</b>	<b>As at 31.12.2008</b>
	RM'000	RM'000
<b>Non-current:</b>		
Hire purchase liability	-	146
	<u>-</u>	<u>146</u>
<b>Current:</b>		
Bank overdraft	71	-
Bankers' acceptance - secured	2,069	3,601
Term loan - secured	-	7,000
Hire purchase liabilities	-	198
	<u>2,140</u>	<u>10,799</u>
	<u>2,140</u>	<u>10,945</u>

All borrowings are denominated in Malaysia Ringgit.

**B9 OFF BALANCE SHEETS FINANCIAL INSTRUMENTS**

Forward foreign currency exchange contracts are entered into by the Group to manage exposures to fluctuation in foreign currency exchange rate on specific transactions.

The forward exchange contracts entered into by the Group as at 17 February 2010 are as follows :-

<b>Nature</b>	<b>Currency</b>	<b>Contracted Amount '000</b>	<b>Equivalent Amount RM'000</b>
Sale contracts	JPY	44,200	1,697

The contracts mature within 12 months.

The transactions in foreign currencies which are hedged by forward foreign exchange contracts are recorded in the book at the contracted rates. Any gains or losses arising from forward contracts are recognised in the Income Statement upon maturity.

There is minimal credit and market risk as the above forward contracts are executed with a creditworthy financial institution. The Group is of the view that the possibility of non-performance by the financial institution is remote on the basis of their financial strength.

## B10 CHANGES IN MATERIAL LITIGATION

The Group is not engaged in any material litigation and the Directors do not have any knowledge of any material proceeding pending or threatened against the Group.

## B11 STATUS OF CORPORATE PROPOSALS

- (a) On 30 June 2009, the Company has submitted an application to the Securities Commission ("SC") seeking its approval for an extension of time of twelve (12) months from 9 August 2009 to 8 August 2010, for the Company to obtain all the necessary approvals in respect of the rectification of non-approved structures and covered terrace. The SC has approved the application of the extension of time vide its letter dated 14 July 2009.

On 5 January 2009, the Group has sent in application for Sijil Akuan Asal to Lembaga Jurukur Tanah Semenanjung and has received the said Sijil on 3 February 2009.

On 10 February 2009, the Group has submitted the application for Qualified Title to Pejabat Tanah Hulu Langat ("PTHL").

On 27 April 2009, the Group has received the Qualified Title (Hakmilik Sementara) of the amalgamated land from PTHL.

On 20 July 2009, the Group has received the approval letter from Survey & Mapping Department (JUPEM) Qualified Title (Hakmilik Sementara) on the approved Certified Plan.

On 8 January 2010, the Group has submitted the building plan and other relevant documents to Majlis Perbandaran Kajang.

As at 17 February 2010 (the latest practicable date not earlier than seven (7) days from the date of issue of this report), the Group is awaiting for the approval from Majlis Perbandaran Kajang.

## B12 EARNINGS PER SHARE ("EPS")

### (a) Basic

Basic EPS is calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

	Current Quarter 3 months ended		Cumulative Quarter 12 months ended	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
<b>Basic EPS</b>				
Profit attributable to equity holders of the parent (RM '000)	1,120	2,535	5,123	6,217
Weighted average no of ordinary share in issue ('000)	232,170	232,621	230,969	226,583
Basic EPS (sen)	0.48	1.09	2.22	2.74

## B12 EARNINGS PER SHARE ("EPS") (CONT.)

### (b) Diluted

For the diluted profit per share calculation, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential shares. The Group's dilutive potential ordinary shares are in respect of options over shares granted to employees.

	Current Quarter 3 months ended		Cumulative Quarter 12 months ended	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
<b>Diluted EPS</b>				
Profit attributable to equity holders of the parent (RM '000)	1,120	2,535	5,123	6,217
Weighted average no of ordinary share in issue ('000)	232,170	232,621	230,969	226,583
Dilutive impact of unexercised share options	N/A	N/A	N/A	N/A
	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Diluted EPS (sen)	N/A	N/A	N/A	N/A

N/A: Not applicable

The share options have no dilutive effect as the average market value of the Company's shares is lower than the exercise price of the options.

The average market value of the Company's shares for purpose of calculating the dilutive effect of share options was based on quoted market prices for the period that the options were outstanding.

## B13 DIVIDEND

- (1) A proposed final dividend of 0.67 sen per Ordinary Share less 25% income tax for the financial year ended 31 December 2009 has been recommended by the Board of Directors. The proposed final dividend will be subject to the shareholders' approval at the forthcoming Sixth Annual General Meeting of the Company;
- (2) Payment date: to be announced at a later date; and
- (3) The date of entitlement to dividend: to be announced at a later date.

This proposed final dividend will bring the total tax-exempt dividend and taxable dividend distribution per share in respect of the financial year ending 31 December 2009 to 0.50 sen and 1.42 sen respectively (previous year corresponding financial period ended 31 December 2008 : 2.0 sen and Nil respectively).

## B14 AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 22 February 2010.

By order of the Board of Directors  
**NI HSIN RESOURCES BERHAD**

HSIAO CHIH JEN  
Managing Director

Date: 22 February 2010