



NI HSIN RESOURCES BERHAD

(Company No.: 653353-W)

(Incorporated in Malaysia under the Companies Act, 1965)

INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED

30 JUNE 2010

NI HSIN RESOURCES BERHAD
(Company no. 653353-W)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2010
(The figures have not been audited)

	Note	CURRENT QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 6 MONTHS ENDED	
		30.6.2010 RM'000	30.6.2009 RM'000	30.6.2010 RM'000	30.6.2009 RM'000
Revenue	A10	8,664	12,109	16,434	24,357
Cost of sales		(6,590)	(9,029)	(12,245)	(18,312)
Gross Profit		2,074	3,080	4,189	6,045
Other operating income		104	215	457	554
Operating expenses		(2,046)	(1,762)	(4,104)	(3,467)
Interest income		13	70	29	82
Finance costs		(15)	(106)	(28)	(231)
Profit before taxation		130	1,497	543	2,983
Income tax expenses	B5	(172)	(390)	(438)	(784)
(Loss)/ profit for the period		(42)	1,107	105	2,199
Other comprehensive income, net of tax					
Foreign currency translation differences for foreign operations		12	-	10	-
Total comprehensive (loss)/ income for the period		(30)	1,107	115	2,199
(Loss)/ profit attributable to:					
Owners of the Company		(42)	1,107	105	2,199
Minority interests		-	-	-	-
(Loss)/ profit for the period		(42)	1,107	105	2,199
Total comprehensive (loss)/ income attributable to:					
Owners of the Company		(30)	1,107	115	2,199
Minority interests		-	-	-	-
Total comprehensive (loss)/ income for the period		(30)	1,107	115	2,199
(Loss)/ Earnings per share (sen)					
~ Basic	B13	(0.02)	0.48	0.05	0.95
~ Diluted	B13	N/A	N/A	N/A	N/A

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 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 FINANCIAL POSITION
AS AT 30 JUNE 2010
 (The figures have not been audited)

		(UNAUDITED)	(AUDITED)
	Note	AS AT 30.6.2010 RM'000	AS AT 31.12.2009 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	A7	33,740	34,514
Goodwill		5,105	5,105
		<u>38,845</u>	<u>39,619</u>
Current assets			
Inventories		17,705	16,111
Receivables, deposits and prepayments		5,010	3,798
Other current financial assets	B9	12	-
Tax recoverable		1,681	416
Cash & cash equivalent		3,796	8,869
		<u>28,204</u>	<u>29,194</u>
TOTAL ASSETS		<u>67,049</u>	<u>68,813</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		47,320	47,320
Reserves		10,618	11,664
Total equity		<u>57,938</u>	<u>58,984</u>
Non-current liabilities			
Deferred tax liability		2,571	2,650
		<u>2,571</u>	<u>2,650</u>
Current liabilities			
Payables and accruals		4,514	5,032
Borrowings	B8	1,182	2,140
Taxation		844	7
		<u>6,540</u>	<u>7,179</u>
Total liabilities		<u>9,111</u>	<u>9,829</u>
TOTAL EQUITY AND LIABILITIES		<u>67,049</u>	<u>68,813</u>
Net Assets per share attributable to owners of the Company (RM)			
		0.24	0.25

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the Interim Financial Statements.

NI HSIN RESOURCES BERHAD
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(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2010**

(The figures have not been audited)

	Non Distributable					Distributable		Total
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Share Option Reserve RM'000	Translation Reserve RM'000	Property Revaluation Reserve RM'000	Retained Profits RM'000	RM'000
At 1 January 2009	47,320	1,820	(1,556)	297	-	3,286	4,776	55,943
Surplus on revaluation of Property, plant and equipment	-	-	-	-	-	-	1,861	1,861
Total comprehensive income for the period	-	-	-	-	-	-	2,199	2,199
Share-based payment under ESOS	-	-	-	13	-	-	-	13
Purchase of treasury shares	-	-	(120)	-	-	-	-	(120)
Dividend - 2008 Final	-	-	-	-	-	-	(1,155)	(1,155)
At 30 June 2009	47,320	1,820	(1,676)	310	-	3,286	7,681	58,741
At 1 January 2010	47,320	1,820	(1,676)	306	-	4,924	6,290	58,984
Total comprehensive income for the period	-	-	-	-	10	-	105	115
Dividend - 2009 Final	-	-	-	-	-	-	(1,161)	(1,161)
At 30 June 2010	47,320	1,820	(1,676)	306	10	4,924	5,234	57,938

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 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 CASH FLOW
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2010
 (The figures have not been audited)

	6 MONTHS ENDED	
	30.6.2010	30.6.2009
	RM'000	RM'000
Net cash (used in)/generated from operating activities	(2,355)	7,572
Net cash used in investing activities	(631)	(654)
Net cash used in financing activities	<u>(2,006)</u>	<u>(4,430)</u>
Net (decrease)/increase in cash and cash equivalents	(4,992)	2,488
Effect of exchange rate fluctuations on cash and cash equivalents	(14)	45
Cash and cash equivalents at 1 January	<u>8,798</u>	<u>5,300</u>
Cash and cash equivalents at 30 June	<u><u>3,792</u></u>	<u><u>7,833</u></u>

Notes:

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

	RM'000	RM'000
Bank and Cash balances	2,080	3,775
Fixed Deposit & Repo with licensed bank	1,716	4,058
Bank overdraft (included within short term borrowings in Note B8)	<u>(4)</u>	<u>-</u>
	<u><u>3,792</u></u>	<u><u>7,833</u></u>

The Unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 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 PERIOD ENDED 30 JUNE 2010

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 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 2009. 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 2009.

The accounting policies and methods of computation adopted by the Group in these condensed consolidated interim financial statements are consistent with those adopted in the consolidated financial statements for the year ended 31 December 2009, except for adoption of the following new/revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 January 2010:

- FRS 8, *Operating Segments*
- FRS 4, *Insurance Contracts*
- FRS 7, *Financial Instruments: Disclosures*
- FRS 101, *Presentation of Financial Statements*
- FRS 123, *Borrowing Costs*
- FRS 139, *Financial Instruments: Recognition and Measurement*
- Amendments to FRS 1, *First-time Adoption of Financial Reporting Standards* and FRS 127, *Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*

- Amendments to FRS 2, *Share-based Payment: Vesting Conditions and Cancellations*
- Amendments to FRS 132, *Financial Instruments: Presentation* and FRS 101, *Presentation of Financial Statements - Puttable Financial Instruments and Obligation Arising on Liquidation*
- Amendments to FRS 139, *Financial Instruments: Recognition and Measurement*, FRS 7, *Financial Instruments: Disclosures* and IC Interpretation 9, *Reassessment of Embedded Derivatives*
- Amendments to FRS 139, *Financial Instruments: Recognition and Measurement*
- Improvements to FRSs (2009)
- IC Interpretation 9, *Reassessment of Embedded Derivatives*
- IC Interpretation 10, *Interim Financial Reporting and Impairment*
- IC Interpretation 11, *FRS 2 - Group and Treasury Share Transactions*
- IC Interpretation 13, *Customer Loyalty Programmes*
- IC Interpretation 14, *FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction*

FRS 4, IC Interpretation 13 and IC Interpretation 14 are not applicable to the Group's and the Company operations.

The principal effects of the changes in presentation, changes in methods of computation and in accounting policies resulting from the adoption of the new and revised FRSs, IC Interpretations and Amendments are set out below:-

A1 BASIS OF PREPARATION (CONT.)

(i) FRS 8, Operating Segments

FRS 8 requires the identification and reporting of operating segments based on internal reports that are regularly reviewed by the chief operating decision maker of the Group in order to allocate resources to the segment and to assess its performance. As a result, the Group will present segment information in respect of its operating segments by products, namely cookware, convex mirrors and clad metals. This standard does not have any impact on the financial position and results of the Group.

(ii) FRS 101, Presentation of Financial Statements

FRS 101 separates owner and non-owner changes in equity. Therefore, the current consolidated statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. Comparative information, with exception of the requirements under FRS 139, had been re-presented so that it is also in conformity with the revised standard. This standard does not have any impact on the financial position and results of the Group.

The adoption of the other new and revised FRSs, IC Interpretations and Amendments has no material effect to the Group's consolidated financial statements of the quarter or the comparative consolidated financial statements of the prior financial year.

A2 AUDITORS' REPORT ON PRECEDING FINANCIAL STATEMENTS

There was no qualification on the audited financial statements for the Company or its subsidiaries for the financial year ended 31 December 2009.

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 period ended 30 June 2010.

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 period ended 30 June 2010.

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 period to-date:

(a) Share Buy-backs

At the Annual General Meeting of the Company held on 19 May 2010, the shareholders of the Company had renewed a mandate for the Company to purchase and/or hold up to maximum of 10% of the issued and paid-up capital of the ordinary shares of the Company as may be determined by the Directors of the Company. The mandate will expire upon the conclusion of the next Annual General Meeting.

A6 ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES (CONT.)

(a) Share Buy-backs (Cont.)

There was no additional share purchased during the first quarter ended 30 June 2010, and the total number of treasury shares were 5,642,400 ordinary shares of RM0.20 each, representing 2.39% of the total paid-up share capital of the Company. The shares purchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965. None of the treasury shares were sold or cancelled during the financial period under review.

A7 CARRYING AMOUNT OF REVALUED ASSETS

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 December 2009.

A8 CHANGES IN THE COMPOSITION OF THE GROUP

Save as disclosed below, 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 financial period ended 30 June 2010:-

- (a) On 2 March 2010, the Company subscribed for 10,000 new ordinary shares of EURO1.00 each representing the entire issued and paid-up capital of Steel Crafts Europa S.R.L. for a total consideration of EURO10,000 (equivalent to approximately RM46,000.00)("Subscription"). Subsequent to the Subscription, Steel Crafts Europa S.R.L. has become a wholly-owned subsidiary of the Company.

The principal activity of Steel Crafts Europa S.R.L. is assembling and trading of kitchenware, cookware, clad metals and stainless steel convex mirrors.

A9 DIVIDEND PAID

During the financial period ended 30 June 2010, the Company paid the following dividend:-

- (a) interim dividend of 0.75 sen per Ordinary Share less 25% income tax in respect of the financial year ended 31 December 2009, amounting to RM1,299,140.41 was paid on 20 January 2010; and
- (b) final dividend of 0.67 sen per Ordinary Share less 25% income tax in respect of the financial year ended 31 December 2009, amounting to RM1,160,565.90 was paid on 30 June 2010.

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:

A10 SEGMENTAL INFORMATION (CONT.)**RESULTS FOR 3 MONTHS AND 6 MONTHS ENDED 30 JUNE 2010**

	Current Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	30.6.2010	30.6.2009	30.6.2010	30.6.2009
	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>				
Revenue from:				
Cookware	5,917	9,345	10,761	19,585
Convex mirror	1,710	1,215	3,333	2,026
Clad metals	2,852	4,164	5,793	8,151
Total revenue including inter-segment sales	10,479	14,724	19,887	29,762
Elimination of inter-segment sales	(1,815)	(2,615)	(3,453)	(5,405)
Total	8,664	12,109	16,434	24,357

Segment Results

Results from:				
Cookware	(335)	577	(769)	1,587
Convex mirror	87	185	473	304
Clad metals	564	870	1,206	1,361
	316	1,632	910	3,252
Elimination of inter-segment sales	(15)	13	(75)	94
Total result	301	1,645	835	3,346
Unallocated corporate exercise	(169)	(112)	(293)	(214)
Interest income	13	70	29	82
Interest expenses	(15)	(106)	(28)	(231)
Income tax expense	(172)	(390)	(438)	(784)
(Loss)/profit for the period	(42)	1,107	105	2,199

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 30 June 2010:

	30.6.2010
	RM'000
- Corporate guarantee given by the Company to licensed banks for credit facilities granted to NHC	26,140
	<u>26,140</u>

A13 CAPITAL COMMITMENT

Capital commitments not provided for in the financial statements as at 30 June 2010 are as follows:

	30.6.2010
	RM'000
Approved and contracted for	
- Plant & Equipment	<u>423</u>

A14 SIGNIFICANT RELATED PARTY TRANSACTIONS

Significant related party transactions which involve the directors of the Group for the financial period ended 30 June 2010 are as follows:

	Transaction value for 6 months ended 30.6.2010 RM'000	Balance outstanding as at 30.6.2010 RM'000
With a company in which the Company's directors, Hsiao Chih Jen, Hsiao Chih Chien and Hsiao Chih Che, have substantial financial interests		
Sun New Stainless Steel Industry Ltd.		
Sales	(1,620)	22
Purchases	71	(13)
Standardworld Holding Ltd.		
Royalty fee payable	61	(61)
With a company in which the Company's directors, Hsiao Chih Jen and Hsiao Chih Chien, have substantial financial interests		
Everpro Sdn. Bhd.		
Sales	(1,432)	967
Rental income	81	-

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

B1 REVIEW OF PERFORMANCE

For the quarter ended 30 June 2010, the Group recorded a weaker revenue of RM8.66 million and profit before taxation ("PBT") of RM0.13 million. Revenue in the current quarter declined by RM3.45 million compared to the previous year's corresponding quarter. Operating expenses in the current quarter increased mainly due to the operational expenses of our new subsidiary company, Steel Crafts Europa S.R.L., and higher marketing expenses incurred to penetrate the European market. As a result, the Group PBT declined by RM1.37 million compared to the previous year's corresponding quarter.

The Group recorded a revenue of RM16.43 million for the 6 months period ended 30 June 2010, which is a decline of RM7.92 million compared to the previous corresponding period. Hence, the Group achieved a lower PBT of RM0.543 million.

The Group's performance by each Division is as follows:

- (i) **Cookware Division**
Revenue for the Cookware Division was disappointing this quarter mainly due to weak sales in the Japanese market. The Group's Cookware Division experienced lower orders from both the ODM and in-house brand market which were affected by a weak demand and conservative consumer spending patterns for high end cookware given the uncertainties in the strength of the global economic recovery. The Group experienced an overall decline in orders from all its major markets as consumers remain cautious in spending for high-end cookware. The decline in the Cookware Division's revenue was the major cause of the Group's lower revenue in this quarter.
- (ii) **Convex Mirror Division**
The Group's Convex Mirror Division achieved an increase of RM0.49 million in revenue in this quarter, which is a growth of 41% compared to the previous year's corresponding quarter. The Group's stainless steel convex mirrors sales improved due to better marketing efforts and new convex mirror models.
- (iii) **Clad Metal Division**
The Clad Metal Division's revenue declined due to lower orders from the Group's customers in Japan.

B2 COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

	3 months ended 30.6.2010	3 months ended 31.3.2010
	RM'000	RM'000
Revenue	8,664	7,770
Profit before taxation	130	413
(Loss)/ profit for the period	(42)	147

Though revenue for the current quarter improved compared to the preceding quarter, the Group's profit before tax and profit for the period suffered a decline due to operating expenses incurred by the Group's newly incorporated subsidiary company in Europe.

B3 COMMENTARY ON PROSPECT

Though there are signs of global economic recovery, the strength and pace of economic recovery is still uncertain and hence, 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 a weak consumer demand for premium cookware in the current financial year and expects the Group's revenue to be weaker in this current financial year.

The management is implementing new strategies for the premium cookware market in order to improve the Group's performance, which include opening new markets, developing new markets and distribution channels in its key markets.

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

	Current Quarter 3 months ended 30.6.2010 RM'000	Cumulative Quarter 6 months ended 30.6.2010 RM'000
In respect of the current period		
- Malaysian tax	236	517
- Deferred tax	<u>(64)</u>	<u>(79)</u>
	<u>172</u>	<u>438</u>

The effective tax rate of the Group is higher than the statutory tax rate mainly due to the losses of two of the subsidiaries which cannot be set off against taxable profit made by another subsidiary, and certain expenses which are not deductible for tax purposes.

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 ended 30 June 2010.

B7 PURCHASE OR DISPOSAL OF QUOTED SECURITIES

There was no purchase or disposal of quoted securities during the current quarter ended 30 June 2010.

B8 GROUP BORROWINGS

Save as disclosed below, there were no other borrowings or debt securities in the Group as at 30 June 2010:

	As at 30.6.2010 RM'000	As at 31.12.2009 RM'000
Current:		
Bank overdraft	4	71
Bankers' acceptance - secured	<u>1,178</u>	<u>2,069</u>
	<u>1,182</u>	<u>2,140</u>

All borrowings are denominated in Malaysia Ringgit.

B9 FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and foreign exchange risk arises in the normal course of the Group's business. Derivative financial instruments may be used to hedge exposure to fluctuations in foreign exchange rates and interest rates.

The relevant accounting policies and the effects of the adoption of new accounting policies are disclosed in Note A1 Basis of Preparation. There were no off balance sheet financial instruments as at the reporting date.

Outstanding derivatives

The Group had not entered into any new type of derivatives in the current interim quarter that was not disclosed in the preceding year's annual financial statements. As at 30 June 2010, total contract value and fair value of the Group outstanding derivative financial instruments are as follows:-

Type of derivatives	Notional Value RM'000	Fair Value RM'000	Fair Value Net gain RM'000	Cash Requirement RM'000
Forward foreign exchange contracts				
- Less than 1 year				
- In Japanese Yen	349	344	5	-
- In US Dollar	300	293	7	-

The Group uses forward currency contracts to manage some of the transaction exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

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 FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

As at 30 June 2010, the Group does not have any financial liabilities measured at fair value through profit or loss.

B11 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.

B12 STATUS OF CORPORATE PROPOSALS

On 23 July 2010, 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 2010 to 8 August 2011, for the Company to obtain all the necessary approvals in respect of the rectification of non-approved structures and covered terrace.

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

On 24 February 2010, Majlis Perbandaran Kajang has given conditional approval on the building plan subject to submission of amended building plan and additional documents requested.

B12 STATUS OF CORPORATE PROPOSALS (CONT.)

On 10 May 2010, the Company has submitted the amended building and additional documents plan to Majlis Perbandaran Kajang for approval.

On 4 August 2010, the Company has received the approval of the building plan from Majlis Perbandaran Kajang via their letter dated 20 July 2010.

As at 13 August 2010 (the latest practicable date not earlier than seven (7) days from the date of issue of this report), the Group is preparing necessary document for application to Majlis Perbandaran Kajang for Certificate of Fitness of the building.

B13 EARNINGS PER SHARE ("EPS")

(a) Basic

Basic EPS is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Current Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30.6.2010	30.6.2009	30.6.2010	30.6.2009
Basic EPS				
(Loss)/ profit attributable to owners of the Company (RM '000)	(42)	1,107	105	2,199
Weighted average no. of ordinary shares in issue ('000)	230,958	230,980	230,958	232,170
Basic EPS (sen)	(0.02)	0.48	0.05	0.95

(b) Diluted

For the diluted profit/(loss) 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 6 months ended	
	30.6.2010	30.6.2009	30.6.2010	30.6.2009
Diluted EPS				
(Loss)/ profit attributable to owners of the Company (RM '000)	(42)	1,107	105	2,199
Weighted average no. of ordinary shares in issue ('000)	230,958	230,980	230,958	232,170
Dilutive impact of unexercised share options	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A
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.

B14 DIVIDEND

No interim dividend has been recommended for the current quarter and financial period under review

B15 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 17 August 2010.

By order of the Board of Directors
NI HSIN RESOURCES BERHAD

HSIAO CHIH JEN
Managing Director

Date: 17 August 2010