HUP SENG INDUSTRIES BERHAD 199101015786 (226098-P)
(Incorporated in Malaysia)
INTERIM FINANCIAL STATMENTS
Condensed Consolidated Statement of Comprehensive Income
For the period ended 30 September 2025
The figures have not been audited

	Note	2025 CURRENT QUARTER ENDED 30 September RM'000	2024 CURRENT QUARTER ENDED 30 September RM'000	2025 9 MONTHS CUMULATIVE TO DATE RM'000	2024 9 MONTHS CUMULATIVE TO DATE RM'000
Revenue		105,695	104,429	282,258	278,231
Cost of sales		(72,349)	(71,617)	(199,134)	(190,990)
Gross profit		33,346	32,812	83,124	87,241
Other income		986	1,043	2,833	3,094
Administrative expenses		(4,401)	(4,405)	(13,046)	(13,914)
Selling and marketing expenses		(9,242)	(8,813)	(26,509)	(24,965)
Operating profit		20,689	20,637	46,402	51,456
Finance cost		(6)	(6)	(18)	(13)
Profit before tax	10	**20,683**	**20,631**	**46,384**	**51,443**
Income tax expense	23	(5,214)	(3,359)	(11,809)	(11,171)
Profit for the period		**15,469**	**17,272**	**34,575**	**40,272**
Total comprehensive income for the period, net of tax		**15,469**	**17,272**	**34,575**	**40,272**
Profit attributable to : Owners of the Parent		15,469	17,272	34,575	40,272
Total Comprehensive Income for the period, net of tax attributable to : Owners of the Parent		15,469	17,272	34,575	40,272
Earnings per share attributable to Owners of the Parent (sen) :					
-Basic	32(a)	1.93	2.16	4.32	5.03
-Diluted	32(b)	1.93	2.16	4.32	5.03

(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 199101015786 (226098-P)
(Incorporated in Malaysia)
INTERIM FINANCIAL STATMENTS

Condensed Consolidated Statement of Financial Position

As at 30 September 2025

The figures have not been audited

	Note	As at 30/09/2025 RM'000	As at 31/12/2024 RM'000
ASSETS:			
Non-current assets:			
Property, plant and equipment		83,017	84,304
Investment properties		1,099	1,147
Right-of-use assets		4,740	4,899
Deferred tax assets		649	674
Prepayments		1,322	358
Sub total		90,827	91,382
Current assets:			
Inventories		31,554	31,891
Trade and other receivables	11	42,847	44,030
Prepayments		679	645
Tax recoverable		4	11
Cash and bank balances	12	87,429	83,109
Sub total		162,513	159,686
TOTAL ASSETS		**253,340**	**251,068**
EQUITY AND LIABILITIES:			
Equity attributable to Owners of the Company:			
Share capital		80,000	80,000
Retained earnings		86,372	83,797
TOTAL EQUITY *Sub total*		**166,372**	**163,797**
Non-current liabilities:			
Deferred tax liabilities		7,400	7,527
Lease liabilities		309	340
Sub total		7,709	7,867
Current liabilities:			
Trade and other payables		55,179	72,006
Lease liabilities		281	240
Refund liabilities		3,270	3,356
Income tax payable		4,529	3,802
Dividends payable		16,000	-
Sub total		79,259	79,404
TOTAL LIABILITIES		**86,968**	**87,271**
TOTAL EQUITY AND LIABILITIES		**253,340**	**251,068**

(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 199101015786 (226098-P)
(Incorporated in Malaysia)
INTERIM FINANCIAL STATMENTS

Condensed Consolidated Statement of Changes in Equity

The figures have not been audited

For the period ended 30 September 2025

	Attributable to owners of the parent		
	Non-distributable	Distributable	
	Share capital RM'000	Retained earnings RM'000	Total RM'000
Opening balance at 1 January 2025	80,000	83,797	163,797
Total comprehensive income for the period	-	34,575	34,575
Transaction with the owners			
Dividends on ordinary shares (Note 8)	-	(32,000)	(32,000)
Total transaction with the owners	-	(32,000)	(32,000)
Closing balance at 30 September 2025	80,000	86,372	166,372

For the corresponding period ended 30 September 2024

	Attributable to owners of the parent		
	Non-distributable	Distributable	
	Share capital RM'000	Retained earnings RM'000	Total RM'000
Opening balance at 1 January 2024	80,000	82,187	162,187
Total comprehensive income for the period	-	40,272	40,272
Transaction with the owners			
Dividends on ordinary shares	-	(32,000)	(32,000)
Total transaction with the owners	-	(32,000)	(32,000)
Closing balance at 30 September 2024	80,000	90,459	170,459

(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 199101015786 (226098-P)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATMENTS

Condensed Consolidated Statement of Cash Flows

For the period ended 30 September 2025

The figures have not been audited

	Note	2025 9 months ended 30/09/2025 RM'000	2024 9 months ended 30/09/2024 RM'000
Cash flows from operating activities:			
Profit before tax		46,384	51,443
Adjustments for:			
Reversal of allowance for doubtful debts		(22)	(39)
Bad debts written off		3	2
Depreciation of property, plant and equipment		4,474	4,087
Depreciation of investment properties		49	48
Depreciation of right-of-use assets		387	383
Interest expense on lease liabilities		18	13
Interest income		(1,653)	(2,009)
Inventories written off		101	62
Gain on disposal of property, plant and equipment		(95)	(5)
Property, plant and equipment written off		444	318
Total adjustments		3,706	2,860
Operating cash flows before changes in working capital		50,090	54,303
Changes in working capital			
Decrease in inventories		236	1,041
Decrease/(increase) in trade and other receivables		1,202	(2,079)
(Increase)/decrease in prepayments		(998)	3,234
Decrease in trade and other payables		(16,913)	(4,727)
Total changes in working capital		(16,473)	(2,531)
Cash flows generated from operations		33,617	51,772
Interest expense on lease liabilities paid		(18)	(13)
Income taxes paid		(11,177)	(12,292)
Net cash flows generated from operating activities		22,422	39,467
Cash flows from investing activities			
Interest income received		1,653	2,009
Proceeds from disposal of property, plant and equipment		95	5
Purchase of property, plant and equipment		(3,631)	(19,535)
Net cash flows used in investing activities		(1,883)	(17,521)
Cash flows from financing activity			
Repayment for lease liabilities		(219)	(215)
Dividends paid on ordinary shares		(16,000)	(16,000)
Net cash flows used in financing activity		(16,219)	(16,215)
Net increase in cash and cash equivalents		4,320	5,731
Cash and cash equivalents at beginning of financial period		83,109	90,506
Cash and cash equivalents at end of financial period	12	87,429	96,237

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

Part A: Explanatory notes pursuant to MFRS 134
For the period ended 30 September 2025

1. Corporate information

Hup Seng Industries Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

2. Basis of Preparation

These condensed consolidated interim financial statements, for the period ended 30 September 2025, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2024. The explanatory notes attached to these condensed consolidated 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 2024.

3. Material accounting policy information

The material accounting policy information and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the year ended 31 December 2024, except for the adoption of the following which are applicable to the financial statements and are relevant to the operations:

(I) Adoption of amendment

Description	Effective for annual periods beginning on or after
Amendments to MFRS 121: The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability	1 January 2025

The adoption of the above amendment does not have significant financial impact to the Group's consolidated financial statements for the current quarter.

(II) Standards, Annual Improvements and Amendments issued but not yet effective

At the date of authorisation of these interim financial statements, the followings Standards, Annual Improvements and Amendments were issued but not yet effective and have not been applied by the Group:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 9 and MFRS 7:	
-Classification and Measurement of Financial Instruments	1 January 2026
-Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to MFRS Accounting Standards-Volume 11	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the Standards, Annual Improvements and Amendments above will have no material impact on the financial statements in the year of initial adoption.

4. Comments about seasonal or cyclical factors

The Group's business operations are normally affected by seasonal factors occurring in certain periods of the financial year, such as Hari Raya Puasa, Chinese New Year, etc.

5. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the cumulative financial period ended 30 September 2025.

6. Changes in estimates

There were no changes in estimates that have had a material effect in the current quarter results.

7. Capital management, debt and equity securities

The Group's objectives of managing capital are to safeguard the Group's ability to continue in operations as a going concern in order to provide fair returns for shareholders and benefits for other stakeholders and to maintain an optimal capital 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 and issue new shares, where necessary. For capital management purposes, the Group considers shareholders' equity and total liabilities to be the key components in the Group's capital structure. The Group monitors capital on the basis of the gearing ratio. The ratio is calculated as the total liabilities to total equity. Total equity is the sum of total equity attributable to shareholders. The gearing ratio as at 30 September 2025 and 31 December 2024, which are within the Group's objectives for capital management, are as follows:

	As at 30.09.2025 RM'000	As at 31.12.2024 RM'000
Total liabilities	86,968	87,271
Total equity	166,372	163,797
Total capital	80,000	80,000
Gearing ratio	52%	53%

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the financial period to date.

8. Dividends

	Date of payment	Cumulative to date 30.09.2025 RM'000
Dividend on ordinary shares:		
- Third interim single-tier dividend of 1 sen per share and special single-tier dividend of 1 sen per share for 2024 declared on 5 March 2025	09.04.2025	16,000
- First interim single-tier dividend of 2 sen per share for 2025 declared on 27 August 2025	06.10.2025	16,000
		32,000

Part A: Explanatory notes pursuant to MFRS 134
For the period ended 30 September 2025

9. Operating Segments

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:

I. The biscuit manufacturing segment is in the business of manufacture and sales of biscuits.
II. The beverage manufacturing segment is in the business of manufacture and wholesale of coffee mix and all kinds of foodstuff.
III. The trading division segment is in the business of sales and distribution of biscuits, confectionery and other foodstuff.

Quarter ended 30.09.2025	Biscuit manufacturing division RM'000	Beverage manufacturing division RM'000	Trading division RM'000	Total RM'000
Revenue *	79,448	1,526	85,851	166,825
Profit for reportable segments	11,335	1	9,860	21,196
9 months cumulative to date				
Revenue *	210,351	4,616	229,290	444,257
Profit for reportable segments	23,753	59	23,987	47,799

Reconciliation of profit or loss

Profit or loss for the financial period ended 30.09.2025	Quarter ended RM'000	Cumulative to date RM'000
Total profit for reportable segments	21,196	47,799
Profit from inter-segment sales	(175)	(307)
Other income	278	842
Unallocated expenses	(616)	(1,950)
Profit before tax	20,683	46,384

* Revenue reported above represents revenue generated from the reportable segments. Inter-segment sales for the current quarter and 9 months cumulative to date are RM61,130,000 and RM161,999,000.

Trading division mainly comprises domestic sales. Biscuits remain the dominant range which represents about 94% of the total sales, while beverages and other agents' products make up the balance. The comments on Note 19 apply to the above three reportable operating segments.

Part A: Explanatory notes pursuant to MFRS 134
For the period ended 30 September 2025

10. Profit before tax

Included in the profit before tax are the following items:

	Quarter ended		Cumulative to date	
	30.09.2025 RM'000	30.09.2024 RM'000	30.09.2025 RM'000	30.09.2024 RM'000
Interest income	(566)	(708)	(1,653)	(2,009)
Rental income	(83)	(84)	(249)	(250)
Allowance for/(reversal of) doubtful debts (Note 11)	13	(10)	(22)	(39)
Bad debts written off	1	1	3	2
Depreciation of property, plant and equipment	1,473	1,521	4,474	4,087
Depreciation of investment properties	17	16	49	48
Depreciation of right-of-use assets	128	126	387	383
Gain on disposal of property, plant and equipment	(32)	(5)	(95)	(5)
Interest expense on lease liabilities	6	6	18	13
Inventories written off	49	34	101	62
Property, plant and equipment written off	158	113	444	318
Realised exchange losses/(gain)	79	(90)	96	90

11. Trade and other receivables

	As at 30.09.2025 RM'000	As at 31.12.2024 RM'000
Trade receivables		
Third parties	42,885	44,065
Less: Allowance for doubtful debts	(389)	(429)
Trade receivables, net	42,496	43,636
Other receivables	351	394
Total trade and other receivables	42,847	44,030

Trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	As at	
	30.09.2025	31.12.2024
	RM'000	RM'000
Neither past due nor impaired	29,750	32,057
1 to 30 days past due not impaired	11,135	10,106
31 to 60 days past due not impaired	1,574	1,363
61 to 90 days past due not impaired	31	106
91 to 120 days past due not impaired	6	4
	12,746	11,579
Impaired	389	429
	42,885	44,065

Receivables that are impaired

Movement in allowance accounts:		
At 1 January	429	465
Written off	(18)	(35)
Reversal for the period (Note 10)	(22)	(1)
	389	429

12. Cash and bank balances

Cash and bank balances comprised the following amounts:

	As at	
	30.09.2025	31.12.2024
	RM'000	RM'000
Cash and bank balances	9,677	7,609
Short-term deposits with licensed banks	77,752	75,500
Cash and cash equivalents	87,429	83,109

13. Foreign exchange exposure

The Group's exposures to foreign currency are as follows:

	As at	
	30.09.2025	31.12.2024
	RM'000	RM'000
Trade and other receivables		
United States Dollars	355	68
Singapore Dollars	1,510	1,990

14. Events after the reporting period

There were no material events subsequent to the end of the current quarter.

15. Changes in composition of the Group

There were no changes in the composition of the Group for the current quarter and financial period to date.

16. Changes in contingent liabilities and contingent assets

The Group has no contingent liabilities or contingent assets since the last annual date of the statement of financial position as at 31 December 2024.

17. Capital commitments

Approved capital commitments not recognised in the interim financial statements as at 30 September 2025 are as follows:

	RM'000
Contracted but not provided for:	
-Purchase of property, plant and equipment	517

Part A: Explanatory notes pursuant to MFRS 134
For the period ended 30 September 2025

18. Related party transactions

	Current quarter ended 30.09.2025 RM	9 months cumulative to date 30.09.2025 RM
Rental of premises payable to:		
-Hup Seng Brothers Holdings Sdn. Bhd. #	25,500	76,500

Note:
Certain directors of the Group are also directors and shareholders of Hup Seng Brothers Holdings Sdn. Bhd.

The Directors are of the opinion that the above transactions have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

HUP SENG INDUSTRIES BERHAD 199101015786 (226098-P)
(Incorporated in Malaysia)

Part B: Explanatory notes pursuant to Main Market Listing Requirements of
Bursa Malaysia Securities Berhad
For the period ended 30 September 2025

19. Performance review

Financial review for current quarter and financial year to date

	3 months Quarter ended		Changes		9 months cumulative to date		Changes	
	30.09.2025 RM'000	30.09.2024 RM'000	Amount RM'000	%	30.09.2025 RM'000	30.09.2024 RM'000	Amount RM'000	%
Revenue	105,695	104,429	1,266	1	282,258	278,231	4,027	1
Operating profit	20,689	20,637	52	0	46,402	51,456	(5,054)	(10)
Profit before interest and tax	20,689	20,637	52	0	46,402	51,456	(5,054)	(10)
Finance cost	(6)	(6)	-	0	(18)	(13)	(5)	(38)
Profit before tax	20,683	20,631	52	0	46,384	51,443	(5,059)	(10)
Profit after tax	15,469	17,272	(1,803)	(10)	34,575	40,272	(5,697)	(14)
Profit attributable to: Owners of the Parent	15,469	17,272	(1,803)	(10)	34,575	40,272	(5,697)	(14)

The Group's revenue for the current quarter ended 30 September 2025 has increased by 1% to RM105.7 million from RM104.4 million in the quarter ended 30 September 2024 mainly from domestic market with a slight increase of about 2% or RM1.3 million compared to previous corresponding period from super and hypermarkets.

The Group registered a profit before tax of RM20.7 million comparable to RM20.6 million in the preceding corresponding quarter. The flat performance was primarily due to higher input costs and distribution costs such as carriage outwards, distribution center costs for outlets despite a 1% increase in revenue.

The Group's revenue for the nine months ended 30 September 2025 has increased by 1% to RM282.3 million from RM278.2 million as compared with the preceding year corresponding period mainly due to increase in sales volume. Domestic sales grew by 4% or RM8 million mainly from super and hypermarkets and East Malaysia. On the other hand, export market saw a decline of about 7% or RM4 million mainly due to decrease in export of biscuits to Indonesia, Mauritius, Myanmar and Singapore.

The profit before tax, on other hand, has decreased to RM46.4 million when compared with the preceding year corresponding period of RM51.4 million, a decrease of about 10%. The rise in certain raw material prices during the first half of the year eroded margin growth of the Group despite an improvement in turnover. Higher distribution costs such as carriage outwards, distribution center costs for outlets and promotional expenses also depressed the profit performance.

Part B: Explanatory notes pursuant to Main Market Listing Requirements of
Bursa Malaysia Securities Berhad
For the period ended 30 September 2025

20. Comment of material change in profit before taxation

Financial review for current quarter compared with immediate preceding quarter

	Current quarter	Immediate preceding quarter	Changes	
	30.09.2025 RM'000	30.06.2025 RM'000	Amount RM'000	%
Revenue	105,695	84,839	20,856	25
Operating profit	20,689	11,494	9,195	80
Profit before interest and tax	20,689	11,494	9,195	80
Finance cost	(6)	(6)	0	0
Profit before tax	20,683	11,488	9,195	80
Profit after tax	15,469	8,510	6,959	82
Profit attributable to: Owners of the Parent	15,469	8,510	6,959	82

The Group's revenue has increased by 25% to RM105.7 million in the current quarter ended 30 September 2025 as compared to RM84.8 million in the preceding quarter. Domestic market has increased by 26% or RM17.8 million from all channels except retail. Export market has increased by 19% or RM3.1 million as compared to RM16.5 million in the preceding quarter.

Profit before tax has increased by about 80% to RM20.7 million as compared to RM11.5 million in the preceding quarter mainly due to higher sales recorded.

21. Commentary of prospects

The Group expects the operating environment to remain challenging amid ongoing cost pressures and uncertain export conditions. Nevertheless, the Group remains committed to prioritise cost control, improve operational efficiency and strengthen growth opportunities in both domestic and export markets. With a well-established brand and loyal customer base, the Group is optimistic on sustaining its performance for the remaining financial year.

Part B: Explanatory notes pursuant to Main Market Listing Requirements of
Bursa Malaysia Securities Berhad
For the period ended 30 September 2025

22. Profit forecast or profit guarantee

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

23. Income tax expense

	3 months Quarter ended		Cumulative to date	
	30.09.2025	30.09.2024	30.09.2025	30.09.2024
	RM'000	RM'000	RM'000	RM'000
Current income tax:				
-Malaysia income tax	5,390	3,153	11,911	10,594
-Deferred taxation	(176)	206	(102)	577
	5,214	3,359	11,809	11,171

Major components of tax expenses

	Current quarter ended 30.09.2025 RM'000	9 months cumulative to date 30.09.2025 RM'000
Current tax expense	5,390	11,911
Deferred tax expense	(176)	(102)
	5,214	11,809
Profit before taxation	20,683	46,384
Taxation at the Malaysian statutory tax rate of 24%	4,964	11,132
Adjustments:		
-Non-deductible expenses	255	688
-Expenses with double deduction	(5)	(11)
Income tax expense	5,214	11,809
Effective tax rate	25.2%	25.5%

24. Sale of unquoted investments and properties

There were no sale of unquoted investments and properties for the current quarter and financial year to date.

Part B: Explanatory notes pursuant to Main Market Listing Requirements of
Bursa Malaysia Securities Berhad
For the period ended 30 September 2025

25. Quoted securities

There were no purchase and sale of quoted securities for the current quarter and financial year to date.

26. Corporate proposals

There were no corporate proposals announced but not completed not earlier than seven (7) days from 10 November 2025.

27. Borrowings and debt securities

There were no group borrowings and debt securities as at the end of the reporting period.

28. Derivative financial instruments

As at the reporting date of 30 September 2025, the Group has no outstanding derivative financial instruments.

29. Gains/losses arising from fair value changes of financial liabilities

There are no gains/losses arising from fair value changes of any financial liabilities.

30. Changes in material litigation

There were no material litigation not earlier than seven (7) days from 10 November 2025.

31. Dividend payable

Other than as disclosed in Note 8 above, the Board of Directors recommends the payment of second interim single-tier dividend of 2 sen per ordinary share in respect of the year ending 31 December 2025 for the financial quarter under review. The entitlement date will be announced in due course.

Part B: Explanatory notes pursuant to Main Market Listing Requirements of
Bursa Malaysia Securities Berhad
For the period ended 30 September 2025

32. Earnings per share

Basic earnings per share is calculated by dividing the profit for the period by the weighted average number of ordinary shares in issue during the period.

	3 months quarter ended		9 months cumulative to date	
	30.09.2025	30.09.2024	30.09.2025	30.09.2024
(a) Basic				
Profit for the period (RM'000)	15,469	17,272	34,575	40,272
Weighted average number of ordinary shares for earnings per share ('000)	800,000	800,000	800,000	800,000
Basic earnings per share (sen)	1.93	2.16	4.32	5.03
(b) Diluted				
Diluted earnings per share (sen)	1.93	2.16	4.32	5.03

33. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2024 was not qualified.

34. Authorization for issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 10 November 2025.