UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME [1]

	Individual Quarter		Cumulative Quarter	
	30-Jun-2021	30-Jun-2020	30-Jun-2021	30-Jun-2020
	RM'000	RM'000	RM'000	RM'000
Revenue	22,265	17,474	44,372	35,182
Cost of sales	12,477	10,496	24,410	21,602
Gross profit	**9,788**	**6,978**	**19,962**	**13,580**
Other income	668	776	1,320	1,608
Administrative expenses	(4,471)	(4,317)	(9,099)	(8,884)
Distribution expenses	(1,550)	(1,203)	(2,982)	(2,522)
Operating profit	**4,435**	**2,234**	**9,201**	**3,782**
Finance costs	(237)	(367)	(475)	(745)
Profit before tax	**4,198**	**1,867**	**8,726**	**3,037**
Income tax expense	(1,056)	(268)	(2,342)	(468)
Profit for the financial period	**3,142**	**1,599**	**6,384**	**2,569**
Other comprehensive income, net of tax :				
Item that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign operations	99	(36)	185	295
Other comprehensive income for the financial period	**3,241**	**1,563**	**6,569**	**2,864**
Total comprehensive income for the financial period				
Profit attributable to:				
Owners of the Group	3,133	1,606	6,372	2,575
Non-controlling interests	9	(7)	12	(6)
	3,142	**1,599**	**6,384**	**2,569**
Total comprehensive income attributable to:				
Owners of the Group	3,232	1,570	6,557	2,870
Non-controlling interests	9	(7)	12	(6)
	3,241	1,563	6,569	2,864
Earnings per share attributable to owners of the parent:				
Basic and diluted (sen) [2]	0.95	0.49	1.94	0.78

Notes:

(1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.

(2) Based on weighted average number of ordinary shares in HPMT ("Shares") in issue during the period under review.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION[1]

	Unaudited As at 30-Jun-2021 RM'000	Audited As at 31-Dec-2020 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	67,701	71,238
Right-of-use assets	674	256
Deferred tax assets	75	35
Total non-current assets	**68,450**	**71,529**
Current assets		
Inventories	25,640	26,700
Current tax assets	-	571
Trade and other receivables	20,439	14,585
Derivative financial assets	32	-
Short-term cash investments [2]	36,832	36,566
Cash and bank balances	19,012	16,689
Total current assets	101,955	95,111
TOTAL ASSETS	**170,405**	**166,640**
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	103,553	103,553
Other reserves	984	794
Merger deficit	(54,067)	(54,067)
Retained earnings	76,599	73,188
	127,069	123,468
Non-controlling interests	380	368
TOTAL EQUITY	**127,449**	**123,836**
Non-current liabilities		
Loans and borrowings	15,568	16,643
Lease liabilities	259	28
Deferred income	2,372	2,757
Deferred tax liabilities	5,487	5,411
Total non-current liabilities	**23,686**	**24,839**
Current liabilities		
Loans and borrowings	11,429	11,051
Lease liabilities	402	214
Deferred income	770	770
Current tax liabilities	943	-
Trade and other payables	5,376	5,726
Contract liabilities	350	180
Derivative financial liabilities	-	24
Total current liabilities	**19,270**	**17,965**
TOTAL LIABILITIES	**42,956**	**42,804**
TOTAL EQUITY AND LIABILITIES	**170,405**	**166,640**
Net assets per share (RM)	**0.39**	**0.38**

Notes:

(1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.

(2) Fund placement with licensed financial institutions.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY[(1)]

	Share capital RM'000	Exchange reserve RM'000	PRC statutory reserve RM'000	Merger deficit RM'000	Retained earnings RM'000	Sub-total RM'000	Non-controlling interest RM'000	Total equity RM'000
At 1 January 2021	**103,553**	**586**	**208**	**(54,067)**	**73,188**	**123,468**	**368**	**123,836**
Total comprehensive income for the financial period								
Profit for the financial period	-	-	-	-	6,372	6,372	12	6,384
Other comprehensive income for the financial period	-	185	-	-	-	185	-	185
Appropriation to statutory reserve	-	-	5	-	(5)	-	-	-
Total comprehensive income	**-**	**185**	**5**	**-**	**6,367**	**6,557**	**12**	**6,569**
Transaction with owners								
Dividends paid	-	-	-	-	(2,956)	(2,956)	-	(2,956)
At 30 June 2021	**103,553**	**771**	**213**	**(54,067)**	**76,599**	**127,069**	**380**	**127,449**
At 1 January 2020	**103,553**	**226**	**198**	**(54,067)**	**68,999**	**118,909**	**371**	**119,280**
Total comprehensive income for the financial period								
Profit for the financial period	-	-	-	-	2,575	2,575	(6)	2,569
Other comprehensive income for the financial period	-	295	-	-	-	295	-	295
Appropriation to statutory reserve	-	-	(8)	-	8	-	-	-
Total comprehensive income	**-**	**295**	**(8)**	**-**	**2,583**	**2,870**	**(6)**	**2,864**
Transaction with owners								
Dividends paid					(1,232)	(1,232)	-	(1,232)
At 30 June 2020	**103,553**	**521**	**190**	**(54,067)**	**70,350**	**120,547**	**365**	**120,912**

Notes:

(1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.

* RM2

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW[(1)]

	Cumulative Quarter	
	30-Jun-2021	**30-Jun-2020**
	RM'000	**RM'000**
Cash flows from operating activities		
Profit before tax	8,726	3,037
Adjustments for:		
Depreciation of property, plant and equipment	4,192	4,260
Depreciation of right-of-use assets	210	326
Loss on disposal of property, plant and equipment	-	7
Property, plant and equipment written off	7	-
Allowances for slow-moving inventories	233	75
(Reversal)/impairment loss on trade receivables	13	25
Finance costs	465	745
Interest on lease liabilities	10	-
Interest income	(326)	(532)
Net fair value (gain)/loss on derivatives	(56)	138
Net unrealised foreign exchange loss	100	560
Covid-19-related rent concession income	-	(41)
Operating profit before working capital changes	**13,574**	**8,600**
Changes in working capital:		
Inventories	827	1,453
Trade and other receivables	(5,808)	(4)
Trade and other payables	(728)	(3,484)
Contract liabilities	170	-
Cash generated from operations	8,035	6,565
Income tax paid	(792)	(496)
Interest paid	(22)	(39)
Interest received	19	61
Net cash from operating activities	7,240	6,091
Cash flows from investing activities		
Purchase of property, plant and equipment	(658)	(516)
Net changes of short-term cash investments	(267)	(32,515)
Short-term cash investment income received	307	471
Net cash used in investing activities	(618)	(32,560)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (continued) [(1)]

	Cumulative Quarter	
	30-Jun-2021	**30-Jun-2020**
	RM'000	**RM'000**
Cash flows from financing activities		
Net (repayment)/drawdown of revolving credit	(300)	898
Net drawdown/(repayment) of bankers' acceptances	557	(4,280)
Payment of lease liabilities	(208)	(315)
Drawdown of term loan	2,000	-
Repayment of term loans	(3,140)	(4,288)
Interest paid	(453)	(706)
Dividend paid	(2,956)	(1,232)
Net cash used in financing activities	(4,500)	(9,923)
Net increase/(decrease) in cash and cash equivalent	2,122	(36,392)
Cash and cash equivalents at the beginning of the financial year	16,689	51,960
Effects of exchange differences on translation	181	288
Cash and cash equivalents at the end of the financial year	**18,992**	**15,856**

For the purpose of the condensed consolidated statement of cash flows, cash and cash equivalents comprise of the following:

	Cumulative Quarter	
	30-Jun-2021	**30-Jun-2020**
	RM'000	**RM'000**
Cash and bank balances	19,012	13,720
Short-term deposits placed with licensed banks	-	2,200
Cash and short-term deposits	19,012	15,920
Less: Bank overdrafts	(20)	(64)
Cash and cash equivalents at the end of the financial periods	**18,992**	**15,856**

Notes:

(1) The Unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial report of the Group is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements.

This interim financial report should be read in conjunction with the Group's audited financial statement for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

The accounting policies adopted by the Group in the interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2020, except for the adoption of the following new and revised MFRSs, Amendments to MFRS and IC interpretations.

New MFRS, Amendments to MFRSs and IC Interpretation effective for financial periods beginning on or after 1 January 2021:-

Amendments to MFRS 3	Business Combinations
Amendments to MFRS 7	Financial Instruments: Disclosures
Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 16	Leases*
Amendment to MFRS 101	Presentation of Financial Statements
Amendment to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to MFRS 139	Financial Instruments: Recognition and Measurement

* Early adopted the amendment to MFRS 16 *Leases* issued by the Malaysian Accounting Standards Board ("MASB") on 5 June 2020 or/and 6 April 2021.

The initial application of the abovementioned standards and amendments do not have any material impacts to the current and future periods financial statements upon their first adoption.

A3. Auditors' Report

There was no qualification on the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2020.

A4. Seasonal or Cyclical Factors

The business operations of the Group were not materially affected by any seasonal and cyclical factors during the current quarter and financial year-to-date under review.

A5. Material Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter and financial year-to-date under review.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING (continued)

A6. Material Changes in Estimates

There were no changes in estimates that have a material effect in the current quarter and financial period under review.

A7. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale or repayment of debt and equity securities for the current quarter and financial year-to-date under review.

A8. Dividends Paid

Dividends paid during the financial year ending 31 December 2021 are as follow :

i) Third single tier interim dividend of 0.5 sen per share amounting to RM 1,642,445 for the financial year ended 31 December 2020 was paid on 22 March 2021.

ii) First single tier interim dividend of 0.4 sen per share amounting to RM 1,313,956 for the financial year ended 31 December 2021 was paid on 23 June 2021.

A9. Segmental Information

The Group's operating segments are manufacturing, trading and coating services. These operating segments are required to be organised and managed for the purpose of making decisions about resource allocation and performance assessment. The Group's segmental revenue are as follows:

	Individual Quarter		Cumulative Quarter	
	30-Jun-2021 RM'000	30-Jun-2020 RM'000	30-Jun-2021 RM'000	30-Jun-2020 RM'000
Revenue				
Manufacturing	20,929	15,366	41,803	30,398
Trading	738	1,624	1,420	3,745
Coating	598	484	1,149	1,039
Total	**22,265**	**17,474**	**44,372**	**35,182**

A10. Property, Plant and Equipment

(i) Acquisitions and disposals

During current year, the Group acquired assets at cost of RM 0.66 million.

(ii) Impairment losses

There were no impairment losses during the current quarter and financial year-to-date under review.

(iii) Valuation

The Group has not carried out any valuation on its property, plant and equipment during the current quarter and financial year-to-date under review.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING (continued)

A11. Material Events Subsequent to the end of the Quarter

There were no other material events subsequent to the end of the current quarter and financial period under review that have not been reflected in the interim financial report.

A12. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter and financial period under review.

A13. Contingent Liabilities and Contingent Assets

	As at 30 June 2021 RM'000
Corporate Guarantee issued to financial institutions in respect of banking facilities granted to subsidiary companies.	**30,724**

Save for the above, there were no changes in contingent assets and contingent liabilities of the Group, since the last audited accounts as at 31 December 2020.

A14. Material Capital Commitment

The capital commitments of the Group as at the end of the quarter under review were as follows:

	RM'000
Approved and contracted for	
• Purchase of machineries and equipment	449
Approved but not contracted for	
• Purchase of machineries and equipment	27,758
Total	**28,207**

A15. Significant Related Party Transactions

There were no significant related party transactions during the current quarter and financial period under review.

A16. Fair Value of Financial Liabilities

There were no gains or losses arising from fair value changes of the Group's financial liabilities for the current quarter and financial period under review.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of Performance

	Individual Quarter		Changes	
	30-Jun-2021	30-Jun-2020		
	RM'000	RM'000	RM'000	%
Revenue	22,265	17,474	4,791	27.4%
Profit before Taxation	4,198	1,867	2,331	124.9%

The Group recorded revenue and profit before taxation ("PBT") of approximately RM 22.27 million and RM 4.20 million respectively during the current quarter under review, representing an increase of 27.4% & and 124.9% as compared to RM 17.47 million and RM 1.87 million generated in the corresponding quarter ended 30 June 2020.

B2. Comparison with Immediate Preceding Quarter

	Current Quarter	Preceding Quarter	Changes	
	30-Jun-2021	31-Mar-2021		
	RM'000	RM'000	RM'000	%
Revenue	22,265	22,107	158	0.7%
Profit before Taxation	4,198	4,528	(330)	-7.3%

The Group revenue for the current quarter was RM 22.27 million, an increase of RM 0.16 million as compared to RM 22.11 million generated during the preceding quarter. Revenue from the manufacturing segment increased by RM 0.06 million or 0.3% due to increased orders from dealers to replenish their inventory levels. Revenue from the trading segment increased by RM0.06 million or 8.2% with an increase in trading sales. Revenue from the coating segment increased by RM 0.05 million or 8.5%.

The Group's reported profit before tax of RM 4.20 million for the current quarter is approximately RM 0.33 million lower as compared to profit before tax of the preceding quarter of RM 4.53 million. The decrease in PBT is mainly due to increased in staff cost during this period.

B3. Prospects for the Current Financial Year

After a year into Covid-19 pandemic, the global economy is recovering unevenly across different countries and industries. Despite these uncertainties and the recent global resurgence of the Pandemic, the Group's order book remains at a promising level.

The Group leveraged on a well-diversified customer base grounded in various geographical regions and end-user markets to remain resilient during this pandemic. Amidst these challenges, the Group will continue to enhance the efficiency of its production processes and improve the competitiveness of our products. At the same time, the group will be cautious on capital expenditure where investments in machines will be phased according to prevailing market sentiments and our capacity utilization rates.

The Group remains cautiously optimistic that it will weather the storm and maintain profitability.

B4. Profit Forecast

The Group has not issued any profit forecast in any form of public documentation and announcement.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (continued)

B5. Tax Expense

	Individual Quarter		Cumulative Quarter	
	30-Jun-2021 RM'000	30-Jun-2020 RM'000	30-Jun-2021 RM'000	30-Jun-2020 RM'000
Current Income Tax	1,215	460	2,305	724
Deferred Tax	(159)	(192)	37	(256)
Total	1,056	268	2,342	468

The effective tax rate of the Group is 26.8% which is higher than the statutory tax rate, this is mainly due to lower tax allowances claimable for current year.

B6. Status of Corporate Proposals

There are no corporate proposals announced but pending completion as at the date of this interim report.

B7. Utilisation of Proceeds from the Public Issue

Details of utilisation of proceeds	Estimated timeframe for utilisation upon Listing	Amount of proceeds RM'000	Actual Utilisation RM'000	Percentage utilised %
(i) Purchase of new machineries and equipment	Within 36 months	34,000	7,508	22.1%
(ii) Working Capital:				
- Finished goods inventories	Within 24 months	1,000	1,000	100.0%
- Staff costs and raw materials	Within 24 months	1,910	1,910	100.0%
(iii) Estimated listing expenses	Immediate	5,400	5,400	100.0%
Total		**42,310**	**15,818**	

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the company dated 17 May 2019.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (continued)

B8. Group Borrowings

	Currency	Unaudited As at 30-Jun-2021 RM'000	As at 30-Jun-2020 RM'000
Long-term Borrowings (secured)			
(i) Term Loan	MYR	12,173	11,949
	EUR	3,395	7,055
Sub-total		**15,568**	**19,004**
Short-term borrowings (secured)			
(i) Term Loan	MYR	1,863	1,585
	EUR	3,843	5,014
(ii) Bank Acceptance	USD	4,705	4,016
(iii) Revolving Credit	MYR	998	1,598
(iv) Bank Overdraft	MYR	20	64
Sub-total		**11,429**	**12,277**
Total borrowings		**26,997**	**31,281**

We utilise credit facilities such as overdrafts and bankers' acceptances to partially finance our working capital. In addition, we utilise term loans to finance purchase of our manufacturing equipment and factory building. The credit facilities are secured by corporate guarantees, specific debentures and properties.

B9. Derivative Financial Instruments

As at 30 June 2021, the outstanding foreign currency forward contracts are as follows:

	Contract / Notional Amount RM'000	Fair Value Asset / (Liabilities) RM'000
Forward Currency Contracts		
Less than 1 year	3,743	32

The Group's enter into forward currency contracts to hedge against the net exposure to movements in exchange rate arising from sales, purchase and finance cost.

The Group recognised a gain of RM0.06 million arising from changes in fair value of derivatives.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (continued)

B10. Material Litigation

As at the date of this interim financial report, the Group is not engaged in any material litigation or arbitration proceedings either as plaintiff or defendant, and the Directors are not aware of any proceedings pending or threatened against the Group, which may materially and adversely affect the financial position or business performance of the Group.

B11. Dividend

A second single tier dividend for the financial year ending 31 December 2021, amounting to RM 1.64 million computed based on 328,489,000 ordinary shares as at 30 June 2021 has been declared by the Board of Directors on 23 August 2021:

(i) Amount per Share: Single tier dividend of 0.50 sen per ordinary share

(ii) Previous corresponding period as at 30 June 2020: 0.50 sen

(iii) Entitlement Date: 07 September 2021

(iv) Payment Date: 22 September 2021

The total dividend declared for the current financial year ending 31 December 2021: 0.90 sen per share.

B12. Earnings Per Share ("EPS")

The basic and diluted EPS for the current quarter and financial year-to-date is computed as below:

	Individual Quarter		Cumulative Quarter	
	30-Jun-2021 RM'000	30-Jun-2020 RM'000	30-Jun-2021 RM'000	30-Jun-2020 RM'000
Profit after tax attributable to the owner of the Group (RM'000)	3,133	1,606	6,372	2,575
Weighted average number of ordinary shares in issue ('000)	328,489	328,489	328,489	328,489
Basic EPS (sen) [(1)]	0.95	0.49	1.94	0.78
Diluted EPS (sen)[(2)]	0.95	0.49	1.94	0.78

Notes:

(1) Basic EPS is calculated by dividing the profit attributable to owners of the Group by the weighted average number of ordinary shares outstanding during the period under review.

(2) Diluted EPS is equivalent to the basic EPS as the Company does not have any convertible securities as at the end of the financial period under review.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (continued)

B13. Profit Before Tax

	Individual Quarter		Cumulative Quarter	
	30-Jun-2021	30-Jun-2020	30-Jun-2021	30-Jun-2020
	RM'000	RM'000	RM'000	RM'000
Interest income	(162)	(231)	(326)	(532)
Other income	(330)	(336)	(677)	(730)
Interest expense	231	343	465	716
Interest on lease liabilities	6	24	10	29
Depreciation of property, plant and equipment	2,090	2,130	4,192	4,260
Depreciation of right-of-use assets	116	140	210	326
Allowance for slow-moving inventories	59	55	233	75
(Reversal)/Impairment loss on trade receivables	25	8	13	25
Realised gain on foreign exchange	(176)	(209)	(305)	(346)
Unrealised loss on foreign exchange	72	302	100	560
Unrealised (gain)/loss on derivatives	(28)	(15)	(56)	138

Save as disclosed above, the other disclosure items pursuant to Paragraph 16, Part A of Appendix 9B of the Listing Requirements are not applicable.