



HALEX HOLDINGS BERHAD

(Company No. 206220-U)

(Incorporated in Malaysia under the Companies Act, 1965)

Interim Report For the 3-month Financial Period Ended 31 December 2009



Interim Report for the 3-month Financial Period Ended 31 December 2009

Unaudited Condensed Consolidated Income Statement

	Note	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		Current Year Quarter 31/12/2009 RM'000	Preceding Year Quarter 31/12/2008 RM'000	Current Year to-Date 31/12/2009 RM'000	Preceding Year to-Date 31/12/2008 RM'000
Revenue		22,944	16,939	22,944	16,939
Less: Cost of sales		(16,970)	(12,575)	(16,970)	(12,575)
Gross profit		5,974	4,364	5,974	4,364
Other income		55	97	55	97
Administration and other expenses		(2,522)	(2,068)	(2,522)	(2,068)
Selling and marketing expenses		(1,999)	(1,741)	(1,999)	(1,741)
Finance costs		(109)	(110)	(109)	(110)
Profit before taxation		1,399	542	1,399	542
Less: Taxation		(362)	(44)	(362)	(44)
Profit after taxation		1,037	498	1,037	498
Attributable to :					
Equity holders of the Company		1,037	498	1,037	498
Earnings per share attributable to equity holders of the Company:					
Basic (sen)	B13	1.30	4.06	1.30	4.06
Diluted (sen)		n/a	n/a	n/a	n/a

The unaudited condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 30 September 2009 and the accompanying notes attached to this interim financial report.



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Unaudited Condensed Consolidated Balance Sheet

	Unaudited As At 31/12/2009 RM'000	Audited As At 30/09/2009 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	39,696	39,752
Investment in property	90	90
Investment in quoted shares	88	88
Other investments	26	26
Intangible assets	27	27
Development costs	679	606
Prepaid lease payments	1,478	1,491
Total non-current assets	42,084	42,080
Current assets		
Inventories	24,277	24,540
Trade receivables	18,892	17,704
Other receivables and deposits	1,028	1,728
Deposits with licensed banks	7,807	981
Prepaid tax	57	132
Cash and bank balances	2,419	10,975
Total current assets	54,480	56,060
TOTAL ASSETS	96,564	98,140
EQUITY AND LIABILITIES		
Capital and reserves		
Financed by:		
Share capital	40,000	40,000
Share premium	731	780
Revaluation reserves	1,387	1,387
Exchange reserves	320	321
Retained profits	35,147	34,110
Shareholders' equity	77,585	76,598
Non-current liabilities		
Term loans	6,887	7,194
Deferred taxation	384	384
Total non-current liabilities	7,271	7,578

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Unaudited Condensed Consolidated Balance Sheet (cont'd)

	Unaudited As At 31/12/2009 RM'000	Audited As At 30/09/2009 RM'000
Current Liabilities		
Trade payables	4,225	3,499
Other payables and accruals	3,141	3,658
Bills payable	3,111	5,004
Term loans	1,231	1,231
Bank overdraft	-	572
Total current liabilities	<u>11,708</u>	<u>13,964</u>
Total liabilities	<u>18,979</u>	<u>21,542</u>
TOTAL EQUITY AND LIABILITIES	<u>96,564</u>	<u>98,140</u>
No. of ordinary shares in issue ('000)	80,000	80,000
Par value (RM)	0.50	0.50
Net assets per share attributable to equity holders of the Company (RM)	0.97	0.96

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 September 2009 and the accompanying notes attached to this interim financial report.



Interim Report for the 3-month Financial Period Ended 31 December 2009

Unaudited Condensed Consolidated Cash Flow Statement

	3-month ended 31/12/2009 RM'000	3-month ended 31/12/2008 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,399	542
Adjustments for :		
Allowance for doubtful debts	271	-
Amortisation	12	12
Depreciation	408	322
Dividend received	(1)	(1)
Interest expenses	107	90
Interests income	(1)	-
Foreign exchange adjustment	(2)	-
(Gain) / loss on disposal of fixed assets	-	8
Operating profit before working capital changes	<u>2,193</u>	<u>973</u>
Inventories	263	(3,695)
Receivables	(736)	4,496
Payables	210	(1,963)
Cash generated from operations	<u>1,930</u>	<u>(189)</u>
Interest paid	(107)	(90)
Tax paid	(309)	(431)
Net cash from operating activities	<u>1,514</u>	<u>(710)</u>
CASH FLOW FOR INVESTING ACTIVITIES		
Development costs	(71)	-
Dividends received	1	1
Interest received	1	-
Investment in intangible assets	-	(44)
Placement of deposits with licensed banks	-	(200)
Proceeds from withdrawal of fixed deposits	601	-
Purchase of property, plant and equipment	(353)	(654)
Net cash used in investing activities	<u>179</u>	<u>(897)</u>

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 30 September 2009 and the accompanying notes attached to this interim financial report.



Interim Report for the 3-month Financial Period Ended 31 December 2009

Unaudited Condensed Consolidated Cash Flow Statement (cont'd)

	3-month ended 31/12/2009 RM'000	3-month ended 31/12/2008 RM'000
CASH FLOW FOR FINANCING ACTIVITIES		
Listing expenses paid	(49)	-
Proceeds from bank borrowings	-	2,116
Repayment of bank borrowings	(2,201)	(1,624)
Repayment of finance lease and hire purchase payables	-	(25)
Net cash used in financing activities	<u>(2,250)</u>	<u>467</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(557)	(1,140)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	10,476	(183)
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>9,919</u>	<u>(1,323)</u>
CASH AND CASH EQUIVALENTS COMPRISE		
Deposit with licensed bank - not pledged	7,500	328
Cash and bank balances	2,419	1,439
Bank overdraft	-	(3,090)
	<u>9,919</u>	<u>(1,323)</u>

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 30 September 2009 and the accompanying notes attached to this interim financial report.



Interim Report for the 3-month Financial Period Ended 31 December 2009

Unaudited Condensed Consolidated Statement of Changes in Equity

	Share Capital RM'000	<----- Non-distributable -----> Revaluation Reserves RM'000	Share Premium RM'000	Exchange Reserves RM'000	Distributable Unappropriated Profits RM'000	Total RM'000
Balance as at 01/10/2008 (Audited)	12,280	1,387	1,182	293	50,312	65,454
Issuance of capital	27,720	-	1,618	-	(21,538)	7,800
Profit for the period	-	-	-	-	6,073	6,073
Dividends	-	-	-	-	(737)	(737)
Exchange difference	-	-	-	28	-	28
Listing expenses set off against Share Premium	-	-	(2,020)	-	-	(2,020)
Balance as at 30/09/2009	40,000	1,387	780	321	34,110	76,598
Balance as at 01/10/2009 (Audited)	40,000	1,387	780	321	34,110	76,598
Profit for the period	-	-	-	-	1,037	1,037
Exchange difference	-	-	-	(1)	-	(1)
Listing expenses set off against Share Premium	-	-	(49)	-	-	(49)
Balance as at 31/12/2009	40,000	1,387	731	320	35,147	77,585

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 September 2009 and the accompanying notes attached to this interim financial report.