



# **HALEX HOLDINGS BERHAD**

(Company No. 206220-U)

(Incorporated in Malaysia under the Companies Act, 1965)

## **Interim Report For the 6-month Financial Period Ended 31 MARCH 2011**



**Interim Report for the 6-month Financial Period Ended 31 March 2011**

**Unaudited Condensed Consolidated Statement of Comprehensive Income**

	Note	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		Current Year Quarter 31/3/2011 RM'000	Preceding Year Quarter 31/3/2010 RM'000	Current Year to-Date 31/3/2011 RM'000	Preceding Year to-Date 31/3/2010 RM'000
Revenue	9	23,687	20,930	47,940	43,875
Less: Cost of sales		(17,799)	(15,560)	(35,859)	(32,531)
<b>Gross profit</b>		<b>5,888</b>	<b>5,370</b>	<b>12,081</b>	<b>11,344</b>
Other income		95	85	227	140
Administration and other expenses		(2,442)	(2,526)	(4,800)	(5,048)
Selling and marketing expenses		(2,226)	(2,029)	(4,599)	(4,028)
Finance costs		(200)	(105)	(333)	(214)
<b>Profit before taxation</b>	9	<b>1,115</b>	<b>795</b>	<b>2,576</b>	<b>2,194</b>
Less: Taxation		(345)	(294)	(817)	(655)
<b>Profit after taxation</b>	9	<b>770</b>	<b>501</b>	<b>1,759</b>	<b>1,539</b>
<b>Other comprehensive income</b>					
Translation reserve		-	-	2	(2)
Other comprehensive income for the period		-	-	2	(2)
<b>Total comprehensive income for the period</b>		<b>770</b>	<b>501</b>	<b>1,761</b>	<b>1,537</b>
Attributable to :					
Equity holders of the Company		770	501	1,759	1,539
Earnings per share attributable to equity holders of the Company:					
Basic (sen)	B12	0.96	0.63	2.20	1.92
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 2010 and the accompanying notes attached to this interim financial report.



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**Interim Report for the 6-month Financial Period Ended 31 March 2011**

**Unaudited Condensed Consolidated Statement of Financial Position**

	<b>Unaudited As At 31/3/2011 RM'000</b>	<b>Audited As At 30/09/2010 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	42,474	41,401
Investment in property	90	90
Investment in quoted shares	113	93
Other investments	26	26
Intangible assets	27	27
Development costs	760	716
<b>Total non-current assets</b>	<b>43,490</b>	<b>42,353</b>
<b>Current assets</b>		
Inventories	27,993	23,762
Trade receivables	16,789	16,651
Other receivables and deposits	2,850	1,801
Deposits with licensed banks	9,237	10,696
Prepaid tax	-	355
Cash and bank balances	3,393	4,105
<b>Total current assets</b>	<b>60,262</b>	<b>57,370</b>
<b>TOTAL ASSETS</b>	<b>103,752</b>	<b>99,723</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Financed by:		
Share capital	40,000	40,000
Share premium	732	732
Revaluation reserves	1,387	1,387
Exchange reserves	319	317
Retained profits	36,885	35,126
<b>Shareholders' equity</b>	<b>79,323</b>	<b>77,562</b>
<b>Non-current liabilities</b>		
Term loans	4,122	4,760
Deferred taxation	403	403
<b>Total non-current liabilities</b>	<b>4,525</b>	<b>5,163</b>

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 September 2010 and the accompanying notes attached to this interim financial report.



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**Interim Report for the 6-month Financial Period Ended 31 March 2011**

**Unaudited Condensed Consolidated Balance Sheet (cont'd)**

	<b>Unaudited As At 31/3/2011 RM'000</b>	<b>Audited As At 30/09/2010 RM'000</b>
<b>Current Liabilities</b>		
Trade payables	5,364	4,019
Other payables and accruals	3,223	3,592
Bills payable	9,288	6,907
Term loans	1,231	1,231
Provision for taxation	84	269
Bank overdraft	714	980
<b>Total current liabilities</b>	<u>19,904</u>	<u>16,998</u>
<b>Total liabilities</b>	<u>24,429</u>	<u>22,161</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>103,752</u>	<u>99,723</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)	0.99	0.97

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 September 2010 and the accompanying notes attached to this interim financial report.



**Interim Report for the 6-month Financial Period Ended 31 March 2011**

**Unaudited Condensed Consolidated Cash Flow Statement**

	<b>6-month ended 31/3/2011 RM'000</b>	<b>6-month ended 31/3/2010 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	2,576	2,194
Adjustments for :		
Allowance/ (write back) for diminution in value of investment in quoted shares	(20)	-
Allowance for doubtful debts written back- general	(20)	-
Allowance for doubtful debts	-	271
Amortisation	25	25
Depreciation	938	836
Dividend received	(1)	(1)
Interest expenses	321	209
Interests income	(141)	(29)
Foreign exchange adjustment	2	(2)
(Gain) / loss on disposal of fixed assets	(36)	(1)
Property, plant and equipment written off	*	-
Operating profit before working capital changes	<u>3,644</u>	<u>3,502</u>
Inventories	(4,231)	326
Receivables	(1,167)	207
Payables	975	(841)
Cash generated from operations	<u>(779)</u>	<u>3,194</u>
Interest paid	(321)	(209)
Tax paid	(648)	(641)
<b>Net cash from operating activities</b>	<u>(1,748)</u>	<u>2,344</u>
<b>CASH FLOW FOR INVESTING ACTIVITIES</b>		
Development costs	(44)	(83)
Dividends received	1	1
Interest received	141	29
Investment in intangible assets	-	(1)
Investment in quoted shares	*	-
Placement of deposits with licensed banks	(1)	-
Proceeds from disposal of property, plant and equipment	37	1
Proceeds from withdrawal of fixed deposits	-	601
Purchase of property, plant and equipment	(2,035)	(1,057)
<b>Net cash used in investing activities</b>	<u>(1,901)</u>	<u>(509)</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 2010 and the accompanying notes attached to this interim financial report.



**Interim Report for the 6-month Financial Period Ended 31 March 2011**

**Unaudited Condensed Consolidated Cash Flow Statement (cont'd)**

	<b>6-month ended 31/3/2011 RM'000</b>	<b>6-month ended 31/3/2010 RM'000</b>
<b>CASH FLOW FOR FINANCING ACTIVITIES</b>		
Dividends paid	-	-
Listing expenses paid	-	(49)
Proceeds from bank borrowings	2,580	-
Proceeds from issue of new shares	-	-
Repayment of bank borrowings	(837)	(1,830)
<b>Net cash used in financing activities</b>	<u>1,743</u>	<u>(1,879)</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(1,906)	(44)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	13,507	10,476
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>11,601</u>	<u>10,432</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE</b>		
Deposit with licensed bank - not pledged	8,922	8,102
Cash and bank balances	3,393	2,330
Bank overdraft	(714)	-
	<u>11,601</u>	<u>10,432</u>

Note \* : Amount below RM1,000.

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 30 September 2010 and the accompanying notes attached to this interim financial report.



**Interim Report for the 6-month Financial Period Ended 31 March 2011**

**Unaudited Condensed Consolidated Statement of Changes in Equity**

	Share Capital RM'000	←----- Non-distributable ----->			Distributable Unappropriated Profits RM'000	Total RM'000
		Revaluation Reserves RM'000	Share Premium RM'000	Exchange Reserves RM'000		
Balance as at 01/10/2009 (Audited)	40,000	1,387	780	321	34,110	76,598
Profit for the period	-	-	-	-	3,416	3,416
Dividends					(2,400)	(2,400)
Exchange difference				(4)		(4)
Listing expenses set off against Share Premium			(48)			(48)
<b>Balance as at 30/09/2010</b>	<b>40,000</b>	<b>1,387</b>	<b>732</b>	<b>317</b>	<b>35,126</b>	<b>77,562</b>
Balance as at 01/10/2010 (Audited)	40,000	1,387	732	317	35,126	77,562
Profit for the period	-	-	-	-	1,759	1,759
Dividends					-	-
Exchange difference				2		2
Listing expenses set off against Share Premium			-			-
<b>Balance as at 31/3/2011</b>	<b>40,000</b>	<b>1,387</b>	<b>732</b>	<b>319</b>	<b>36,885</b>	<b>79,323</b>

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 2010 and the accompanying notes attached to this interim financial report.