



# **HALEX HOLDINGS BERHAD**

(Company No. 206220-U)

(Incorporated in Malaysia under the Companies Act, 1965)

## **Interim Report For the 12-month Financial Period Ended 30 SEPTEMBER 2013**



**Interim Report for the 12-month Financial Period Ended 30 September 2013**

**Unaudited Condensed Consolidated Statement of Comprehensive Income**

	Note	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		Current Year Quarter 30/9/2013 RM'000	Preceding Year Quarter 30/9/2012 RM'000	Current Year to-Date 30/9/2013 RM'000	Preceding Year to-Date 30/9/2012 RM'000
Revenue	9	25,038	24,192	96,378	102,037
Less: Cost of sales		(19,401)	(18,628)	(73,410)	(77,432)
<b>Gross profit</b>		<b>5,637</b>	<b>5,564</b>	<b>22,968</b>	<b>24,605</b>
Other income		301	209	586	497
Administration and other expenses		(2,577)	(2,504)	(10,337)	(10,225)
Selling and marketing expenses		(1,627)	(2,012)	(8,004)	(9,005)
Finance costs		(129)	(101)	(417)	(454)
<b>Profit before taxation</b>	9	<b>1,605</b>	<b>1,156</b>	<b>4,796</b>	<b>5,418</b>
Less: Taxation		(519)	(189)	(1,303)	(1,029)
<b>Profit after taxation</b>	9	<b>1,086</b>	<b>967</b>	<b>3,493</b>	<b>4,389</b>
<b>Other comprehensive income</b>					
Net surplus arising from revaluation of properties		-	(40)	-	9,025
Translation reserve		3	25	3	25
<b>Other comprehensive income for the period</b>		<b>3</b>	<b>(15)</b>	<b>3</b>	<b>9,050</b>
<b>Total comprehensive income for the period</b>		<b>1,089</b>	<b>952</b>	<b>3,496</b>	<b>13,439</b>
Attributable to :					
Equity holders of the Company		<b>1,086</b>	<b>967</b>	<b>3,493</b>	<b>4,389</b>
Earnings per share attributable to equity holders of the Company:					
Basic (sen)	B12	1.09	1.19	3.49	5.47
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 2012 and the accompanying notes attached to this interim financial report.



**Interim Report for the 12-month Financial Period Ended 30 September 2013**

**Unaudited Condensed Consolidated Statement of Financial Position**

	<b>Unaudited As At 30/9/2013 RM'000</b>	<b>Restated As At 30/09/2012 RM'000</b>	<b>Restated As At 10/01/2011 RM'000</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	49,333	50,007	50,469
Investment in property	290	290	290
Investment in quoted shares	128	102	101
Other investments	26	26	26
Intangible assets	47	44	27
Development costs	647	728	809
<b>Total non-current assets</b>	<b>50,471</b>	<b>51,197</b>	<b>51,722</b>
<b>Current assets</b>			
Inventories	23,394	21,930	28,661
Trade receivables	15,696	16,469	17,329
Other receivables and deposits	1,069	2,906	915
Deposits with licensed banks	12,956	10,376	8,138
Prepaid tax	391	451	441
Cash and bank balances	7,269	4,171	3,875
<b>Total current assets</b>	<b>60,775</b>	<b>56,303</b>	<b>59,359</b>
<b>TOTAL ASSETS</b>	<b>111,246</b>	<b>107,500</b>	<b>111,081</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Financed by:			
Share capital	50,000	50,000	40,000
Share premium	-	-	731
Treasury shares	(17)	-	-
Revaluation reserves	-	-	-
Exchange reserves	-	-	-
Retained profits	40,518	40,081	47,267
<b>Shareholders' equity</b>	<b>90,501</b>	<b>90,081</b>	<b>87,998</b>
<b>Non-current liabilities</b>			
Term loans	1,054	2,290	3,527
Deferred taxation	393	393	402
<b>Total non-current liabilities</b>	<b>1,447</b>	<b>2,683</b>	<b>3,929</b>

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 September 2012 and the accompanying notes attached to this interim financial report.



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**Interim Report for the 12-month Financial Period Ended 30 September 2013**

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

	<b>Unaudited As At 30/9/2013 RM'000</b>	<b>Restated As At 30/09/2012 RM'000</b>	<b>Restated As At 10/01/2011 RM'000</b>
<b>Current Liabilities</b>			
Trade payables	5,606	3,388	5,687
Other payables and accruals	4,335	4,185	4,319
Finance lease and hire purchase payables	63	80	-
Bills payable	7,578	5,097	6,224
Term loans	1,231	1,231	1,231
Provision for taxation	485	147	378
Bank overdraft	-	608	1,315
<b>Total current liabilities</b>	<b>19,298</b>	<b>14,736</b>	<b>19,154</b>
<b>Total liabilities</b>	<b>20,745</b>	<b>17,419</b>	<b>23,083</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>111,246</b>	<b>107,500</b>	<b>111,081</b>
No. of ordinary shares in issue ('000)	100,000	100,000	80,000
Par value (RM)	0.50	0.50	0.50
Net assets per share attributable to equity holders of the Company (RM)	0.91	0.90	1.10

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 September 2012 and the accompanying notes attached to this interim financial report.



**Interim Report for the 12-month Financial Period Ended 30 September 2013**

**Unaudited Condensed Consolidated Cash Flow Statement**

	<b>12-months ended 30/9/2013 RM'000</b>	<b>12-months ended 30/9/2012 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	4,796	5,418
Adjustments for :		
Allowance/ (write back) for diminution in value of investment in quoted shares	(25)	(1)
Allowance for doubtful debts	104	-
Allowance for doubtful debts written back	(42)	(81)
Amortisation	81	81
Bad debts write off	23	45
Depreciation	1,546	1,714
Dividend received	(3)	(3)
Interest expenses	389	453
Interests income	(349)	(266)
Foreign exchange adjustment	3	25
(Gain) / loss on disposal of fixed assets	(130)	*
Property, plant and equipment written off	39	86
Operating profit before working capital changes	<u>6,432</u>	<u>7,471</u>
Inventories	(1,464)	6,731
Receivables	2,526	(281)
Payables	2,663	(3,559)
Cash generated from operations	<u>10,157</u>	<u>10,362</u>
Interest paid	(389)	(453)
Tax refund	105	208
Tax paid	(1,010)	(1,488)
<b>Net cash from operating activities</b>	<u><u>8,863</u></u>	<u><u>8,629</u></u>
<b>CASH FLOW FOR INVESTING ACTIVITIES</b>		
Dividends received	3	2
Interest received	349	266
Investment in intangible assets	(3)	(17)
Placement of deposits with licensed banks	(40)	(49)
Proceeds from disposal of property, plant and equipment	480	1
Purchase of treasury shares	(18)	
Purchase of property, plant and equipment	(1,261)	(1,513)
<b>Net cash generated / (used) in investing activities</b>	<u><u>(490)</u></u>	<u><u>(1,310)</u></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 2012 and the accompanying notes attached to this interim financial report.



**Interim Report for the 12-month Financial Period Ended 30 September 2013**

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

	<b>12-months ended 30/9/2013 RM'000</b>	<b>12-months ended 30/9/2012 RM'000</b>
<b>CASH FLOW FOR FINANCING ACTIVITIES</b>		
Dividends paid	(3,000)	(2,800)
Share issuance expenses	(60)	(80)
Proceeds from bank borrowings	2,185	-
Repayment of bank borrowings	(1,236)	(1,236)
Repayment of finance lease and hire purchase payables	(16)	(11)
<b>Net cash used in financing activities</b>	<u>(2,127)</u>	<u>(4,127)</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	6,246	3,192
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	12,370	9,178
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>18,616</u>	<u>12,370</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE</b>		
Deposit with licensed bank - not pledged	11,347	8,806
Cash and bank balances	7,269	4,420
Bank overdraft	-	(856)
	<u>18,616</u>	<u>12,370</u>

Note \* : Amounts less than 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 2012 and the accompanying notes attached to this interim financial report.



**Interim Report for the 12-month Financial Period Ended 30 September 2013**

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

	Share Capital RM'000	Revaluation Reserves RM'000	Non-distributable		Unappropriated Profits RM'000	Distributable Unappropriated Profits RM'000	Treasury Shares RM'000	Total RM'000
			Share Premium RM'000	Exchange Reserves RM'000				
As at 01/10/2011, as previously stated	40,000	1,387	731	320	-	37,084	-	79,522
Bonus issue	10,000		(651)			(9,349)		-
Share issuance expenses			(80)					(80)
Effect of transition to MFRS								
- Foreign currency reserve				25				25
- Surplus on revaluation of land and buildings	-	8,276	-	-	-	-		8,276
- Surplus on revaluation of investment properties	-	200	-	-	-	-		200
- Reclassification	-	(9,863)	-	(345)	10,208	-		-
As at 01/10/2011, as restated	50,000	-	-	-	10,208	27,735	-	87,943
Total comprehensive income for the period	-	-	-	-	-	4,389		4,389
Dividends						(2,800)		(2,800)
<b>As at 30/9/2012, as restated</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,208</b>	<b>29,324</b>	<b>-</b>	<b>89,532</b>
As at 01/10/2012, as previously stated	50,000	9,863	-	345	-	29,873	-	90,081
Effect of transition to MFRS								
- Reclassification	-	(9,863)		(345)	10,208	-		-
As at 01/10/2012, as restated	50,000	-	-	-	10,208	29,873	-	90,081
Realisation of revaluation reserves to Retained Earnings					(232)	232		-
Share issuance expenses						(59)		(59)
Total comprehensive income for the period	-	-	-	-	3	3,493		3,496
Buy-back of shares							(17)	(17)
Dividends						(3,000)		(3,000)
<b>As at 30/9/2013</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,979</b>	<b>30,539</b>	<b>(17)</b>	<b>90,501</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 2012 and the accompanying notes attached to this interim financial report.