



# **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 2014**



**Interim Report for the 6-month Financial Period Ended 31 March 2014**

**Unaudited Condensed Consolidated Statement of Comprehensive Income**

	Note	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		Current Year Quarter 31/03/2014 RM'000	Preceding Year Quarter 31/03/2013 RM'000	Current Year to-Date 31/03/2014 RM'000	Preceding Year to-Date 31/03/2013 RM'000
Revenue	9	22,981	24,834	45,786	46,811
Less: Cost of sales		(17,495)	(19,121)	(35,102)	(35,725)
<b>Gross profit</b>		<b>5,486</b>	<b>5,713</b>	<b>10,684</b>	<b>11,086</b>
Other income		205	87	377	198
Administration and other expenses		(2,712)	(2,578)	(5,112)	(4,998)
Selling and marketing expenses		(2,350)	(2,295)	(4,491)	(4,319)
Finance costs		(106)	(83)	(185)	(190)
<b>Profit before taxation</b>	9	<b>523</b>	<b>844</b>	<b>1,273</b>	<b>1,777</b>
Less: Taxation		(139)	(231)	(442)	(433)
<b>Profit after taxation</b>	9	<b>384</b>	<b>613</b>	<b>831</b>	<b>1,344</b>
<b>Other comprehensive income</b>					
Net surplus arising from revaluation of properties		-	-	-	-
Translation reserve		-	-	-	-
Other comprehensive income for the period		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>384</b>	<b>613</b>	<b>831</b>	<b>1,344</b>
Attributable to :					
Equity holders of the Company		384	613	831	1,344
Earnings per share attributable to equity holders of the Company:					
Basic (sen)	B12	0.38	0.61	0.83	1.34
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 2013 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 2014**

**Unaudited Condensed Consolidated Statement of Financial Position**

	<b>Unaudited As At 31/03/2014 RM'000</b>	<b>Audited As At 30/09/2013 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	48,960	49,333
Investment in property	290	290
Investment in quoted shares	167	128
Other investments	26	26
Intangible assets	47	47
Development costs	607	647
<b>Total non-current assets</b>	<b>50,097</b>	<b>50,471</b>
<b>Current assets</b>		
Inventories	21,811	23,418
Trade receivables	14,453	15,696
Other receivables and deposits	2,048	1,071
Deposits with licensed banks	13,121	12,955
Prepaid tax	179	397
Cash and bank balances	4,428	7,272
<b>Total current assets</b>	<b>56,040</b>	<b>60,809</b>
<b>TOTAL ASSETS</b>	<b>106,137</b>	<b>111,280</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Financed by:		
Share capital	50,000	50,000
Share premium	-	-
Treasury shares	(23)	(17)
Revaluation reserves	-	-
Exchange reserves	-	-
Retained profits	41,369	40,540
<b>Shareholders' equity</b>	<b>91,346</b>	<b>90,523</b>
<b>Non-current liabilities</b>		
Term loans	436	1,054
Deferred taxation	394	394
<b>Total non-current liabilities</b>	<b>830</b>	<b>1,448</b>

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 September 2013 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 2014**

**Unaudited Condensed Consolidated Statement of Financial Position (cont'd)**

	<b>Unaudited As At 31/03/2014 RM'000</b>	<b>Audited As At 30/09/2013 RM'000</b>
<b>Current Liabilities</b>		
Trade payables	4,151	5,606
Other payables and accruals	3,564	4,377
Finance lease and hire purchase payables	55	63
Bills payable	4,714	7,578
Term loans	1,231	1,231
Provision for taxation	110	454
Bank overdraft	136	-
<b>Total current liabilities</b>	<u>13,961</u>	<u>19,309</u>
<b>Total liabilities</b>	<u>14,791</u>	<u>20,757</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>106,137</u>	<u>111,280</u>
No. of ordinary shares in issue ('000)	100,000	100,000
Par value (RM)	0.50	0.50
Net assets per share attributable to equity holders of the Company (RM)	0.91	0.91

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 September 2013 and the accompanying notes attached to this interim financial report.



**Interim Report for the 6-month Financial Period Ended 31 March 2014**

**Unaudited Condensed Consolidated Cash Flow Statement**

	<b>6-months ended 31/03/2014 RM'000</b>	<b>6-months ended 31/03/2013 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,273	1,777
Adjustments for :		
Allowance/ (write back) for diminution in value of investment in quoted shares	(1)	(13)
Allowance for doubtful debts written back	(53)	(30)
Amortisation	40	40
Bad debts write off	-	18
Depreciation	756	741
Dividend received	(1)	(1)
Interest expenses	179	181
Interests income	(189)	(129)
Foreign exchange adjustment	(2)	-
Gain in investments	(44)	-
(Gain) / loss on disposal of fixed assets	-	(20)
Property, plant and equipment written off	-	16
Operating profit before working capital changes	<u>1,958</u>	<u>2,580</u>
Inventories	1,660	2,948
Receivables	267	1,297
Payables	<u>(4,631)</u>	<u>(1,337)</u>
Cash generated from operations	(746)	5,488
Interest paid	(179)	(181)
Tax refund	208	-
Tax paid	<u>(777)</u>	<u>(656)</u>
<b>Net cash from operating activities</b>	<u>(1,494)</u>	<u>4,651</u>
<b>CASH FLOW FOR INVESTING ACTIVITIES</b>		
Dividends received	1	1
Interest received	189	129
Investment in intangible assets	-	(3)
Placement of deposits with licensed banks	(12)	(1)
Proceeds from disposal of property, plant and equipment	-	370
Purchase of property, plant and equipment	<u>(383)</u>	<u>(580)</u>
<b>Net cash generated / (used) in investing activities</b>	<u>(205)</u>	<u>(84)</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 2013 and the accompanying notes attached to this interim financial report.



**Interim Report for the 6-month Financial Period Ended 31 March 2014**

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

	<b>6-months ended 31/03/2014 RM'000</b>	<b>6-months ended 31/03/2013 RM'000</b>
<b>CASH FLOW FOR FINANCING ACTIVITIES</b>		
Share issuance expenses	-	(59)
Proceeds from bank borrowings	-	495
Repayment of bank borrowings	(1,119)	(619)
Repayment of finance lease and hire purchase payables	(9)	(8)
<b>Net cash used in financing activities</b>	<u>(1,128)</u>	<u>(191)</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(2,827)	4,376
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	18,619	12,370
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>15,792</u>	<u>16,746</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE</b>		
Deposit with licensed bank - not pledged	11,500	7,917
Cash and bank balances	4,428	8,829
Bank overdraft	(136)	-
	<u>15,792</u>	<u>16,746</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 2013 and the accompanying notes attached to this interim financial report.



**Interim Report for the 6-month Financial Period Ended 31 March 2014**

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

	<----- Non-distributable ----->				Distributable		Treasury Shares RM'000	Total RM'000
	Share Capital RM'000	Revaluation Reserves RM'000	Share Premium RM'000	Exchange Reserves RM'000	Unappropriated Profits RM'000	Unappropriated Profits RM'000		
As at 01/10/2012	50,000	9,026	-	25	-	31,031	-	90,082
Share issuance expenses	-	-	-	-	-	(60)	-	(60)
Shares repurchased	-	-	-	-	-	-	(17)	(17)
Profit after tax	-	-	-	-	-	3,513	-	3,513
Other comprehensive income for the year								
- Foreign currency translation	-	-	-	5	-	-	-	5
- Transfer of revaluation surplus upon disposal of property, plant and equipment	-	(190)	-	-	-	190	-	-
Profit after tax / Total comprehensive income for the year	-	(190)	-	5	-	3,703	-	3,518
Dividends	-	-	-	-	-	(3,000)	-	(3,000)
<b>As at 30/9/2013</b>	<b>50,000</b>	<b>8,836</b>	<b>-</b>	<b>30</b>	<b>-</b>	<b>31,674</b>	<b>(17)</b>	<b>90,523</b>
As at 01/10/2013	50,000	8,836	-	30	-	31,674	(17)	90,523
Profit after tax	-	-	-	-	-	831	-	831
Other comprehensive income for the year								
- Foreign currency translation	-	-	-	(2)	-	-	-	(2)
- Gain on treasury shares	-	-	-	-	-	-	(6)	(6)
Profit after tax / Total comprehensive income for the year	-	-	-	(2)	-	831	(6)	823
Dividends	-	-	-	-	-	-	-	-
<b>As at 31/3/2014</b>	<b>50,000</b>	<b>8,836</b>	<b>-</b>	<b>28</b>	<b>-</b>	<b>32,505</b>	<b>(23)</b>	<b>91,346</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 2013 and the accompanying notes attached to this interim financial report.