



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 2014



Interim Report for the 12-month Financial Period Ended 30 September 2014

Unaudited Condensed Consolidated Statement of Comprehensive Income

	Note	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		Current Year Quarter 30/09/2014 RM'000	Preceding Year Quarter 30/09/2013 RM'000	Current Year to-Date 30/09/2014 RM'000	Preceding Year to-Date 30/09/2013 RM'000
Revenue	9	23,187	25,038	94,539	96,378
Less: Cost of sales		(18,175)	(19,413)	(73,287)	(73,423)
Gross profit		<u>5,012</u>	<u>5,625</u>	<u>21,252</u>	<u>22,955</u>
Other income		50	300	542	586
Administration and other expenses		(2,883)	(2,580)	(10,490)	(10,339)
Selling and marketing expenses		(1,629)	(1,627)	(7,936)	(8,004)
Finance costs		(177)	(128)	(450)	(417)
Profit before taxation	9	<u>373</u>	<u>1,590</u>	<u>2,918</u>	<u>4,781</u>
Less: Taxation		(164)	(484)	(950)	(1,268)
Profit after taxation	9	<u><u>209</u></u>	<u><u>1,106</u></u>	<u><u>1,968</u></u>	<u><u>3,513</u></u>
Other comprehensive income					
Net surplus arising from revaluation of properties		-	-	-	-
Translation reserve		-	-	-	-
Other comprehensive income for the period		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u><u>209</u></u>	<u><u>1,106</u></u>	<u><u>1,968</u></u>	<u><u>3,513</u></u>
Attributable to :					
Equity holders of the Company		<u><u>209</u></u>	<u><u>1,106</u></u>	<u><u>1,968</u></u>	<u><u>3,513</u></u>
Earnings per share attributable to equity holders of the Company:					
Basic (sen)	B12	0.21	1.11	1.96	3.51
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.



Interim Report for the 12-month Financial Period Ended 30 September 2014

Unaudited Condensed Consolidated Statement of Financial Position

	Unaudited As At 30/09/2014 RM'000	Audited As At 30/09/2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	49,298	49,333
Investment in property	290	290
Investment in quoted shares	178	128
Other investments	26	26
Intangible assets	120	47
Development costs	566	647
Total non-current assets	50,478	50,471
Current assets		
Inventories	20,590	23,418
Trade receivables	13,082	15,696
Other receivables and deposits	12,590	1,071
Deposits with licensed banks	1,991	12,955
Prepaid tax	165	397
Cash and bank balances	25,590	7,272
Total current assets	74,008	60,809
TOTAL ASSETS	124,486	111,280
EQUITY AND LIABILITIES		
Capital and reserves		
Financed by:		
Share capital	53,000	50,000
Share premium	1,988	-
Treasury shares	(18)	(17)
Revaluation reserves	-	-
Exchange reserves	-	-
Retained profits	40,006	40,540
Shareholders' equity	94,976	90,523
Non-current liabilities		
Term loans	15,079	1,054
Deferred taxation	434	394
Total non-current liabilities	15,513	1,448

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 12-month Financial Period Ended 30 September 2014

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

	Unaudited As At 30/09/2014 RM'000	Audited As At 30/09/2013 RM'000
Current Liabilities		
Trade payables	4,157	5,606
Other payables and accruals	3,934	4,377
Finance lease and hire purchase payables	232	63
Bills payable	4,116	7,578
Term loans	1,049	1,231
Provision for taxation	33	454
Bank overdraft	476	-
Total current liabilities	<u>13,997</u>	<u>19,309</u>
Total liabilities	<u>29,510</u>	<u>20,757</u>
TOTAL EQUITY AND LIABILITIES	<u>124,486</u>	<u>111,280</u>
No. of ordinary shares in issue ('000)	106,000	100,000
Par value (RM)	0.50	0.50
Net assets per share attributable to equity holders of the Company (RM)	0.90	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 12-month Financial Period Ended 30 September 2014

Unaudited Condensed Consolidated Cash Flow Statement

	12-months ended 30/09/2014 RM'000	12-months ended 30/09/2013 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	2,917	4,781
Adjustments for :		
Allowance/ (write back) for diminution in value of investment in quoted shares	(1)	(26)
Allowance for doubtful debts	-	104
Allowance for doubtful debts written back	(58)	(42)
Amortisation	81	81
Bad debts write off	6	23
Depreciation	1,678	1,546
Dividend received	(2)	(3)
Interest expenses	365	417
Interests income	(347)	(349)
Foreign exchange adjustment	(3)	6
Gain in investments	(49)	-
(Gain) / loss on disposal of fixed assets	(39)	(130)
Property, plant and equipment written off	17	39
Operating profit before working capital changes	<u>4,565</u>	<u>6,447</u>
Inventories	2,881	(1,488)
Receivables	(8,907)	2,524
Payables	(4,250)	4,890
Cash generated from operations	<u>(5,711)</u>	<u>12,373</u>
Interest paid	(365)	(417)
Tax refund	251	105
Tax paid	(1,351)	(1,010)
Net cash from operating activities	<u>(7,176)</u>	<u>11,051</u>
CASH FLOW FOR INVESTING ACTIVITIES		
Dividends received	2	3
Interest received	347	349
Investment in intangible assets	(73)	(4)
Placement of deposits with licensed banks	(51)	(40)
Proceeds from disposal of property, plant and equipment	87	480
Proceeds from disposal of quoted shares	-	-
Proceeds from withdrawal of fixed deposits	-	-
Purchase of treasury shares	-	(17)
Purchase of property, plant and equipment	(1,707)	(1,261)
Net cash generated / (used) in investing activities	<u>(1,395)</u>	<u>(490)</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 12-month Financial Period Ended 30 September 2014

Unaudited Condensed Consolidated Cash Flow Statement (cont'd)

	12-months ended 30/09/2014 RM'000	12-months ended 30/09/2013 RM'000
CASH FLOW FOR FINANCING ACTIVITIES		
Dividends paid	(2,499)	(3,000)
Share issuance expenses	(113)	(60)
Proceeds from bank borrowings	15,270	-
Proceeds from issue of new shares	5,100	-
Repayment of bank borrowings	(2,340)	(1,236)
Repayment of finance lease and hire purchase payables	(21)	(16)
Net cash used in financing activities	15,397	(4,312)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	6,826	6,249
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	18,619	12,370
CASH AND CASH EQUIVALENTS AT END OF YEAR	25,445	18,619
CASH AND CASH EQUIVALENTS COMPRISE		
Deposit with licensed bank - not pledged	331	11,347
Cash and bank balances	25,590	7,272
Bank overdraft	(476)	-
	25,445	18,619

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 12-month Financial Period Ended 30 September 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)
As at 30/9/2013	50,000	8,836	-	30	-	31,674	(17)	90,523
As at 01/10/2013	50,000	8,836	-	30	-	31,674	(17)	90,523
Share issuance expenses			(113)					(113)
Issue of new shares	3,000		2,100					5,100
Profit after tax	-	-	-	-	-	1,968	-	1,968
Other comprehensive income for the year								
- Foreign currency translation	-	-	-	(2)	-	-	-	(2)
- Write back of diminution in value of treasury shares	-	-	-	-	-	-	(1)	(1)
Profit after tax / Total comprehensive income for the year	-	-	-	(2)	-	1,968	(1)	1,965
Dividends	-	-	-	-	-	(2,499)	-	(2,499)
As at 30/6/2014	53,000	8,836	1,987	28	-	31,143	(18)	94,976

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.