



HALEX GROUP

HALEX HOLDINGS BERHAD

(Company No. 206220-U)

(Incorporated in Malaysia under the Companies Act, 1965)

**Interim Report
For the 9-months Financial Period Ended
30 June 2015**



HALEX HOLDINGS BERHAD (206220-U)
(Incorporated in Malaysia under the Companies Act, 1965)

Interim Report for the 9-months Financial Period Ended 30 June 2015

Unaudited Condensed Consolidated Statement of Comprehensive Income

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Year Quarter 30/06/2015 RM'000	Preceding Year Quarter 30/06/2014 RM'000	Current Year to-Date 30/06/2015 RM'000	Preceding Year to-Date 30/06/2014 RM'000
Revenue	23,491	25,566	82,757	71,352
Less: Cost of sales	(17,451)	(20,010)	(64,055)	(55,112)
Gross profit	6,040	5,556	18,702	16,240
Other income	160	115	558	491
Administration and other expenses	(3,089)	(2,495)	(8,399)	(7,624)
Selling and marketing expenses	(1,912)	(1,816)	(6,887)	(6,307)
Finance costs	(285)	(89)	(945)	(256)
Share of results of associated company	(90)	-	(128)	-
Profit before taxation	824	1,271	2,901	2,544
Less: Taxation	(249)	(344)	(1,034)	(786)
Profit for the period	575	927	1,867	1,758
Other comprehensive income				
Foreign currency translation	24	-	57	-
Other comprehensive income for the period	24	-	57	-
Total comprehensive income for the period	599	927	1,924	1,758
Profits attributable to :				
Equity holders of the Company	575	927	1,867	1,758
Total Comprehensive income attributable to :				
Equity holders of the Company	599	927	1,924	1,758
Earnings per share attributable to equity holders of the Company:				
Basic (sen)	B11 0.54	0.93	1.76	1.76
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 2014 and the accompanying notes attached to this interim financial report.



HALEX HOLDINGS BERHAD (206220-U)
(Incorporated in Malaysia under the Companies Act, 1965)

Interim Report for the 9-months Financial Period Ended 30 June 2015

Unaudited Condensed Consolidated Statement of Financial Position

	Unaudited As At 30/06/2015 RM'000	Audited As At 30/09/2014 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	49,310	49,298
Investment in associated company	21,872	-
Investment properties	290	290
Investment in quoted shares	154	178
Other investments	26	26
Intangible assets	120	120
Development costs	505	566
Total non-current assets	<u>72,277</u>	<u>50,478</u>
Current assets		
Inventories	24,672	20,581
Trade receivables	20,980	13,082
Other receivables and deposits	6,563	12,590
Deposits with licensed banks	2,012	1,991
Tax recoverable	88	169
Cash and bank balances	5,386	25,592
Total current assets	<u>59,701</u>	<u>74,005</u>
TOTAL ASSETS	<u>131,978</u>	<u>124,483</u>
EQUITY AND LIABILITIES		
Capital and reserves		
Financed by:		
Share capital	53,000	53,000
Share premium	1,988	1,988
Treasury shares	(18)	(18)
Revaluation reserves	8,836	8,836
Exchange reserves	86	29
Retained profits	33,214	31,347
Shareholders' equity	<u>97,108</u>	<u>95,182</u>
Non-current liabilities		
Finance lease and hire purchase payables	132	180
Term loans	11,314	12,994
Deferred taxation	409	409
Total non-current liabilities	<u>11,855</u>	<u>13,583</u>

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 September 2014 and the accompanying notes attached to this interim financial report.



HALEX HOLDINGS BERHAD (206220-U)
(Incorporated in Malaysia under the Companies Act, 1965)

Interim Report for the 9-months Financial Period Ended 30 June 2015

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

	Unaudited As At 30/06/2015 RM'000	Audited As At 30/09/2014 RM'000
Current Liabilities		
Trade payables	10,132	4,157
Other payables and accruals	3,585	3,723
Finance lease and hire purchase payables	57	52
Bills payable	4,796	4,116
Term loans	2,400	3,135
Tax payable	264	59
Bank overdraft	1,783	476
Total current liabilities	<u>23,017</u>	<u>15,718</u>
Total liabilities	<u>34,872</u>	<u>29,301</u>
TOTAL EQUITY AND LIABILITIES	<u>131,978</u>	<u>124,483</u>
No. of ordinary shares in issue ('000)	105,973	105,973
Par value (RM)	0.50	0.50
Net assets per share attributable to equity holders of the Company (RM)	0.92	0.90

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 September 2014 and the accompanying notes attached to this interim financial report.



Interim Report for the 9-months Financial Period Ended 30 June 2015

Unaudited Condensed Consolidated Cash Flow Statement

	9-months ended 30/06/2015 RM'000	9-months ended 30/06/2014 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	2,901	2,544
Adjustments for :		
Write back for diminution in value of investment in quoted shares	-	(1)
Allowance for impairment written back	(16)	(53)
Allowance for impairment	10	-
Amortisation	61	61
Bad debts write off	21	-
Depreciation	1,225	1,171
Dividend received	(2)	(1)
Interest expenses	945	256
Interests income	(57)	(267)
Foreign exchange adjustment	56	(3)
Loss/(gain) in fair value adjustment on quoted shares	24	(46)
Gain on disposal of property, plant and equipment	-	(38)
Property, plant and equipment written off	9	-
Share of results of associated company	128	-
Operating profit before working capital changes	5,305	3,623
Inventories	(4,091)	983
Receivables	(7,704)	(632)
Payables	6,392	(2,251)
Cash (used in)/ generated from operations	(98)	1,723
Interest paid	(945)	(256)
Tax refund	20	208
Tax paid	(768)	(1,079)
Net cash used in/(from) operating activities	(1,791)	596
CASH FLOW FOR INVESTING ACTIVITIES		
Dividends received	2	1
Interest received	57	267
Balance purchase consideration paid for acquisition of 25% equity interest in an associated company (Note 8.a)	(11,800)	-
Deposit paid for acquisition of remaining equity interest in an associated company (Note 8.b)	(4,380)	-
Placement of deposits with licensed banks	(13)	(13)
Proceeds from disposal of property, plant and equipment	-	86
Purchase of property, plant and equipment	(1,247)	(1,146)
Net cash used in investing activities	(17,381)	(805)

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 30 September 2014 and the accompanying notes attached to this interim financial report.



HALEX HOLDINGS BERHAD (206220-U)
(Incorporated in Malaysia under the Companies Act, 1965)

Interim Report for the 9-months Financial Period Ended 30 June 2015

Unaudited Condensed Consolidated Cash Flow Statement (cont'd)

	9-months ended 30/06/2015 RM'000	9-months ended 30/06/2014 RM'000
CASH FLOW FOR FINANCING ACTIVITIES		
Dividends paid	-	(2,499)
Share issuance expenses	-	(21)
Proceeds from bank borrowings	125	-
Repayment of bank borrowings	(2,414)	(1,405)
Repayment of finance lease and hire purchase payables	(42)	(13)
Net cash used in financing activities	<u>(2,331)</u>	<u>(3,938)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(21,503)	(4,147)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	25,447	18,619
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>3,944</u>	<u>14,472</u>
CASH AND CASH EQUIVALENTS COMPRISE		
Deposit with licensed bank - not pledged	341	364
Cash and bank balances	5,386	14,217
Bank overdraft	(1,783)	(109)
	<u>3,944</u>	<u>14,472</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 2014 and the accompanying notes attached to this interim financial report.



HALEX HOLDINGS BERHAD (206220-U)
(Incorporated in Malaysia under the Companies Act, 1965)

HALEX GROUP

Interim Report for the 9-months Financial Period Ended 30 June 2015
Unaudited Condensed Consolidated Statement of Changes in Equity

	Share Capital RM'000	Revaluation Reserves RM'000	Share Premium RM'000	Exchange Reserves RM'000	Retained Profits RM'000	Treasury Shares RM'000	Total RM'000
As at 01/10/2013	50,000	8,836	-	30	31,674	(17)	90,523
Issue of new shares	3,000	-	2,100	-	-	-	5,100
Share issuance expenses	-	-	(112)	-	-	-	(112)
Allowance for diminution in value of treasury shares written back	-	-	-	-	-	(1)	(1)
Profit for the year	-	-	-	-	2,172	-	2,172
Other comprehensive income for the year - Foreign currency translation	-	-	-	(1)	-	-	(1)
Total comprehensive income for the year	-	-	-	(1)	2,172	-	2,171
Dividends	-	-	-	-	(2,499)	-	(2,499)
As at 30/9/2014	53,000	8,836	1,988	29	31,347	(18)	95,182
As at 01/10/2014	53,000	8,836	1,988	29	31,347	(18)	95,182
Profit for the period	-	-	-	-	1,867	-	1,867
Other comprehensive income for the period - Foreign currency translation	-	-	-	57	-	-	57
Total comprehensive income for the period	-	-	-	57	1,867	-	1,924
As at 30/6/2015	53,000	8,836	1,988	86	33,214	(18)	97,106

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 2014 and the accompanying notes attached to this interim financial report.