



# **HALEX HOLDINGS BERHAD**

(Company No. 206220-U)

(Incorporated in Malaysia under the Companies Act, 1965)

## **Interim Report For the 3-month Financial Period Ended 31 DECEMBER 2010**



**Interim Report for the 3-month Financial Period Ended 31 December 2010**

**Unaudited Condensed Consolidated Statement of Comprehensive Income**

	Note	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		Current Year Quarter 31/12/2010 RM'000	Preceding Year Quarter 31/12/2009 RM'000	Current Year to-Date 31/12/2010 RM'000	Preceding Year to-Date 31/12/2009 RM'000
Revenue	9	24,254	22,944	24,254	22,944
Less: Cost of sales		(18,060)	(16,970)	(18,060)	(16,970)
Gross profit		6,194	5,974	6,194	5,974
Other income		132	55	132	55
Administration and other expenses		(2,358)	(2,522)	(2,358)	(2,522)
Selling and marketing expenses		(2,374)	(1,999)	(2,374)	(1,999)
Finance costs		(133)	(109)	(133)	(109)
Profit before taxation	9	1,461	1,399	1,461	1,399
Less: Taxation		(472)	(362)	(472)	(362)
<b>Profit after taxation</b>	9	<b>989</b>	<b>1,037</b>	<b>989</b>	<b>1,037</b>
<b>Other comprehensive income</b>					
Translation reserve		2	(2)	2	(2)
Other comprehensive income for the period		2	(2)	2	(2)
<b>Total comprehensive income for the period</b>		<b>991</b>	<b>1,035</b>	<b>991</b>	<b>1,035</b>
Attributable to :					
Equity holders of the Company		989	1,037	989	1,037
Earnings per share attributable to equity holders of the Company:					
Basic (sen)	B12	1.24	1.30	1.24	1.30
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.



**Interim Report for the 3-month Financial Period Ended 31 December 2010**

**Unaudited Condensed Consolidated Statement of Financial Position**

	<b>Unaudited As At 31/12/2010 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	41,198	41,401
Investment in property	90	90
Investment in quoted shares	93	93
Other investments	26	26
Intangible assets	27	27
Development costs	729	716
<b>Total non-current assets</b>	<b>42,163</b>	<b>42,353</b>
<b>Current assets</b>		
Inventories	23,549	23,762
Trade receivables	17,896	16,651
Other receivables and deposits	1,970	1,801
Deposits with licensed banks	10,769	10,696
Prepaid tax	-	355
Cash and bank balances	2,589	4,105
<b>Total current assets</b>	<b>56,773</b>	<b>57,370</b>
<b>TOTAL ASSETS</b>	<b>98,936</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	36,115	35,126
<b>Shareholders' equity</b>	<b>78,553</b>	<b>77,562</b>
<b>Non-current liabilities</b>		
Term loans	4,445	4,760
Deferred taxation	403	403
<b>Total non-current liabilities</b>	<b>4,848</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.



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

**Interim Report for the 3-month Financial Period Ended 31 December 2010**

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

	<b>Unaudited As At 31/12/2010 RM'000</b>	<b>Audited As At 30/09/2010 RM'000</b>
<b>Current Liabilities</b>		
Trade payables	4,708	4,019
Other payables and accruals	3,806	3,592
Bills payable	4,003	6,907
Term loans	1,231	1,231
Provision for taxation	65	269
Bank overdraft	1,722	980
<b>Total current liabilities</b>	<u>15,535</u>	<u>16,998</u>
<b>Total liabilities</b>	<u>20,383</u>	<u>22,161</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>98,936</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)	0.98	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 3-month Financial Period Ended 31 December 2010**

**Unaudited Condensed Consolidated Cash Flow Statement**

	<b>12-month ended 31/12/2010 RM'000</b>	<b>12-month ended 31/12/2009 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,461	1,399
Adjustments for :		
Allowance for doubtful debts written back- general	(20)	-
Allowance for doubtful debts	-	271
Amortisation	12	12
Depreciation	458	408
Dividend received	(1)	(1)
Interest expenses	127	107
Interests income	(73)	(1)
Foreign exchange adjustment	2	(2)
(Gain) / loss on disposal of fixed assets	(36)	-
Property, plant and equipment written off	*	-
Operating profit before working capital changes	<u>1,930</u>	<u>2,193</u>
Inventories	213	263
Receivables	(1,394)	(736)
Payables	903	210
Cash generated from operations	<u>1,652</u>	<u>1,930</u>
Interest paid	(127)	(107)
Tax paid	(322)	(309)
<b>Net cash from operating activities</b>	<u><u>1,203</u></u>	<u><u>1,514</u></u>
<b>CASH FLOW FOR INVESTING ACTIVITIES</b>		
Development costs	(13)	(71)
Dividends received	1	1
Interest received	73	1
Proceeds from disposal of property, plant and equipment	36	-
Proceeds from withdrawal of fixed deposits	-	601
Purchase of property, plant and equipment	(267)	(353)
<b>Net cash used in investing activities</b>	<u><u>(170)</u></u>	<u><u>179</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 2010 and the accompanying notes attached to this interim financial report.



**Interim Report for the 3-month Financial Period Ended 31 December 2010**

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

	<b>12-month ended 31/12/2010 RM'000</b>	<b>12-month ended 31/12/2009 RM'000</b>
<b>CASH FLOW FOR FINANCING ACTIVITIES</b>		
Listing expenses paid	-	(49)
Repayment of bank borrowings	(3,219)	(2,201)
<b>Net cash used in financing activities</b>	<u>(3,219)</u>	<u>(2,250)</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(2,186)	(557)
<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>11,321</u>	<u>9,919</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE</b>		
Deposit with licensed bank - not pledged	10,454	7,500
Cash and bank balances	2,589	2,419
Bank overdraft	(1,722)	-
	<u>11,321</u>	<u>9,919</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 3-month Financial Period Ended 31 December 2010**

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

	Share Capital RM'000	<----- Non-distributable -----> Revaluation Reserves RM'000	Share Premium RM'000	Exchange Reserves RM'000	Distributable Unappropriated Profits RM'000	Total 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	-	-	-	-	989	989
Dividends					-	-
Exchange difference				2		2
Listing expenses set off against Share Premium			-			-
<b>Balance as at 31/12/2010</b>	<b>40,000</b>	<b>1,387</b>	<b>732</b>	<b>319</b>	<b>36,115</b>	<b>78,553</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.