



# **AEMULUS HOLDINGS BERHAD**

(Company No. 1114009-H)  
("AEMULUS" OR THE "COMPANY")

## **INTERIM FINANCIAL REPORT FOR THIRD QUARTER ENDED 30 JUNE 2018**

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**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2018**

	(Unaudited) As at 30.06.2018 RM'000	(Audited) As at 30.9.2017 RM'000
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	6,761	6,367
Intangible assets	13,686	13,686
Development expenditure	458	-
Trade receivables	183	415
	21,088	20,468
<b>Current Assets</b>		
Inventories	18,976	17,597
Trade receivables	19,883	14,488
Other receivables, deposits and prepayments	5,818	6,013
Derivative financial assets	-	5
Tax recoverable	75	47
Other investment	17,341	17,932
Fixed deposits with licensed banks	546	41
Cash and bank balances	2,988	6,373
	65,627	62,496
<b>TOTAL ASSETS</b>	86,715	82,964
<b>EQUITY</b>		
Share capital <sup>(b)</sup>	59,010	59,095
Reserves	(12,731)	(12,891)
Retained profits	31,881	26,885
	78,160	73,089
<b>Non-Current Liabilities</b>		
Term loan	2,248	2,248
<b>Current Liabilities</b>		
Trade payables	2,822	4,136
Other payables and accruals	2,841	2,550
Derivative financial liabilities	105	-
Provision for warranty	293	298
	6,307	7,627
<b>TOTAL LIABILITIES</b>	8,555	9,875
<b>TOTAL EQUITY AND LIABILITIES</b>	86,715	82,964
Net assets per share attributable to owners of the Company(RM) <sup>(b)</sup>	0.14	0.13

**Notes:**

(a) *The unaudited condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 September 2017 and the interim notes attached to this interim financial report.*

(b) *Based on 548,562,497 ordinary shares in issue as disclosed in Note B11.*

(c) *Share premium is reclassified to share capital in accordance with Section 618(2) of the Companies Act 2016.*

**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018**

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.06.2018 RM'000	30.06.2017 RM'000	30.06.2018 RM'000	30.06.2017 RM'000
Revenue	9,538	11,964	30,225	28,322
Cost of sales	(3,153)	(4,199)	(10,736)	(10,512)
Gross profit	6,385	7,765	19,489	17,810
Other income	629	140	646	2,040
Research and development expenses	(1,208)	(1,220)	(4,304)	(3,820)
Administrative expenses	(3,549)	(3,901)	(10,382)	(9,365)
Other expenses	-	(299)	(301)	(1,151)
Profit from operation	2,257	2,485	5,148	5,514
Finance costs	(52)	(43)	(130)	(61)
Profit before taxation	2,205	2,442	5,018	5,453
Taxation	(7)	11	(22)	-
<b>Profit for the period</b>	<b>2,198</b>	<b>2,453</b>	<b>4,996</b>	<b>5,453</b>
<b>Other comprehensive income, net of tax:</b>				
<b>Item that will be reclassified subsequently to profit or loss:</b>				
Foreign currency translation differences arising from foreign operation	(2)	(18)	(30)	(1)
<b>Total comprehensive income for the period</b>	<b>2,196</b>	<b>2,435</b>	<b>4,966</b>	<b>5,452</b>
Earnings per share:-				
Basic <sup>(b)</sup> / Diluted <sup>(c)</sup> (sen)	0.40	0.44	0.91	0.99

Notes:

- (a) *The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 September 2017 and the interim notes attached to this interim financial report.*
- (b) *Based on 548,562,497 ordinary shares in issue as disclosed in Note B11.*
- (c) *Diluted earnings per share for the current financial period is calculated by dividing the profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of dilutive potential ordinary shares as disclosed in Note B11.*

**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018**

	← Non-distributable		→ Distributable			Total Equity RM'000	
	Share Capital RM'000	Share Premium RM'000	Merger Deficit RM'000	RSP Reserve RM'000	Exchange Translation Reserve RM'000		Retained Profits RM'000
<b>At 1 October 2017</b>	<b>59,095</b>	-	<b>(12,954)</b>	<b>81</b>	<b>(18)</b>	<b>26,885</b>	<b>73,089</b>
Total comprehensive income for the period	-	-	-	-	(30)	4,996	4,966
<i>Transaction with owner:</i>							
<i>Issuance of Bonus shares expenses</i>	(85)						(85)
Recognition of equity-settled share-based payment	-	-	-	190	-	-	190
<b>At 30 June 2018</b>	<b>59,010</b>	-	<b>(12,954)</b>	<b>271</b>	<b>(48)</b>	<b>31,881</b>	<b>78,160</b>
<b>At 1 October 2016</b>	<b>43,885</b>	<b>15,210</b>	<b>(12,954)</b>	-	<b>(8)</b>	<b>19,334</b>	<b>65,467</b>
Total comprehensive income for the period	-	-	-	-	(1)	5,453	5,452
Transfer in accordance with Section 618(2) of the Companies Act 2016 to no-par value regime on 31 January 2017	15,210	(15,210)	-	-	-	-	-
<b>At 30 June 2017</b>	<b>59,095</b>	-	<b>(12,954)</b>	-	<b>(9)</b>	<b>24,787</b>	<b>70,919</b>

Note:

*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 2017 and the interim notes attached to this interim financial report.*

**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018**

	<b>30.06.2018</b>	<b>30.06.2017</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	5,018	5,453
Adjustments for:		
Allowance for obsolete inventories	20	-
Depreciation	854	698
Dividend income	(420)	(443)
Equity-settled share-based payment	190	-
Fair value loss on derivative financial instrument	110	-
Gain on disposal of property, plant and equipment	-	(15)
Impairment loss on receivables	93	-
Interest expenses	130	61
Interest income	(37)	(24)
Provision for warranty	(5)	91
Unrealised loss / (gain) on foreign exchange	49	(70)
Operating profit before changes in working capital	6,002	5,751
Increase in inventories	(1,379)	(4,899)
Increase in receivables	(5,212)	(10,739)
(Decrease) / Increase in payables	(1,047)	2,721
Cash used in operations	(1,636)	(7,166)
Interest paid	(130)	(61)
Income tax paid	(32)	(71)
Net cash used in operating activities	(1,798)	(7,298)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(1,254)	(1,962)
Development expenditure	(458)	-
Dividend received	420	443
Interest received	37	24
(Placement) / Withdrawal of fixed deposits	(505)	1,430
Proceeds from disposal of PPE	-	49
Net cash used in investing activities	(1,760)	(16)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from government grant	-	131
(Repayment) / Drawdown of term loan	(397)	3,374
Net cash (used in) / from financing activities	(397)	3,505
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(3,955)	(3,809)
Effects of changes in exchange rates	(21)	47
<b>CASH AND CASH EQUIVALENTS AT BEGINNING</b>	24,305	25,286
<b>CASH AND CASH EQUIVALENTS AT END</b>	<b>20,329</b>	<b>21,524</b>

**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018 (cont'd)**

	<b>30.06.2018</b>	<b>30.06.2017</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash and cash equivalents included in the consolidated statement of cash flows comprise the following:</b>		
Other investment	17,341	16,688
Fixed deposits with licensed banks	546	41
Cash and bank balances	2,988	4,836
	<u>20,875</u>	<u>21,565</u>
Less: Pledged to a licensed bank as securities for banking facilities	(546)	(41)
	<u><b>20,329</b></u>	<u><b>21,524</b></u>

*Notes:*

- (a) *The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 September 2017 and the interim notes attached to this interim financial report.*
- (b) *The other investment of the Group has been determined to be part of cash and cash equivalents since the funds are invested in money market instruments and short term deposits and are subject to minimal risk.*

**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2018**

**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING**

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**A1. Basis of Preparation**

The interim financial report of Aemulus and its subsidiary (collectively, "the **Group**") is unaudited and has been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("**MASB**") and Paragraph 9.22 and Appendix 9B of the ACE Listing Requirements.

The accounting policies and methods of computation adopted by the Group in this unaudited condensed interim financial report are consistent with those adopted in the annual audited financial statements of the Group. The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 September 2017 and the interim notes attached to this interim financial report.

**A2. Significant Accounting Policies**

The accounting policies adopted by the Group are consistent with those of the previous financial years except for the adoption of the following standards that are mandatory for the current financial period:

<b>MFRS and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
Amendments to MFRS 107 Disclosure Initiative	1 January 2017
Amendments to MFRS 112 Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 12 Disclosure of Interests in Other Entities (under Annual Improvements to MFRS Standards 2014-2016 Cycle)	1 January 2017

The Group has not applied the following standards that have been issued by the Malaysian Accounting Standards Board ("**MASB**") but are not yet effective for the Group:

<b>MFRS and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2018
IC Interpretation 22 Foreign Currency Transaction and Advance Consideration	1 January 2018
Amendments to MFRS 2 Classification and Measurement of Share – Based Payment Transactions	1 January 2018
Amendments to MFRS 4 Insurance Contracts: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018
Amendments to MFRS 140 Investment Property : Transfer of Investment Property	1 January 2018
Amendments to MFRS 7 Mandatory Date of MFRS 9 and Transition Disclosures	1 January 2018

**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2018**

**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING (*cont'd*)**

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**A2. Significant Accounting Policies (*cont'd*)**

<b>MFRS and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
Annual Improvements to MFRS 2014-2016 cycle (except for Amendments to MFRS 12 Disclosure of Interest in Other Entities)	1 January 2018
MFRS 16 Leases	1 January 2019
IC Int 23 Uncertainty over Income Tax Treatments	1 January 2019
MFRS 17 Insurance Contracts	1 January 2021

**Amendments to MFRS (effective date deferred indefinitely):**

Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The existing MFRS 4 and Amendments to MFRS 4 will be withdrawn upon the adoption of the new MFRS 17 which will take effect on or after 1 January 2021.

**A3. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report of the financial statements for the financial year ended 30 September 2017 was not subject to any qualification.

**A4. Seasonal or Cyclical Factors**

The Group's business is subject to the cyclical nature of the semiconductor industry.

**A5. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the financial period under review.

**A6. Material Changes in Estimates**

There were no changes in estimates of amounts reported that have a material effect in the financial period under review.

**A7. Debt and Equity Securities**

There were no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the quarter under review.

**A8. Dividend Paid**

No dividend was paid in the current quarter.



**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2018**

**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING (*cont'd*)**

**A9. Segmental Reporting**

The Group's revenue is recognised based on the sales of its automated test equipment ("ATE") and related services which consist of provision of maintenance services for the Group's ATE, consultancy services for printed circuit board design and others.

**Business Activities**

Revenue	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
	RM'000	RM'000	RM'000	RM'000
ATE	7,248	11,422	26,551	26,834
Related services	2,290	542	3,674	1,488
	<u>9,538</u>	<u>11,964</u>	<u>30,225</u>	<u>28,322</u>

**Principal Markets**

Revenue	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
	RM'000	RM'000	RM'000	RM'000
Malaysia	2,637	1,918	4,698	8,771
Singapore	1,225	6,753	13,985	10,481
China	1,660	2,033	3,562	5,369
United States of America	1,108	1,100	4,333	3,362
Korea	2,721	-	2,721	-
Other countries	187	160	926	339
	<u>9,538</u>	<u>11,964</u>	<u>30,225</u>	<u>28,322</u>

**A10. Property, Plant and Equipment**

The Group has not carried out any valuation on its property, plant and equipment in the current financial period under review.

**A11. Capital Commitments**

	30 June 2018
	RM'000
Contracted but not provided for:-	
- Property, plant and equipment	<u>4,965</u>

**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2018**

**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING (*cont'd*)**

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**A12. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the financial period under review.

**A13. Contingent Liabilities and Contingent Assets**

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

**A14. Material Events Subsequent to the End of the Quarter**

There were no material events subsequent to the end of the current financial period that have not been reflected in this interim financial report.

**A15. Significant Related Party Transactions**

There were no significant related party transaction during the current financial period under review.

**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2018**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES**

**B1. Review of Performances**

	Individual Quarter 3 months ended		Changes (RM'000 / %)	Cumulative Quarter 9 months ended		Changes (RM'000 / %)
	30.06.2018 RM'000	30.06.2017 RM'000		30.06.2018 RM'000	30.06.2017 RM'000	
Revenue	9,538	11,964	(2,426) / (20)	30,225	28,322	1,903 / 7
Profit from operation	2,257	2,485	(228) / (9)	5,148	5,514	(366) / (7)
Profit before taxation	2,205	2,442	(237) / (10)	5,018	5,453	(435) / (8)
Profit for the period	2,198	2,453	(255) / (10)	4,996	5,453	(457) / (8)

**Comparison with the preceding year corresponding quarter**

Demand from the smartphone and tablet segment continues its contribution to the revenue in this quarter ("Q3FY18"). However, the Group registered a decrease of 20% or RM2.426 million in revenue mainly attributed to the enterprise storage segment as compared to preceding year corresponding quarter ("Q3FY17").

Other income for Q3FY18 was higher at RM0.629 million as compared to RM0.14 million in Q3FY17, due to strengthening of USD against Ringgit in this quarter.

There is a slight decrease in the research and development ("R&D") expenses of RM0.012 million due to capitalisation of development expenditure. One of the latest R&D effort is our recent launch of Moridaru – a platform that encompasses a software framework with Artificial Intelligence ("AI") capability. Riding on the increase in R&D activities in developing new products, the Group has capitalised the relevant expenditures amounted to RM0.458 million as Development Expenditure.

Administrative expenses are consistently incurred to support our operation activities and business growth. For Q3FY18, the Group recorded a lower administrative expenses of RM3.549 million as compared to RM3.901 million in Q3FY17.

In summary, the Group recorded a profit of RM2.198 million in Q3FY18 as compared to RM2.453 million in Q3FY17.

**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2018**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (cont'd)**

**Comparison with the corresponding financial period to date in the previous financial year**

The Group recorded total revenue of RM30.225 million for this financial period ended June 2018 (“FPE2018”), which represents an increase of 7% or RM1.903 million as compared to the corresponding financial period in the previous financial year (“FPE2017”). Demand from enterprise storage, smartphone and tablet segments contributed to the increase.

Other income recorded lower at RM0.646 million in FPE2018 as compared to RM2.040 million in FPE2017, mainly attributed to the strengthening of USD against Ringgit in FPE2017.

R&D expenditures has increased from RM3.820 million in FPE2017 to RM4.304 million in FPE2018 while administrative expenses has recorded an increase of 10.8% or RM1.017 million, from RM9.365 million in FPE2017 to RM10.382 million in FPE2018. The cost incurred are crucial for our continuous development of new test platform and solution, and supporting the business growth.

In summary, the Group experienced a decrease of 8% or RM0.457 million in the profit as compared to FPE2017.

**Statement of Financial Position Review**

	<b>As at 30.06.2018 RM'000</b>	<b>As at 30.09.2017 RM'000</b>	<b>Changes (RM'000 / %)</b>
<b>Review on Significant Items:-</b>			
Inventories	18,976	17,597	1,379 / 8
Development expenditures	458	-	458 / -
Trade receivables	20,066	14,903	5,163 / 35
Trade payables	2,822	4,136	(1,314) / (32)

Development Expenditures

As explained in “Section B1 – Comparison with the preceding year corresponding quarter”, the Group has capitalised R&D expenses incurred to develop new products amounted to RM0.458 million in Q3FY18, in accordance with the Malaysian Financial Reporting Standard (“MFRS”) 138.

Inventories

Inventories experienced an 8% increase as compared to financial year ended 30 September 2017. The Group is strategically stocking-up long lead time and critical materials to support potential sales pipelines.

**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2018**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (cont'd)**

**Statement of Financial Position Review (cont'd)**

Trade Receivables

Trade receivables recorded an increase of RM5.163 million or 35% as compared to financial year ended 30 September 2017, mainly attributed to majority of Q3FY18 orders were delivered to customers in June 2018.

Trade Payables

Trade payables have been reduced RM1.314 million or 32%, mainly due to payments made to the suppliers.

**Statement of Cash Flows Review**

	<b>As at 30.06.2018 RM'000</b>	<b>As at 30.06.2017 RM'000</b>	<b>Changes (RM'000 / %)</b>
Net cash used in operating activities	(1,798)	(7,298)	5,500 / 75
Net cash (used in) investing activities	(1,760)	(16)	(1,744) / (10900)
Net cash (used in) / from financing activities	(397)	3,505	(3,902) / (111)

Operating Activities

The Group recorded lower net cash outflow in the operating activities mainly attributed to lower purchase of inventories in FPE2018 as compared to FPE2017. Besides, the Group has paid a deposit of RM4.965mil in FPE2017 pertaining to the acquisition of a piece of land located in Mukim 12, Plot 2, Bayan Lepas Industrial Park, Penang as announced on 23<sup>rd</sup> January 2017.

Investing Activities

Net cash of RM1.76 million utilised in the FPE2018 is mainly attributed to the capitalisation of development expenditure and pledge of fixed deposit to a bank as securities for banking facilities.

Financing Activities

The Group repaid RM0.397 million in FPE2018 for the term loan pertaining to the acquisition of a piece of land located in Mukim 12, Plot 2, Bayan Lepas Industrial Park, Penang as announced on 23<sup>rd</sup> January 2017.

**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2018**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (cont'd)**

**B2. Comparison with Preceding Quarter**

	Individual Quarter 3 months ended		Changes (RM'000 / %)
	30.06.2018	31.03.2018	
	RM'000	RM'000	
Revenue	9,538	11,246	(1,708) / (15)
Profit from operation	2,257	1,819	438 / 24
Profit before taxation	2,205	1,782	423 / 24
Profit for the period	2,198	1,775	423 / 24

Higher profit was recorded in Q3FY18, mainly attributed to the realised and unrealised foreign exchange gain recorded in tandem with the strengthening of USD against Ringgit in this quarter as compared to preceding quarter.

**B3. Prospects**

Demand from customers for the smartphone & tablet related Automated Test Equipment (ATE) has been strong in Q3 FY2018. Barring any unforeseen circumstances, the revenue from this market segment is expected to be the same if not better in the quarters ahead.

FY2018 revenue for the enterprise storage segment is expected to be consistent with 2017.

Sales from the Far East Region was almost equal in Q3 FY2018 as compared to the last quarter, albeit challenges in this market. Near term sales and marketing activities in the Far East Region will continue to be challenging.

**B4. Profit Forecast or Profit Guarantee**

The Group has not issued any profit forecast nor received any profit guarantee in respect of any corporate proposals.

**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2018**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (cont'd)**

**B5. Taxation**

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.06.2018 RM'000	30.06.2017 RM'000	30.06.2018 RM'000	30.06.2017 RM'000
Income tax	(7)	11	(22)	-

The effective tax rate for the financial period under review was lower than the statutory tax rate due to statutory business income derived from the design and assembly of ATE and test and measurement instruments and the provision of related design consultancy services are exempted from income tax, in line with the pioneer status granted under the Multimedia Super Corridor (“**MSC**”) Malaysia status. The Group via its subsidiary obtained the MSC Malaysia status on 19 December 2007 for a period of five (5) years from 8 September 2008 to 7 September 2013 and was further extended for another five (5) years to 7 September 2018.

**B6. Status of Corporate Proposal Announced**

There was no corporate proposal announced and not completed as at the date of report.

**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2018**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (cont'd)**

**B7. Group's Borrowings and Debt Securities**

The details of the Group's borrowings as at 30 June 2018 are as follows:-

	As at 3rd quarter ended 30 June 2018					
	Long term		Short term		Total borrowings	
	Foreign Denomination '000	RM Denomination '000	Foreign Denomination '000	RM Denomination '000	Foreign Denomination '000	RM Denomination '000
Secured:						
Term Loan	-	2,248	-	293	-	2,541
Unsecured:						
Nil	-	-	-	-	-	-

	As at 3rd quarter ended 30 June 2017					
	Long term		Short term		Total borrowings	
	Foreign Denomination '000	RM Denomination '000	Foreign Denomination '000	RM Denomination '000	Foreign Denomination '000	RM Denomination '000
Secured:						
Term Loan	-	2,847	-	132	-	2,979
Unsecured:						
Banker Acceptance	-	-	-	395	-	395

- a) Our subsidiary, Aemulus Corporation Sdn Bhd had drawdown a term loan of RM2.979 million to partially fund the payment for the acquisition of a piece of land situated in Daerah Barat Daya and forming part of Mukim 12, Plot 2, Bayan Lepas Industrial Park, Penang. Details of the land acquisition was announced on 23rd January 2017.
- b) Weighted average interest rate of term loan is 4.57% and is subject to the floating interest rate.



**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2018**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (cont'd)**

**B8. Derivative Financial Instrument**

The Group has the following derivative financial instrument as at the end of the reporting period:

Derivative forward foreign exchange contracts :	Nominal Value (RM'000)	Liabilities (RM'000)
- Less than 1 year	5,195	105

The Group's derivative financial liabilities as at the end of the reporting period comprise forward foreign exchange contracts which are used to manage the foreign currency exposures arising from the Group's receivables denominated in USD. The fair value of the forward foreign exchange contracts is based on the difference between the contracted forward rates and the mark-to-market rates.

**B9. Material Litigation**

The Group is not engaged in any material litigation or arbitration, either as plaintiff or defendant, and the Directors are not aware of any proceedings pending or threatened against the Group, which might materially and adversely affect the financial position or business of the Group as at the date of issuance of this interim financial report.

**B10. Dividends**

No dividend was paid, declared or proposed during the financial period under review.

**B11. Earnings Per Share ("EPS")**

(a) Basic EPS

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Profit attributable to owners of the Company (RM'000)	2,198	2,453	4,996	5,453
Number of ordinary shares ('000) in issue	548,562	548,562	548,562	548,562
Basic EPS (sen)	0.40	0.44	0.91	0.99

For comparison purpose, the Earnings Per Share for the period ended 30 June 2017 has been adjusted to reflect the bonus issue of one bonus share for every four existing ordinary shares which was completed on 23 April 2018.

**AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2018**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (cont'd)**

**B11. Earnings Per Share (“EPS”) (cont'd)**

(b) Diluted EPS

Diluted earnings per share for the current financial period is calculated by dividing the profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of dilutive potential ordinary shares arising from shares granted to employees as follows:

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Profit attributable to owners of the Company (RM'000)	2,198	2,453	4,996	5,453
Weighted average number of ordinary shares ('000)	548,562	548,562	548,562	548,562
Adjustment for dilutive effect of RSP ('000)	362	-	362	-
	548,924	548,562	548,924	548,562
Diluted EPS (sen)	0.40	0.44	0.91	0.99

For comparison purpose, the Diluted Earnings Per Share for the period ended 30 June 2017 has been adjusted to reflect the bonus issue of one bonus share for every four existing ordinary shares which was completed on 23 April 2018.

**B12. Disclosure Notes to the Statement of Profit or Loss and Other Comprehensive Income**

	Current Quarter RM'000	Current Year To Date RM'000
Allowance for obsolete inventories	-	20
Depreciation of property, plant and equipment	302	854
Dividend income	(130)	(420)
Fair value loss on derivative financial assets	169	110
Equity-settled share-based payment	28	190
Impairment loss on receivables	-	93
Interest expenses	52	130
Interest income	(11)	(37)
(Gain) / Loss on foreign exchange		
- Realised	(48)	159
- Unrealised	(425)	49