



AEMULUS HOLDINGS BERHAD

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

INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 31 MARCH 2019

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AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019**

	(Unaudited) As at 31.03.2019 RM'000	(Audited) As at 30.09.2018 RM'000
Assets		
Non-Current Assets		
Property, plant & equipment	13,550	6,504
Intangible assets	13,686	13,686
Other investment	356	356
Development costs	2,490	1,008
Trade receivables	839	1,254
	30,921	22,808
Current Assets		
Inventories	19,156	20,341
Trade receivables	17,906	13,136
Other receivables, deposits and prepayments	782	6,730
Current tax assets	595	336
Derivative financial assets	6	-
Other investment	11,904	16,531
Fixed deposits with licensed banks	516	551
Cash and bank balances	3,725	6,528
	54,590	64,153
TOTAL ASSETS	85,511	86,961
EQUITY		
Share capital ^(b)	59,187	59,187
Reserves	(12,705)	(12,865)
Retained profits	32,579	32,181
	79,061	78,503
Non-Current Liabilities		
Term loan	1,567	1,832
Current Liabilities		
Trade payables	1,491	1,998
Other payables and accruals	2,674	3,748
Derivative financial liabilities	-	101
Provision for warranty	188	249
Term loan	530	530
	4,883	6,626
TOTAL LIABILITIES	6,450	8,458
TOTAL EQUITY AND LIABILITIES	85,511	86,961
Net assets per share attributable to owners of the Company(RM) ^(b)	0.14	0.14

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 2018 and the interim notes attached to this interim financial report.*

(b) *Based on 548,636,360 ordinary shares in issue as disclosed in Note B11.*

AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	31.03.2019 RM'000	31.03.2018 RM'000	31.03.2019 RM'000	31.03.2018 RM'000
Revenue	8,104	11,246	15,841	20,687
Cost of sales	(2,819)	(4,230)	(5,327)	(7,583)
Gross profit	5,285	7,016	10,514	13,104
Other income	94	172	341	399
Research and development expenses	(1,035)	(1,488)	(2,049)	(3,096)
Administrative expenses	(3,658)	(3,346)	(6,916)	(6,742)
Other expenses	(161)	(535)	(294)	(773)
Profit from operation	525	1,819	1,596	2,892
Finance costs	(34)	(37)	(66)	(78)
Profit before taxation	491	1,782	1,530	2,814
Taxation	(10)	(7)	(34)	(15)
Profit for the period	481	1,775	1,496	2,799
Other comprehensive income, net of tax:				
Item that will be reclassified subsequently to profit or loss:				
Foreign currency translation differences arising from foreign operation	(4)	(15)	(4)	(28)
Total comprehensive income for the period	477	1,760	1,492	2,771
Earnings per share:-				
Basic ^(b) / Diluted ^(c) (sen)	0.09	0.32	0.27	0.51

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 2018 and the interim notes attached to this interim financial report.*
- (b) *Based on 548,636,360 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 31 MARCH 2019

	← 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	
At 1 October 2018	59,187	-	(12,954)	134	(45)	32,181	78,503
Total comprehensive income for the year	-	-	-	-	(4)	1,496	1,492
<i>Transaction with owner:</i>							
Interim single tier dividend for financial year ended 30 September 2018	-	-	-	-	-	(1,098)	(1,098)
Recognition of equity-settled share-based payment	-	-	-	164	-	-	164
At 31 March 2019	59,187	-	(12,954)	298	(49)	32,579	79,061
At 1 October 2017	59,095	-	(12,954)	81	(18)	26,885	73,089
Total comprehensive income for the year	-	-	-	-	(28)	2,799	2,771
<i>Transaction with owner:</i>							
Recognition of equity-settled share-based payment	-	-	-	162	-	-	162
At 31 March 2018	59,095	-	(12,954)	243	(46)	29,684	76,022

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 2018 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 31 MARCH 2019

	31.03.2019	31.03.2018
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,530	2,814
Adjustments for:		
Allowance for obsolete inventories	-	20
Depreciation	706	552
Dividend income	(167)	(290)
Equity-settled share-based payment	164	162
Fair value gain on derivative financial instrument	(107)	(64)
Impairment loss on receivables	-	93
Interest expenses	66	78
Interest income	(18)	(26)
(Reversal of) / Provision for warranty	(61)	30
Unrealised loss foreign exchange	56	474
Operating profit before changes in working capital	<u>2,169</u>	<u>3,843</u>
Decrease in inventories	1,185	833
Decrease / (increase) in receivables	1,390	(3,377)
Decrease in payables	<u>(1,588)</u>	<u>(1,438)</u>
Cash used in operations	3,156	(139)
Interest paid	(66)	(78)
Income tax paid	<u>(282)</u>	<u>(24)</u>
Net cash from / (used in) operating activities	<u>2,808</u>	<u>(241)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(7,752)	(466)
Additions of development costs	(1,482)	-
Dividend received	167	290
Interest received	18	26
Withdrawn / (Placement) of fixed deposits	35	(1)
Net cash used in investing activities	<u>(9,014)</u>	<u>(151)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(1,098)	-
Repayment of term loan	<u>(265)</u>	<u>(265)</u>
Net cash used in financing activities	<u>(1,363)</u>	<u>(265)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(7,569)</u>	<u>(657)</u>
Effects of changes in exchange rates	138	89
CASH AND CASH EQUIVALENTS AT BEGINNING	<u>23,060</u>	<u>24,305</u>
CASH AND CASH EQUIVALENTS AT END	<u>15,629</u>	<u>23,737</u>

AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019 (cont'd)

	31.03.2019	31.03.2018
	RM'000	RM'000
Cash and cash equivalents included in the consolidated statement of cash flows comprise the following:		
Other investment	11,904	18,212
Fixed deposits with licensed banks	516	42
Cash and bank balances	3,725	5,525
	<u>16,145</u>	<u>23,779</u>
Less: Pledged to licensed banks as securities for banking facilities	(516)	(42)
	<u>15,629</u>	<u>23,737</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 2018 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 31 MARCH 2019

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

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 2018 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:

MFRS and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
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
Annual Improvements to MFRS 2014-2016 cycle (except for Amendments to MFRS 12 Disclosure of Interest in Other Entities)	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 31 MARCH 2019

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

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

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:

MFRS and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 16 Leases	1 January 2019
Amendments to MFRS 9 Financial Instrument: Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures	1 January 2019
IC Interpretation 23 Uncertainty over Income Tax Treatments	1 January 2019
Annual Improvements to MFRS Standards 2015-2017 Cycle	1 January 2019
Amendments to Reference to the Conceptual Framework in MFRS Standards	1 January 2020
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 2018 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.

AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 MARCH 2019

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

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

Dividend paid during the financial period ended 31 March 2019 is as follow:

First interim single tier dividend of 0.2 sen per ordinary share amounting to RM1.098 million for the financial year ended 30 September 2018, paid on 27 December 2018.

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 6 months ended	
	31.03.2019 RM'000	31.03.2018 RM'000	31.03.2019 RM'000	31.03.2018 RM'000
ATE	6,913	10,339	13,589	19,009
Related services	1,191	907	2,252	1,678
	<u>8,104</u>	<u>11,246</u>	<u>15,841</u>	<u>20,687</u>

Principal Markets

Revenue	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	31.03.2019 RM'000	31.03.2018 RM'000	31.03.2019 RM'000	31.03.2018 RM'000
Malaysia	1,267	1,190	1,852	2,061
Singapore	3,251	6,472	9,124	12,761
China	1,964	773	2,046	1,902
United States of America	1,465	2,213	1,591	3,226
Taiwan	-	-	928	-
Other countries	157	598	300	737
	<u>8,104</u>	<u>11,246</u>	<u>15,841</u>	<u>20,687</u>

AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 MARCH 2019

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

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

	31 March 2019
	RM'000
Contracted but not provided for:-	
- Property, plant and equipment	<u>5,038</u>

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 31 MARCH 2019

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES

B1. Review of Performances

	Individual Quarter 3 months ended		Changes (RM'000 / %)	Cumulative Quarter 6 months ended		Changes (RM'000 / %)
	31.03.2019 RM'000	31.03.2018 RM'000		31.03.2018 RM'000	31.03.2019 RM'000	
Revenue	8,104	11,246	(3,142) / (28)	15,841	20,687	(4,846) / (23)
Profit from operation	525	1,819	(1,294) / (71)	1,596	2,892	(1,296) / (45)
Profit before taxation	491	1,782	(1,291) / (73)	1,530	2,814	(1,284) / (46)
Profit for the period	481	1,775	(1,294) / (73)	1,496	2,799	(1,303) / (47)

Comparison with the preceding year corresponding quarter

The Group recorded revenue of RM8.104 million for this quarter ("Q2FY19") which represent a decrease of 28% as compared to Q2FY18. This is in line with the slowdown in the semiconductor industry and impact of global trade challenges.

R&D expenses have decreased from RM1.488 million in Q2FY18 to RM1.035 million in Q2FY19, mainly attributable to the capitalisation of talent costs and other incidental expenditures in tandem with the ongoing development activities.

Administrative expenses have increased approximately RM0.312 million or 9.32% as compared to Q2FY18, mainly attributable to the increase in depreciation as well as sales and marketing expenses during the quarter.

Other expenses recorded at RM0.161 million in this quarter due to the foreign exchange loss in tandem with the strengthening of RM against USD.

In summary, the Group recorded profit of RM0.481 million in Q2FY19.

AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 MARCH 2019

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES

B1. Review of Performances

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

Total revenue as at current financial period (“FPE2019”) has decreased 23% or RM4.846 million as compared to corresponding financial period in the previous financial year (“FPE2018”), mainly attributable to the slowdown in the semiconductor industry and impact of global trade challenges.

R&D expenses have decreased from RM3.096 million in FPE2018 to RM2.049 million in FPE2019, in tandem with the capitalisation of talent costs and other incidental expenditures in designing and development of new products and test solutions.

Administrative expenses recorded a slight increase of 2.58% as compared to FPE2018 mainly to support the business operation activities.

For other expenses, a decrease of RM0.479 million was recorded mainly due to higher foreign exchange loss in FPE2018 resulted from the strengthening of RM against USD.

In summary, the Group recorded profit of RM1.496 million in FPE2019.

AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 MARCH 2019

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

Statement of Financial Position Review

	As at 31.03.2019 RM'000	As at 30.09.2018 RM'000	Changes (RM'000 / %)
Review on Significant Variances:-			
Property, plant & equipment	13,550	6,504	7,046 / 108
Development costs	2,490	1,008	1,482 / 147
Trade receivables	18,745	14,390	4,355 / 30
Other receivables, deposits and prepayments	782	6,730	(5,948) / (88)
Other payables and accruals	2,674	3,748	(1,074) / (29)

Property, plant & equipment

The increase was due to the reclassification of the Group's land and corporate office from other receivables, deposits and prepayments following the commencement of construction in Q2FY19.

Development costs

Development costs have increased RM1.482 million in tandem with the capitalisation of expenditures, such as employee benefit and material costs incurred in developing new products.

Trade receivables

Trade receivables increased mainly attributable to majority of the orders were delivered at the end of Q2FY19.

Other receivables, deposits and prepayments

The decrease was due to the reclassification of the Group's land and corporate office to property, plant & equipment as explained above.

Other payables and accruals

Other payables and accruals have decreased as compared to 30 September 2018, mainly attributable to payment of staff bonuses.

AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 MARCH 2019

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

Statement of Cash Flows Review

	As at 31.03.2019 RM'000	As at 31.03.2018 RM'000	Changes (RM'000 / %)
Net cash from / (used in) operating activities	2,808	(241)	3,049 / 1265
Net cash used in investing activities	(9,014)	(151)	(8,863) / (5870)
Net cash used in financing activities	(1,363)	(265)	(1,098) / (414)

Operating Activities

As at 31 March 2019, the Group recorded net cash inflow of RM2.808 million mainly attributable to the collection from customers.

Investing Activities

As at 31 March 2019, the Group recorded net cash outflow of RM9.014 million mainly due to the acquisition of property, plant and equipment, which resulted from the reclassification of the Group's land and corporate office as aforementioned.

Financing Activities

Cash outflow was recorded in Q2FY19 due to the repayment of term loan and dividend paid as mentioned in Note A8.

AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 MARCH 2019

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

B2. Comparison with Preceding Quarter

	Individual Quarter 3 months ended		Changes (RM'000 / %)
	31.03.2019	31.12.2018	
	RM'000	RM'000	
Revenue	8,104	7,738	366 / 5
Profit from operation	525	1,071	(546) / (51)
Profit before taxation	491	1,038	(547) / (53)
Profit for the period	481	1,014	(533) / (53)

The Group recorded a decrease of RM0.547 million in the profit before taxation as compared to the preceding quarter. This was mainly attributable to different product mix sold in Q2FY19 and increase in administrative expenses as explained in B1.

B3. Prospects

Demand for test solutions from the enterprise storage and smartphone & tablet segments was lower during this quarter than the past quarters. Revenue growth from these segments is likely to be capped for the remaining quarters of FY2019.

However, we are excited to launch our newly developed Digital Tester for the digital and IOT end-markets in July 2019. Current business trend indicates continuous demand for Digital Testers in these market segment, particularly within the Far East region. We foresee the Digital Testers creating opportunities for revenue growth and market penetration for Aemulus in FY2020.

Barring any unforeseen circumstances, we expect Q3 FY2019 revenue to be consistent with the preceding year corresponding quarter.

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 31 MARCH 2019

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

B5. Income tax expenses

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	31.03.2019 RM'000	31.03.2018 RM'000	31.03.2019 RM'000	31.03.2018 RM'000
Income tax	(10)	(7)	(34)	(15)

The reconciliation of tax expenses for financial period ending 31 March 2019 is as follows:

	RM'000
Profit before taxation	1,530
Income tax at Malaysian statutory tax rate of 24%	(367)
Expenses deductible / (not deductible) for tax purposes	153
Movement of deferred tax not recognised	114
Income not subject to tax	66
	(34)

For financial period ended 31 March 2018, 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 were exempted from income tax, in line with the pioneer status granted under the Multimedia Super Corridor ("MSC") Malaysia status.

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 31 MARCH 2019

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 31 March 2019 are as follows:-

	As at 2nd quarter ended 31 March 2019					
	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	-	1,567	-	530	-	2,097
Unsecured:						
Nil	-	-	-	-	-	-

	As at 2nd quarter ended 31 March 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	-	378	-	2,626
Unsecured:						
Nil	-	-	-	-	-	-

- 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 4.61% 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 31 MARCH 2019

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)	Assets (RM'000)
- Less than 1 year	7,885	6

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. Dividend Proposed or Declared

No dividend was proposed or declared for the current quarter ended 31 March 2019.

B11. Earnings Per Share ("EPS")

(a) Basic EPS

	Individual Quarter 3 months ended (restated)		Cumulative Quarter 6 months ended (restated)	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Profit attributable to owners of the Company (RM'000)	481	1,775	1,496	2,799
Number of ordinary shares ('000) in issue	548,636	548,562	548,636	548,562
Basic EPS (sen)	0.09	0.32	0.27	0.51

AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 MARCH 2019

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

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

(a) Basic EPS (cont'd)

For comparison purpose, the Earnings Per Share for the period ended 31 March 2018 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.

(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 6 months ended	
	31.03.2019	31.03.2018 (restated)	31.03.2019	31.03.2018 (restated)
Profit attributable to owners of the Company (RM'000)	481	1,775	1,496	2,799
Weighted average number of ordinary shares ('000)	548,636	548,562	548,636	548,562
Adjustment for dilutive effect of RSP ('000)	633	423	633	423
	549,269	548,985	549,269	548,985
Diluted EPS (sen)	0.09	0.32	0.27	0.51

For comparison purpose, the Diluted Earnings Per Share for the period ended 31 March 2018 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 31 MARCH 2019

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

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

	Current Quarter RM'000	Current Year To Date RM'000
Depreciation of property, plant and equipment	378	706
Dividend income	(70)	(167)
Fair value gain on derivative financial assets	(131)	(107)
Equity-settled share-based payment	81	163
Interest expenses	33	66
Interest income	(7)	(18)
Loss on foreign exchange		
- Realised	86	219
- Unrealised	206	56