



# **AEMULUS HOLDINGS BERHAD**

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

## **INTERIM FINANCIAL REPORT FOR THIRD QUARTER ENDED 30 JUNE 2019**

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2019**

	(Unaudited) As at 30.06.2019 RM'000	(Audited) As at 30.09.2018 RM'000
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	15,389	6,504
Intangible assets	13,686	13,686
Other investment	356	356
Development costs	3,257	1,008
Trade receivables	839	1,254
	33,527	22,808
<b>Current Assets</b>		
Inventories	21,637	20,341
Trade receivables	16,077	13,136
Other receivables, deposits and prepayments	855	6,730
Current tax assets	562	336
Other investments	8,552	16,531
Fixed deposits with licensed banks	520	551
Cash and bank balances	4,147	6,528
	52,350	64,153
<b>TOTAL ASSETS</b>	85,877	86,961
<b>EQUITY</b>		
Share capital <sup>(b)</sup>	59,187	59,187
Reserves	(12,700)	(12,865)
Retained profits	31,585	32,181
	78,072	78,503
<b>Non-Current Liabilities</b>		
Term loan	1,434	1,832
<b>Current Liabilities</b>		
Trade payables	3,463	1,998
Other payables and accruals	2,143	3,748
Derivative financial liabilities	58	101
Provision for warranty	177	249
Term loan	530	530
	6,371	6,626
<b>TOTAL LIABILITIES</b>	7,805	8,458
<b>TOTAL EQUITY AND LIABILITIES</b>	85,877	86,961
Net assets per share attributable to owners of the Company(RM) <sup>(b)</sup>	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 30 JUNE 2019**

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.06.2019 RM'000	30.06.2018 RM'000	30.06.2019 RM'000	30.06.2018 RM'000
Revenue	5,446	9,538	21,287	30,225
Cost of sales	(2,053)	(3,153)	(7,380)	(10,736)
Gross profit	3,393	6,385	13,907	19,489
Other income	231	629	472	646
Research and development expenses	(868)	(1,208)	(2,916)	(4,304)
Administrative expenses	(3,255)	(3,549)	(10,171)	(10,382)
Other expenses	(428)	-	(622)	(301)
(Loss) / Profit from operation	(927)	2,257	670	5,148
Finance costs	(32)	(52)	(98)	(130)
(Loss) / Profit before taxation	(959)	2,205	572	5,018
Income tax expense	(35)	(7)	(70)	(22)
<b>(Loss) / Profit for the period</b>	<b>(994)</b>	<b>2,198</b>	<b>502</b>	<b>4,996</b>
<b>Other comprehensive (loss) / 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	(11)	(2)	(15)	(30)
<b>Total comprehensive (loss) / income for the period</b>	<b>(1,005)</b>	<b>2,196</b>	<b>487</b>	<b>4,966</b>
(Loss) / Earnings per share:-				
Basic <sup>(b)</sup> / Diluted <sup>(c)</sup> (sen)	(0.18)	0.40	0.09	0.91

*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 30 JUNE 2019**

	← Non-Distributable →			Distributable		
	Share Capital RM'000	Merger Deficit RM'000	RSP Reserve RM'000	Exchange Translation Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
<b>At 1 October 2018</b>	<b>59,187</b>	<b>(12,954)</b>	<b>134</b>	<b>(45)</b>	<b>32,181</b>	<b>78,503</b>
Total comprehensive income for the year	-	-	-	(15)	502	487
<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	-	-	180	-	-	180
<b>At 30 June 2019</b>	<b>59,187</b>	<b>(12,954)</b>	<b>314</b>	<b>(60)</b>	<b>31,585</b>	<b>78,072</b>
<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 year	-	-	-	(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>

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 30 JUNE 2019**

	<b>30.06.2019</b>	<b>30.06.2018</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	572	5,018
Adjustments for:		
Allowance for obsolete inventories	-	20
Depreciation	1,065	854
Dividend income	(215)	(420)
Equity-settled share-based payment	180	190
Fair value (gain) / loss on derivative financial instrument	(44)	110
Impairment loss on trade receivables	428	93
Interest expenses	98	130
Interest income	(23)	(37)
Reversal of provision for warranty	(71)	(5)
Unrealised (gain) / loss on foreign exchange	(196)	49
Operating profit before changes in working capital	1,794	6,002
Increase in inventories	(1,296)	(1,379)
Decrease / (increase) in receivables	3,117	(5,212)
Decrease in payables	(140)	(1,047)
Cash generated from / (used in) operations	3,475	(1,636)
Interest paid	(98)	(130)
Income tax refunded	44	-
Income tax paid	(288)	(32)
Net cash from / (used in) operating activities	3,133	(1,798)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(9,950)	(1,254)
Additions of development costs	(2,250)	(458)
Dividend received	215	420
Interest received	23	37
Withdrawal / (Placement) of fixed deposits	30	(505)
Net cash used in investing activities	(11,932)	(1,760)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(1,098)	-
Repayment of term loan	(397)	(397)
Net cash used in financing activities	(1,495)	(397)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(10,294)	(3,955)
Effects of changes in exchange rates	(67)	(21)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING</b>	23,060	24,305
<b>CASH AND CASH EQUIVALENTS AT END</b>	<b>12,699</b>	<b>20,329</b>

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019 (cont'd)**

	<b>30.06.2019</b>	<b>30.06.2018</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 investments	8,552	17,341
Fixed deposits with licensed banks	520	546
Cash and bank balances	4,147	2,988
	<u>13,219</u>	<u>20,875</u>
Less: Pledged to licensed banks as securities for banking facilities	(520)	(546)
	<u><b>12,699</b></u>	<u><b>20,329</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 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 30 JUNE 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:

<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
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 30 JUNE 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:

<b>MFRS and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
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 30 JUNE 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 30 June 2019 is as follows:

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 9 months ended	
	30.06.2019 RM'000	30.06.2018 RM'000	30.06.2019 RM'000	30.06.2018 RM'000
ATE	4,062	7,248	17,651	26,551
Related services	1,384	2,290	3,636	3,674
	<u>5,446</u>	<u>9,538</u>	<u>21,287</u>	<u>30,225</u>

**Principal Markets**

Revenue	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.06.2019 RM'000	30.06.2018 RM'000	30.06.2019 RM'000	30.06.2018 RM'000
Malaysia	1,487	2,637	3,339	4,698
Singapore	593	1,225	9,716	13,985
China	262	1,660	2,308	3,562
United States of America	811	1,108	2,402	4,333
Korea	1,404	2,721	1,404	2,721
Taiwan	766	-	1,694	-
Other countries	123	187	424	926
	<u>5,446</u>	<u>9,538</u>	<u>21,287</u>	<u>30,225</u>

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

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2019**

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

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**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 2019 RM'000
Contracted but not provided for:-	
- Property, plant and equipment	<u>19,525</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 30 JUNE 2019**

**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 / %)
	30.06.2019 RM'000	30.06.2018 RM'000		30.06.2019 RM'000	30.06.2018 RM'000	
Revenue	5,446	9,538	(4,092) / (43)	21,287	30,225	(8,938) / (30)
(Loss) / Profit from operation	(927)	2,257	(3,184) / (141)	670	5,148	(4,478) / (87)
(Loss) / Profit before taxation	(959)	2,205	(3,164) / (143)	572	5,018	(4,446) / (89)
(Loss) / Profit for the period	(994)	2,198	(3,192) / (145)	502	4,996	(4,494) / (90)

**Comparison with the preceding year corresponding quarter**

In tandem with the slowdown in the semiconductor industry and impact of global trade challenges, the Group's revenue has recorded a decrease of 43% for this quarter ("Q3FY19") as compared to the preceding year corresponding quarter ("Q3FY18"). On top of the macroeconomic impact on our sales, the decrease of revenue was also partly due to the deferment of revenue recognition for certain orders as a result of the logistic arrangement and delay in receiving customer's revised purchase order.

Other income has recorded a decrease of RM0.398 million in Q3FY19 as compared to Q3FY18, mainly attributable to the fluctuation of USD against Ringgit. For other expense, the Group has provided an impairment loss on trade receivable amounted to RM0.428 million.

In respect of the research and development ("R&D") expenses, was recorded in tandem with the capitalisation of talent costs and other incidental expenditures pursuant to the ongoing development activities, was recorded in Q3FY19.

In summary, the Group recorded a loss of RM0.994 million in Q3FY18.

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

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2019**

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

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**B1. Review of Performances**

**Comparison with the corresponding financial period to date in the previous financial year (“FPE2018”)**

For the current financial period (“FPE2019”), the Group has recorded a decrease of 30% in the total revenue as compared to the FPE2018, mainly attributable to the slowdown in the semiconductor industry and the impact of global trade challenges.

Other income recorded a decrease of RM0.174 million or 27% as compared to FPE2018 in line with the decrease in dividend income.

Other expenses recorded an increase of RM0.321 million as compared to FPE2018 mainly attributable to the impairment loss on trade receivable amounted to RM0.428 million and realised foreign exchange loss of RM0.194 million.

Total R&D expense incurred was RM2.916 million in FPE2019 in tandem with the talents costs and other incidental expenditures spent in the product development activities.

In summary, the Group recorded a profit of RM0.502 million in FPE2019.

AEMULUS HOLDINGS BERHAD (Company No. 1114009-H)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2019

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

**Statement of Financial Position Review**

	<b>As at 30.06.2019 RM'000</b>	<b>As at 30.09.2018 RM'000</b>	<b>Changes (RM'000 / %)</b>
<b>Review on Significant Variances:-</b>			
Property, plant & equipment	15,389	6,504	8,885 / 137
Development costs	3,257	1,008	2,249 / 223
Trade receivables	16,916	14,390	2,526 / 18
Other receivables, deposits and prepayments	855	6,730	(5,875) / (87)
Trade payables	3,463	1,998	1,465 / (73)

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 RM2.249 million in tandem with the capitalisation of expenditures, such as talents and material costs incurred in developing the new products.

Trade receivables

Trade receivables increased mainly attributable to majority of the orders were delivered at the end of Q3FY19.

Other receivables, deposits and prepayments

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

Trade payables

Trade payables increased RM1.465 million mainly attributable to the purchases incurred in Q3FY19 to support the production of the new digital tester, Amoeba™ 5600 for customers' demonstration purpose.

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

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2019**

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

**Statement of Cash Flows Review**

	<b>As at 30.06.2019 RM'000</b>	<b>As at 30.06.2018 RM'000</b>	<b>Changes (RM'000 / %)</b>
Net cash from / (used in) operating activities	3,133	(1,798)	4,931 / 274
Net cash used in investing activities	(11,932)	(1,760)	(10,172) / (578)
Net cash used in financing activities	(1,495)	(397)	(1,098) / (277)

Operating Activities

As at 30 June 2019, the Group recorded net cash inflow of RM3.133 million mainly attributable to the collection from customers.

Investing Activities

As at 30 June 2019, the Group recorded net cash outflow of RM11.932 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 Q3FY19 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 30 JUNE 2019**

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

**B2. Comparison with Preceding Quarter**

	Individual Quarter 3 months ended		Changes (RM'000 / %)
	30.06.2019	31.3.2019	
	RM'000	RM'000	
Revenue	5,446	8,104	(2,658) / (33)
(Loss) /Profit from operation	(927)	525	(1,452) / (277)
(Loss) /Profit before taxation	(959)	491	(1,450) / (295)
(Loss) /Profit for the period	(994)	481	(1,475) / (307)

The Group recorded a loss of RM0.994 million as compared to preceding quarter, mainly attributable to the 33% drop in the revenue in line with the slowdown in the semiconductor industry and impact of global trade challenges.

**B3. Prospects**

We are operating in a difficult global business environment in this quarter as challenges from the past quarters persist.

Looking forward, the Far East region and the rest of world will be major contributors to our revenue as our engagement with customers on test development project are on the rise.

5G cellular chip testing is a huge potential for the smartphones/tablets and RF infrastructure market segments. We plan to ride on this wave to grow our revenue.

However, positive impact to the revenue can only be expected after the next two quarters. Only if such change in business trend were to carry through into the upcoming quarters, opportunity for the Group to achieve improved financial results will be high.

**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 2019**

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

**B5. Income tax expenses**

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.06.2019 RM'000	30.06.2018 RM'000	30.06.2019 RM'000	30.06.2018 RM'000
Income tax	(35)	(7)	(70)	(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 customised incentive granted by Minister of Finance of Malaysia announced on 7 August 2019.

**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 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 30 June 2019 are as follows:-

	As at 3rd quarter ended 30 June 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	-	1,434	-	530	-	1,964
Unsecured:						
Nil	-	-	-	-	-	-

	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	-	-	-	-	-	-

- 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 4.36% 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 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/ (Liabilities) (RM'000)
- Less than 1 year	7,277	(58)

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 30 June 2019.

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

(a) Basic EPS

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
(Loss) /Profit attributable to owners of the Company (RM'000)	(994)	2,198	502	4,996
Number of ordinary shares ('000) in issue	548,636	548,562	548,636	548,562
Basic EPS (sen)	(0.18)	0.40	0.09	0.91

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

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 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 30 June 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		Cumulative Quarter	
	3 months ended	3 months ended	9 months ended	9 months ended
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
(Loss) /Profit attributable to owners of the Company (RM'000)	(994)	2,198	502	4,996
Weighted average number of ordinary shares ('000)	548,636	548,562	548,636	548,562
Adjustment for dilutive effect of RSP ('000)	951	362	951	362
	549,587	548,924	549,587	548,924
Diluted EPS (sen)	(0.18)	0.40	0.09	0.91

For comparison purpose, the Diluted Earnings Per Share for the period ended 30 June 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 30 JUNE 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	360	1,065
Dividend income	(48)	(215)
Fair value loss / (gain) on derivative financial assets	64	(44)
Equity-settled share-based payment	17	180
Impairment loss on trade receivables	428	428
Interest expenses	32	98
Interest income	(6)	(23)
(Gain) / loss on foreign exchange		
- Realised	(25)	194
- Unrealised	(209)	(152)