



AEMULUS HOLDINGS BERHAD
(Registration No. 201401037863 (1114009-H))
("AEMULUS" OR THE "COMPANY")

**INTERIM FINANCIAL REPORT
FOR THIRD QUARTER
ENDED 30 JUNE 2022**

CONTENT	PAGE
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	2
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	3
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	4
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	5
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2022	7

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022**

	(Unaudited) As at 30.06.2022 RM'000	(Audited) As at 30.09.2021 RM'000
Assets		
Non-Current Assets		
Property, plant and equipment	41,216	40,666
Right-of-use asset	85	143
Intangible assets	13,686	13,686
Development costs	15,263	11,089
Investment in an associate	9,900	3,285
Other investments	65	65
Trade receivables	697	2,065
	80,912	70,999
Current Assets		
Inventories	32,929	15,756
Trade receivables	52,743	32,837
Contract assets	5,951	5,244
Other receivables, deposits and prepayments	1,252	1,322
Current tax assets	446	2
Other investments	-	2,006
Deposits with licensed banks	55,790	24,866
Cash and bank balances	11,688	5,460
	160,799	87,493
TOTAL ASSETS	241,711	158,492
EQUITY		
Share capital ^(b)	154,498	91,367
Reserves	(12,691)	(13,124)
Retained profits	45,212	34,371
Total equity	187,019	112,614
Non-Current Liabilities		
Deferred tax liabilities	417	417
Lease liability	7	68
Borrowings	16,835	17,734
	17,259	18,219
Current Liabilities		
Provision for warranty	677	554
Trade payables	9,968	8,207
Contract liabilities	373	2,747
Other payables and accruals	5,798	5,278
Amount due to an associate	543	544
Derivative financial liabilities	114	50
Lease liability	81	79
Borrowings	19,879	10,175
Current tax liabilities	-	25
	37,433	27,659
Total liabilities	54,692	45,878
TOTAL EQUITY AND LIABILITIES	241,711	158,492
Net assets per share attributable to owners of the Company (RM) ^(b)	0.29	0.19

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 2021 and the accompanying explanatory notes attached to this interim financial report.*

(b) *Based on 652,083,128 ordinary shares in issue as disclosed in Note B11.*

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2022

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.06.2022 RM'000	30.06.2021 RM'000	30.06.2022 RM'000	30.06.2021 RM'000
Revenue	17,035	16,358	54,819	43,790
Cost of sales	(8,516)	(6,657)	(25,897)	(20,640)
Gross profit	8,519	9,701	28,922	23,150
Other income	322	308	1,366	2,148
Operating expenses	(5,186)	(5,616)	(15,877)	(15,537)
Research and development expenses	(573)	(368)	(1,821)	(1,055)
Other expenses	(673)	(973)	(673)	(1,295)
Profit from operation	2,409	3,052	11,917	7,411
Share of (loss) / profit of associate, net of tax	(248)	88	(247)	(38)
Finance costs	(389)	(308)	(1,001)	(704)
Profit before tax	1,772	2,832	10,669	6,669
Income tax expense	(70)	(121)	172	(290)
Profit for the financial period	1,702	2,711	10,841	6,379
Other comprehensive income, net of tax:				
Item that will be reclassified subsequently to profit or loss:				
Foreign currency translation differences arising from foreign operation	1	16	(6)	(1)
Total comprehensive income for the financial period	1,703	2,727	10,835	6,378
Earnings per share:-				
Basic ^(b) / Diluted ^(c) (sen)	0.26	0.45	1.66	1.05
*Included in operating expenses:				
ESG expenses ^(d)	(99)	-	(339)	-

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 2021 and the accompanying explanatory notes attached to this interim financial report.*
- (b) *Based on 652,083,128 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.*
- (d) *Data of Environmental, Social and Governance (“ESG”) efforts as disclosed in Note B13 and data of Q3FY2021 is not available.*

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022

	← Non-Distributable			→ Distributable			
	Share Capital RM'000	Merger Deficit RM'000	Fair Value Reserve RM'000	RSP Reserve RM'000	Exchange Translation Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
At 1 October 2021	91,367	(12,954)	(291)	174	(53)	34,371	112,614
Total comprehensive income for the financial period	-	-	-	-	(6)	10,841	10,835
<i>Transaction with owners:</i>							
Issuance of ordinary shares	63,712	-	-	-	-	-	63,712
Share issuance expenses	(878)	-	-	-	-	-	(878)
Issue of shares pursuant to RSP vested	297	-	-	(297)	-	-	-
Recognition of equity-settled share-based payment	-	-	-	736	-	-	736
At 30 June 2022	154,498	(12,954)	(291)	613	(59)	45,212	187,019
At 1 October 2020	90,527	(12,954)	-	252	(50)	23,920	101,695
Total comprehensive income for the financial period	-	-	-	-	(1)	6,379	6,378
<i>Transaction with owners:</i>							
Issue of shares pursuant to RSP vested	304	-	-	(304)	-	-	-
Recognition of equity-settled share-based payment	-	-	-	559	-	-	559
At 30 June 2021	90,831	(12,954)	-	507	(51)	30,299	108,632

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 2021 and the accompanying explanatory notes attached to this interim financial report.

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022

	30.06.2022	30.06.2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	10,669	6,669
Adjustments for:		
Amortisation of development costs	897	388
Allowance for expected credit loss	-	973
Depreciation of property, plant and equipment	2,085	1,881
Depreciation of right-of-use asset	58	59
Dividend income	(7)	(18)
Equity-settled share-based payment	736	559
Fair value loss on derivative financial instruments	63	135
Interest expense	1,001	704
Interest income	(796)	(353)
Provision for warranty	123	367
Share of results of associate	247	38
Unrealised profit arising from transactions with associate	(297)	-
Unrealised gain on foreign exchange	(518)	(431)
Operating profit before working capital changes	14,261	10,971
Increase in inventories	(17,172)	(76)
Increase in receivables	(18,657)	(16,740)
(Decrease) / Increase in payables	(93)	3,639
Cash used in operations	(21,661)	(2,206)
Income tax paid	(297)	(327)
Interest paid	(1,001)	(704)
Net cash used in operating activities	(22,959)	(3,237)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions of development costs	(5,071)	(4,077)
Changes in an associate's balance	(2)	2,498
Dividend received	7	18
Interest received	796	353
Investment in an associate	(6,565)	(2,085)
(Placement) / Withdrawal of fixed deposits	(10,679)	12,750
Purchase of property, plant and equipment	(2,635)	(7,033)
Net cash (used in) / from investing activities	(24,149)	2,424
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placement, net of expenses in relation to the private placement	62,834	-
Payment of lease liability	(59)	(57)
Drawdown from banking facilities	11,230	2,969
(Repayment of) / Drawdown from term loan	(1,177)	4,270
Net cash from financing activities	72,828	7,182

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022 (cont'd)

	30.06.2022	30.06.2021
	RM'000	RM'000
NET INCREASE IN CASH AND CASH EQUIVALENTS	25,720	6,369
Effects of changes in exchange rates	(6)	(15)
CASH AND CASH EQUIVALENTS AT BEGINNING	16,915	8,784
CASH AND CASH EQUIVALENTS AT END	42,629	15,138
 The cash and cash equivalents are represented by:		
Other investments	-	1,990
Deposits with licensed banks	55,790	24,596
Cash and bank balances	11,688	4,934
Bank overdraft	-	(2,659)
	67,478	28,861
Less: Fixed deposits pledged to licensed banks	(7,509)	(5,798)
Fixed deposits with maturity more than three months	(17,340)	(7,925)
	42,629	15,138

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 2021 and the accompanying explanatory notes attached to this interim financial report.*
- (b) *The other investments 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 (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

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 have 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 Market Listing Requirements of Bursa Malaysia Securities Berhad.

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 2021 and the accompanying explanatory 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
Amendments to MFRS 3 Business Combinations: References to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018-2020	1 January 2022

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

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 17 Insurance Contracts	1 January 2023
Amendments to MFRS 4 Insurance Contracts - Extension of the Temporary Exemption from Applying MFRS 9	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts: Initial application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112 Income Taxes on Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Yet to determine

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report of the financial statements for the financial year ended 30 September 2021 was not subject to any qualification.

A4. Seasonal or Cyclical Factors

The Group's business is subject to the cyclicity 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 (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

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

No dividend was paid in the current financial period.

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	
	30.06.2022 RM'000	30.06.2021 RM'000	30.06.2022 RM'000	30.06.2021 RM'000
ATE	15,606	14,114	50,275	38,830
Related services	1,429	2,244	4,544	4,960
	<u>17,035</u>	<u>16,358</u>	<u>54,819</u>	<u>43,790</u>

Principal Markets

Revenue	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.06.2022 RM'000	30.06.2021 RM'000	30.06.2022 RM'000	30.06.2021 RM'000
China	8,834	5,283	32,119	17,249
Malaysia	6,015	3,342	13,588	9,383
Singapore	772	2,097	2,979	7,795
United States of America	282	568	1,867	2,641
Korea	357	1,622	897	2,617
Taiwan	267	2,148	305	2,173
Other countries	508	1,298	3,064	1,932
	<u>17,035</u>	<u>16,358</u>	<u>54,819</u>	<u>43,790</u>

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

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

There were no capital commitments for the purchase of any property, plant and equipment or any other expenses that were not accounted for in the financial statements of the quarter under review.

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

Details of the relationship between the Group and its related party for the current quarter ended 30 June 2022 are as described below: -

		30.06.2022 RM'000
Associate Company	Nature of Transactions	
TMSS Technology (Jiashan) Co., Ltd. ("TMSS")	Sales of goods	8,834
	Intellectual properties cost	(200)

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES

B1. Review of Performances

	Individual Quarter 3 months ended			Cumulative Quarter 9 months ended		
	30.06.2022 RM'000	30.06.2021 RM'000	Changes (RM'000 / %)	30.06.2022 RM'000	30.06.2021 RM'000	Changes (RM'000 / %)
Revenue	17,035	16,358	677 / 4	54,819	43,790	11,029 / 25
Profit from operation	2,409	3,052	(643) / (21)	11,917	7,411	4,506 / 61
Profit before tax	1,772	2,832	(1,060) / (37)	10,669	6,669	4,000 / 60
Profit for the financial period	1,702	2,711	(1,009) / (37)	10,841	6,379	4,462 / 70

Comparison with the preceding year corresponding quarter

The Group's revenue shows an increase of 4% in the current quarter ("Q3FY22") as compared to the preceding year corresponding quarter ("Q3FY21") attributable to the strong demand from China and mobile and tablets, CMOS Image Sensors (CIS), data centre, RF filters and automotive markets.

R&D expenses have increased due to higher number of headcounts hired coupled with new projects under research stage.

Finance cost increased mainly attributed to the drawdown of trade line facilities for working capital purpose.

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES

B1. Review of Performances (cont'd)

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

Total revenue for the current 9-months financial period ended 30 June 2022 ("FPE2022") has recorded an increase of 25% as compared to corresponding 9-months financial period ended 30 June 2021 ("FPE2021"), attributable to the strong demand from China and mobile and tablets, CIS, data centre, RF filters and automotive markets.

R&D expenses have increased due to higher number of headcounts hired coupled with new projects under research stage.

Operating expenses have increased in tandem with the business growth. Additional talents are recruited to grow the business, develop new test solutions and enhance product features.

Finance cost increased mainly attributed to the drawdown of trade line facilities for working capital purpose.

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

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

Statement of Financial Position Review

	As at 30.06.2022 RM'000	As at 30.9.2021 RM'000	Changes (RM'000 / %)
Review on Significant Variances:-			
Development costs	15,263	11,089	4,174 / 38
Investment in an associate	9,900	3,285	6,615 / 201
Inventories	32,929	15,756	17,173 / 109
Trade receivables	53,440	34,902	18,538 / 53
Deposits with licensed banks	55,790	24,866	30,924 / 124
Trade payables	9,968	8,207	1,761 / 21
Borrowings	36,714	27,909	8,805 / 32

Development costs

Development costs increased 38% in tandem with the capitalisation of expenditures, such as talents and material costs incurred in enhancing existing product features and development of testing solutions for new semiconductor devices.

Investment in an associate

The increase of RM6.615 million mainly due to addition capital injection of RM6.565 million into TMSS as announced on 11 April 2022.

Inventories

Inventories increased 109% mainly attributable to stock up for forecast build and to mitigate the risk of part shortage.

Trade receivables

Trade receivables increased 53% mainly attributable to the increase of sales in FPE2022.

Deposits with licensed banks

Deposits with licensed banks have increased significantly due to deposit of the funds received from private placement completed on 13th December 2021.

Trade payables

Trade payables significantly increased by RM1.761 million mainly attributable to the additional purchases of parts to support the on-going and upcoming production.

Borrowings

Total borrowings have increased RM8.805 million in line with the drawdown of trade line facilities for working capital purpose.

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

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

Statement of Cash Flows Review

	As at 30.06.2022 RM'000	As at 30.06.2021 RM'000	Changes (RM'000 / %)
Net cash used in operating activities	(22,959)	(3,237)	(19,722) / (609)
Net cash (used in) / from investing activities	(24,149)	2,424	(26,573) / (1,096)
Net cash from financing Activities	72,828	7,182	65,646 / 914

The Group recorded RM1.725 million cash inflow and collected RM14.850 million in Q3FY22. We have increased our stock to fulfil our current book order and mitigate the risk of part shortage. Besides that, the Group injected a capital amounting of RM6.565 million into investment in associate, TMSS in Q3FY22.

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

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

B2. Comparison with Preceding Quarter

	Individual Quarter 3 months ended		Changes (RM'000 / %)
	30.06.2022 RM'000	31.03.2022 RM'000	
Revenue	17,035	19,205	(2,170) / (11)
Profit from operation	2,409	4,664	(2,255) / (48)
Profit before tax	1,772	4,335	(2,563) / (59)
Profit for the period	1,702	4,611	(2,909) / (63)

The Group's revenue has recorded a decrease of 11% as compared to preceding quarter mainly due to delays in wafer allocations to our customers by the foundries. The Group has recorded a lower profit of RM1.702 million in Q3FY22 as compared to the preceding quarter.

B3. Prospects

The Group saw significant delays in orders from customers in this quarter mainly due to delays in wafer allocations to our customers by the foundries. The bookings by these customers are still intact amidst global part shortages and rising raw material costs. We expect the delayed shipments for those orders to resume in the next few quarters.

Following our optimistic view of the automotive market in the last quarter, we welcome the compelling potential in the continuous growth of this sector. We are exploring longer term commitments between ourselves and our customers. We shall also see contributions from the enterprise storage market in the coming quarters, supported by our design win over the latest needs by our customers.

The CIS market shall be consistent with our forecast for this year and we see a potential of growth for this market in the upstream businesses in CIS market. Minor customization from the existing solutions is most likely required to fulfil the technical requirements by the customers.

Mobile/Tablets market shall continue to be weak. At the same time, we are exploring the test market for different applications of wireless and radio frequency (RF) chips using the same Amoeba AMB7600-SR testers.

Again, part shortages and rising raw material cost issues are intensifying as mentioned in last quarter. They shall put stress on the Group's on-time delivery of shipments to customers. On the bright side, with more countries easing in Covid-19 quarantine procedures, we are opened to more business opportunities and potential, which the Group was deprived from during the worldwide lockdown in the past two years.

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

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

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.

B5. Income tax expenses

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Income tax	(70)	(121)	172	(290)

The subsidiary of the Group is granted a customised incentive granted by Minister of Finance of Malaysia announced on 7 August 2019 whereby 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. We have computed our tax provisions FYA2021 and reversal of over provision of taxation in prior years.

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

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

B6. Status of Corporate Proposal Announced

- (a) In conjunction with the completion of Private Placement announced on 26th August 2020, the Company has increased its share capital by 54,940,000 new ordinary shares at an issue price of RM0.57 per placement share. An amount of RM31.3 million has been raised from the Private Placement.

Utilisation of Proceeds from Private Placement

The gross proceeds from the Private Placement of RM31.3 million shall be utilised in the following manner:

Purpose	Timeframe for Utilisation Upon Completion	Amount (RM'000)	Amount Utilised as at 30 June 2022 (RM'000)	Reallocation (RM'000)	Deviation (RM'000) %		Balance of Proceed as at 30 June 2022 (RM'000)
Future viable investment(s)	Within 24 months	7,000	-	-	-	-	7,000
Research and development expenditure	Within 24 months	7,000	(7,000)	-	-	-	-
Partial repayment of bank borrowings	Within 6 months	5,000	(5,000)	-	-	-	-
Marketing, branding and customer support activities	Within 24 months	1,500	(1,500)	-	-	-	-
General working capital	Within 12 months	10,616	(10,515)	(101)	(101)	(0.95)	-
Estimated expenses in relation to the Proposed Private Placement	Within 1 month	200	(301) ^	101	101	50.5	-
Total cash proceeds		31,316	(24,316)	-	-	-	7,000

Note:-

^ The actual amount incurred for expenses in relation to the Private Placement was RM0.301 million with the additional amount of RM0.101 million being reallocated from the amount earmarked for general working capital.

The utilisation of the proceeds as disclosed above should be read in conjunction with the Announcement made by the Company dated 4 August 2020.

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

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

B6. Status of Corporate Proposal Announced (cont'd)

- (b) In conjunction with the completion of Private Placement announced on 13th December 2021, the Company has increased its share capital by 60,678,000 new ordinary shares at an issue price of RM1.05 per placement share. An amount of RM63.7 million has been raised from the Private Placement.

Utilisation of Proceeds from Private Placement

The gross proceeds from the Private Placement of RM63.7 million shall be utilised in the following manner:

Purpose	Timeframe for Utilisation Upon Completion	Amount (RM'000)	Amount Utilised as at 30 June 2022 (RM'000)	Reallocation (RM'000)	Deviation		Balance of Proceed as at 30 June 2022 (RM'000)
					(RM'000)	%	
Future investments/ acquisitions/ collaborations	Within 24 months	7,000	-	-	-	-	7,000
Research and development expenditure	Within 24 months	12,000	(6,008)	-	-	-	5,992
Capacity expansion	Within 24 months	9,000	(167)	-	-	-	8,833
Additional investment in its joint venture	Within 12 months	13,000	(6,565)	-	-	-	6,435
Repayment of borrowings	Within 6 months	9,000	(9,000)	-	-	-	-
Sustainability and environmental, social and governance ("ESG") efforts	Within 24 months	500	(339)	-	-	-	161
Working capital	Within 12 months	12,412	(9,890)	(78)	(78)	(0.63)	2,444
Estimated expenses in relation to the Proposed Private Placement	Upon completion	800	(878) ^	78	78	9.75	-
Total cash proceeds		63,712	(32,847)	-	-	-	30,865

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

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

B6. Status of Corporate Proposal Announced (cont'd)

Note:-

^ The actual amount incurred for expenses in relation to the Private Placement was RM0.878 million with the additional amount of RM0.078 million being reallocated from the amount earmarked for general working capital.

The utilisation of the proceeds as disclosed above should be read in conjunction with the Announcement made by the Company dated 15 November 2021.

B7. Group's Borrowings and Debt Securities

The details of the Group's borrowings as at 30 June 2022 are as follows:-

	As at 3rd quarter ended 30 June 2022					
	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:						
Revolving credit	-	-	-	9,500	-	9,500
Bankers' acceptance	-	-	-	8,369	-	8,369
Finance lease liabilities	-	1,363	-	412	-	1,775
Term loan	-	15,472	-	1,598	-	17,070
Unsecured:						
Nil	-	-	-	-	-	-

	As at 3rd quarter ended 30 June 2021					
	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:						
Overdraft	-	-	-	2,658	-	2,658
Revolving credit	-	-	-	3,779	-	3,779
Bankers' acceptance	-	-	-	1,646	-	1,646
Finance lease liabilities	-	658	-	174	-	832
Term loan	-	17,041	-	1,598	-	18,639
Unsecured:						
Nil	-	-	-	-	-	-

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

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	5,766	114

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 and RMB. 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 2022.

B11. Earnings Per Share ("EPS")

(a) Basic EPS

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Profit attributable to owners of the Company (RM'000)	1,702	2,711	10,841	6,379
Weighted average number of ordinary shares ('000)	652,083	605,561	652,083	605,561
Basic EPS (sen)	0.26	0.45	1.66	1.05

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

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		Cumulative Quarter	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Profit attributable to owners of the Company (RM'000)	1,702	2,711	10,841	6,379
Weighted average number of ordinary shares ('000)	652,083	605,561	652,083	605,561
Adjustment for dilutive effect of RSP ('000)	1,627	887	1,627	887
	653,710	606,448	653,710	606,448
Diluted EPS (sen)	0.26	0.45	1.66	1.05

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

	Current Quarter RM'000	Current Year To Date RM'000
Amortisation of development costs	595	897
Depreciation of property, plant and equipment	717	2,085
Depreciation of right-of-use asset	19	58
Dividend income	-	(7)
Fair value loss on derivative financial assets	73	63
Equity-settled share-based payment	238	736
Interest expenses	389	1,001
Interest income	(313)	(796)
Loss / (Gain) on foreign exchange		
- Realised	355	335
- Unrealised	(97)	(518)

AEMULUS HOLDINGS BERHAD (Registration No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 30 JUNE 2022

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

B13. Environmental, social and governance (“ESG”) efforts

	Current Quarter RM'000	Current Year To Date RM'000
Breakfast, lunch and dinner subsidy to employees	83	205
COVID-19 related expenses	6	35
Donation	-	27
Scholarship	-	12
Green Architecture Symposium (GAS) event	5	55
Others	5	5
Total:	99	339

The start of Quarter 3 is the season of giving. Aemulus' Ladies Club gathered forces and had a Raya-cookies baking session. A portion of it was sold and RM1,310 were collected and donated to the underprivileged kids of Rumah Anak Kesayangan. In the April 2022, our in-house Sports Club, A-Spartan, held a Wellness Program which boasted Health Screening Package Promotion for our staff, booths selling healthy snacks, a Blood Donation Drive and a Health Talk by a health expert. In conjunction with Earth Day, we organised a Herb & Tree-Planting activity, courtesy of Penang State Forestry Department as part of their “100 million Tree-Planting Campaign 2021-2025”. Approximately RM2,000 was spent to carry out this mini event.

In our endeavour to promote upskilling of knowledge among students, RM800 was sponsored to the Google Developer Students Club (GDSC) Malaysia for their Machine Learning Study Jam program. As a courtesy, we also hosted 23 pax of these students for a one-day visit in Aemulus Base with meals and transportation provided – RM1,250 were spent for that visit. To further promote the Social aspects of ESG, the month of May also sees the organising of an in-house Badminton tournament with a total of RM2,100 spent.