



Amlex Holdings Berhad

(Company No.: 1272796-A)
(Incorporated in Malaysia)

FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2018

CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”)

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET OR MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY AMLEX HOLDINGS BERHAD (“AMLEX” OR THE “COMPANY”). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATIONS.

AMLEX HOLDINGS BERHAD

(Company No : 1272796-A)

(Incorporated in Malaysia)

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

	INDIVIDUAL 6 MONTHS ENDED		CUMULATIVE 6 MONTHS ENDED	
	30-09-18 RM'000	30-09-17 RM'000	30-09-18 RM'000	30-09-17 RM'000
REVENUE	20,548	N/A	20,548	N/A
Cost of Sales	(16,632)	N/A	(16,632)	N/A
GROSS PROFIT	3,916	N/A	3,916	N/A
Other operating Income	87	N/A	87	N/A
Administrative expenses	(1,759)	N/A	(1,759)	N/A
Distribution expenses	(401)	N/A	(401)	N/A
Listing expenses	(847)	N/A	(847)	N/A
Other operating expenses	(137)	N/A	(137)	N/A
OPERATING PROFIT	859	N/A	859	N/A
Finance Expenses	(516)	N/A	(516)	N/A
PROFIT BEFORE TAX ("PBT")	343	N/A	343	N/A
Income Tax Expenses	(381)	N/A	(381)	N/A
LOSS AFTER TAX	(38)	N/A	(38)	N/A
LOSS PER ORDINARY SHARE (Sen)				
Basic*	(0.01)	N/A	(0.01)	N/A
Diluted*	(0.01)	N/A	(0.01)	N/A

*Based on a total number of 268,113,100 ordinary shares

Notes:

- (1) The Unaudited Condensed Consolidated Financial Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to the half yearly financial statements.
- (2) For the 6 months financial period ended 30 September 2018, the Group has included a one-off listing expense of approximately RM0.85 million. Excluding the effect of this one-off expense, the PBT and Profit After Tax ("PAT") for the period would be RM1.19 million and RM0.81 million respectively. This translates to an Earning Per Share ("EPS") of 0.30 sen for the period.

AMLEX HOLDINGS BERHAD

(Company No : 1272796-A)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018

	AS AT 30-09-18 RM'000	AS AT 30-09-17 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	31,481	N/A
Total non-current assets	31,481	N/A
Current Assets		
Inventories	8,450	N/A
Current tax assets	630	N/A
Trade and other receivables	12,011	N/A
Cash and short-term deposits	6,060	N/A
Total current assets	27,151	N/A
TOTAL ASSETS	58,632	N/A
EQUITY AND LIABILITIES		
Equity		
Share Capital	28,673	N/A
Revaluation Reserve	3,883	N/A
Retained Earnings	9,768	N/A
Merger Deficit	(13,690)	N/A
Total Equity	28,634	N/A

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AMLEX HOLDINGS BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018 (CONTINUED)

	AS AT 30-09-18 RM'000	AS AT 30-09-17 RM'000
LIABILITIES		
Non-Current Liabilities		
Loans and borrowings	6,635	N/A
Deferred Tax Liabilities	3,833	N/A
Total Non-Current Liabilities	10,468	N/A
Current Liabilities		
Trade and other payables	8,066	N/A
Deferred income	20	N/A
Loans and borrowings	11,444	N/A
Total Current Liabilities	19,530	N/A
TOTAL LIABILITIES	29,998	N/A
TOTAL EQUITY AND LIABILITIES	58,632	N/A
NET ASSETS PER ORDINARY SHARE (SEN) *	10.68	N/A

*Based on a total number of 268,113,100 ordinary shares

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the half yearly financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE HALF YEARLY ENDED 30 SEPTEMBER 2018

	SHARE CAPITAL	MERGER DEFICIT	REVALUATION RESERVE	RETAINED EARNINGS	TOTAL EQUITY
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 31 March 18	9,100	-	3,883	9,806	22,789
Issuance of shares	28,673	-	-	-	28,673
Merger deficit	(9,100)	(13,690)	-	-	(22,790)
Loss after tax	-	-	-	(38)	(38)
Balance as at 30 September 2018	28,673	(13,690)	3,883	9,768	28,634

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the half yearly financial statements.

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AMLEX HOLDINGS BERHAD

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(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE HALF YEARLY ENDED 30 SEPTEMBER 2018

	6 months ended	
	30-09-18	30-09-17
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	343	N/A
Adjustments for		
Depreciation of property, plant and equipment	2,344	N/A
Amortisation of government grant	(13)	N/A
Finance costs	516	N/A
Finance income	(3)	N/A
Operating profit before working capital changes	3,187	N/A
Change in working capital		
Inventories	(2,947)	N/A
Trade and other receivables	(3,268)	N/A
Trade and other payables	2,342	N/A
Cash generated used in operations	(686)	N/A
Income tax paid	(598)	N/A
Income tax Refund	21	N/A
Interest received	3	N/A
Interest paid	(126)	N/A
Net cash generated used in operating activities	(1,386)	N/A
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,221)	N/A
Change in pledged deposits	(3)	N/A
Net cash used in investing activities	(2,224)	N/A

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AMLEX HOLDINGS BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE HALF YEARLY ENDED 30 SEPTEMBER 2018 (CONTINUED)

	6 months ended	
	30-09-18	30-09-17
	RM'000	RM'000
Cash flows from financing activities		
Interest paid	(390)	N/A
Net changes in finance lease liabilities	(449)	N/A
Net changes in bankers acceptance & revolving credit	3,208	N/A
Net changes in term loans	(423)	N/A
Proceeds from issuance of shares, net of listing expenses		
- Ordinary shares	5,883	N/A
Net cash generated from financing activities	<u>7,829</u>	<u>N/A</u>
Net increase in cash and cash equivalents	4,219	N/A
Cash and cash equivalent at the beginning of the financial period	<u>(1,160)</u>	<u>N/A</u>
Cash and cash equivalents at the end of the financial period	<u>3,059</u>	<u>N/A</u>
Cash and cash equivalents at the end of the financial period consists:		
Cash in hand & at bank	5,865	N/A
Bank overdrafts	(2,806)	N/A
	<u>3,059</u>	<u>N/A</u>

The unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the half yearly financial statements.

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A1. BASIS OF PREPARATION

AMLEX HOLDINGS BERHAD (“AHB”) was incorporated in Malaysia on 19 March 2018 as a private limited company under the Companies Act, 2016, known as Amlex Holdings Sdn Bhd with a paid up capital of RM2.00 comprising of two (2) ordinary shares. The Company was later converted to a public company on 31 July 2018. The registered office of the Company is located at 9-1, 9th Floor, Wisma Penang Garden, 42, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, Malaysia.

The Financial Statements of AHB and its subsidiaries (the “Group”) are unaudited and have been prepared in accordance with the requirements of the Malaysian Financial Reporting Standards (“MFRSs”) 134: Interim Financial Reporting and Paragraph 6.12 of the Leap Market’s Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

This is the first interim financial report on the Company’s unaudited financial statements ended 30 September 2018 under review, comprises of 6 months consolidated group financial report from 1 April 2018 to 30 September 2018.

The unaudited financial statements ended 30 September 2018 should be read in conjunction with the combined statements of the Group as disclosed in the Information Memorandum (“IM”) dated 7 August 2018 and its accompanying explanatory notes attached to this report.

A2. CHANGES IN ACCOUNTING POLICIES

At the date of authorisation of the unaudited financial statements, the accounting policies adopted are consistent with those disclosed in the combined audited financial statements of the IM dated 7 August 2018, except other than disclosed below which were effective for period beginning on or after 1 January 2018. The adoption of the below amendments/ improvements to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group’s and the Company’s existing accounting policies:-

MFRS 9 <i>Financial Instruments</i>	Effective : 1 January 2018
MFRS 15 <i>Revenue from Contracts with Customers</i>	Effective : 1 January 2018

A2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

The adoption of the below amendments/ improvements to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group's and the Company's existing accounting policies:-

Amendments to MFRS 1 <i>First-time adoption of MFRSs</i>	Effective : 1 January 2018
Amendments to MFRS 2 <i>Share-based Payment</i>	Effective : 1 January 2018
Amendments to MFRS 128 <i>Investment in Associates and Joint Ventures</i>	Effective : 1 January 2018
Amendments to MFRS 140 <i>Investment Property</i>	Effective : 1 January 2018
IC Interpretation 22 <i>Foreign Currency Transactions and Advance Consideration</i>	Effective : 1 January 2018

The following standards were issued but not yet effective and have not been early adopted by the Group.

MFRS 16 <i>Leases</i>	Effective : 1 January 2019
MFRS 17 <i>Insurance Contracts</i>	Effective : 1 January 2021
Amendments to MFRS 2 <i>Share-based Payment</i>	Effective : 1 January 2020*
Amendments to MFRS 3 <i>Business Combinations</i>	Effective : 1 January 2019/ 1 January 2020*
Amendments to MFRS 6 <i>Exploration for and Evaluation of Mineral Resources</i>	Effective : 1 January 2020*
Amendments to MFRS 9 <i>Financial Instruments</i>	Effective : 1 January 2019

A2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

The following standards were issued but not yet effective and have not been early adopted by the Group.

Amendments to MFRS 10 <i>Consolidated Financial Statements</i>	Deferred
Amendments to MFRS 11 <i>Joint Arrangements</i>	Effective : 1 January 2019
MFRS 14 <i>Regulatory Deferral Accounts</i>	Effective : 1 January 2020*
MFRS 101 <i>Presentation of Financial Statements</i>	Effective : 1 January 2020*
MFRS 108 <i>Accounting Policies, Changes in Accounting Estimates and Error</i>	Effective : 1 January 2020*
Amendments to MFRS 112 <i>Income Taxes</i>	Effective : 1 January 2019
MFRS 119 <i>Employee Benefits</i>	Effective : 1 January 2019
Amendments to MFRS 123 <i>Borrowing Costs</i>	Effective : 1 January 2019
Amendments to MFRS 128 <i>Investments in Associates and Joint Ventures</i>	Effective : 1 January 2019 / Deferred
Amendments to MFRS 134 <i>Interim Financial Reporting</i>	Effective : 1 January 2020*
Amendments to MFRS 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i>	Effective : 1 January 2020*
Amendments to MFRS 138 <i>Intangible Assets</i>	Effective : 1 January 2020*

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A2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

The following standards were issued but not yet effective and have not been early adopted by the Group.

IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	Effective : 1 January 2019
Amendments to IC Interpretation 12 <i>Service Concession Arrangements</i>	Effective : 1 January 2020*
Amendments to IC Interpretation 19 <i>Extinguishing Financial Liabilities with Equity</i>	Effective : 1 January 2020*
Amendments to IC Interpretation 20 <i>Stripping Costs in the production Phase of a Surface Mine</i>	Effective : 1 January 2020*
Amendments to IC Interpretation 22 <i>Foreign Currency Transaction and Advance Consideration</i>	Effective : 1 January 2020*
IC Interpretation 132 <i>Intangible Assets- Website Costs</i>	Effective : 1 January 2020*

A3. SEASONAL OR CYCLICAL FACTORS

The Group's operations were not affected by seasonal or cyclical factors for the current period under review.

A4. UNUSUAL ITEMS

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence for the current period under review.

A5. MATERIAL CHANGES IN ESTIMATES

There were no material changes in accounting estimates in the current financial period.

A6. DEBT AND EQUITY SECURITIES

Save for the placement of shares in conjunction with the listing of our Company on the LEAP Market of Bursa Securities, there were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current period under review.

A7. SEGMENTAL INFORMATION

The Group's revenue based on its activities is presented as follows:-

Segments	6 months ended 30.09.2018 (RM'000)
Manufacture of lead frames	14,858
Manufacture of other electronic packaging and interconnect components	5,690
Total	20,548

A8. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE PERIOD UNDER REVIEW

There were no material events subsequent to the end of the current financial period.

A9. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current financial period, save for the completion of the acquisition of Amlex Technology Sdn Bhd on 25 July 2018.

A10. CHANGES IN CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There were no contingent assets and contingent liabilities as at the date of this financial report.

A11. CAPITAL COMMITMENTS

There were no material capital commitments in respect of plant and equipment as at the end of the current financial period.

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B.	ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS
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B1. REVIEW OF PERFORMANCE

The Group recorded a revenue of RM 20.55 million and a PBT of RM 0.34 million and loss after tax of RM0.038 million for the half-year of the interim financial period ended 30 September 2018.

For the 6 months financial period ended 30 September 2018, the Group has included a one-off listing expense of approximately RM0.85 million. Excluding the effect of this one-off expense, the PBT and PAT for the period would be RM1.19 million and RM0.81 million respectively. This translates to an EPS of 0.30 sen for the period.

No comparative figures for the preceding half-year are available as this is the Company's first interim financial report on its consolidated results for the half-year ended 30 September 2018 being announced in compliance with the Listing Requirements.

B2. PROSPECTS OF THE GROUP

As disclosed in the Company's Information Memorandum dated 7 August 2018, the Group has started and is maintaining its plans and strategies to broaden its range of products, services and electroplating capabilities, increase its production capacities and enhance its products. Barring any unforeseen circumstances, the Board believes that the prospects of the Group's financial performance for the current year will remain favourable.

B3. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

B4. CORPORATE PROPOSALS

Save for placement of shares and the listing of AHB on the LEAP market of Bursa Securities on 25 September 2018, there were no corporate proposals during the current period under review.

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B5. UTILISATION OF PROCEEDS

The status of the utilisation of proceeds from the Placement of RM 6.03 million is as follows:

Purpose	Proposed Utilisation RM'000	Actual Utilisation * RM'000	Deviation RM'000	Balance RM'000	Estimated timeframe for utilisation upon Listing
R&D	800	-	-	800	12 months
Capital Expenditure	3,200	-	-	3,200	12 months
General Working Capital	1,033	-	-	1,033	3 months
Listing Expenses	1,000	**997	-	3	1 months
Total	6,033	997		5,598	

Note:

**Utilisation as at 30 September 2018*

*** Out of RM 0.997 million listing expense, RM 0.15 million had been offset against share capital of AHB*

B6. MATERIAL LITIGATION

The Directors do not have any knowledge of any proceedings pending or threatened against the Group as the date of this report.

B7. DIVIDEND PROPOSED

There were no dividends proposed by the Board of Directors of the Company for the current period under review.

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