



## **Amlex Holdings Berhad**

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

# **FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 MARCH 2019**

**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 2ND HALF YEAR ENDED 31 MARCH 2019

	INDIVIDUAL 6 MONTHS ENDED		CUMULATIVE 12 MONTHS ENDED	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>	18,476	N/A	39,025	N/A
Cost of Sales	(15,222)	N/A	(31,854)	N/A
<b>GROSS PROFIT</b>	3,254	N/A	7,171	N/A
Other operating Income	8	N/A	95	N/A
Administrative expenses	(2,041)	N/A	(3,800)	N/A
Distribution expenses	(300)	N/A	(700)	N/A
Listing expenses	(5)	N/A	(853)	N/A
Other operating expenses	(118)	N/A	(256)	N/A
<b>OPERATING PROFIT</b>	798	N/A	1,657	N/A
Finance Expenses	(491)	N/A	(1,007)	N/A
<b>PROFIT BEFORE TAX ("PBT")</b>	307	N/A	650	N/A
Income Tax Expenses	(14)	N/A	(395)	N/A
<b>PROFIT AFTER TAX</b>	293	N/A	255	N/A
<b>EARNING PER ORDINARY SHARE (Sen)</b>				
Basic*	0.11	N/A	0.10	N/A
Diluted*	0.11	N/A	0.10	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 12 months financial period ended 31 March 2019, 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 RM1.50 million and RM1.11 million respectively. This translates to an Earning Per Share ("EPS") of 0.41 sen for the period.
- (3) No comparative figures for the preceding year are available as this is the Group's first financial statement on its consolidated results for the 2nd half-year ended 31 March 2019 announced in compliance with the LEAP Listing Requirements.

# AMLEX HOLDINGS BERHAD

(Company No : 1272796-A)

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2019

	AS AT 31.03.2019 RM'000	AS AT 31.03.2018 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	31,786	N/A
<b>Total non-current assets</b>	<b>31,786</b>	<b>N/A</b>
<b>Current Assets</b>		
Inventories	9,147	N/A
Current tax assets	665	N/A
Trade and other receivables	8,536	N/A
Cash and short-term deposits	2,359	N/A
<b>Total current assets</b>	<b>20,707</b>	<b>N/A</b>
<b>TOTAL ASSETS</b>	<b>52,493</b>	<b>N/A</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share Capital	28,672	N/A
Revaluation Reserve	3,883	N/A
Retained Earnings	10,061	N/A
Merger Deficit	(13,690)	N/A
<b>Total Equity</b>	<b>28,926</b>	<b>N/A</b>

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# AMLEX HOLDINGS BERHAD

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2019 (CONTINUED)

	AS AT 31.03.2019 RM'000	AS AT 31.03.2018 RM'000
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Loans and borrowings	6,425	N/A
Deferred Tax Liabilities	3,589	N/A
<b>Total Non-Current Liabilities</b>	<b>10,014</b>	<b>N/A</b>
<b>Current Liabilities</b>		
Trade and other payables	6,001	N/A
Deferred income	8	N/A
Current Tax Liability	15	N/A
Loans and borrowings	7,529	N/A
<b>Total Current Liabilities</b>	<b>13,553</b>	<b>N/A</b>
<b>TOTAL LIABILITIES</b>	<b>23,567</b>	<b>N/A</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>52,493</b>	<b>N/A</b>
<b>NET ASSETS PER ORDINARY SHARE (SEN) *</b>	<b>10.79</b>	<b>N/A</b>

\*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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## AMLEX HOLDINGS BERHAD

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### UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	SHARE CAPITAL RM'000	MERGER DEFICIT RM'000	REVALUATION RESERVE RM'000	RETAINED EARNINGS RM'000	TOTAL EQUITY RM'000
Balance as at 31 March 2018	9,100	-	3,883	9,806	22,789
Issuance of shares	28,672	-	-	-	28,672
Merger deficit	(9,100)	(13,690)	-	-	(22,790)
Profit after tax	-	-	-	255	255
<b>Balance as at 31 March 2019</b>	<b>28,672</b>	<b>(13,690)</b>	<b>3,883</b>	<b>10,061</b>	<b>28,926</b>

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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## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

	31.03.2019	31.03.2018
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	650	N/A
Adjustments for		
Depreciation of property, plant and equipment	4,993	N/A
Loss on disposal of property, plant and equipment	48	N/A
Property, plant and equipment written off	13	N/A
Amortisation of government grant	(25)	N/A
Finance costs	1,007	N/A
Finance income	(37)	N/A
Unrealised loss on foreign exchange	17	N/A
Operating profit before working capital changes	6,666	N/A
Change in working capital		
Inventories	(3,643)	N/A
Trade and other receivables	1,629	N/A
Trade and other payables	(1,165)	N/A
Cash generated from operations	3,487	N/A
Income tax paid	(1,038)	N/A
Income tax Refund	185	N/A
Interest received	37	N/A
Interest paid	(189)	N/A
<b>Net cash generated from operating activities</b>	<b>2,482</b>	<b>N/A</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(4,231)	N/A
Proceeds from disposal of property, plant and equipment	13	N/A
Change in pledged deposits	83	N/A
<b>Net cash used in investing activities</b>	<b>(4,135)</b>	<b>N/A</b>

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# AMLEX HOLDINGS BERHAD

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

	<b>31.03.2019</b>	<b>31.03.2018</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from financing activities</b>		
Interest paid	(818)	N/A
Repayment of finance lease liabilities	(1,007)	N/A
Net changes in bankers acceptance & revolving credit	443	N/A
Net changes in term loans	(868)	N/A
Proceeds from issuance of shares, net of listing expenses		
- Ordinary shares	5,882	N/A
Net cash generated from financing activities	<u>3,632</u>	<u>N/A</u>
Net increase in cash and cash equivalents	1,979	N/A
Cash and cash equivalent at the beginning of the financial period	<u>(1,161)</u>	<u>N/A</u>
Cash and cash equivalents at the end of the financial period	<u>818</u>	<u>N/A</u>
Cash and cash equivalents at the end of the financial period consists:		
Cash in hand & at bank	2,250	N/A
Bank overdrafts	<u>(1,432)</u>	<u>N/A</u>
	<u>818</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, 9<sup>th</sup> Floor, Wisma Penang Garden, 42, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, Malaysia.

The Interim 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 second half yearly interim report of six (6) months period ended 31 March 2019 under review for the Group’s financial year end 31 March 2019 and as such, there are no comparative figures for the preceding year’s correspondence period.

The interim financial statements should be read in conjunction with the Audited Combined Financial Statements of the Group as disclosed in the Information Memorandum (“IM”) dated 7 August 2018 and its accompanying explanatory notes attached to this interim 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 4 <i>Insurance Contracts</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.

Amendments/ Improvements to MFRSs	
MFRS 16 *New <i>Leases</i>	Effective : 1 January 2019
MFRS 17 *New <i>Insurance Contracts</i>	Effective : 1 January 2021
MFRS 1 <i>First-time adoption of MFRSs</i>	Effective : 1 January 2021
MFRS 2 <i>Share-based Payment</i>	Effective : 1 January 2020
MFRS 3 <i>Business Combinations</i>	Effective : 1 January 2019/ 1 January 2020/ 1 January 2021
MFRS 7 <i>Financial Instruments: Disclosures</i>	Effective : 1 January 2021
MFRS 9 <i>Financial Instruments</i>	Effective : 1 January 2019
MFRS 10 <i>Consolidated Financial Statements</i>	Deferred
MFRS 11 <i>Joint Arrangements</i>	Effective : 1 January 2019
MFRS 14 <i>Regulatory Deferral Accounts</i>	Effective : 1 January 2020

## A2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

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

MFRS 15 <i>Revenue from Contracts with Customers</i>	Effective : 1 January 2021
MFRS 101 <i>Presentation of Financial Statements</i>	Effective : 1 January 2020/ 1 January 2021
MFRS 107 <i>Statements of Cash Flows</i>	Effective : 1 January 2021
MFRS 108 <i>Accounting Policies, Changes in Accounting Estimates and Error</i>	Effective : 1 January 2020
MFRS 112 <i>Income Taxes</i>	Effective : 1 January 2019
MFRS 116 <i>Property, Plant and Equipment</i>	Effective : 1 January 2021
MFRS 119 <i>Employee Benefits</i>	Effective : 1 January 2019/ 1 January 2021
MFRS 123 <i>Borrowing Costs</i>	Effective : 1 January 2019
MFRS 128 <i>Investments in Associates and Joint Ventures</i>	Effective : 1 January 2019 / Deferred/ 1 January 2021
MFRS 132 <i>Financial instruments: Presentation</i>	Effective : 1 January 2021
MFRS 134 <i>Interim Financial Reporting</i>	Effective : 1 January 2020
MFRS 136 <i>Impairment of Assets</i>	Effective : 1 January 2021
MFRS 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i>	Effective : 1 January 2020/ 1 January 2021
MFRS 138 <i>Intangible Assets</i>	Effective : 1 January 2020/ 1 January 2021

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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.

New IN Int	
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	Effective : 1 January 2019

Amendments to IC Int	
IC Interpretation 12 <i>Service Concession Arrangements</i>	Effective : 1 January 2020
IC Interpretation 19 <i>Extinguishing Financial Liabilities with Equity</i>	Effective : 1 January 2020
IC Interpretation 20 <i>Stripping Costs in the production Phase of a Surface Mine</i>	Effective : 1 January 2020
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:-

<b>Segments</b>	<b>Individual 6 months ended 31.03.2019 (RM'000)</b>	<b>Cumulative 12 months ended 31.03.2019 (RM'000)</b>
Manufacture of lead frames	13,757	28,616
Manufacture of other electronic packaging and interconnect components	4,719	10,409
<b>Total</b>	<b>18,476</b>	<b>39,025</b>

**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**

On 28 March 2019, the Subsidiary Company entered into a conditional sale and purchase agreement with a third party to acquire a leasehold land and building for a total cash consideration of RM 2,290,000. However, the amount was not capitalised as the transaction has yet to be completed.

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<b>B.</b>	<b>ADDITIONAL INFORMATION REQUIRED UNDER THE LEAP LISTING REQUIREMENTS</b>
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### **B1. REVIEW OF PERFORMANCE**

#### **Current Period vs Immediate Preceding Period**

The Group recorded a revenue of RM 18.48 million for the current financial period ended 31 March 2019, as compared to RM20.55 million in the immediate preceding period, representing a decrease of RM 2.07 million or 10.07%. This is mainly due to decrease in the Group's sales in the manufacture of lead frames and other electronic packaging and interconnect components.

The Group's sales in the manufacture of lead frames decreased by RM 1.1 million, 7.4% mainly due to the sudden drop in demand from our Integrated Circuits (IC) customers and as well as from the other business segments also. This was primarily caused by the weakening of the broader global economic activities and thus led to the slowdown in the semiconductor industry.

The Group's sales in the manufacture of other electronic packaging and interconnect components decreased by RM0.971 million, 17.07% mainly due to the slower demand of the global mobile devices market and thus led to the slowdown in demand of our components for silicon microphones.

The Group recorded a profit before taxation of RM 0.307 million for the current financial period ended 31 March 2019 as compared to RM 0.343 million in the immediate preceding period, PBT decreased by RM 0.036 million or 10.5%. The decrease in PBT is in line with the decrease in the revenue recorded during the period.

### **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. There were no change in the business direction of the Group which may have an impact on any for the business segments of the Group.

### **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.

#### B5. UTILISATION OF PROCEEDS

The status of the utilisation of proceeds from the LEAP listing 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	735	-	65	12 months
Capital Expenditure	3,200	2,551	-	649	12 months
General Working Capital	1,033	1,033	-	-	3 months
Listing Expenses	1,000	**1,003	3	-	1 months
<b>Total</b>	<b>6,033</b>	<b>5,322</b>	<b>3</b>	<b>714</b>	

**Notes:**

*\*Utilisation as at 31 March 2019*

*\*\* Out of RM 1.003 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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