



## **Amlex Holdings Berhad**

201801010781 (1272796-A)  
(Incorporated in Malaysia)

# **FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2020**

**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. 201801010781 (1272796 – A)

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2020

	INDIVIDUAL 6 MONTHS ENDED		CUMULATIVE 6 MONTHS ENDED	
	30.09.2020 RM'000	30.09.2019 RM'000	30.09.2020 RM'000	30.09.2019 RM'000
<b>REVENUE</b>	25,148	17,261	25,148	17,261
Cost of sales	(20,919)	(16,893)	(20,919)	(16,893)
<b>GROSS PROFIT</b>	4,229	368	4,229	368
Other income	61	23	61	23
Administrative expenses	(1,689)	(1,891)	(1,689)	(1,891)
Distribution expenses	(298)	(212)	(298)	(212)
Other expenses	-	-	-	-
<b>OPERATING PROFIT/ (LOSS)</b>	2,303	(1,712)	2,303	(1,712)
Finance expenses	(514)	(540)	(514)	(540)
<b>PROFIT/ (LOSS) BEFORE TAX</b>	1,789	(2,252)	1,789	(2,252)
Income tax expenses	(961)	(46)	(961)	(46)
<b>PROFIT/ (LOSS) AFTER TAX</b>	828	(2,298)	828	(2,298)
<b>PROFIT/ (LOSS) PER ORDINARY SHARE (SEN)</b>				
Basic*	0.31	(0.86)	0.31	(0.86)
Diluted*	0.31	(0.86)	0.31	(0.86)

\*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.

(The rest of this page is intentionally left blank)

# AMLEX HOLDINGS BERHAD

Company No. 201801010781 (1272796 – A)

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2020

	AS AT 30.09.2020 RM'000	AS AT 30.09.2019 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	14,940	33,940
Right-of use assets	15,150	-
<b>Total non-current assets</b>	<b>30,090</b>	<b>33,940</b>
<b>Current Assets</b>		
Inventories	12,090	8,904
Current tax assets	647	693
Trade and other receivables	14,548	11,153
Fixed deposits with a licensed bank	186	-
Cash and short-term deposits	2,972	2,415
<b>Total current assets</b>	<b>30,443</b>	<b>23,165</b>
<b>TOTAL ASSETS</b>	<b>60,533</b>	<b>57,105</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	28,672	28,672
Revaluation reserve	3,883	3,883
Retained earnings	8,586	7,763
Merger deficit	(13,690)	(13,690)
<b>Total Equity</b>	<b>27,451</b>	<b>26,628</b>

(The rest of this page is intentionally left blank)

# AMLEX HOLDINGS BERHAD

Company No. 201801010781 (1272796 – A)

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2020 (CONTINUED)

	AS AT 30.09.2020 RM'000	AS AT 30.09.2019 RM'000
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Loans and borrowings	6,898	8,087
Deferred income	150	-
Deferred tax liabilities	2,408	3,589
<b>Total Non-Current Liabilities</b>	<b>9,456</b>	<b>11,676</b>
<b>Current Liabilities</b>		
Trade and other payables	10,652	8,219
Current tax liabilities	1,002	18
Loans and borrowings	11,972	10,564
<b>Total Current Liabilities</b>	<b>23,626</b>	<b>18,801</b>
<b>TOTAL LIABILITIES</b>	<b>33,082</b>	<b>30,477</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>60,533</b>	<b>57,105</b>
<b>NET ASSETS PER ORDINARY SHARE (SEN) *</b>	<b>10.24</b>	<b>9.93</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.

## AMLEX HOLDINGS BERHAD

Company No. 201801010781 (1272796 – A)

(Incorporated in Malaysia)

### UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE HALF YEARLY ENDED 30 SEPTEMBER 2020

	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 2020	28,672	(13,690)	3,883	7,758	26,623
Profit after tax	-	-	-	828	828
Balance as at 30 September 2020	<u>28,672</u>	<u>(13,690)</u>	<u>3,883</u>	<u>8,586</u>	<u>27,451</u>

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.

*(The rest of this page is intentionally left blank)*

# AMLEX HOLDINGS BERHAD

Company No. 201801010781 (1272796 – A)

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE HALF YEARLY ENDED 30 SEPTEMBER 2020

	6 months ended	
	30.09.2020	30.09.2019
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) before tax	828	(2,298)
Adjustments for		
Amortisation of government grant	-	(8)
Amortisation of right-of-use assets	590	-
Depreciation of property, plant and equipment	2,357	2,789
Interest expense	514	540
Interest income	(19)	(36)
Net unrealised (gain)/loss on foreign exchange	161	-
Property, plant and equipment written off	(13)	-
Operating profit before changes in working capital	4,418	987
Changes in working capital		
Inventories	(1,558)	243
Receivables	(4,807)	(2,618)
Payables	4,578	2,218
Net cash generated from operations	2,631	830
Income tax paid	(186)	(395)
Income tax refunded	-	370
Interest paid	(105)	(153)
Interest received	19	36
Government grant received	150	-
<b>Net cash generated from operating activities</b>	<b>2,509</b>	<b>688</b>
<b>Cash flows from investing activities</b>		
Change in fixed deposits with a licensed bank	(1)	(2)
Purchase of property, plant and equipment	(1,175)	(1,943)
Purchase of right-to-use assets	(19)	-
Net cash used in investing activities	(1,195)	(1,945)

(The rest of this page is intentionally left blank)

# AMLEX HOLDINGS BERHAD

Company No. 201801010781 (1272796 – A)

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE HALF YEARLY ENDED 30 SEPTEMBER 2020 (CONTINUED)

	6 months ended	
	30.09.2020	30.09.2019
	RM'000	RM'000
<b>Cash flows from financing activities</b>		
Change in pledge deposits	(1)	-
Interest paid	(409)	(387)
Repayment of finance lease liabilities	(671)	(691)
Net changes in bankers' acceptance	173	832
Net drawdown/ (repayment) of term loans	1,139	(476)
Net cash from/ (used in) financing activities	231	(722)
Net increase/ (decrease) in cash and cash equivalents	1,545	(1,979)
Cash and cash equivalents at the beginning of the financial period*	(74)	817
Effect of foreign exchange rate changes	9	-
Cash and cash equivalents at the end of the financial period	1,480	(1,162)
Cash and cash equivalents at the end of the financial period consists:		
Cash in hand & at bank	2,972	2,303
Bank overdrafts	(1,492)	(3,465)
	1,480	(1,162)

\* Cash and cash equivalent at the beginning of the financial period- 1st April 2020

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.

*(The rest of this page is intentionally left blank)*

## A1. BASIS OF PREPARATION

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”).

The interim financial statements should be read in conjunction with the latest Audited Financial Statements of the Group for the year ended 31 March 2020 and its accompanying explanatory notes attached to this interim half yearly report.

## A2. CHANGES IN ACCOUNTING POLICIES

The Group and the Company have adopted the following new MFRS, amendments/improvements to MFRSs and new IC Interpretation that are mandatory for the current financial period:

### New MFRS

MFRS 16	Leases
---------	--------

### Amendments/Improvements to MFRSs

MFRS 3	Business Combinations
MFRS 9	Financial Instruments
MFRS 11	Joint Arrangements
MFRS 112	Income Taxes
MFRS 119	Employee Benefits
MFRS 123	Borrowing Costs
MFRS 128	Investments in Associates and Joint Ventures

### New IC Int

IC Int 23	Uncertainty over Income Tax Treatments
-----------	--

The adoption of the above new MFRSs, amendments/improvements to MFRSs and new IC Int did not have any significant effect on the financial statements of the Group and did not result in significant changes to the Group’s existing accounting policies.

*(The rest of this page is intentionally left blank)*



## A2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

The Group and the Company have not adopted the following new MFRS, and amendments/ improvements to MFRSs that have been issued, but yet to be effective:

New MFRS		Effective for financial periods beginning on or after
MFRS 17	Insurance Contracts	1 January 2023

Amendments/Improvements to MFRSs		Effective for financial periods beginning on or after
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022 <sup>^</sup> / 1 January 2023 <sup>#</sup>
MFRS 3	Business Combinations	1 January 2022/ 1 January 2023 <sup>#</sup>
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2023 <sup>#</sup>
MFRS 7	Financial Instruments: Disclosures	1 January 2023 <sup>#</sup>
MFRS 9	Financial Instruments	1 January 2022 <sup>^</sup> / 1 January 2023 <sup>#</sup>
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023 <sup>#</sup>
MFRS 16	Leases	1 June 2020 <sup>*</sup> / 1 January 2022 <sup>^</sup>
MFRS 101	Presentation of Financial Statements	1 January 2022/ 1 January 2023 <sup>#</sup>
MFRS 107	Statements of Cash Flows	1 January 2023 <sup>#</sup>
MFRS 116	Property, Plant and Equipment	1 January 2022/ 1 January 2023 <sup>#</sup>
MFRS 119	Employee Benefits	1 January 2023 <sup>#</sup>
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2023 <sup>#</sup>
MFRS 132	Financial instruments: Presentation	1 January 2023 <sup>#</sup>
MFRS 136	Impairment of Assets	1 January 2023 <sup>#</sup>
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022/1 January 2023 <sup>#</sup>
MFRS 138	Intangible Assets	1 January 2023 <sup>#</sup>
MFRS 140	Investment Property	1 January 2023 <sup>#</sup>
MFRS 141	Agriculture	1 January 2022 <sup>^</sup>

<sup>^</sup> The Annual Improvements to MFRS Standards 2018-2020

<sup>\*</sup> Earlier application is permitted, including in financial statements not authorised for issue at 28 May 2020

<sup>#</sup> Amendments as to the consequence of effective of MFRS 17 Insurance Contracts

**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**

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	Individual 6 months ended		Cumulative 12 months ended	
	30.09.2020 (RM'000)	30.09.2019 (RM'000)	30.09.2020 (RM'000)	30.09.2019 (RM'000)
Manufacture of lead frames	17,806	11,694	17,806	11,694
Manufacture of other electronic packaging and interconnect components	7,342	5,567	7,342	5,567
<b>Total</b>	<b>25,148</b>	<b>17,261</b>	<b>25,148</b>	<b>17,261</b>

**A8. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the current financial period.

#### **A9. CHANGES IN CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

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

#### **A10. CAPITAL COMMITMENTS**

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

#### **A11. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE PERIOD UNDER REVIEW**

##### Coronavirus outbreak

On 11 March 2020, the World Health Organisation declared the Coronavirus (“Covid-19”) outbreak as a pandemic in recognition of its rapid spread across the globe. On 16 March 2020, the Malaysian Government has imposed the Movement Control Order (“MCO”) starting from 18 March 2020 to curb the spread of the Covid-19 outbreak in Malaysia. The Covid-19 outbreak also resulted in travel restriction, lockdown and other precautionary measures imposed in various countries. The emergence of the Covid-19 outbreak since early 2020 has brought significant economic uncertainties in Malaysia and markets in which the Group operate.

For the Group’s financial statements for the financial year ending 31 March 2021, the Covid-19 outbreak and the related impacts are considered non-adjusting events in accordance with MFRS 110 Events after the Reporting Period. Consequently, there is no impact on the recognition and measurement of assets and liabilities as at 30 September 2020.

The Group is unable to reasonably estimate the financial impact of Covid-19 for the financial year ending 31 March 2021 to be disclosed in the financial statements as the situation is still evolving and the uncertainty of the outcome of the current events. It is however certain that the local and worldwide measures against the spread of the Covid-19 will have adverse effects on the Group’s operation. The Group will continuously monitor the impact of Covid-19 on its operations and its financial performance. The Group will also be taking appropriate and timely measures to minimise the impact of the outbreak on the Group’s operations.

*(The rest of this page is intentionally left blank)*

## **B1. REVIEW OF PERFORMANCE**

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

The Group recorded a revenue of RM 25.15 million for the 1st half-year end of the interim financial period ended 30 September 2020, as compared to reported revenue of RM 17.26 million during the same period in the preceding year, representing an improvement of RM 7.89 million or 45.69%.

The Group's sales in the manufacture of lead frames increased by RM 6.11 million, 52.27%, and the Group's sales in the manufacture of other electronic packaging and interconnect components increased by RM 1.78 million, 31.88%. The increase in revenue is mainly attributable to higher sales volume as a result of increase in customers' demand.

The Group's gross profit margin during the 6-month financial period ended 30 September 2020 increased to 16.81% from 2.13% during the same period in the preceding year.

The Group recorded a profit before taxation ("PBT") of RM 1.79 million for the 1st half-year end of the interim financial period ended 30 September 2020 as compared to loss before taxation ("LBT") of RM 2.25 million during the same period in the preceding year, PBT increased by RM 4.04 million.

The improvement in the PBT were mainly due to the following:

- (i) In line with the higher revenue recorded for the 1st half-year end of the interim financial period ended 30 September 2020 as explained above; and
- (ii) Economies of scale due to expanded volume of production as a result of increase in revenue as per explanation above.

## **B2. PROSPECTS OF THE GROUP**

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**

There were no corporate proposals during the current period under review.

**B5. MATERIAL LITIGATION**

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

**B6. DIVIDEND PROPOSED**

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

*(The rest of this page is intentionally left blank)*