



Amlex Holdings Berhad

Registration No. 201801010781 (1272796-A)
(Incorporated in Malaysia)

FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2022

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

Registration No. 201801010781 (1272796 – A)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 SEPTEMBER 2022

	INDIVIDUAL 6 MONTHS ENDED		CUMULATIVE 6 MONTHS ENDED	
	30.09.2022 RM'000	30.09.2021 RM'000	30.09.2022 RM'000	30.09.2021 RM'000
REVENUE	36,739	44,035	36,739	44,035
Cost of sales	(29,858)	(32,427)	(29,858)	(32,427)
GROSS PROFIT	6,881	11,608	6,881	11,608
Other income	676	283	676	283
Administrative expenses	(2,729)	(2,251)	(2,729)	(2,251)
Marketing and distribution expenses	(335)	(348)	(335)	(348)
Other operating expenses	(124)	(352)	(124)	(352)
OPERATING PROFIT	4,369	8,940	4,369	8,940
Finance income	2	3	2	3
Finance costs	(462)	(481)	(462)	(481)
PROFIT BEFORE TAX	3,909	8,462	3,909	8,462
Income tax expense	(979)	(1,934)	(979)	(1,934)
PROFIT AFTER TAX	2,930	6,528	2,930	6,528
EARNING PER ORDINARY SHARE (Sen)				
Basic*	1.09	2.43	1.09	2.43
Diluted*	1.09	2.43	1.09	2.43

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

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.

AMLEX HOLDINGS BERHAD

Registration No. 201801010781 (1272796 – A)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2022

	AS AT 30.09.2022 RM'000	AS AT 30.09.2021 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	18,289	15,479
Right-of-use assets	18,477	16,483
Total Non-Current Assets	36,766	31,962
Current Assets		
Inventories	16,226	13,040
Current tax assets	973	-
Trade and other receivables	17,109	17,831
Fixed deposits with a licensed bank	193	189
Cash and bank balances	4,240	7,920
Total Current Assets	38,741	38,980
TOTAL ASSETS	75,507	70,942
EQUITY AND LIABILITIES		
Equity		
Share capital	28,672	28,672
Revaluation reserves	4,705	4,705
Retained earnings	25,854	17,130
Merger deficit	(13,690)	(13,690)
TOTAL EQUITY	45,541	36,817

(The rest of this page is intentionally left blank)

AMLEX HOLDINGS BERHAD

Registration No. 201801010781 (1272796 – A)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2022 (CONTINUED)

	AS AT 30.09.2022 RM'000	AS AT 30.09.2021 RM'000
LIABILITIES		
Non-Current Liabilities		
Loans and borrowings	9,261	6,740
Deferred tax liabilities	2,596	2,891
Total Non-Current Liabilities	11,857	9,631
Current Liabilities		
Trade and other payables	10,721	12,918
Current tax liabilities	-	723
Loans and borrowings	7,388	10,853
Total Current Liabilities	18,109	24,494
TOTAL LIABILITIES	29,966	34,125
TOTAL EQUITY AND LIABILITIES	75,507	70,942
NET ASSETS PER ORDINARY SHARE (SEN) *	16.99	13.73

*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.

(The rest of this page is intentionally left blank)

AMLEX HOLDINGS BERHAD

Registration No. 201801010781 (1272796 – A)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 SEPTEMBER 2022

	SHARE CAPITAL RM'000	MERGER DEFICIT RM'000	REVALUATION RESERVE RM'000	RETAINED EARNINGS RM'000	TOTAL EQUITY RM'000
Balance as at 1 April 2022	28,672	(13,690)	4,705	22,924	42,611
Profit after tax	-	-	-	2,930	2,930
Balance as at 30 September 2022	28,672	(13,690)	4,705	25,854	45,541

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

Registration No. 201801010781 (1272796 – A)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2022

	30.09.2022	30.09.2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,909	8,462
Adjustments for		
Amortisation of government grant income	-	(63)
Depreciation of right-of-use assets	768	577
Depreciation of property, plant and equipment	1,744	2,032
Finance cost	461	479
Finance income	(1)	(3)
Net unrealised gain on foreign exchange	(270)	(74)
Loss on disposal of property, plant and equipment	22	-
Property, plant and equipment written off	103	241
Operating profit before changes in working capital	6,736	11,651
Changes in working capital		
Inventories	(2,851)	(318)
Trade and other receivables	343	(2,149)
Trade and other payables	(2,472)	1,898
Net cash generated from operations	1,756	11,082
Income tax paid	(1,642)	(1,184)
Income tax refunded	-	201
Interest paid	(51)	(104)
Interest received	1	3
Net cash generated from operating activities	64	9,998
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,082)	(1,646)
Purchase of right-of-use assets	(215)	(214)
Proceeds from disposal of property, plant and equipment	56	-
Net cash used in investing activities	(4,241)	(1,860)

AMLEX HOLDINGS BERHAD

Registration No. 201801010781 (1272796 – A)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2022 (CONTINUED)

	30.09.2022	30.09.2021
	RM'000	RM'000
Cash flows from financing activities		
Change in pledge deposits	(2)	(1)
Interest paid	(410)	(375)
Net drawdown of term loans	183	895
Net changes in lease liabilities	(749)	(2,081)
Net changes in bankers' acceptance	(793)	(1,492)
Dividend paid	-	(536)
Net cash used in financing activities	(1,771)	(3,590)
Net (decrease)/increase in cash and cash equivalents	(5,948)	4,548
Cash and cash equivalents at the beginning of the financial period	10,056	1,732
Effect of exchange rate changes	132	90
Cash and cash equivalents at the end of the financial period	4,240	6,370
Cash and cash equivalents at the end of the financial period consists:		
Cash in hand & at bank	4,240	7,920
Bank overdrafts	-	(1,550)
	4,240	6,370

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 Amlex 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 2022 and its accompanying explanatory notes attached to this interim half yearly report.

A2. CHANGES IN ACCOUNTING POLICIES

The Group has adopted the following amendments/improvements to MFRSs for the current financial period:

Amendments/Improvements to MFRSs

MFRS 1	First-time Adoption of MFRSs
MFRS 3	Business Combinations
MFRS 9	Financial Instruments
MFRS 16	Leases
MFRS 116	Property, Plant and Equipment
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
MFRS 141	Agriculture

The adoption of the above amendments/improvements to MFRSs 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 has 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 MFRSs	1 January 2023 [#]
MFRS 3	Business Combinations	1 January 2023 [#]
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2023 [#]
MFRS 7	Financial Instruments: Disclosures	1 January 2023 [#]
MFRS 9	Financial Instruments	1 January 2023 [#]
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023 [#]
MFRS 16	Leases	1 January 2024
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2023 [#]
MFRS 107	Statements of Cash Flows	1 January 2023 [#]
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112	Income Taxes	1 January 2023
MFRS 116	Property, Plant and Equipment	1 January 2023 [#]
MFRS 119	Employee Benefits	1 January 2023 [#]
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2023 [#]
MFRS 132	Financial Instruments: Presentation	1 January 2023 [#]
MFRS 136	Impairment of Assets	1 January 2023 [#]
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2023 [#]
MFRS 138	Intangible Assets	1 January 2023 [#]
MFRS 140	Investment Property	1 January 2023 [#]

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 6 months ended	
	30.09.2022 (RM'000)	30.09.2021 (RM'000)	30.09.2022 (RM'000)	30.09.2021 (RM'000)
Manufacture of lead frames	28,538	31,935	28,538	31,935
Manufacture of other electronic packaging and interconnect components	8,201	12,100	8,201	12,100
Total	36,739	44,035	36,739	44,035

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 under review.

A9. CHANGES IN THE COMPOSITION OF THE GROUP

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

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 COMMITMENT

As at 30 September 2022, there were no capital commitments other than those stated below:

	(RM'000)
Approved and contracted for	
- Land purchase	<u>5,663</u>

(The rest of this page is intentionally left blank)

B1. REVIEW OF PERFORMANCE

Current 6-month period vs. immediate preceding year corresponding 6-month period

The Group recorded revenue of RM36.74 million for the current six month ended 30 September 2022 as compared to RM44.04 million revenue in the preceding corresponding financial period, representing a decrease of 16.58% or RM7.30 million. This was primarily caused by the weakening of the broader global economies and thus led to the slowdown in the semiconductor industry. As a result, the Group's Profit After Tax ("PAT") shrank from RM6.53 million in the preceding corresponding financial period to RM2.93 million in the current financial period ended 30 September 2022 and PAT decreased by RM3.60 million or 55.13%.

The decrease in the PAT were mainly due to the following:

- i. The Group's sales manufacture of lead frames decreased by RM 3.40 million or 10.64%, and the Group's sales manufacture of other electronic packaging and interconnect components decreased by RM3.90 million or 32.22%. The decrease in revenue is mainly attributable to lower sales volume as a result of decrease in customers' demand;
- ii. The group's gross profit ("GP") decreased by RM4.72 million or 40.65% from RM11.61 million (GP margin: 26.36%) in the preceding corresponding period to RM6.89 million (GP margin: 18.73%) in the current financial period; and
- iii. Overall profit margin was affected by the unfavorable sales mix.

B2. PROSPECTS OF THE GROUP

Moving ahead, external uncertainties will continue to influence the overall post-pandemic economic recovery. Global headwinds persist amid the unresolved geopolitical conflict between Russia and Ukraine, component shortages arising from supply chain disruptions, the continuation of zero-Covid policy implementation in China as well as the worsening global inflation.

In view of the increasingly challenging business landscape, the Group will continue to emphasise on better cost management, improve operational efficiencies and scale up automation initiatives across our operations.

As such, the Group anticipates that our industries outlook will remain uncertain and challenging for financial year ending 2023.

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 PAID

On 21 October 2022, the Company paid a single tier final dividend of RM0.004 per share amounting to RM 1,072,452.35 in respect of the financial year ended 31 March 2022.

(The rest of this page is intentionally left blank)