



AE MULTI HOLDINGS BERHAD
Condensed Consolidated Statement of Financial Position
As at 30 June 2014 - Unaudited

	Unaudited as at 30-6-2014 RM'000	Audited as at 31-12-2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	15,098	14,882
Investment property	600	600
	<u>15,698</u>	<u>15,482</u>
Current assets		
Inventories	21,649	19,327
Trade receivables	14,107	9,602
Other receivables, deposits and prepayments	3,170	5,695
Fixed deposits with a licensed bank	2,274	2,704
Cash and bank balances	1,091	1,073
	<u>42,291</u>	<u>38,401</u>
Non-current assets classified as held for sale	-	5,858
	<u>42,291</u>	<u>44,259</u>
TOTAL ASSETS	<u>57,989</u>	<u>59,741</u>
EQUITY AND LIABILITIES		
Share capital	47,188	47,188
Share premium	5,765	5,765
Asset revaluation reserve	2,103	2,103
Foreign currency translation reserve	595	120
Accumulated losses	(31,246)	(29,774)
Total equity	<u>24,405</u>	<u>25,402</u>
Non-current liabilities		
Borrowings	456	202
Deferred tax liabilities	102	102
	<u>558</u>	<u>304</u>
Current liabilities		
Trade payables	4,904	6,216
Other payables and accruals	5,487	3,977
Borrowings	22,635	23,776
Provision for taxation	-	66
	<u>33,026</u>	<u>34,035</u>
Total liabilities	<u>33,584</u>	<u>34,339</u>
TOTAL EQUITY AND LIABILITIES	<u>57,989</u>	<u>59,741</u>
Net assets per share (RM)	0.26	0.27

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2013.



AE MULTI HOLDINGS BERHAD
Condensed Consolidated Statement of Comprehensive Income
For the 6 months period ended 30 June 2014 - Unaudited

	Individual Quarter		Cumulative Quarter	
	3 months ended	3 months ended	6 months ended	6 months ended
	30-6-14	30-6-13	30-6-14	30-6-13
	RM'000	RM'000	RM'000	RM'000
Revenue	10,511	10,821	24,085	21,973
Cost of sales	(8,322)	(8,728)	(19,433)	(18,255)
Gross profit	2,189	2,093	4,652	3,718
Other income	107	269	303	942
Administrative expenses	(2,486)	(948)	(3,671)	(1,749)
Selling and marketing expenses	(338)	(384)	(660)	(742)
Operating (loss)/profit	(528)	1,030	624	2,169
Finance costs	(1,024)	(965)	(2,096)	(1,813)
(Loss)/Profit before taxation	(1,552)	65	(1,472)	356
Taxation	-	-	-	-
(Loss)/Profit for the period	(1,552)	65	(1,472)	356
Other comprehensive income/(loss), net of tax				
Items that will be reclassified subsequently				
to profit or loss				
Foreign currency translation differences for foreign operation	264	646	475	(274)
Total comprehensive (loss)/income for the period	(1,288)	711	(997)	82
(Loss)/Earnings per share (sen)				
- Basic/Diluted	(1.64)	0.07	(1.56)	0.38

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2013.



AE MULTI HOLDINGS BERHAD
Condensed Consolidated Statement of Changes in Equity
For the 6 months period ended 30 June 2014 - Unaudited

	----- Attributable to Owners of the Parent -----					
	----- Non-distributable -----					
	Share Capital RM'000	Share Premium RM'000	Asset Revaluation Reserve RM'000	Foreign Currency Translation Reserve RM'000	Accumulated Losses RM'000	Total Equity RM'000
As at 1-1-2014	47,188	5,765	2,103	120	(29,774)	25,402
Foreign exchange differences in translation	-	-	-	475	-	475
Loss for the period	-	-	-	-	(1,472)	(1,472)
Total comprehensive income/(loss) for the period	-	-	-	475	(1,472)	(997)
As at 30-6-2014	47,188	5,765	2,103	595	(31,246)	24,405
As at 01-01-2013	47,188	5,765	2,103	414	(30,446)	25,024
Foreign exchange differences in translation	-	-	-	(294)	-	(294)
Profit for the year	-	-	-	-	672	672
Total comprehensive (loss)/income for the year	-	-	-	(294)	672	378
As at 31-12-2013	47,188	5,765	2,103	120	(29,774)	25,402

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2013.



AE MULTI HOLDINGS BERHAD
Condensed Consolidated Statement of Cash Flows
For the 6 months period ended 30 June 2014 - Unaudited

	<u>30-6-14</u>	<u>30-6-13</u>
	<u>RM'000</u>	<u>RM'000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(1,472)	356
Adjustments for:		
Bad debts	-	10
Depreciation	1,385	1,368
Loss/(Gain) on disposal of property, plant and equipment	1	(262)
Loss on disposal of non-current assets held for sale	1,858	-
Interest expense	2,096	1,813
Interest income	(29)	(32)
Operating profit before working capital changes	3,839	3,253
Increase in inventories	(1,805)	(1,307)
(Increase)/Decrease in receivables	(1,728)	662
Increase/(Decrease) in payables	28	(1,442)
Cash generated from operations	334	1,166
Interest paid	(2,096)	(1,813)
Income tax paid	(68)	(29)
Net cash used in operating activities	(1,830)	(676)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	29	32
Proceeds from disposal of property, plant and equipment	1,356	2,005
Proceeds from disposal of non-current assets held for sale	4,000	-
Purchase of property, plant and equipment	(2,623)	(2,662)
Net cash from/(used in) investing activities	2,762	(625)
CASH FLOW FROM FINANCING ACTIVITIES		
Net change in borrowings	(1,166)	730
Net decrease in cash and cash equivalents	(234)	(571)
Effects of changes in exchange rates	28	14
Cash and cash equivalents at beginning	1,297	2,946
Cash and cash equivalents at end	1,091	2,389
Represented by:		
Cash and bank balances	1,091	2,485
Bank overdraft	-	(96)
	<u>1,091</u>	<u>2,389</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2013.



AE MULTI HOLDINGS BERHAD

(Company No. 539777-D)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

Part A - Explanatory Notes Pursuant To MFRS 134

1. Basis of Preparation

The condensed consolidated interim financial statements ("Report") have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This condensed report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013. The explanatory notes attached to this Report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2013.

2. Significant Accounting Policies

The accounting policies adopted in the preparation of these condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 31 December 2013, except for the adoption of Amendments to Standards and Issue Committee (IC) Interpretations effective as of 1 January 2014.

2.1 Adoption of Amendments to Standards and IC Interpretations

The Group has adopted the following Amendments to Standards and IC Interpretations, with a date of initial application of 1 January 2014.

Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities
Amendments to MFRS 127	Separate Financial Statements: Investment Entities
Amendments to MFRS 132	Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretation 21	Levies

The adoption of the above pronouncements did not have any material impact on the financial statements of the Group.

2.2 Standards issued but not yet effective

At the date of authorisation of this condensed consolidated interim financial statements, the following Standards were issued but not yet effective and have not been adopted by the Group:

Effective for financial periods beginning on or after 1 July 2014

Amendments to MFRS 119	Defined Benefit Plans: Employee Contributions
Annual Improvements to MFRSs 2010 - 2012 Cycle	
Annual Improvements to MFRSs 2011 - 2013 Cycle	

2.2 Standards issued but not yet effective (cont'd)

Effective date to be announced by MASB

MFRS 9	Financial Instruments (IFRS 9 issued by IASB in October 2010)
MFRS 9	Financial Instruments: Mandatory Effective Date of MFRS 9 and Transition Disclosures (Amendments to MFRS 9 and MFRS 7)
MFRS 9	Financial Instruments (Hedge Accounting and amendments to MFRS 9, MFRS 7 and MFRS 139)
Amendments to MFRS 119	Defined Benefit Plans: Employee Contributions

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial application, other than MFRS 9 Financial Instruments. The Group will assess the financial implications of MFRS 9 Financial Instruments when the full standards is issued.

3. Audit Report of Preceding Annual Financial Statements

The auditors' report of the Group's most recent annual audited financial statements for the financial year ended 31 December 2012 was not subject to any qualification.

4. Seasonal or Cyclical Factors

The Group normally sees higher demand from their customers in the second half of the financial year to cater for the year end holiday seasons.

5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial year under review.

6. Material Changes in Estimates of Amount Reported

There were no changes in estimates of amount reported in prior financial year that have a material effect on current financial year.

7. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter to date under review.

8. Dividends Paid

No dividend was paid during the current financial year under review.

9. Segmental Information

(i) **Analysis by business segments**

	6 months ended	
	30-6-14	30-6-13
	RM'000	RM'000
Segment Revenue		
Printed Circuit Board (PCB)	21,898	21,973
Electronic Products	-	397
Investment Holding	50	50
Total revenue including inter-segment sales	21,948	22,420
Elimination of inter-segment sales	(50)	(447)
External sales	24,085	21,973
Segment Results		
Printed Circuit Board (PCB)	(1,257)	486
Electronic Products	(53)	(7)
Investment Holding	(162)	(123)
	(1,472)	356
Elimination	-	-
Profit before taxation	(1,472)	356

(ii) **Analysis by geographical segments**

Revenue
6 months ended

Non-current Assets

	30-6-14 RM'000	30-6-13 RM'000	30-6-14 RM'000	30-6-13 RM'000
Malaysia	6,118	6,270	3,157	10,655
Thailand	15,780	15,703	12,541	9,839
	<u>24,085</u>	<u>21,973</u>	<u>15,698</u>	<u>20,494</u>

10. Valuation of Property, Plant and Equipment

The valuation of the Group's landed properties was updated by independent professional valuers, namely CH Williams Talhar & Wong Sdn. Bhd. and World Valuation Co., Ltd. in January and December 2011 respectively.

11. Subsequent Events

There were no material events subsequent to the end of the reporting period that have not been reflected in the quarterly financial statements.

12. Contingent Liabilities and Contingent Assets

There were no contingent assets or contingent liabilities since the end of the last annual reporting period.

13. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current period under review.

14. Capital Commitments

The were no capital commitment for the Group as at the end of the current reporting period.

Part B - Explanatory Notes Pursuant To Appendix 9B Of The Listing Requirements Of Bursa Malaysia Securities Berhad

1. Performance Review

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	3 months ended		6 months ended	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	30-6-14	30-6-13	30-6-14	30-6-13
	RM'000	RM'000	RM'000	RM'000
Revenue	10,511	10,821	24,085	21,973
Profit before taxation	(1,552)	65	(1,472)	356

Comparison with Previous Year Corresponding Quarter

For the current quarter ended 30 June 2014, the Group's revenue has decreased from RM10.82 million to RM10.51 million, representing a marginal decline of 2.86% as compared to the preceding year corresponding quarter.

The Group posted a loss before taxation of RM1.55 million as compared to the preceding year's corresponding quarter profit before taxation of RM0.065 million which was mainly due to loss on disposal of fixed assets on 30 April 2014 for a total amount of RM1.83 million.

Comparison with Previous Year Corresponding Financial Period to Date

As for the 6 months period ended 30 June 2014, the Group recorded revenue of RM24.08 million, an increase of 9.61% as compared to the preceding year to date revenue of RM21.97 million. This was mainly due to the higher sales demand in the first quarter of the year.

The Group recorded a loss before taxation of RM1.47million for the 6 months period mainly resulted from disposal of fixed assets. However, if not for the loss of the disposal the Group would registered a profit before taxation of RM0.361 million which is 1.4% higher than previous corresponding year.

2. Comparison with Preceding Quarter's Results

<u>Individual Quarter</u>	
3 months ended	
(Unaudited)	(Unaudited)
30-6-14	31-3-14
RM'000	RM'000

Revenue	10,511	13,574
(Loss)/Profit before taxation	(1,552)	80

During the current quarter under review, the Group reported total revenue of RM10.51 million, which is 22.56% lower than the immediate preceding quarter of RM13.57 million. The revenue decreased as a result of factory shutdown one week for Songkran Festival in Thailand.

3. Prospects

In view of the uncertainties of the market demand in the industry, the Board foresees the remaining quarters for the current year remain challenging. The Group will continue to devote its efforts on cost control and expanding market share in the industry and with the extensive experience in the industry the Board believes that the Group can overcome the temporary challenges in the market and remain competitive for the coming period.

4. Profit Forecast

This section is not applicable as no profit forecast was published.

5. Profit from Operations

	Current period (Unaudited) 30-6-14 RM'000
This is derived after charging/(crediting) the following:	
Depreciation	1,385
Loss on disposal of non-current assets	1,858
Loss on disposal of property, plant and equipment	1
Interest expense	2,096
Interest income	(29)
Realised loss on foreign exchange	179
Rental expenses	80

Other than the above items, there were no gain or loss on disposal of quoted or unquoted investments, provisions for and write off of receivables and inventories, gain or loss on derivatives as well as other exceptional items.

6. Taxation

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	(Unaudited) 30-6-14 RM'000	(Unaudited) 30-6-13 RM'000	(Unaudited) 30-6-14 RM'000	(Unaudited) 30-6-13 RM'000
Current tax	-	-	-	-
Deferred tax	-	-	-	-

7. Status of Corporate Proposals and Status of Utilisation of Proceeds Raised

On 30 December 2013, a wholly-owned subsidiary of the Company, AE Corporation (M) Sdn. Bhd. ("AEC") had entered into a conditional sale and purchase agreement to dispose of a leasehold land together with a building (collectively referred to as "Property") to Hong Seng Housing Sdn. Bhd. ("Purchaser") for RM4,000,000. On even date, AEC had also entered into a tenancy agreement to rent the said Property from the Purchaser. This transaction has been completed on 30 April 2014.

8. Borrowings and Debt Securities

The Group's borrowings as at 30 June 2014 are as follows:

	Denominated in		Total borrowings RM'000
	RM RM'000	Thai Baht RM'000	
Secured short-term borrowings			

Factoring	-	3,945	3,945
Trade finance	-	15,858	15,858
Promissory notes	-	2,527	2,527
Finance lease liabilities	17	38	55
Term loans	250	-	250
	<u>267</u>	<u>22,368</u>	<u>22,635</u>
Secured long-term borrowings			
Finance lease liabilities	32	174	206
Term loans	250	-	250
	<u>282</u>	<u>174</u>	<u>456</u>
Total borrowings	<u>549</u>	<u>22,542</u>	<u>23,091</u>

9. Changes in Material Litigation

The Group is not engaged in any material litigation as at the date of this report.

10. Dividend Payable

No dividend has been proposed for the current quarter.

11. (Loss)/Earnings Per Share

(i) Basic (Loss)/Earnings Per Share

The basic (loss)/earnings per share has been calculated based on the Group's (loss)/profit after taxation attributable to owners of the parent divided by the weighted average number of ordinary shares outstanding during the financial period.

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>3 months ended</u>	<u>3 months ended</u>	<u>6 months ended</u>	<u>6 months ended</u>
	<u>30-6-14</u>	<u>30-6-13</u>	<u>30-6-14</u>	<u>30-6-13</u>
(Loss)/Profit After Taxation				
Attributable to owners of the parent (RM'000)	<u>(1,552)</u>	<u>65</u>	<u>(1,472)</u>	<u>356</u>
Weighted average number of ordinary shares of RM0.50 each ('000)	<u>94,376</u>	<u>94,376</u>	<u>94,376</u>	<u>94,376</u>
Basic (Loss)/Earnings Per Share (sen)	<u>(1.64)</u>	<u>0.07</u>	<u>(1.56)</u>	<u>0.38</u>

(ii) Diluted (Loss)/Earnings Per Share

Diluted (Loss)/Earnings Per Share (sen)	<u>(1.64)</u>	<u>0.07</u>	<u>(1.56)</u>	<u>0.38</u>
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There is no diluted (loss)/earnings per share as the Company does not have any convertible financial instruments as at the current financial period ended 30 June 2014.

12. Realised and Unrealised Accumulated Losses

	<u>As at</u>	<u>Audited</u>
	<u>30-6-14</u>	<u>As at</u>
	<u>RM'000</u>	<u>31-12-2013</u>
		<u>RM'000</u>
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(44,851)	(43,322)
- Unrealised	<u>102</u>	<u>45</u>
	(44,749)	(43,277)
Add: Consolidation adjustments	13,503	<u>13,503</u>

Total accumulated losses of the Group

(31,246)

(29,774)

Date: