



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

	Unaudited as at 30-9-2014 RM'000	Audited as at 31-12-2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	14,558	14,882
Investment property	-	600
	<u>14,558</u>	<u>15,482</u>
Current assets		
Inventories	20,995	19,327
Trade receivables	11,075	9,602
Other receivables, deposits and prepayments	5,992	5,695
Fixed deposits with a licensed bank	2,225	2,704
Cash and bank balances	998	1,073
	<u>41,285</u>	<u>38,401</u>
Non-current assets classified as held for sale	-	5,858
	<u>41,285</u>	<u>44,259</u>
TOTAL ASSETS	<u><u>55,843</u></u>	<u><u>59,741</u></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	213	120
Accumulated losses	(30,732)	(29,774)
Total equity	<u>24,537</u>	<u>25,402</u>
Non-current liabilities		
Borrowings	188	202
Deferred tax liabilities	102	102
	<u>290</u>	<u>304</u>
Current liabilities		
Trade payables	4,259	6,216
Other payables and accruals	6,507	3,977
Borrowings	20,250	23,776
Provision for taxation	-	66
	<u>31,016</u>	<u>34,035</u>
Total liabilities	<u>31,306</u>	<u>34,339</u>
TOTAL EQUITY AND LIABILITIES	<u><u>55,843</u></u>	<u><u>59,741</u></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 9 months period ended 30 September 2014 - Unaudited

	Individual Quarter		Cumulative Quarter	
	3 months ended	3 months ended	9 months ended	9 months ended
	30-9-14	30-9-13	30-9-14	30-9-13
	RM'000	RM'000	RM'000	RM'000
Revenue	9,696	10,478	33,781	32,451
Cost of sales	(7,486)	(8,710)	(26,919)	(26,965)
Gross profit	2,210	1,768	6,862	5,486
Other income	753	281	1,056	1,223
Administrative expenses	(1,035)	(812)	(4,706)	(2,561)
Selling and marketing expenses	(361)	(318)	(1,021)	(1,060)
Operating profit	1,567	919	2,191	3,088
Finance costs	(1,037)	(990)	(3,133)	(2,803)
Profit/(Loss) before taxation	530	(71)	(942)	285
Taxation	(16)	(44)	(16)	(44)
Profit/(Loss) for the period	514	(115)	(958)	241
Other comprehensive (loss)/income, net of tax				
Items that will be reclassified subsequently				
to profit or loss				
Foreign currency translation differences for foreign operation	(118)	(400)	93	(674)
Total comprehensive income/(loss) for the period	396	(515)	(865)	(433)
Earnings/(Loss) per share (sen)				
- Basic/Diluted	0.54	(0.12)	(1.02)	0.26

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 9 months period ended 30 September 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	-	-	-	93	-	93
Loss for the period	-	-	-	-	(958)	(958)
Total comprehensive income/(loss) for the period	-	-	-	93	(958)	(865)
As at 30-9-2014	47,188	5,765	2,103	213	(30,732)	24,537
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 9 months period ended 30 September 2014 - Unaudited

	30-9-14	30-9-13
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(942)	285
Adjustments for:		
Bad debts	-	10
Depreciation	2,066	2,054
Gain on disposal of property, plant and equipment	(255)	(318)
Gain on disposal of investment property	(298)	-
Loss on disposal of non-current assets held for sale	1,858	-
Interest expense	3,133	2,803
Interest income	(35)	(76)
Operating profit before working capital changes	5,527	4,758
Increase in inventories	(1,580)	(1,398)
Increase in receivables	(1,747)	(401)
Increase/(Decrease) in payables	549	(866)
Cash generated from operations	2,749	2,093
Interest paid	(3,133)	(2,803)
Income tax paid	(84)	(73)
Net cash used in operating activities	(468)	(783)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	35	76
Proceeds from disposal of property, plant and equipment	2,234	3,715
Proceeds from disposal of investment property	898	-
Proceeds from disposal of non-current assets held for sale	4,000	-
Purchase of property, plant and equipment	(3,660)	(6,442)
Net cash from/(used in) investing activities	3,507	(2,651)
CASH FLOW FROM FINANCING ACTIVITIES		
Net change in borrowings	(3,834)	1,283
Net decrease in cash and cash equivalents	(795)	(2,151)
Effects of changes in exchange rates	10	(34)
Cash and cash equivalents at beginning	1,297	2,946
Cash and cash equivalents at end	512	761
Represented by:		
Cash and bank balances	998	976
Bank overdrafts	(486)	(215)
	512	761

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.

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 2013 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

	9 months ended	
	30-9-14 RM'000	30-9-13 RM'000
Segment Revenue		
Printed Circuit Board (PCB)	37,994	35,336
Electronic Products	-	589
Investment Holding	75	75
Total revenue including inter-segment sales	38,069	36,000
Elimination of inter-segment sales	(4,288)	(3,549)
External sales	33,781	32,451
Segment Results		
Printed Circuit Board (PCB)	(987)	431
Electronic Products	234	(7)
Investment Holding	(189)	(139)
Elimination	-	-
(Loss)/Profit before taxation	(942)	285

(ii) Analysis by geographical segments

Revenue

Non-current Assets

	9 months ended			
	30-9-14	30-9-13	30-9-14	30-9-13
	RM'000	RM'000	RM'000	RM'000
Malaysia	11,102	9,481	2,253	10,358
Thailand	22,679	22,970	12,305	11,335
	33,781	32,451	14,558	21,693

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

On 15 September 2014, AE Corporation (M) Sdn. Bhd., a wholly-owned subsidiary of the Company has entered into a sale and purchase agreement with Jyoto Works (M) Sendirian Berhad for the acquisition of a factory land and building for a total cash consideration of RM10 million.

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>	
	<u>3 months ended</u>		<u>9 months ended</u>	
	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>
	<u>30-9-14</u>	<u>30-9-13</u>	<u>30-9-14</u>	<u>30-9-13</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	9,696	10,478	33,781	32,451
Profit before taxation	530	(71)	(942)	285

Comparison with Previous Year Corresponding Quarter

For the current quarter ended 30 September 2014, the Group's revenue has decreased from RM10.478 million to RM9.696 million, representing a reduction of 7.463% as compared to the preceding year corresponding quarter. This was mainly due to lower sales demand in the third quarter of the year.

However, The Group manage to gain profit before taxation of RM0.53 million as compared to the preceding year's corresponding quarter loss before taxation of RM0.071 million which was mainly due to success in persuading the customer to switch to same quality standard but lower cost raw material. The profit position for the current quarter also resulted from the successful effort in lower the raw material cost from supplier.

Comparison with Previous Year Corresponding Financial Period to Date

As for the 9 months period ended 30 September 2014, the Group recorded revenue of RM33.781 million, an increased of 4.1% as compared to the preceding year to date revenue of RM32.451 million. The increased in sales was mainly due to the increased of sales in the first quarter of the year where the Group successfully recaptured the order from the competitors.

The Group recorded a loss before taxation of RM0.942 million for the 9 months period as compared to RM0.285 profit in the preceding year to date resulted from the disposal of fixed assets in the 2nd quarter of the year for the amount of RM1.83 million. Therefore, if not for the loss in disposal the Group would have registered a profit before taxation of RM0.888 million.

2. Comparison with Preceding Quarter's Results

	<u>Individual Quarter</u>	
	<u>3 months ended</u>	
	<u>(Unaudited)</u>	<u>(Unaudited)</u>
	<u>30-9-14</u>	<u>30-6-14</u>

	<u>RM'000</u>	<u>RM'000</u>
Revenue	9,696	10,511
Profit/(Loss) before taxation	530	(1,552)

During the current quarter under review, the Group reported total revenue of RM9.696 million, which is 7.75% lower than the immediate preceding quarter of RM10.511 million. Sales has slightly decreased due to the lower demand during the 3rd quarter of the year because 3rd quarter of the year will be new model developing stage for most of the electronics companies.

In contrast to the lower revenue, the Group posted a profit before taxation of RM0.530 million as compared to the immediate preceding quarter's of loss before taxation of RM1.552 million. However, as mention the loss in the previous quarter was due to the disposal of fixed asset. Therefore, the Group would have profit before taxation of RM0.361 million which is lower than the current quarter under review of RM0.53 million.

3. Prospects

The Group is confident in obtaining a positive results in year 2014 due to the successful budgetary control and new business which will boost up the revenue in the fourth quarter of the year. In light of these results, the Group foreseen that there will be busy season ahead with the newly develop customers and products.

Notwithstanding any unforeseen situation the Group is optimistic that the performance of the Group will be positive for the remaining quarter of 2014

4. Profit Forecast

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

5. Profit from Operations

	<u>Current period (Unaudited) 30-9-14 RM'000</u>
This is derived after charging/(crediting) the following:	
Depreciation	2,066
Loss on disposal of non-current assets	1,858
Gain on disposal of property, plant and equipment	(255)
Gain on disposal of investment property	(298)
Interest expense	3,133
Interest income	(35)
Realised loss on foreign exchange	199
Rental expenses	200

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

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	3 months ended		9 months ended	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	30-9-14	30-9-13	30-9-14	30-9-13
	RM'000	RM'000	RM'000	RM'000
Current tax	(16)	(44)	(16)	(44)
Deferred tax	-	-	-	-

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

(I) Proposed reduction of the existing issue and paid-up share capital of AE Multi Holdings Berhad ("AEM") from RM47,187,750 comprising 94,375,500 ordinary shares of RM0.50 each in AEM ("Existing Shares") to RM9,437,550 comprising 94,375,500 ordinary shares of RM0.10 Each in AEM ("AEM Shares") via the cancellation of RM0.40 from the Par Value of each existing Share pursuant to Section 64 of the Companies Act, 1965 ("Proposed Par Value reduction")

(II) Proposed renounceable rights issue of up to 125,834,000 new AEM Shares ("Rights Shares") together with up to 94,375,000 free detachable Warrants ("Warrants") at an indicative issue price of RM0.20 Per Rights Share after the proposed Par Value reduction on the basis of Four (4) Rights Shares for every three (3) AEM Shares held together with Three (3) free Warrants for Every Four (4) Rights Shares subscribed at tan entitlement date to be determined later ("Proposed Rights Issue with Warrants"); and

(III) Proposed Amendment to the Memorandum of Association of AEM.

8. Borrowings and Debt Securities

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

	Denominated in		Total borrowings RM'000
	RM RM'000	Thai Baht RM'000	
Secured short-term borrowings			
Bank overdrafts	-	486	486
Factoring	-	3,764	3,764
Trade finance	-	13,364	13,364
Promissory notes	-	2,472	2,472
Finance lease liabilities	24	18	42
Term loans	122	-	122
	<u>146</u>	<u>20,104</u>	<u>20,250</u>
Secured long-term borrowings			
Finance lease liabilities	18	170	188
Total borrowings	<u>164</u>	<u>20,274</u>	<u>20,438</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. Earnings/(Loss) Per Share

(i) Basic Earnings/(Loss) Per Share

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

	Individual Quarter		Cumulative Quarter	
	3 months ended 30-9-14	3 months ended 30-9-13	9 months ended 30-9-14	9 months ended 30-9-13
Profit/(Loss) After Taxation Attributable to owners of the parent (RM'000)	<u>514</u>	<u>(115)</u>	<u>(958)</u>	<u>241</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 Earnings/(Loss) Per Share (sen)	<u>0.54</u>	<u>(0.12)</u>	<u>(1.02)</u>	<u>0.26</u>

(ii) Diluted Earnings/(Loss) Per Share

Diluted Earnings/(Loss) Per Share (sen)	<u>0.54</u>	<u>(0.12)</u>	<u>(1.02)</u>	<u>0.26</u>
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There is no diluted earnings/loss per share as the Company does not have any convertible financial instruments as at the current financial period ended 30 September 2014.

12. Realised and Unrealised Accumulated Losses

	As at 30-9-14 RM'000	Audited As at 31-12-2013 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(44,337)	(43,322)
- Unrealised	102	45
	(44,235)	(43,277)
Add: Consolidation adjustments	13,503	13,503
Total accumulated losses of the Group	<u>(30,732)</u>	<u>(29,774)</u>

Date: