



# AE MULTI HOLDINGS BERHAD

## Condensed Consolidated Statement of Financial Position

As at 31 March 2016 - Unaudited

	Unaudited as at 31-3-2016 RM'000	Audited as at 31-12-2015 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	27,796	26,520
<b>Current assets</b>		
Inventories	25,200	18,948
Trade receivables	8,130	7,948
Other receivables, deposits and prepayments	12,800	10,297
Deposits with licensed banks	2,807	3,002
Cash and bank balances	2,826	780
	<u>51,763</u>	<u>40,975</u>
<b>TOTAL ASSETS</b>	<u>79,559</u>	<u>67,495</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	23,690	23,690
Share premium	7,385	7,385
Other reserves	15,422	9,190
<b>Total equity</b>	<u>46,497</u>	<u>40,265</u>
<b>Non-current liabilities</b>		
Borrowings	66	25
<b>Current liabilities</b>		
Trade payables	7,507	6,587
Other payables and accruals	2,390	1,185
Borrowings	23,076	19,433
Current tax liabilities	23	-
	<u>32,996</u>	<u>27,205</u>
<b>Total liabilities</b>	<u>33,062</u>	<u>27,230</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>79,559</u>	<u>67,495</u>
<b>Net assets per share (RM)</b>	0.20	0.17

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 2015.



# AE MULTI HOLDINGS BERHAD

## Condensed Consolidated Statement of Comprehensive Income For the financial period ended 31 March 2016 - Unaudited

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31/3/2016	31/3/2015	31/3/2016	31/3/2015
	RM'000	RM'000	RM'000	RM'000
Revenue	11,552	10,105	11,552	10,105
Cost of sales	(9,002)	(7,842)	(9,002)	(7,842)
<b>Gross profit</b>	<b>2,550</b>	<b>2,263</b>	<b>2,550</b>	<b>2,263</b>
Other income	466	125	466	125
Administrative expenses	301	(854)	301	(854)
Selling and marketing expenses	(381)	(340)	(381)	(340)
<b>Operating profit</b>	<b>2,936</b>	<b>1,194</b>	<b>2,936</b>	<b>1,194</b>
Finance costs	(1,675)	(1,034)	(1,675)	(1,034)
<b>Profit before tax</b>	<b>1,261</b>	<b>160</b>	<b>1,261</b>	<b>160</b>
Tax expense	(24)	-	(24)	-
<b>Profit for the period</b>	<b>1,237</b>	<b>160</b>	<b>1,237</b>	<b>160</b>
<b>Other comprehensive income/(loss), net of tax</b>				
<b>Item that will be reclassified subsequently to profit or loss</b>				
Foreign currency translation differences for foreign operation	4,995	(1,257)	4,995	(1,257)
<b>Total comprehensive income/(loss) for the period</b>	<b>6,232</b>	<b>(1,097)</b>	<b>6,232</b>	<b>(1,097)</b>
<b>Earnings per share (sen)</b>				
- Basic	0.52	0.17	0.52	0.17
- Diluted	-	-	-	-

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 2015.



# AE MULTI HOLDINGS BERHAD

Condensed Consolidated Statement of Changes in Equity  
For the financial period ended 31 March 2016 - Unaudited

	----- Attributable to Owners of the Parent -----							Total Equity RM'000
	----- Non-distributable -----							
	Share Capital RM'000	Share Premium RM'000	Asset Revaluation Reserve RM'000	Foreign Currency Translation Reserve RM'000	Warrants Reserve RM'000	Capital Reserve RM'000	Accumulated Losses RM'000	
As at 1-1-2016	23,690	7,385	1,541	(2,770)	5,930	10,513	(6,024)	40,265
Other comprehensive loss:								
Foreign currency translation differences	-	-	-	4,995	-	-	-	4,995
Profit for the period	-	-	-	-	-	-	1,237	1,237
Total comprehensive income for the period	-	-	-	4,995	-	-	1,237	6,232
As at 31-3-2016	23,690	7,385	1,541	2,225	5,930	10,513	(4,787)	46,497
As at 01-01-2015	18,223	6,787	1,541	(432)	5,930	10,513	(3,006)	39,556
Other comprehensive loss:								
Foreign currency translation differences	-	-	-	(1,257)	-	-	-	(1,257)
Profit for the period	-	-	-	-	-	-	160	160
Total comprehensive income for the period	-	-	-	(1,257)	-	-	160	(1,097)
As at 31-3-2015	18,223	6,787	1,541	(1,689)	5,930	10,513	(2,846)	38,459

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 2015.



# AE MULTI HOLDINGS BERHAD

Condensed Consolidated Statement of Cash Flows

For the financial period ended 31 March 2016 - Unaudited

	31/3/2016 RM'000	31/3/2015 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	1,261	160
Adjustments for:		
Depreciation	805	569
Gain on disposal of property, plant and equipment	(151)	-
Interest expense	1,675	1,034
Interest income	(6)	(21)
Operating profit before working capital changes	3,584	1,742
Increase in inventories	(617)	(1,911)
Increase in receivables	(241)	(3,902)
Decrease in payables	(156)	(770)
Cash from/(used in) operation	2,570	(4,841)
Interest paid	(1,675)	(1,034)
Income tax paid	-	2
Net cash from/(used in) operating activities	895	(5,873)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	6	21
Withdrawal of deposits with licensed banks	956	6,776
Proceeds from disposal of property, plant and equipment	4,378	-
Purchase of property, plant and equipment	(1,168)	(641)
Net cash from investing activities	4,172	6,156
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net change in borrowings	(2,527)	(1,826)
Net cash from/(used in) cash and cash equivalents	2,540	(1,543)
Effects of changes in exchange rates	(615)	(113)
Cash and cash equivalents at beginning	182	3,186
Cash and cash equivalents at end	2,107	1,530
<b>Represented by:</b>		
Cash and bank balances	2,826	1,530
Bank overdrafts	(719)	-
	2,107	1,530

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 2015.



# 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 2015. 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 2015.

#### 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 2015, except for the adoption of Amendments to Standards and Issue Committee (IC) Interpretations effective as of 1 January 2016.

##### 2.1 Adoption of New and Amendments/Improvements to MFRS

The Group has adopted the following standards with a date of initial application of 1 January 2016.

*MFRS 14 Regulatory Deferral Accounts*

*Amendments to MFRS 10, MFRS 12 and MFRS 128 Investment Entities: Applying the Consolidation Exception*

*Amendments to MFRS 11 Accounting for Acquisitions of Interests in Joint Operations*

*Amendments to MFRS 101 Disclosure Initiative*

*Amendments to MFRS 116 and MFRS 138 Clarification of Acceptable Methods of Depreciation and Amortisation*

*Amendments to MFRS 116 and MFRS 141 Agriculture: Bearer Plants*

*Amendments to MFRS 127 Equity Method in Separate Financial Statements*

*Annual Improvements to MFRS 2012–2014 Cycle*

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 January 2017**

*Amendments to MFRS 107 Statement of Cash Flows: Disclosure Initiatives*

*Amendments to MFRS 112 Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses*

###### **Effective for financial periods beginning on or after 1 January 2018**

*MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)*

*MFRS 15 Revenue from Contracts with Customers*

*Amendments to MFRS 7 Mandatory Date of MFRS 9 and Transition Disclosures*

###### **Effective for financial periods beginning on or after 1 January 2019**

*MFRS 16 Leases*

The initial application of the above standards is not expected to have any material impacts to the financial statements of the Group upon adoption except as mentioned below:

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

### *MFRS 15 Revenue From Contracts with Customers*

MFRS 15 replaces the guidance in MFRS 111 *Construction Contracts*, MFRS 118 *Revenue*, IC Int 13 *Customer Loyalty Programmes*, IC Int 15 *Agreements for Construction of Real Estate*, IC Int 18 *Transfers of Assets from Customers* and IC Int 131 *Revenue – Barter Transactions Involving Advertising Services*. Upon adoption of MFRS 15, it is expected that the timing of revenue recognition might be different as compared with the current practices.

The adoption of *MFRS 15* will result in a change in accounting policy. The Group is currently assessing the financial impact of adopting *MFRS 15*.

### *MFRS 16 Leases*

*MFRS 16* replaces the guidance in *MFRS 117 Leases*, *IC Int 4 Determining whether an Arrangement contains a Lease*, *IC Int 115 Operating Leases – Incentives* and *IC Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

The Group is currently assessing the financial impact that may arise from the adoption of *MFRS 16*.

## 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 2015 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 period 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 period.

## 7. Debt and Equity Securities

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

## 8. Dividends Paid

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

## 9. Segmental Information

### (i) Analysis by business segments

	3 months ended	
	31/3/2016	31/3/2015
	RM'000	RM'000
Segment Revenue		
Printed Circuit Board (PCB)	11,514	11,608
Electronic Products	13	-
Investment Holding	25	25
Total revenue including inter-segment sales	11,552	11,633
Elimination of inter-segment sales	-	(1,528)
External sales	11,552	10,105

## 9. Segmental Information (cont'd)

### (i) Analysis by business segments (cont'd)

	3 months ended	
	31/3/2016 RM'000	31/3/2015 RM'000
<b>Segment Results</b>		
Printed Circuit Board (PCB)	1,343	198
Electronic Products	1	-
Investment Holding	(81)	(38)
	<u>1,263</u>	<u>160</u>
Elimination	-	-
Profit before tax	<u>1,263</u>	<u>160</u>

### (ii) Analysis by geographical segments

	Revenue		Non-current Assets	
	3 months ended		3 months ended	
	31/3/2016 RM'000	31/3/2015 RM'000	31/3/2016 RM'000	31/3/2015 RM'000
Malaysia	543	1,102	10,754	1,733
Thailand	11,009	9,003	17,042	10,820
	<u>11,552</u>	<u>10,105</u>	<u>27,796</u>	<u>12,553</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

Save as disclosed below, there were no material events subsequent to the end of the current period:

On 15 April 2016, the Company granted 35,534,000 share options to its directors and employees of the Group at an exercise price of RM0.10 each pursuant to the Company's Employees' Share Option Scheme ("ESOS").

## 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 other than the acquisition of a new wholly-owned subsidiary, AE Resources Development Sdn Bhd, at a cash consideration of RM2. The subsidiary remains dormant as at the end of the reporting period.

## 14. Capital Commitments

The Group's capital commitment as at the end of the current reporting period is as follows:

	31-3-2016 RM'000
Contracted but not provided for: - Property, plant and equipment	<u>-</u>

**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		3 months ended	
	(Unaudited) 31-Mar-16 RM'000	(Unaudited) 31-Mar-15 RM'000	(Unaudited) 31-Mar-16 RM'000	(Unaudited) 31-Mar-15 RM'000
Revenue	11,552	10,105	11,552	10,105
Profit before tax	1,261	160	1,261	160

**Comparison with Previous Year Corresponding Quarter**

For the current quarter ended 31 March 2016, the Group's revenue has increased from RM10.11 million to RM11.55 million, representing an increase of 14.32% as compared to the preceding year corresponding quarter. The sales increased was mainly due to increase in particular products to our customer ie the order for air conditioners PCB was increase dramatically due to the exceptionally dry and hot season for the period under review.

The Group posted a profit before tax of RM1.26 million as compared to the preceding year's corresponding quarter profit before tax of RM0.16 million which was mainly due to the recovery of bad debts of RM1.125million previously provided for RM2.7 million. The actual profit for the quarter under review was RM0.135 million which is slightly lower than the preceding year's corresponding quarter which was mainly due to the increased in finance cost.



## 2. Comparison with Preceding Quarter's Results

	<u>Individual Quarter</u>	
	3 months ended	
	(Unaudited)	(Unaudited)
	31-Mar-16	31-Dec-15
	RM'000	RM'000

Revenue	11,552	-
Profit/(Loss) before tax	1,261	-

During the current quarter under review, the Group reported total revenue of RM11.55 million, which was 0.38% slightly lower than the immediate preceding quarter of RM11.6 million. There was no significant drop in sales as compared to previous quarter and it was mainly due to the sales of different product mix.

In contrast with the revenue, the Group posted a higher profit before tax of RM1.26 million as compared to the immediate preceding quarter's loss before tax of RM3.17 million, mainly due to the recovery of bad debts with the total amount of RM1.125 million which was previously written off. Therefore, looking at the current quarter itself the profit before taxation was RM0.135 million which was significantly better than the previous quarter loss before taxation of RM3.17 million which included of RM2.698 million of impairment in trade receivable.

## 3. Prospects

The Group is cautiously optimistic that the performance for the Group will be improved in year 2016 despite the global economic slowdown. The Group is confident of overcoming the challenges in this competitive PCB market.

## 4. Profit Forecast

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

## 5. Profit from Operations

	<u>Current quarter</u>	<u>Cumulative</u>
	(Unaudited)	quarter
	31/3/2016	(Unaudited)
	RM'000	31/3/2016
	RM'000	RM'000
This is derived after charging/(crediting) the following:		
Depreciation	805	805
Loss/(Gain) on disposal of property, plant and equipment	(151)	(151)
Interest expense	1,675	1,675
Interest income	(6)	(6)
Realised loss on foreign exchange	812	812
Rental expenses	480	480
Rental income	(130)	(130)

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. Tax Expense

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	3 months ended		3 months ended	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
	RM'000	RM'000	RM'000	RM'000
Current tax	(24)	-	(24)	-
Deferred tax	-	-	-	-

The effective tax rate of the Group is lower than the Malaysian statutory tax rate of 24% due to the availability of tax credits which can be set off against the chargeable income of the local subsidiary.

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

There were no corporate proposals announced or not completed as at the date of this report.

## 8. Borrowings and Debt Securities

The Group's borrowings as at 31 March 2016 are as follows:

	Denominated in		Total borrowings RM'000
	RM RM'000	Thai Baht RM'000	
<b>Secured short-term borrowings</b>			
Overdraft	-	719	719
Factoring	-	1,267	1,267
Trade finance	-	18,146	18,146
Promissory notes	-	2,757	2,757
Finance lease liabilities	-	187	187
	-	23,076	23,076
<b>Secured long-term borrowings</b>			
Finance lease liabilities	-	66	66
<b>Total borrowings</b>	-	23,142	23,142

## 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 Per Share

### (i) Basic Earnings Per Share

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

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Profit After Tax Attributable to owners of the Company (RM'000)	1,237	160	1,237	160
Weighted average number of ordinary shares	236,893	95,820	236,893	95,820
Basic Earnings Per Share (sen)	0.52	0.17	0.52	0.17

### (ii) Diluted Earnings Per Share

There is no diluted earnings per share as the Company does not have any equity convertible financial instruments as at the reporting date.

## 12. Realised and Unrealised Accumulated Losses

	As at 31-Mar-16 RM'000	Audited As at 31-12-2015 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(18,408)	(19,452)
- Unrealised	-	-
	(18,408)	(19,452)
Add: Consolidation adjustments	13,621	13,428
Total accumulated losses of the Group	(4,787)	(6,024)

Date: 27th May 2016