



AE MULTI HOLDINGS BERHAD
Condensed Consolidated Statement of Financial Position
As at 31 December 2016 - Unaudited

	Unaudited as at 31-12-2016 RM'000	Audited as at 31-12-2015 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	32,509	26,520
Current assets		
Inventories	29,787	18,948
Trade receivables	11,000	7,948
Other receivables, deposits and prepayments	16,063	10,297
Deposits with licensed banks	2,819	3,002
Cash and bank balances	2,684	780
	<u>62,353</u>	<u>40,975</u>
TOTAL ASSETS	<u>94,862</u>	<u>67,495</u>
EQUITY AND LIABILITIES		
Share capital	27,137	23,690
Share premium	7,385	7,385
Other reserves	19,380	9,190
Total equity	<u>53,902</u>	<u>40,265</u>
Non-current liabilities		
Borrowings	276	25
Current liabilities		
Trade payables	3,911	6,587
Other payables and accruals	4,240	1,185
Borrowings	32,533	19,433
	<u>40,684</u>	<u>27,205</u>
Total liabilities	<u>40,960</u>	<u>27,230</u>
TOTAL EQUITY AND LIABILITIES	<u>94,862</u>	<u>67,495</u>
Net assets per share (RM)	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 year ended 31 December 2016 - Unaudited

	Individual Quarter		Cumulative Quarter	
	3 months ended	3 months ended	12 months ended	12 months ended
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	RM'000	RM'000	RM'000	RM'000
Revenue	14,231	11,596	51,599	42,515
Cost of sales	(9,912)	(9,392)	(39,735)	(34,376)
Gross profit	4,319	2,204	11,864	8,139
Other income	178	65	2,595	556
Administrative expenses	(1,674)	(4,234)	(5,106)	(9,463)
Selling and marketing expenses	(417)	(244)	(1,393)	(1,179)
Operating profit/(loss)	2,406	(2,209)	7,960	(1,947)
Finance costs	(1,839)	(962)	(6,858)	(1,123)
Profit/(Loss) before tax	567	(3,171)	1,102	(3,070)
Tax expense	(50)	-	(242)	52
Profit/(Loss) for the period	517	(3,171)	860	(3,018)
Other comprehensive income/(loss), net of tax				
Item that will be reclassified subsequently				
to profit or loss				
Foreign currency translation differences for foreign operation	1,095	(729)	7,678	(2,338)
Total comprehensive income/(loss) for the period/year	1,612	(3,900)	8,538	(5,356)
Earnings/(Loss) per share (sen)				
- Basic	0.20	(1.71)	0.34	(1.62)
- Diluted	0.00	(0.02)	0.00	(0.02)

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 year ended 31 December 2016 - 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	Warrants Reserve RM'000	Capital Reserve RM'000	ESOS Reserve RM'000	Accumulated Losses RM'000	Total Equity 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	-	-	-	7,678	-	-	-	-	7,678
Profit for the year	-	-	-	-	-	-	-	860	860
Total comprehensive income for the year	-	-	-	7,678	-	-	-	860	8,538
Transactions with owners:									
Share options exercised	3,447	-	-	-	-	-	-	-	3,447
Share-based-payment transactions	-	-	-	-	-	-	1,652	-	1,652
Total transactions with owners	3,447	-	-	-	-	-	1,652	-	5,099
As at 31-12-2016	27,137	7,385	1,541	4,908	5,930	10,513	1,652	(5,164)	53,902
As at 01-01-2015	18,223	6,787	1,541	(432)	5,930	10,513	-	(3,006)	39,556
Private placement	5,467	1,093	-	-	-	-	-	-	6,560
Share issuance expenses	-	(495)	-	-	-	-	-	-	(495)
Other comprehensive loss:									
Foreign currency translation differences	-	-	-	(2,338)	-	-	-	-	(2,338)
Profit for the year	-	-	-	-	-	-	-	(3,018)	(3,018)
Total comprehensive income for the year	-	-	-	(2,338)	-	-	-	(3,018)	(5,356)
As at 31-12-2015	23,690	7,385	1,541	(2,770)	5,930	10,513	-	(6,024)	40,265

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 year ended 31 December 2016 - Unaudited

	31/12/2016	31/12/2015
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	1,102	(3,070)
Adjustments for:		
Bad debts	27	-
Depreciation	3,200	2,386
Gain on disposal of property, plant and equipment	(444)	(334)
Impairment loss on receivables	-	3,074
Interest expense	6,858	1,123
Interest income	(39)	(56)
Equity settled share-based payment transactions	1,652	-
Operating profit before working capital changes	12,356	3,123
(Increase)/Decrease in inventories	(1,841)	1,169
(Increase)/Decrease in receivables	(5,117)	945
(Decrease)/Increase in payables	(2,847)	230
Cash from operation	2,551	5,467
Interest paid	(6,858)	(1,123)
Income tax paid	(242)	(50)
Net cash (used in)/from operating activities	(4,549)	4,294
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	39	56
Withdrawal of deposits with licensed banks	1,295	7,600
Proceeds from disposal of property, plant and equipment	6,046	2,718
Purchase of property, plant and equipment	(7,092)	(19,578)
Net cash from/(used in) investing activities	288	(9,204)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net change in borrowings	3,219	(2,978)
Proceeds from corporate exercise	-	6,065
Proceeds from exercise of ESOS	3,447	-
Net cash from investing activities	6,666	3,087
Net cash from/(used in) cash and cash equivalents	2,405	(1,823)
Effects of changes in exchange rates	(1,064)	(828)
Cash and cash equivalents at beginning	182	2,833
Cash and cash equivalents at end	1,523	182
Represented by:		
Cash and bank balances	2,684	780
Bank overdrafts	(1,161)	(598)
	1,523	182

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.

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 6 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

Save as disclosed below, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for current period under review:

During the current reporting period, the Company has increased its issued and paid up share capital from RM23,689,345 to RM27,136,745 by the issuance of 34,474,000 new ordinary shares of RM0.10 each pursuant to the Company's ESOS.

8. Dividends Paid

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

9. Segmental Information

(i) Analysis by business segments

	12 months ended	
	31/12/2016	31/12/2015
	RM'000	RM'000
Segment Revenue		
Printed Circuit Board (PCB)	56,441	47,017
Electronic Products	43	12
Investment Holding	104	100
Total revenue including inter-segment sales	56,094	47,129
Elimination of inter-segment sales	(4,495)	(4,614)
External sales	51,599	42,515

9. Segmental Information (cont'd)

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

	12 months ended	
	31/12/2016	31/12/2015
	RM'000	RM'000
Segment Results		
Printed Circuit Board (PCB)	3,025	(2,529)
Electronic Products	(4)	(4)
Investment Holding	(1,919)	(537)
	<u>1,102</u>	<u>(3,070)</u>
Elimination	-	-
Profit/(Loss) before tax	<u>1,102</u>	<u>(3,070)</u>

(ii) Analysis by geographical segments

	<u>Revenue</u>		<u>Non-current Assets</u>	
	12 months ended		31/12/2016	31/12/2015
	31/12/2016	31/12/2015		
	RM'000	RM'000	RM'000	RM'000
Malaysia	3,153	12,091	10,740	10,799
Thailand	48,941	30,424	21,769	15,721
	<u>51,599</u>	<u>42,515</u>	<u>32,509</u>	<u>26,520</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 are no material events subsequent to the end of the reporting period which require disclosure.

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 Incorporation of new wholly-owned subsidiary, AE Resources Energy Sdn Bhd with an authorized share capital of RM0.40 million only divided into 400,000 ordinary shares of RM1.00 paid up each, of which two (2) ordinary shares of RM1.00 each have been issued and fully paid up.

14. Capital Commitments

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

	31/12/2016
	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		12 months ended	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	RM'000	RM'000	RM'000	RM'000
Revenue	14,231	11,596	51,599	42,515
Profit/(Loss) before tax	567	(3,171)	1,102	(3,070)

Comparison with Previous Year Corresponding Quarter

For the current quarter ended 31 December 2016, the Group's revenue has increased from RM11.59 million to RM14.23 million, representing an increase of 22.72% as compared to the preceding year corresponding quarter. This was mainly due to the increase in customers order and the increase in selling price affected by increase of our main raw material copper clad laminate.

The Group posted a profit before tax of RM0.567 million as compared to the preceding year's corresponding quarter loss before tax of RM3.17 million. The significant difference was due to the reclassification of bad debt written off and realisation of foreign currency exchange losses in year 2015 of RM3.10 million.

Comparison with Previous Year Corresponding Financial Period to Date

As for the 12 months period ended 31 December 2016, the Group recorded revenue of RM51.59 million representing an increase of 21.37% as compared to the preceeding year to date revenue of RM42.51 million. The increase in sales was mainly due to the increase in customer's orders and the increase in selling price.

The Group posted a profit before taxation of RM1.10 million for the 12 months period as compared to loss before taxation of RM3.07 million in the preceeding year to date. The significant losses in year 2015 mainly due to the reclassification of bad debt written off and realisation of foreign currency exchange losses in year 2015.

2. Comparison with Preceding Quarter's Results

	<u>Individual Quarter</u>	
	3 months ended	
	(Unaudited)	(Unaudited)
	31/12/2016	30/9/2016
	RM'000	RM'000
Revenue	14,231	13,499
(Loss)/Profit before tax	567	(370)

During the current quarter under review, the Group reported total revenue of RM14.23 million, which is 5.42% higher than the immediate preceding quarter of RM13.49 million. This was mainly due to the increase in selling prices for the quarter under review.

The Group posted a profit before taxation of of RM0.567 million as compared to the immediate preceding quarter's of loss before taxation of RM0.37 million.

3. Prospects

The Group has achieved positive results in year 2016 due to the successful marketing strategy and overall PCB demand in the market. In light of these results, The Group foresees that 2017 would be a busy year ahead with the newly developed products and greater demand.

The Group is optimistic that the performance for the Group will be positive for year 2017.

4. Profit Forecast

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

5. Profit from Operations

	Current quarter (Unaudited) 31/12/2016 RM'000	Cumulative quarter (Unaudited) 31/12/2016 RM'000
This is derived after charging/(crediting) the following:		
Bad debt	-	27
Bad debt recovered	-	(1,126)
Depreciation	830	3,200
Equity settled share-based payment transactions	550	1,652
Loss/(Gain) on disposal of property, plant and equipment	(220)	(444)
Interest expense	1,839	6,858
Interest income	(8)	(39)
Realised loss/(gain) on foreign exchange	(46)	(456)
Rental expenses	120	480
Rental income	(220)	(740)

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

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	(Unaudited) 31/12/2016 RM'000	(Unaudited) 31/12/2015 RM'000	(Unaudited) 31/12/2016 RM'000	(Unaudited) 31/12/2015 RM'000
Current tax	(50)	-	(242)	52
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

On 14 December 2016, the Company proposed to implement a private placement of up to 27,036,700 new ordinary shares of RM0.10 each of the Company to third party investors. As at the date of this report, the Proposed Private Placement has been submitted to Bursa Securities, pending approval.

A) Update on Employee's Share Option Scheme (ESOS) as at 31 December 2016

The Company had obtained its shareholders approval for the establishment of ESOS of up to 30% of the total issued and paid up capital for the eligible employees and directors and its subsidiaries at the EGM dated 6 November 2015.

The details of the shares that had been granted and exercised under the ESOS as at 31 December 2016 are as follow:

ESOS Option Grant Date	Expiry Date	Exercise Price	No of Share Granted	No of Share Exercised and Listed
15 April 2016	14 April 2021	RM0.10	35,534,000	34,474,000

B) Utilisation of Proceeds Raised

On 3 December 2015, the Company completed the listing quotation for 29,867,000 ordinary shares of RM0.10 each in AEM on the Main Market of Bursa Securities.

	Proposed Utilisation RM	Actual Utilisation RM	Expected Time for Utilisation RM
Repayment of bank borrowings	3,000.00	3,000.00	Within 12 months
Upgrade machinery	1,940.00	1,940.00	Within 18 months
Working Capital	1,693.00	1,668.00	Within 12 months
Expenses in relation to the Private Placement	200.00	225.00	Within 1 months
	<u>6,833.00</u>	<u>6,833.00</u>	

C) AEM had on 16 June 2016 entered into a heads of agreement with JMT Kelantan Baru Sdn Bhd ("JMT") for a proposed collaboration in respect to a renewable energy installation ("Proposed Collaboration"). AEM and JMT had on 26 January 2017 mutually agreed to an extension of time 62 days (i.e. until 31 March 2017) to execute the Definitive Agreement. Please refer to the announcement dated 16 June 2016 for further details of the Proposed Collaboration .

8. Borrowings and Debt Securities

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

	Denominated in		Total borrowings RM'000
	RM RM'000	Thai Baht RM'000	
Secured short-term borrowings			
Overdraft	-	1,161	1,161
Factoring	-	1,983	1,983
Trade finance	-	26,216	26,216
Promissory notes	-	3,133	3,133
Finance lease liabilities	19	21	40
	<u>19</u>	<u>32,514</u>	<u>32,533</u>
Secured long-term borrowings			
Finance lease liabilities	222	54	276
	<u>241</u>	<u>32,568</u>	<u>32,809</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 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 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 12 months ended	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
(Loss)/Profit After Tax Attributable to owners of the Company (RM'000)	517	(3,171)	860	(3,018)
Weighted average number of ordinary shares	252,858	185,981	252,858	185,981
Basic (Loss)/Earnings Per Share (sen)	0.204	(1.705)	0.340	(1.623)

(ii) Diluted (Loss)/Earnings Per Share

The diluted loss/earnings per share for the current quarter and cumulative period to date are computed as below:

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
(Loss)/Profit After Tax Attributable to owners of the Company (RM'000)	517	(3,171)	860	(3,018)
Weighted average number of ordinary shares of RM0.10 each in issue - basic ('000)	252,858	185,981	252,858	185,981
Effect of share-based payment transaction	275	-	275	-
Weighted average number of ordinary shares of RM0.10 each in issue - diluted ('000)	253,133	185,981	253,133	185,981
Diluted (Loss)/Earnings Per Share (sen)	0.002	(0.02)	0.003	(0.016)

12. Realised and Unrealised Accumulated Losses

	As at 31/12/2016 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	13,244	13,428
Total accumulated losses of the Group	<u>(5,164)</u>	<u>(6,024)</u>

Date: 28 February 2017