



AE MULTI HOLDINGS BERHAD
Condensed Consolidated Statement of Financial Position
As at 30 September 2018 - Unaudited

	Unaudited as at 30-9-2018 RM'000	Audited as at 31-12-2017 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	36,895	34,407
Investment property	-	9,927
	<u>36,895</u>	<u>44,334</u>
Current assets		
Inventories	27,876	27,393
Trade receivables	12,169	12,061
Other receivables, deposits and prepayments	9,029	8,904
Deposits with licensed banks	4,379	3,447
Cash and bank balances	1,518	3,111
	<u>54,971</u>	<u>54,916</u>
Non-current assets held for sale	9,823	-
	<u>64,794</u>	<u>54,916</u>
TOTAL ASSETS	<u><u>101,689</u></u>	<u><u>99,250</u></u>
EQUITY AND LIABILITIES		
Share capital	40,289	40,289
Other reserves	16,287	16,420
Total equity	<u>56,576</u>	<u>56,709</u>
Non-current liabilities		
Borrowings	312	116
Current liabilities		
Trade payables	8,306	6,803
Other payables and accruals	5,884	1,499
Borrowings	30,611	34,123
	<u>44,801</u>	<u>42,425</u>
Total liabilities	<u>45,113</u>	<u>42,541</u>
TOTAL EQUITY AND LIABILITIES	<u><u>101,689</u></u>	<u><u>99,250</u></u>
Net assets per share (RM)	0.19	0.21

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 2017.



AE MULTI HOLDINGS BERHAD

Condensed Consolidated Statement of Comprehensive Income
For the financial period ended 30 September 2018 - Unaudited

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30/9/2018 RM'000	30/9/2017 RM'000	30/9/2018 RM'000	30/9/2017 RM'000
Revenue	15,253	15,129	45,249	48,650
Cost of sales	(12,784)	(12,469)	(39,224)	(41,217)
Gross profit	2,469	2,660	6,025	7,433
Other income	490	521	1,934	2,153
Administrative expenses	(860)	(799)	(2,673)	(2,508)
Selling and marketing expenses	(328)	(385)	(979)	(1,093)
Operating profit	1,771	1,997	4,307	5,985
Finance costs	(1,612)	(1,773)	(4,910)	(5,518)
Profit/(Loss) before tax	159	224	(603)	467
Tax expense	(100)	(31)	(82)	(127)
Profit/(Loss) for the financial period	59	193	(685)	340
Other comprehensive income/(loss), net of tax Item that will be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operation	1,663	(407)	552	(351)
Total comprehensive income/(loss) for the financial period	1,722	(214)	(133)	(11)
Earnings/(Loss) per share (sen)				
- Basic	0.02	0.07	(0.23)	0.13
- Diluted	0.02	0.07	(0.23)	0.13

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 2017.



AE MULTI HOLDINGS BERHAD
Condensed Consolidated Statement of Changes in Equity
For the financial period ended 30 September 2018 - Unaudited

	----- 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 1-1-2018	40,289	-	1,541	4,933	5,930	10,513	-	(6,497)	56,709
Foreign currency translation differences	-	-	-	552	-	-	-	-	552
Loss for the period	-	-	-	-	-	-	-	(685)	(685)
Total comprehensive loss for the period	-	-	-	552	-	-	-	(685)	(133)
As at 30-9-2018	40,289	-	1,541	5,485	5,930	10,513	-	(7,182)	56,576
As at 1-1-2017	27,137	8,984	1,541	5,512	5,930	10,513	51	(5,210)	54,458
Foreign currency translation differences	-	-	-	(579)	-	-	-	-	(579)
Profit for the year	-	-	-	-	-	-	-	(1,287)	(1,287)
Total comprehensive income for the year	-	-	-	(579)	-	-	-	(1,287)	(1,866)
<i>Transactions with owners:</i>									
Issuance of shares pursuant to:									
- Private placement	4,380	-	-	-	-	-	-	-	4,380
- Share options exercised	151	-	-	-	-	-	(51)	-	100
Share issuance expenses	(363)	-	-	-	-	-	-	-	(363)
Total transactions with owners	4,168	-	-	-	-	-	(51)	-	4,117
Transfer in accordance with Section 618(2) of the Companies Act 2016 to no-par value regime ⁽¹⁾	8,984	(8,984)	-	-	-	-	-	-	-
As at 31-12-2017	40,289	-	1,541	4,933	5,930	10,513	-	(6,497)	56,709

The new Companies Act 2016 (the "Act"), which came into operation on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, the amount standing to the credit of the share premium account becomes part of the Company's share capital pursuant to the transitional provisions set out in Section 618 (2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use the amount standing to the credit of its share premium account of RM8,983,920 for purposes as set out in Sections 618 (3) of the Act. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the

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 2017.



AE MULTI HOLDINGS BERHAD

Condensed Consolidated Statement of Cash Flows

For the financial period ended 30 September 2018 - Unaudited

	30/9/2018 RM'000	30/9/2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(603)	467
Adjustments for:		
Depreciation	3,479	3,048
Gain on disposal of property, plant and equipment	(789)	(834)
Interest expense	4,910	5,518
Interest income	(26)	(27)
Operating profit before working capital changes	6,971	8,172
Decrease in inventories	358	2,330
Decrease/(Increase) in receivables	370	(669)
Increase in payables	5,549	4,311
Cash from operations	13,248	14,144
Interest paid	(4,910)	(5,518)
Income tax paid	(82)	(128)
Net cash from operating activities	8,256	8,498
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	26	27
Placement of deposits with licensed banks	(798)	(1,122)
Proceeds from disposal of property, plant and equipment	2,979	2,786
Purchase of property, plant and equipment	(6,942)	(16,119)
Net cash used in investing activities	(4,735)	(14,428)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net change in borrowings	(4,162)	2,137
Payment of share issuance expenses	-	(374)
Proceeds from private placement	-	4,380
Proceeds from exercise of ESOS	-	100
Net cash (used in)/from financing activities	(4,162)	6,243
Net (decrease)/increase in cash and cash equivalents	(641)	313
Effects of changes in exchange rates	(857)	(602)
Cash and cash equivalents at beginning	2,534	860
Cash and cash equivalents at end	1,036	571
Represented by:		
Cash and bank balances	1,518	1,721
Bank overdrafts	(482)	(1,150)
	1,036	571

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 2017.



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 Report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017. 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 2017.

2. Significant Accounting Policies

The accounting policies adopted in the preparation of this Report are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 31 December 2017, except for the adoption of Amendments to MFRS effective as of 1 January 2018.

2.1 Adoption of Amendments to MFRS

The Group has adopted the following standards with a date of initial application of 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 2 Share-based Payment: Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 4 Insurance Contracts: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
Amendments to MFRS 7 Mandatory Date of MFRS 9 and Transition Disclosures
Amendments to MFRS 140 Investment Property: Transfers of Investment Property
IC Interpretation 22 Foreign Currency Transactions and Advance Consideration
Annual Improvements to MFRS 2014-2016 Cycle (except for Amendments to MFRS 12 Disclosure of Interests in other Entities)

The initial application of the above standards did not have any material impact to the consolidated financial statements of the Group except as mentioned below:

MFRS 9 Financial Instruments

MFRS 9 replaces MFRS 139 Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets and financial liabilities, impairment of financial assets and hedge accounting.

MFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics. Three principal classification categories for financial assets are measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The standard eliminates the existing MFRS 139 categories of held to maturity loans and receivables and available for sale.

There were no material impact on the Group's financial assets upon initial application of the new classification and measurement requirements.

MFRS 9 also replaces the incurred loss model in respect of impairment assessment of MFRS 139 with a forward-looking expected credit loss (ECL) model. Under MFRS 9, loss allowances are measured on either a 12-month ECL or a Lifetime ECL.

There were no material impact on the Group's consolidated financial statements upon application of the forward-looking ECL model.

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.

There was no material impact on the Group's consolidated financial statements upon application of MFRS 15.

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 2019

MFRS 16 Leases
Amendments to MFRS 9 Financial Instruments: Prepayment Features with Negative Compensation
Amendments to MFRS 119 Employee Benefits: Plan Amendments, Curtailment or Settlement
Amendments to MFRS 128 Investments in Associates and Joint Venture: Long-term Interests in Associates and Joint Ventures
IC Interpretation 23 Uncertainty over Income Tax Treatments
Annual Improvements to MFRS Standards 2015-2017 Cycle

Effective for financial periods beginning on or after 1 January 2021*MFRS 17 Insurance Contracts***Effective date yet to be confirmed***Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The initial application of the above standards is not expected to have any material impacts to the financial statements of the Group upon adoption.

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 2017 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**

	9 months ended	
	30/9/2018	30/9/2017
	RM'000	RM'000
Segment Revenue		
Printed Circuit Board (PCB)	46,149	51,867
Electronic Products	-	35
Investment Holding	50	75
Total revenue including inter-segment sales	46,199	51,977
Elimination of inter-segment sales	(950)	(3,327)
External sales	45,249	48,650

	9 months ended	
	30/9/2018	30/9/2017
	RM'000	RM'000
Segment Results		
Printed Circuit Board (PCB)	(59)	625
Electronic Products	(12)	2
Investment Holding	(523)	(160)
Others	(9)	-
	(603)	467
Elimination	-	-
(Loss)/Profit before tax	(603)	467

(ii) Analysis by geographical segments

	Revenue		Non-current Assets	
	9 months ended		30/9/2018	30/9/2017
	30/9/2018	30/9/2017		
	RM'000	RM'000	RM'000	RM'000
Malaysia	3,287	3,936	10,033	10,515
Thailand	41,962	44,714	36,685	33,289
	45,249	48,650	46,718	43,804

10. Valuation of Property, Plant and Equipment

The valuation of the Group's landed properties were 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. Significant Event During the Period

On 6 June 2018, AE Corporation (M) Sdn. Bhd., a wholly-owned subsidiary of the Company had entered into a Sale and Purchase Agreement ("SPA") with Jyoto Works (M) Sendirian Berhad to dispose of its land and building for a total consideration of RM10 million upon the terms and conditions as contained in the SPA ("Proposed Disposal"). The Proposed Disposal is expected to be completed by November 2018.

13. Contingent Liabilities and Contingent Assets

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

14. Changes in the Composition of the Group

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

15. Capital Commitments

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

	30-9-2018 RM'000
Contracted but not provided for:	
- Property, plant and equipment	-

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

1. Performance Review

Comparison with the corresponding quarter and financial period in the previous financial year

	Individual Quarter 3 months ended		Changes (Amount/ %)	Cumulative Quarter 9 months ended		Changes (Amount/ %)
	30-Sep-18 RM'000	30-Sep-17 RM'000		30-Sep-18 RM'000	30-Sep-17 RM'000	
	Revenue	15,253		15,129	124 / 0.82%	
Profit/(Loss) before tax	159	224	-65 / -29.02%	(603)	467	-1,070 / -229.12%

Comparison with Previous Year Corresponding Quarter

For the current quarter ended 30 September 2018 the Group's revenue has slightly increase from RM15.129 million to RM15.253 million, representing an increase of 0.82 % as compared to the preceding year corresponding quarter. The Group manage to maintain it's sales revenue despite the challenging market situation during the quarter under reviewed.

The Group posted a profit before taxation of RM0.159 million as compared to the preceding year's corresponding quarter profit before taxation of RM0.224 million.

Comparison with Corresponding Financial Period To Date in Previous Year

For the current period ended 30 September 2018, the Group's revenue has dropped from RM48.65 million to RM45.249 million, representing a decreased of 6.99% as compared to the preceding year corresponding period. The dropped in revenue was mainly due to the dropped in market demand and also affected by the tariff imposed by US.

The Group posted a loss before taxation of RM0.603 million as compared to the preceding year's corresponding period profit before taxation of RM0.467million mainly due to the impairment of inventories amounting of RM0.654 million, if not taken the impairment into consideration there is slight dropped in the profit in the quarter under reviewed.

2. Comparison with Preceding Quarter's Results

	Individual Quarter 3 months ended		Changes (Amount/ %)
	30-Sep-18 RM'000	30-Jun-18 RM'000	
Revenue	15,253	14,103	1,150 / 8.15%
Profit/(Loss) before tax	159	(171)	330 / 192.98%

During the current quarter under review, the Group reported total revenue of RM15.253 million, which is 8.15% higher than the immediate preceding quarter of RM14.103 million. This was mainly due to higher sales demand during the quarter under reviewed.

The Group posted a profit before taxation of RM0.159 million as compared to the immediate preceding quarter's loss before taxation of RM0.171 million.

3. Prospects

The Group expects positive growth in the PCB business due to the current US China trade war that given a positive impact to the Asian market.

However, the Group is cautiously optimistic that the performance for year 2018 although challenging will be positive.

4. Profit Forecast

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

5. Profit from Operations

	Current quarter (Unaudited) 30/9/2018	Cumulative (Unaudited) 30/9/2018
	RM'000	RM'000
This is derived after charging/(crediting) the following:		
Depreciation	1,130	3,479
Gain on disposal of property, plant and equipment	(443)	(789)
Interest expense	1,777	4,910
Interest income	(7)	(26)
Realised loss/(gain) on foreign exchange	184	(615)

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		Cumulative Quarter	
	3 months ended		9 months ended	
	(Unaudited) 30-Sep-18 RM'000	(Unaudited) 30-Sep-17 RM'000	(Unaudited) 30-Sep-18 RM'000	(Unaudited) 30-Sep-17 RM'000
Current tax				
- Malaysian	-	-	18	-
- Foreign	(100)	(31)	(100)	(127)
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 and a lower tax rate enjoyed by our Thailand subsidiary.

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

There was no corporate proposal announced or not completed as at the date of this Report.

8. Borrowings and Debt Securities

The Group's borrowings as at 30 September 2018 are as follows:

	As at 30-9-2018			As at 30-9-2017		
	Denominated in		Total borrowings RM'000	Denominated in		Total borrowings RM'000
	RM RM'000	Thai Baht RM'000		RM RM'000	Thai Baht RM'000	
Secured short-term borrowings						
Overdraft	-	482	482	-	1,150	1,150
Factoring	-	3,579	3,579	-	3,265	3,265
Trade finance	-	21,213	21,213	-	24,580	24,580
Promissory notes	-	3,195	3,195	-	3,167	3,167
Finance lease liabilities	18	14	32	58	3	61
Term loan	-	2,110	2,110	-	184	184
	18	30,593	30,611	58	32,349	32,407
Secured long-term borrowings						
Finance lease liabilities	104	208	312	133	26	159
Term loan	-	-	-	-	2,678	2,678
	104	208	312	133	2,704	2,837
Total	122	30,801	30,923	191	35,053	35,244

a) The average effective interest rates of the Group's borrowings are as follows:

	30-9-2018	30-9-2017
Overdraft	7.13% - 7.68%	7.13% - 7.68%
Factoring	8.38% - 7.75%	7.75% - 8.38%
Trade finance	6.28% - 6.59%	6.20% - 6.28%
Promissory notes	6.75%	6.75%

Finance lease liabilities	2.507%-8.378%	2.55%-3.75%
Term loan	6.78%	6.28%

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 and financial period under review.

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 loss/profit after tax attributable to owners of the Company 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>9 months ended</u>	<u>9 months ended</u>
	<u>30-Sep-18</u>	<u>30-Sep-17</u>	<u>30-Sep-18</u>	<u>30-Sep-17</u>
Profit/(Loss) for the financial period				
Attributable to owners of the Company (RM'000)	59	193	(685)	340
Weighted average number of ordinary shares of				
in issue ('000)	299,404	276,752	299,404	271,367
Basic Earnings/(Loss) Per Share (sen)	0.02	0.07	(0.23)	0.13

(ii) Diluted Earnings/(Loss) Per Share

Diluted earnings/(loss) per share is equal to the basic earnings/(loss) per share because the conversion have an anti-dilutive effect.

Date: 26 November 2018