



AE MULTI HOLDINGS BERHAD
Condensed Consolidated Statement of Financial Position
As at 31 March 2020 - Unaudited

	Unaudited as at 31-03-2020 RM'000	Audited as at 31-12-2019 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	43,891	46,865
Right of use assets	6,779	3,336
	<u>50,670</u>	<u>50,201</u>
Current assets		
Inventories	32,642	32,651
Trade receivables	14,974	13,648
Other receivables, deposits and prepayments	6,581	1,933
Deposits with licensed banks	4,023	4,194
Cash and bank balances	2,409	8,623
	<u>60,629</u>	<u>61,049</u>
TOTAL ASSETS	<u>111,299</u>	<u>111,250</u>
EQUITY AND LIABILITIES		
Share capital	59,726	59,726
Other reserves	(2,209)	30
Total equity	<u>57,517</u>	<u>59,756</u>
Non-current liabilities		
Borrowings	304	-
Lease liabilities	3,127	893
	<u>3,431</u>	<u>893</u>
Current liabilities		
Trade payables	7,913	5,923
Other payables and accruals	7,562	6,708
Borrowings	31,549	35,162
Lease liabilities	3,317	2,798
Provision for taxation	10	10
	<u>50,351</u>	<u>50,601</u>
Total liabilities	<u>53,782</u>	<u>50,601</u>
TOTAL EQUITY AND LIABILITIES	<u>111,299</u>	<u>111,250</u>
Net assets per share (RM)	0.17	0.18

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 2019.



AE MULTI HOLDINGS BERHAD
Condensed Consolidated Statement of Comprehensive Income
For the financial period ended 31 March 2020 - Unaudited

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	31/03/2020 RM'000	31/03/2019 RM'000	31/03/2020 RM'000	31/03/2019 RM'000
Revenue	17,642	14,163	17,642	14,163
Cost of sales	(15,186)	(12,866)	(15,186)	(12,866)
Gross profit	2,456	1,297	2,456	1,297
Other income	243	1,371	243	1,371
Administrative expenses	(2,093)	(1,842)	(2,093)	(1,842)
Selling and marketing expenses	(308)	(370)	(308)	(370)
Operating profit	298	456	298	456
Finance costs	(902)	(610)	(902)	(610)
Loss before tax	(604)	(154)	(604)	(154)
Tax expense	-	-	-	-
Loss for the financial period	(604)	(154)	(604)	(154)
Other comprehensive (loss)/income, net of tax Item that will be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operation	(1,635)	241	(1,635)	241
Total comprehensive (loss)/income for the financial period	(2,239)	87	(2,239)	87
Earnings/(Loss) per share (sen)				
- Basic	(0.18)	(0.05)	(0.18)	(0.05)
- Diluted	(0.18)	(0.05)	(0.18)	(0.05)

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 2019.



AE MULTI HOLDINGS BERHAD
Condensed Consolidated Statement of Changes in Equity
For the financial period ended 31 March 2020 - Unaudited

	Share Capital RM'000	Asset Revaluation Reserve RM'000	Capital Reserve RM'000	Warrants Reserve RM'000	Foreign Currency Translation Reserve RM'000	Accumulated Losses RM'000	Total Equity RM'000
As at 1-1-2020	59,726	1,541	-	-	9,175	(10,686)	59,756
Loss for the period	-	-	-	-	-	(604)	(604)
Other comprehensive loss for the period	-	-	-	-	(1,635)	-	(1,635)
As at 31-3-2020	59,726	1,541	-	-	7,540	(11,290)	57,517
As at 1-1-2019	40,289	1,541	10,513	5,930	5,517	(8,458)	55,332
Adjustment on initial application of MFRS 16	-	-	-	-	-	(1,358)	(1,358)
Adjusted at 1-1-2019	40,289	1,541	10,513	5,930	5,517	(9,816)	53,974
<i>Transactions with owners:</i>							
Shares issued pursuant to private placement	2,994	-	-	-	-	-	2,994
Transfer in accordance with Section 618 of Companies Act 2016	16,443	-	(10,513)	(5,930)	-	-	-
Total transactions with owners	19,437	-	(10,513)	(5,930)	-	-	2,994
Loss for the year	-	-	-	-	-	(870)	(870)
Other comprehensive income for the year	-	-	-	-	3,658	-	3,658
As at 31-12-2019	59,726	1,541	-	-	9,175	(10,686)	59,756

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 2019.



AE MULTI HOLDINGS BERHAD
Condensed Consolidated Statement of Cash Flows
For the financial period ended 31 March 2020 - Unaudited

	31/03/2020	31/03/2019
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(604)	(154)
Adjustments for:		
Depreciation of property, plant and equipment	1,539	1,190
Depreciation of right-of-use assets	2,165	-
Gain on disposal of property, plant and equipment	(29)	(6)
Interest expense	902	610
Interest income	(6)	(23)
Unrealised loss on foreign exchange	931	-
Operating profit before working capital changes	4,898	1,617
Increase in inventories	(1,317)	(832)
(Increase)/Decrease in receivables	(7,473)	2,069
Increase/(Decrease) in payables	3,149	(534)
Cash (used in)/from operations	(743)	2,320
Interest paid	(902)	(610)
Net cash (used in)/from operating activities	(1,645)	1,710
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	6	23
Placement of deposits with licensed banks	-	(2,347)
Proceeds from disposal of property, plant and equipment	1,840	681
Purchase of property, plant and equipment	(2,278)	(2,088)
Net cash used in investing activities	(432)	(3,731)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net change in borrowings	(2,369)	(2,180)
Net change in lease liabilities	(2,861)	-
Net cash used in financing activities	(5,230)	(2,180)
Net decrease in cash and cash equivalents	(7,307)	(4,201)
Effects of changes in exchange rates	615	(65)
Cash and cash equivalents at beginning	8,048	5,436
Cash and cash equivalents at end	1,356	1,170
Represented by:		
Cash and bank balances	2,409	2,232
Bank overdrafts	(1,053)	(1,062)
	1,356	1,170

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 2019.



AE MULTI HOLDINGS BERHAD

[Registration No. 200101004021 (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 Report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019. 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 2019.

2. Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2019, except for the adoption of the following Malaysian Financial Reporting Standards ("MFRSs"), Amendments to MFRSs and IC Interpretations.

2.1 Adoption of standards and interpretations

The Group has adopted the following standards which are effective for annual periods beginning on or after 1 January 2020.

Amendment to References to the Conceptual Framework in MFRS Standards
Amendments to MFRS 3 Business Combinations - Definition of a Business
Amendments to MFRS 101 Presentation of Financial Statements and MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Material
Amendments to MFRS 9, MFRS 139 and MFRS 7 - Interest Rate Benchmark Reform
Amendments to MFRS 16 Leases - Covid-19 Related Concessions

The initial application of the above standards and interpretations are not expected to have any material financial impact to the Group's financial statements for the current quarter.

2.2 Standards issued but not yet effective

The following MFRS and Amendments to MFRSs have been issued but are not yet effective, and have yet to be adopted by the Group

Effective for financial periods beginning on or after 1 January 2021

MFRS 17 Insurance Contracts

Effective for financial periods beginning on or after 1 January 2022

Amendments to MFRS 3 Business Combinations
Amendments to MFRS 101 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current
Amendments to MFRS 116 Property, Plant and Equipment
Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets
Amendments to MFRS 1, MFRS 9 and MFRS 141 Annual Improvements to MFRS Standards 2018-2020 Business Combinations

Effective date yet to be confirmed

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures Sales or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group plans to apply the abovementioned accounting standards, interpretations and amendments, where applicable, in the respective financial years when the abovementioned accounting standards, interpretations and amendments become effective.

The Group does not plan to apply *MFRS 17 Insurance Contracts* that is effective for annual periods beginning on or after 1 January 2021 as it is not applicable to the Group.

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 2019 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 other 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	
	31/03/2020	31/03/2019
	RM'000	RM'000
Segment Revenue		
Printed Circuit Board (PCB)	16,233	15,208
Investment Holding	-	-
Others	2,586	-
Total revenue including inter-segment sales	18,819	15,208
Elimination of inter-segment sales	(1,177)	(1,045)
External sales	17,642	14,163

	3 months ended	
	31/03/2020	31/03/2019
	RM'000	RM'000
Segment Results		
Printed Circuit Board (PCB)	(203)	212
Investment Holding	(464)	(366)
Others	63	-
	(604)	(154)
Elimination	-	-
Loss after tax	(604)	(154)

(ii) Analysis by geographical segments

	Revenue		Non-current Assets	
	3 months ended		31/03/2020	31/03/2019
	31/03/2020	31/03/2019		
	RM'000	RM'000	RM'000	RM'000
Malaysia	2,818	314	203	171
Thailand	14,824	13,849	50,467	43,305
	17,642	14,163	50,670	43,476

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

On 3 June 2020, the Company had announced that it has issued 60,000,000 new ordinary share pursuant to a Private Placement at an issue price of RM0.0955 per Placement share.

On 10 June 2020, a wholly-owned subsidiary of the Company, AE Multi Industries Sdn. Bhd. had entered into the Heads of Agreement with Palm Pro Engineering Sdn. Bhd. to carry on the milling and processing of oil palm fresh fruit bunches and trading of crude palm oil and palm kernel via establishing and forming a company under the Companies Act 2016.

Save as disclosed above, there is no other subsequent event during the period which requires disclosure.

12. Significant Event During the Period

There is no significant event during the period which requires disclosure.

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:

	31-03-2020
	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 3 months ended		Changes (Amount/ %)
	31-Mar-20 RM'000	31-Mar-19 RM'000		31-Mar-20 RM'000	31-Mar-19 RM'000	
Revenue	17,642	14,163	3,479 / 24.56%	17,642	14,163	3,479 / 24.56%
Loss before tax	(604)	(154)	-450 / 292.21%	(604)	(154)	-450 / 292.21%

Comparison with Previous Year Corresponding Quarter

For the current quarter ended 31 March 2020 the Group's revenue has increased from RM14.163 million to RM17.642 million, representing an increase of 24.56 % as compared to the preceding year corresponding quarter. This was mainly due to increase in revenue of the new project under AE Resources Development Sdn Bhd ('AERD'), wholly-owned subsidiary of AEM the total revenue for the project is 2.58 million which contribute to 18.21 % increase in the total revenue. The nature of business is related to design and construction of palm oil mill with biogas plant system, polishing plant and composting plant in Sabah.

The Group posted a loss before taxation of RM0.604 million compared to the preceding year's corresponding quarter of RM0.154 million which was mainly due to the corporate exercise expenses of 0.464 million and adjustment of RM0.244 million to the finance cost according to MFRS 16, if not for the adjustment required under MFRS 16 the Group would have posted loss before taxation of RM0.36 million.

2. Comparison with Preceding Quarter's Results

	<u>Individual Quarter</u> 3 months ended		Changes (Amount/ %)
	31-Mar-20 RM'000	31-Dec-19 RM'000	
Revenue	17,642	17,158	484 / 2.82%
Loss before tax	(604)	(374)	-230 / 61.50%

During the current quarter under review, the Group reported total revenue of RM17.642 million, which is 2.82% higher than the immediate preceding quarter of RM17.158 million. This was mainly due to increased of revenue from the new project under its wholly owned subsidiary AERD. The revenue of the new project is 2.58 million which is 14.62 percent of the total revenue for financial ended 31 March 2020. However, the sales for the current printed circuit board business has dropped by 12.25 % due to the Covid-19 pandemic

The Group posted a loss before taxation of RM0.604 million as compared to the immediate preceding quarter's profit before taxation of RM0.374 million. This quarter loss before taxation of RM0.604 million was arrived that of after taking the adjustment of RM0.244 million to the finance cost into the consideration according to MFRS 16 and corporate exercise expenses of RM0.464 million.

3. Prospects

The Group expects positive growth from the new business venture and remain stable for the current printed circuit board business which is affected by the Covid-19 pandemic.

Therefore, the Group is cautiously optimistic that the performance for year 2020 will be positive and challenging.

4. Profit Forecast

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

5. Profit from Operations

	<u>Current quarter</u> (Unaudited) 31/03/2020 RM'000	<u>quarter</u> (Unaudited) 31/03/2020 RM'000
This is derived after charging/(crediting) the following:		
Depreciation of property, plant and equipment	1,539	1,539
Depreciation of right of use assets	2,165	2,165
Gain on disposal of property, plant and equipment	(29)	(29)
Interest expense	902	902
Interest income	(6)	(6)
Realised gain on foreign exchange	(1,012)	(1,012)
Unrealised loss on foreign exchange	931	931

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)/Income

	<u>Individual Quarter</u> 3 months ended		<u>Cumulative Quarter</u> 3 months ended	
	(Unaudited) 31-Mar-20 RM'000	(Unaudited) 31-Mar-19 RM'000	(Unaudited) 31-Mar-20 RM'000	(Unaudited) 31-Mar-19 RM'000
Current tax				
- Malaysian	-	-	-	-
- Foreign	-	-	-	-
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 other corporate proposal announced or not completed as at the date of this Report other than as disclosed in Part A.

8. Borrowings and Debt Securities

The Group's borrowings as at 31 March 2020 are as follows:

	As at 31-3-2020			As at 31-3-2019		
	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	-	1,053	1,053	-	1,062	1,062
Factoring	-	3,701	3,701	-	3,552	3,552
Trade finance	-	22,521	22,521	-	20,943	20,943
Promissory notes	-	3,298	3,298	-	3,218	3,218
Finance lease liabilities	-	98	98	18	63	81
Short term loan	-	878	878	-	1,715	1,715
	-	31,549	31,549	18	30,553	30,571
Secured long-term borrowings						
Finance lease liabilities	-	304	304	68	129	197
	-	304	304	68	129	197
Total	-	31,853	31,853	86	30,682	30,768

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

	31-3-2020	31-3-2019
Overdraft	6.875%-7.425%	7.125% - 7.675%
Factoring	5.8%-7.75%	7.475% - 7.75%
Trade finance	6.275%-6.78%	5.538% - 6.275%
Promissory notes	6.75%	6.75%
Finance lease liabilities	2.55%-3.75%	2.8% - 3.75%
Term loan	6.28%	6.75%

9. Changes in Material Litigation

The Group is not involved 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> 3 months ended		<u>Cumulative Quarter</u> 3 months ended	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Loss for the financial period Attributable to owners of the Company (RM'000)	(604)	(154)	(604)	(154)
Weighted average number of ordinary shares of in issue ('000)	329,345	299,404	329,345	299,404
Basic Loss Per Share (sen)	(0.18)	(0.05)	(0.18)	(0.05)

(ii) Diluted Loss Per Share

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

Date: 25 June 2020