



AE MULTI HOLDINGS BERHAD
Condensed Consolidated Statement of Financial Position
As at 30 June 2021 - Unaudited

	Unaudited as at 30-6-2021 RM'000	Audited as at 31-3-2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	50,591	52,502
Right of use assets	5,559	6,386
	<u>56,150</u>	<u>58,888</u>
Current assets		
Inventories	29,972	33,328
Trade receivables	21,436	13,280
Other receivables, deposits and prepayments	49,801	45,302
Tax recoverable	35	21
Deposits with licensed banks	5,338	5,461
Cash and bank balances	35,208	33,608
	<u>141,790</u>	<u>131,000</u>
TOTAL ASSETS	<u>197,940</u>	<u>189,888</u>
EQUITY AND LIABILITIES		
Share capital	96,029	87,937
Other reserves	(15,812)	(11,491)
Total equity	<u>80,217</u>	<u>76,446</u>
Non-current liabilities		
Borrowings	-	-
Lease liabilities	2,794	3,286
	<u>2,794</u>	<u>3,286</u>
Current liabilities		
Trade payables	14,207	7,489
Other payables and accruals	2,997	18,994
Contract liabilities	56,139	41,139
Borrowings	39,084	39,699
Lease liabilities	2,502	2,823
Provision for taxation	-	12
	<u>114,929</u>	<u>110,156</u>
Total liabilities	<u>117,723</u>	<u>110,156</u>
TOTAL EQUITY AND LIABILITIES	<u>197,940</u>	<u>189,888</u>
Net assets per share (RM)	0.11	0.14

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 March 2021.



AE MULTI HOLDINGS BERHAD

Condensed Consolidated Statement of Comprehensive Income For the financial period ended 30 June 2021 - Unaudited

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	6/30/2021	6/30/2020	6/30/2021	6/30/2020
	RM'000	RM'000	RM'000	RM'000
Revenue	29,073	13,751	29,073	-
Cost of sales	(28,217)	(13,373)	(28,217)	-
Gross profit/(loss)	856	378	856	-
Other income	99	224	99	-
Administrative expenses	(3,551)	(1,316)	(3,551)	-
Selling and marketing expenses	(317)	(263)	(317)	-
Operating loss	(2,913)	(977)	(2,913)	-
Finance costs	(684)	(664)	(684)	-
Loss before tax	(3,597)	(1,641)	(3,597)	-
Tax expense	-	-	-	-
Loss for the financial period	(3,597)	(1,641)	(3,597)	-
Other comprehensive income/(loss), net of tax				
Item that will be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operation	(724)	1,940	(724)	-
Total comprehensive income/(loss) for the financial period	(4,321)	299	(4,321)	-
Earnings/(Loss) per share (sen)				
- Basic	(0.61)	(0.49)	(0.61)	-
- Diluted	(0.61)	(0.49)	(0.61)	-

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 March 2021.



AE MULTI HOLDINGS BERHAD
Condensed Consolidated Statement of Changes in Equity
For the financial period ended 30 June 2021 - Unaudited

	Share Capital RM'000	Asset Revaluation Reserve RM'000	Employee Share option Reserve RM'000	Foreign Currency Translation Reserve RM'000	Accumulated Losses RM'000	Total Equity RM'000
As at 1-4-2021	87,937	1,541	-	7,770	(20,802)	76,446
<i>Transaction with owners:</i>						
Shares issued pursuant to private placement	8,092	-	-	-	-	8,092
Loss for the period	-	-	-	-	(3,597)	(3,597)
Other comprehensive loss for the period	-	-	-	(724)	-	(724)
As at 30-6-2021	96,029	1,541	-	7,046	(24,399)	80,217
As at 1-1-2020	59,726	1,541	-	9,175	(10,686)	59,756
<i>Transactions with owners:</i>						
ESOS	6,006	-	(1,234)	-	-	4,772
Grant of equity settled share options to employees	-	-	1,234	-	-	1,234
Shares issued pursuant to private placement	22,205	-	-	-	-	22,205
Total transactions with owners	28,211	-	-	-	-	28,211
Loss for the period	-	-	-	-	(10,116)	(10,116)
Other comprehensive loss for the period	-	-	-	(1,405)	-	(1,405)
As at 31-3-2021	87,937	1,541	-	7,770	(20,802)	76,446

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 March 2021.



AE MULTI HOLDINGS BERHAD

Condensed Consolidated Statement of Cash Flows

For the financial period ended 30 June 2021 - Unaudited

	Unaudited 6/30/2021 RM'000	Audited 3/31/2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(3,597)	(10,096)
Adjustments for:		
Depreciation of property, plant and equipment	1,720	8,290
Depreciation of right-of-use assets	706	6,393
Gain on disposal of property, plant and equipment	-	(2,655)
Grant of equity settled share options pursuant to ESOS	-	1,234
Interest expense	684	3,419
Interest income	(62)	(58)
Inventories written off	-	2,445
Unrealised loss on foreign exchange	-	126
Operating (loss)/profit before working capital changes	(549)	9,098
Decrease/(Increase) in inventories	2,640	(4,319)
Increase in receivables	(13,030)	(43,508)
(Decrease)/Increase in payables	(9,050)	17,219
Increase in contract liabilities	15,000	41,139
Cash (used in)/from operations	(4,989)	19,629
Interest paid	(684)	(3,419)
Income tax paid	(26)	(265)
Net cash (used in)/from operating activities	(5,699)	15,945
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	62	58
Placement of deposits with licensed banks	-	(1,382)
Proceeds from disposal of property, plant and equipment	-	5,487
Purchase of property, plant and equipment	(987)	(18,636)
Purchase of right of use assets	-	(548)
Net cash used in investing activities	(925)	(15,021)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net change in borrowings	435	2,916
Net change in lease liabilities	(702)	(5,882)
Proceeds from private placement	8,092	26,977
Net cash from financing activities	7,825	24,011
Net increase in cash and cash equivalents	1,201	24,935
Effects of changes in exchange rates	551	163
Cash and cash equivalents at beginning	33,092	7,994
Cash and cash equivalents at end	34,844	33,092
Represented by:		
Cash and bank balances	35,208	33,608
Bank overdrafts	(364)	(516)
	34,844	33,092

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 March 2021.



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 Report should be read in conjunction with the audited financial statements for the financial period ended 31 March 2021. 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 period ended 31 March 2021.

The current quarter results will be compared to the results of the preceding year corresponding quarter accordingly but there will be no comparison figures for the cumulative quarters as the Company had changed its previous financial period from 31 December 2020 to 31 March 2021 which comprised of a fifteen (15) months' period against the 12 months' period for the current financial year.

2. Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial period ended 31 March 2021, 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 the respective financial periods.

Effective for financial periods beginning on or after 1 January 2021

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 - Interest Rate Benchmark Reform - Phase 2

Effective for financial periods beginning on or after 1 April 2021

Amendments to MFRS 16 Leases - Covid-19 Related Concessions beyond 30 June 2021

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 2022

Amendments to MFRS 3 Business Combinations

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 for financial periods beginning on or after 1 January 2023

MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts

Amendments to MFRS 101 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current

Amendments to MFRS 101 Presentation of Financial Statements - Disclosure of Accounting Policies

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates

Amendments to MFRS 112 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

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* and *Amendments to MFRS 17 Insurance Contracts* that are effective for annual periods beginning on or after 1 January 2023 respectively as they are 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 period ended 31 March 2021 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 period 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 other than set out below:

On 24 May 2021, the Company had announced that it has completed the issuance of 60,000,000 new ordinary share pursuant to a Private Placement at an issue price of RM0.0557 per Placement share.

On 14 Jun 2021, the Company had announced that it has completed the issuance of 40,000,000 new ordinary share pursuant to a Private Placement at an issue price of RM0.0440 per Placement share.

On 22 Jun 2021, the Company had announced that it has completed the issuance of 66,433,000 new ordinary share pursuant to a Private Placement at an issue price of RM0.0450 per Placement share.

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	
	6/30/2021	6/30/2020
	RM'000	RM'000
Segment Revenue		
Printed Circuit Board (PCB)	22,590	14,664
Investment Holding	-	-
Others	7,583	1
Total revenue including inter-segment sales	30,173	14,665
Elimination of inter-segment sales	(1,100)	(914)
External sales	29,073	13,751

	3 months ended	
	6/30/2021	6/30/2020
	RM'000	RM'000
Segment Results		
Printed Circuit Board (PCB)	(2,948)	(1,317)
Investment Holding	(457)	(237)
Others	(192)	(87)
	<u>(3,597)</u>	<u>(1,641)</u>
Elimination	-	-
Loss before tax	<u>(3,597)</u>	<u>(1,641)</u>

(ii) **Analysis by geographical segments**

	Revenue		Non-current Assets	
	3 months ended		Unaudited	Audited
	6/30/2021	6/30/2020	6/30/2021	3/31/2021
	RM'000	RM'000	RM'000	RM'000
Malaysia	7,824	163	803	718
Thailand	21,249	13,588	55,347	58,170
	<u>29,073</u>	<u>13,751</u>	<u>56,150</u>	<u>58,888</u>

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 16 August 2021, the Company had announced that it intends to seek its shareholders' approval on the Proposed Amendments to the Constitution of the Company ("Proposed Amendments") at the forthcoming Twentieth Annual General Meeting of the Company. The Proposed Amendments is primarily to align the Company's Constitution with the Companies (Amendment) Act 2019 which came into operation on 15 January 2020 in relation to the alteration of share capital and to enhance administrative efficiency.

On 20 August 2021, the Company had announced that that the Rights Issue with Warrants has been completed following the listing and quotation of 1,442,294,135 Rights Shares and 1,081,720,597 Warrants B on the Main Market of Bursa Securities.

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

12. Significant Event During the Period

On 30 June 2021, a wholly-owned subsidiary of the Company, AE Multi Industries Sdn. Bhd. had received a letter of award from G Rubber Sdn. Bhd. for design, fabricate, install, test and commission of gloves dipping lines.

Save as disclosed above, there are 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:

	30-6-2021
	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

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/ %)
	30-Jun-21 RM'000	30-Jun-20 RM'000		30-Jun-21 RM'000	30-Jun-20 RM'000	
	Revenue	29,073	13,751	15,322 / 111.42%	29,073	-
Loss before tax	(3,597)	(1,641)	-1,956 / 119.2%	(3,597)	-	-3,597 / 0%

Comparison with Previous Year Corresponding Quarter

For the current quarter ended 30 June 2021 the Group's revenue has increased from RM13.75 million to RM29.07 million, representing an increase of 111.42 % as compared to the preceding year corresponding quarter. The increase of sales consist of 56.28% in sales of existing PCB business and 55.14% from the sales of gloves business. The increase in sales of PCB mainly due to the increasing demand of electrical and electronics products due the work from home and online learning policy due to Covid-19 pandemic. In additions, new gloves business is starting to create revenue to the Group.

The Group posted a loss before taxation of RM3.60 million, which is 119.2% higher than the preceding year's corresponding quarter of RM1.64 million. This was mainly due to the impairment of slow moving stocks of RM2.08 million.

2. Comparison with Preceding Quarter's Results

	Individual Quarter 3 months ended		Changes (Amount/ %)
	30-Jun-21 RM'000	31-Mar-21 RM'000	
Revenue	29,073	17,340	11,733 / 67.66%
Loss before tax	(3,597)	(6,507)	2,910 / -44.72%

During the current quarter under review, the Group reported total revenue of RM29.07 million, which is 67.66% higher than the immediate preceding quarter of RM17.34 million. This was mainly due to the sales of new gloves business and increase in sales of PCB.

The Group posted a loss before taxation of RM3.60 million as compared to the immediate preceding quarter of RM6.51 million, mainly due to inventories write off and high unrealised loss on foreign exchange in the immediate preceding quarter.

3. Prospects

The Group is cautiously optimistic about its existing PCB business as well as new glove turnkey solution and supplementary services business. The Group confident that the gloves business has the potential to grow worldwide with the recent increasing awareness of personal hygiene due to Covid-19 Pandemic and gloves is also an essential item in healthcare industry.

4. Profit Forecast

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

5. Profit from Operations

	Current quarter (Unaudited) 6/30/2021 RM'000	Cumulative quarter (Unaudited) 6/30/2021 RM'000
This is derived after charging/(crediting) the following:		
Depreciation of property, plant and equipment	1,720	1,720
Depreciation of right of use assets	706	706
Interest expense	684	684
Interest income	(62)	(62)
Realised loss on foreign exchange	261	261

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

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	30-Jun-21 RM'000	30-Jun-20 RM'000	30-Jun-21 RM'000	30-Jun-20 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

a) The Utilisation of Proceeds of RM5.73 million raised from Private Placement on 3 June 2020, as at the end of reporting quarter is as follows:

	Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Expected Time for Utilisation (RM'000)	Balance Utilisation (RM'000)
1	Business Diversification	5,100	5,100	Within 3 months	-
2	Working Capital	499	499	Within 3 months	-
3	Private Placement Expenses	130	130	Within 1 months	-
		5,730	5,730		

b) The Utilisation of Proceeds of RM3.686 million raised from Private Placement on 5 August 2020, as at the end of reporting quarter is as follows:

	Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Expected Time for Utilisation (RM'000)	Balance Utilisation (RM'000)
1	Business Diversification	3,660	3,660	Within 3 months	-
3	Private Placement Expenses	26	26	Within 1 months	-
		3,686	3,686		

c) The Utilisation of Proceeds of RM12.964 million raised from Private Placement on 2nd December 2020, as at the end of reporting quarter is as follows:

	Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Expected Time for Utilisation (RM'000)	Balance Utilisation (RM'000)
1	Upgrade of Machinery	8,000.00	8,000.00	Within 3 months	-
2	Set-up of New AEMI Office	3,000.00	3,000.00	Within 3 months	-
3	Working Capital	1,893.00	1,893.00	Within 12 months	-
4	Private Placement Expenses	71.00	71.00	Within 1 months	-
		12,964.00	12,964.00		0.00

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 30 June 2021 are as follows:

	As at 30-6-2021			As at 31-3-2021		
	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	-	364	364	-	516	516
Factoring	-	3,846	3,846	-	4,707	4,707
Trade finance	-	31,637	31,637	-	31,164	31,164
Promissory notes	-	3,237	3,237	-	3,312	3,312
Short term loan	-	-	-	-	-	-
	-	39,084	39,084	-	39,699	39,699
Lease liabilities						
Hire purchase liabilities	223	233	456	224	272	496
Other lease liabilities	394	4,446	4,840	394	5,219	5,613
	617	4,679	5,296	618	5,491	6,109
Total	617	43,763	44,380	618	45,190	45,808

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

	30-Jun-21	31-Mar-21
Overdraft	5.88%	5.88%
Factoring	6.51%	6.51%
Trade finance	4.99%	4.99%
Promissory notes	6.75%	6.75%
Hire purchase liabilities	3.53%	3.53%
Other lease liabilities	4.92%	4.92%

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.

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
Loss for the financial period Attributable to owners of the Company (RM'000)	(3,597)	(1,641)	(3,597)	-
Weighted average number of ordinary shares of in issue ('000)	590,217	336,986	590,217	-
Basic Profit/(Loss) Per Share (sen)	(0.61)	(0.49)	(0.61)	-

(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: 30-Aug-21