



AHB HOLDINGS BERHAD

274909-A

INTERIM FINANCIAL STATEMENTS
for the quarter ended 31 March 2015

**AHB Holdings Berhad 274909-A
And Its Subsidiary Companies**

**CONDENSED CONSOLIDATED INCOME STATEMENT OF COMPREHENSIVE INCOME
for the quarter ended 31 March 2015**

The figures have not been audited.

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
			CORRESPONDING		CORRESPONDING
		3 months ended	3 months ended	9 months ended	9 months ended
		31/03/2015	31/03/2014	31/03/2015	31/03/2014
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		RM	RM	RM	RM
1 (a)	Revenue	3,163,903	3,200,816	11,529,043	11,152,132
(b)	Other income	3,677	-	59,873	
2 (a)	Profit before finance cost, depreciation and amortisation, exceptional items, income tax, minority interests	273,869	434,880	1,129,722	1,357,067
(b)	Finance cost	(21,374)	(238,050)	(46,062)	(666,530)
(c)	Depreciation and amortisation	(9,397)	(28,500)	(27,471)	(85,627)
3	Profit/(Loss) Before Taxation	243,098	168,330	1,056,189	604,910
4	Income tax	(130,469)	-	(130,469)	-
5	Profit/(Loss) for the Period	112,629	168,330	925,720	604,910
6	Other Comprehensive Income	-	-	-	-
7	Total comprehensive income for the period	112,629	168,330	925,720	604,910
8	Profit/(Loss) Attributable to :				
a)	Equity holders of the parent	112,629	168,330	925,720	604,910
b)	Non-controlling interest	-	-	-	-
		112,629	168,330	925,720	604,910
9	Total Comprehensive Income Attributable to :				
a)	Equity holders of the parent	112,629	168,330	925,720	604,910
b)	Non-controlling interest	-	-	-	-
		112,629	168,330	925,720	604,910
10	Profit / Loss per share attributable to shareholders of the parent (sen) :				
a)	Basic	0.08	0.32	0.69	1.13
b)	Dilluted	NA	NA	NA	NA

The Condensed Consolidated Income Statement of Comprehensive Income should be read in conjunction with the audited Financial Statement Year Ended 30 June 2013.

**AHB Holdings Berhad 274909-A
And Its Subsidiary Companies**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 MARCH 2015

The figures have not been audited.

	(Unaudited) As At 31.03.2015 RM	(Audited) As At 30.06.2014 RM
ASSETS		
Non-Current Assets		
Property, plant and equipment	310,834	332,986
Goodwill on consolidation	1,935,486	1,935,486
Deferred tax assets	2,500,000	2,500,000
	4,746,320	4,768,472
Current Assets		
Inventories	6,688,515	6,626,156
Trade receivables	11,815,436	11,108,511
Other receivables, deposits & prepaid expenses	3,627,934	3,968,075
Tax Recoverable	137,340	
Cash and bank balances	2,705,714	961,795
	24,974,939	22,664,537
TOTAL ASSETS	29,721,259	27,433,009
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	32,007,239	10,669,080
Share premium	2,828,385	3,664,610
Capital Reserves	21,305,406	21,305,406
Accumulated Losses	(28,888,680)	(29,814,400)
TOTAL EQUITY	27,252,350	5,824,696
Non Current Liabilities		
Defered Tax Liabilities	60,790	60,790
	60,790	60,790
Current Liabilities		
Trade payables	1,349,580	3,090,142
Other payables & accrued expenses	941,972	9,547,242
Amount owing to directors	85,190	3,301,797
Bank borrowings	-	4,843,243
Tax Liabilities	31,377	765,099
	2,408,119	21,547,523
TOTAL LIABILITIES	2,468,909	21,608,313
TOTAL EQUITY AND LIABILITIES	29,721,259	27,433,009
Net Asset per Share (Sen)	0.170	0.109

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited Financial Statement Year Ended 30 June 2014.

**AHB Holdings Berhad 274909-A
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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

for the quarter ended 31 March 2015

The figures have not been audited.

GROUP	← Attributable to Equity Holders of the Company →				
	← Non-distributable →				Total RM
	Issue Capital RM	Share Premium RM	Capital Reserve RM	Accumulated Loss RM	
At 1 July 2012	48,131,398	3,664,610	-	(38,543,526)	13,252,482
Total comprehensive loss for the financial year	-	-	-	(9,200,147)	(9,200,147)
Transactions with owners :					
Capital reduction	(38,505,118)	-	21,305,406	17,199,712	-
Balance at 31 June 2013	9,626,280	3,664,610	21,305,406	(30,543,961)	4,052,335
Total comprehensive income for the financial year	-	-	-	729,561	729,561
Transactions with owners :					
Issue of ordinary shares from the conversion of warrants	1,042,800	-	-	-	1,042,800
Balance at 31 June 2014	10,669,080	3,664,610	21,305,406	(29,814,400)	5,824,696
Total comprehensive income for the period	-	-	-	925,720	925,720
Transactions with owners :					
Issue of ordinary shares from the rights issue	21,338,159	-	-	-	21,338,159
Share issuance expenses	-	(836,225)	-	-	(836,225)
Balance at 31 March 2015	32,007,239	2,828,385	21,305,406	(28,888,680)	27,252,350

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited Financial Statement Year Ended 30 June 2014

**AHB Holdings Berhad 274909-A
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the quarter ended 31 March 2015
The figures have not been audited.**

	9 months ended 31/3/2015 (Unaudited) RM	9 months ended 31/3/2014 (Unaudited) RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (Loss) before tax	1,056,189	604,910
Adjustment for:		
Depreciation and amortisation	27,471	85,627
Finance costs	46,062	666,530
Unrealised loss/(profit) on foreign exchange	186,652	394,917
Operating Profit/(Loss) before working capital changes	<u>1,316,374</u>	<u>1,751,984</u>
Changes in Working Capital:-		
Inventories	(62,359)	(66,017)
Receivables	(553,436)	(433,692)
Payables	(10,345,831)	(2,026,454)
Directors	(3,216,607)	24,000
Net cash generated from operating activities	<u>(12,861,859)</u>	<u>(750,179)</u>
Tax paid	(1,001,531)	-
Net cash used in operating activities	<u>(13,863,390)</u>	<u>(750,179)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(5,320)	-
Net cash used in investing activities	<u>(5,320)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Finance costs paid	(46,062)	(129,490)
Repayment of borrowings	(4,843,243)	-
Net proceeds from issuance of ordinary shares	20,501,934	783,000
Net cash used in financing activities	<u>15,612,629</u>	<u>653,510</u>
NET CHANGES IN CASH & CASH EQUIVALENTS	1,743,919	(96,669)
CASH & CASH EQUIVALENTS AT BEGINNING OF YEAR	961,795	380,229
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	<u>2,705,714</u>	<u>283,560</u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited Financial Statement Year Ended 30 June 2014.

**AHB HOLDINGS BERHAD 274909-A
AND ITS SUBSIDIARY COMPANIES**

The figures have not been audited

Part A – Explanatory Notes Pursuant to MFRS134

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of the Malaysian Financial Reporting Standards (“MFRS”) MFRS 134: “Interim Financial Reporting” and Chapter 9 Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 30 June 2014.

The explanatory notes attached to the interim financial statements 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 30 June 2014.

A2. Changes in Accounting Policies

The audited financial statements of the Group for the financial year ended 30 June 2014 were prepared in accordance with MFRS. The accounting policies adopted in preparing these interim financial statements are consistent with those of the audited financial statements for the financial year ended 30 June 2014 except as mentioned below:

The adoption of the applicable MFRSs, Amendments to MFRSs and IC interpretations do not have any material impact on the interim financial statements of the Group

Meanwhile, the Group has not adopted the following MFRSs and Amendments to MFRSs that have been issued but not yet effective.

	<u>Effective for financial periods beginning on or after</u>
MFRS 9 - Financial Instruments	1 January 2015

A3. Auditors’ Report on Preceding Audited Financial Statement

The auditors’ report on the audited financial statements for the financial year ended 30 June 2014 contained a disclaimer of opinion on the financial statements as set out on Note 12, and basis of this disclaimer opinion is mainly due to the uncertainties of the material effects of the deconsolidation of a subsidiary, AHB Technology Sdn Bhd (“AHBT”), of the Group in the Group’s financial statements. However, the accounts of the AHBT continued to be consolidated into the group’s financial statements as the Directors are confident to obtain a court order for a stay of the winding up against AHBT (“Stay Order”). AHB had obtained a favourable legal opinion on the likelihood of obtaining a Stay Order. On 25 November 2014, AHB has made full payment towards the settlement of the Malayan Banking Berhad’s suit to resolve the winding up status of AHBT. The Stay Order was received on 6 March 2015.

**AHB HOLDINGS BERHAD 274909-A
AND ITS SUBSIDIARY COMPANIES**

The figures have not been audited

A4. Seasonality or cyclical

The operations of the business are not seasonal or cyclical in nature.

A5. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income and cash flows of Group during the current quarter.

A6. Material changes in estimates

There were no changes in estimates that have had a material effect in the current quarter.

A7. Debt and Equity Securities

There are no activities during the quarter under review.

A8. Dividend Paid

No dividend was paid for the period under review.

A9. Segmental Reporting

Business segment

Information relating to business segment is not presented as the Group has identified the business of office interior products, office furniture and specialised computer furniture as its sole operating segment.

Geographical segment

i) Revenue of the Group by geographical location of the customers are as follows:

	Revenue	
	9 months period ended	
	31 March 2015	31 March 2014
	RM	RM
South – Eastern Asia	2,219,079	2,556,447
Middle East	8,009,680	5,066,270
South – Central Asia	1,149,481	2,836,158
America	150,803	693,257
	<u>11,529,043</u>	<u>11,152,132</u>

ii) Non-current assets

Non-current assets information are not presented by geographical location as all the non-current assets are located in Malaysia.

A10. Valuation of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 30 June 2014.

**AHB HOLDINGS BERHAD 274909-A
AND ITS SUBSIDIARY COMPANIES**

The figures have not been audited

A11. Subsequent Materials Events

There were no material events subsequent to the end of the quarter under review.

A12. Changes in Composition of the Group

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

A13. Contingent Liabilities

There were no contingent material claims for and against the Group as at 31 March 2015.

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**AHB HOLDINGS BERHAD 274909-A
AND ITS SUBSIDIARY COMPANIES**

The figures have not been audited

**Part B –Explanatory Notes Pursuant to Appendix 9B
of the Listing Requirements of Bursa Securities**

B1. Review of Performance of the Company and its Principal Subsidiaries for the Group

For the 9 months period ended 31 March 2015, the Group registered RM11,529,043 revenue and net profit of RM925,720 compared to RM11,152,132 revenue and net profit of RM604,910 in preceding year corresponding quarter.

B2. Material Changes in Profit / (Loss) Before Taxation in Comparison to the Previous Quarter

The Group recorded a Profit before Taxation of RM243,098 as compared with Profit before Taxation of RM 377,263 in the previous quarter.

B3. Prospects

AHB is optimistic about its financial performance in the foreseeable future. AHB has increased its R&D resources and plans to introduce more new dynamic furniture programs and new products to improve financial performance. AHB is also diversifying its market base, including improving the local market share of the office furniture market. The board is confident that financial performance will improve because of these positive actions, barring any unforeseen circumstances.

B4. Profit Forecast or Profit Guarantee

- (a) Profit Forecast : Not applicable
- (b) Profit Guarantee Not applicable.

B5. Taxation

There are no taxation matters in the quarter under review.

B6. Status of Corporate Proposals

There are no outstanding corporate proposals.

B7. Group Borrowings and Debt Securities

There were no outstanding borrowings and debt securities as at 31 March 2015.

B8. Material Litigation

There were no material litigations as at the date of this report.

B9. Dividend

No dividend is recommended for the current quarter and period under review.

**AHB HOLDINGS BERHAD 274909-A
AND ITS SUBSIDIARY COMPANIES**

The figures have not been audited

B10. Earnings Per Share

Basic Earnings Per Share	3 months period ended		9 months period ended	
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
Net profit/(loss)	112,629	168,330	925,720	604,910
Weighted average number of ordinary shares in issue	160,036,196	53,346,400	134,336,951	53,346,400
Basic profit/(loss) per share (sen)	0.08	0.32	0.69	1.13
Fully Diluted Earnings Per Share (sen)	NA	0.32	NA	1.13

The Company has a category of potentially dilutive ordinary shares as follows:
Warrants 2014/2019.

Fully diluted earnings per ordinary share is calculated by dividing the adjusted profit for the year by the adjusted weighted average number of ordinary shares in issue and issuable during the financial year. The diluted earnings per share of the Group have not been presented as the average fair value of the shares of the Company is lower than the exercise price for the exercise of warrants 2014/2019 to ordinary shares.

B11. Profit/(Loss) Before Tax

B11. Profit/(Loss) Before Tax

Profit/(Loss) before tax is arrived at after crediting/(charging) the following:

	3 months period ended 31 Mar 2015 RM	9 months period ended 31 Mar 2015 RM
Other income	3,677	59,873
Interest expenses	(21,374)	(46,062)
Depreciation and amortization	(9,397)	(27,471)
Foreign exchange loss	(186,652)	(186,652)

The following items are not applicable for the quarter/period:

- i) Provision for and write off of inventories
- ii) Allowance for impairment loss on receivables
- iii) Gain/(Loss) on disposal of quoted or unquoted investment or properties
- iv) Impairment of assets
- v) Gain/(Loss) on derivatives
- vi) Exceptional items

**AHB HOLDINGS BERHAD 274909-A
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The figures have not been audited

B12. Disclosure of realised and unrealised profits

The following analysis of realised and unrealised accumulated losses at the legal entity level is prepared in accordance with Guidance on Special matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants whilst the disclosure at the group level is based on the prescribed format by the Bursa Malaysia Securities Berhad.

Realised and Unrealised Losses

	As at 31 Mar 2015 RM	As at 30 June 2014 RM
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(40,168,973)	(41,042,013)
- Unrealised gain / (loss)	2,439,210	2,386,531
	<hr/>	<hr/>
	(37,729,763)	(38,655,842)
Add: Consolidation adjustments	8,841,083	8,841,083
	<hr/>	<hr/>
Total Group accumulated losses as per consolidated accounts	<u>(28,888,680)</u>	<u>(29,814,400)</u>

- END OF REPORT -