



AHB HOLDINGS BERHAD

274909-A

INTERIM FINANCIAL STATEMENTS
for the fourth quarter ended 31 March 2016

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

**CONDENSED CONSOLIDATED INCOME STATEMENT OF COMPREHENSIVE INCOME
for the quarter ended 31 March 2016**

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	12 months ended	12 months ended
		31/03/2016	31/03/2015	31/03/2016	31/03/2015
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		RM	RM	RM	RM
1 (a)	Revenue	4,514,056	3,163,903	16,662,311	13,845,206
(b)	Other income	361,922	3,677	398,655	70,519
2 (a)	Profit before finance cost, depreciation and amortisation, exceptional items, income tax, minority interests	711,531	273,869	2,062,891	1,447,067
(b)	Finance cost	69	(21,374)	(6,845)	(148,862)
(c)	Depreciation and amortisation	(203,575)	(9,397)	(232,866)	(41,771)
3	Profit/(Loss) Before Taxation	508,025	243,098	1,823,180	1,256,434
4	Income tax	-	(130,469)	-	(130,469)
5	Profit/(Loss) for the Period	508,025	112,629	1,823,180	1,125,965
6	Other Comprehensive Income	-	-	-	-
7	Total comprehensive income for the period	508,025	112,629	1,823,180	1,125,965
8	Profit/(Loss) Attributable to :				
a)	Equity holders of the parent	508,025	112,629	1,823,180	1,125,965
b)	Non-controlling interest	-	-	-	-
		508,025	112,629	1,823,180	1,125,965
9	Total Comprehensive Income Attributable to :				
a)	Equity holders of the parent	508,025	112,629	1,823,180	1,125,965
b)	Non-controlling interest	-	-	-	-
		508,025	112,629	1,823,180	1,125,965
10	Profit / Loss per share attributable to shareholders of the parent (sen) :				
a)	Basic	0.32	0.07	1.14	0.70
b)	Dilluted	NA	NA	NA	NA

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited Financial Statements for financial year ended 30 June 2014 and financial period ended 31 March 2015

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 MARCH 2016

The figures have not been audited.

	(Unaudited) As At 31.03.2016 RM	(Audited) As At 31.03.2015 RM
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	6,447,957	277,066
Goodwill on Consolidation	1,935,486	1,935,486
Deferred tax asset	2,500,000	2,500,000
	<u>10,883,443</u>	<u>4,712,552</u>
Current Assets		
Inventories	6,593,557	6,688,516
Trade receivables	7,193,637	11,769,364
Other receivables, deposits & prepayments	3,304,282	4,099,578
Tax recoverable	137,340	137,340
Cash and bank balances	3,474,774	2,477,814
	<u>20,703,590</u>	<u>25,172,612</u>
TOTAL ASSETS	<u>31,587,033</u>	<u>29,885,164</u>
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	32,007,239	32,007,239
Reserves	(2,829,215)	(4,652,394)
TOTAL EQUITY	<u>29,178,024</u>	<u>27,354,845</u>
Retained earnings/(accumulated loss)		
Non-Current Liabilities		
Deferred Tax Liabilities	3,800	3,800
	<u>3,800</u>	<u>3,800</u>
Current Liabilities		
Trade payables	1,699,321	1,634,019
Other payables & accrued expenses	617,585	807,007
Amount owing to directors	88,000	85,190
Bank borrowings	-	-
Tax Payables	303	303
	<u>2,405,209</u>	<u>2,526,519</u>
TOTAL LIABILITIES	<u>2,409,009</u>	<u>2,530,319</u>
TOTAL EQUITY AND LIABILITIES	<u>31,587,033</u>	<u>29,885,164</u>
Net Asset per Share (RM)	<u>0.182</u>	<u>0.171</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited Financial Statements for the Year Ended 30 June 2014 and 31 March 2015.

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

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

for the quarter ended 31 MARCH 2016

The figures have not been audited.

GROUP	Attributable to Equity Holders of the Company				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	-
At 31 June 2013	9,626,280	3,664,610	21,305,406	(30,543,961)	4,052,335
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	-	-	-	964,657	964,657
Transactions with owners :					
Issue of ordinary shares from the rights issue	21,338,159	-	-	-	21,338,159
Share issuance expenses	-	(772,668)	-	-	(772,668)
Balance at 31 March 2015	32,007,239	2,891,942	21,305,406	(28,849,743)	27,354,844

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the quarter ended 31 MARCH 2016**

The figures have not been audited.

	12 months ended 31/03/2016 (Unaudited) RM	9 months ended 31/3/2015 (Audited) RM	12 months ended 30/6/2014 (Audited) RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	1,823,180	916,762	821,425
Adjustment for:			
Impairment loss on trade receivables	-	377,000	-
Depreciation and amortisation	232,866	61,240	68,078
Finance costs	6,845	58,579	422,372
Unrealised loss/(profit) on foreign exchange	41,965	(260,232)	52,679
Bad debts recovered	-	-	(14,183)
Interest Income	-	(70,837)	-
Waiver of Director's fee	-	-	(102,000)
Operating Profit before working capital changes	<u>2,104,856</u>	<u>1,082,512</u>	<u>1,248,371</u>
Changes in Working Capital:-			
Inventories	(94,959)	(62,360)	388,157
Receivables	4,575,727	(909,124)	(2,692,433)
Payables	(65,302)	(10,196,358)	606,818
Directors	2,810	(3,216,607)	62,728
Cash from /(used in) operations	<u>6,523,132</u>	<u>(13,301,937)</u>	<u>(386,359)</u>
Interest Received	-	70,837	-
Tax Paid	-	(911,231)	(29,000)
Tax Refund	-	-	3,660
Net cash generated from/ (used in) operating activities	<u>6,523,132</u>	<u>(14,142,331)</u>	<u>(411,699)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment	(5,533,017)	(5,320)	(9,970)
Net cash used in investing activity	<u>(5,533,017)</u>	<u>(5,320)</u>	<u>(9,970)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance costs paid	6,845	(58,579)	-
Repayment of borrowings	-	(4,843,243)	(39,565)
Proceeds from issuance of ordinary shares	-	21,338,159	1,042,800
Share Issuance expenses	-	(772,667)	-
Net cash from/ (used in) financing activities	<u>6,845</u>	<u>15,663,670</u>	<u>1,003,235</u>
NET CHANGES IN CASH & CASH EQUIVALENTS	996,960	1,516,019	581,566
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD/YEAR	2,477,814	961,795	380,229
CASH & CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	<u><u>3,474,774</u></u>	<u><u>2,477,814</u></u>	<u><u>961,795</u></u>

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

**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” issued by the Malaysian Accounting Standards Board and Chapter 9 Paragraph 9.22 and Appendix 9B of the Main Market 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 and financial period ended 31 March 2015.

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 and 31 March 2015.

A2. Changes in Accounting Policies

The audited financial statements of the Group for the financial year ended 30 June 2014 and 31 March 2015 were prepared in accordance with MFRS and the requirements of the Companies Act, 1965. 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 and financial period ended 31 March 2015.

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 2018

A3. Auditors’ Report on Preceding Audited Financial Statement

NIL

A4. Seasonality or cyclicity

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.

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AND ITS SUBSIDIARY COMPANIES**

The figures have not been audited

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	
	12 months period ended 31 March 2016	12 months period ended 31 March 2015
	RM	RM
South – Eastern Asia	3,114,079	3,900,758
Middle East	12,307,355	8,993,496
South – Central Asia	1,007,022	677,361
America	233,855	273,591
	<u>16,662,311</u>	<u>13,845,206</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

There was no fair value adjustment to the property, plant and equipment since the last annual audited financial statements.

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 2016.

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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 3 months period ended 31 March 2016, the Group registered revenue of RM4,514,056 and net profit of RM508,025 compared to revenue of RM3,163,903 and net profit of RM112,629 in preceding year corresponding quarter. The improved financial performance is mainly due to the management being more focused on the business subsequent to the re-structured improved balance sheet of the Group.

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

The Group recorded a Profit before Taxation of RM508,025 as compared with Profit before Taxation of RM 112,629 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.

In the near foreseeable future, the current relatively favourable Malaysian Ringgit foreign exchange rate continued to an advantage for our Group to improve our revenue growth. Malaysia is a competitive producer of furniture, with markets worldwide. The potential of our furniture industry is evidenced by the global production volume of approximately USD400 billion per year.

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 2016.

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

The figures have not been audited

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.

B10. Earnings Per Share

Basic Earnings Per Share	3 months period ended		12 months period ended	
	31 MAR 2016	31 MAR 2015	31 MAR 2016	31 MAR 2015
Net profit	508,025	112,629	1,823,180	1,125,925
Weighted average number of ordinary shares in issue	160,036,194	160,036,194	160,036,194	160,036,194
Basic earnings per share (sen)	0.32	0.07	1.14	0.70
Fully Diluted Earnings Per Share (sen)	NA	NA	NA	NA

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 warrants of the Company is lower than the exercise price for the exercise of warrants 2014/2019 to ordinary shares.

B11. Profit Before Tax

B11. Profit Before Tax

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

	Current Period 3 months period ended 31 Mar-16 RM	Cumulative Period 12 months period ended 31 Mar-16 RM
Other income	361,922	398,655
Financial costs	69	(6,845)
Depreciation and amortisation	(203,575)	(232,866)
Foreign exchange loss (gain)	-	-
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**AHB HOLDINGS BERHAD 274909-A
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The figures have not been audited

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

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 March 2016 RM	As at 31 Mar 2015 RM
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(40,447,257)	(40,447,257)
- Unrealised gain / (loss)	4,579,612	2,756,432
	<hr/>	<hr/>
	(35,867,645)	(37,690,825)
Add: Consolidation adjustments	8,841,082	8,841,082
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Total Group accumulated losses as per consolidated accounts	<u>(27,026,563)</u>	<u>(28,849,743)</u>

- END OF REPORT -