



**AHB HOLDINGS BERHAD**

274909-A

**INTERIM FINANCIAL STATEMENTS**  
for the third quarter ended 31 December 2016

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

**CONDENSED CONSOLIDATED INCOME STATEMENT OF COMPREHENSIVE INCOME**

for the quarter ended 31 December 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	9 months ended	9 months ended
		31/12/2016	31/12/2015	31/12/2016	31/12/2015
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		RM	RM	RM	RM
1 (a)	Revenue	3,287,390	4,499,584	9,790,284	12,148,255
(b)	Other income	18,201	9,192	38,889	36,733
2 (a)	Profit/(Loss) before finance cost, depreciation and amortisation, exceptional items, income tax, minority interests	500,920	564,312	1,516,727	1,351,360
(b)	Finance cost	(2,133)	(2,382)	(10,658)	(6,914)
(c)	Depreciation and amortisation	(148,729)	(9,874)	(444,566)	(29,291)
				-	-
3	Profit/(Loss) Before Taxation	350,058	552,056	1,061,503	1,315,155
				-	-
4	Income tax	-	-	-	-
5	Profit/(Loss) for the Period	350,058	552,056	1,061,503	1,315,155
6	Other Comprehensive Income	-	-	-	-
7	Total comprehensive income for the period	350,058	552,056	1,061,503	1,315,155
8	Profit/(Loss) Attributable to :				
a)	Equity holders of the parent	350,058	552,056	1,061,503	1,315,155
b)	Non-controlling interest	-	-	-	-
		350,058	552,056	1,061,503	1,315,155
9	Total Comprehensive Income Attributable to :				
a)	Equity holders of the parent	350,058	552,056	1,061,503	1,315,155
b)	Non-controlling interest	-	-	-	-
		350,058	552,056	1,061,503	1,315,155
10	Loss per share attributable to shareholders of the parent (sen) :				
a)	Basic	0.22	0.34	0.66	0.82
b)	Dilluted	NA	NA	NA	NA

The Condensed Consolidated Income Statement of Comprehensive Income should be read in conjunction with the audited Financial Statements for financial year ended 31 March 2016

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

as at 31 December 2016

*The figures have not been audited.*

	(Unaudited) As At 31.12.2016 RM	(Audited) As At 31.03.2016 RM
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	6,089,315	6,533,881
Goodwill on Consolidation	1,935,486	1,935,486
Deferred tax asset	2,500,000	2,500,000
	10,524,801	10,969,367
<b>Current Assets</b>		
Inventories	7,550,376	6,152,247
Trade receivables	8,369,619	7,166,878
Other receivables, deposits & prepayments	3,953,500	3,704,838
Tax recoverable	137,340	137,340
Cash and bank balances	1,374,856	3,458,231
	21,385,691	20,619,534
<b>TOTAL ASSETS</b>	<b>31,910,492</b>	<b>31,588,901</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Share capital	32,007,239	32,007,239
Reserves	(1,761,812)	(2,823,315)
<b>TOTAL EQUITY</b>	<b>30,245,427</b>	<b>29,183,924</b>
<b>Non Current Liabilities</b>		
Long-term borrowings	-	-
Defered Tax Liabilities	-	-
	-	-
<b>Current Liabilities</b>		
Trade payables	1,020,342	1,699,321
Other payables & accrued expenses	478,623	611,556
Amount owing to directors	164,800	92,800
Bank borrowings	-	-
Tax Payables	1,300	1,300
	1,665,065	2,404,977
<b>TOTAL LIABILITIES</b>	<b>1,665,065</b>	<b>2,404,977</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>31,910,492</b>	<b>31,588,901</b>
<b>Net Asset per Share (RM)</b>	<b>0.189</b>	<b>0.182</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited Financial Statement Year Ended 31 March 2016

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

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

for the quarter ended 31 December 2016

*The figures have not been audited.*

GROUP	← Attributable to Equity Holders of the Company →				
	← Issue Capital RM	← Share Premium RM	← Capital Reserve RM	← Accumulated Loss RM	→ Total RM
<b>At 31 June 2014</b>	10,669,080	3,664,610	21,305,406	(29,814,400)	5,824,696
year	-	-	-	964,657	964,657
<b>Transactions with owners :</b>					
Issue of ordinary shares from the rights issue	21,338,159	-	-	-	21,338,159
Share issuance expenses	-	(772,667)	-	-	(772,667)
<b>At 31 March 2015</b>	<b>32,007,239</b>	<b>2,891,943</b>	<b>21,305,406</b>	<b>(28,849,743)</b>	<b>27,354,845</b>
year	-	-	-	1,829,079	1,829,079
<b>Transactions with owners :</b>					
Issue of ordinary shares from the rights issue	-	-	-	-	-
Share issuance expenses	-	-	-	-	-
<b>At 31 March 2016</b>	<b>32,007,239</b>	<b>2,891,943</b>	<b>21,305,406</b>	<b>(27,020,664)</b>	<b>29,183,924</b>
Total comprehensive income for the period	-	-	-	1,061,503	1,061,503
<b>Transactions with owners :</b>					
Issue of ordinary shares from the rights issue	-	-	-	-	-
Share issuance expenses	-	-	-	-	-
<b>At 31 December 2016</b>	<b>32,007,239</b>	<b>2,891,943</b>	<b>21,305,406</b>	<b>(25,959,161)</b>	<b>30,245,427</b>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited Financial Statement Year Ended 31 March 2016

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

for the quarter ended 31 December 2016

*The figures have not been audited.*

	9 months ended 2016-12-31 (Unaudited) RM	12 months ended 31/03/2016 (Audited) RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) before tax	1,061,503	1,826,276
<b>Adjustment for:</b>		
Bad debt written off on receivable		
- Trade	-	86,959
- Other	-	75,702
Depreciation on property, plant and equipment	444,566	458,252
Other Receivables Written off	-	-
Trade Receivables Written off	-	-
Finance costs	10,658	24
Impairment loss on trade receivables	-	101,455
Impairment loss on other receivables	-	29,389
Interest Income	(38,889)	(13,453)
Inventory write-down	-	130,000
Unrealised gain on foreign exchange	-	(762,528)
Waiver of debts	-	(31,400)
	<hr/>	<hr/>
Operating Profit/(Loss) before working capital changes	1,477,838	1,900,676
<b>Changes in Working Capital:-</b>		
Inventories	(1,398,129)	94,959
Trade Receivables	(1,202,741)	5,233,584
Other Receivables	(248,662)	289,649
Trade Payables	(678,979)	65,302
Other Payables	(132,933)	(162,713)
Directors	72,000	7,610
	<hr/>	<hr/>
Cash (used in)/generated from operations	(2,111,606)	7,429,067
Interest Received	38,889	13,453
Tax Paid	-	(24)
	<hr/>	<hr/>
	38,889	13,429
<b>Net cash from/(used in) operating activities</b>	<hr/> <b>(2,072,717)</b>	<hr/> <b>7,442,496</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment	-	(6,403,757)
Net cash used in investing activities	<hr/> -	<hr/> (6,403,757)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Finance costs paid	(10,658)	-
Proceeds from issuance of ordinary shares	-	-
Repayment of borrowings	-	-
Share Issuance expenses	-	-
Net cash used in financing activities	<hr/> (10,658)	<hr/> -
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	(2,083,375)	1,038,739
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	3,458,231	2,477,814
Effect of exchange translation difference on cash and cash equivalent	-	(58,322)
<b>CASH &amp; CASH EQUIVALENTS AT END OF THE PERIOD</b>	<hr/> <b>1,374,856</b>	<hr/> <b>3,458,231</b>

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

**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 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.

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

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**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 December 2016	31 December 2015
	RM	RM
South – Eastern Asia	5,088,305	2,056,228
Middle East	3,377,188	9,840,197
South – Central Asia	529,259	251,830
America	795,532	-
	<u>9,790,284</u>	<u>12,148,255</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 December 2016.

**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**

In general, the Group is experiencing a slower demand from its main market which is the Middle East due to the weak oil price, coupled by the facts that the local and international business community are cautious to invest into office furniture. As a direct result from the international market slowdown, our Group's net profit after tax for the 3 months period ended 31 December 2016 is recorded as RM350,058 compared to RM552,056 in preceding year corresponding quarter. Our Group's recorded a revenue of RM3,287,390 compared to RM4,499,584 in the same respective comparative quarters.

Our Group looks forward to improved local performance. As previously noted, our Group managed to enter into a contract with a major corporation in Malaysia for substantial refurbishment works in the next 3 years, commencing early 2017. The estimated value for the refurbishment work is approximately RM30 million, and it will depend on the roll out purchases from this said customer.

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

The Group recorded a Profit before Taxation of RM350,058 as compared with Profit before Taxation of RM348,909 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.

The current weak Malaysian Ringgit foreign exchange rate is 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.



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

The figures have not been audited

**B7. Group Borrowings and Debt Securities**

There were no outstanding borrowings and debt securities as at 31 December 2016.

**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**

<b>Basic Earnings Per Share</b>	<b>3 months period ended</b>		<b>9 months period ended</b>	
	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>
Net profit	350,058	552,056	1,061,503	1,315,155
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)	0.22	0.34	0.66	0.82
<b>Fully Diluted Earnings Per Share (sen)</b>	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.

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

The figures have not been audited

**B11. Profit Before Tax**

**B11. Profit Before Tax**

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

	<b>Current Period 3 months period ended 31 Dec-16 RM</b>	<b>Cumulative Period 9 months period ended 31 Dec-16 RM</b>
Other income	18,201	38,889
Financial costs	(2,133)	(10,658)
Depreciation and amortisation	(148,729)	(444,566)
Foreign exchange loss (gain)	-	-
	<u>-</u>	<u>-</u>

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**

	<b>As at 31 Dec 2016 RM</b>	<b>As at 31 Mar 2016 RM</b>
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(40,447,257)	(40,447,257)
- Unrealised gain / (loss)	5,646,914	4,585,511
	<u>(34,800,343)</u>	<u>(35,861,746)</u>
Add: Consolidation adjustments	8,841,082	8,841,082
Total Group accumulated losses as per consolidated accounts	<u>(25,959,261)</u>	<u>(27,020,664)</u>

- END OF REPORT -