

AHB Holdings Berhad 274909-A
And Its Subsidiary Companies

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2018

The figures have not been audited.

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
	3 months ended	3 months ended	12 months ended	12 months ended
	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	RM	RM	RM	RM
1 (a) Revenue	3,974,401	2,705,750	17,626,938	12,496,034
(b) Other income	161,139	96,061	183,590	134,950
2 (a) Profit before finance cost, depreciation and amortisation, exceptional items, income tax, minority interests	(1,583,157)	(221,473)	547,243	1,295,254
(b) Finance cost	10,474	4,701	(5,618)	(5,957)
(c) Depreciation and amortisation	(180,634)	(280,847)	(770,100)	(725,413)
3 Profit/(Loss) Before Taxation	(1,753,317)	(497,619)	(228,475)	563,884
4 Income tax	1,462,739	(15,547)	1,454,203	(15,547)
5 Profit/(Loss) for the Period	(290,578)	(513,166)	1,225,728	548,337
6 Other Comprehensive Income	-	-	-	-
7 Total comprehensive income for the period	(290,578)	(513,166)	1,225,728	548,337
8 Profit/(Loss) Attributable to :				
a) Equity holders of the parent	(290,578)	(513,166)	1,225,728	548,337
b) Non-controlling interest	-	-	-	-
	(290,578)	(513,166)	1,225,728	548,337
9 Total Comprehensive Income Attributable to :				
a) Equity holders of the parent	(290,578)	(513,166)	1,225,728	548,337
b) Non-controlling interest	-	-	-	-
	(290,578)	(513,166)	1,225,728	548,337
10 Profit / Loss per share attributable to shareholders of the parent (sen) :				
a) Basic	(0.17)	(0.32)	0.73	0.34
b) Dilluted	NA	NA	NA	NA

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2017.

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018**

The figures have not been audited.

	(Unaudited) As At 31.03.2018 RM	(Audited) As At 31.03.2017 RM
ASSETS		
Non-Current Assets		
Property, plant and equipment	9,441,492	6,026,509
Goodwill on consolidation	1,935,486	1,935,486
Deferred tax asset	4,000,000	2,500,000
	15,376,978	10,461,995
Current Assets		
Inventories	6,312,539	6,271,657
Trade receivables	9,709,323	10,550,650
Other receivables, deposits & prepayments	2,795,345	2,618,110
Tax recoverable	145,582	134,925
Cash and bank balances	3,605,992	1,847,984
	22,568,781	21,423,326
TOTAL ASSETS	37,945,759	31,885,321
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	39,572,708	34,899,182
Reserves	(3,975,886)	(5,201,614)
TOTAL EQUITY	35,596,822	29,697,568
Non-Current Liabilities		
Deferred tax liabilities	-	-
	-	-
Current Liabilities		
Trade payables	1,696,457	1,407,622
Other payables & accrued expenses	559,480	638,431
Amount owing to directors	93,000	141,700
Tax payables	-	-
	2,348,937	2,187,753
TOTAL LIABILITIES	2,348,937	2,187,753
TOTAL EQUITY AND LIABILITIES	37,945,759	31,885,321
Net Asset per Share (RM)	0.222	0.186

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the financial year ended 31 March 2017.

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2018

The figures have not been audited.

GROUP	Attributable to Equity Holders of the Company					Accumulated Loss	Total
	Share Capital	Share Premium	Capital Reserve	Warrant Reserve	Other Reserve		
of warrants							
At 01 July 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 pursuant to rights issue	21,338,159	-	-	-	-	-	21,338,159
Right issue of warrant reserve	-	-	-	11,095,806	(11,095,806)	-	-
Share issuance expenses	-	(772,667)	-	-	-	-	(772,667)
Total transactions with owners	21,338,159	(772,667)	-	11,095,806	(11,095,806)	-	20,565,492
At 31 March 2015	32,007,239	2,891,943	21,305,406	11,095,806	(11,095,806)	(28,849,743)	27,354,845
Total comprehensive income for the financial year	-	-	-	-	-	1,829,079	1,829,079
At 31 March 2016	32,007,239	2,891,943	21,305,406	11,095,806	(11,095,806)	(27,020,664)	29,183,924
Total comprehensive income for the financial year	-	-	-	-	-	513,644	513,644
Reclassification Pursuant to Section 618 (2) of the Company Act 2016	2,891,943	(2,891,943)					
At 31 March 2017	34,899,182	-	21,305,406	11,095,806	(11,095,806)	(26,507,020)	29,697,568
Total comprehensive income for the financial period	-	-	-	-	-	1,225,728	1,225,728
Transactions with owners :							
Issue of ordinary shares pursuant to private placement	4,673,526	-	-	-	-	-	4,673,526
At 31 December 2017	39,572,708	-	21,305,406	11,095,806	(11,095,806)	(25,281,292)	35,596,822

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statement for the financial year ended 31 March 2017.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2018

The figures have not been audited.

	12 months ended 31/12/2018 (Unaudited) RM	12 months ended 31/03/2017 (Audited) RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) before tax	(228,475)	531,606
Adjustments for:		
Bad debts written off on receivables		
- Trade	-	-
- Others	-	-
Depreciation and amortisation	770,100	725,811
Finance costs	5,618	48
Impairment on slow moving inventories	28,328	53,102
Impairment loss on trade receivables	-	51,299
Impairment loss on other receivables	-	167,071
Interest income	(45,923)	(43,189)
Unrealised loss (gain) on foreign exchange	1,828,956	(368,618)
Waiver of debts	-	-
Operating profit before working capital changes	<u>2,358,604</u>	<u>1,117,130</u>
Changes in working capital:-		
Inventories	(69,210)	(232,743)
Trade Receivables	(987,629)	(2,991,823)
Other Receivables	(177,235)	972,703
Trade Payables	288,835	(477,697)
Other Payables	(78,951)	26,875
Amount due to Directors	(48,700)	48,900
	(1,072,890)	(2,653,785)
Cash (used in)/from operations	1,285,714	(1,536,655)
Interest received	45,923	43,189
Interest Paid	-	(48)
Tax paid	(56,454)	(16,847)
	(10,531)	26,294
Net cash (used in)/generated from operating activities	<u>1,275,183</u>	<u>(1,510,361)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(4,185,083)	(158,208)
Net cash used in investing activity	<u>(4,185,083)</u>	<u>(158,208)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from private placement	4,673,526	-
Finance costs paid	(5,618)	-
Net cash used in financing activities	<u>4,667,908</u>	<u>-</u>
NET CHANGES IN CASH & CASH EQUIVALENTS	1,758,008	(1,668,569)
CASH & CASH EQUIVALENTS AT BEGINNING OF YEAR	1,847,984	3,458,231
Effect of exchange translation difference on cash and cash equivalent	-	58,322

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

The figures have not been audited

Part A – Explanatory Notes Pursuant to MFRS134

A1. Accounting Policies

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 31 March 2017.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2017.

A2. Seasonality or cyclicity

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

A3. Unusual items

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

A4. Material changes in estimates

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

A5. Debt and Equity Securities

There are no activities during the quarter under review.

A6. Dividend Paid

No dividend was paid for the period under review.

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

The figures have not been audited

A7. Segmental Reporting

Business segment

Information relating to business segment is not presented as the Group has identified the business of interior products and 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 2018	31 March 2017
	RM	RM
South – Eastern Asia	10,649,826	7,390,120
Middle East	6,487,156	4,891,558
South – Central Asia	489,956	1,399,033
America	-	1,184,677
	<u>17,626,938</u>	<u>12,496,034</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 31 March 2017.

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 2018.

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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

During the quarter under review, the Group continued to execute certain significant office furniture supply contracts in the local and international scenes. The Group has managed to increase its presence and revenue contribution from the local markets compared to the previous financial years.

The Group registered a net loss after tax for the 3 months period ended 31 March 2018 of RM290,578 compared to net loss after tax of RM513,166 in preceding year corresponding quarter, mainly due to a unrealized forex loss of approximately RM 1.7 million. The registered revenue of the Group for the quarter under review has improved by approximately 46.9 percent being RM 3,974,401 compared to RM2,705,750 in the same respective comparative quarters.

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

The Group recorded a Loss before Taxation of RM1,753,317 as compared with Profits before Taxation of RM512,995 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 additional 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.

Malaysia, as a country, 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. AHB intends to capitalize on the country's infrastructure and supply chain networks.

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 2018.

**AHB HOLDINGS BERHAD 274909-A
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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 Dec 2017	31 March 2017	31 March 2018	31 March 2017
Net profit/(loss)	(290,578)	(513,166)	1,225,728	548,337
Weighted average number of ordinary shares in issue	167,473,457	160,036,194	167,473,457	160,036,194
Basic profit/(loss) per share (sen)	(0.17)	(0.32)	0.73	0.34
Fully Diluted Earnings Per Share (sen)				

The Company has a category of potentially dilutive ordinary shares as follows:
71,125,961 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.

Where applicable, the diluted earnings per share of the Group have not been presented as diluted because 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

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

	Current Period 3 months period ended 31 Mar 18 RM	Cumulative Period 12 months period ended 31 Mar 18 RM
Other income	161,139	183,590
Interest expenses	-	-
Depreciation and amortization	(180,634)	(770,100)
Foreign exchange loss (gain)	-	-
	<u> </u>	<u> </u>

**AHB HOLDINGS BERHAD 274909-A
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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 Mar 2018 RM	As at 31 Mar 2017 RM
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(40,447,257)	(40,447,257)
- Unrealised gain / (loss)	6,324,883	5,099,105
	<hr/>	<hr/>
	(34,122,374)	(35,348,102)
Add: Consolidation adjustments	8,841,082	8,841,082
	<hr/>	<hr/>
Total Group accumulated losses as per consolidated accounts	(25,281,292)	(26,507,020)
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