

# AHB HOLDINGS BERHAD

Company number 274909-A. Stock Code 7315

## Interim Financial Statements for the First Quarter ended 30 June 2018



**AHB Holdings Berhad 274909-A**

**And Its Subsidiary Companies**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 30 JUNE 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	3 months ended	3 months ended
		30/06/2018	30/06/2017	30/06/2018	30/06/2017
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		RM	RM	RM	RM
1 (a)	Revenue	4,899,336	4,727,248	4,899,336	4,727,248
(b)	Other income	13,560	8,199	13,560	8,199
2 (a)	Profit before finance cost, depreciation and amortisation, exceptional items, income tax, minority interests	770,714	729,933	770,714	729,933
(b)	Finance cost	(3,338)	(4,334)	(3,338)	(4,334)
(c)	Depreciation and amortisation	(257,151)	(220,203)	(257,151)	(220,203)
3	Profit/(Loss) Before Taxation	510,225	505,396	510,225	505,396
4	Income tax	(1,803)	(2,050)	(1,803)	(2,050)
5	Profit/(Loss) for the Period	508,422	503,346	508,422	503,346
6	Other Comprehensive Income	-	-	-	-
7	Total comprehensive income for the period	508,422	503,346	508,422	503,346
8	Profit/(Loss) Attributable to :				
	a) Equity holders of the parent	508,422	503,346	508,422	503,346
	b) Non-controlling interest	-	-	-	-
		508,422	503,346	508,422	503,346
9	Total Comprehensive Income Attributable to :				
	a) Equity holders of the parent	508,422	503,346	508,422	503,346
	b) Non-controlling interest	-	-	-	-
		508,422	503,346	508,422	503,346
10	Profit / Loss per share attributable to shareholders of the parent (sen) :				
	a) Basic	0.30	0.31	0.30	0.31
	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 2018.

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**AS AT 30 JUNE 2018**

The figures have not been audited.

	(Unaudited) As At 30.06.2018 RM	(Audited) As At 31.03.2018 RM
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	9,944,466	9,441,491
Goodwill on consolidation	1,935,486	1,935,486
Deferred tax asset	4,000,000	4,000,000
	15,879,952	15,376,977
<b>Current Assets</b>		
Inventories	6,922,775	6,312,538
Trade receivables	9,945,732	10,108,760
Other receivables, deposits & prepayments	2,395,593	2,316,758
Tax recoverable	140,817	140,817
Cash and bank balances	2,512,246	3,605,992
	21,917,163	22,484,865
<b>TOTAL ASSETS</b>	<b>37,797,115</b>	<b>37,861,842</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Share capital	39,572,708	39,572,708
Reserves	(3,354,371)	(3,862,793)
<b>TOTAL EQUITY</b>	36,218,337	35,709,915
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	-	-
	-	-
<b>Current Liabilities</b>		
Trade payables	1,135,728	1,510,459
Other payables & accrued expenses	350,050	548,468
Amount owing to directors	93,000	93,000
Tax payables	-	-
	1,578,778	2,151,927
<b>TOTAL LIABILITIES</b>	1,578,778	2,151,927
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>37,797,115</b>	<b>37,861,842</b>
<b>Net Asset per Share (RM)</b>	0.216	0.223

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the financial year ended 31 March 2018.

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

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 30 JUNE 2018**

The figures have not been audited.

GROUP	Attributable to Equity Holders of the Company					Total RM
	Share Capital RM	Capital Reserve RM	Warrant Reserve RM	Other Reserve RM	Accumulated Loss RM	
<b>At 01 April 2017</b>	34,899,182	21,305,406	11,095,806	(11,095,806)	(26,507,020)	29,697,568
Net profit for the financial year, representing total comprehensive profit for the financial year	-	-	-	-	1,338,821	1,338,821
Issuance of ordinary shares						
- Private Placement	4,801,080	-	-	-	-	4,801,080
- Expenses on Private Placement	(127,554)	-	-	-	-	(127,554)
<b>At 31 March 2018</b>	<b>39,572,708</b>	<b>21,305,406</b>	<b>11,095,806</b>	<b>(11,095,806)</b>	<b>(25,168,199)</b>	<b>35,709,915</b>
Net profit for the financial period	-	-	-	-	508,422	508,422
<b>At 30 June 2018</b>	<b>39,572,708</b>	<b>21,305,406</b>	<b>11,095,806</b>	<b>(11,095,806)</b>	<b>(24,659,777)</b>	<b>36,218,337</b>

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 2018.

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 30 JUNE 2018**

The figures have not been audited.

	3 months ended 30/06/2018 (Unaudited) RM	12 months ended 31/03/2018 (Audited) RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	510,225	(156,414)
<b>Adjustments for:</b>		
Bad debts written off on receivables		
- Trade	-	-
- Others	-	-
Depreciation and amortisation	257,151	770,101
Finance costs	3,338	32
Impairment on slow moving inventories		-
Impairment loss on trade receivables	-	35,503
Impairment loss on other receivables	-	-
Interest income	(13,560)	(45,922)
Inventories written down	-	28,328
Unrealised gain on foreign exchange	-	1,828,918
Waiver of debts	-	-
Operating profit before working capital changes	<u>757,154</u>	<u>2,460,546</u>
<b>Changes in working capital:-</b>		
Inventories	(610,237)	(69,209)
Trade Receivables	163,028	(1,137,629)
Other Receivables	(78,835)	(169,588)
Trade Payables	(374,731)	288,836
Other Payables	(198,418)	(89,963)
Amount due from/to subsidiary companies		-
Amount due to Directors	-	(48,700)
	(1,099,193)	(1,226,253)
Cash (used in)/from operations	(342,039)	1,234,293
Interest received	13,560	45,922
Interest Paid	(3,338)	(32)
Tax paid	(1,803)	(10,657)
		35,233
<b>Net cash (used in)/generated from operating activities</b>	<u>(333,620)</u>	<u>1,269,526</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment	(760,126)	(4,185,083)
<b>Net cash used in investing activity</b>	<u>(760,126)</u>	<u>(4,185,083)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of ordinary shares		4,673,526
<b>Net cash used in financing activities</b>	<u>-</u>	<u>4,673,526</u>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS</b>	(1,093,746)	1,757,969
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	3,605,992	1,847,984
Effect of exchange translation difference on cash and cash equivalent	-	39
<b>CASH &amp; CASH EQUIVALENTS AT END OF THE YEAR</b>	<u><u>2,512,246</u></u>	<u><u>3,605,992</u></u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statement for the financial year ended 31 March 2018.

**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 31 March 2018.

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 31 March 2018.

**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. Auditors’ Report on Preceding Audited Financial Statement**

The Company’s auditors opined as follows:

‘We have audited the financial statements of AHB Holdings Berhad, which comprise the statements of financial position as at 31 March 2018 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 15 to 76.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2018, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.’

**A6. Debt and Equity Securities**

There are no activities during the quarter under review.

**A7. Dividend Paid**

No dividend was paid for the period under review.

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

The figures have not been audited

**A8. 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:

	<b>Revenue</b>	
	<b>3 months period ended</b>	
	<b>30 June 2018</b>	<b>30 June 2017</b>
	<b>RM</b>	<b>RM</b>
South – Eastern Asia	4,208,573	1,184,118
Middle East	479,326	3,543,130
South – Central Asia	211,437	-
America	-	-
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	4,899,336	4,727,248
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ii) Non-current assets

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

**A9. 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 2018.

**A10. Subsequent Materials Events**

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

**A11. Changes in Composition of the Group**

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

**A12. 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 in review, AHB embarked on her sharp focus on the premium segment of the office furniture market by investing and promoting “cutting-edge” new design furniture systems and products.

The Group continues to reach out to customers in a changing workplace. With a strong spirited voice, the Group continually elevates her corporate brand to tap into new trends in an evolving market as a leading provider of fully integrated and highly flexible office furniture solutions that promote wellness and productivity.

The Group is currently executing some large office furniture supply contracts in the local and international scenes. The net profit after tax for the 3 months period ended 30 June 2018 is RM508,422 compared to RM503,346 in preceding year corresponding quarter. The revenue registered is RM 4,899,336 compared to RM4,727,248 in the same respective comparative quarters.

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

The Group recorded a Profit before Taxation of RM508,422 as compared a Loss before Taxation of RM (290,578) in the previous quarter; the previous quarter was affected by forex losses.

**B3. Prospects**

AHB intends to focus on the premium segment of the market, and the re-location of AHB headquarters to 10 Persiaran KLCC, Level 16 Naza Tower Platinum Park, 50088 Kuala Lumpur will further this agenda and improve the prospects of improved profits in the near future when this investment begin to fulfil part of the strategy.

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.

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.



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

The figures have not been audited

### B6. Status of Corporate Proposals

A proposed SHARE ISSUANCE SCHEME ("SIS") of up to 15% of the total number of issued shares in AHB (excluding any treasure shares) at any one time during the duration of the SIS for the eligible directors and employees of AHB and its non-dormant subsidiaries was approved by Bursa Malaysia on 1 August 2018, and is now subject to approval of AHB Shareholders during a meeting on 4 September 2018.

### B7. Group Borrowings and Debt Securities

There were no outstanding borrowings and debt securities as at 31 March 2018.

### 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		3 months period ended	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017
Net profit/(loss)	508,422	503,346	508,422	503,346
Weighted average number of ordinary shares in issue	167,473,457	160,036,196	167,473,457	160,036,196
Basic profit/(loss) per share (sen)	0.30	0.31	0.30	0.31
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 shares of the Company is lower than the exercise price for the exercise of warrants 2014/2019 to ordinary shares.

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

The figures have not been audited

**B11. Profit/(Loss) Before Tax**

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

	<b>Current Period 3 months period ended 30 June-18 RM</b>	<b>Cumulative Period 3 months period ended 30 June-18 RM</b>
Other income	13,560	13,560
Interest expenses	-	-
Depreciation and amortization	(257,151)	(257,151)
Foreign exchange loss (gain)	-	-
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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**

	<b>As at 30 June 2018 RM</b>	<b>As at 31 Mar 2018 RM</b>
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(40,447,257)	(40,447,257)
- Unrealised gain / (loss)	6,946,398	6,437,976
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	(33,500,859)	(34,009,281)
Add: Consolidation adjustments	8,841,082	8,841,082
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Total Group accumulated losses as per consolidated accounts	(24,659,777)	(25,168,199)

- END OF REPORT -