



AHB HOLDINGS BERHAD

274909-A

INTERIM FINANCIAL STATEMENTS
for the quarter ended 30 June 2015

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

CONDENSED CONSOLIDATED INCOME STATEMENT OF COMPREHENSIVE INCOME

for the quarter ended 30 June 2015

The figures have not been audited.

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR	PRECEDING YEAR CORRESPONDING	CURRENT YEAR	PRECEDING YEAR CORRESPONDING
		3 months ended 30/06/2015 (unaudited) RM	3 months ended 30/06/2014 (unaudited) RM	3 months ended 30/06/2015 (unaudited) RM	3 months ended 30/06/2014 (unaudited) RM
1 (a)	Revenue	3,262,418	2,316,163	3,262,418	2,316,163
(b)	Other income	-	15,002	-	15,002
2 (a)	Profit/(Loss) before finance cost, depreciation and amortisation, exceptional items, income tax, minority interests	353,033	317,345	353,033	317,345
(b)	Finance cost	(2,253)	(102,800)	(2,253)	(102,800)
(c)	Depreciation and amortisation	(13,980)	(14,200)	(13,980)	(14,200)
				-	
3	Profit/(Loss) Before Taxation	336,800	200,345	336,800	200,345
				-	
4	Income tax	-	-	-	-
5	Profit/(Loss) for the Period	336,800	200,345	336,800	200,345
6	Other Comprehensive Income	-	-	-	-
7	Total comprehensive income for the period	336,800	200,345	336,800	200,345
8	Profit/(Loss) Attributable to :				
a)	Equity holders of the parent	336,800	200,345	336,800	200,345
b)	Non-controlling interest	-	-	-	-
		336,800	200,345	336,800	200,345
9	Total Comprehensive Income Attributable to :				
a)	Equity holders of the parent	336,800	200,345	336,800	200,345
b)	Non-controlling interest	-	-	-	-
		336,800	200,345	336,800	200,345
10	Loss per share attributable to shareholders of the parent (sen) :				
a)	Basic	0.21	0.38	0.21	0.38
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 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 30 June 2015

The figures have not been audited.

	(Unaudited) As At 30.06.2015 RM	(Audited) As At 31.03.2015 RM	(Audited) As At 30.06.2014 RM
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	263,086	277,066	332,986
Goodwill on Consolidation	1,935,486	1,935,486	1,935,486
Deferred tax asset	2,500,000	2,500,000	2,500,000
	<u>4,698,572</u>	<u>4,712,552</u>	<u>4,768,472</u>
Current Assets			
Inventories	7,390,342	6,688,516	6,626,156
Trade receivables	12,822,156	11,769,364	11,108,511
Other receivables, deposits & prepayments	4,222,575	4,099,578	3,968,075
Tax recoverable	137,340	137,340	-
Cash and bank balances	1,083,701	2,477,814	961,795
	<u>25,656,114</u>	<u>25,172,612</u>	<u>22,664,537</u>
TOTAL ASSETS	<u>30,354,686</u>	<u>29,885,164</u>	<u>27,433,009</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	32,007,239	32,007,239	10,669,080
Reserves	(4,315,594)	(4,652,394)	(4,844,383)
TOTAL EQUITY	<u>27,691,645</u>	<u>27,354,845</u>	<u>5,824,697</u>
Non Current Liabilities			
Long-term borrowings	-	-	-
Defered Tax Liabilities	3,800	3,800	60,790
	<u>3,800</u>	<u>3,800</u>	<u>60,790</u>
Current Liabilities			
Trade payables	1,730,851	1,634,019	3,090,142
Other payables & accrued expenses	825,200	807,007	9,547,242
Amount owing to directors	103,190	85,190	3,301,797
Bank borrowings	-	-	4,843,243
Tax Payables	-	303	765,099
	<u>2,659,241</u>	<u>2,526,519</u>	<u>21,547,523</u>
TOTAL LIABILITIES	<u>2,663,041</u>	<u>2,530,319</u>	<u>21,608,313</u>
TOTAL EQUITY AND LIABILITIES	<u>30,354,686</u>	<u>29,885,164</u>	<u>27,433,010</u>
Net Asset per Share (RM)	<u>0.173</u>	<u>0.171</u>	<u>0.109</u>

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

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

for the quarter ended 30 June 2015

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 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	-	(772,667)	-	-	(772,667)
Balance at 31 March 2015	32,007,239	2,891,943	21,305,406	(28,849,743)	27,354,845
Total comprehensive income for the period	-	-	-	336,800	336,800
Transactions with owners :					
Issue of ordinary shares from the rights issue	-	-	-	-	-
Share issuance expenses	-	-	-	-	-
Balance at 30 June 2015	32,007,239	2,891,943	21,305,406	(28,512,943)	27,691,645

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited Financial Statement Year End 30 June 2014 and 31 March 2015

**AHB Holdings Berhad 274909-A
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the quarter ended 30 JUNE 2015**

The figures have not been audited.

	3 months ended 30/6/2015 (Unaudited) RM	9 months ended 31/3/2015 (Audited) RM	12 months ended 30/6/2014 (Audited) RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/ (Loss) before tax	336,800	916,762	821,425
Adjustment for:			
Impairment loss on trade receivables	-	377,000	-
Inventory written off	-	-	-
Depreciation and amortisation	13,980	61,240	68,078
Finance costs	2,253	58,579	422,372
Unrealised loss/(profit) on foreign exchange	(2,556)	(260,232)	52,679
Bad debts recovered	-	-	(14,183)
Interest Income	-	(70,837)	-
Waiver of Director's fee	-	-	(102,000)
Operating Profit/(Loss) before working capital changes	<u>350,477</u>	<u>1,082,512</u>	<u>1,248,371</u>
Changes in Working Capital:-			
Inventories	(701,826)	(62,360)	388,157
Receivables	(1,175,789)	(909,124)	(2,692,433)
Payables	115,025	(10,196,358)	606,818
Directors	18,000	(3,216,607)	62,728
Cash (used in)/generated from operations	<u>(1,394,113)</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 operating activities	<u>(1,394,113)</u>	<u>(14,142,331)</u>	<u>(411,699)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceed from disposal of property, plant & equipment	-	-	-
Purchase of property, plant & equipment	-	(5,320)	(9,970)
Net cash used in investing activities	<u>-</u>	<u>(5,320)</u>	<u>(9,970)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance costs paid	-	(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 used in financing activities	<u>-</u>	<u>15,663,670</u>	<u>1,003,235</u>
NET CHANGES IN CASH & CASH EQUIVALENTS	<u>(1,394,113)</u>	<u>1,516,019</u>	<u>581,566</u>
CASH & CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>2,477,814</u>	<u>961,795</u>	<u>380,229</u>
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	<u>1,083,701</u>	<u>2,477,814</u>	<u>961,795</u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited Financial Statement Year Ended 30 June 2014 and 31 March 2015

**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 and 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. 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 31 March 2015 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.

A4. Seasonality or cyclicity

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

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AND ITS SUBSIDIARY COMPANIES**

The figures have not been audited

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	
	3 months period ended	
	30 June 2015	30 June 2014
	RM	RM
South – Eastern Asia	1,822,744	1,209,559
Middle East	1,188,098	983,816
South – Central Asia	251,576	-
America	-	122,788
	<u>3,262,418</u>	<u>2,316,163</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 2015.

A11. Subsequent Materials Events

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

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AND ITS SUBSIDIARY COMPANIES**

The figures have not been audited

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 30 June 2015.

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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 3 months period ended 30 June 2015, the Group registered RM3,262,418 revenue and net profit of RM336,800 compared to RM2,316,163 revenue and net profit of RM200,345 in preceding year corresponding quarter ended 30 June 2014.

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

The Group recorded a Profit before Taxation of RM336,800 as compared with Profit before Taxation of RM 243,098 in the previous quarter ended 30 June 2014.

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.

B7. Group Borrowings and Debt Securities

There were no outstanding borrowings and debt securities as at 30 June 2015.

B8. Material Litigation

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

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The figures have not been audited

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 2015	30 June 2014	30 June 2015	30 June 2014
Net profit/(loss)	336,800	200,345	336,800	200,345
Weighted average number of ordinary shares in issue	160,036,196	53,345,400	160,036,196	53,345,400
Basic profit/(loss) per share (sen)	0.21	0.38	0.21	0.38
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.

B11. Profit/(Loss) Before Tax

B11. Profit/(Loss) Before Tax

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

	Current Period 3 months period ended 30 June-15 RM	Cumulative Period 3 months period ended 30 June-15 RM
Other income	-	-
Interest expenses	-	-
Depreciation and amortization	(13,980)	(13,980)
Foreign exchange loss (gain)	2,556	2,556
	2,556	2,556

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

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The figures have not been audited

- 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 30 June 2015 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)	3,093,232	2,756,432
	<hr/>	<hr/>
	(37,354,025)	(37,690,825)
Add: Consolidation adjustments	8,841,082	8,841,082
	<hr/>	<hr/>
Total Group accumulated losses as per consolidated accounts	<u>(28,512,943)</u>	<u>(28,849,743)</u>

- END OF REPORT -