

# AHB HOLDINGS BERHAD

Company number 274909-A. Stock Code 7315

## Interim Financial Statements for the First Quarter ended 31 December 2022



AHB Holdings Berhad 274909-A  
And Its Subsidiary Companies

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE 1<sup>ST</sup> QUARTER ENDED 31 DECEMBER 2022

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	3 months ended	3 months ended
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	RM	RM	RM	RM
1 (a) Revenue	3,852,568	2,127,548	3,852,568	2,127,548
(b) Other income	7,441	8,765	7,441	8,765
2 (a) (Loss)/Profit before finance cost, depreciation and amortisation, exceptional items, income tax, minority interests	(66,667)	257,800	(66,667)	257,800
(b) Finance cost	-	(38,463)	-	(38,463)
(c) Depreciation of property, plant and equipment	(366,017)	(366,017)	(366,017)	(366,017)
(d) Depreciation of right-of-use asset	(228,011)	(228,011)	(228,011)	(228,011)
(e) Share based payment expenses				
3 Loss before taxation - Continued operation	(660,695)	(369,920)	(660,695)	(369,920)
4 Income tax	-	-	-	-
5 Loss for the period	(660,695)	(369,920)	(660,695)	(369,920)
6 Other comprehensive income	-	-	-	-
7 Total comprehensive income for the period	(660,695)	(369,920)	(660,695)	(369,920)
8 Loss attributable to :				
a) Equity holders of the parent	(660,695)	(369,920)	(660,695)	(369,920)
b) Non-controlling interest	-	-	-	-
	(660,695)	(369,920)	(660,695)	(369,920)
9 Total comprehensive income attributable to:				
a) Equity holders of the parent	(660,695)	(369,920)	(660,695)	(369,920)
b) Non-controlling interest	-	-	-	-
	(660,695)	(369,920)	(660,695)	(369,920)
10 Loss per share attributable to shareholders of the parent (sen):				
a) Basic	(0.18)	(0.13)	(0.18)	(0.13)
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 Statement for the financial year ended 30 September 2022

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

The figures have not been audited.

	(Unaudited) As At 31.12.2022 RM	(Audited) As At 30.09.2022 RM
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	15,795,376	6,961,393
Rights-of-use asset	4,125,648	4,353,659
Deferred tax asset	4,000,000	4,000,000
	23,921,024	15,315,052
<b>Current Assets</b>		
Inventories	6,574,030	5,965,866
Trade receivables	9,178,083	6,269,213
Other receivables, deposits & prepayments	3,171,351	6,221,820
Cash and bank balances	158,288	801,185
	19,081,752	19,258,084
<b>TOTAL ASSETS</b>	<b>43,002,776</b>	<b>34,573,136</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Share capital	34,913,214	60,913,214
Reserves	(7,532,326)	(32,871,631)
<b>TOTAL EQUITY</b>	27,380,888	28,041,583
<b>Non-Current Liability</b>		
Lease liabilities	3,425,288	3,577,289
	3,425,288	3,577,289
<b>Current Liabilities</b>		
Trade payables	2,401,321	311,091
Other payables & accrued expenses	8,307,619	1,421,514
Lease Liabilities	1,487,660	1,221,659
	12,196,600	2,954,264
<b>TOTAL LIABILITIES</b>	15,621,888	6,531,553
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>43,002,776</b>	<b>34,573,136</b>
<b>Net Asset per Share (RM)</b>	0.073	0.075

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

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 31 DECEMBER 2022**

The figures have not been audited.

GROUP	Attributable to Equity Holders of the Company				Total RM
	Share Capital RM	Capital Reserve RM	Share Issuance Scheme Option Reserve RM	Accumulated Loss RM	
<b>At 01 October 2021</b>	49,171,397	21,305,406	340,024	(45,256,983)	25,559,844
Net loss for the financial year, representing total comprehensive profit for the financial year	-	-	-	(9,091,510)	(9,091,510)
Transfer to retained earnings	-	(21,305,406)	-	21,305,406	-
<b>Transaction with Owners :</b>					
Issuance of ordinary shares :					
- private placement	10,838,837	-	-	-	10,838,837
- exercise of SIS options	902,980	-	(351,470)	-	551,510
Grant of SIS Options			182,902		182,902
Lapse of SIS Options			(15,554)	15,554	-
<b>Total transaction with owners</b>	11,741,817	-	(184,122)	15,554	11,573,249
<b>At 30 September 2022</b>	60,913,214	-	155,902	(33,027,533)	28,041,583
Net profit for the financial period	-	-	-	(660,695)	(660,695)
<b>Transaction with Owners :</b>					
Capital reduction	(26,000,000)	-	-	26,000,000	-
<b>At 31 December 2022</b>	34,913,214	-	155,902	(7,688,228)	27,380,888

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statement for the financial year ended 30 September 2022.

**AHB Holdings Berhad 274909-A  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 31 DECEMBER 2022**

The figures have not been audited.

	3 months ended <b>31.12.2022</b> (Unaudited) RM	12 months ended <b>30.09.2022</b> (Audited) RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(660,695)	(9,091,510)
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	366,017	1,457,379
Depreciation of rights of use assets	228,011	1,131,898
Gain on disposal of subsidiaries	-	(556,125)
Interest Expenses	-	152,705
Inventories written down	-	1,012,327
Impairment loss on trade receivables	-	1,285,827
Impairment loss written off	-	5,702,234
Interest income	(346)	(11,167)
Share-based payments	-	182,902
Unrealised gain on foreign exchange	-	(31,234)
Operating profit before working capital changes	<u>(67,013)</u>	<u>1,235,236</u>
<b>Changes in working capital:-</b>		
Inventories	(608,164)	(829,657)
Trade Receivables	(2,908,870)	(10,664,316)
Other Receivables	3,050,469	(5,625,809)
Trade Payables	2,090,230	171,934
Other Payables	6,886,105	3,155,066
	<u>8,509,770</u>	<u>(13,792,782)</u>
Cash used in operations	8,442,757	(12,557,546)
Interest received	346	11,167
Interest paid	-	(152,705)
	<u>346</u>	<u>(141,538)</u>
<b>Net cash used in operating activities</b>	<u>8,443,103</u>	<u>(12,699,084)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment	(9,086,000)	(225,024)
Cash outflow from disposal of subsidiaries	-	(1,389)
<b>Net cash used in investing activities</b>	<u>(9,086,000)</u>	<u>(226,413)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Repayment to)/advance from directors	-	(99,000)
Proceeds from private placement	-	10,838,837
Proceeds from exercise of SIS options	-	551,510
Payment of lease liabilities	-	(1,069,969)
<b>Net cash generated from financing activities</b>	<u>-</u>	<u>10,221,378</u>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS</b>		
	(642,897)	(2,704,119)
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	801,185	3,503,967
Effect of exchange translation difference on cash and cash equivalent	-	1,337
<b>CASH &amp; CASH EQUIVALENTS AT END OF THE YEAR</b>	<u>158,288</u>	<u>801,185</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statement for the financial year ended 30 September 2022

**AHB Holdings Berhad 274909-A  
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**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 September 2022.

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 September 2022.

**A2. Seasonality or cyclical**

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 audit report of the Group’s annual financial statements for the year ended 30 September 2022 was not subject to any qualification.

**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  
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**Part A – Explanatory Notes Pursuant to MFRS134 (Cont'd)**

**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:

	Revenue	
	3 months period ended	
	31 Dec 2022	31 Dec 2021
	RM	RM
South – Eastern Asia	3,852,568	1,664,540
Middle East	-	463,008
Europe	-	-
	<hr/>	<hr/>
	3,852,568	2,127,548

- 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 30 September 2022.

**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. Changes in Contingent Liabilities and Contingent Assets**

There were no contingent material claims for and against the Group since the previous financial year end.

**AHB Holdings Berhad 274909-A  
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**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 quarter under review, the Group recorded a gross revenue of RM3.853 million as compared to RM2.128 million recorded in the preceding year corresponding quarter. The higher revenue was due to the increase in revenue of RM1.725 million.

For the current quarter under review, the Group recorded a loss before tax of RM 0.661 million as compared to a loss before tax of RM0.370 million recorded in the preceding year corresponding quarter.

**B2. Material Changes in Loss Before Taxation in Comparison to the Previous Quarter**

Revenue for the current quarter under review was RM3.853 million as compared to RM3.785 million for the preceding quarter. The higher revenue was due to the increase in revenue of RM0.068 million.

The Group reported a loss before tax of RM 0.661 million as compared to a loss before tax of RM4.712 million for the preceding quarter. The lower loss was mainly attributable to the increase of revenue, decrease in operating costs as well as reduce in finance costs.

**B3. Prospects**

Amid the challenging global economic environment that was clouded by inflationary pressures, supply chain delays, labour shortages and elevated oil prices coupled with a fluctuating ringgit on the local economic front, our business remain robust and expecting to maintain the current momentum coupled with new product offerings.

The outlook for the FY2023 remains challenging due to uncertainty of both the domestic and overseas markets resulting from adverse global economic and business operating environments.

To mitigate these uncertainties, the Group will continue to be prudent on its capital and operational expenditures. At the same time, the Group foresee venture into Property Development business will be able to synergy with current business in the long run.

Despite the prevailing challenges, the Board remains cautiously optimistic on the long-term business prospects of the Group and will continue to actively pursue various business strategies to increase its revenue base.

**B4. Profit Forecast or Profit Guarantee**

- (a) Profit Forecast : Not applicable
- (b) Profit Guarantee : Not applicable.



**AHB Holdings Berhad 274909-A  
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**Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities**

**B5. Taxation**

There are no taxation matters in the quarter under review.

**B6. Status of Corporate Proposals**

In 4 October 2022, TA Securities announced that the sealed Order granted from the High Court of Malaya confirming the Share Capital Reduction had been lodged with the Registrar of Companies on 3 October 2022. Pursuant thereto, the Share Capital Reduction shall therefore take effect and be deemed completed on 3 October 2022.

In 7 November 2022, on behalf of the Board, Mercury Securities announced that the application for the Proposals has been submitted to Bursa Securities.

In 11 January 2023, on behalf of the Board, Mercury Securities announced that Bursa Securities has, vide its letter dated 11 January 2023, resolved to approve the listing of and quotation for the Consideration Shares and Conversion Shares to be issued pursuant to the Proposed Acquisition and Proposed RCPS Issuance, respectively, subject to the conditions.

In 13 February 2023, the Board of Directors of AHB announced that all the resolutions as set out in the Notice of the Extraordinary General Meeting ("EGM") dated 20 January 2023 were duly passed by way of poll at the EGM of the Company held on 13 February 2023.

In 8 February 2023, the Board of Directors of AHB announced that AHB had on 8 February 2023 entered into a Memorandum of Understanding ("MOU") with Piong Choong Fah, where AHB ("Purchaser") and Piong Choong Fah ("Vendor") intends to enter into a definitive share sale agreement for the purchase by AHB and the sale by Piong Choong Fah for ordinary shares held by the Vendor in Altangadas Mining Group Berhad [Registration No. 202001013815 (1370135-T)] ("AMG" or the "Target Company"), representing 20% of the total issued ordinary shares of the Target Company ("Sale Shares") which is still on-going.

**B7. Group Borrowings and Debt Securities**

The Group does not have any borrowings nor debt securities as at 31 December 2022.

**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.

**AHB Holdings Berhad 274909-A  
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**Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (Cont'd)**

**B10. Earnings Per Share**

Basic Earnings Per Share	3 months period ended		3 months period ended	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Net loss	(660,695)	(369,920)	(660,695)	(369,920)
Weighted average number of ordinary shares in issue	375,807,594	290,305,594	375,807,594	290,305,594
Basic loss per share (sen)	(0.18)	(0.13)	(0.18)	(0.13)
<b>Fully Diluted Earnings Per Share (sen)</b>	NA	NA	NA	NA

**B11. Loss Before Tax**

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

	Current Period 3 months period ended	Cumulative Period 3 months period ended
	31 Dec-22 RM	31 Dec-22 RM
Other income	7,441	7,441
Interest expenses	-	-
Depreciation and amortization	<u>(594,028)</u>	<u>(594,028)</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 item

- END OF REPORT -