

# AHB HOLDINGS BERHAD

Company number 274909-A. Stock Code 7315

## Interim Financial Statements for the Final Quarter ended 30 September 2021



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

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE 4TH QUARTER ENDED 30 SEPTEMBER 2021**

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	12 months ended	12 months ended
		30/9/2021	30/9/2020	30/9/2021	30/9/2020
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		RM	RM	RM	RM
1 (a)	Revenue	711,405	2,023,622	8,006,827	10,058,034
(b)	Other income	1,258	252,805	5,854	272,204
2 (a)	Profit before finance cost, depreciation and amortisation, exceptional items, income tax, minority interests	(1,976,516)	(1,538,832)	(2,322,512)	(3,095,901)
(b)	Finance cost	(66,151)	(148,846)	(185,320)	(186,672)
(c)	Depreciation of property, plant and equipment	(365,578)	(345,461)	(1,462,641)	(1,457,903)
(d)	Depreciation of right-of-use asset	(228,011)	(443,968)	(916,118)	(443,968)
(e)	Share based payment expenses	-	(1,267,596)	(243,807)	(1,450,452)
3	Loss before taxation	(2,636,256)	(3,744,703)	(5,130,398)	(6,634,896)
4	Income tax	-	-	-	-
5	Loss for the period	(2,636,256)	(3,744,703)	(5,130,398)	(6,634,896)
6	Other comprehensive income	-	-	-	-
7	Total comprehensive income for the period	(2,636,256)	(3,744,703)	(5,130,398)	(6,634,896)
8	Loss attributable to :				
a)	Equity holders of the parent	(2,636,256)	(3,744,703)	(5,130,398)	(6,634,896)
b)	Non-controlling interest	-	-	-	-
		(2,636,256)	(3,744,703)	(5,130,398)	(6,634,896)
9	Total comprehensive income attributable to:				
a)	Equity holders of the parent	(2,636,256)	(3,744,703)	(5,130,398)	(6,634,896)
b)	Non-controlling interest	-	-	-	-
		(2,636,256)	(3,744,703)	(5,130,398)	(6,634,896)
10	Loss per share attributable to shareholders of the parent (sen):				
a)	Basic	(1.01)	(1.54)	(1.97)	(2.72)
b)	Dilluted	NA	NA	NA	NA

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction the Audited Financial Statement for the financial year ended 30 September 2020.

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**AS AT 30 September 2021**

The figures have not been audited.

	(Unaudited) As At 30.09.2021 RM	(Audited) As At 30.09.2020 RM
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	8,236,947	9,633,172
Rights-of-use asset	5,215,298	4,518,137
Goodwill on consolidation	1,935,486	1,935,486
Deferred tax asset	4,000,000	4,000,000
	19,387,731	20,086,795
<b>Current Assets</b>		
Inventories	6,304,313	5,936,391
Trade receivables	3,464,783	4,271,410
Other receivables, deposits & prepayments	583,638	1,020,152
Cash and bank balances	3,493,003	5,513,956
	13,845,737	16,741,909
<b>TOTAL ASSETS</b>	<b>33,233,468</b>	<b>36,828,704</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Share capital	49,171,397	46,800,413
Reserves	(23,210,246)	(18,056,779)
<b>TOTAL EQUITY</b>	25,961,151	28,743,634
<b>Non-Current Liability</b>		
Lease liabilities	4,677,660	4,507,544
	4,677,660	4,507,544
<b>Current Liabilities</b>		
Trade payables	160,694	2,014,041
Other payables & accrued expenses	1,425,263	1,265,828
Amount owing to directors	99,000	35,850
Lease Liabilities	909,700	261,807
	2,594,657	3,577,526
<b>TOTAL LIABILITIES</b>	7,272,317	8,085,070
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>33,233,468</b>	<b>36,828,704</b>
<b>Net Asset per Share (RM)</b>	0.100	0.118

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the financial year ended 30 September 2020.

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
 FOR THE QUARTER ENDED 30 September 2021**

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 2019, as previously reported</b>	39,576,908	21,305,406	243,807	(33,312,304)	27,813,817
Effect of adopting MFRS 16	-	-	-	(164,205)	(164,205)
	<u>39,576,908</u>	<u>21,305,406</u>	<u>243,807</u>	<u>(33,476,509)</u>	<u>27,649,612</u>
Net loss for the financial year, representing total comprehensive profit for the financial year	-	-	-	(6,695,343)	(6,695,343)
<b>Transaction with Owners :</b>					
Issuance of ordinary shares :					
- private placement	4,879,998	-	-	-	4,879,998
- exercise of SIS options	2,343,507	-	(945,497)	-	1,398,010
Grant of SIS Options	-	-	1,511,357	-	1,511,357
Lapse of SIS Options	-	-	(304,712)	304,712	-
<b>Total transaction with owners</b>	<u>7,223,505</u>	<u>-</u>	<u>261,148</u>	<u>304,712</u>	<u>7,789,365</u>
<b>At 30 September 2020</b>	<u>46,800,413</u>	<u>21,305,406</u>	<u>504,955</u>	<u>(39,867,140)</u>	<u>28,743,634</u>
Net profit for the financial period	-	-	-	(5,130,398)	(5,130,398)
<b>Transaction with Owners :</b>					
Issuance of ordinary shares :					
- private placement	1,702,257	-	-	-	1,702,257
- exercise of SIS options	668,727	-	(266,876)	-	401,851
Grant of SIS Options	-	-	243,807	-	243,807
Lapse of SIS Options	-	-	(60,905)	60,905	-
<b>At 30 September 2021</b>	<u>49,171,397</u>	<u>21,305,406</u>	<u>420,981</u>	<u>(44,936,633)</u>	<u>25,961,151</u>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction the Audited Financial Statement for the financial year ended 30 September 2020.

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2021**

The figures have not been audited.

	12 months ended <b>30.09.2021</b> (Unaudited) RM	12 months ended <b>30.09.2020</b> (Audited) RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(5,130,398)	(6,699,724)
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	1,462,641	1,458,495
Depreciation of rights of use assets	916,118	443,968
Interest Expenses	185,320	198,219
Inventories written down	-	149,302
Impairment loss on trade receivables	-	1,245,997
Interest income	(65,112)	(24,968)
Share-based payments	243,807	1,511,357
Unrealised gain on foreign exchange	-	(110,567)
Operating profit before working capital changes	<u>(2,387,624)</u>	<u>(1,827,921)</u>
<b>Changes in working capital:-</b>		
Inventories	(367,922)	44,502
Trade Receivables	806,627	992,708
Other Receivables	436,514	139,051
Trade Payables	(1,853,347)	(441,494)
Other Payables	159,435	(449,153)
	(818,693)	285,614
Cash used in operations	(3,206,317)	(1,542,307)
Interest received	65,112	24,968
Interest paid	(185,320)	(198,219)
	(120,208)	(173,251)
<b>Net cash used in operating activities</b>	<u>(3,326,525)</u>	<u>(1,715,558)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment	(66,416)	(57,455)
Purchase of rights of use asset	-	(43,000)
<b>Net cash used in investing activities</b>	<u>(66,416)</u>	<u>(100,455)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advance from/(repayment to) directors	63,150	(135,400)
Proceeds from private placement	1,702,257	4,879,998
Proceeds from exercise of SIS options	401,851	1,398,010
Payment of lease liabilities	(795,270)	(313,959)
<b>Net cash generated from financing activities</b>	<u>1,371,988</u>	<u>5,828,649</u>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS</b>	(2,020,953)	4,012,636
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	5,513,956	1,501,966
Effect of exchange translation difference on cash and cash equivalent	-	(646)
<b>CASH &amp; CASH EQUIVALENTS AT END OF THE YEAR</b>	<u><u>3,493,003</u></u>	<u><u>5,513,956</u></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 2020

**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 September 2020.

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 2020.

In addition, MFRS 16 and MFRS 9 have been incorporated.

**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 2020 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.

- the remainder of this page is intentionally left blank -

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

The figures have not been audited

**Part A – Explanatory Notes Pursuant to MFRS134 (Con’t)**

**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	
	12 months period ended	
	30 Sep 2021	30 Sep 2020
	RM	RM
South – Eastern Asia	6,307,937	5,964,443
Middle East	1,624,522	4,055,191
South – Central Asia	74,368	21,100
Europe	-	17,300
	<u>8,006,827</u>	<u>10,058,034</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.

**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 2020.

**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.

- the remainder of this page is intentionally left blank -

**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**

The net loss after tax for the 3 months period ended 30 September 2021 is RM2,636,256 compared to a RM3,744,703 in preceding year corresponding quarter.

During the quarter in review, the prevalent increases and high numbers of Covid-19 cases in the country has delayed many of our ongoing project installations, as well as the decision-making process for certain significant potential orders in the pipeline. Our Group experienced a softer economy both locally and globally due to global pandemic, political outlooks, trade tensions, and the local Movement Control Order restrictions.

AHB continued her sharp focus to embark on the premium segments 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.

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

The Group recorded a Loss Before Taxation of RM2,636,256 as compared to RM820,293 in the previous quarter. As highlighted in Note B1, the quarter under review is adversely affected by an experience of a softer economy as a direct result of the third wave of Covid-19 in the country.

**B3. Prospects**

As disclosed in the previous quarters, the Group has implemented several proactive strategies to turn massive challenges into meaningful changes and opportunities, so as to navigate the financial and operational challenges of Covid-19 while rapidly addressing the needs of our people, customers and suppliers.

The Group has won some significant orders for the Covid Protection Panel products with the delivery and installation to be completed within the current financial year, including a fast tract contract to supply Covid Protect Panels to be installed on existing office workstations on one hundred and fifty-eight (158) office floors across Kuala Lumpur.

The Covid Protection Panels products provide the flexible and modular solutions that can be installed or added onto the existing setups in any workplaces, has been well accepted in the local and international markets.

In December 2020, the Group has organized two ‘soft launch’ events to introduce the new products CAPPELLINI to the key players in the Architects and Designers community and industry leaders in the country. The events were graced by Mr Giulio Cappellini, the Art Director of CAPPELLINI, delivering a speech on ‘The future of WorkPlace’ via zoom from the CAPPELLINI Milan headquarters.

The said events were conducted with strict adherence to the prevailing SOPs.

AHB has concluded an exclusive distribution agreement for CAPPELLINI in Malaysia. The Group is ambitious to explore a new high-end market segment with the CAPPELLINI’s exclusive and premium product offers. The Group is setting up a CAPPELLINI showroom in the headquarters in Naza Tower Platinum Park.



**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 (Cont'd)**

**B3. Prospects (cont'd)**

Riding onto the international patents and technologies in the Group's new Sound-Pod introductions, the Group has introduced "SpaceCom Medical Hubs" – an all inclusive, plug-and-play solution that enables any facility setup in a hassle free and time efficient manner. These Medical Hubs are specially designed for infectious diseases as they are constructed with negative pressure anti virus HEPA filtration and ventilation systems. The Group is in active discussions to conclude various distribution agreements medical expert groups on these Medical Hubs in the country, and worldwide.

The Group's E-Commerce platform is now in place and on-going improvements are implemented. The Group is now positioned to capture new marketplace opportunities and digital customer segments. The Group will make available on the E-Commerce platform our Work-From-Home ("WFH") product offers. We have introduced a range of easy-to-distribute, and easy-to-assemble products to cater for this WFH new trends. This offer caters for the retail consumers who are looking for ergonomic and reliable home office solutions, or the corporations that are providing their employees WFH facilities.

The Group is confident that we are capable of dynamic self-management and continual adaptation. Our team has the experiences to help out-manoeuvre uncertainty, and ensure our organization is built for agility, resiliency and growth. We are optimistic and confident that our actions will enable us to emerge from the pandemic stronger as we are anticipating positive results from various initiatives.

**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**

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 has been approved by AHB Shareholders during a meeting on 4 September 2018. The SIS was implemented on 2 May 2019.

Consequently: -

- |    |                   |                           |            |
|----|-------------------|---------------------------|------------|
| 1. | on 12 August 2020 | number of Options offered | 9,930,000  |
| 2. | on 7 August 2020  | number of Options offered | 9,930,000  |
| 3. | on 2 May 2019     | number of Options offered | 13,010,000 |

**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 (Cont'd)**

**B6. Status of Corporate Proposals (cont'd)**

The above offered Options are vesting over a period expiring on 25 April 2024, subject to the fulfilment of certain vesting conditions; including certain lapse of eligibility of certain blocks of Options offered.

A proposed PRIVATE PLACEMENT of up to 10% of the number of issued shares of AHB (excluding of any treasury shares) pursuant to Sections 75 and 76 of the Companies Act 2016. This proposal has been approved by Bursa Securities on 1st August 2019 and further extended by Bursa on 20 January 2020.

Pursuant to the 10% Private Placement, and issuance of 13,698,600 Placement Shares at RM0.073 each was performed on 24 July 2020

A proposed PRIVATE PLACEMENT of up to 30% of the number of issued shares of AHB (excluding of any treasury shares) pursuant to Sections 75 and 76 of the Companies Act 2016 was approved by Bursa Securities on 5 November 2019, and further extended by Bursa on 29 April 2020 to until 4 November 2020.

Pursuant to the 30% Private Placement issuance of 40,000,000 Placement Shares at RM0.097 each on 11 August 2020.

Bursa Securities vide its letter dated 3 November 2020 granted the Company an extension of time until 4 May 2021 to complete the implementation of the 30% Private Placement.

The Board has on 13 January 2021 (“Price-fixing Date”) fixed the issue price for 12,818,200 Placement Shares pursuant to the 30% Private Placement at RM0.1328 each (“Issue Price”).

The Issue Price for RM0.1328 is at a discount of RM0.0147 or 9.97% to the 5-day volume weighted average market price of AHB Shares up to and including 12 January 2021, being the last market day immediately preceding the Price-fixing Date, of RM 0.1475 per AHB Share.

**B7. Group Borrowings and Debt Securities**

There were outstanding borrowings of RM117,773 and debt securities of a fixed deposit of RM 2,945,193 as at 30 September 2021.

**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.

- the remainder of this page is intentionally left blank -

**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 (Cont'd)**

**B10. Earnings Per Share**

Basic Earnings Per Share	3 months period ended		12 months period ended	
	30 Sep 2021	30 Sep 2020	30 Sep 2021	30 Sep 2020
Net loss	(2,636,256)	(3,744,703)	(5,130,398)	(6,634,896)
Weighted average number of ordinary shares in issue	260,305,594	243,665,394	260,305,594	243,665,394
Basic loss per share (sen)	(1.01)	(1.54)	(1.97)	(2.72)
<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:

	<b>Current Period 3 months period ended 30 Sep-21 RM</b>	<b>Cumulative Period 12 months period ended 30 Sep-21 RM</b>
Other income	1,258	5,854
Interest expenses	(66,151)	(185,320)
Depreciation and amortization	<u>(593,589)</u>	<u>(2,378,759)</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

- the remainder of this page is intentionally left blank -

**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 (Cont'd)**

**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 Sep 2021 RM</b>	<b>As at 30 Sep 2020 RM</b>
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(48,647,317)	(40,447,257)
- Unrealised loss	(5,130,398)	(8,260,965)
	<hr/>	<hr/>
	(53,664,407)	(48,708,222)
Add : Consolidation adjustments	8,841,082	8,841,082
	<hr/>	<hr/>
Total Group accumulated losses as per consolidated accounts	<u>(44,936,663)</u>	<u>(39,867,140)</u>

- END OF REPORT -