



AEMULUS HOLDINGS BERHAD
(Company No. 201401037863 (1114009-H))
("AEMULUS" OR THE "COMPANY")

**INTERIM FINANCIAL REPORT
FOR FIRST QUARTER
ENDED 31 DECEMBER 2020**

CONTENT	Page
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	2
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	3
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	4
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	5
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2020	7

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

	(Unaudited) As at 31.12.2020 RM'000	(Audited) As at 30.09.2020 RM'000
Assets		
Non-Current Assets		
Property, plant & equipment	35,200	35,087
Right-of-use asset	202	222
Intangible assets	13,686	13,686
Development costs	7,151	6,049
Investment in an associate	3,224	1,222
Other investments	356	356
	59,819	56,622
Current Assets		
Inventories	19,134	15,143
Trade receivables	18,829	14,020
Contract assets	4,698	4,198
Other receivables, deposits and prepayments	969	873
Amount due from an associate	3,521	2,671
Current tax assets	25	5
Other investments	1,278	2,771
Derivative financial assets	81	17
Deposits with licensed banks	26,094	31,271
Cash and bank balances	1,012	1,251
	75,641	72,220
TOTAL ASSETS	135,460	128,842
EQUITY		
Share capital ^(b)	90,527	90,527
Reserves	(12,508)	(12,752)
Retained profits	25,429	23,920
Total equity	103,448	101,695
Non-Current Liabilities		
Lease liability	127	146
Borrowings	12,861	12,881
	12,988	13,027
Current Liabilities		
Provision for warranty	187	95
Trade payables	8,967	4,591
Contract liabilities	604	559
Other payables and accruals	4,338	4,070
Lease liability	77	76
Borrowings	4,851	4,590
Current tax liabilities	-	139
	19,024	14,120
Total liabilities	32,012	27,147
TOTAL EQUITY AND LIABILITIES	135,460	128,842
Net assets per share attributable to owners of the Company(RM) ^(b)	0.19	0.19

Notes:

(a) *The unaudited condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the interim notes attached to this interim financial report.*

(b) *Based on 551,147,090 ordinary shares in issue as disclosed in Note B11.*

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2020

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	31.12.2020 RM'000	31.12.2019 RM'000	31.12.2020 RM'000	31.12.2019 RM'000
Revenue	11,490	4,359	11,490	4,359
Cost of sales	(5,491)	(1,486)	(5,491)	(1,486)
Gross profit	5,999	2,873	5,999	2,873
Other income	1,089	367	1,089	367
Operating expenses	(4,539)	(4,432)	(4,539)	(4,432)
Research and development expenses	(373)	(507)	(373)	(507)
Other expenses	(321)	(190)	(321)	(190)
Profit / (Loss) from operation	1,855	(1,889)	1,855	(1,889)
Share of loss of associate, net of tax	(84)	-	(84)	-
Finance costs	(173)	(92)	(173)	(92)
Profit / (Loss) before taxation	1,598	(1,981)	1,598	(1,981)
Income tax expense	(89)	(12)	(89)	(12)
Profit / (Loss) for the period	1,509	(1,993)	1,509	(1,993)
Other comprehensive income, net of tax:				
Item that will be reclassified subsequently to profit or loss:				
Foreign currency translation differences arising from foreign operation	(4)	8	(4)	8
Total comprehensive income / (loss) for the period	1,505	(1,985)	1,505	(1,985)
Earnings / (Loss) per share:-				
Basic ^(b) / Diluted ^(c) (sen)	0.28	(0.37)	0.28	(0.37)

Notes:

- (a) *The Unaudited 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 30 September 2020 and the interim notes attached to this interim financial report.*
- (b) *Based on 551,147,090 ordinary shares in issue as disclosed in Note B11.*
- (c) *Diluted earnings per share for the current financial period is calculated by dividing the profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of dilutive potential ordinary shares as disclosed in Note B11.*

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020

← Non-Distributable → Distributable

	Share Capital RM'000	Merger Deficit RM'000	RSP Reserve RM'000	Exchange Translation Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
At 1 October 2020	90,527	(12,954)	252	(50)	23,920	101,695
Total comprehensive income for the year	-	-	-	(4)	1,509	1,505
<i>Transaction with owner:</i>						
Recognition of equity-settled share-based payment	-	-	248	-	-	248
At 31 December 2020	90,527	(12,954)	500	(54)	25,429	103,448
At 1 October 2019	59,438	(12,954)	86	(57)	27,532	74,045
Total comprehensive loss for the year	-	-	-	8	(1,993)	(1,985)
<i>Transaction with owner:</i>						
Recognition of equity-settled share-based payment	-	-	22	-	-	22
At 31 December 2019	59,438	(12,954)	108	(49)	25,539	72,082

Note:

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the interim notes attached to this interim financial report.

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020

	31.12.2020	31.12.2019
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	1,598	(1,981)
Adjustments for:		
Amortisation of development costs	129	49
Depreciation of property, plant and equipment	620	525
Depreciation of right-of-use assets	20	-
Dividend income	(6)	(46)
Equity-settled share-based payment	248	22
Fair value gain on derivative financial instruments	(64)	(192)
Gain on disposal of property, plant and equipment	-	(263)
Interest expense	173	92
Interest income	(129)	(31)
Provision of / (reversal) of provision for warranty	92	(23)
Share of loss of associate, net of tax	84	-
Unrealised loss / (gain) on foreign exchange	411	(104)
Operating profit / (loss) before working capital changes	3,176	(1,952)
Increase in inventories	(3,991)	(95)
(Increase) / decrease in receivables	(6,666)	164
Increase / (decrease) in payables	4,690	(1,050)
Cash used in operations	(2,791)	(2,933)
Income tax paid	(248)	-
Interest paid	(173)	(92)
Net cash used in operating activities	(3,212)	(3,025)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions of development costs	(1,231)	(670)
Dividend received	6	46
Interest received	129	31
Investment in an associate	(2,085)	-
Withdrawal / (placement) of fixed deposits	1,077	(3,031)
Proceeds from disposal of property, plant and equipment	-	30
Purchase of property, plant and equipment	(733)	(4,150)
Net cash used in investing activities	(2,837)	(7,744)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(19)	-
Drawdown from banking facilities	621	1,877
(Repayment) / proceeds from term loan	(345)	2,820
Net cash from financing activities	257	4,697

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (cont'd)

	31.12.2020	31.12.2019
	RM'000	RM'000
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,792)	(6,072)
Effects of changes in exchange rates	(4)	8
CASH AND CASH EQUIVALENTS AT BEGINNING	<u>29,229</u>	<u>8,784</u>
CASH AND CASH EQUIVALENTS AT END	<u>23,433</u>	<u>2,720</u>

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following:

Other investments	1,278	4,480
Deposits with licensed banks	26,094	5,555
Cash and bank balances	1,012	912
Bank overdraft	-	(2,672)
	<u>28,384</u>	<u>8,275</u>
Less: Pledged to licensed banks as securities for banking facilities	(4,951)	(5,555)
	<u>23,433</u>	<u>2,720</u>

Notes:

- (a) *The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the interim notes attached to this interim financial report.*
- (b) *The other investment of the Group has been determined to be part of cash and cash equivalents since the funds are invested in money market instruments and short term deposits and are subject to minimal risk.*

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial report of Aemulus and its subsidiary (collectively, "the **Group**") is unaudited and has been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("**MASB**") and Paragraph 9.22 and Appendix 9B of the ACE Listing Requirements.

The accounting policies and methods of computation adopted by the Group in this unaudited condensed interim financial report are consistent with those adopted in the annual audited financial statements of the Group. The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the interim notes attached to this interim financial report.

A2. Significant Accounting Policies

The accounting policies adopted by the Group are consistent with those of the previous financial years except for the adoption of the following standards that are mandatory for the current financial period:

MFRS and/or IC Interpretations (Including The Consequential Effective Date Amendments)

Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS 3 Business Combinations: Definition of a Business	1 January 2020
Amendments to MFRS 101 Presentation of Financial Statements and MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Material	1 January 2020
Amendments to MFRS 9, MFRS 139, MFRS 7 Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 16 Leases: Covid-19-Related Rent Concessions	1 June 2020
Amendments to MFRS 4 Insurance Contracts: Extension of the Temporary Exemption from Applying MFRS 9	17 August 2020
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 Interest Rate Benchmark Reform-Phase 2	1 January 2021

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING (*cont'd*)

A2. Significant Accounting Policies (*cont'd*)

The Group has not applied the following standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the Group:

MFRS and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 3 Business Combinations: References to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018-2020	1 January 2022
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report of the financial statements for the financial year ended 30 September 2020 was not subject to any qualification.

A4. Seasonal or Cyclical Factors

The Group's business is subject to the cyclicity of the semiconductor industry.

A5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the financial period under review other than the effect arising from the gain on transfer of intellectual properties as disclosed in Note B12 to the financial statements.

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING (*cont'd*)

A6. Material Changes in Estimates

There were no changes in estimates of amounts reported that have a material effect in the financial period under review.

A7. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the quarter under review.

A8. Dividend Paid

No dividend was paid in the current financial year.

A9. Segmental Reporting

The Group's revenue is recognised based on the sales of its automated test equipment ("ATE") and related services which consist of provision of maintenance services for the Group's ATE, consultancy services for printed circuit board design and others.

Business Activities

Revenue	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	31.12.2020 RM'000	31.12.2019 RM'000	31.12.2020 RM'000	31.12.2019 RM'000
ATE	9,928	2,125	9,928	2,125
Related services	1,562	2,234	1,562	2,234
	<u>11,490</u>	<u>4,359</u>	<u>11,490</u>	<u>4,359</u>

Principal Markets

Revenue	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	31.12.2020 RM'000	31.12.2019 RM'000	31.12.2020 RM'000	31.12.2019 RM'000
Malaysia	2,417	1,277	2,417	1,277
Singapore	2,461	1,134	2,461	1,134
China	3,663	273	3,663	273
United States of America	1,791	311	1,791	311
Korea	962	1,024	962	1,024
Taiwan	25	197	25	197
Other countries	171	143	171	143
	<u>11,490</u>	<u>4,359</u>	<u>11,490</u>	<u>4,359</u>

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING (*cont'd*)

A10. Property, Plant and Equipment

The Group has not carried out any valuation on its property, plant and equipment in the current financial period under review.

A11. Capital Commitments

	31.12.2020 RM'000
Contracted but not provided for:-	
- Property, plant and equipment	254

A12. Changes in the Composition of the Group

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

A13. Contingent Liabilities and Contingent Assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

A14. Material Events Subsequent to the End of the Quarter

There were no material events subsequent to the end of the current financial period that have not been reflected in this interim financial report.

A15. Significant Related Party Transactions

Details of the relationship between the Group and its related party for the current quarter ended 31 December 2020 are as described below: -

		31.12.2020 RM'000
Associate Company	Nature of Transactions	
TMSS Technology (Jiashan) Co., Ltd. ("TMSS")	Sales of intellectual properties	824
	Sales of goods	3,431

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES

B1. Review of Performances

	Individual Quarter 3 months ended		Changes (RM'000 / %)	Cumulative Quarter 3 months ended		Changes (RM'000 / %)
	31.12.2020 RM'000	31.12.2019 RM'000		31.12.2020 RM'000	31.12.2019 RM'000	
Revenue	11,490	4,359	7,131 / 164	11,490	4,359	7,131 / 164
Profit / (Loss) from operation	1,855	(1,889)	3,744 / 198	1,855	(1,889)	3,744 / 198
Profit / (Loss) before taxation	1,598	(1,981)	3,579 / 181	1,598	(1,981)	3,579 / 181
Profit / (Loss) for the period	1,509	(1,993)	3,502 / 176	1,509	(1,993)	3,502 / 176

Comparison with the corresponding quarter and financial period in the previous financial year

The Group's revenue recorded a significant increase of 164% in the current quarter ("Q1FY21") as compared to the preceding year corresponding quarter ("Q1FY20"). Strong demand for the current quarter was derived from mobile and tablets, RF filter, enterprise storage and automotive markets.

Other income has increased significantly in tandem with the sales of intellectual properties to our associate company in China, namely TMSS Technology (Jiashan) Co., Ltd. ("TMSS").

Other expenses increased RM0.131 million as compared to Q1FY20, mainly due to foreign exchange loss arising from the strengthening of Ringgit against USD in this quarter.

In summary, the Group recorded a profit of RM1.509 million in Q1FY21.

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (cont'd)

Statement of Financial Position Review

	As at 31.12.2020 RM'000	As at 30.09.2020 RM'000	Changes (RM'000 / %)
Review on Significant Variances:-			
Development costs	7,151	6,049	1,102 / 18
Investment in an associate	3,224	1,222	2,002 / 164
Inventories	19,134	15,143	3,991 / 26
Trade receivables	18,829	14,020	4,809 / 34
Other investments	1,278	2,771	(1,493) / (54)
Deposits with licensed banks	26,094	31,271	(5,177) / (17)
Trade payables	8,967	4,591	4,376 / 95

Development costs

Development costs increased 18% in tandem with the capitalisation of expenditures, such as talents and material costs incurred in enhancing existing product features and development of testing solutions for new semiconductor devices.

Investment in an associate

The amount of RM2.002 million represents capital injection of RM2.086 million into TMSS as announced on 10th April 2020 and sharing losses of associate amounting of RM0.084million.

Inventories

Inventories increased 26% mainly attributable to strong demand on the sales and more raw materials were purchased to support the on-going production activities and mitigate the risk of global parts shortage.

Trade receivables

Trade receivables increased 34% mainly attributable to the sales recognised in December 2020.

Other investments

Other investments decreased 54% mainly attributable to redemption of unit trust.

Deposits with licensed banks

FD has decreased 17% due to the utilisation of the private placement.

Trade payables

Trade payables significantly increased RM4.375 million mainly attributable to the purchases in Q1FY21 to support the on-going and upcoming production.

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (cont'd)

Statement of Cash Flows Review

	As at 31.12.2020 RM'000	As at 31.12.2019 RM'000	Changes (RM'000 / %)
Net cash used in operating activities	(3,212)	(3,025)	(187) / (6)
Net cash used in investing activities	(2,837)	(7,744)	4,907 / 63
Net cash from financing activities	257	4,697	(4,440) / (95)

Operating Activities

As at 31 December 2020, the Group recorded net cash outflow of RM3.212 million due to increase in receivables and inventory.

Investing Activities

Investment in associate and additions of development costs explained the net cash outflow recorded in Q1FY21.

Financing Activities

Net cash inflow was recorded this quarter in line with the drawn down of banker's acceptance during the quarter to support the business operation.

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (cont'd)

B2. Comparison with Preceding Quarter

	Individual Quarter 3 months ended		Changes (RM'000 / %)
	31.12.2020	30.09.2020	
	RM'000	RM'000	
Revenue	11,490	7,215	4,275 / 59
Profit from operation	1,855	1,374	481 / 35
Profit before taxation	1,598	1,259	339 / 27
Profit for the period	1,509	1,040	469 / 45

The Group's revenue has increased significantly as compared to preceding quarter due to strong demand for the current quarter on mobile and tablets, RF filter, enterprise storage and automotive markets. Coupled with the gain on the sales of intellectual properties, the Group has recorded a higher profit of RM1.509 million in Q1FY21 as compared to the preceding quarter.

B3. Prospects

We delivered positive financial results for the past three (3) consecutive quarters. We are expecting this trend to continue in the coming quarters in view of the growing demand and enquiries for our products. A majority of the demand and enquiries came from the Smartphones/Tablets, CMOS Image Sensors (CIS), Enterprise storage and Automotive markets.

By region, we are expecting revenue contributions from both China and the rest of the world. The demand for our products rises as the world slowly recovers economically going into 2021. Our new building has tripled our operations capacity and we are ready to deliver and meet the demand from customers on time.

The management strives to achieve a better financial performance for FY2021.

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES *(cont'd)*

B4. Profit Forecast or Profit Guarantee

The Group has not issued any profit forecast nor received any profit guarantee in respect of any corporate proposals.

B5. Income tax expenses

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	31.12.2020 RM'000	31.12.2019 RM'000	31.12.2020 RM'000	31.12.2019 RM'000
Income tax	(89)	(12)	(89)	(12)

The effective tax rate for the financial period under review was lower than the statutory tax rate due to statutory business income derived from the design and assembly of ATE and test and measurement instruments and the provision of related design consultancy services are exempted from income tax, in line with the customised incentive granted by Minister of Finance of Malaysia announced on 7 August 2019.

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (cont'd)

B6. Status of Corporate Proposal Announced

In conjunction with the completion of Private Placement announced on 26th August 2020, the Company has increased its share capital by 54,940,000 new ordinary shares at an issue price of RM0.57 per placement share. An amount of RM31.3 million has been raised from the Private Placement.

Utilisation of Proceeds from Private Placement

The gross proceeds from the Private Placement of RM31.3 million shall be utilised in the following manner:

Purpose	Timeframe for Utilisation Upon Listing	Amount (RM'000)	Amount Utilised as at 31 December 2020 (RM'000)	Reallocation (RM'000)	Deviation		Balance of Proceed as at 31 December 2020 (RM'000)
					(RM'000)	%	
Future viable investment(s)	Within 24 months	7,000	-	-	-	-	7,000
Research and development expenditure	Within 24 months	7,000	(1,978)	-	-	-	5,022
Partial repayment of bank borrowings	Within 6 months	5,000	(5,000)	-	-	-	-
Marketing, branding and customer support activities	Within 24 months	1,500	(389)	-	-	-	1,111
General working capital	Within 12 months	10,616	(5,448)	(101)	(101)	(0.95)	5,067
Estimated expenses in relation to the Proposed Private Placement	Within 1 month	200	(301) ^	101	101	50.5	-
Total cash proceeds		31,316	(13,116)	-	-	-	18,200

Note:-

^ The actual amount incurred for expenses in relation to the Private Placement was RM0.301 million with the additional amount of RM0.101 million being reallocated from the amount earmarked for general working capital.

The utilisation of the proceeds as disclosed above should be read in conjunction with the Announcement made by the Company dated 4 August 2020.

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (cont'd)

B7. Group's Borrowings and Debt Securities

The details of the Group's borrowings as at 31 December 2020 are as follows:-

	As at 1st quarter ended 31 December 2020					
	Long term		Short term		Total borrowings	
	Foreign Denomination '000	RM Denomination '000	Foreign Denomination '000	RM Denomination '000	Foreign Denomination '000	RM Denomination '000
Secured:						
Revolving Credit	-	-	-	1,600	-	1,600
Bankers' acceptance	-	-	-	2,088	-	2,088
Term Loan	-	12,861	-	1,163	-	14,024
Unsecured:						
Nil	-	-	-	-	-	-

	As at 1st quarter ended 31 December 2019					
	Long term		Short term		Total borrowings	
	Foreign Denomination '000	RM Denomination '000	Foreign Denomination '000	RM Denomination '000	Foreign Denomination '000	RM Denomination '000
Secured:						
Overdraft	-	-	-	2,672	-	2,672
Revolving Credit	-	-	-	2,500	-	2,500
Term Loan	-	7,391	-	1,037	-	8,428
Unsecured:						
Nil	-	-	-	-	-	-

- a) The effective interest rate of revolving credit, bankers' acceptance, term loan were 3.94%, 2.15%, 2.95% respectively.

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (cont'd)

B8. Derivative Financial Instrument

The Group has the following derivative financial instrument as at the end of the reporting period:

Derivative forward foreign exchange contracts :	Nominal Value (RM'000)	Assets (RM'000)
- Less than 1 year	3,254	81

The Group's derivative financial liabilities as at the end of the reporting period comprise forward foreign exchange contracts which are used to manage the foreign currency exposures arising from the Group's receivables denominated in USD. The fair value of the forward foreign exchange contracts is based on the difference between the contracted forward rates and the mark-to-market rates.

B9. Material Litigation

The Group is not engaged in any material litigation or arbitration, either as plaintiff or defendant, and the Directors are not aware of any proceedings pending or threatened against the Group, which might materially and adversely affect the financial position or business of the Group as at the date of issuance of this interim financial report.

B10. Dividend Proposed or Declared

No dividend was proposed or declared for the current quarter ended 31 December 2020.

B11. Earnings Per Share ("EPS")

(a) Basic EPS

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	31.12.2020	31.12.2019 (restated)	31.12.2020	31.12.2019 (restated)
Profit / (Loss) attributable to owners of the Company (RM'000)	1,509	(1,993)	1,509	(1,993)
Number of ordinary shares ('000) in issue	551,147	550,615	551,147	550,615
Basic EPS (sen)	0.28	(0.37)	0.28	(0.37)

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (cont'd)

B11. Earnings Per Share (“EPS”) (cont'd)

(a) Basic EPS (cont'd)

For comparison purpose, the Earnings Per Share for the period ended 31 December 2019 has been adjusted to reflect the private placement which was completed on 26 August 2020.

(b) Diluted EPS

Diluted earnings per share for the current financial period is calculated by dividing the profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of dilutive potential ordinary shares arising from shares granted to employees as follows:

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	31.12.2020	31.12.2019 (restated)	31.12.2020	31.12.2019 (restated)
Profit / (Loss) attributable to owners of the Company (RM'000)	1,509	(1,993)	1,509	(1,993)
Weighted average number of ordinary shares ('000)	551,147	550,615	551,147	550,615
Adjustment for dilutive effect of RSP ('000)	1,436	416	1,436	416
	552,583	551,031	552,583	551,031
Diluted EPS (sen)	0.28	(0.37)	0.28	(0.37)

For comparison purpose, the Diluted Earnings Per Share for the period ended 31 December 2019 has been adjusted to reflect the private placement which was completed on 26 August 2020.

AEMULUS HOLDINGS BERHAD (Company No. 201401037863 (1114009-H))

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (cont'd)

B12. Disclosure Notes to the Statement of Profit or Loss and Other Comprehensive Income

	Current Quarter RM'000	Current Year To Date RM'000
Amortisation of development costs	129	129
Depreciation of property, plant and equipment	620	620
Depreciation of right-of-use assets	20	20
Dividend income	(6)	(6)
Fair value gain on derivative financial assets	(64)	(64)
Sales of intellectual properties	(824)	(824)
Equity-settled share-based payment	248	248
Interest expenses	173	173
Interest income	(129)	(129)
Loss / (Gain) on foreign exchange		
- Realised	(90)	(90)
- Unrealised	411	411