



# **AEMULUS HOLDINGS BERHAD**

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

## **INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 31 MARCH 2020**

	Page
CONTENT	
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 MARCH 2020	7

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2020**

	(Unaudited) As at 31.03.2020 RM'000	(Audited) As at 30.09.2019 RM'000
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	32,715	24,226
Intangible assets	13,686	13,686
Other investment	356	356
Development costs	5,031	3,973
	51,788	42,241
<b>Current Assets</b>		
Inventories	16,284	15,763
Trade receivables	14,736	15,640
Contract assets	1,743	2,690
Other receivables, deposits and prepayments	1,242	921
Current tax assets	149	140
Other investments	4,524	8,854
Fixed deposits with licensed banks	5,747	2,525
Cash and bank balances	558	838
	44,983	47,371
<b>TOTAL ASSETS</b>	96,771	89,612
<b>EQUITY</b>		
Share capital <sup>(b)</sup>	59,438	59,438
Reserves	(12,770)	(12,925)
Retained profits	22,794	27,532
	69,462	74,045
<b>Non-Current Liabilities</b>		
Borrowings	10,960	4,438
<b>Current Liabilities</b>		
Trade payables	2,806	3,934
Contract liabilities	362	337
Other payables and accruals	3,521	3,881
Derivative financial liabilities	131	100
Provision for warranty	104	176
Borrowings	9,425	2,701
	16,349	11,129
<b>TOTAL LIABILITIES</b>	27,309	15,567
<b>TOTAL EQUITY AND LIABILITIES</b>	96,771	89,612
Net assets per share attributable to owners of the Company(RM) <sup>(b)</sup>	0.13	0.13

*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 2019 and the interim notes attached to this interim financial report.*
- (b) *Based on 548,958,841 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 MARCH 2020**

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	31.03.2020 RM'000	31.03.2019 RM'000	31.03.2020 RM'000	31.03.2019 RM'000
Revenue	2,686	8,104	7,045	15,841
Cost of sales	(867)	(2,819)	(2,353)	(5,327)
Gross profit	1,819	5,285	4,692	10,514
Other income	704	94	1,176	341
Research and development expenses	(1,300)	(1,035)	(2,479)	(2,049)
Administrative expenses	(3,781)	(3,658)	(7,541)	(6,916)
Other expenses	(31)	(161)	(326)	(294)
(Loss) / Profit from operation	(2,589)	525	(4,478)	1,596
Finance costs	(136)	(34)	(228)	(66)
(Loss) / Profit before taxation	(2,725)	491	(4,706)	1,530
Income tax expense	(20)	(10)	(32)	(34)
<b>(Loss) / Profit for the period</b>	<b>(2,745)</b>	<b>481</b>	<b>(4,738)</b>	<b>1,496</b>
<b>Other comprehensive income, net of tax:</b>				
<b>Item that will be reclassified subsequently to profit or loss:</b>				
Foreign currency translation differences arising from foreign operation	3	(4)	11	(4)
<b>Total comprehensive (loss) / income for the period</b>	<b>(2,742)</b>	<b>477</b>	<b>(4,727)</b>	<b>1,492</b>
(Loss) / Earnings per share:-				
Basic <sup>(b)</sup> / Diluted <sup>(c)</sup> (sen)	(0.51)	0.09	(0.87)	0.27

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 2019 and the interim notes attached to this interim financial report.*
- (b) *Based on 548,958,841 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 MARCH 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
<b>At 1 October 2019</b>	<b>59,438</b>	<b>(12,954)</b>	<b>86</b>	<b>(57)</b>	<b>27,532</b>	<b>74,045</b>
Total comprehensive loss for the year	-	-	-	11	(4,738)	(4,727)
<i>Transaction with owner:</i>						
Recognition of equity-settled share-based payment	-	-	144	-	-	144
<b>At 31 March 2020</b>	<b>59,438</b>	<b>(12,954)</b>	<b>230</b>	<b>(46)</b>	<b>22,794</b>	<b>69,462</b>
<b>At 1 October 2018</b>	<b>59,187</b>	<b>(12,954)</b>	<b>134</b>	<b>(45)</b>	<b>32,181</b>	<b>78,503</b>
Total comprehensive income for the year	-	-	-	(4)	1,496	1,492
<i>Transaction with owner:</i>						
Interim single tier dividend for financial year ended 30 September 2018	-	-	-	-	(1,098)	(1,098)
Recognition of equity-settled share-based payment	-	-	164	-	-	164
<b>At 31 March 2019</b>	<b>59,187</b>	<b>(12,954)</b>	<b>298</b>	<b>(49)</b>	<b>32,579</b>	<b>79,061</b>

*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 2019 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 MARCH 2020**

	<b>31.03.2020</b>	<b>31.03.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) / Profit before taxation	(4,706)	1,530
Adjustments for:		
Depreciation	1,046	706
Dividend income	(90)	(167)
Equity-settled share-based payment	144	164
Fair value loss / (gain) on derivative financial instrument	31	(107)
Gain on disposal of property, plant and equipment	(263)	-
Interest expenses	228	66
Interest income	(73)	(18)
Reversal of provision for warranty	(72)	(61)
Unrealised (gain) / loss on foreign exchange	(593)	56
Operating (loss) / profit before changes in working capital	(4,348)	2,169
(Increase) / Decrease in inventories	(520)	1,185
Decrease in receivables	2,385	1,390
Decrease in payables	(1,420)	(1,588)
Cash (used in) / from operations	(3,903)	3,156
Interest paid	(228)	(66)
Income tax paid	(84)	(282)
Net cash (used in) / from operating activities	(4,215)	2,808
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(9,535)	(7,752)
Additions of development costs	(1,058)	(1,482)
Dividend received	90	167
Interest received	73	18
(Placement) / withdrawn of fixed deposits	(3,222)	35
Proceeds from disposal of property, plant and equipment	30	-
Net cash used in investing activities	(13,622)	(9,014)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	-	(1,098)
Proceeds from term loan	6,522	-
Proceeds from revolving credit	3,000	-
Repayment of term loan	(265)	(265)
Repayment of banker's acceptance	(487)	-
Net cash from / (used in) financing activities	8,770	(1,363)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(9,067)	(7,569)
Effects of changes in exchange rates	(19)	138
<b>CASH AND CASH EQUIVALENTS AT BEGINNING</b>	8,784	23,060
<b>CASH AND CASH EQUIVALENTS AT END</b>	<b>(302)</b>	<b>15,629</b>

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

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

	<b>31.03.2020</b>	<b>31.03.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash and cash equivalents included in the consolidated statement of cash flows comprise the following:</b>		
Other investments	4,524	11,904
Fixed deposits with licensed banks	5,747	516
Cash and bank balances	558	3,725
Bank overdraft	(5,384)	-
	<u>5,445</u>	<u>16,145</u>
Less: Pledged to licensed banks as securities for banking facilities	(5,747)	(516)
	<u><b>(302)</b></u>	<u><b>15,629</b></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 2019 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 MARCH 2020**

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

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**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 2019 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:

<b>MFRS and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 16 Leases	1 January 2019
Amendments to MFRS 9 Financial Instrument: Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 119 Employee Benefits: Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to MFRS 128 Investments in Associates and Joint Ventures: Long-term Interests in Associates and Joint Ventures	1 January 2019
IC Interpretations 23 Uncertainty over Income Tax Treatments	1 January 2019
Annual Improvements to MFRS Standards 2015-2017 Cycle	1 January 2019

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

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 MARCH 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:

<b>MFRS and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
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
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2022

**A3. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report of the financial statements for the financial year ended 30 September 2019 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.

**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.



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

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

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

**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 6 months ended	
	31.03.2020 RM'000	31.03.2019 RM'000	31.03.2020 RM'000	31.03.2019 RM'000
ATE	1,423	6,913	3,548	13,589
Related services	1,263	1,191	3,497	2,252
	<u>2,686</u>	<u>8,104</u>	<u>7,045</u>	<u>15,841</u>

**Principal Markets**

Revenue	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	31.03.2020 RM'000	31.03.2019 RM'000	31.03.2020 RM'000	31.03.2019 RM'000
Malaysia	672	1,267	1,949	1,852
Singapore	690	3,251	1,824	9,124
China	3	1,964	276	2,046
United States of America	327	1,465	638	1,591
Korea	993	-	2,017	-
Taiwan	-	-	197	928
Other countries	1	157	144	300
	<u>2,686</u>	<u>8,104</u>	<u>7,045</u>	<u>15,841</u>

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

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

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

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**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**

	31.03.2020
	RM'000
Contracted but not provided for:-	
- Property, plant and equipment	<u>6,403</u>

**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**

There were no significant related party transaction during the current financial period under review.

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

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

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES**

**B1. Review of Performances**

	Individual Quarter 3 months ended		Changes (RM'000 / %)	Cumulative Quarter 6 months ended		Changes (RM'000 / %)
	31.03.2020 RM'000	31.03.2019 RM'000		31.03.2020 RM'000	31.03.2019 RM'000	
Revenue	2,686	8,104	(5,418) / (67)	7,045	15,841	(8,796) / (56)
(Loss) / Profit from operation	(2,589)	525	(3,114) / (593)	(4,478)	1,596	(6,074) / (381)
(Loss) / Profit before taxation	(2,725)	491	(3,216) / (655)	(4,706)	1,530	(6,236) / (408)
(Loss) / Profit for the period	(2,745)	481	(3,226) / (671)	(4,738)	1,496	(6,234) / (417)

**Comparison with the preceding year corresponding quarter**

The Group has recorded a 67% decrease in revenue this quarter ("Q2FY20") as compared to Q2FY19 due to the impact of COVID-19 pandemic and implementation of travel and other restrictions locally and globally. Sales, production and shipment activities have been disrupted during this period.

Other income has increased significantly in this quarter mainly due to the unrealised foreign exchange gain recorded in line with the weakening of Ringgit.

R&D expenses recorded an increase of RM0.265 million as compared to Q2FY19 in tandem with the increasing R&D activities. Administrative expenses have increased RM0.123 million or 3.4% mainly attributable to the increase of depreciation expenses as compared to Q2FY19.

In summary, the Group recorded a loss of RM2.745 million in Q2FY20.

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

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

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES**

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**B1. Review of Performances (cont'd)**

**Comparison with the corresponding financial period to date in the previous financial year**

Total revenue for the current financial period ("FPE2020") has recorded a decrease of 56% as compared to the previous financial year ("FPE2019"), attributable to the soft demand for test system from the enterprise storage market segment as well as the impact of COVID-19 pandemic and implementation of travel and other restrictions locally and globally.

Other income recorded an increase of RM0.835 million as compared to FPE2019 due to the gain on disposal of the Group's property in Krystal Point, Penang and unrealised foreign exchange gain.

R&D expenses have increased due to continuous spending in the research activities. Administrative expenses have increased mainly due to the business development, talent retention and depreciation related expenses.

In summary, the Group recorded a loss of RM4.738 million in FPE2020.

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

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

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

**Statement of Financial Position Review**

	<b>As at 31.03.2020 RM'000</b>	<b>As at 30.09.2019 RM'000</b>	<b>Changes (RM'000 / %)</b>
<b>Review on Significant Variances:-</b>			
Property, plant & equipment	32,715	24,226	8,489 / 35
Development costs	5,031	3,973	1,058 / 27
Other investments	4,524	8,854	(4,330) / (49)
Fixed deposits with licensed banks	5,747	2,525	3,222 / 128
Trade payables	2,806	3,934	(1,128) / (29)
Borrowings	20,385	7,139	13,246 / 186

Property, plant & equipment ("PPE")

The increase was mainly due to the capitalisation of construction costs of Aemulus Base.

Development costs

Development costs have increased RM1.058 million in tandem with the capitalisation of expenditures, such as talents and material costs incurred in developing new products to test devices such as camera image sensor.

Other investments

Other investments recorded a 49% decrease in FPE2020 mainly due to disposal of other investments for placement of fixed deposits with the licensed banks.

Fixed deposits with licensed banks

As the financial institutions require securities for banking facilities granted to the Group, we have pledged an additional RM3.222 million of fixed deposits in FPE2020 through proceeds from disposal of our other investments.

Trade payables

Trade payables recorded 29% decrease mainly due to the payments to suppliers.

Borrowings

Total borrowings have increased in line with the drawdown of term loan, overdraft and revolving credit for the construction of Aemulus Base and working capital purpose respectively.

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

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

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

**Statement of Cash Flows Review**

	<b>As at 31.03.2020 RM'000</b>	<b>As at 31.03.2019 RM'000</b>	<b>Changes (RM'000 / %)</b>
Net cash (used in) / from operating activities	(4,215)	2,808	(7,023) / (250)
Net cash used in investing activities	(13,622)	(9,014)	(4,608) / (51)
Net cash from / (used in) financing activities	8,770	(1,363)	10,133 / 743

**Operating Activities**

The Group recorded net cash outflow of RM4.215 million as at FPE2020, mainly attributable to the loss recorded.

**Investing Activities**

Ongoing construction of Aemulus Base and placement of fixed deposits with licensed banks explained the net outflow recorded in FPE2020.

**Financing Activities**

The Group has drawn down revolving credit and term loan to support the business operation and construction of Aemulus Base.

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

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

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

**B2. Comparison with Preceding Quarter**

	Individual Quarter 3 months ended		Changes (RM'000 / %)
	31.03.2020	31.12.2019	
	RM'000	RM'000	
Revenue	2,686	4,359	(1,673) / (38)
Loss from operation	(2,589)	(1,889)	(700) / (37)
Loss before taxation	(2,725)	(1,981)	(744) / (38)
Loss for the period	(2,745)	(1,993)	(752) / (38)

The Group recorded loss of RM2.745 million in Q2FY20 mainly attributable to the lower revenue as explained in B1 with certain shipments have been delayed due to the MCO.

**B3. Prospects**

Aemulus will continue to invest in developing technology and solutions for the RF market to fuel our company growth.

We foresee that the trade war between the world's two largest economies could change the supply and demand for semiconductors from different parts of the world. Furthermore, uncertainties due to the Covid-19 pandemic may slow down the deployment of our products to customers.

The recent global "Stay-at-home" order has resulted in increasing demand for enterprise storage. We have received enquiries for our test solutions from this market segment. However, supply chain disruption at various stages of enterprise storage manufacturing could potentially delay the sales opportunities.

The Company's joint venture (JV) agreement with Tangren Microintelligence Technology Co. Ltd. will only be completed after the Movement Control Order (MCO) is being lifted. We strongly believe that this JV will further enhance Aemulus' competitiveness over our competitors in China.

We are making progress in the CMOS image sensor market during this quarter. Significant engineering resources have been invested by the company to secure the delivery of test systems to our customers. We hope to achieve more design wins in this market segment in the subsequent quarters.

**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.

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

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

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

**B5. Income tax expenses**

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	31.03.2020 RM'000	31.03.2019 RM'000	31.03.2020 RM'000	31.03.2019 RM'000
Income tax	(20)	(10)	(32)	(34)

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.

**B6. Status of Corporate Proposal Announced**

There was no corporate proposal announced and not completed as at the date of report.



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

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 MARCH 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 March 2020 are as follows:-

	As at 2nd quarter ended 31 March 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:						
Overdraft	-	-	-	5,384	-	5,384
Revolving Credit	-	-	-	3,000	-	3,000
Bankers' acceptance	-	-	-	136	-	136
Term Loan	-	10,960	-	905	-	11,865
Unsecured:						
Nil	-	-	-	-	-	-
	As at 2nd quarter ended 31 March 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:						
Term Loan	-	1,567	-	530	-	2,097
Unsecured:						
Nil	-	-	-	-	-	-

- a) Our subsidiary, Aemulus Corporation Sdn Bhd had drawdown additional term loan of RM3.57 million in Q2FY20 to partially fund the construction of Aemulus Base. Overdraft and revolving credit have also been drawdown for working capital purpose.
- b) The effective interest rate of term loan, overdraft, revolving credit were 3.78%, 6.32%, 5.25% respectively.

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

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 MARCH 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/ (Liabilities) (RM'000)
- Less than 1 year	5,090	(131)

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 30 September 2020.

**B11. Earnings Per Share ("EPS")**

(a) Basic EPS

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
(Loss) / Profit attributable to owners of the Company (RM'000)	(2,745)	481	(4,738)	1,496
Number of ordinary shares ('000) in issue	548,959	548,636	548,959	548,636
Basic EPS (sen)	(0.51)	0.09	(0.87)	0.27

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

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

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

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

(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 6 months ended	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
(Loss) / Profit attributable to owners of the Company (RM'000)	(2,745)	481	(4,738)	1,496
Weighted average number of ordinary shares ('000)	548,959	548,636	548,959	548,636
Adjustment for dilutive effect of RSP ('000)	416	633	416	633
	<u>549,375</u>	<u>549,269</u>	<u>549,375</u>	<u>549,269</u>
Diluted EPS (sen)	<u>(0.51)</u>	<u>0.09</u>	<u>(0.87)</u>	<u>0.27</u>

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

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL PERIOD ENDED 31 MARCH 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
Depreciation of property, plant and equipment	521	1,046
Dividend income	(44)	(90)
Fair value loss / (gain) on derivative financial assets	223	(31)
Gain on disposal of property, plant and equipment	-	(263)
Equity-settled share-based payment	122	144
Interest expenses	136	228
Interest income	(42)	(73)
Grant income received	(57)	(57)
Loss / (Gain) on foreign exchange		
- Realised	31	326
- Unrealised	(489)	(593)