

# Quarterly rpt on consolidated results for the financial period ended 31 May 2015

## AMTEL HOLDINGS BERHAD

Financial Year End 30 Nov 2015

Quarter 2 Qtr

Quarterly report for the financial period ended 31 May 2015

The figures have not been audited

### Attachments

[AMTEL-Q2-FY2015.pdf](#)  
433.4 kB

Default Currency	Other Currency
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Currency: Malaysian Ringgit (MYR)

### SUMMARY OF KEY FINANCIAL INFORMATION 31 May 2015

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31 May 2015	31 May 2014	31 May 2015	31 May 2014
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	10,985	8,672	19,412	15,197
2 Profit/(loss) before tax	-505	-436	-833	-938
3 Profit/(loss) for the period	-526	-440	-892	-978
4 Profit/(loss) attributable to ordinary equity holders of the parent	-518	-428	-877	-952
5 Basic earnings/(loss) per share (Subunit)	-1.05	-0.87	-1.78	-1.93
6 Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to ordinary equity holders of the parent (\$\$)	0.8562		0.8738	

#### Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

#### Announcement Info

Company Name	AMTEL HOLDINGS BERHAD
Stock Name	AMTEL
Date Announced	31 Jul 2015
Category	Financial Results
Reference Number	FRA-29072015-00001



**AMTEL HOLDINGS BERHAD**

(Company No.: 409449-A)  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT**

**FOR THE SECOND FINANCIAL QUARTER ENDED 31 MAY 2015**

**AMTEL HOLDINGS BERHAD (409449-A)**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 MAY 2015**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2015  
(The figures have not been audited)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT PERIOD QUARTER 31-5-2015 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-5-2014 RM'000	CURRENT YEAR TO DATE 31-5-2015 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-5-2014 RM'000
<b>Revenue</b>	<b>10,985</b>	8,672	<b>19,412</b>	15,197
Operating Expenses	<b>(11,670)</b>	(9,370)	<b>(20,718)</b>	(16,592)
Other Operating Income	<b>216</b>	280	<b>510</b>	552
(Loss)/Profit from Operations	<b>(469)</b>	(418)	<b>(796)</b>	(843)
Finance Costs	<b>(21)</b>	(107)	<b>(42)</b>	(210)
Share of Results of Associates	<b>(15)</b>	89	<b>5</b>	115
<b>(Loss)/Profit Before Taxation</b>	<b>(505)</b>	(436)	<b>(833)</b>	(938)
Taxation	<b>(21)</b>	(4)	<b>(59)</b>	(40)
<b>(Loss)/Profit for the period</b>	<b>(526)</b>	(440)	<b>(892)</b>	(978)
<b>Other Comprehensive Income, Net of Tax</b>				
Items that may be reclassified subsequently to Profit or Loss				
Foreign currency translation	<b>7</b>	(6)	<b>16</b>	(6)
<b>Total Comprehensive Loss for the period</b>	<b>(519)</b>	(446)	<b>(876)</b>	(984)
<u>(Loss)/Profit Attributable to:-</u>				
Owners of the Parent	<b>(518)</b>	(428)	<b>(877)</b>	(952)
Non-controlling Interests	<b>(8)</b>	(12)	<b>(15)</b>	(26)
	<b>(526)</b>	(440)	<b>(892)</b>	(978)
<u>Total Comprehensive (Loss)/Income Attributable to:-</u>				
Owners of the Parent	<b>(513)</b>	(433)	<b>(866)</b>	(957)
Non-controlling Interests	<b>(6)</b>	(13)	<b>(10)</b>	(27)
	<b>(519)</b>	(446)	<b>(876)</b>	(984)
<u>Earnings Per Share Attributable to Owners of the Parent :-</u>				
Basic (sen)	<b>-1.05</b>	-0.87	<b>-1.78</b>	-1.93
Fully Diluted (sen)	<b>N/A</b>	N/A	<b>N/A</b>	N/A

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2014 and the accompanying explanatory notes attached to the interim financial report.

**AMTEL HOLDINGS BERHAD (409449-A)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MAY 2015**  
(The figures have not been audited)

	<u>UNAUDITED</u> AS AT CURRENT FINANCIAL PERIOD ENDED 31/5/2015 RM'000	<u>AUDITED</u> AS AT PRECEDING FINANCIAL YEAR ENDED 30/11/2014 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	2,019	2,276
Investment Properties	169	169
Investments in Associates	977	972
Intangible Assets	4,097	2,831
Deferred Tax Assets	750	-
Other Investments - non-current	250	250
	<u>8,262</u>	<u>6,498</u>
<b>Current Assets</b>		
Inventories	1,029	604
Property Development Costs	14,795	-
Trade & Other Receivables	11,163	11,103
Other Investments - current	11,542	11,392
Cash deposits with licensed banks	6,852	4,215
Cash and Bank Balances	11,649	16,894
	<u>57,030</u>	<u>44,208</u>
<b>TOTAL ASSETS</b>	<u>65,292</u>	<u>50,706</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share Capital	49,277	49,277
Reserves	(7,085)	(6,219)
<b>Equity Attributable to Owners of the Parent</b>	<u>42,192</u>	<u>43,058</u>
Non-controlling Interests ("NCI")	361	371
<b>Total Equity</b>	<u>42,553</u>	<u>43,429</u>
<b>Non-Current Liabilities</b>		
Finance Lease Payables	247	352
Deferred Tax Liabilities	382	486
	<u>629</u>	<u>838</u>
<b>Current Liabilities</b>		
Trade & Other Payables	21,259	5,694
Short Term Borrowings	323	329
Tax Liabilities	311	195
Finance Lease Payables	217	221
	<u>22,110</u>	<u>6,439</u>
<b>Total Liabilities</b>	<u>22,739</u>	<u>7,277</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>65,292</u>	<u>50,706</u>
Net assets per share attributable to owners of the parent (RM)	<b>0.8562</b>	0.8738

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2014 and the accompanying explanatory notes attached to the interim financial report.

**AMTEL HOLDINGS BERHAD (409449-A)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 MAY 2015**  
(The figures have not been audited)

	----- Attributable to Owners of the Parent ----->						Non- controlling Interests RM'000	Total Equity RM'000
	<----- Non-Distributable ----->		Currency			Total RM'000		
	Share Capital RM'000	Share Premium RM'000	Fair Value Reserve RM'000	Translation Reserve RM'000	Accumulated Losses RM'000			
<b>6 months ended 31 May 2015</b>								
At 1 December 2014	49,277	4,775	159	(3)	(11,150)	43,058	371	43,429
<b>Comprehensive Income</b>								
Loss for the financial period	-	-	-	-	(877)	(877)	(15)	(892)
Foreign currency translation	-	-	-	11	-	11	5	16
Total comprehensive loss for the financial period	-	-	-	11	(877)	(866)	(10)	(876)
At 31 May 2015	<b>49,277</b>	<b>4,775</b>	<b>159</b>	<b>8</b>	<b>(12,027)</b>	<b>42,192</b>	<b>361</b>	<b>42,553</b>
<b>6 months ended 31 May 2014</b>								
At 1 December 2013	49,277	4,775	159	-	(9,780)	44,431	374	44,805
<b>Comprehensive Income</b>								
Loss for the financial period	-	-	-	-	(952)	(952)	(26)	(978)
Foreign currency translation	-	-	-	(5)	-	(5)	(1)	(6)
Total comprehensive loss for the financial period	-	-	-	(5)	(952)	(957)	(27)	(984)
Transaction with owners								
Acquisition of a subsidiary company	-	-	-	-	-	-	154	154
At 31 May 2014	<b>49,277</b>	<b>4,775</b>	<b>159</b>	<b>(5)</b>	<b>(10,732)</b>	<b>43,474</b>	<b>501</b>	<b>43,975</b>

**Note:**

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2014 and the accompanying explanatory notes attached to the interim financial report.

**AMTEL HOLDINGS BERHAD (409449-A)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MAY 2015**  
(The figures have not been audited)

	CURRENT FINANCIAL PERIOD ENDED 31/5/2015 RM'000	PRECEDING FINANCIAL PERIOD ENDED 31/5/2014 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss)/Profit before taxation	(833)	(938)
Adjustments for:-		
Non-cash items	1,305	695
Non-operating items	(498)	(119)
Share of results of associates	(5)	(115)
Operating loss before changes in working capital	(31)	(477)
Changes in working capital		
Net changes in current assets	(547)	463
Net changes in current liabilities	15,565	(1,563)
Cash generated from/(used in) operations	14,987	(1,577)
Interest received	158	113
Interest paid	(42)	(210)
Taxes paid	(52)	(215)
Net cash from/(used in) operating activities	15,051	(1,889)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(147)	(790)
Disposal of property, plant and equipment	-	214
Additions in property development costs	(14,795)	-
Additions in intangible assets	(2,917)	(636)
(Placement)/Withdrawal of pledged cash & cash equivalent under lien	(4,620)	2,732
Dividend income	232	250
Proceeds from disposal of investments in an associated company	-	15
Net cash (used in)/from investing activities	(22,247)	1,785
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net additions/(repayment) of bank borrowings	160	108
Payment of finance lease	(109)	(144)
Proceed from NCI on subscription of shares in subsidiary	-	154
Net cash from financing activities	51	118
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENT</b>	<b>(7,145)</b>	<b>14</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>14,429</b>	<b>10,860</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>7,284</b>	<b>10,874</b>
Cash and cash equivalents at end of the period comprise of:-		
Cash at banks and in hand	8,478	6,983
Fixed income fund with licensed fund management company	3,171	11,493
Cash deposits with licensed banks	6,852	4,302
Bank overdrafts	-	(82)
	18,501	22,696
Less: Cash at banks & fixed income fund under lien	(4,749)	(9,251)
Less: Cash deposits with licensed banks under lien	(6,370)	(2,476)
Less: Cash deposits with maturity more than 3 months	(98)	(95)
	7,284	10,874

**Note:**

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2014 and the accompanying explanatory notes attached to the interim financial report.

**AMTEL HOLDINGS BERHAD** (409449-A)  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 31 MAY 2015**

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**(A) EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1. Basis of Preparation**

This unaudited interim financial report has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”).

The interim financial report should be read in conjunction with the audited financial statements of the Group for the last financial year ended 30 November 2014 and the accompanying explanatory notes attached to the interim financial report. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company and of the Group since the financial year ended 30 November 2014.

**1.1 Significant Accounting Policies**

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the last financial year ended 30 November 2014, except for the adoption of the MFRSs, amendments/improvements to MFRSs and IC interpretations effective for annual periods beginning on or after 1 January 2014 and 1 July 2014 where applicable to the Group. The adoption of these applicable MFRSs, amendments/improvements and IC interpretations do not have any material impact on the financial statements of the Group and the Company upon their initial application.

As at the date of authorization of this interim financial report, the Group has not early adopted the following new MFRSs, and amendments under MFRS framework that have been issued by the Malaysian Accounting Standards Board but are not yet effective:-

<u>New MFRSs</u>		Effective for financial periods beginning on or after
MFRS 9	Financial Instruments	1 January 2018
MFRS 14	Regulatory Deferral Accounts	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017

**AMTEL HOLDINGS BERHAD** (409449-A)  
(Incorporated in Malaysia)

**1. Basis of Preparation (Cont'd)**

**1.1 Significant Accounting Policies (Cont'd)**

<u>Amendments/Improvements to MFRSs</u>	Effective for financial periods beginning on or after
MFRS 5 Non-current Asset Held for Sale and Discontinued Operations	1 January 2016
MFRS 7 Financial Instruments: Disclosure	1 January 2016
MFRS 10 Consolidated Financial Statements: Investment Entities	1 January 2016
MFRS 11 Joint Arrangements	1 January 2016
MFRS 12 Disclosure of Interest in Other Entities: Investment Entities	1 January 2016
MFRS 13 Fair Value Measurement	1 January 2016
MFRS 101 Presentation of Financial Statements: Disclosure Initiative	1 January 2016
MFRS 116 Property, Plant and Equipment	1 January 2016
MFRS 119 Employee Benefits	1 January 2016
MFRS 127 Separate Financial Statements: Investment Entities	1 January 2016
MFRS 128 Investments in Associates and Joint Ventures	1 January 2016
MFRS 138 Intangible Assets	1 January 2016

**2. Audit Qualification**

The audit report of the Group's financial statements for the year ended 30 November 2014 did not contain any qualification.

**3. Seasonal or cyclical Factors**

The Group's operations are not effected by seasonal or cyclical factors for the current quarter and financial period under review.

**4. Unusual Items**

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence for the current quarter under review.

**5. Material Changes in Estimates of Amounts Reported**

There were no changes in estimates of amounts reported in the prior financial quarters or changes in estimates of amount reported in prior financial periods that have a material effect in the current financial quarter.



**AMTEL HOLDINGS BERHAD** (409449-A)  
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**6. Debt and Equity Securities.**

There is no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter and financial period to date.

**7. Dividends Paid**

There was no dividend paid during the financial period ended 31 May 2015.

**8. Segmental Reporting**

The Group's segment information for the financial period ended 31 May 2015 is as follows:-

(i) Major Business Segments

The basis of segmentation and measurement of segment performance is consistent with the basis adopted in the last audited annual financial statements except for the addition of property development as new reportable segment during the financial period under review.

6 months ended 31 May 2015

<b>GROUP</b>	<b>Property Development</b> RM'000	<b>Information &amp; Communication Technology ("ICT")</b> RM'000	<b>Telecommunications, Infrastructure &amp; Services ("TIS")</b> RM'000	<b>Others</b> RM'000	<b>Elimination</b> RM'000	<b>Consolidated</b> RM'000
<b>SEGMENT REVENUE</b>						
External revenue	2,232	13,760	3,326	94	-	19,412
Inter-segment revenue	-	1,004	-	686	(1,690)	-
<b>Total revenue</b>	<b>2,232</b>	<b>14,764</b>	<b>3,326</b>	<b>780</b>	<b>(1,690)</b>	<b>19,412</b>

<b>SEGMENT RESULTS</b>	<b>Property Development</b> RM'000	<b>ICT</b> RM'000	<b>TIS</b> RM'000	<b>Others</b> RM'000	<b>Consolidated</b> RM'000
Profit/(Loss) from operations	480	(486)	62	(852)	(796)
Finance costs	-	(36)	(6)	-	(42)
Share of associates' results	-	35	(30)	-	5
Profit/(Loss) before taxation	480	(487)	26	(852)	(833)
Taxation	(120)	65	(4)	-	(59)
<b>Profit/(Loss) for the period</b>	<b>360</b>	<b>(422)</b>	<b>22</b>	<b>(852)</b>	<b>(892)</b>

**FINANCIAL POSITION**  
**As at 31 May 2015**

Total segment assets	16,547	19,008	7,110	22,627	65,292
Total segment liabilities	15,977	2,680	1,981	2,101	22,739

**AMTEL HOLDINGS BERHAD** (409449-A)  
(Incorporated in Malaysia)

**8. Segmental Reporting (Cont'd)**

(i) Major Business Segments (Cont'd)

6 months ended 31 May 2014

<b>GROUP</b>	<b>ICT</b>	<b>TIS</b>	<b>Others</b>	<b>Elimination</b>	<b>Consolidated</b>
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>SEGMENT REVENUE</b>					
External revenue	13,582	1,521	94	-	15,197
Inter-segment revenue	934	-	705	(1,639)	-
Total revenue	<u>14,516</u>	<u>1,521</u>	<u>799</u>	<u>(1,639)</u>	<u>15,197</u>
<b>SEGMENT RESULTS</b>					
	RM'000	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) from operations	66	(208)	(701)	(843)	(843)
Finance costs	(43)	(8)	(159)	(210)	(210)
Share of associates' results	124	(9)	-	-	115
Profit/(Loss) before taxation	147	(225)	(860)	(938)	(938)
Taxation	(40)	-	-	-	(40)
Profit/(Loss) for the period	<u>107</u>	<u>(225)</u>	<u>(860)</u>	<u>(978)</u>	<u>(978)</u>
<b>FINANCIAL POSITION</b>					
<b>As at 31 May 2014</b>					
Total segment assets	<u>24,131</u>	<u>5,427</u>	<u>30,492</u>	<u>60,050</u>	<u>60,050</u>
Total segment liabilities	<u>6,119</u>	<u>1,717</u>	<u>8,239</u>	<u>16,075</u>	<u>16,075</u>

(ii) Geographical Segments

Revenue based on geographical location of the Group's customers is as follows:-

<b>GROUP</b>	<b>Revenue</b>	
	Current period 31 May 2015 RM'000	Preceding Year Corresponding period 31 May 2014 RM'000
Malaysia	19,405	15,197
Singapore	7	-
Total	<u>19,412</u>	<u>15,197</u>

**AMTEL HOLDINGS BERHAD** (409449-A)  
(Incorporated in Malaysia)

**9. Valuation of Property, Plant and Equipment**

(1) Property, plant and equipment which are stated at cost have been brought forward without amendment from the previous annual financial statements.

(2) There was no material acquisition or disposal of property, plant and equipment by the Group during the financial period to date.

**10. Material Event Subsequent to the End of Financial Period**

There was no material event subsequent to the end of the financial period ended 31 May 2015 that has not been reflected in the financial statements or to be disclosed as at the date of this report.

**11. Changes in the Composition of the Group**

There was no change in the composition of the Group during the current quarter and financial period to date other than as mentioned below:-

On 17 October 2014, the Company entered into a shares sale agreement to acquire 100% equity interest in Mewah Amanjaya Sdn Bhd for a total cash consideration of RM3.0 million. The acquisition was completed on 29 December 2014.

**12. Changes in Contingent Liabilities and Contingent assets**

There were no changes in contingent liabilities or contingent assets since the last reporting date as at 30 November 2014, except for the followings:-

	As At 31/5/2015
<b>Company</b>	
<u>Contingent Liabilities – Unsecured</u>	RM'000
The maximum exposure to credit risk amounts representing the outstanding credit facilities of the subsidiaries and associated company guaranteed by the Company	<u>1,242</u>
<b>Group</b>	
<u>Contingent Liabilities – Secured*</u>	
Bank guarantees	<u>197</u>

\* - *The bank guarantees are secured against the fixed deposits of the subsidiary company.*

At the reporting date, there was no indication that these subsidiaries and associated company will default on its repayments during the guarantee period.

**AMTEL HOLDINGS BERHAD** (409449-A)  
(Incorporated in Malaysia)

**13. Capital and Other Commitments**

The Group has no capital commitment in respect of property, plant and equipment for current period ended 31 May 2015.

However the amount of commitments for the development of navigation software engine not provided for in the interim financial statements as at 31 May 2015 is as follows:-

<b><u>Capital Expenditure – Intangible Assets</u></b>	RM'000
Contracted but not provided for	<u>160</u>

**14. Related Party Transactions**

There is no related party transaction entered into by the Company and/or its subsidiaries during the financial period to date.

**AMTEL HOLDINGS BERHAD** (409449-A)  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 31 MAY 2015**

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**(B) EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD**

**1. Review of Performance**

For the current quarter ended 31 May 2015, the Group registered a turnover of RM10.98 million and loss before tax of RM0.50 million, as compared to a turnover of RM8.67 million and loss before tax of RM0.44 million achieved in the preceding year corresponding quarter. Loss posted during the current quarter is after accounting for the amortization of goodwill on purchase of subsidiary of RM0.41 million. Otherwise, the Group would have reported an improvement in performance for the current quarter attributed to the revenue and profit contributions from the property development segment and improvement in the results of the TIS segment.

For the current financial period ended 31 May 2015, the Group reported a turnover of RM19.41 million and loss before tax of RM0.83 million, as compared to turnover of RM15.20 million and loss before tax of RM0.94 million achieved in the preceding year corresponding period. The overall improvement in performance was mainly due to the revenue and profit contributions from the property development segment and improvement in the results of the TIS segment during the current financial period.

The performance of the respective segment of the Group is summarized as follows:-

ICT Segment

The increase in revenue during the current period is marginal as compared to preceding year corresponding period. However, the sales of certain Telematics products and services during the current financial quarter were slower after the implementation of GST. Thus this has resulted in loss reported in the current financial period as compared to profit achieved in the preceding year corresponding period.

Property Development Segment

This segment has started to contribute revenue and profit to the Group during the current financial quarter deriving from the sales of residential properties at Laman Sutera, Bukit Lanchong, Petaling Jaya.

TIS Segment

Profit achieved during the current quarter and period was contributed by the increase in turnover generated from higher progress billings recorded by several completed civil infrastructure projects.

Others Segment

Loss reported for the current quarter and period is attributed to the amortization of goodwill on purchase of subsidiary, legal and professional charges incurred on various corporate exercises undertaken by the Group.

**AMTEL HOLDINGS BERHAD** (409449-A)  
(Incorporated in Malaysia)

**2. Material Changes in the Profit Before Tax for the Quarter Reported on as Compared with the Immediate Preceding Quarter.**

The Group posted a higher loss before tax of RM0.50 million for the current quarter under review as compared to loss before tax of RM0.33 million registered in the immediate preceding quarter due mainly to the amortisation of goodwill on acquisition of subsidiary of RM0.41 million.

**3. Prospects for the Current Financial Year**

The Group is cautious that the business environment will continue to be competitive and challenging amid the global economic uncertainties and the weakening of the Ringgit against the major currencies. Despite the challenges ahead, the Group will continue with its various cost control measures to streamline its operational processes, strengthening of operational productivity and efficiency in order to mitigate the adverse effect from the increasing costs of materials and overheads.

With the diversification into property development industry, barring any unforeseen circumstances, the Group is cautiously optimistic of achieving satisfactory results for the remaining financial period.

**4. Variances of Actual Profit from Forecast Profit**

Not applicable.

**5. Taxation**

The taxation for the Group for the current financial quarter and period under review was as follows:-

	Current Quarter RM'000	Cumulative Current Period RM'000
<u>Tax expense:-</u>		
Based on results for the period	(95)	(162)
Transfer to deferred tax liabilities	74	103
	<u>(21)</u>	<u>(59)</u>

The tax charge for the Group reflects an effective tax rate which is lower than the statutory tax rate due to pioneer profits exempted from tax and non-availability of Group tax relief in respect of losses incurred by certain subsidiaries. The deferred tax expense recognized was relating to origination of temporary differences between the carrying amount of property, plant and equipment and its tax base.

**AMTEL HOLDINGS BERHAD** (409449-A)  
(Incorporated in Malaysia)

**6. Status of Corporate Proposals**

There are no corporate proposals announced but not completed as at the date of issue of this quarterly report other than as mentioned below:-

On 24 March 2015, the Company announced to BMSB that it proposed to undertake a proposed diversification of the existing businesses of the Group to include property development ("Proposed Diversification"). The Proposed Diversification was approved by the shareholders of the Company at the Annual General Meeting held on 28 May 2015.

**7. Provision of Financial Assistance to Associated Company**

The Company obtained the shareholders' approval via an Extraordinary General Meeting held on 10 July 2014 to provide financial assistance to an associated company. The amounts of financial assistance provided as of 31 May 2015 is RM6.58 million.

**8. Group Borrowings**

The Group's total borrowings (all denominated in Ringgit Malaysia) as at 31 May 2015 are as follows:-

	As at 31/5/2015 RM'000
(1) <u>Short Term Borrowings:-</u>	
- <u>Secured</u>	
Bills payable	323
	<u>323</u>
(2) <u>Long Term Borrowings:-</u>	
- <u>Secured</u>	
Finance leases payable after the next 12 months	247
	<u>247</u>

Securities:-

(i) The short term borrowings are secured by debentures incorporating fixed and floating charge over all present and future assets and undertakings of Amtel Cellular Sdn Bhd, corporate guarantees of the Company and cash deposits with licensed banks of subsidiary companies.

The Group does not have borrowing denominated in foreign currency.

**9. Material Litigation**

There is no pending material litigation that would have a material adverse effect on the financial position of the Group as at the date of issue of this quarterly report.

**10. Disclosure of Derivatives**

The Group does not have outstanding derivatives (including financial instruments designated as hedging instruments) as at 31 May 2015.

**AMTEL HOLDINGS BERHAD** (409449-A)  
(Incorporated in Malaysia)

**11. Gain/Losses Arising From Fair Value Changes of Financial Liabilities**

There were no gains/losses arising from fair value changes of financial liabilities for the current quarter and financial period ended 31 May 2015.

**12. Dividend**

The Board of Directors does not recommend any payment of dividend for the current financial period ended 31 May 2015.

**13. Notes to the Condensed Consolidated Statement of Comprehensive Income**

Total comprehensive income for the current quarter and period to date is arrived at after charging/(crediting) the following items:-

	Current Quarter	Current Period To-date
	31/5/2015 RM'000	31/5/2015 RM'000
1. Interest income	(94)	(158)
2. Dividend income	(97)	(232)
3. Other income excluding interest and dividend income	(51)	(104)
4. Interest expense	21	42
5. Depreciation of property, plant & equipment	198	400
6. Amortisation of intangible assets	653	901
7. Impairment loss on receivables	-	-
8. Inventories written off	-	-
9. (Gain)/Loss on disposal of quoted or unquoted investment	-	-
10. (Gain)/Loss on disposal of property, plant & equipment	-	-
11. Gain on disposal of non-current assets held for sale	-	-
12. Impairment of intangible assets	-	-
13. Impairment of property, plant & equipment	-	3
14. Net fair value loss/(gain) on held for trading investments	-	-
15. Net foreign exchange loss/(gain)	31	68
16. (Gain)/Loss on derivatives	-	-
17. Exceptional items	-	-



**AMTEL HOLDINGS BERHAD** (409449-A)  
(Incorporated in Malaysia)

**14. Earnings Per Share**

**(1) Basic earnings per share**

The basic earnings per share for the current quarter and financial period to date is calculated by dividing the consolidated net loss attributable to owners of the Parent of RM0.52 million and RM0.88 million respectively by the number of 49,277,066 ordinary shares in issue during the period.

**(2) Diluted earnings per share**

Not applicable.

**15. Disclosure of Realised and Unrealised Profits or Losses of the Group**

The breakdown of the accumulated losses of the Group as at 31 May 2015 into realised and unrealised profits/(losses) is as follows:-

	As at 31/5/2015 RM'00	As at 31/5/2014 RM'000
Total accumulated losses:-		
- Realised	(33,615)	(31,994)
- Unrealised	(191)	(899)
	(33,806)	(32,893)
Total share of retained profits/(accumulated losses) from associated companies:-		
- Realised	879	952
- Unrealised	4	-
	(32,923)	(31,941)
Add/(Less): Consolidation adjustments	20,896	21,209
Total accumulated losses as per consolidated accounts	(12,027)	(10,732)

**AMTEL HOLDINGS BERHAD**

By Order of the Board

**Lau Choi King**  
Company Secretary