annual report 2010

AMTEL HOLDINGS BERHAD

Incorporated In Malaysia (409449-A)

Contents

NOTICE OF THE FOURTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fourteenth (14th) Annual General Meeting (AGM) of Amtel Holdings Berhad ("the Company") will be held at Bilik Selangor, Kelab Shah Alam Selangor, No. 1A, Jalan Aerobik 13/43, Persiaran Kayangan, 40704 Shah Alam, Selangor Darul Ehsan on Monday, 30 May 2011 at 10.00 a.m. for the purpose of transacting the following businesses:-

AGENDA

1. To lay before the meeting the audited Financial Statements for the financial year ended 30 November 2010 together with the Reports of the Directors and Auditors thereon.
   Please refer to Explanatory Note (1)

2. To approve the Directors' fees of RM170,000.00 for the financial year ended 30 November 2010.
   Ordinary Resolution 1

3. To re-elect as Director, Mr. Siow Hock Lee who retires in accordance with Article 80 of the Company's Articles of Association. **Ordinary Resolution 2**

4. To re-elect as Director, Mr. Koid Hun Kian who retires in accordance with Article 80 of the Company's Articles of Association. **Ordinary Resolution 3**

5. To re-appoint Messrs. Moore Stephens AC as Auditors of the Company and to authorise the Directors to fix their remuneration.
   Ordinary Resolution 4

AS SPECIAL BUSINESS to consider and if thought fit, to pass the following resolution:-

6. **Authority to issue shares**

   "**THAT**, subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of relevant government/regulatory authorities, the Directors be and are hereby empowered, pursuant to Section 132D of the Companies Act, 1965, to issue ordinary shares from the unissued share capital of the Company at any time at such price, upon such terms and conditions, for such purposes and to such persons whomsoever the Directors may in their discretion deem fit and that the Directors be empowered to obtain the approval for the listing and quotation of the additional shares so issued on Bursa Malaysia Securities Berhad provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10 percent of the issued share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."
   Ordinary Resolution 5

By Order of the Board
CHIA MOH MUI (MAICSA 7009897)
HOH YIT FOONG (LS 0018)
Secretaries

Petaling Jaya
5 May 2011

NOTICE OF THE FOURTEENTH ANNUAL GENERAL MEETING (CONTINUED)

NOTES:

Appointment of Proxy

1. *A member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company.*

2. *The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation, under its Common Seal or under the hand of an officer or attorney of the corporation duly authorised in that behalf, and shall be deposited at the Registered Office of the Company at No. 7, Jalan PJS7/19, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan, not less than 48 hours before the time appointed for holding this meeting or adjourned meeting.*

3. *Where a member appoints more than one proxy, the appointment shall be invalid unless the proportions of holdings represented by each proxy is specified.*

4. *A member shall be entitled to appoint more than one proxy to attend and vote at this meeting provided that the provisions of Section 149(1)(c) of the Companies Act, 1965 are complied with.*

5. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 1 proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*

(1) EXPLANATORY NOTES ON ORDINARY BUSINESS:

Audited Financial Statements for the Financial Year Ended 30 November 2010

This item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the audited Financial Statements. Hence, this item of the Agenda is not put forward for voting.

(2) EXPLANATORY NOTES ON SPECIAL BUSINESS:

Authority to issue shares – Resolution pursuant to Section 132D of the Companies Act, 1965

The Company had at its 13th Annual General Meeting in May 2010 obtained a mandate for the issuance of shares pursuant to Section 132D of the Companies Act, 1965 from the shareholders. The Company did not issue any shares pursuant to this mandate.

Ordinary Resolution No. 5 proposed under item (6) above, if passed, will be a renewal of the general mandate to the Directors of the Company to issue and allot ordinary shares from the unissued share capital of the Company up to an aggregate amount of not exceeding 10 percent of the issued share capital of the Company for the time being. This mandate shall commence from the date of the abovementioned general meeting and, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting. The mandate will provide flexibility for the Company to raise funds. The proceeds raised from the mandate are expected to be used for working capital purposes and/or acquisitions or funding investment projects. The Company at this juncture has no intention to issue new shares pursuant to the mandate sort. In the event that a decision to issue new shares under the mandate is made, the Company will make an announcement in respect of such proposed new issue, its purpose and utilisation of proceeds arising therefrom.

STATEMENT ACCOMPANYING NOTICE OF THE FOURTEENTH ANNUAL GENERAL MEETING

(PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD)

1. Further details of Directors who are standing for re-election:-

   The details of the two Directors seeking re-election are set out in the Profile of Directors of the Annual Report 2010 on pages 6 to 7 whilst their shareholdings in the Company are presented in the Directors' Shareholdings on page 85 of the same Annual Report.

2. No individual (other than the abovementioned Directors) is seeking election or re-election as a Director at the 14th Annual General Meeting of the Company.

CORPORATE INFORMATION

BOARD OF DIRECTORS

YTM Tunku Dato' Seri Kamel bin Tunku Rijaludin
Independent Non-Executive Chairman

Mr. Koid Hun Kian
Group Managing Director

Mr. Ng Ah Chong

Mr. Siow Hock Lee

Mr. Wong Tuck Kuan

Mr. Chang Pak Hing

AUDIT COMMITTEE

YTM Tunku Dato' Seri Kamel bin Tunku Rijaludin
Independent Non-Executive Chairman/
Chairman of the Committee

Mr. Siow Hock Lee
Independent Non-Executive Director/Member

Mr. Chang Pak Hing
Independent Non-Executive Director/Member

CHIEF OPERATING OFFICER

Ms. Tan Woon Huei
Group General Manager

COMPANY SECRETARIES

Ms. Chia Moh Mui
(MIA 1886/MAICSA 7009897)

Ms. Hoh Yit Foong
(LS 0018)

AUDITORS

Moore Stephens AC
A-37-1 Level 37, Menara UOA Bangsar
No. 5, Jalan Bangsar Utama 1, 59000 Kuala Lumpur
Tel : (603) 2302 1888
Fax : (603) 2302 1999

REGISTERED OFFICE

No. 7, Jalan PJS 7/19, Bandar Sunway
46150 Petaling Jaya, Selangor Darul Ehsan
Tel : (603) 5632 2449
Fax : (603) 5637 0042

SHARE REGISTRARS

Tricor Investor Services Sdn Bhd
Level 17, The Gardens, North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Tel : (603) 2264 3883
Fax : (603) 2282 1886

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

WEBSITE ADDRESS

www.amtel.com.my

PROFILE OF DIRECTORS & CHIEF OPERATING OFFICER

YTM TUNKU DATO' SERI KAMEL BIN TUNKU RIJALUDIN
(Independent Non-Executive Chairman)

YTM Tunku Dato' Seri Kamel bin Tunku Rijaludin, a Malaysian aged 57, was appointed Independent Non-Executive Chairman of Amtel Holdings Berhad ("the Company") on 27 July 2005. He was first appointed as Independent Non-Executive Director to the Board on 31 July 1997. He is also the Chairman of the Audit Committee and a member of the Nomination and Remuneration Committees. YTM Tunku Dato' Seri Kamel graduated with a Bachelor of Science (Honours) degree and a Master degree in Business Administration from University of Tennessee, Knoxville, United States of America in 1977 and 1980 respectively. He began his career in Sycip Gorres and Velayors Kassim Chan Sdn Bhd, a management consultancy firm, as a management consultant in 1981. In 1983, he joined Kedah Cement Sdn Bhd, a company involved in the manufacturing and sale of cement, clinker and related products, as the International Sales Manager. In 1989, he joined Asli Jardine Insurance Brokers Sdn Bhd, an insurance broking company, as the Principal Officer and Director. In 1990, he joined Dagang Net Technologies Sdn Bhd, an information technology company. Currently he is a director of Dwitasik Sdn Bhd, an oil palm plantation company and he is also the Chairman in QC Protection & Investigation Services Sdn Bhd which is involved in the security services industry. YTM Tunku Dato' Seri Kamel is also a director (independent non-executive Chairman) in Masterskill Education Group Berhad which is a public company listed on the Main Market of Bursa Malaysia Securities Berhad. He is also on the Board of other private companies.

He does not have any conflict of interest with the Company and has not been convicted of any offence in the past ten years. He attended all five of the meetings of the Board held during the financial year ended 30 November 2010.

KOID HUN KIAN
(Group Managing Director)

Mr. Koid Hun Kian, a Malaysian aged 55, is the Group Managing Director of Amtel Holdings Berhad ("the Company"). He was first appointed to the Board on 31 July 1997 and is a member of the Remuneration Committee. He is a major shareholder of the Company. Mr. Koid is an accountant by profession, having qualified as a member of the Association of Chartered Certified Accountants (United Kingdom) since 1985 and he is a member of Malaysian Institute of Accountants. He has wide experience in audit, telecommunications and cables manufacturing industries. Prior to joining the Company, he was attached to various public accounting firms from 1983 to 1986. In 1986, he joined FCW Industries Sdn Bhd, a company involved in investment holding, management services and the trading of telecommunications equipment, where he was the general manager and Director until 1993.

He does not have any conflict of interest with the Company and has not been convicted of any offence in the past ten years. He attended all five of the meetings of the Board held during the financial year ended 30 November 2010.

NG AH CHONG
(Non-Independent Executive Director)

Mr. Ng Ah Chong, a Malaysian aged 68, is a Director of Amtel Holdings Berhad ("the Company"). He was appointed as a Director of the Company on 31 July 1997. Mr. Ng is also a director in a subsidiary company where he oversees the operations of this company. He has extensive experience in the telecommunications sector with more than 20 years' experience as a works contractor. He also has experience in civil and construction works.

He does not have any conflict of interest with the Company and has not been convicted of any offence in the past ten years. He attended all five of the meetings of the Board held during the financial year ended 30 November 2010.

PROFILE OF DIRECTORS & CHIEF OPERATING OFFICER (CONTINUED)

SIOW HOCK LEE
(Independent Non-Executive Director)

Mr. Siow Hock Lee, a Malaysian aged 55, is an Independent and Non-Executive Director of Amtel Holdings Berhad ("the Company"). He has been a Director of the Company since its incorporation on 9 November 1996. He is a member of the Association of Chartered Certified Accountants (United Kingdom) and Malaysian Institute of Accountants since 1985 and 1986 respectively. Mr. Siow was attached with various public accounting firms since 1979 before he started his own accounting practice under the name of Messrs. SC Associates in 1993. He is also a director (independent non-executive) in Caely Holdings Berhad and Green Ocean Corporation Berhad which are public companies listed on the Main Market and ACE Market of Bursa Malaysia Securities Berhad respectively. Mr. Siow is a member of the Audit Committee and Nomination and Remuneration Committees.

He does not have any conflict of interest with the Company and has not been convicted of any offence in the past ten years. He attended all five of the meetings of the Board held during the financial year ended 30 November 2010.

CHANG PAK HING
(Independent Non-Executive Director)

Mr. Chang Pak Hing, a Malaysian aged 64, is an Independent and Non-Executive Director of Amtel Holdings Berhad ("the Company"). He was first appointed to the Board on 21 January 2009. Mr. Chang is a member of the Audit Committee.

Mr. Chang started his career in 1967 as a trainee in the public accounting office of Coopers Brothers & Co before leaving in 1971 for other appointments as financial officer in the industrial sectors. He has extensive experience in financial and IT management of power and telecommunications cables industries. He was formerly the financial controller and director of Fujikura Federal Cables Sdn Bhd, a cable manufacturing company and subsidiary of Fujikura Ltd, Japan.

Mr. Chang does not have any conflict of interest with the Company and has not been convicted of any offence in the past ten years. He attended all of the five Board meetings held during the financial year ended 30 November 2010.

WONG TUCK KUAN
(Non-Independent Executive Director)

Mr. Wong Tuck Kuan, a Malaysian aged 53, is a Director of Amtel Holdings Berhad ("the Company"). He was appointed to the Board on 30 August 2006. He is also the Senior General Manager of Amtel Holdings Berhad. Mr. Wong graduated with a Bachelor of Science degree in Electrical Engineering from the Montana State University, United States of America in 1984. He has more than 20 years of working experience in project management, systems design, marketing and distribution of telecommunications equipment. He joined Amtel Communications Sdn Bhd ("ACSB"), a subsidiary of the Company in 1993 and was responsible for ACSB's operations. Prior to joining ACSB, he was attached to FT Radiosystems Sdn Bhd, as its Operations Manager in 1987, a company involved in the distribution of telecommunications equipment, project management and system sales for 7 years.

He does not have any conflict of interest with the Company and has not been convicted of any offence in the past ten years. He attended all of the five Board meetings held during the financial year ended 30 November 2010.

TAN WOON HUEI
(Group General Manager/Chief Operating Officer)

Ms. Tan Woon Huei, a Malaysian aged 50, was appointed as the Group General Manager of Amtel Holdings Berhad ("the Company") on 25 January 2011. Ms. Tan graduated with a Bachelor of Business Administration degree from University of Acadia, Canada in 1983. She joined as General Manager of Amtel Cellular Sdn Bhd ("ACSB"), a major subsidiary of the Company engaged in the sale and marketing of navigation GPS products in 2000 and became a director of ACSB in 2002. Ms. Tan has more than 20 years of working experience in marketing and distribution of telecommunications and office automation products. Prior to joining ACSB, Ms. Tan has worked in senior management positions with companies involved in the trading of major brands of cellular handphones and office equipments. Ms. Tan holds 114,000 shares in the Company and has no interests in the securities of the subsidiaries of the Company.

Ms. Tan does not have any conflict of interest with the Company and has not been convicted of any offence in the past ten years.

STATEMENT OF CORPORATE GOVERNANCE

THE CODE

The Malaysian Code on Corporate Governance ("the Code") sets out the principles of corporate governance and best practices on structures and processes that companies may use in their operations towards achieving the optimal governance framework.

BOARD OF DIRECTORS' COMMITMENT

The Board of Directors ("the Board") of the Company acknowledges the importance of establishing and maintaining good corporate governance within the Group. The Board remains committed to ensure that the highest possible standards of corporate governance are practiced throughout the Group as a fundamental part of discharging its responsibilities to protect and enhance shareholders values and financial performance of the Group. The Board will continually evaluate the corporate governance practices adopted to enhance its management practices and systems to be in line with the underlying tenets of the principles and best practices of the Code.

The Board is pleased to present the following statement, which summarises the manner in which the Group has applied the principles and the extent of compliance with the best practices of the throughout the financial year under review. The Board is satisfied that the Group has fully complied with the best practices of the Code.

(1) THE BOARD OF DIRECTORS

(a) Board Balance and Composition

The Board currently has six (6) members comprising the following:-

- One (1) Independent Non-Executive Chairman;
- Three (3) Executive Directors; and
- Two (2) Independent Non-Executive Directors.

The above composition is in compliance with Bursa Malaysia Securities Berhad ("BMSB") Main Market Listing Requirements which require that one-third of the Directors to be Independent Directors.

The Board members with their different professional backgrounds and specialisations, collectively bring with them a vast range of experience in the field of trading, marketing, manufacturing, accounting, corporate affairs and management. A brief description of the background and profiles of the Directors are set out on pages 6 to 7. The Board has the overall responsibility for corporate governance, strategic direction, formulation of policies, development and control of the Group and overseeing the investments and operations of the Group.

The Board is assisted by three (3) Board Committees namely, the Audit Committee, the Nomination Committee and the Remuneration Committee all of which operate within clearly defined terms of reference.

The roles of the Chairman and Group Managing Director are distinct and separate with responsibilities clearly drawn out to ensure a balance of power and authority. The Chairman is responsible for ensuring Board effectiveness and conduct while the Group Managing Director has overall responsibilities over the operating units, organizational effectiveness and implementation of Board policies and decisions.

The Independent Non-Executive Chairman and Directors are professionals of high caliber and credibility who play a pivotal role in corporate accountability by contributing their knowledge, advice and experience towards making independent judgement on issues of strategies, performance, resources and standards of conduct.

(b) Board Meetings

The Board meets at least once every quarter. Additional special meetings of the Board are convened as and when required, when warranted by situations that require deliberation on urgent proposals or matters that need the immediate approval or decision of the Board.

(1) THE BOARD OF DIRECTORS (CONTINUED)

(b) Board Meetings (continued)

During the Board meetings, the Board members are encouraged to freely express their view. The Board members will discuss, deliberate and evaluate the various corporate or business proposals tabled and assess the viability and principal risks that may have an impact on the business and financial position and measures to mitigate such risks before arriving at a conclusion. Board members who have direct or deemed interests in the subject matter to be deliberated shall abstain themselves from deliberation and decision during the meeting.

All proceedings of the Board meetings are minuted by the Company Secretary, which include matters discussed, the Board's deliberations, suggestions and conclusion reached. The minutes are signed by the Chairman as endorsements of records of the meetings.

During the financial year, five (5) meetings were held and the attendance of the Directors at these Board meetings was as follows:-

Name of Director	Attendance of meetings
YTM Tunku Dato' Seri Kamel bin Tunku Rijaludin	5/5
Mr. Koid Hun Kian	5/5
Mr. Ng Ah Chong	5/5
Mr. Siow Hock Lee	5/5
Mr. Wong Tuck Kuan	5/5
Mr. Chang Pak Hing	5/5

(c) Supply of Information

An agenda and Board papers will be distributed to all Directors prior to the Board meetings and sufficient time are given to enable Directors to evaluate the matters to be discussed in order to discharge their duties effectively and efficiently. The Directors are free to seek any further explanation and information they consider necessary to facilitate informed decision-making.

Board reports and meeting papers are prepared and presented by the Management in a concise format that provides adequate facts and analysis pertinent to each proposal or matter that arises. The meeting papers tabled include information on major investment and financial proposals and recommendations/decisions, material acquisitions and disposals of undertakings and properties, operational and corporate developments, current trading activities, sales performance and business issues of the Group and changes to the management and control structure within the Group. Changes and updates on Listing requirements, accounting standards and practices, other relevant laws and business matters are also included when necessary. In addition, the Board also has formal schedule of agenda reserved for its decision including approval of quarterly and annual financial results.

Where necessary the Directors may obtain independent professional advice in the furtherance of their duties, at the Company's expense if circumstances necessitate it. Prior to incurring such professional fees, the Director shall refer to the Chairman/Group Managing Director on the scope, nature and fees of the professional advice to be sought.

All Directors have unrestricted access to the information, advice and services of the Company Secretaries and the senior Management staff in the Group in carrying out their duties.

(d) Appointment to the Board

The Code endorses as good practice, a formal procedure for appointments to the Board.

During the financial year ended 30 November 2010 the members of the Nomination Committee comprise the following Directors:-

(i) YTM Tunku Dato' Seri Kamel bin Tunku Rijaludin (Independent Non-Executive Chairman); and

(ii) Mr. Siow Hock Lee (Independent Non-Executive Director).

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

(1) THE BOARD OF DIRECTORS (CONTINUED)

(d) Appointment to the Board (continued)

The Nomination Committee is primarily empowered by its terms of reference to perform the following:-

- To recommend to the Board, candidates for all directorships;
- To consider, in making its recommendation, candidate for directorships proposed by the Group Managing Director/Chief Executive Officer, within the bounds of practicability, by any other senior executive or any Director or shareholder; and
- To assist the Board in reviewing and assessing the effectiveness of the Board as a whole and the committees of the Board.

(e) Retirement and Re-election of Directors

In accordance with the Company's Memorandum and Articles of Association, one-third of the Directors shall retire from office each Annual General Meeting and they could offer themselves for re-election. Directors who are appointed by the Board are eligible for election by the shareholders at the next Annual General Meeting held following their appointments.

(f) Directors' Training

All members of the Board have completed the Mandatory Accreditation Programme and the Continuing Education Programme ("CEP") prescribed by BMSB. In line with BMSB's Main Market Listing Requirements, the Board will determine the training needs of each member of the Board to keep themselves updated and abreast of the business, economy and regulatory developments in order to discharge their duties and responsibilities more effectively.

All the Directors are encouraged to evaluate their own training needs and attend seminars, courses and conferences relevant to their skills and expertise which will help them in their duties as Directors of the Company. They are also kept informed of available training programmes by the Company Secretaries.

The seminars, forums and training programmes attended by the Directors during the financial year ended 30 November 2010 are on areas relating to corporate governance, risk management, accounting and taxation as summarised below:-

Members of the Board	Seminars/Training Programmes
YTM Tunku Dato' Seri Kamel bin Tunku Rijaludin	• The Regulatory Framework And Directors Duties 2010 • Sustainability Programme for Corporate Malaysia
Mr. Siow Hock Lee	• 2010 Corporate Fraud Conference: Managing Fraud Risk • Introduction to Malaysian Taxation – Principles and Procedures: Workshops on Malaysia Tax System, Business, Trade & Profession and Allowances & Deductions • Talks held during Corporate Governance Week organised by Bursa Malaysia
Mr. Koid Hun Kian	• Overview of FRS 7, 132 & 139 Financial Instruments
Mr. Ng Ah Chong	• The Regulatory Framework And Directors Duties 2010
Mr. Chang Pak Hing	• The Regulatory Framework And Directors Duties 2010
Mr. Wong Tuck Kuan	• Risk Management Workshop • 2011 Moore Stephens AC Budget Seminar

(1) **THE BOARD OF DIRECTORS (CONTINUED)**

(g) **Remuneration of Directors**

The Board adopted the policy recommended by the Code. The Board ensures that the level of remuneration is sufficient to attract and retain Directors needed to run the Company successfully. The component part of remuneration have been structured to link rewards to the Group and individual performance for the Executive Directors whilst the Non-Executive Chairman/Directors' remuneration reflect the experience and level of responsibilities undertaken by individual Non-Executive Chairman/Directors.

The Board, as a whole, determines the remuneration of each Director and the Directors do not participate in decisions regarding their own remuneration packages.

The annual fees payable to the Directors is subject to the shareholders' approval at the Annual General Meeting.

(i) **Remuneration Committee**

During the financial year ended 30 November 2010 the members of the Remuneration Committee comprise the following Directors:-

(i) YTM Tunku Dato' Seri Kamel bin Tunku Rijaludin (Independent Non-Executive Chairman);

(ii) Mr. Siow Hock Lee (Independent Non-Executive Director); and

(iii) Mr. Koid Hun Kian (Group Managing Director).

The Remuneration Committee is primarily empowered by its terms of reference to perform the following:-

- To recommend to the Board the remuneration of the Executive Directors, Group Managing Director and Non-Executive Directors in all its forms, drawing from outside advice if necessary; and
- To carry out any other responsibilities and functions as may be delegated or defined by the Board from time to time.

(ii) **Details of the Directors' Remuneration**

The aggregate remuneration of the Company's Directors comprising remuneration received from the Company and subsidiary companies for the financial year ended 30 November 2010 categorised into appropriate components are as follows:-

	Executive Directors (RM'000)	**Non-Executive Directors (RM'000)**
Fees	18	188
Salaries and Bonuses	691	–
Other Emoluments	83	–
Benefits-in-kind	31	–
Total	823	188

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

(1) THE BOARD OF DIRECTORS (CONTINUED)

(g) Remuneration of Directors (continued)

(ii) Details of the Directors' Remuneration (continued)

The number of Directors of the Company whose fees and remuneration for the financial year ended 30 November 2010 falls within the following bands are:-

	Number of Directors	
	Executive	Non-Executive
Below RM50,000	–	2
RM50,001 to RM100,000	–	1
RM100,001 to RM200,000	2	–
RM200,001 to RM300,000	1	–
Total	3	3

(2) RELATIONSHIP AND COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Board acknowledges the need for the shareholders and investors to be informed of the Group's business and corporate developments. This is achieved through timely release of quarterly financial results and various announcements made via the BMSB LINK, dissemination of annual reports and circulars to shareholders.

The Annual General Meeting represents the principal forum for dialogue and interaction with all shareholders. At each Annual General Meeting, the Board presents the progress and performance of the Group's business. Shareholders are given opportunity and time to participate in the open question and answer session with regards to the agenda of the general meeting or other concerns over the Group's business as a whole. The Chairman, Group Managing Director, Audit Committee members, senior management team and external auditors are available during the general meeting to respond to the shareholders' queries.

(3) ACCOUNTABILITY AND AUDIT

(a) Financial Reporting

The Board assisted by the Audit Committee, ensures that the annual audited financial statements, quarterly announcements of financial results and the other financial reports of the Group and of the Company present a balanced and understandable assessment of the Group's financial position and prospects.

A statement by the Directors' of their responsibilities in the preparation of financial statements is set out in the ensuing paragraph 4.

(b) Internal Controls

The Board acknowledges the overall responsibility to maintain a sound system of internal controls to safeguard the Group's assets and consequently, the shareholders' investment in the Company. However, such systems can only provide reasonable and not absolute assurance against material misstatements or losses.

The Internal Audit Department reports directly to the Audit Committee and assists the Board to undertake regular and systematic reviews of the systems of internal controls. The scope of Internal Audit covers the audit of all units and operations, including the review of adequacy of operational controls, compliance with law and regulations and the management of assets.

The Group's Statement of Internal Control is set out on pages 20 to 21.

(3) ACCOUNTABILITY AND AUDIT (CONTINUED)

(c) Relationship with the Auditors

The appointments and fees for the external and internal auditors are recommended by the Audit Committee. The Board through the Audit Committee, has established a formal and transparent relationship with the Group's auditors, both internal and external. From time to time, the auditors highlighted to the Audit Committee and the Board on matters that require the Board's attention. The external auditors also attend the meetings of the Audit Committee and Board upon invitation.

The Audit Committee Report and the terms of reference are set out on pages 17 to 19.

(4) DIRECTOR'S RESPONSIBILITY STATEMENT IN RESPECT OF THE PREPARATION OF THE AUDITED FINANCIAL STATEMENT

The Directors are required by the Companies Act, 1965 to prepare financial statements for each financial year which have been made out in accordance with the Financial Reporting Standards in Malaysia to give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of the results and cash flows of the Group and of the Company for the financial year then ended.

In the process of preparing the financial statements of the Group and of the Company for the financial year ended 30 November 2010, the Directors have:-

- adopted appropriate accounting policies that are consistently applied;
- made judgments and estimates that are reasonable and prudent; and
- ensured that all applicable approved accounting standards have been followed.

The Directors have the responsibility for ensuring that the Group maintains adequate accounting records which disclose with reasonable accuracy the financial position of the Group and of the Company and which enable them to ensure that the financial statements comply with the provisions of the Companies Act, 1965, BMSB's Main Market Listing Requirements and Financial Reporting Standards in Malaysia. In addition, the Directors have the general responsibility for taking reasonable steps to safeguard the assets of the Group and of the Company to prevent and detect fraud and other irregularities.

(5) MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

There are no material contracts entered into by the Company and its subsidiaries involving directors and major shareholders' interest, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

(6) CORPORATE SOCIAL RESPONSIBILITY (CSR)

CSR and community welfare activities have always been part of the corporate culture and ethic of the group. The Group continues to contribute to charitable and welfare programs and sporting events of associations to raise funds for the less fortunate.

(7) OTHER COMPLIANCE INFORMATION

(a) Share Buybacks

During the financial year, there were no share buybacks by the Company.

(b) Issue of Shares and Utilisation of Proceeds from Private Placement

During the financial year, no new issue of share was made by the Company.

(c) Option or Convertibles Securities

The Company did not issue any option, warrants or convertible securities during the financial year.

(7) OTHER COMPLIANCE INFORMATION (CONTINUED)

(d) Depository Receipt Programme

During the financial year, the Company did not sponsor any depository receipt programme.

(e) Imposition of Sanctions/Penalties

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the relevant regulatory bodies.

(f) Non-Audit Fee

The non-audit fees paid to external auditors, Messrs. Moore Stephens AC during the financial year amounted to RM19,350/-.

(g) Variation in Results

There is no material variance between the results for the financial year and the unaudited results previously announced.

The Company did not make any release on the profit estimate, forecast or projections for the financial year.

(h) Profit Guarantee

No profit guarantee was given by the Company in respect of the financial year.

(i) Recurrent Related Party Transactions

During the financial year, the Company did not enter into any recurrent related party transactions of a revenue/trading nature.

(j) Revaluation of Landed Properties

There is no revaluation policy on the Group's landed properties in respect of the financial year except for investment properties which are measured at fair value.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present to you the Annual Report and Audited Financial Statements of Amtel Holdings Berhad and its subsidiary companies for the financial year ended 30 November 2010.

INDUSTRY OVERVIEW

The global economy in 2010 remained fragile with major economies struggling with uncertainties and slow growth. The Malaysian economy registered a gross domestic product ("GDP") growth of 7.2% in 2010 driven by stronger domestic demand due to the expansion in private consumption and capital spending. The favourable labour market, positive consumer confidence and higher income levels are factors attributable to the expansion in private consumption. The growth in 2010 came from the services and manufacturing segments, the two largest segments of the economy.

FINANCIAL RESULTS

For financial year 2010, the Group continued to deliver yet another year of success with encouraging set of financial performance. Group turnover increased by approximately 7% from RM55.526 million in the preceding financial year to RM59.263 million for the financial year under review. The increase was mainly driven by the increase in sales from the Information and Communication Technology ("ICT") business segment. As a result, the Group reported a pre-tax profit of RM3.809 million in 2010 against RM3.045 million achieved in preceding financial year. Consequently, the Group reported net profit attributable to the shareholders of RM3.468 million, an increase of approximately 25% compared to preceding financial year.

REVIEW OF PERFORMANCE

In financial year 2010, the ICT business segment continued to be the core business and revenue contributor of the Group. Total revenue for the ICT segment increased approximately 12% from RM48.837 million in the preceding financial year to RM54.880 million, mainly due to the increase in the sale of telemetry products. Correspondingly, this business segment has also reported an increase of approximately 12% in profit before tax from RM2.991 million reported in the preceding financial year to RM3.346 million for the current year under review.

The Group's efforts to stay focused on its business strategy and to improve productivity and efficiency paid off as we managed to secure new contracts for our ICT business in 2010. The ICT segment's investment in research and development ("R&D") activities on global positioning system ("GPS") software engine to improve and enhance the features, functionalities, user interface and map visual of its telemetry products has also brought in more orders and hence the improved results for the financial year 2010.

The Telecommunications Infrastructure and Services business segment managed to deliver encouraging results during the financial year despite operating in a difficult and competitive business environment. The operation of this business segment is expected to stabilise. Significant growth in performance is however not anticipated in the near future. The improved results in the "Others" business segment was mainly attributed to the gain on disposals of investment properties by a subsidiary company engaged in the property investment business. The proceeds from the disposals of these investment properties will be utilised for working capital requirements and future investment purposes of the Group.

DIVIDEND

The Board of Directors does not recommend the payment of any dividend for the financial year ended 30 November 2010.

BUSINESS OUTLOOK AND PROSPECTS

In spite of a positive business outlook, the Group is cautiously keeping tab of the uncertainties arising from the political turmoil in the Middle East countries. Of more immediate concern, however is the effect of the natural catastrophes and nuclear reactors disaster in Japan. As Japan is a key supplier to global autos, telecommunications, electronics and technology sectors, the temporary or prolonged closure of some of its major plants will pose threats to the global supply chain. The impact will be felt in the form of higher prices and rising costs for conducting business activities.

CHAIRMAN'S STATEMENT (CONTINUED)

BUSINESS OUTLOOK AND PROSPECTS (CONTINUED)

Nevertheless, despite such concerns ahead, Malaysia's economy is expected to move on to a more stable growth platform from 2011 to 2015 with an average annual GDP growth of 5.1%. The 2011 GDP growth target set at between 5% and 6% is expected to be mainly driven by domestic demand. The Malaysian Automotive Association forecast the total industry volume ("TIV") for the local automotive industry for 2011 to grow at a marginal rate of 2% to 3%. Such positive forecast growth in the local automotive industry will provide a strong base for the Group's telemetry products to thrive. In addition, the Government's efforts to encourage greater investment into the local auto industry by foreign producers (which include among others, abolishment of taxes for hybrid and electric cars and the need for approval for new manufacturing licences in developing a more competitive auto industry) will also benefit both the industry and consumers.

The Management is mindful of the uncertainties surrounding the economic situation worldwide, and will take precautionary measures towards reducing any potential adverse impact on the Group's activities. The Group will continue to develop Telematics related products and services. The Group will also continue to invest in the necessary R&D activities for the Telematics Service Platform and to enhance the software engines and related functionalities to deliver more efficient solutions to meet market demand and requirements.

Barring any unforeseen circumstances, the Board remains optimistic of the Group being able to achieve a positive result for financial year 2011.

ACKNOWLEDGEMENTS

The Board wishes to thank the management team and all the dedicated employees who have persevered and contributed towards the continuing success of the Group.

On behalf of the Board, I also wish to extend my sincere appreciation to our valuable shareholders, customers, suppliers, bankers, local and overseas business associates and regulatory authorities for their continuous support, trust and confidence in the Group throughout the years.

TUNKU DATO' SERI KAMEL
Chairman

19 April 2011

AUDIT COMMITTEE

COMPOSITION

The Audit Committee ("the Committee") of Amtel Holdings Berhad ("the Company") was established on 1 August 1997. The Committee presently comprises the following members:

YTM Tunku Dato' Seri Kamel bin Tunku Rijaludin
Independent Non-Executive Chairman/
Chairman of the Committee

Mr. Siow Hock Lee
Member of the Committee/
*Independent Non-Executive Director**

Mr. Chang Pak Hing
Member of the Committee/
Independent Non-Executive Director

*member of Malaysian Institute of Accountants

TERMS OF REFERENCE

I. Membership

The Committee shall be appointed by the Board of Directors of the Company ("Board") from among their members and shall comprise not less than three members. All members of the Committee should be non-executive directors and must not be substantial shareholders, with the majority of them being independent directors.

A member must be free from any relationships that in the opinion of the Board, may interfere with the exercise of independent judgment in carrying out the functions of the Audit Committee.

At least one member of the Committee must be a member of Malaysian Institute of Accountants or possesses equivalent qualifications recognised under the Accountants Act, 1967 or fulfils such other requirements as may be prescribed by Bursa Malaysia Securities Berhad ("Bursa Malaysia").

No alternate director shall be appointed to the Committee. The Committee shall elect a chairman from among their number who shall be an independent director. The Board shall review the term of office and performance of the Committee and each of its members at least once every three years.

II. Meetings

The Committee shall meet not less than four times during each financial year with a quorum of at least two members, a majority of whom shall be independent directors. The Chairman of the Committee shall chair the meetings of the Committee or in the absence of the Chairman of the Committee, the members present shall elect a chairman for the meeting from amongst the members present.

The Committee may invite any member of the Board to any meeting of the Committee.

The Committee may convene meetings with any employee or head of the accounts/finance at any time and also with the external auditors at least twice a year or when appropriate without the presence of executive Board members. The Secretary of the Company or her representative shall act as secretary of the Committee.

III. Authority

The Committee is authorised by the Board to perform and investigate any activity within its Terms of Reference. The Committee shall be empowered to obtain any information from the Company and/or its employees and to procure any professional and independent advice or resources which are required to perform its duties.

The Committee shall be able to make prompt reports to Bursa Malaysia in the event that the Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements of Bursa Malaysia.

IV. Functions

1. Review the following and report the same to the Board:-
   - (a) with the external auditor, the audit plan;
   - (b) with the external auditor, his evaluation of the system of internal controls;
   - (c) with the external auditor, his audit report;
   - (d) the assistance given by the employees of the Company and Group to the external auditor;

AUDIT COMMITTEE (CONTINUED)

TERMS OF REFERENCE (CONTINUED)

IV. Functions (continued)

1. Review the following and report the same to the Board:- (continued)

   (e) the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work;

   (f) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;

   (g) the quarterly results and year end financial statements, prior to the approval by the Board of Directors, focusing particularly on:-

      (i) changes in or implementation of major accounting policy changes;
      (ii) significant and unusual events; and
      (iii) compliance with accounting standards and other legal requirements;

   (h) any related party transaction and conflict of interest situation that may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity;

   (i) any letter of resignation from the external auditors of the Company; and

   (j) whether there is reason (supported by grounds) to believe that the Company's external auditor is not suitable for re-appointment.

2. Recommend the nomination of a person or persons as external auditors.

3. To consider the major findings of internal investigations and Management's response.

4. To consider other topics as defined by the Board of Directors.

SUMMARY OF ACTIVITIES

During the financial year under review, the Committee held five meetings and details of attendance of the members of the Committee at the aforesaid meetings are as follows:-

Name	Attendance (Nos. of meetings)
YTM Tunku Dato' Seri Kamel bin Tunku Rijaludin	5/5
Mr. Siow Hock Lee	5/5
Mr. Chang Pak Hing	5/5

A summary of the main activities by the Committee during the financial year 2010 were as follows:-

(a) reviewed the Group's unaudited Quarterly Reports with Management and recommended the same to the Board for approval;

(b) reviewed and discussed the audit plan with Management and the auditors;

(c) noted and discussed all the amendments to Bursa Malaysia's Listing Requirements and the Group's compliance of the relevant sections in the Group's reports and accounts and the internal controls on the Group's operations and assets;

(d) reviewed the unaudited and audited Financial Statements and Reports of the Group with Management and the auditors and recommended the same for approval by the Board;

(e) reviewed the Audit Committee Report and the Group's Annual Report (including the Statement of Corporate Governance and Directors' Responsibility Statement) and recommended the same to the Board for approval;

(f) reviewed the internal auditors' (outsourced) reports on internal control and risk management evaluations with the internal auditor and the Managing Director;

(g) reviewed the Statement on Internal Control and the auditors' opinion on the Statement; and

(h) discussed and recommended the proposed fees of the external and internal auditors to the Board.

AUDIT COMMITTEE (CONTINUED)

INTERNAL AUDIT FUNCTION

During the financial year, the internal audit function (outsourced to PKM Partners (M) Sdn Bhd, a firm of consultants) carried out a detailed review in two of the major business units in the risk management areas and conducted compliance procedures testing on the operational procedures established by Management. The areas covered were software development, surveyor, mapping, customer feedback, purchasing, supplier monitoring and development, inventory and logistic control division. The internal auditors also conducted post audit review for the approved action plan covered by risk management audit in previous year.

The results of the review were presented to the Audit Committee and risk areas that required immediate attention from the Management had been discussed and mitigating action plans have been or will be implemented accordingly. The outcome of the risk assessment exercise had been concluded satisfactorily.

STATEMENT OF INTERNAL CONTROL

INTRODUCTION

The Board of Directors is committed to maintain a sound system of internal control in the Group and is pleased to provide the following Statement of Internal Control which outlines the nature and scope of internal control of the Group during the year pursuant to paragraph 15.26(b) of the BMSB Main Market Listing Requirements. To this end, the Board of Directors also ensures that the external auditors review the Statement of Internal Control and report the results thereof to the Board of Directors annually.

BOARD RESPONSIBILITY

The Board of Directors acknowledges the importance of sound internal controls and risk management practices for good corporate governance. The Board affirms its overall responsibility for the Group's systems of internal controls and risk management, and for reviewing the adequacy and integrity of those systems. The system of internal control covers risk management and financial, organisational, management information system, operational and compliance controls.

However, in view of the limitations that are inherent in any systems of internal control, it must be noted that these systems are designed to manage and not eliminate risk of failure in meeting business objectives. In other words, the internal control can only provide reasonable and not absolute assurance against material mismanagement or loss. The associated companies have not been dealt with as part of the Group for the purpose of this statement.

INTERNAL AUDIT FUNCTION

The Internal Audit Department was established with 3 main objectives:-

- To ensure that the management of the Company maintains a sound system of internal controls to safeguard the Company's assets and the investment of shareholders;
- To ensure the quality, integrity and adequacy of the accounting, financial reporting and systems of internal controls of the Company; and
- To provide reasonable but not absolute assurance against the risk of material misstatements in the financial statements of the Company.

The duties of the Internal Auditor are as follows:-

- To audit all business units and operations, including the following:-
  - Review of the adequacy of operational controls;
  - Management of Company's assets; and
  - Quality of management information systems and other systems of accounting controls within the Group.
- To develop an audit risk profile that identifies the high risk areas categorised by the entities and its functional area;
- To provide timely and accurate information to the Audit Committee covering the financial performance of all business units and the Group as a whole;
- To carry out regular visits to operating units which aims to monitor compliance with procedures and controls and assess the integrity of financial information;
- To conduct investigations with regard to specific areas of concern as requested by the Audit Committee and the Management; and
- To document the internal control policies and procedures of all business units of the Group and set up a series of Standard Manuals, which will be subject to regular review and improvement.

Any lack of conformity together with the comments from Operations Heads will be noted in Internal Audit reports, which are to be distributed to the Audit Committee. Internal Audit reports are to be tabled at Audit Committee Meetings for review and subsequent recommendation to the Board on corrective actions to be taken. The management is responsible to ensure that the necessary corrective actions are taken.

The Board has outsourced the internal audit function of the Group to an external firm of consultants, Messrs. PKM Partners (M) Sdn Bhd ("PKM"). The main objective of PKM is to carry out review of the risk assessment of the internal control systems of the Group and provide the Audit Committee with the assurance on their adequacy and effectiveness. They report directly to the Audit Committee and carry out audits in accordance with the internal audit plans as approved by the Audit Committee.

INTERNAL AUDIT FUNCTION (CONTINUED)

During the financial year, the internal audit function carried out a detailed review in two of the major business units in the risk management areas and conducted compliance procedures testing on the operational procedures established by Management. The areas covered were software development, surveyor, mapping, customer feedback, purchasing, supplier monitoring and development, inventory and logistic control division. The internal auditors also conducted post audit review for the approved action plan covered by risk management audit in previous year.

The results of PKM's review were presented to the Audit Committee and risk areas that required immediate attention from the Management had been discussed and mitigating action plans have been or will be implemented accordingly. The outcome of the risk assessment exercise had been concluded satisfactorily. The total costs incurred by the internal audit function in respect of the financial year ended 30 November 2010 was RM29,686/-.

RISK ASSESSMENT

In order to enhance the risk management practices, the Group had implemented a formalised risk management framework that involves identifying, evaluating, monitoring and managing significant risks affecting the achievement of its business objectives.

These initiatives will ensure that the Group has a formalised ongoing process in place to measure the significant risks affecting the achievement of its business objectives.

KEY ELEMENTS OF INTERNAL CONTROLS

The key elements of the Group's internal control systems are described below:-

- Clearly defined delegation of responsibilities to committees of the Board and to management of Head Office and operating units, including authorisation levels for all aspects of the business;
- Management meetings are carried out by the Group Managing Director together with Operations Heads and the Finance Department to identify, discuss and resolve operational, financial and key management issues. Reviews are also conducted to ensure that actual performance is in compliance with the agreed targets set by the Group Managing Director and that corrective actions are taken to rectify any discrepancies in a timely and effective manner;
- Regular and comprehensive information are provided to management, covering financial performance and key business indicators, such as average collection term given to customers, average inventory holding days and cash flow performance;
- Quarterly monitoring of results by the Board of Directors, with major variances being followed up and actions taken by the management, where necessary; and
- The systems of internal controls are monitored internally by the Group Managing Director and the Finance Department.

The Group's system of internal controls does not apply to Associated Companies where the Group does not have full management and control over their operations. However, the Group's interest is served through representation on the boards of these associated companies and the boards meet regularly to discuss and review the financial performance of these associated companies when necessary. The management of the Company also receives and review information on the financial performance of these entities on a regular basis with the objective of safeguarding the investment of the Group.

CONCLUSION

No significant internal control weaknesses were identified during the financial year under review that may have resulted in any material losses or uncertainties that would require disclosure in the Group's annual report. The Board and management will continue to take appropriate measures to strengthen the control environment, as and when required.

This Statement has been reviewed by the external auditors in compliance with Paragraph 15.23 of BMSB Main Market Listing Requirements. Based on their review, the external auditors Messrs. Moore Stephens AC have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and integrity of the internal controls of the Group.

Reports and Financial Statements

For The Year Ended 30 November 2010

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 30 November 2010.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services. The principal activities of the subsidiary companies are set out in Note 6 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM	Company RM
Profit/(Loss) for the year	3,468,149	(687,660)
Attributable to:-		
Equity holders of the Company	3,847,191	
Minority interests	(379,042)	
	3,468,149	

DIVIDEND

No dividend has been paid or declared by the Company since the end of the previous financial year and the Directors do not recommend any dividend payment for the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the year other than those disclosed in the financial statements.

BAD AND DOUBTFUL DEBTS

Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and, the making of allowance for doubtful debts, and have satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts.

At the date of this report, the Directors are not aware of any circumstances which would render the amount written off as bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

Before the income statements and the balance sheets of the Group and of the Company were made out, the Directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:-

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person, or

(ii) any contingent liability in respect of the Group or of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group or of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the Directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

In the opinion of the Directors:-

(i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in the financial statements.

(ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

ISSUE OF SHARES

During the financial year, no new issue of shares was made by the Company.

DIRECTORS OF THE COMPANY

The Directors in office since the date of the last report are as follow:-

TUNKU DATO' SERI KAMEL BIN TUNKU RIJALUDIN
KOID HUN KIAN
NG AH CHONG
SIOW HOCK LEE
WONG TUCK KUAN
CHANG PAK HING

The interest of the Directors in office as at the end of the financial year in the shares of the Company and its subsidiary companies during the financial year according to the registers required to be kept under Section 134 of the Companies Act, 1965 are as follow:-

	Number of Ordinary Shares of RM1 each			
	At 1.12.09	**Bought**	**Sold**	**At 30.11.10**
Interest in the Company				
Direct interest				
Koid Hun Kian	9,267,299	1,327,622	(1,317,333)	9,277,588
Ng Ah Chong	1,066,666	–	–	1,066,666
Siow Hock Lee	65,333	–	–	65,333
Wong Tuck Kuan	61,666	–	–	61,666
Indirect interest*				
Koid Hun Kian	439,000	1,737,333	–	2,176,333
Ng Ah Chong	55,300	–	–	55,300
Siow Hock Lee	33,333	–	–	33,333
Being shares held through a company in which the Director is deemed interested				
Koid Hun Kian	3,217,937	–	–	3,217,937

* Pursuant to Section 134(12)(c) of the Companies Act, 1965 on disclosure of interests held by spouse.

By virtue of his interest in the shares of the Company, Koid Hun Kian is also deemed interested in the shares of the subsidiary companies to the extent the Company has an interest.

In accordance with Article 80 of the Company's Articles of Association, Koid Hun Kian and Siow Hock Lee retire by rotation at the forthcoming annual general meeting of the Company and, being eligible, offer themselves for re-election.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than the benefits included in the aggregate amount of remuneration received or due and receivable by the directors and the estimated value of benefit-in-kind shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SIGNIFICANT EVENT

Significant event arising during the financial year is disclosed in Note 43 to the financial statements.

AUDITORS

The auditors, Messrs. Moore Stephens AC., have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with their resolution dated 21 March 2011.

TUNKU DATO' SERI KAMEL BIN TUNKU RIJALUDIN **KOID HUN KIAN**

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the accompanying financial statements as set out on pages 30 to 82, are drawn up in accordance with the Companies Act, 1965 and the Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 November 2010 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution dated 21 March 2011.

TUNKU DATO' SERI KAMEL BIN TUNKU RIJALUDIN **KOID HUN KIAN**

STATUTORY DECLARATION
PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, Koid Hun Kian, being the Director primarily responsible for the financial management of AMTEL HOLDINGS BERHAD, do solemnly and sincerely declare that the financial statements as set out on pages 30 to 82, are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared at)
Puchong in the state of Selangor Darul Ehsan)
on 21 March 2011) **KOID HUN KIAN**

Before me

CHEONG LAK HOONG (B-232)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF AMTEL HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of AMTEL HOLDINGS BERHAD., which comprise the balance sheets as at 30 November 2010, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set on pages 30 to 82.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 November 2010 and of its financial performance and cash flows for the financial year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the said Act.

(b) We have considered the financial statements and the auditors' reports of all the subsidiary companies of which we have not acted as auditors, which are indicated in Note 6 to the financial statements.

(c) We are satisfied that the financial statements of the subsidiary companies that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(d) The auditors' reports on the financial statements of the subsidiary companies did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 22 to the financial statement is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information 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 ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

MOORE STEPHENS AC
Chartered Accountants
AF 001826

AU TAI WEE
1551/01/13(J)
Chartered Accountant

Kuala Lumpur
21 March 2011

BALANCE SHEETS
AS AT 30 NOVEMBER 2010

	Note	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	**2,711,931**	2,843,971	**13,508**	10,713
Prepaid land lease payments	5	**30,891**	31,224	**–**	–
Investment in subsidiary companies	6	**–**	–	**18,540,207**	26,040,207
Interest in associated companies	7	**112,520**	73,051	**–**	–
Intangible assets	8	**316,838**	506,939	**–**	–
Other investments	9	**9,202,153**	5,035,742	**1,757,369**	2,322,086
Other receivables	15	**314,902**	983,650	**314,902**	983,650
Investment properties	10	**168,717**	13,514,280	**–**	–
Deferred tax assets	11	**900,000**	900,000	**–**	–
		13,757,952	23,888,857	**20,625,986**	29,356,656
Current assets					
Inventories	12	**5,930,777**	2,749,305	**–**	–
Short term investments	13	**276,075**	426,996	**–**	–
Trade receivables	14	**12,888,744**	11,977,722	**–**	–
Dividend receivables		**–**	–	**479,006**	–
Other receivables, deposits and prepayments	15	**2,959,519**	2,379,700	**852,064**	1,111,271
Tax assets	16	**127,195**	57,311	**–**	2,746
Amount owing by subsidiary companies	17	**–**	–	**4,509,095**	4,506,617
Amount owing by associated companies	18	**462,750**	538,436	**38,468**	32,011
Cash deposits with licensed banks	19	**10,830,193**	3,706,074	**–**	–
Cash and bank balances		**4,919,416**	2,004,404	**15,048**	10,586
		38,394,669	23,839,948	**5,893,681**	5,663,231
Non-current assets held for sale	20	**–**	2,155,526	**–**	–
		38,394,669	25,995,474	**5,893,681**	5,663,231
TOTAL ASSETS		**52,152,621**	49,884,331	**26,519,667**	35,019,887

	Note	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	21	**49,277,066**	49,277,066	**49,277,066**	49,277,066
Reserves	22	**(11,933,256)**	(15,780,447)	**(23,181,532)**	(22,493,872)
		37,343,810	33,496,619	**26,095,534**	26,783,194
Minority interests		**275,909**	654,951	**–**	–
Total Equity		**37,619,719**	34,151,570	**26,095,534**	26,783,194
Liabilities					
Non-current liabilities					
Hire purchase payables	23	**670,814**	846,699	**–**	–
Deferred tax liabilities	25	**13,936**	12,876	**–**	–
		684,750	859,575	**–**	–
Current liabilities					
Trade payables	26	**7,709,409**	6,413,111	**–**	–
Other payables, deposits and accruals	27	**2,679,453**	3,927,254	**248,504**	202,964
Amount owing to subsidiary companies	17	**–**	–	**21,098**	7,937,468
Provisions	28	**1,148,940**	826,318	**154,045**	96,261
Bank borrowings	29	**1,856,378**	3,213,385	**–**	–
Hire purchase payables	23	**240,231**	219,081	**–**	–
Tax liabilities		**213,741**	274,037	**486**	–
		13,848,152	14,873,186	**424,133**	8,236,693
Total Liabilities		**14,532,902**	15,732,761	**424,133**	8,236,693
TOTAL EQUITY AND LIABILITIES		**52,152,621**	49,884,331	**26,519,667**	35,019,887

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

INCOME STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2010

		Group		Company	
	Note	2010 RM	2009 RM	2010 RM	2009 RM
Operating revenue	30	**59,263,353**	55,525,614	**1,811,869**	976,147
Cost of sales	31	**(45,890,268)**	(43,606,447)	**–**	–
Gross profit		**13,373,085**	11,919,167	**1,811,869**	976,147
Other operating income		**1,932,510**	830,943	**276,463**	3,729,631
Distribution costs		**(1,133,967)**	(1,163,454)	**–**	–
Administrative costs		**(8,017,528)**	(6,303,026)	**(1,315,716)**	(968,134)
Other operating costs		**(2,053,465)**	(1,762,776)	**(1,460,276)**	(1,653,625)
		(11,204,960)	(9,229,256)	**(2,775,992)**	(2,621,759)
Profit/(Loss) from operations		**4,100,635**	3,520,854	**(687,660)**	2,084,019
Finance costs		**(331,511)**	(537,328)	**–**	(1,998)
		3,769,124	2,983,526	**(687,660)**	2,082,021
Share of associated companies' results		**39,469**	60,980	**–**	–
Profit/(Loss) before taxation	32	**3,808,593**	3,044,506	**(687,660)**	2,082,021
Taxation	33	**(340,444)**	(271,854)	**–**	–
Profit/(Loss) for the year		**3,468,149**	2,772,652	**(687,660)**	2,082,021
Attributable to:-					
Equity holders of the Company		**3,847,191**	2,717,610		
Minority interests		**(379,042)**	55,042		
		3,468,149	2,772,652		
Earnings per share attributable to equity holders of the Company					
Profit per ordinary share (sen)	34	**7.81**	5.51		

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2010

	<--- Attributable to Equity Holders of the Company --->					
	Share Capital RM	Non-Distributable Share Premium RM	Accumulated Losses RM	Sub-total RM	Minority Interests RM	Total Equity RM
At 1.12.08	49,277,066	4,774,665	(23,272,722)	30,779,009	740,431	31,519,440
Acquisition from minority interests	–	–	–	–	(140,522)	(140,522)
Profit for the year*	–	–	2,717,610	2,717,610	55,042	2,772,652
At 30.11.09	49,277,066	4,774,665	(20,555,112)	33,496,619	654,951	34,151,570
Profit for the year*	**–**	**–**	**3,847,191**	**3,847,191**	**(379,042)**	**3,468,149**
At 30.11.10	**49,277,066**	**4,774,665**	**(16,707,921)**	**37,343,810**	**275,909**	**37,619,719**

* Total income and expenses recognised during the year.

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 NOVEMBER 2010

	Share Capital RM	Non-Distributable Share Premium RM	Accumulated Losses RM	Total Equity RM
At 1.12.08	49,277,066	4,774,665	(29,350,558)	24,701,173
Profit for the year*	–	–	2,082,021	2,082,021
At 30.11.09	49,277,066	4,774,665	(27,268,537)	26,783,194
Loss for the year*	**–**	**–**	**(687,660)**	**(687,660)**
At 30.11.10	**49,277,066**	**4,774,665**	**(27,956,197)**	**26,095,534**

* Total income and expenses recognised during the year.

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

CASH FLOW STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2010

		Group		Company	
	Note	2010 RM	2009 RM	2010 RM	2009 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before taxation		**3,808,593**	3,044,506	**(687,660)**	2,082,021
Adjustments for:-					
Allowance for doubtful debts due from subsidiary companies		**–**	–	**1,176,719**	155,000
Amortisation of intangible assets		**190,101**	190,101	**–**	–
Amortisation of prepaid land lease payments		**333**	13,207	**–**	–
Bad debts written off		**5,341**	15,193	**–**	–
Depreciation of property, plant and equipment		**868,564**	683,128	**6,246**	6,534
Dividend income from other investments		**(105,601)**	(26,548)	**(24,139)**	(23,017)
Gain on disposal of non-current assets held for sale		**(1,000,417)**	–	**–**	–
Gain on disposal of leasehold land		**–**	(54,943)	**–**	–
Gain on disposal of property, plant and equipment		**(21,025)**	(153,129)	**–**	(38,000)
Impairment loss on investment in subsidiary companies		**–**	–	**–**	500,000
Interest expenses		**316,118**	508,346	**–**	1,998
Interest income		**(460,119)**	(135,589)	**(276,463)**	–
Inventories written off		**2,736**	12,941	**–**	–
Loss on disposal of investment in a subsidiary company		**–**	66,700	**–**	660,964
Net provision for employee benefits		**62,688**	(4,365)	**57,784**	13,846
Net provision for warranty costs		**259,934**	109,741	**–**	–
Property, plant and equipment written off		**–**	178,222	**–**	–
Reversal of allowances for doubtful debts		**(39,992)**	(21,476)	**–**	–
Share of results of associated companies		**(39,469)**	(60,980)	**–**	–
Unrealised loss/(gain) on foreign exchange		**43,856**	(5,459)	**–**	–
Waiver of debts from a subsidiary company		**–**	–	**–**	(3,691,631)
Write down/(Reversal of write down) of short term investments		**150,921**	(198,810)	**–**	–
Operating profit/(loss) before working capital changes carried down		**4,042,562**	4,160,786	**252,487**	(332,285)

CASH FLOW STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2010

	Note	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
Operating profit/(loss) before working capital changes brought down		**4,042,562**	4,160,786	**252,487**	(332,285)
(Increase)/Decrease in inventories		**(3,184,208)**	1,114,023	**–**	–
(Increase)/Decrease in trade and other receivables		**(787,442)**	(5,330,368)	**448,949**	(5,792)
Increase in trade and other payables		**4,641**	2,618,948	**45,540**	9,034
Cash generated from/(used in) operations		**75,553**	2,563,389	**746,976**	(329,043)
Interest paid		**(316,118)**	(508,346)	**–**	(1,998)
Interest received		**460,119**	135,589	**276,463**	–
Income tax refunded		**3,232**	–	**3,232**	–
Income tax paid		**(472,796)**	(184,989)	**–**	–
Net cash (used in)/generated from operating activities		**(250,010)**	2,005,643	**1,026,671**	(331,041)
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of minority interests		**–**	(140,522)	**–**	(140,522)
Acquisition of short term investments		**–**	(8,586)	**–**	–
Advances to subsidiary companies		**–**	–	**(1,595,567)**	(258,217)
Dividend received from other investments		**105,601**	26,548	**24,139**	23,017
Dividend received from subsidiary companies		**–**	–	**7,500,000**	–
(Placement)/Drawdown of pledged fixed deposits		**(4,626,900)**	210,210	**–**	–
Proceeds from disposal of a subsidiary company, net of cash disposed of	35	**–**	329,051	**–**	340,860
Proceeds from disposal of non-current assets held for sale		**16,501,506**	–	**–**	–
Proceeds from disposal of leasehold land		**–**	974,870	**–**	–
Proceeds from disposal of other investments		**–**	–	**564,717**	–
Proceeds from disposal of property, plant and equipment		**44,526**	1,662,661	**9,483**	38,000
Proceeds from disposal of unquoted shares in an associated company		**–**	1,200,000	**–**	1,200,000
Purchase of other investments		**(4,166,411)**	(1,357,504)	**–**	(790,468)
Purchase of plant and equipment	36	**(695,025)**	(483,620)	**(18,524)**	(9,735)
Repayment from/(Advances to) associated company		**75,686**	158,505	**(6,457)**	(19,582)
Net cash generated from investing activities carried down		**7,238,983**	2,571,613	**6,477,791**	383,353

	Note	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
Net cash generated from investing activities brought down		**7,238,983**	2,571,613	**6,477,791**	383,353
CASH FLOWS FROM FINANCING ACTIVITIES					
(Repayment to)/Advances from subsidiary companies		**–**	–	**(7,500,000)**	27,624
Drawdown from bankers' acceptances		**661,149**	118,126	**–**	–
Net repayment of bills payable		**(211,000)**	(250,063)	**–**	–
Payment of hire purchase payables		**(219,735)**	(497,445)	**–**	(92,360)
Repayment of term loans		**(1,898,106)**	(2,751,961)	**–**	–
Net cash used in financing activities		**(1,667,692)**	(3,381,343)	**(7,500,000)**	(64,736)
Net increase/(decrease) in cash and cash equivalents		**5,321,281**	1,195,913	**4,462**	(12,424)
Cash and cash equivalents at beginning of the year		**4,342,654**	3,146,741	**10,586**	23,010
Cash and cash equivalents at end of the year	37	**9,663,935**	4,342,654	**15,048**	10,586

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Board of the Bursa Malaysia Securities Berhad.

The registered office and principal place of business of the Company is located at No. 7, Jalan PJS 7/19, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are investment holding and the provision of management services. The principal activities of the subsidiary companies are set out in Note 6. There have been no significant changes in the nature of these activities during the financial year.

The financial statements were authorised for issue in accordance with a Board of Directors' resolution dated 21 March 2011.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The financial statements of the Group and of the Company have been prepared in accordance with the Companies Act, 1965 and Financial Reporting Standards issued by the Malaysian Accounting Standards Board ("MASB") and complied with the provisions of the Companies Act 1965.

On 1 December 2009, the Group adopted FRS 8, *Operating Segments* which is effective for financial periods beginning 1 July 2009. FRS 8, which replaces FRS 114, *Segment Reporting*, requires entities to disclose segment information based on the information reviewed by the entity's chief operating decision maker for the purpose of making decisions about allocating resources to the segments and assessing their performance. The standard also requires entity-wide disclosures which include information about products and services, geographical areas in which the Group operates, and revenue of the Group's major customers. The management determined that the reportable operating segment in accordance with the standard is similar to the internal management report. The Group has adopted FRS 8 retrospectively. Accordingly, the comparative segment information has been re-presented. As this is a disclosure standard, it has no impact on the financial position or financial result of the Group.

The MASB has issued the following new and revised FRSs, Amendments to FRSs, IC Interpretations and Technical Releases ("TRs") that are not yet effective and have not been early adopted in preparing these financial statements:-

		For financial periods beginning on or after
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations (Revised)	1 July 2010
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 101	Presentation of Financial Statements (Revised)	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 124	Related Party Disclosures (Revised)	1 January 2012
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
FRS 127	Consolidated and Separate Financial Statements (Revised)	1 July 2010
Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters (Amendment to FRS 1)		1 January 2011

2. BASIS OF PREPARATION (CONTINUED)

(a) Statement of Compliance (continued)

		For financial periods beginning on or after
Improving Disclosures about Financial Instruments (Amendments to FRS 7)		1 January 2011
Additional Exemptions for First-time Adopters (Amendments to FRS 1)		1 January 2011
Group Cash-settled Share-based Payment Transactions (Amendments to FRS 2)		1 January 2011
Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate		1 January 2010
Amendments to FRS 2 Share-based Payment: Vesting Conditions and Cancellations		1 January 2010
Amendments to FRS 2 Share-based Payment		1 July 2010
Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations		1 July 2010
Amendments to FRS 132 Financial Instruments: Presentation		1 January 2010/ 1 March 2010
Amendments to FRS 138 Intangible Assets		1 July 2010
Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives		1 January 2010
Amendments to FRSs contained in the document entitled "Improvements to FRSs (2009)"		1 January 2010
Amendments to FRSs contained in the document entitled "Improvements to FRSs (2010)"		1 January 2011
IC Interpretation 4	Determining whether an Arrangement contains a Lease	1 January 2011
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 – Group and Treasury Share Transactions	1 January 2010
IC Interpretation 12	Service Concession Arrangements	1 July 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
IC Interpretation 15	Arrangements for the Construction of Real Estate	1 January 2012
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010
IC Interpretation 18	Transfers of Assets from Customers	1 January 2011
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Prepayments of a Minimum Funding Requirement (Amendments to IC Interpretation 14)		1 July 2011
Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives		1 July 2010
TR 3	Guidance on Disclosures of Transition to IFRSs	31 December 2010
TR i-3	Presentation of Financial Statements of Islamic Financial Institutions	1 January 2010
TR i-4	Shariah Compliant Sale Contracts	1 January 2011

By virtue of the exemption in FRS 4, 7 and 139, the impact of applying the respective FRSs on these financial statements upon their first adoption as required by paragraph 30(b) of FRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors* is not disclosed.

The adoption of the other FRSs, Amendments to FRSs, IC Interpretations and TRs is not expected to have any significant impact on the financial statements of the Group and of the Company upon their initial application, except for FRS 101, FRS 117, FRS 3 and FRS 127 on changes in accounting policies as indicated below.

2. BASIS OF PREPARATION (CONTINUED)

(a) Statement of Compliance (continued)

FRS 101, Presentation of Financial Statements (Revised)

The revised FRS 101 requires owner and non-owner changes in equity to be presented separately. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line item. In addition, the revised standard introduces the statement of comprehensive income: It presents all items of income and expense recognised in income statements, together with all other items of recognised income and expense, either in one single statement, or in two link statements. The Group and the Company are currently evaluating the format to adopt. New terminologies will replace 'balance sheet' with 'statement of financial position' and 'cash flow statement' with 'statement of cash flows'. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. The adoption of this revised standard will only impact the form and content of the presentation of the Group's and of the Company's financial statements in the next financial year.

Amendments to FRS 117 Leases

The amendments remove the specific guidance on classifying leasehold land as operating lease. As such, leases of land will be classified as either finance or operating lease based on the general principle of FRS 117. Consequently, upon initial application, leasehold land where in substance a finance lease will be classified from "prepaid land lease payments" to "property, plant and equipment" and measured as such retrospectively. The following are the expected effects on the consolidated balance sheet as at 30 November 2010 arising from the above change in accounting policy:-

Balance Sheets

	Group RM
Decrease in prepaid land lease payments	30,891
Increase in property, plant and equipment	30,891

FRS 3, Business Combinations (Revised) and FRS 127, Consolidated and Separate Financial Statements (Revised)

The revised FRS 3 introduces a number of significant changes to the accounting for business combinations with greater use of fair value. These changes include recognising all acquisition-related costs as expense, measuring any pre-existing interest at fair value and allowing measurement of non-controlling interest (previously known as minority interest) at either fair value or at its proportionate share of the acquiree's net identifiable assets. The revised FRS 127 requires accounting for changes in ownership interests by the Group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the Group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The revised standard also requires all losses attributable to the minority shareholders to be absorbed by minority shareholders instead of by the parent. The Group will apply the changes of revised FRS 3 and FRS 127 prospectively and therefore there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting for future transactions or arrangements.

(b) Basis of Measurement

The measurement bases applied in the presentation of the financial statement of the Group and of the Company included cost, recoverable amount and net realisable value. Estimates are used in measuring these values.

2. BASIS OF PREPARATION (CONTINUED)

(c) Functional and Presentation Currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency. All financial information presented in RM has been rounded to nearest RM, unless otherwise stated.

(d) Significant Accounting Estimates and Judgements

The preparation of financial statements of the Group and of the Company requires management to make assumptions, estimates and judgements that effect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Assumptions and estimates are reviewed on an ongoing basis and are recognised in the period in which the assumption or estimate is revised.

Significant areas of estimation, uncertainty and critical judgements used in applying accounting principles that have significant effect on the amount recognised in the financial statements are as follows:-

i. Amortisation of intangible assets (Note 8) – the cost of intangible assets is amortised using the straight line method over the assets' useful lives. Management estimates the useful lives of these intangible assets to be within 2 – 5 years of their expected benefit. The amortisation period and amortisation method are reviewed at each balance sheet date.

ii. Deferred tax asset (Note 11) – deferred tax asset is recognised for all unutilised tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the unutilised tax losses and unabsorbed capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax asset that can be recognised, based on the expected future financial performance of the Group.

iii. Depreciation of property, plant and equipment (Note 4) – the cost of property, plant and equipment is depreciated using the straight line method over the assets' useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 – 50 years. These are common life expectancies applied generally. Changes in the expected level of usage could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

iv. Provision for warranty costs (Note 28) – provision for warranty costs is in respect of products sold under warranty by subsidiary companies. A provision is recognised for expected warranty claims on products sold based on past experience. The assumptions used to calculate the provision for warranties were based on the sales made and warranty claims received.

v. Non-current receivables (Note 15) – Non-current receivables are stated at fair value of deferred consideration which was determined by discounting all future receipts using effective interest method. Management estimates the interest rate that discounts all future receipts to the current consideration to be received from the Purchasers.

vi. Taxation (Note 33) – Significant judgement is required in determining the capital allowances and deductibility of certain expenses when estimating the provision for taxation. There were transactions during the ordinary course of business for which the ultimate tax determination of whether additional taxes will be due is uncertain. The Company recognises liabilities for tax based on estimates of assessment of the tax liability due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax in the periods in which the outcome is known.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Consolidation

The consolidated financial statements incorporated the audited financial statements of the Company and all its subsidiary companies which are disclosed in Note 6 made up to the end of the financial year.

All intra-group balances, transactions and resulting unrealised profits and losses (unless cost cannot be recovered) are eliminated on consolidation and the consolidated financial statements reflect external transactions only.

Subsidiary companies are consolidated using the purchase method, from the date of acquisition being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. The assets, liabilities and contingent liabilities assumed of a subsidiary company are measured at their fair values at the date of acquisition and these values are reflected in the consolidated financial statements. Uniform accounting policies are adopted in the consolidated financial statements for transactions and events in similar circumstances.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill.

Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in profit or loss.

Minority interest represents the portion of profit or loss and net assets in subsidiaries not held by the Group. It is measured at the minority interests' share of the fair value of net assets at the acquisition date and the (minorities' share of) changes in the equity since then.

The consolidated financial statements are prepared on the basis that the excess of the losses attributable to minority shareholders over their equity interest will be absorbed by the Group. All profits subsequently reported by the subsidiary company will be allocated to the Group until the minority shareholders' share of losses previously absorbed by the Group has been recovered.

(b) Subsidiary Companies

A subsidiary company is an enterprise in which the Group has the power to exercise control over its financial and operating policies so as to obtain benefits from its activities.

Investments in subsidiary companies, which are eliminated on consolidation, are stated at cost less accumulated impairment losses, if any, in the Company's financial statements. Impairment loss is determined on individual basis.

Gains or losses arising from the disposal of an investment is determined as the difference between the estimated net disposal proceeds and the carrying amount of the investment, and is recognised in the income statement.

(c) Associated Companies

Associated companies are entities in which the Group has significant influence and that is neither a subsidiary company nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not to have control over those policies.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Associated Companies (continued)

Investment in associated companies is accounted for in the Group's consolidated financial statements using the equity method. The Group's investment in associated companies is recognised in the consolidated balance sheet at cost plus the Group's share of post-acquisition net results of the associated company less impairment loss, if any, determined on an individual basis. The Group's share of results of the associated company is recognised in the consolidated income statement from the date that significant influence commences until the date that significant influence ceases. Unrealised gains and losses on transactions between the Group and the associated companies are eliminated to the extent of the Group's interest in the associated company.

When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associated company. Consistent accounting policies are applied for transactions and events in similar circumstances.

Goodwill relating to an associated company is included in the carrying amount of the investment and is not amortised. Any excess of the Group's share of the fair value of the associated company's net identifiable assets and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the results of the associated company in the period in which the investment is acquired.

Investments in associated companies are stated at cost, less impairment losses, if any, in the Company's financial statements.

On disposal of such investments, the difference between the net disposal proceeds and their carrying amounts is included in the income statement.

(d) Intangible Assets

i. Goodwill

Goodwill acquired in a business combination represents the difference between the purchase consideration and the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities in the subsidiary companies at the date of acquisition.

Goodwill is allocated to cash generating units and is stated at cost at balance sheet date less accumulated impairment losses, if any. Impairment test is performed annually at balance sheet date. Goodwill is also tested for impairment when any indication of impairment exists. Impairment losses recognised are not reversed in subsequent periods.

Upon the disposal of an interest in a subsidiary company, the related goodwill will be included in the computation of gain or loss on disposal of the interest in the subsidiary company in the consolidated income statement.

ii. Research and Development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the income statement as an expense as incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Intangible Assets (continued)

ii. Research and Development (continued)

The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses.

Development costs which are considered to have finite useful lives, are stated at cost less any impairment losses and are amortised over the expected commercial lives of the underlying products. Amortisation is provided from the commencement of the commercial production of the product on the straight line basis over a period of 2 – 5 years. Impairment is assessed whenever there is an indication of impairment. The amortisation period and method are also reviewed at each balance sheet date.

iii. License Rights

License rights that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses.

License rights which include intellectual property, will be amortised over the estimated useful life and assessed for impairment annually and whenever there is an indication that the intangible asset may be impaired. Amortisation is provided from the commencement of the commercial production of the related product on the straight line basis over a period of 2 – 5 years. The amortisation period and amortisation method are reviewed at each balance sheet date.

(e) Property, Plant and Equipment and Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that are directly attributable to the acquisition of the asset. Subsequent costs are included in the assets' carrying amount or recognised as separate assets as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement as and when they are incurred.

Freehold land is not depreciated and all other property, plant and equipment are depreciated to write off the cost of the property, plant and equipment over their estimated useful lives.

The principal annual rates used for this purpose are:-

Apartment and buildings	2%
Plant, machinery and tools	10% – 33.33%
Renovation, furniture, fixture, fittings, office equipment and electrical installation	10% – 33.33%
Motor vehicles	20%

The residual values, useful lives and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in the income statement.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Investment Properties

Investment properties consist of land and buildings held for long term purposes for capital appreciation or rental income or both. The Group has adopted the cost method in measuring investment property. Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land included in investment properties are not amortised.

Investment properties are derecognised when either they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in the income statement.

(g) Impairment of Assets

The carrying amounts of assets other than inventories, deferred tax assets, assets arising from employee benefits and financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated. The recoverable amount is the higher of fair value less cost of sales and the value in use, which is measured by reference to discounted future cash flows and is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit to which the asset belongs to. An impairment loss is recognised whenever the carrying amount of an item of assets exceeds its recoverable amount. An impairment loss is recognised as an expense in the income statement.

The reversal of impairment loss recognised on an asset, other than goodwill due to a subsequent increase in recoverable amount is restricted to the carrying amount that would have been determined (net of accumulated depreciation, where applicable) had no impairment loss been recognised in prior years. The reversal is recognised in the income statement. However, the reversal of impairment losses recognised on a revalued asset will be treated as revaluation surplus to the extent that the reversal does not exceed the amount previously held in revaluation reserve in respect of the same asset.

(h) Non-current Assets Held for Sale

Non-current assets that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale.

Immediately before reclassification as held for sale, the assets are remeasured in accordance with the Group's accounting policies. Thereafter the assets are measured at the lower of their carrying amount and fair value less cost to sell.

Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in the income statement. Gains are not recognised in excess of any cumulative impairment loss.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in-first-out basis. Cost includes the actual cost of materials and incidentals in bringing the inventories into store and for manufactured inventories, it also includes a portion of labour and relevant production overheads.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Employee Benefits

i. Short Term Employee Benefits

Wages, salaries, social security contributions and bonuses are recognised as an expense in the year in which the associated services are rendered by employees of the Group and of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services that increase their entitlement to future compensated absences are rendered by employees, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

ii. Defined Contribution Plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the income statement as incurred.

(k) Foreign Currencies

Transactions in Foreign Currencies

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in the income statement for the year.

(l) Tax Expense

Tax expense comprises current and deferred tax. Tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or tax loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Revenue Recognition

i. Goods Sold

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

ii. Services

Revenue from services is recognised when the services are rendered.

iii. Revenue from Contracts

Revenue from contracts is recognised on the percentage of completion method when the outcome of the contracts can be reliably estimated, in the proportion which total costs incurred to date bear to the total estimated costs of the contracts.

iv. Rental Income

Rental income is recognised in the income statement on the straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

v. Dividend Income

Dividend income is recognised when the Group's right to receive payment is established.

vi. Interest Income

Interest income is recognised on an accrual basis using the effective interest method.

vii. Management Fee Income

Management fee income is recognised on an accrual basis.

(n) Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of provision is the present value of the expenditure expected to be required to settle the obligation. The increase in the provision due to the passage of time is recognised as finance costs.

(o) Borrowing Costs

Borrowing costs in respect of expenditure incurred on acquisition of property, plant and equipment are capitalised during the period when activities to plan, develop and construct these assets are undertaken. Capitalisation of borrowing costs ceases when these assets are ready for their intended use or sale.

All other borrowing costs are recognised in the income statement in the period in which they are incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Lease Payments

i. Finance Leases

Assets acquired by way of hire purchase or finance lease where the Group assumes substantially all the benefits and risks of ownership are classified as property, plant and equipment.

The finance lease is capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a periodic constant rate of interest on the remaining balance. The corresponding rental obligations, net of finance charges, are included in borrowings. The finance charge is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of the estimated useful life of the asset and the lease term.

ii. Operating Leases

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on the straight-line basis over the lease period.

(q) Due from Customer on Contract

Where the outcome of a contract can be reliably estimated, contract revenue and contract costs are recognised as revenue and expenses respectively by using the stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the estimated total contract costs.

Where the outcome of a contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the total costs incurred on the contracts plus, recognised profits (less recognised losses), exceeds progress billings, the balance is classified as amount due from customers on contracts. When progress billings exceed costs incurred plus, recognised profits (less recognised losses), the balance is classified as amount due to customers on contracts.

(r) Segment Reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by their respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are disclosed in Note 42, including the factors used to identify the reportable segments and the measurement basis of segment information.

(s) Financial Instruments

Financial instruments are classified as assets, liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to financial instruments classified as assets or liabilities are reported as expense or revenue. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Financial Instruments (continued)

The recognised financial instruments comprise cash and cash equivalents, pledged cash deposits, trade and other receivables, trade and other payables, bank borrowings, ordinary shares and other investments. These instruments are recognised in the financial statements when contracts or contractual arrangements are entered into with the counter-parties.

The unrecognised financial instruments are financial guarantees given to subsidiary companies. The financial guarantees would be recognised as liabilities when obligations to pay the counter-parties are assessed as being probable.

i. Receivables

Receivables are stated at cost less allowance for doubtful debts, if any, which is the anticipated realisable values. Known bad debts are written off and specific allowance is made for those debts considered to be doubtful of collection.

Non-current receivables are stated at fair value of deferred consideration which was determined by discounting all future receipts using effective interest method. The difference between the fair value and the nominal amount of the consideration is recognised as interest income in the income statement.

ii. Payables

Payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

iii. Interest Bearings Bank Borrowings

Interest bearing bank borrowings which include term loans, bills payable, bankers' acceptances, suppliers' credit financing scheme and bank overdrafts are stated at the amount of proceeds received, net of transaction costs.

iv. Equity Instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

v. Cash and Cash Equivalents

Cash and cash equivalents comprise of cash in hand, bank balances, demand deposits, bank overdrafts and short term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

vi. Other Non-current Investments

Non-current investments other than investments in subsidiary companies, associated companies and investment properties are stated at cost less impairment losses. On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in the income statement.

vii. Short Term Investments

Short term investments are carried at the lower of cost and market value. Increases or decreases in the carrying amount of short term investments are recognised in the income statement. On disposal of short term investments, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement.

4. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold Land RM	Apartment and Buildings RM	Plant, Machinery and Tools RM	Renovation, Furniture, Fixture, Fittings, Office Equipment and Electrical Installation RM	Motor Vehicles RM	Total RM
Cost						
At 1.12.09	**803,023**	**396,186**	**769,454**	**2,336,244**	**2,423,885**	**6,728,792**
Additions	**–**	**–**	**–**	**683,654**	**76,371**	**760,025**
Disposals	**–**	**–**	**–**	**(25,710)**	**(97,725)**	**(123,435)**
At 30.11.10	**803,023**	**396,186**	**769,454**	**2,994,188**	**2,402,531**	**7,365,382**
Accumulated Depreciation and Impairment Losses						
At 1.12.09	**12,365**	**33,512**	**686,851**	**2,002,189**	**1,149,904**	**3,884,821**
Charge for the year	**–**	**6,896**	**20,555**	**511,786**	**329,327**	**868,564**
Disposals	**–**	**–**	**–**	**(2,211)**	**(97,723)**	**(99,934)**
At 30.11.10	**12,365**	**40,408**	**707,406**	**2,511,764**	**1,381,508**	**4,653,451**
Net Carrying Amount						
At 30.11.10	**790,658**	**355,778**	**62,048**	**482,424**	**1,021,023**	**2,711,931**
Cost						
At 1.12.08	803,023	2,176,114	3,715,172	3,022,020	2,184,117	11,900,446
Additions	–	–	19,611	270,362	1,363,647	1,653,620
Disposals	–	(1,689,828)	(1,906,682)	(38,838)	(1,123,879)	(4,759,227)
Written off	–	–	(706,630)	(634,041)	–	(1,340,671)
Reclassification	–	–	(12,117)	12,117	–	–
Disposal of a subsidiary company	–	(90,100)	(339,900)	(295,376)	–	(725,376)
At 30.11.09	803,023	396,186	769,454	2,336,244	2,423,885	6,728,792
Accumulated Depreciation and Impairment Losses						
At 1.12.08	12,365	548,198	3,401,222	2,553,487	1,756,331	8,271,603
Charge for the year	–	19,699	47,015	358,935	257,479	683,128
Disposals	–	(510,985)	(1,836,511)	(38,293)	(863,906)	(3,249,695)
Written off	–	–	(572,858)	(589,591)	–	(1,162,449)
Reclassification	–	–	(12,117)	12,117	–	–
Disposal of a subsidiary company	–	(23,400)	(339,900)	(294,466)	–	(657,766)
At 30.11.09	12,365	33,512	686,851	2,002,189	1,149,904	3,884,821
Net Carrying Amount						
At 30.11.09	790,658	362,674	82,603	334,055	1,273,981	2,843,971

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Furniture, Fixture, Fittings and Office Equipment RM	Motor Vehicles RM	Renovation RM	Total RM
Cost				
At 1.12.09	**100,580**	**–**	**63,787**	**164,367**
Additions	**18,524**	**–**	**–**	**18,524**
Disposal	**(10,166)**	**–**	**–**	**(10,166)**
At 30.11.10	**108,938**	**–**	**63,787**	**172,725**
Accumulated Depreciation				
At 1.12.09	**89,867**	**–**	**63,787**	**153,654**
Charge for the year	**6,246**	**–**	**–**	**6,246**
Disposal	**(683)**	**–**	**–**	**(683)**
At 30.11.10	**95,430**	**–**	**63,787**	**159,217**
Net Carrying Amount				
At 30.11.10	**13,508**	**–**	**–**	**13,508**
Cost				
At 1.12.08	90,845	639,049	63,787	793,681
Additions	9,735	–	–	9,735
Disposals	–	(639,049)	–	(639,049)
At 30.11.09	100,580	–	63,787	164,367
Accumulated Depreciation				
At 1.12.08	83,333	639,049	63,787	786,169
Charge for the year	6,534	–	–	6,534
Disposals	–	(639,049)	–	(639,049)
At 30.11.09	89,867	–	63,787	153,654
Net Carrying Amount				
At 30.11.09	10,713	–	–	10,713

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The plant and equipment under hire purchase instalment plans are as follow:-

	Group		Company	
	2010 RM	**2009 RM**	**2010 RM**	**2009 RM**
Cost				
Motor vehicles	**1,590,987**	1,685,615	**–**	–
Net Carrying Amount				
Motor vehicles	**1,009,068**	1,461,665	**–**	–

5. PREPAID LAND LEASE PAYMENTS

	Group	
	2010 RM	**2009 RM**
At cost,		
At beginning of the year	**32,220**	1,042,367
Less: Disposal	**–**	(1,010,147)
At end of the year	**32,220**	32,220
Less: Accumulated amortisation		
At beginning of the year	**996**	78,009
Amortisation	**333**	13,207
Less: Disposal	**–**	(90,220)
At end of the year	**(1,329)**	(996)
	30,891	31,224

The leasehold land of the Group has an unexpired lease period of more than 50 years.

6. INVESTMENT IN SUBSIDIARY COMPANIES

	Company 2010 RM	Company 2009 RM
Unquoted shares, at cost		
At beginning of the year	**33,779,373**	34,640,675
Addition	**–**	140,522
Disposal	**–**	(1,001,824)
Dividend paid out of pre-acquisition profit	**(7,500,000)**	–
At end of the year	**26,279,373**	33,779,373
Less: Impairment loss		
At beginning of the year	**(7,739,166)**	(7,239,166)
Addition	**–**	(500,000)
	(7,739,166)	(7,739,166)
At end of the year	**18,540,207**	26,040,207

The details of the subsidiary companies are as follows:-

Name of Company	Country of Incorporation	Effective Equity Interest 2010	Effective Equity Interest 2009	Principal Activities
Held by the Company				
Amtel Cellular Sdn. Bhd.	Malaysia	**100%**	100%	Distribution of navigation products and trading of electronic and telecommunications related products.
Amtel Communications Sdn. Bhd.	Malaysia	**100%**	100%	Import, distribution and servicing of two way radio communications products and the design, implementation and management of telecommunications projects.
Amtel Group Sdn. Bhd.	Malaysia	**100%**	100%	Investment holding and provision of management services to its related companies.
Ideal Move Capital Sdn. Bhd.	Malaysia	**100%**	100%	Money lending.
Metrarama Sdn. Bhd.	Malaysia	**100%**	100%	Property investment.
Amtel Resources Sdn. Bhd.*	Malaysia	**100%**	100%	Contractors for installation, jointing and testing of utilities, telecommunications and fibre optic cables and associated civil works.

6. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

The details of the subsidiary companies are as follows:- (continued)

Name of Company	Country of Incorporation	Effective Equity Interest		Principal Activities
		2010	2009	
Held by the Company				
AAV Industries Sdn. Bhd.	Malaysia	**100%**	50.1%	Trading and assembling of electronic and telecommunications products.
Topweb Sdn. Bhd.	Malaysia	**50.25%**	50.25%	General trading and distribution of telecommunication products.
Amtel Technology Sdn. Bhd.	Malaysia	**100%**	100%	Product design, development consultancy, full turnkey product development and supplies.
Held through Amtel Communications Sdn. Bhd.				
Damansara Duta Sdn. Bhd.	Malaysia	**50.8%**	50.8%	General trading and marketing of alternate telephony charges services.
Held through Damansara Duta Sdn. Bhd.				
Talk Connect Sdn. Bhd.	Malaysia	**50.8%**	50.8%	General trading and marketing of alternate telephony charges services.
Held through Amtel Cellular Sdn. Bhd.				
AmNavi Sdn. Bhd.	Malaysia	**68%**	68%	Geographical Information System (GIS) development and research business and related products.

* Audited by firms of auditors other than Moore Stephens AC.

7. INTEREST IN ASSOCIATED COMPANIES

	Group		Company	
	2010 **RM**	2009 RM	**2010** **RM**	2009 RM
Unquoted shares, at cost				
At beginning of the year	**26,759**	4,536,352	**–**	6,970,000
Less: Disposal	**–**	(2,886,139)	**–**	(4,460,800)
Less: Transfer to other investment (Note 9)	**–**	(1,623,454)	**–**	(2,509,200)
At end of the year	**26,759**	26,759	**–**	–
Share of results of associated companies				
At beginning of the year	**46,292**	4,072,918	**–**	–
Current year share of results	**39,469**	60,980	**–**	–
Disposal	**–**	(2,616,070)	**–**	–
Transfer to other investment (Note 9)	**–**	(1,471,536)	**–**	–
At end of the year	**85,761**	46,292	**–**	–
Less: Impairment loss				
At beginning of the year	**–**	4,119,949	**–**	2,492,750
Reversal arising from disposal	**–**	(2,224,959)	**–**	(1,183,550)
Transfer to other investment (Note 9)	**–**	(1,894,990)	**–**	(1,309,200)
	–	–	**–**	–
	112,520	73,051	**–**	–

The summarised financial information of the associated companies are as follows:-

	Group	
	2010 **RM**	2009 RM
Assets and Liabilities		
Current assets	**1,310,073**	1,840,950
Non-current assets	**274,693**	248,681
Total assets	**1,584,766**	2,089,631
Current liabilities	**1,076,256**	1,836,869
Non-current liabilities	**148,715**	8,814
Total liabilities	**1,224,971**	1,845,683
Results		
Revenue	**4,293,950**	3,100,893
Profit for the year	**115,847**	206,414

7. INTEREST IN ASSOCIATED COMPANIES (CONTINUED)

The associated companies are as follow:-

Name of Company	Country of Incorporation	Effective Equity Interest 2010	Effective Equity Interest 2009	Principal Activities
Held by the Company				
Amtel Networks Sdn. Bhd.*	Malaysia	**40%**	40%	Contractors for installation, jointing and testing of utilities, telecommunications and fibre optic cables and associated civil works.
Held through Amtel Cellular Sdn. Bhd.				
Milan Utama Sdn. Bhd.	Malaysia	**30%**	30%	Trading and distribution of products, project implementation and management for telecommunication products, software, radio frequency, identification detector, navigation products and information computer technology products.

* Audited by firms of auditors other than Moore Stephens AC.

8. INTANGIBLE ASSETS

	Group 2010 RM	Group 2009 RM
Cost		
At beginning/end of the year	**950,504**	950,504
Less: Accumulated Amortisation		
At beginning of the year	**443,565**	253,464
Addition	**190,101**	190,101
At end of the year	**(633,666)**	(443,565)
Net Carrying Amount	**316,838**	506,939

This is in respect of purchase of license rights on the Global Positioning System Software Engine and costs incurred on the development of the In-Car Navigation System.

9. OTHER INVESTMENTS

	Group		Company	
	2010 RM	2009 RM	**2010 RM**	2009 RM
Unit trusts quoted in Malaysia	**7,911,153**	3,744,742	**466,369**	1,031,086
Transferable club membership	**91,000**	91,000	**91,000**	91,000
At cost	**8,002,153**	3,835,742	**557,369**	1,122,086
Unquoted shares transferred from interest in associated companies (Note 7)				
At beginning of the year	**1,200,000**	1,623,454	**1,200,000**	2,509,200
Share of results of associated company	**–**	1,471,536	**–**	–
Impairment loss	**–**	(1,894,990)	**–**	(1,309,200)
At end of the year	**1,200,000**	1,200,000	**1,200,000**	1,200,000
	9,202,153	5,035,742	**1,757,369**	2,322,086
Market value of unit trusts	**7,911,153**	3,744,742	**466,369**	1,031,086

In previous financial year, the Company has transferred 414,000 units of unquoted shares (representing 18% equity interest in an associate company – Permata Makmur Sdn. Bhd.) from interest in associated companies.

10. INVESTMENT PROPERTIES

	Group	
	2010 RM	2009 RM
Freehold land, at cost		
At beginning of the year	**12,701,041**	12,701,041
Less: Classified to non-current assets held for sale (Note 20)	**(12,532,324)**	–
At end of the year	**168,717**	12,701,041
Impairment loss		
At beginning of the year	**48,642**	48,642
Less: Classified to non-current assets held for sale (Note 20)	**(48,642)**	–
At end of the year	**–**	(48,642)
Balance carried down	**168,717**	12,652,399

10. INVESTMENT PROPERTIES (CONTINUED)

	Group 2010 RM	Group 2009 RM
Balance brought down	**168,717**	12,652,399
Land improvement costs		
At beginning of the year	**861,881**	861,881
Less: Classified to non-current assets held for sale (Note 20)	**(861,881)**	–
At end of the year	**–**	861,881
	168,717	13,514,280
Fair value	**209,000**	14,367,176

11. DEFERRED TAX ASSETS

	Group 2010 RM	Group 2009 RM
At beginning of the year	**900,000**	854,000
Transfer from income statement (Note 33)	**–**	46,000
At end of the year	**900,000**	900,000

This is in respect of estimated deferred tax assets arising from the following temporary differences:-

	Group 2010 RM	Group 2009 RM
Differences between the carrying amounts of property, plant and equipment and their tax base	**63,900**	13,500
Deductible temporary differences in respect of expenses	**199,000**	110,200
Unutilised tax losses	**637,100**	776,300
	900,000	900,000

The deferred tax assets recognised in the financial statements is in respect of unutilised tax losses which can be utilised to set-off against probable future taxable income based on profit forecast for the next three financial years.

11. DEFERRED TAX ASSETS (CONTINUED)

The estimated temporary differences for which no deferred tax asset has been recognised in the financial statements are as follow:-

	Group		Company	
	2010 RM	**2009 RM**	**2010 RM**	**2009 RM**
Unutilised tax losses	**9,496,400**	13,272,900	**134,800**	67,600
Unabsorbed capital allowances	**2,430,200**	2,254,200	**852,300**	840,600
Deductible temporary differences in respect of expenses	**266,700**	290,100	**150,300**	98,600
Differences between the carrying amounts of property, plant and equipment and their tax base	**16,800**	–	**–**	–
	12,210,100	15,817,200	**1,137,400**	1,006,800

The estimated unutilised tax losses and unabsorbed capital allowances are not available for set-off within the Group.

12. INVENTORIES

	Group	
	2010 RM	**2009 RM**
At cost,		
Finished goods	**5,910,437**	1,146,065
Raw materials and consumables	**20,340**	20,507
	5,930,777	1,166,572
At net realisable value,		
Finished goods	**–**	1,582,733
	5,930,777	2,749,305

13. SHORT TERM INVESTMENTS

	Group	
	2010 RM	**2009 RM**
Shares quoted in Malaysia, at cost		
At beginning of the year	**481,251**	472,665
Additions	**–**	8,586
At end of the year	**481,251**	481,251
Less: Write down to market value		
At beginning of the year	**54,255**	253,065
Reversal of write down	**–**	(198,810)
Written down	**150,921**	–
At end of the year	**(205,176)**	(54,255)
	276,075	426,996
Market value of quoted shares	**276,075**	426,996

14. TRADE RECEIVABLES

	Group	
	2010 RM	**2009 RM**
Trade receivables	**13,191,280**	12,325,345
Due from customer on contract	–	–
Less: Allowance for doubtful debts	**(302,536)**	(347,623)
	12,888,744	11,977,722
Due from customer on contract comprise:-		
Contract costs incurred to date	**–**	1,420,000
Less: Progress billings	**–**	(1,420,000)
	–	–

The Group's normal trade credit term is 90 days or less.

14. TRADE RECEIVABLES (CONTINUED)

The foreign currency exposure profile of trade receivables is as follows:-

	Group	
	2010 RM	**2009 RM**
United States Dollar	**257,179**	941,847
Singapore Dollar	**–**	959

Included in trade receivables of the Group in the previous financial year was an amount owing by an associated company amounting to RM213,000.

15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2010 RM	**2009 RM**	**2010 RM**	**2009 RM**
Non-current Asset				
Other receivables	**314,902**	983,650	**314,902**	983,650
Current Assets				
Other receivables	**955,400**	1,390,184	**838,790**	1,101,115
Deposits	**282,628**	244,199	**2,280**	2,280
Prepayments	**1,721,491**	745,317	**10,994**	7,876
	2,959,519	2,379,700	**852,064**	1,111,271

Included in other receivables of the Group and of the Company is an amount of RM 1,153,692 (2009: RM2,077,250) receivable from the Purchasers for the disposal of 32% equity interest in an associated company, Permata Makmur Sdn. Bhd.. The amount consists of RM314,902 (2009: RM983,650, due after 1 year) and RM838,790 (2009: RM1,093,600, due within 1 year) respectively.

Included in prepayment of the Group is an amount of RM844,215 (2009: RM Nil) being payment for the use, customisation and development of Global Positioning System navigation software engines.

16. TAX ASSETS

	Group		Company	
	2010 RM	**2009 RM**	**2010 RM**	**2009 RM**
Tax recoverable	**50,554**	46,886	**–**	1,446
Tax paid in advance	**76,641**	10,425	**–**	1,300
	127,195	57,311	**–**	2,746

17. AMOUNT OWING BY/(TO) SUBSIDIARY COMPANIES

These amounts owing by/(to) subsidiary companies are non-trade in nature, unsecured, interest free, and repayable on demand in cash. The amount owing by subsidiary companies comprise:-

	Company	
	2010 RM	**2009 RM**
Amount owing by subsidiary companies	**20,575,479**	19,396,282
Less: Allowance for doubtful debts		
At beginning of the year	**14,889,665**	14,734,665
Addition	**1,176,719**	155,000
At end of the year	**(16,066,384)**	(14,889,665)
	4,509,095	4,506,617
Amount owing to subsidiary companies	**(21,098)**	(7,937,468)

18. AMOUNT OWING BY ASSOCIATED COMPANIES

This amount is non-trade in nature, unsecured, interest free and repayable on demand in cash.

19. CASH DEPOSITS WITH LICENSED BANKS

The cash deposits with licensed banks of the Group amounting to RM5,765,296 (2009: RM1,138,396) have been pledged as securities for bank guarantee facilities and banking facilities of the Group as disclosed in Note 29.

The effective interest rates range from 1.5%-2.8% (2009: 1.5%-3.4%) per annum.

20. NON-CURRENT ASSETS HELD FOR SALE

	Group	
	2010 RM	**2009 RM**
Freehold land, at cost		
At beginning of the year	**2,016,318**	2,016,318
Add : Classified from investment properties (Note 10)	**12,532,324**	–
Less : Disposal during the year	**(14,548,642)**	–
At end of the year	**–**	2,016,318
Impairment loss		
At beginning of the year	**–**	–
Add : Classified from investment properties (Note 10)	**48,642**	–
Less : Disposal during the year	**(48,642)**	–
At end of the year	**–**	–
	–	2,016,318
Land improvement costs		
At beginning of the year	**139,208**	139,208
Add : Classified from investment properties (Note 10)	**861,881**	–
Less : Disposal during the year	**(1,001,089)**	–
At end of the year	**–**	139,208
	–	2,155,526

On 18 July 2010, the subsidiary company, Metrarama Sdn. Bhd. ("MSB") has completed the disposal of the freehold land with the land improvement costs held under Lot Nos. 41, 80 and 4154-4165, Mukim 1, District of Province Wellesley Central, State of Penang for a total cash consideration of RM16.5 million.

21. SHARE CAPITAL

	Group/Company Number of shares 2010	2009	Amount 2010 RM	2009 RM
Ordinary shares of RM1 each				
Authorised	**100,000,000**	100,000,000	**100,000,000**	100,000,000
Issued and fully paid:-				
At beginning of the year/end of the year	**49,277,066**	49,277,066	**49,277,066**	49,277,066

22. RESERVES

	Group 2010 RM	2009 RM	Company 2010 RM	2009 RM
Non distributable share premium	**4,774,665**	4,774,665	**4,774,665**	4,774,665
Accumulated losses	**(16,707,921)**	(20,555,112)	**(27,956,197)**	(27,268,537)
	(11,933,256)	(15,780,447)	**(23,181,532)**	(22,493,872)

The accumulated losses as at balance sheet date may be analysed as follows:-

	Group 2010 RM	Company 2010 RM
Total accumulated losses of the Company and its subsidiary companies:-		
Realised	**(36,107,921)**	**(27,956,197)**
Unrealised	**(61,861)**	**–**
	(36,169,782)	**(27,956,197)**
Total share of retained earnings/(accumulated losses) from associated companies:-		
Realised	**90,381**	**–**
Unrealised	**(4,620)**	**–**
	85,761	**–**
	(36,084,021)	**(27,956,197)**
Add: Consolidation adjustments	**19,376,100**	**–**
Total accumulated losses	**(16,707,921)**	**(27,956,197)**

Comparative figures are not required in the first financial year of complying with the Realised and Unrealised Profits/ Losses disclosure.

23. HIRE PURCHASE PAYABLES

	Group		Company	
	2010 **RM**	**2009** **RM**	**2010** **RM**	**2009** **RM**
Gross instalments payments	**1,021,398**	1,225,207	**–**	–
Less: Future finance charges	**(110,353)**	(159,427)	**–**	–
Total present value of hire purchase payables	**911,045**	1,065,780	**–**	–
Current Liabilities				
Payable within 1 year				
Gross instalments payments	**289,728**	280,817	**–**	–
Less: Future finance charges	**(49,497)**	(61,736)	**–**	–
Total present value of hire purchase payables	**240,231**	219,081	**–**	–
Non-current Liabilities				
Payable after 1 year				
Gross instalments payments	**731,669**	944,390	**–**	–
Less: Future finance charges	**(60,855)**	(97,691)	**–**	–
Present value of hire purchase payables	**670,814**	846,699	**–**	–
Total present value of hire purchase payables	**911,045**	1,065,780	**–**	–

The maturity profile of the hire purchase payables are as follows:-

	Group		Company	
	2010 **RM**	**2009** **RM**	**2010** **RM**	**2009** **RM**
Payable within 1 year	**240,231**	219,081	**–**	–
Payable after 1 year but not later than 2 years	**256,331**	233,728	**–**	–
Payable after 2 years but not later than 3 years	**220,619**	248,341	**–**	–
Payable after 3 years but not later than 4 years	**127,595**	211,146	**–**	–
Payable after 4 years but not later than 5 years	**32,673**	153,484	**–**	–
Payable after 5 years	**33,596**	–	**–**	–
	911,045	1,065,780	**–**	–

The hire purchase payables of the Group bear effective interest at rates ranging from 4.37%-7.00% (2009: 2.38%-7.35%) per annum.

24. TERM LOANS

	Group	
	2010 RM	**2009 RM**
Secured		
Term Loan I		
Repayable in 36 monthly instalments over a period of 3 years commencing April 2008 and bears interest at 7.25% per annum	–	1,080,000
Term Loan II		
Repayable within 6 months from the date of each drawdown commencing December 2007 and bears interest at 7.0% per annum	–	818,106
	–	1,898,106
Repayment more than 1 year but not more than 2 years	–	–
	–	–
Repayment within 1 year (Note 29)	–	1,898,106

The term loans facilities are secured and supported as disclosed in Note 29.

In the previous financial year, the term loans bore effective interest at rates ranging from 6.1%-8.0% per annum.

25. DEFERRED TAX LIABILITIES

	Group	
	2010 RM	**2009 RM**
At beginning of the year	**12,876**	12,307
Transfer from income statement (Note 33)	**1,060**	569
At end of the year	**13,936**	12,876

This is in respect of estimated tax liabilities arising from temporary differences as follows:-

	Group	
	2010 RM	**2009 RM**
Differences between the carrying amount of property, plant and equipment and its tax base	**13,936**	12,876

26. TRADE PAYABLES

The normal trade credit term granted to the Group is 120 days or less (2009: 120 days or less).

The foreign currency exposure profile of trade payables is as follows:-

	Group	
	2010 RM	**2009 RM**
Renminbi	**638,823**	307,500
United States Dollar	**667,418**	116,108

Included in trade payables of the Group is an amount owing to an associated company of RM500,000 (2009: RM607,500).

27. OTHER PAYABLES, DEPOSITS AND ACCRUALS

	Group		Company	
	2010 RM	**2009 RM**	**2010 RM**	**2009 RM**
Other payables	**441,008**	449,351	**–**	–
Deposits	**2,400**	1,551,300	**–**	–
Accruals	**2,236,045**	1,926,603	**248,504**	202,964
	2,679,453	3,927,254	**248,504**	202,964

Included in deposits of the Group in the previous financial year was an amount of RM1,550,000 being deposits received upon execution of the Sales and Purchase Agreement to dispose of the freehold land as disclosed in Note 20. The transaction was completed on 18 July 2010.

28. PROVISIONS

	Group		Company	
	2010 RM	**2009 RM**	**2010 RM**	**2009 RM**
Provision for warranty costs				
At beginning of the year	**644,135**	534,394	**–**	–
Additions	**675,597**	380,660	**–**	–
Reversals/utilisation	**(415,663)**	(270,919)	**–**	–
At end of the year	**904,069**	644,135	**–**	–
Provision for employee benefits				
At beginning of the year	**182,183**	186,548	**96,261**	82,415
Additions	**233,721**	174,343	**78,580**	32,954
Utilisation	**(171,033)**	(178,708)	**(20,796)**	(19,108)
At end of the year	**244,871**	182,183	**154,045**	96,261
	1,148,940	826,318	**154,045**	96,261

28. PROVISIONS (CONTINUED)

Provision for warranty costs is in respect of products sold under warranty by subsidiary companies. A provision is recognised for expected warranty claims on products sold based on past experience. Assumptions used to calculate the provision for warranties were based on the sales made and warranty claims received.

Provision for employee benefits is in respect of provision for short term accumulated compensated absences for employees.

29. BANK BORROWINGS

	Group	
	2010 RM	**2009 RM**
Unsecured		
Bank overdrafts (Note 37)	**320,378**	229,428
Bills payable	**–**	211,000
Bankers' acceptances	**1,536,000**	874,851
	1,856,378	1,315,279
Secured		
Term loans repayable within twelve months (Note 24)	**–**	1,898,106
	1,856,378	3,213,385

The bank overdrafts and bankers' acceptances facilities are repayable within one year, and bear interest at rates ranging from 6.91% to 7.55% (2009 : 6.15% to 9.05%) per annum.

These facilities together with the secured term loans facilities as disclosed in Note 24 are secured and supported by the following:-

(a) debentures comprising fixed and floating charges over all present and future assets and undertakings of subsidiary companies;

(b) cash deposits with licensed banks of subsidiary companies, and

(c) a deed of assignment of all contract proceeds receivable from an associated company of a subsidiary company, under a contract for the development of Digitised Navigation Capable Maps.

30. OPERATING REVENUE

Operating revenue of the Group and of the Company comprise of the following:-

	Group		Company	
	2010 **RM**	**2009** **RM**	**2010** **RM**	**2009** **RM**
Sales of goods and services	**54,506,085**	48,317,680	**–**	–
Contract revenue	**3,064,575**	5,277,760	**–**	–
Commission revenue	**1,664,481**	1,903,626	**–**	–
Management fees	**–**	–	**1,187,730**	953,130
Dividend income	**28,212**	26,548	**624,139**	23,017
	59,263,353	55,525,614	**1,811,869**	976,147

31. COST OF SALES

Cost of sales of the Group comprise of the following:-

	Group	
	2010 **RM**	**2009** **RM**
Cost of sales of goods and services	**43,933,452**	39,730,826
Contract costs	**1,956,816**	3,875,621
	45,890,268	43,606,447

32. PROFIT/(LOSS) BEFORE TAXATION

Profit/(Loss) before taxation is arrived at after charging/(crediting):-

	Group		Company	
	2010 **RM**	**2009** **RM**	**2010** **RM**	**2009** **RM**
Allowance for doubtful debts due from subsidiary companies	**–**	–	**1,176,719**	155,000
Amortisation of intangible assets	**190,101**	190,101	**–**	–
Amortisation of prepaid land lease payments	**333**	13,207	**–**	–
Auditors' remuneration:-				
– current year	**77,400**	72,600	**22,000**	20,000
– other services	**5,000**	5,000	**5,000**	5,000
Bad debts written off	**5,341**	15,193	**–**	–
Depreciation of property, plant and equipment	**868,564**	683,128	**6,246**	6,534
Dividend income from other investments	**(105,601)**	(26,548)	**(24,139)**	(23,017)
Gain on disposal of non-current assets held for sale	**(1,000,417)**	–	**–**	–
Gain on disposal of leasehold land	**–**	(54,943)	**–**	–
Gain on disposal of property, plant and equipment	**(21,025)**	(153,129)	**–**	(38,000)

32. PROFIT/(LOSS) BEFORE TAXATION (CONTINUED)

Profit/(Loss) before taxation is arrived at after charging/(crediting):- (continued)

	Group		Company	
	2010 RM	**2009 RM**	**2010 RM**	**2009 RM**
(Gain)/Loss on foreign exchange:-				
– realised	**(10,953)**	16,095	**–**	–
– unrealised	**43,856**	(5,459)	**–**	–
Impairment loss on investment in subsidiary companies	**–**	–	**–**	500,000
Interest expenses	**316,118**	508,346	**–**	1,998
Interest income	**(460,119)**	(135,589)	**(276,463)**	–
Inventories written off	**2,736**	12,941	**–**	–
Loss on disposal of investment in a subsidiary company	**–**	66,700	**–**	660,964
Net provision for employee benefits	**62,688**	(4,365)	**57,784**	13,846
Net provision for warranty costs	**259,934**	109,741	**–**	–
Personnel expenses (including key management personnel):-				
– Contribution to Employees Provident Fund and social security contribution	**603,940**	482,483	**88,583**	66,491
– Salaries and others	**6,020,210**	4,457,934	**1,002,885**	699,626
Property, plant and equipment written off	**–**	178,222	**–**	–
Rental income	**(26,907)**	(34,050)	**–**	–
Rental of premises	**471,862**	415,087	**75,000**	75,000
Reversal of allowances for doubtful debts	**(39,992)**	(21,476)	**–**	–
Waiver of debts from a subsidiary company	**–**	–	**–**	(3,691,631)
Write down/(Reversal of write down) of short term investments	**150,921**	(198,810)	**–**	–

Included in personnel expenses are:-

Directors' Remuneration

The aggregate amounts of emoluments receivable by directors of the Company during the financial year are as follows:-

	Group		Company	
	2010 RM	**2009 RM**	**2010 RM**	**2009 RM**
Directors of the Company				
Executive Directors				
– fees	**18,000**	18,000	**18,000**	18,000
– other emoluments	**773,944**	578,056	**663,159**	474,328
Independent Non-executive Directors				
– fees	**188,000**	185,000	**152,000**	152,000

32. PROFIT/(LOSS) BEFORE TAXATION (CONTINUED)

The aggregate amount of emoluments receivable by directors of the subsidiary companies during the financial year are as follows:-

	Group	
	2010 RM	**2009 RM**
Directors of the subsidiary companies		
– fee	**96,000**	96,000
– other emoluments	**1,077,433**	924,804

Directors' benefits-in-kind in respect of utilisation of the Group's and of the Company's plant and equipment are as follows:-

	Group		Company	
	2010 RM	**2009 RM**	**2010 RM**	**2009 RM**
Executive Directors	**68,200**	62,366	**30,900**	30,900

33. TAXATION

	Group		Company	
	2010 RM	**2009 RM**	**2010 RM**	**2009 RM**
Based on results for the year	**292,776**	323,052	**–**	–
Origination of temporary differences (Note 25)	**1,060**	569	**–**	–
Reversal of temporary differences (Note 11)	**–**	(46,000)	**–**	–
	1,060	(45,431)	**–**	–
Under/(Over) provision in prior years	**46,608**	(5,767)	**–**	–
Tax expense	**340,444**	271,854	**–**	–

33. TAXATION (CONTINUED)

The reconciliation from the tax amount at statutory tax rate to the Group's and the Company's tax expense are as follows:-

	Group		Company	
	2010 RM	**2009 RM**	**2010 RM**	**2009 RM**
Profit/(Loss) before taxation	**3,808,593**	3,044,506	**(687,660)**	2,082,021
Tax at the Malaysian statutory income tax rate of 25%	**952,100**	761,100	**(171,900)**	520,500
Tax effect of non-taxable revenue	**(290,700)**	(225,300)	**(219,100)**	(928,700)
Tax effect of non-deductible expenses	**534,236**	285,821	**358,400**	218,400
Deferred tax assets not recognised during the year	**434,800**	238,000	**32,600**	189,800
Utilisation of previously unrecognised deferred tax assets	**(436,600)**	(782,000)	**–**	–
Deferred tax assets recognised during the year	**(900,000)**	–	**–**	–
Under/(Over) provision in prior years – taxation	**46,608**	(5,767)	**–**	–
Tax expense	**340,444**	271,854	**–**	–

Pursuant to Paragraph 2B, Schedule 1 of the Income Tax Act 1967 that was introduced with effect from the year of assessment 2009, the subsidiary companies with paid up capital of RM2.5 million or less no longer qualified for the preferential tax rate of 20% on the first RM500,000 of chargeable income.

The Company has an estimated unabsorbed capital allowances and unutilised tax losses of RM852,300 (2009: RM840,600) and RM134,800 (2009: RM67,600) available for set-off against future taxable profits.

Tax savings during the financial year arising from:-

	Group		Company	
	2010 RM	**2009 RM**	**2010 RM**	**2009 RM**
Utilisation of current year tax losses	**700**	–	**–**	–
Utilisation of previously unrecognised tax losses	**1,438,600**	–	**–**	–

The Company has an estimated balance in the tax exempt income account of RM1,639,000 (2009: RM1,639,000) available for distribution by way of tax exempt dividend which arose from the following:-

(i) chargeable income amounted to RM617,000 (2009: RM617,000) of which tax had been waived in accordance with the Income Tax (Amendment) Act, 1999; and

(ii) tax exempt dividends received amounted to approximately RM1,022,000 (2009: RM1,022,000).

The Group has an estimated unutilised tax losses and unabsorbed capital allowances of RM12,044,800 (2009: RM16,378,100) and RM2,430,200 (2009: RM2,254,200) respectively, available for set-off against future taxable profits.

34. PROFIT PER ORDINARY SHARE (SEN)

The profit per ordinary share of the Group is calculated based on the profit after taxation and minority interests of RM3,847,191 (2009: RM2,717,610) divided by the number of ordinary shares of RM1 each in issue during the year of 49,277,066.

35. DISPOSAL OF A SUBSIDIARY COMPANY

In the previous financial year, the Company disposed of 600,000 ordinary shares of RM1 each representing 100% equity interests in Viva-World Industries Sdn. Bhd. ("VWISB") for a cash consideration of RM340,860.

(i) Effect On Consolidated Income Statements

The effect on the consolidated results of the Group from their effective date of disposal in the previous financial year were as follows:-

	Group 2009 RM
Revenue	–
Cost of sales	(45,295)
Gross loss	(45,295)
Other operating income	67,943
Selling and distribution costs	(667)
Administrative costs	(106,692)
Other operating costs	(3,702,780)
	(3,810,139)
Loss from operations	(3,787,491)
Finance costs	(78)
Loss for the year	(3,787,569)

35. DISPOSAL OF A SUBSIDIARY COMPANY (CONTINUED)

(ii) Effect On Consolidated Financial Positions

The financial positions of the subsidiary company as at the effective date of disposal in the previous financial year were as follows:-

	Group 2009 RM
Property, plant and equipments	67,610
Fixed deposit	6,249
Cash and bank balances	11,809
Inventories	350,587
Other receivables	5,347
Tax assets	5,224
Other payables and accruals	(39,266)
Net assets of subsidiary company/Net cash disposed of	407,560
Loss on disposal of subsidiary company	(66,700)
Proceeds from disposal of subsidiary company	340,860
Less: Cash and bank balances of subsidiary company disposed of	(11,809)
Cash flow on disposal, net of cash disposed of	329,051

36. PURCHASE OF PLANT AND EQUIPMENT

During the year, the Group and the Company acquired plant and equipment with an aggregate cost of RM760,025 (2009: RM1,653,620) and RM18,524 (2009: RM9,735) respectively which are satisfied by the following:-

	Group		Company	
	2010 RM	**2009 RM**	**2010 RM**	**2009 RM**
Hire purchasing financing	**65,000**	1,170,000	**–**	–
Cash payments	**695,025**	483,620	**18,524**	9,735
	760,025	1,653,620	**18,524**	9,735

37. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statements comprise the following balance sheets amounts:-

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Cash and bank balances	**4,919,416**	2,004,404	**15,048**	10,586
Cash deposits with licensed banks	**10,830,193**	3,706,074	**–**	–
Bank overdrafts (Note 29)	**(320,378)**	(229,428)	**–**	–
	15,429,231	5,481,050	**15,048**	10,586
Cash deposits with licensed banks under lien (Note 19)	**(5,765,296)**	(1,138,396)	**–**	–
	9,663,935	4,342,654	**15,048**	10,586

38. CONTINGENT LIABILITIES – UNSECURED

	Company	
	2010 RM	2009 RM
In respect of corporate guarantees given by the Company to financial institutions and trade creditors for banking and credit facilities granted to the subsidiary companies	**1,536,000**	3,200,037

39. INTER-COMPANY TRANSACTIONS

The transactions with related companies are as follows:-

	Company	
	2010 RM	2009 RM
Allowance for doubtful debts due from subsidiary companies	**1,176,719**	155,000
Dividend from subsidiary company	**(600,000)**	–
Dividend paid out of pre-acquisition profit from subsidiary companies	**(7,500,000)**	–
Management fees charged to subsidiary companies	**(1,187,730)**	(953,130)
Rental of premises payable to a subsidiary company	**33,900**	33,900
Waiver of debts from a subsidiary company	**–**	(3,691,631)

40. RELATED PARTY TRANSACTIONS

(i) The transactions with an associated company are as follows:-

	Group	
	2010 RM	**2009 RM**
Disposal of property, plant and equipment to an associated company	**–**	(15,000)
Management fee paid to an associated company	**74,420**	80,763
Purchases from an associated company	**4,293,950**	2,659,500
Rental of premise received from an associated company	**(17,400)**	(14,800)

Information regarding outstanding balances arising from related party transactions as at 30 November 2010 are disclosed in Notes 14, 18 and 26.

(ii) Compensation of key management personnel

Key management personnel includes personnel having authority and responsibility for planning, directing and controlling the activities of the entity.

The remuneration of key management personnel is disclosed as follows:-

	Group		Company	
	2010 RM	**2009 RM**	**2010 RM**	**2009 RM**
Short term employee benefits	**2,938,461**	2,171,498	**722,650**	538,560
Post-employment benefits	**320,652**	211,118	**88,583**	66,491

41. CONTRACTUAL COMMITMENT

	Group		Company	
	2010 RM	**2009 RM**	**2010 RM**	**2009 RM**
Intangible assets (Note 43)				
– Approved and contracted for	**4,783,885**	–	–	–

42. SEGMENTAL ANALYSIS – GROUP

The primary segment reporting format is according to business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services provided. Secondary information is reported geographically. As the Group's businesses are solely operated in Malaysia only, geographical segment in respect of segment revenue based on geographical location of its customers is presented.

Segment results, assets and liabilities include items directly attributable to segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest-earning assets and revenue, interest-bearing loans and expenses and tax assets, liabilities and expense.

Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one year.

(i) By Business Segments

The Group comprises the following main business segments:-

Information and Communication Technology	Inclusive of Telematics and navigation products and services, telecommunication products, Geographical Information System (GIS) development and research businesses.
Telecommunications Infrastructure and Services	Inclusive of installation, testing and commissioning of utilities, telecommunication and fibre optic cables and associated civil works and marketing of alternate telephony services.
Others	Mainly comprise investment holding and provision of management services, property investment, general trading and money lending activities, neither which are of a sufficient size to be reported separately.

	Note	Information and Communication Technology RM	Telecommunications Infrastructure and Services RM	Others RM	Eliminations RM	Consolidated RM
2010						
Segment Revenue						
External revenue		52,951,612	4,729,056	1,582,685	–	59,263,353
Inter-segment revenue	(a)	1,928,326	–	1,961,730	(3,890,056)	–
Total revenue		54,879,938	4,729,056	3,544,415	(3,890,056)	59,263,353
Segment Result						
Interest income		160	76,782	383,177	–	460,119
Interest expenses		291,202	7,038	17,878	–	316,118
Depreciation and amortisation		655,802	71,829	141,266	–	868,897
Share of results of associated companies		38,934	–	535	–	39,469
Other non-cash items	(b)	490,220	7,397	(866,305)	–	(368,688)
Segment profit/(loss) before taxation		3,345,675	529,929	(67,011)	–	3,808,593
Taxation		56,274	203,429	80,741	–	340,444

42. SEGMENTAL ANALYSIS – GROUP (CONTINUED)

(i) By Business Segments (continued)

	Note	Information and Communication Technology RM	Telecommunications Infrastructure and Services RM	Others RM	Eliminations RM	Consolidated RM
2010 (continued)						
Segment Assets						
Investment in associated companies		**112,520**	**–**	**–**	**–**	**112,520**
Additions to property, plant and equipment		**658,904**	**76,244**	**24,877**	**–**	**760,025**
Total segment assets		**25,056,850**	**7,202,244**	**19,893,527**	**–**	**52,152,621**
Segment Liabilities						
Tax liabilities		**93,281**	**–**	**120,460**	**–**	**213,741**
Deferred tax liabilities		**–**	**13,936**	**–**	**–**	**13,936**
Total segment liabilities		**11,468,298**	**1,574,520**	**1,490,084**	**–**	**14,532,902**
2009						
Segment Revenue						
External revenue		47,516,545	7,184,693	824,376	–	55,525,614
Inter-segment revenue	(a)	1,320,340	162,038	1,277,130	(2,759,508)	–
Total revenue		48,836,885	7,346,731	2,101,506	(2,759,508)	55,525,614
Segment Result						
Interest income		40,068	80,576	14,945	–	135,589
Interest expenses		483,926	5,413	19,007	–	508,346
Depreciation and amortisation		423,305	80,181	192,849	–	696,335
Share of results of associated companies		64,758	–	(3,778)	–	60,980
Other non-cash items	(b)	335,142	(22,896)	(30,699)	–	281,547
Segment profit/(loss) before taxation		2,990,812	892,817	(839,123)	–	3,044,506
Taxation		33,548	237,770	536	–	271,854
Segment Assets						
Investment in associated companies		73,051	–	–	–	73,051
Additions to property, plant and equipment		1,216,445	177,333	259,842	–	1,653,620
Total segment assets		21,062,023	6,479,611	22,342,697	–	49,884,331
Segment Liabilities						
Tax liabilities		115,514	48,039	110,484	–	274,037
Deferred tax liabilities		–	12,876	–	–	12,876
Total segment liabilities		11,494,380	1,301,968	2,936,413	–	15,732,761

42. SEGMENTAL ANALYSIS – GROUP (CONTINUED)

(i) By Business Segments (continued)

(a) Inter-segment revenue are in respect of fee revenue received and sales between the segments which are charged at cost plus a percentage profit mark-up. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

b) Other material non-cash items consist of the following items as presented in the respective notes to the financial statements:-

	Group	
	2010 RM	**2009 RM**
Amortisation of intangible assets	**190,101**	190,101
Bad debts written off	**5,341**	15,193
Gain on disposal of non-current assets held for sale	**(1,000,417)**	–
Inventories written off	**2,736**	12,941
Net provision for employee benefits	**62,688**	(4,365)
Net provision for warranty costs	**259,934**	109,741
Property, plant and equipment written off	**–**	178,222
Reversal of allowances for doubtful debts	**(39,992)**	(21,476)
Write down/(Reversal of write down) of short term investments	**150,921**	(198,810)
	(368,688)	281,547

(ii) By Geographical Segments

Segment revenue based on geographical location of its customers are as follows:-

	Group	
	2010 RM	**2009 RM**
Malaysia	**57,708,880**	54,734,189
Europe	**1,554,473**	791,425
	59,263,353	55,525,614

Non-current assets are all located in Malaysia.

(iii) Information About Major Customers

Revenue from major customers of the Group amount to RM38,329,230 (2009: RM26,241,538), arising from sales by the information and communication technology segment.

43. SIGNIFICANT EVENT

On 25 November 2010, the Company via its wholly-owned subsidiary company, namely Amtel Cellular Sdn. Bhd. entered into an agreement with Ezgo Co. Ltd., Korea for the use, customisation and development of Global Positioning System navigation software engines at a total contract price of USD1.8 million.

44. FINANCIAL INSTRUMENTS

(a) Financial Risk Management Policies

The Group is exposed to a variety of risks in the normal course of business. The Group's risk management seeks to minimise the potential adverse effects from these exposures. The management reviews and agrees policies for managing each of these risks as follows:-

i. Foreign Currency Risk

The Group is exposed to foreign currency risk as a result of its normal trade activities when the currency denomination differs from its functional currencies. Foreign exchange exposure in transactional currencies other than functional currencies of the operating entities is kept to an acceptable level.

ii. Interest Rate Risk

The Group's exposure to interest rate risk relates to interest bearing financial assets and financial liabilities which include fixed deposits, short term deposits, loans, bank borrowings and hire purchase payables.

– **Interest bearing financial assets**

Cash deposits are short term in nature and are not held for speculative purposes but are placed to satisfy conditions for banking facilities granted to the Group, as disclosed in Note 19.

– **Interest bearing financial liabilities**

Interests bearing financial liabilities include hire purchase payables, bank overdrafts and bankers' acceptances. The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rates borrowings. The Group actively reviews its debt portfolio, taking into account the investment holding period and the nature of its assets. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against interest rate hikes.

iii. Credit Risk

The Group's exposure to credit risk arises from its receivables and the maximum risk associated with recognised financial assets is their carrying amount as presented in the balance sheet.

The Group has a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit risks are minimised and monitored by dealing only with business partners with high creditworthiness.

iv. Market Risks

The Group's principal exposure to market risk arises from the other investment held for long term purposes. As the principal investment sums are protected, the exposure to market risk is minimal.

v. Liquidity and Cash Flow Risks

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all repayment and funding needs are met.

As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities of a reasonable level to its overall debt position.

44. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Fair Values

The methods and assumptions used to estimate the fair values of the following classes of financial assets and liabilities are as follows:-

i. Cash and Cash Equivalents, Receivables and Payables

The carrying amounts approximate fair values due to the relatively short term maturity of these financial assets and liabilities.

ii. Quoted Investments

The fair values of quoted investments is determined by reference to stock exchange quoted market bid prices at the close of the business on the balance sheet date.

iii. Borrowings

The carrying amount of bank overdrafts and bankers' acceptances approximate their fair values due to the relatively short term maturity of these financial liabilities.

iv. Non-current Receivables

The fair value of non-current receivables is determined by discounting all future receipts of deferred consideration using effective interest method.

The fair value of hire purchase payables are estimated using discounted cash flow analysis, based on current lending rates for similar types of lending and borrowing arrangements. The carrying amounts and fair values of these financial liabilities recognised in the balance sheets of the Group as at balance sheet date are stated as below:-

	Group		Company	
	Carrying Amount RM	Fair Value RM	Carrying Amount RM	Fair Value RM
2010				
Financial Liabilities				
– Hire purchase payables	**911,045**	**942,014**	**–**	**–**
2009				
Financial Liabilities				
– Hire purchase payables	1,065,780	1,088,991	–	–

44. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Fair Values (continued)

iv. Non-current Receivables (continued)

The nominal/notional amount and fair value of financial instruments not recognised in the balance sheets are as follows:-

	Company	
	Nominal/ Notional Amount RM	Fair Value RM
2010		
Contingent liabilities	**1,536,000**	*
2009		
Contingent liabilities	3,200,037	*

* It is not practical to estimate the fair value of the contingent liabilities reliably due to uncertainties of timing, costs and eventual outcome.

45. COMPARATIVE FIGURES

The following comparative figures have been reclassified to conform with the current year presentation:-

	Group		Company	
	As Reclassified 2010 RM	As Previously Classified 2009 RM	As Reclassified 2010 RM	As Previously Classified 2009 RM
Income statements				
Cost of sales	**43,606,447**	43,112,113	**–**	–
Distribution costs	**1,163,454**	1,409,836	**–**	–
Administrative costs	**6,303,026**	5,279,691	**968,134**	967,743
Other operating costs	**1,762,776**	3,012,040	**–**	–
Finance costs	**537,328**	559,351	**1,998**	2,389

LIST OF PROPERTIES
AS AT 30 NOVEMBER 2010

Location	Description and Existing Use	Tenure	Lease Expiry Date	Land Area/ Built-up Area (sq. feet)	Date of Acquisition/ Completion	Approximate Age of Building (Years)	Net Book Value RM
14316 Geran 10838 Mukim Sungai Petani District of Kuala Muda Kedah Darul Aman	3-storey residential link house Rent-out	Freehold	–	840/ 1,483	9.10.1995/ 31.5.1999	12	67,006
Lot No. TH B68-1 Mukim Kajang Daerah Hulu Langat Selangor Darul Ehsan	3 Storey Town House (Upper Floor) Vacant	Leasehold	Year 2101	1,191	30.10.2000/ 28.11.2001	9	88,541
Lot No. TH A85-1 Mukim Kajang Daerah Hulu Langat Selangor Darul Ehsan	3 Storey Town House (Ground Floor) Corner Lot Vacant	Leasehold	Year 2101	1,078	31.3.2002	9	140,416
Lot No. P.T. 1365 H.S. (M) 2388 Mukim Ampang Pechah Taman Bukit Bujang Kuala Kubu Bahru Selangor Darul Ehsan	Single storey semi-detached house Vacant	Leasehold	2.12.2103	3,200	21.9.2006	6	101,771
Plot No. 31, Phase 1B Kesuma Lakes C.T. 12115, Lot No. 771 Mukim of Beranang District of Ulu Langat Selangor Darul Ehsan	Bungalow land Vacant	Freehold	–	10,552	19.11.2002	–	168,717
Lot No. P.T. 2826 H.S.(D) 3168 Mukim of Bagan Serai District of Kerian Perak Darul Ridzuan	Residential land Vacant	Freehold	–	3,100	3.7.2003	–	130,571
Lot No. P.T. 2827 H.S.(D) 3169 Mukim of Bagan Serai District of Kerian Perak Darul Ridzuan	Residential land Vacant	Freehold	–	1,400	3.7.2003	–	59,002
Lot No. P.T. 2828 H.S.(D) 3170 Mukim of Bagan Serai District of Kerian Perak Darul Ridzuan	Residential land Vacant	Freehold	–	1,400	3.7.2003	–	59,002
Lot No. P.T. 2829 H.S.(D) 3171 Mukim of Bagan Serai District of Kerian Perak Darul Ridzuan	Residential land Vacant	Freehold	–	1,400	3.7.2003	–	59,002
Balance carried down							874,028

LIST OF PROPERTIES (CONTINUED)

AS AT 30 NOVEMBER 2010

Location	Description and Existing Use	Tenure	Lease Expiry Date	Land Area/ Built-up Area (sq. feet)	Date of Acquisition/ Completion	Approximate Age of Building (Years)	Net Book Value RM
Balance brought down							874,028
Lot No. P.T. 2830 H.S.(D) 3172 Mukim of Bagan Serai District of Kerian Perak Darul Ridzuan	Residential land Vacant	Freehold	–	1,400	3.7.2003	–	59,002
Lot No. P.T. 2831 H.S.(D) 3173 Mukim of Bagan Serai District of Kerian Perak Darul Ridzuan	Residential land Vacant	Freehold	–	1,400	3.7.2003	–	59,002
Lot No. P.T. 2832 H.S.(D) 3174 Mukim of Bagan Serai District of Kerian Perak Darul Ridzuan	Residential land Vacant	Freehold	–	1,400	3.7.2003	–	59,002
Lot No. P.T. 2833 H.S.(D) 3175 Mukim of Bagan Serai District of Kerian Perak Darul Ridzuan	Residential land Vacant	Freehold	–	1,400	3.7.2003	–	59,002
Lot No. P.T. 2834 H.S.(D) 3176 Mukim of Bagan Serai District of Kerian Perak Darul Ridzuan	Residential land Vacant	Freehold	–	1,400	3.7.2003	–	59,002
Lot No. P.T. 2835 H.S.(D) 3177 Mukim of Bagan Serai District of Kerian Perak Darul Ridzuan	Residential land Vacant	Freehold	–	1,400	3.7.2003	–	59,002
Lot No. P.T. 2836 H.S.(D) 3178 Mukim of Bagan Serai District of Kerian Perak Darul Ridzuan	Residential land Vacant	Freehold	–	1,400	3.7.2003	–	59,002
Lot No. P.T. 2837 H.S.(D) 3179 Mukim of Bagan Serai District of Kerian Perak Darul Ridzuan	Residential land Vacant	Freehold	-	1,400	3.7.2003	-	59,002
TOTAL							**1,346,044**

ANALYSIS OF SHAREHOLDINGS
AS AT 28 MARCH 2011

Authorised Capital	:	RM100,000,000
Issued and Paid-up Capital	:	RM49,277,066
Class of Shares	:	Ordinary shares of RM1/- each
Total Number of Shares Issued	:	49,277,066
Voting Rights	:	1 vote per ordinary share
No. of Shareholders	:	2,871

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	% of Issued Capital
1 – 99	370	12.89	14,985	0.03
100 – 1,000	350	12.19	290,209	0.59
1,001 – 10,000	1,760	61.30	5,644,938	11.46
10,001 – 100,000	326	11.36	9,887,402	20.06
100,001 – less than 5% of issued shares	63	2.19	26,701,344	54.19
5% and above of issued shares	2	0.07	6,738,188	13.67
Total	**2,871**	**100.00**	**49,277,066**	**100.00**

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS
AS AT 28 MARCH 2011

Name	No. of shares in which substantial shareholders have direct interest	%	No. of shares in which substantial shareholders are deemed to have an interest	%
Simfoni Kilat Sdn Bhd	3,217,937	6.53	–	–
Koid Hun Kian	9,786,888	19.86	3,217,937*	6.53

* Deemed interested by virtue of his interest in Simfoni Kilat Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.

DIRECTORS' SHAREHOLDINGS
AS AT 28 MARCH 2011

Name	Direct No. of shares held	%	Indirect No. of shares held	%
YTM Tunku Dato' Seri Kamel bin Tunku Rijaludin	–	–	–	–
Koid Hun Kian	9,786,888	19.86	5,694,270*	11.56
Ng Ah Chong	1,066,666	2.16	55,300**	0.11
Siow Hock Lee	65,333	0.13	33,333**	0.07
Wong Tuck Kuan	61,666	0.12	–	–

* Deemed interests by virtue of his interest in Simfoni Kilat Sdn Bhd pursuant to Section 6A of the Companies Act, 1965 and disclosure of interests held by his spouse and child pursuant to Section 134(12)(c) of the Companies Act, 1965.

** Deemed interests pursuant to Section 134(12)(c) of the Companies Act, 1965 on disclosure of interests held by spouse.

ANALYSIS OF SHAREHOLDINGS (CONTINUED)

AS AT 28 MARCH 2011

TOP THIRTY LARGEST SECURITIES ACCOUNT HOLDERS

AS PER THE RECORD OF DEPOSITORS AS AT 28 MARCH 2011

	Name of Shareholder	No. of Shares Held	%
1.	Koid Hun Kian	3,928,000	7.97
2.	HDM Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account for Koid Hun Kian (M09)	2,810,188	5.70
3.	Tan Seow Eng	2,176,333	4.42
4.	Mayban Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account for Koid Hun Kian	1,868,000	3.79
5.	AllianceGroup Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account for Simfoni Kilat Sdn Bhd (404537-U)	1,717,937	3.49
6.	Mayban Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account for Goh Hock Leong	1,695,700	3.44
7.	Simfoni Kilat Sdn Bhd	1,500,000	3.04
8.	HDM Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account for Lee Chye Khern (M09)	1,368,613	2.78
9.	ECML Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account for Koid Hun Kian (MR0665)	1,180,700	2.40
10.	Ng Ah Chong	1,066,666	2.16
11.	Kenanga Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account for Ng New Soon	1,038,200	2.11
12.	Mayban Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account for Sin Yong Lean	883,400	1.79
13.	CitiGroup Nominees (Asing) Sdn Bhd Qualifier: UBS AG Singapore for Grandeur Worldwide Ltd	723,733	1.47
14.	Kang Khoon Seng	629,700	1.28
15.	Lim Eng Chong	544,400	1.10
16.	CIMSEC Nominees (Tempatan) Sdn Bhd Qualifier: CIMB Bank for Ng Weng Keong (MY0240)	482,200	0.98
17.	Lim Tuan Guan	477,300	0.97
18.	Tan Ah Lee	380,000	0.77
19.	Chong Chern Shean	339,000	0.69
20.	Cheng Lee San	324,400	0.66
21.	HLG Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account for Lee Chin Yen (M)	316,000	0.65
22.	Tan Hong Cheng	315,000	0.64
23.	Kenanga Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account for Ng Weng Keong	308,666	0.62
24.	Kam Lai Yong	303,000	0.61
25.	Koid Siang Loong	300,000	0.60
26.	Ng Choy Yong	266,200	0.54
27.	HDM Nominees (Asing) Sdn Bhd Qualifier: UOB Kay Hian Pte Ltd for Tan Hian Theng	258,666	0.52
28.	Chua Hock Eng	250,000	0.51
29.	AllianceGroup Nominees (Tempatan) Sdn Bhd Qualifier : Pledged Securities Account for Ho Tau Tai (8026951)	244,000	0.50
30.	Zeito Plastic Components Sdn Bhd	225,000	0.46
	Total	**27,921,002**	**56.66**

FORM OF PROXY

(BEFORE COMPLETING THIS FORM, PLEASE SEE NOTES)

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

I/We ______________________________ (NRIC No.: ______________________)

*Pledged Securities Account for ______________________________

of ______________________________

being a member/members of AMTEL HOLDINGS BERHAD ("the Company"), do hereby appoint ______________

______________________________ (NRIC No.: ______________________)

of ______________________________

or failing whom ______________________________

of ______________________________

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the Fourteenth (14th) Annual General Meeting of the Company to be held at Bilik Selangor, Kelab Shah Alam Selangor, No. 1A Jalan Aerobik 13/43, Persiaran Kayangan, 40704 Shah Alam, Selangor Darul Ehsan on Monday, 30 May 2011 at 10.00 a.m. and any adjournment thereof.

My/our proxy/proxies shall vote on the Resolutions set out in the Notice of the Meeting as indicated with an "X" in the appropriate spaces herein below. If no specific direction as to the voting is given, the proxy will vote or abstain from voting at his/her discretion.

Description of Resolution	Resolution No.	For	Against
Approval of Directors' fees	1		
Re-election of Mr. Siow Hock Lee as Director	2		
Re-election of Mr. Koid Hun Kian as Director	3		
Re-appointment of Auditors	4		
Authority to Directors to allot and issue shares	5		

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

No. of Shares held	

	No. of Shares	Percentage
Proxy 1		
Proxy 2		
Total		100%

____
Signature/Common Seal

Dated this ________ day of ____________ 2011.

Notes:

1. *A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.*
2. *To be valid, this form, duly completed must be deposited at the Registered Office of the Company at No. 7, Jalan PJS 7/19, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time for holding the meeting or any adjournment thereof.*
3. *A member shall be entitled to appoint more than one (1) proxy to attend and vote for him provided that the provisions of Section 149(1)(c) of the Companies Act, 1965 are complied with.*
4. *Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.*
5. *If the appointer is a corporation, this form must be executed under its common seal or under the hand of an officer or attorney duly authorised.*

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AFFIX
STAMP

AMTEL HOLDINGS BERHAD (409449-A)
No. 7, Jalan PJS 7/19
Bandar Sunway
46150 Petaling Jaya
Selangor Darul Ehsan

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AMTEL HOLDINGS BERHAD
Incorporated In Malaysia (409449-A)

No. 7, Jalan PJS 7/19, Bandar Sunway
46150 Petaling Jaya, Selangor Darul Ehsan
Tel: 603-5632 2449 Fax: 603-5637 0042