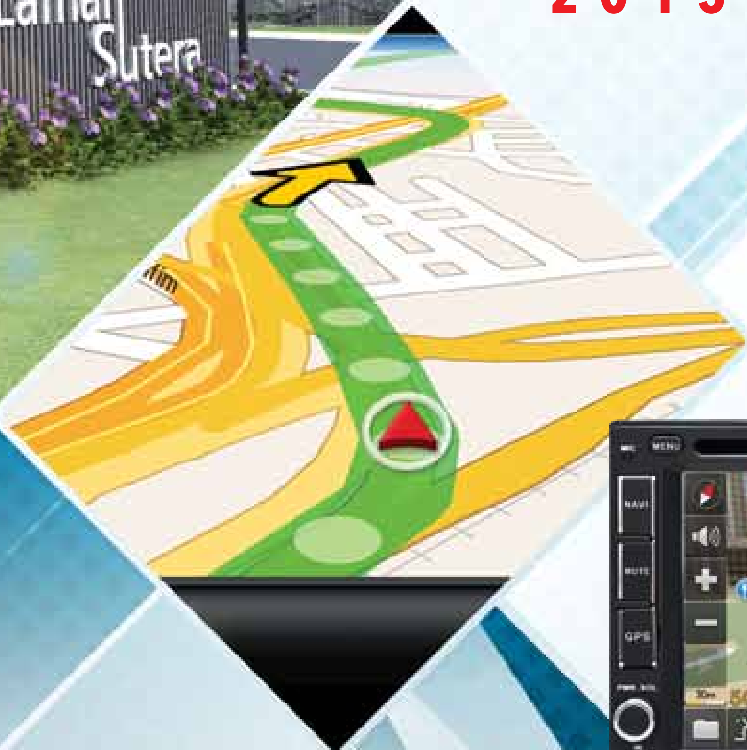

AMTEL HOLDINGS BERHAD
(409449-A)

ANNUAL REPORT 2015

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NOTICE OF THE
NINETEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Nineteenth Annual General Meeting ("19th AGM") of Amtel Holdings Berhad ("AHB" or "Company") will be held at Bilik Petaling, Kelab Shah Alam Selangor, No. 1A, Jalan Aerobik 13/43, Persiaran Kayangan, 40704 Shah Alam, Selangor Darul Ehsan on Wednesday, 25 May 2016 at 10.00 a.m. for the purpose of transacting the following businesses:-

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 November 2015 together with the Reports of the Directors and Auditors thereon. ***(Please refer to Explanatory Note 1 on Ordinary Business)***

2. To approve the Directors' fees of RM164,000.00 for the financial year ended 30 November 2015. ***(Ordinary Resolution 1)***

3. To re-elect the following Directors who retire by rotation in accordance with Article 80 of the Company's Articles of Association and who being eligible, offer themselves for re-election:-

   i. YTM. Tunku Dato' Seri Kamel bin Tunku Rijaludin. ***(Ordinary Resolution 2)***

   ii. Mr. Siow Hock Lee. ***(Ordinary Resolution 3)***

4. To re-appoint Messrs. Baker Tilly 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 resolutions:-

5. **Retention of Independent Directors**

   i. "**THAT** YTM. Tunku Dato' Seri Kamel bin Tunku Rijaludin be and is hereby retained as Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2012." ***(Ordinary Resolution 5)***

   ii. "**THAT** Mr. Siow Hock Lee be and is hereby retained as Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2012." ***(Ordinary Resolution 6)***

6. **Authority to Directors to allot and issue shares pursuant to Section 132D of the Companies Act, 1965**

   "**THAT**, subject always to the Companies Act, 1965 ("the Act"), Articles of Association of the Company and/or approvals of the relevant authorities, the Directors of the Company be and are hereby authorised and empowered pursuant to Section 132D of the Act to allot and issue new shares in the Company, from time to time and upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued and paid-up share capital of the Company for the time being AND THAT the Directors be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." ***(Ordinary Resolution 7)***

7. To transact any other ordinary business of which due notice shall have been given.

By Order of the Board

LIEW KUAI MOI (MAICSA 7062865)
HOH YIT FOONG (LS 0018)
Secretaries
Petaling Jaya
29 April 2016

Notes:

1. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 18 May 2016 shall be entitled to attend, speak and vote at this meeting.*

2. *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.*

3. *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 PJS 7/19, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, not less than 48 hours before the time appointed for holding this meeting or adjourned meeting.*

4. *Where a member appoints more than one (1) proxy, the appointment shall be invalid unless the proportion of holdings represented by each proxy is specified.*

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

6. *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 one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*

7. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*

Explanatory Notes on Ordinary Business:

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

2. *Details of the Directors standing for re-election under Ordinary Resolutions 2 and 3 are stated in the Profile of Directors on pages 7 and 8 of this Annual Report. Their securities holdings in the Company are stated on page 118 of this Annual Report.*

Explanatory Notes on Special Business:

1. ***Ordinary Resolutions 5 and 6 - Retention of Independent Directors***

   The Nomination Committee has assessed the independence of the following Directors, who have served as an Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years, and recommended them to continue to act as Independent Non-Executive Directors of the Company based on the following justifications:-

   Ordinary Resolution 5 : YTM. Tunku Dato' Seri Kamel bin Tunku Rijaludin

   i) *He has confirmed and declared that he is an Independent Director as defined in the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities");*
   ii) *He does not have any conflict of interest with the Company and has not been entering/is not expected to enter into contract(s) especially material contract(s) with the Company and/or its subsidiary companies;*
   iii) *He has been with the Company for more than nine (9) years with incumbent knowledge of the Company and the Group's activities and corporate history; and*
   iv) *He has performed his duty diligently and in the best interest of the Company and provides a broader view, independent and balanced assessment of proposals from the management.*

Explanatory Notes on Special Business: (Cont'd)

1. Ordinary Resolutions 5 and 6 - Retention of Independent Directors (Cont'd)

The Nomination Committee has assessed the independence of the following Directors, who have served as an Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years, and recommended them to continue to act as Independent Non-Executive Directors of the Company based on the following justifications:- (Cont'd)

<u>Ordinary Resolution 6 : Mr. Siow Hock Lee</u>

i) He has confirmed and declared that he is an Independent Director as defined in the Listing Requirements of Bursa Securities;
ii) He does not have any conflict of interest with the Company and has not been entering/is not expected to enter into contract(s) especially material contract(s) with the Company and/or its subsidiary companies;
iii) He has been with the Company for more than nine (9) years with incumbent knowledge of the Company and the Group's activities and corporate history; and
iv) He has performed his duty diligently and in the best interest of the Company and provides a broader view, independent and balanced assessment of proposals from the management.

2. Ordinary Resolution 7 - Authority to Directors to allot and issue shares pursuant to Section 132D of the Act

The Company had at its 18th Annual General Meeting ("AGM") held on 28 May 2015 obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 132D of the Act. The Company did not issue any shares pursuant to this mandate as at the date of this notice.

The proposed Ordinary Resolution 7 is a renewal of the general mandate for issuance of shares by the Company. This resolution, if passed, will empower the Directors, from the date of the 19th AGM until the next AGM to allot and issue new shares of the Company up to an amount not exceeding in total 10% of the issued and paid-up share capital of the Company for the time being and for such purposes as the Directors consider would be in the best interests of the Company. This would avoid any delay and cost involved in convening a general meeting to specifically approve the aforesaid. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

The mandate will provide flexibility to the Company for allotment of shares for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment(s), acquisition(s) and/or working capital.

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 utilization of proceeds arising therefrom.

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

Dato' Koid Hun Kian
Group Managing Director

Ms. Tan Woon Huei
Non-Independent Executive Director

Mr. Siow Hock Lee
Independent Non-Executive Director

Mr. Chang Pak Hing
Independent Non-Executive Director

COMPANY SECRETARIES

Ms. Liew Kuai Moi (MAICSA 7062865)
Ms. Hoh Yit Foong (LS 0018)

AUDITORS

Baker Tilly AC (AF001826)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Tel : (603) 2297 1000
Fax : (603) 2282 9980

REGISTERED OFFICE

No. 7, Jalan PJS 7/19
Bandar Sunway
47500 Subang Jaya
Selangor Darul Ehsan
Tel : (603) 5632 2449
Fax : (603) 5637 0042

SHARE REGISTRARS

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel : (603) 2783 9299
Fax : (603) 2783 9222

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

WEBSITE ADDRESS

www.amtel.com.my

GROUP
CORPORATE STRUCTURE

AMTEL HOLDINGS BERHAD

Information & Communication Technology

- Amtel Cellular Sdn. Bhd. 100%
  - Amnavi Sdn. Bhd. 85%
  - Amtel Pte. Ltd. 70%
  - Milan Utama Sdn. Bhd. 35%
- Amtel Communications Sdn. Bhd. 100%

Telecommunications, Infrastructure & Services

- Amtel Resources Sdn. Bhd. 100%
  - Amtel Networks Sdn. Bhd. 30%

Property Development

- Mewah Amanjaya Sdn. Bhd. 100%

Others

- Amtel Group Sdn. Bhd. 100%
- Metrarama Sdn. Bhd. 100%
- AAV Industries Sdn. Bhd. 100%

PROFILE OF DIRECTORS

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

YTM. Tunku Dato' Seri Kamel bin Tunku Rijaludin, a Malaysian aged 62, was appointed as Independent Non-Executive Chairman of AHB 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 Committee and Remuneration Committee of AHB.

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 of QC Protection & Investigation Services Sdn. Bhd. which is involved in the security services industry. He also sits on the Board of other private limited companies.

He does not have any family relationship with any director and/or major shareholder of AHB, nor has he any conflict of interest with AHB. He has no convictions for any offences within the past ten (10) years other than traffic offences.

DATO' KOID HUN KIAN
(Group Managing Director)

Dato' Koid Hun Kian, a Malaysian aged 59, is the Group Managing Director of AHB. He was first appointed to the Board on 31 July 1997 and is a member of the Remuneration Committee of AHB.

Dato' Koid is a qualified accountant by profession, having admitted 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, manufacturing, trading and Information and Communications Technology (ICT) industries. Prior to joining AHB, he was attached to various public accounting firms and a company involved in investment holding, management services, manufacturing and the trading of telecommunications equipment.

He does not have any family relationship with any director and/or major shareholder of AHB, nor has he any conflict of interest with AHB, except that he is a substantial shareholder of AHB and Simfoni Kilat Sdn. Bhd., which is also a substantial shareholder of AHB. He has no convictions for any offences within the past ten (10) years other than traffic offences.

PROFILE OF DIRECTORS
[continued]

MR. SIOW HOCK LEE
(Independent Non-Executive Director)

Mr. Siow Hock Lee, a Malaysian aged 59, is an Independent Non-Executive Director of AHB. He has been a Director of AHB since its incorporation on 9 November 1996. He is the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee of AHB.

Mr. Siow is a member of the Association of Chartered Certified Accountants (United Kingdom) and Malaysian Institute of Accountants since 1985 and 1986 respectively. He has more than thirty (30) years' experience working as a professional accountant in public practice.

Mr. Siow is presently an independent non-executive director of Caely Holdings Berhad and Green Ocean Corporation Berhad, both are public companies listed on the Main Market and ACE Market of Bursa Securities respectively.

He does not have any family relationship with any director and/or major shareholder of AHB, nor has he any conflict of interest with AHB. He has no convictions for any offences within the past ten (10) years other than traffic offences.

MR. CHANG PAK HING
(Independent Non-Executive Director)

Mr. Chang Pak Hing, a Malaysian aged 68, is an Independent Non-Executive Director of AHB. He was first appointed to the Board on 21 January 2009. He is the Chairman of the Nomination Committee and a member of the Audit Committee of AHB.

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.

He does not have any family relationship with any director and/or major shareholder of AHB, nor has he any conflict of interest with AHB. He has no convictions for any offences within the past ten (10) years.

MS. TAN WOON HUEI
(Non-Independent Executive Director)

Ms. Tan Woon Huei, a Malaysian aged 54, is a Non-Independent Executive Director of AHB. She was first appointed to the Board on 25 August 2014. She is also the Group General Manager of AHB.

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. ("AMCSB"), a major subsidiary of AHB engaged in the sales and marketing of telematics products in 2000 and became a director of AMCSB in 2002. Ms. Tan has more than twenty (20) years of working experience in marketing and distribution of telecommunications and office automation products. Prior to joining AMCSB, she has worked in senior management positions with companies involved in the trading of major brands of cellular handphones and office equipments.

She does not have any family relationship with any director and/or major shareholder of AHB, nor has she any conflict of interest with AHB. She has no convictions for any offences within the past ten (10) years other than traffic offences.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors ("Board") of Amtel Holdings Berhad, it is my pleasure to present to you the Annual Report and the Audited Financial Statements for the financial year ended 30 November 2015 ("FYE 2015").

BUSINESS OVERVIEW

2015 has been a challenging year. The decline in commodities and crude oil prices, and the implementation of Goods and Services Tax ("GST") in April 2015 had created unfavourable economic climates in which the Group operates. The weakening of Malaysian Ringgit against US dollars by more than 20% last year has added more pressure to the Group, especially on the cost of imported goods and services.

Nevertheless, with the diversification of the Group's business activities into property development segment last year, the Group managed to overcome various challenges in this industry and delivered positive results. We are delighted the launch of our first residential properties have received good response and has contributed substantially to the Group's performance for FYE 2015.

FINANCIAL REVIEW

For the financial year under review, Group revenue has grown by RM24.67 million or approximately 77% to RM56.66 million compared to RM31.99 million in the previous financial year. The significant increase was largely attributed to the Property Development segment, which charted revenue of RM19.21 million, accounting for approximately 34% of the Group's total revenue. Despite the challenging business environment, the Group posted improved profit after tax of RM0.81 million as compared to RM0.59 million in the previous financial year. The Property Development business activities and the Telecommunications, Infrastructure and Services segments have both aided to the improved performance.

As at 30 November 2015, the Group's shareholders' fund stood at RM43.90 million and net assets per share was 89.09 sen as compared to RM43.06 million and 87.38 sen respectively in the previous financial year.

PERFORMANCE REVIEW BY BUSINESS SEGMENT

Property Development Segment

This new segment was the major contributor to the overall improvement of the Group's revenue and profit after tax in the financial year under review. Revenue registered by this segment was RM19.21 million with a segment profit after tax of RM0.55 million.

The revenue and profit after tax posted during the current financial year were derived from the development and sales of residential properties.

Information & Communication Technology Segment ("ICT")

Although the ICT segment contributed approximately 48% to the Group's total revenue during the financial year, it incurred loss after tax of RM0.14 million as compared to profit after tax of RM0.59 million posted in previous financial year.

Overall the sales of our Telematics products and services during the financial year were affected by the slowdown in certain accessories segment of the auto industry. In addition, the loss was also partly due to the increase in the cost of imported goods and services as a result of the weak Ringgit Malaysia against major foreign currencies.

Telecommunications, Infrastructure and Services Segment ("TIS")

For FYE 2015, this segment posted RM8.43 million or 15% of the Group revenue, an increase of RM3.30 million over FYE 2014. Better profit was recorded during the current financial year brought about by the increase in revenue from higher progress billings achieved via a number of civil infrastructure projects.

CHAIRMAN'S STATEMENT
[continued]

PERFORMANCE REVIEW BY BUSINESS SEGMENT (CONT'D)

Others Segment

This segment reported an increase in revenue of RM1.79 million over FYE 2014. However, it registered a loss during the current year, attributed mainly to the operating costs incurred by the investment holding company. The profit realised in the previous financial year was mainly attributed to the RM2.3 million gain on the disposal of the Group's landed property.

DIVIDEND

The Board does not recommend the payment of any dividend for the financial year ended 30 November 2015.

BUSINESS OUTLOOK AND FUTURE PROSPECTS

As reported by the Malaysian Institute of Economic Research, 2016 will certainly be a very challenging year for the Malaysia economy. Given that the global economic growth outlook remains subdued and uncertain, it is anticipated that Malaysia's GDP will face a challenging operating environment in the immediate future but nonetheless will grow at 5% in 2016, as announced by our Prime Minister during the recalibration of 2016 Budget. The recalibration will also see various restructuring and adjustment measures to be undertaken by the government to ensure continued economic growth.

The Board acknowledges that the market sentiments will be poor in the immediate terms and will continue to be cautious amid the challenges ahead. The Group will continue to focus on various cost control exercises to contain overheads and improve operational processes to attain greater efficiencies and productivity and will be in constant pursuit of new business opportunities to further enhance shareholders' value and to strengthen the financial position of the Group.

Our residential property development project is expected to progress smoothly and complete on time. The Group's venture into property development business is expected to pave way for future growth. The supply of residential and commercial properties is still required to cater and support the development and urbanisation of strategic locations within the country. In view of this, we are actively seeking new opportunities in this segment.

With the less-than-encouraging economic growth outlook, the prospect for the TIS segment is set to remain a challenge in the coming years. Although there are a number of potential infrastructure and highway expansion and construction projects, the management will take a more cautious approach to evaluate the viability of each project before we decide to secure any new contracts.

Barring any unforeseen circumstances, the Group is optimistic to deliver satisfying results in the next financial year.

ACKNOWLEDGMENTS

On behalf of the Board, I would like to take this opportunity to extend my heartfelt gratitude to our valued shareholders, customers, suppliers, business partners, bankers, fund managers, consultants and the relevant regulatory and government authorities for their unwavering support and confidence in the Group.

I also wish to thank the management team and staffs for their loyalty, steadfast commitment and dedication towards ensuring continuing success.

Last but not least, I would like to extend my appreciation to fellow Board members for their contribution to the Group.

TUNKU DATO' SERI KAMEL
Chairman

STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors ("Board") of the Company acknowledges the importance of establishing and maintaining good corporate governance within the Group and is 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 is pleased to present the following statement, which summarises the manner in which the Group has applied the principles and recommendations set out in the Malaysian Code on Corporate Governance 2012 ("MCCG 2012") and the extent of its compliance throughout the financial year ended 30 November 2015.

1. THE BOARD OF DIRECTORS

1.1 The Role and Responsibilities of the Board

The Board has the ultimate responsibility to set strategic direction and policy in relation to the business and affairs of the Company and the Group for the benefit of the shareholders and other stakeholders of the Company. The Board is accountable to shareholders for the performance of the Group.

The Board delegates day-to-day management and operations of the Group to the management under the leadership of the Group Managing Director, to deliver the strategic direction and goals determined by the Board. A key function of the Board is to monitor the performance of the management.

The Board assumes, amongst others, the following roles and responsibilities in discharge of its obligation:-

(i) Review and adopt strategic plans/direction of the Company and the Group and to monitor the implementation of such plans/directions by the management;
(ii) Review and adopt corporate objectives of the Company and the Group which includes performance targets and long-term and medium-term goals;
(iii) Oversee the resources and operational conducts of the Company and the Group's businesses and to determine whether the businesses are being properly managed;
(iv) Deciding on whatever steps are necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;
(v) Identify principal risks of the Company and the Group and to ensure the implementation of appropriate internal control and mitigation measures;
(vi) Succession planning, including ensuring all candidates appointed to senior management positions are of sufficient calibre and programmes are in place to provide for the orderly succession of senior management;
(vii) Ensure corporate accountability to the shareholders primarily through adopting an effective shareholder communications strategy, encouraging effective participation at general meetings and, through its Chairman, being the key interface between the Company and its shareholders;
(viii) Review the adequacy and integrity of the Group's internal control systems which includes appropriately sound framework/systems of reporting and to ensure regulatory compliance with applicable laws, regulations, rules, directives and guidelines;
(ix) Ensuring that the Company adheres to high standards of ethics and corporate behaviour;
(x) Delegates certain responsibilities to the various Board Committees with clearly defined terms of reference to assist the Board in discharging its responsibilities; and
(xi) Establish and formalise strategies on promoting sustainability. Attention shall be given to environmental, social and governance aspects of business which underpin sustainability.

The Board may from time to time establish Committees as it considers appropriate to assist in carrying out its duties and responsibilities. The Board has established the following Committees which shall be operated under clearly defined terms of reference:-

- Audit Committee
- Remuneration Committee
- Nomination Committee

1. THE BOARD OF DIRECTORS (CONT'D)

1.1 The Role and Responsibilities of the Board (Cont'd)

The Board may also delegate specific functions to ad hoc committees, a Director, employee or other person as and when required. The Committees shall operate under clearly defined terms of reference. The Committees are authorised by the Board to deal with and to deliberate on matters delegated to them within their terms of reference. The Chairman of the respective Committees reports and update the Board on significant issues and concerns discussed and where appropriate, make the necessary recommendations to the Board. The minutes of the respective Committees will be included in the Board papers for Board's notification.

1.2 Board Composition and Balance

The Board consists of qualified individuals with diverse professional backgrounds and specialisations with vast range of experience in the field of trading and marketing, corporate affairs, finance and management to enable them to discharge their duties and responsibilities effectively. The composition and size of the Board is such that it facilitates the decision making of the Company. Pursuant to the Articles of Association of the Company, the Board shall not be less than two (2) Directors and more than fifteen (15) Directors.

In accordance with the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Company must ensure that at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are Independent Directors. If the number of Directors of the Company is not three (3) or a multiple of three (3), then the number nearest one-third (1/3) must be used. The Board currently has five (5) members comprising the following:-

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

The basis for the presence of an independent voice on the Board is to ensure that objectivity in decision-making of the Board is achieved and that no single party can dominate such decision-making in the Company.

On boardroom diversity, the Board will review the appropriate skills, experience and knowledge required of the Board members, in the context of the needs of the Group. The Board will review its composition and size from time to time to ensure its appropriateness.

1.3 Separation of Positions of the Chairman and Group Managing Director

There is a clear division of the roles and responsibilities between the Company's Chairman and Group Managing Director to ensure a balance of control, power and authority. The Board is led by YTM. Tunku Dato' Seri Kamel bin Tunku Rijaludin as Independent Non-Executive Chairman and the executive management is led by Dato' Koid Hun Kian, the Group Managing Director.

The Chairman is responsible for ensuring Board effectiveness and conduct of the Board. The Group Managing Director assumes the overall responsibility for the Group's operational activities and effectiveness and implements the Board's policies, strategies and decisions. The Group Managing Director leads the management team in carrying out the corporate strategies and objectives of the Group. The Group Managing Director is responsible to the Board for the day-to-day management of the Company and the Group. The role of the Chairman and the Group Managing Director are clearly defined in the Board Charter.

1.4 Board Meeting and Time Commitment

The Board meets quarterly however additional meetings 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. Where appropriate, decisions are also taken by way of Directors' Circular Resolutions.

The agenda of the meeting and Board papers will be collated and circulated to Directors by the Company Secretary prior to the meeting and the Company Secretary will supervise the filing and storage of all Board papers.

1. THE BOARD OF DIRECTORS (CONT'D)

1.4 Board Meeting and Time Commitment (Cont'd)

All proceedings of the Board meetings are recorded 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.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. This is affirmed by the attendance record of the Directors at Board and relevant Board Committee meetings.

During the financial year, six (6) Board meetings were held and the attendance of the Directors who held office during the financial year is set out below:-

Name of Directors	Attendance of meetings
YTM. Tunku Dato' Seri Kamel bin Tunku Rijaludin	5/6
Dato' Koid Hun Kian	6/6
Mr. Siow Hock Lee	6/6
Mr. Chang Pak Hing	6/6
Ms. Tan Woon Huei	6/6

The Directors may be invited to become directors of other companies and the Directors are therefore at liberty to accept other Board appointments so long as such appointments are not in conflict with the business of the Group and do not adversely affect the Directors' performance as a member of the Board.

In maintaining and monitoring the limitation on directorship as required by the Listing Requirements of Bursa Securities, the Directors upon appointment, and from time to time during their tenure, shall notify the Company Secretary of their directorship in other companies for disclosure to the Board at Board meetings.

1.5 Directors' Training

All the Directors have completed the Mandatory Accreditation Programme in accordance with the Listing Requirements. In addition, the Directors are also encouraged to attend training programme/courses/seminars on a continuous basis to keep abreast with current developments in laws, regulations and business practices in order to aid the Directors in discharging their duties. They are also kept informed of various development programme by the Company Secretaries regularly.

The training needs of the Directors will be reviewed by the Nomination Committee to ensure that they are acquainted with the latest development and changing environment within which the Company operates.

During the financial year, the Company has organized an in-house training programme for its Directors and senior management. The seminars and training programmes attended by the Directors are summarised as follows:-

Name of Directors	Name of Seminars/ Training Programmes Attended
YTM. Tunku Dato' Seri Kamel bin Tunku Rijaludin Mr. Chang Pak Hing	In-house Training on Goods and Services Tax ("GST") Issues for Property Developers and Contractors.
Dato' Koid Hun Kian	• In-house Training on GST Issues for Property Developers and Contractors. • Workshop on Tax and Budget Outlook.

1. THE BOARD OF DIRECTORS (CONT'D)

1.5 Directors' Training (Cont'd)

Name of Directors	Name of Seminars/ Training Programmes Attended
Mr. Siow Hock Lee	• Seminar on GST - A preparatory Course for GST Consultants and Accountants. • Workshop on New Public Rulings for 2014 and 2015. • In-house Training on GST Issues for Property Developers and Contractors. • Workshop on Tax Planning, Tax Issues and GST Accounting for Property Developers. • Seminar on Corporate Governance Breakfast Series with Directors on Future of Auditor Reporting – The Game Changer for Boardroom.
Ms. Tan Woon Huei	• In-house Training on GST Issues for Property Developers and Contractors. • Seminar on Advocacy Session on Management Discussion and Analysis for CEOs & CFOs of Listed Issuers.

1.6 Code of Ethics and Conduct

The Company has put in place codes of ethics for all Directors and employees to govern the standards of ethics and good conduct and thereby protect and promote the reputation and performance of the Company.

The Board adopted and practices the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia. As for employees, the code of ethics as detailed in the Human Resource Manual covers all aspects of the Group's business and operations, including compliance with Laws and Regulations, conflict of interest, confidentiality and publication, dealing with suppliers and personal benefits.

1.7 Strategies Promoting Sustainability

The Board is accountable to shareholders and other stakeholders for the proper corporate governance and performance of the Company and is committed to strengthen the Company's sustainability and organisational effectiveness. The Board is committed to operate all aspects of its business in accordance with environment, social and economic responsibility. The Group's activities on corporate social responsibilities for the financial year under review are disclosed on the ensuing paragraph 9, page 21 of this Annual Report.

1.8 Access to Information and Independent Advice

The Board shall be supplied with appropriate and timely information to enable it to discharge its duties. The 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.

Senior management officer may be invited to attend Board meetings when necessary, to furnish explanation and comments on the relevant agenda tabled at the Board meetings or to provide clarification on issues that may be raised by the Board or any Director.

All Directors, whether as a full board or in their individual capacity have unrestricted access to the information, advice and services of the Company Secretaries and the senior management team in the Group in carrying out their duties.

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 and/or the Group Managing Director on the scope, nature and fees of the professional advice to be sought.

1. THE BOARD OF DIRECTORS (CONT'D)

1.9 Company Secretary

The Board appoints the Company Secretary who plays an advisory role as a central source of information and advice to the Board and its Committees on issues relating to compliance with laws, rules, procedures and regulations affecting the Company. They also ensure that all the Board and Committees meetings are properly convened and that all deliberations, proceedings and resolutions are properly minuted and documented.

The appointment and removal of the Company Secretary is a matter for the Board as a whole.

1.10 Board Charter

The Board has adopted a Board Charter to provide a clear statement on the roles and responsibilities of the Board and those delegated to the management and to outline the core principles of corporate governance which the Group subscribes to and serves as a source of reference and primary induction literature providing insights to Board members and senior management.

In addition, it will assist the Board in the assessment of its own performance and of its individual Directors. The Board Charter is available for reference on the Company's corporate website at www.amtel.com.my.

The Board Charter will be reviewed by the Board from time to time to ensure its relevance in assisting the Board to discharge its duties with the changes in laws and regulations and to remain consistent with the Board's objectives and responsibilities.

2. STRENGTHEN COMPOSITION

2.1 Nomination Committee

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, within the bounds of practicability, by any other senior executive or any Director or shareholder;
- To recommend to the Board, directors to fill the seats on Board Committees; and
- To assist the Board in reviewing and assessing the effectiveness of the Board as a whole and the Committees of the Board.

The Nomination Committee members shall be appointed by the Board and comprises exclusively of Non-Executive Directors, all of whom are independent. Currently, the Nomination Committee comprises the following Directors:-

(i) Mr. Chang Pak Hing (Chairman/Independent Non-Executive Director);
(ii) YTM. Tunku Dato' Seri Kamel bin Tunku Rijaludin (Member/Independent Non-Executive Chairman); and
(iii) Mr. Siow Hock Lee (Member/Independent Non-Executive Director).

The Nomination Committee held one (1) meeting during the financial year ended 30 November 2015 and the Nomination Committee had carried out its duties in accordance with its Terms of Reference. These include:-

- reviewed and assessed the effectiveness of the Board as a whole and the Audit Committee;
- reviewed and assessed the mix of skills, experience and competencies of each individual Director;
- reviewed and assessed the independence of its Independent Non-Executive Directors based on criteria set out in the Listing Requirements of Bursa Securities;
- reviewed and assessed the Independent Non-Executive Directors who have served a tenure of more than nine (9) years in that capacity in the Company and recommended to the Board to seek shareholders' approval for the retention of the said Independent Non-Executive Directors at the forthcoming Annual General Meeting ("AGM"); and
- reviewed and recommended to the Board for its approval, the re-election of directors at the forthcoming AGM.

2. STRENGTHEN COMPOSITION (CONT'D)

2.2 Appointments and Re-election

The Nomination Committee shall identify and recommend candidates with appropriate skills, experience, knowledge and expertise in order to discharge its mandate effectively and to maintain the necessary mix of expertise to the Board for approval.

The Company's Articles of Association provides that at least one-third (1/3) of the Directors are subject to retirement by rotation at each Annual General Meeting ("AGM") and that all Directors shall submit themselves for re-election at least once in every three (3) years, and are eligible to offer themselves for re-election. All newly appointed Directors will be subject to retirement at the next AGM and is eligible for re-election.

The directorships held by any Board member at any time shall not exceed the number of listed companies as prescribed by Bursa Securities from time to time.

2.3 Directors' Assessment/Board Evaluation

The Board recognises the importance of assessing the effectiveness of individual Directors and the Board on an annual basis. During the financial year, the Board, through the Nomination Committee, conducted a formal review on the performance of each individual director and the Board as a whole.

The review shall take the form of a questionnaire comprising a self-evaluation of the Board as a whole and the individual Directors, and the responses will be collected and collated by the Company Secretary, on behalf of the Nomination Committee. The conclusion of the Nomination Committee's assessment will be minuted and its minutes are included in the Board papers for Board's notification.

2.4 Assessment of Independence

The Independent Directors provide independent judgment, experience and objectivity without being subordinated to operational considerations. They help to ensure that the interests of all shareholders are indeed taken into account by the Board and that the relevant issues are subjected to objective and impartial consideration by the Board.

The Board shall assess the independence of the Independent Directors prior to their appointment and annually thereafter or when any new interest or relationship develops in light of interests disclosed to the Board. During the financial year, the Board, through the Nomination Committee, assessed the independence of its Independent Non-Executive Directors based on criteria set out in the Listing Requirements of Bursa Securities.

2.5 Tenure of Independent Directors

The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years in accordance with the MCCG 2012. However, upon completion of the nine (9) years, the Independent Director may continue to serve the Board subject to the Director being re-designated as a Non-Independent Director. In the event the Director is to remain as Independent Director, the Board shall first justify and obtain shareholders' approval.

In compliance with the guidelines issued under the MCCG 2012, the Nomination Committee has reviewed and assessed the Independent Non-Executive Directors who have served a tenure of more than nine (9) years each in that capacity in the Company. Both YTM. Tunku Dato' Seri Kamel bin Tunku Rijaludin and Mr. Siow Hock Lee who were appointed as Independent Non-Executive Directors on 31 July 1997 and 9 November 1996 respectively have exercised their objective and independent judgment on all board deliberations and have not compromised their long relationship with other board members. The Nomination Committee has recommended to the Board to seek shareholders' approval for both YTM. Tunku Dato' Seri Kamel bin Tunku Rijaludin and Mr. Siow Hock Lee to be retained and re-appointed as Independent Non-Executive Directors of the Company at the forthcoming AGM.

2. STRENGTHEN COMPOSITION (CONT'D)

2.6 Remuneration Policies and Procedures

The Company shall provide a fair, reasonable and competitive remuneration for its Executive and Non-Executive Directors to ensure that the Company attracts and retains high calibre Directors who have the skills, experience and knowledge to run the Company successfully.

The Remuneration Committee members shall be appointed by the Board and shall comprise a majority of Non-Executive Directors. Currently, the Remuneration Committee comprises the following Directors:-

(i) Mr. Siow Hock Lee (Chairman/Independent Non-Executive Director);
(ii) YTM. Tunku Dato' Seri Kamel bin Tunku Rijaludin (Member/Independent Non-Executive Chairman); and
(iii) Dato' Koid Hun Kian (Member/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 package for 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.

The Remuneration Committee held one (1) meeting during the financial year ended 30 November 2015.

The remuneration packages of Executive Directors are structured to link rewards to the Group and individual performance. The Non-Executive Chairman/Directors' remuneration reflects the experience, qualification and level of responsibilities undertaken by them. The annual fees payable to the Directors are approved by the shareholders at the AGM based on the recommendation of the Board.

The Board, as a whole, determines the remuneration of each Director and the Directors do not participate in decisions regarding their own remuneration packages. Details of the aggregate remuneration of the Company's Directors comprising remuneration received from the Company and subsidiaries categorized into appropriate components for the financial year ended 30 November 2015 are as follows:-

	Executive Directors (RM'000)	Non-Executive Directors (RM'000)
Fees	12	188
Salaries and bonuses	619	–
Other Emoluments	75	–
Benefits-in-kind	49	–
Total	755	188

The number of Directors of the Company whose fees and remuneration for the financial year ended 30 November 2015 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	–	–
RM200,001 to RM300,000	1	–
RM400,001 to RM500,000	1	–
Total	2	3

3. STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

3.1 The General Meetings

The Company encourages shareholders to attend the AGMs. If shareholders are unable to attend general meetings personally, they are encouraged to participate through the appointment of a proxy or proxies. The Company Secretary will be present at all general meetings of shareholders.

The Board may consider poll voting as a viable voting option for its shareholders if necessary. Voting by show of hands continues to be efficient based on the current level of shareholders' attendance at AGM.

Poll voting will be carried out for related party transactions as prescribed by the Listing Requirements of Bursa Securities or upon demand by the Chairman or shareholders pursuant to the Company's Articles of Association.

3.2 Relationship and Communications with Shareholders and Investors

The Company is committed to establishing a direct line of communication with shareholders and investors through timely dissemination of information on the Group's performance and operations via distribution of annual reports and relevant circulars, release of quarterly financial results, press releases and announcements.

The AGMs and any other meetings of the shareholders represent the principal forum for dialogue and interaction with all shareholders and investors. At each AGM, 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 regard 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 response to the shareholders' queries.

Shareholders and members of the public can also obtain information on the Company through the Bursa Securities website at www.bursamalaysia.com and the Company's own website at www.amtel.com.my. All announcements, including full versions of its quarterly results announcement and annual reports are published and accessible.

4. CORPORATE DISCLOSURE POLICY AND PROCEDURES

The Company is committed to upholding the highest standards of transparency, accountability and integrity in the disclosure of all material information on the Company to the investing public in an accurate, clear and timely manner in accordance with the corporate disclosure requirements as set out in the Listing Requirements of Bursa Securities and the guidance as set out in the Corporate Disclosure Guide issued by Bursa Securities. The Board will also ensure that all who invest in its securities enjoy equal access to such information.

5. UPHOLD INTEGRITY IN FINANCIAL REPORTING

5.1 Compliance with Applicable Financial Reporting Standards

The Company aims to present a clear and fair assessment of the Company's financial position and future prospects in respect of all quarterly results, annual financial statements and announcements issued by the Company within the stipulated timeframe.

The Board is assisted by the Audit Committee to scrutinize information for disclosure to ensure its timeliness, accuracy and adequacy. The Board ensures that the financial statements are prepared so as to give a true and fair view of the current financial status of the Company in accordance with the applicable Financial Reporting Standards and the requirement of the Companies Act, 1965.

A Statement of the Directors' Responsibility in relation to the financial statements is set out on the ensuing paragraph 7, page 19 of this Annual Report.

5. UPHOLD INTEGRITY IN FINANCIAL REPORTING (CONT'D)

5.2 Relationship with the Auditors

The Board through the Audit Committee has established a formal and transparent relationship with the Group's auditors, both internal and external auditors in seeking their professional advice. From time to time, the auditors highlighted to the Audit Committee and the Board on matters that require the Board's attention.

The Audit Committee meets with the external auditors at least twice a year without the presence of the management to review the scope and adequacy of audit process, the annual financial statements and their audit findings. The Audit Committee also meets additionally with the external auditors whenever it deems necessary. The service provided by the external auditors includes statutory audits and non-audit services. The terms of engagement and fees for the external and internal auditors are reviewed by the Audit Committee and subsequently recommended to the Board for approval.

The role and terms of reference of the Audit Committee in relation to the auditors are defined in the Audit Committee Report as set out on pages 22 to 24 of this Annual Report.

6. RECOGNISE AND MANAGE RISKS

6.1 Sound Framework to Manage Risk

The Board is responsible for the adequacy and effectiveness of the Group's risk management and internal control system. Risk management is embedded in the Group's operations and management systems. The Board with the assistance of the outsourced internal audit function has established processes for identifying evaluating and managing the significant risks affecting the core business of the Group. The risk management process is described in the Statement on Risk Management and Internal Control as set out on pages 25 to 27 of this Annual Report.

6.2 Internal Audit Function

The Company outsourced its internal audit function to an independent external firm of consultants. The Audit Committee reviews and approves the internal audit plan, which is ascertained based on the key risk areas and core business operations of the Group. Further details of the activities of the internal audit function and the state of internal controls within the Group are set out in the Statement on Risk Management and Internal Control on pages 25 to 27 of this Annual Report.

7. STATEMENT OF THE DIRECTORS' RESPONSIBILITY IN RESPECT OF THE PREPARATION OF THE AUDITED FINANCIAL STATEMENTS

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 Malaysian Financial Reporting Standards 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 2015, the Directors have:-

- adopted suitable accounting policies that are consistently applied;
- made judgments and estimates that are reasonable and prudent;
- ensured that all applicable approved accounting standards have been followed; and
- prepared the financial statements on a going concern basis.

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, Listing Requirements of Bursa Securities and Malaysian Financial Reporting Standards. 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.

8. OTHER COMPLIANCE INFORMATION

(a) Utilisation of Proceeds Raised From Corporate Proposal

There was no proceed raised from corporate proposal during the financial year.

(b) Share Buy-Back

The Company did not make any share buy-back during the financial year.

(c) Option, Warrants or Convertibles Securities

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

(d) American Depository Receipt ("ADR") or Global Depository Receipt ("GDR") Programme

The Company did not sponsor any ADR or GDR programme during the financial year.

(e) Sanctions and/or Penalties Imposed

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the relevant regulatory bodies during the financial year ended 30 November 2015.

(f) Non-Audit Fees

The non-audit fees paid to the external auditors during the financial year amounted to RM9,500.

(g) Variation in Results

The Company did not issue any profit estimates, forecast or projections for the financial year.

There was no material variation between the audited results for the financial year ended 30 November 2015 and the unaudited results previously announced for the financial quarter ended 30 November 2015.

(h) Profit Guarantee

The Company did not make any arrangement during the financial year which requires a profit guarantee.

(i) Recurrent Related Party Transactions

Details of recurrent related party transactions are disclosed in Note 34(b) to the audited financial statements as set out on page 96 of this Annual Report, of which none of the aggregate value of the transactions conducted during the financial year exceeds the applicable prescribed threshold under paragraph 10.09 (1)(a) of the Listing Requirements.

(j) Material Contracts

There was no material contract entered into by the Company and/or its subsidiaries involving the interest of Directors and/or major shareholders that are still subsisting at the end of the financial year or since the end of the previous financial year.

(k) Revaluation of Landed Properties

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

9. CORPORATE SOCIAL RESPONSIBILITY ("CSR") PRACTICES

The Board acknowledges the importance of CSR and is committed to create a good balance between value creation and corporate responsibility, especially in the areas relating to the community, workplace, skill development and environment in order to deliver sustainable value to the community and the environment.

(a) The Community

As a caring corporate citizen, the Group continues its social roles to support the community by contributing funds to charitable and welfare organizations to raise funds for the under-privileged.

The Group also believe in the importance of providing opportunities especially to the younger generation, for the betterment of our society. In line with this, the Group offers internship programme and recruits fresh graduates from local varsities majoring in surveying science, geoinformatics and geomatics from UiTM, UTM, UKM and UM for various posts in our Information & Communication Technology business segment.

(b) The Workplace and Skill Development

The Group places emphasis on safety and health issues by ensuring a safe working environment is created at various work sites.

Regular sports activities are also organized for employees to promote a balanced lifestyle. To foster teamwork and closer working relationships among the employees, various departments will organize monthly birthday celebrations for employees. The Group also organizes internal year end lunch get-together and host yearly festive celebrations, including "buka puasa" with all the staffs.

As part of the continuous effort to promote human capital development, the Group sponsored the participation of our staffs in local and overseas seminars and workshops to enhance their competency and to promote skill development. The Group has also conducted various in-house training programmes focusing mainly on productivity and job related training to equip the employees with the required skills and knowledge in areas related to the Group's operations.

(c) Environment Health

The Group values the importance of preserving the environment and resources conservation. The Group ensures compliance with all environmental laws and regulations and we continue to be committed on recycling to reduce wastages and promote good practices on energy-savings in our daily operations. We also continuously encourage our staffs to be environmental friendly.

AUDIT
COMMITTEE REPORT

COMPOSITION

The Audit Committee was established on 1 August, 1997. The Audit Committee presently comprises the following members:-

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

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

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

* *member of Malaysian Institute of Accountants*

TERMS OF REFERENCE

1. Membership

The Audit Committee shall be appointed by the Board from among their members and shall comprise not less than three (3) members. All members of the Audit 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 (1) member of the Audit 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 Securities.

No alternate director shall be appointed to the Audit Committee. The Audit 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 Audit Committee and each of its members at least once every three (3) years.

2. Meetings

The Audit Committee shall meet not less than four (4) times during each financial year with a quorum of at least two (2) members, a majority of which shall be independent directors. The Chairman of the Audit Committee shall chair the meetings of the Audit Committee or in the absence of the Chairman of the Audit Committee, the members present shall elect a chairman for the meeting from amongst the members present.

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

The Audit 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 Audit Committee.

3. Authority

The Audit Committee is authorised by the Board to perform and investigate any activity within its Terms of Reference. The Audit 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 Audit Committee shall be able to make prompt reports to Bursa Securities in the event that the Audit 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 Main Market Listing Requirements of Bursa Securities.

TERMS OF REFERENCE (CONT'D)

4. Functions

(a) Review the following and report the same to the Board:-

(i) with the external auditor, the audit plan;
(ii) with the external auditor, his evaluation of the system of internal controls;
(iii) with the external auditor, his audit report;
(iv) the assistance given by the employees of the Company and Group to the external auditor;
(v) 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;
(vi) 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;
(vii) the quarterly results and year end financial statements, prior to the approval by the Board, focusing particularly on:-
- changes in or implementation of major accounting policy changes;
- significant and unusual events; and
- compliance with accounting standards and other legal requirements;

(viii) 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;
(ix) any letter of resignation from the external auditors of the Company; and
(x) whether there is reason (supported by grounds) to believe that the Company's external auditor is not suitable for re-appointment.

(b) Recommend the nomination of a person or persons as external auditors.

(c) To consider the major findings of internal investigations and Management's response.

(d) To consider other topics as defined by the Board.

SUMMARY OF ACTIVITIES

During the financial year under review, the Audit Committee held five (5) meetings and details of attendance of the members of the Audit Committee at the aforesaid meetings are as follows:-

Name of Audit Commitee Members	Attendance of meetings
YTM. Tunku Dato' Seri Kamel bin Tunku Rijaludin	4/5
Mr. Siow Hock Lee	5/5
Mr. Chang Pak Hing	5/5

During the year under review, the Audit Committee carried out its duties in accordance with its Terms of Reference. These include:-

(a) reviewed the quarterly financial results of the Group and recommended the same to the Board for approval;
(b) reviewed the annual audited financial statements and Annual Report of the Group and recommended the same to the Board for approval;
(c) reviewed and discussed with the internal auditors on their audit plan, audit findings and recommendations of the audit findings;
(d) reviewed and discussed with the external auditors on their scope of work and audit plan;
(e) reviewed the re-appointment of internal and external auditors for the ensuing year; and
(f) reviewed and discussed the proposed fees of the internal and external auditors and recommended the same to the Board for approval.

INTERNAL AUDIT FUNCTIONS

The internal audit function is set up with the objectives to assist the Board to conduct adequate internal control reviews and to ensure that the Group has adequately addressed the corporate governance and risk management requirements. The Group has outsourced its internal audit function to a professional service firm, PKM Partners (M) Sdn. Bhd. ("PKM"). PKM assists the Audit Committee as well as the Board in discharging their responsibilities by providing an independent and objective advisory service in achieving the following functions:-

- To ensure that the management of the Group maintains a sound system of risk management and internal control to safeguard the Group's assets and the investment of shareholders;
- To ensure the reliability and integrity of the financial and operational information and other management data that the reporting system is in place;
- To ensure the adequacy and effectiveness of the Group's system of risk management and internal control;
- To review the internal audit program and results of the internal audit process and where necessary, ensure that appropriate action is taken on recommendations of the internal audit function;
- To perform internal audit over the operational areas and to provide an independent assurance on state of internal control system of the Group;
- To assist the Board and management to instill and sustain the internal control system in a disciplined and systematic manner; and
- To assist the employees to better understand, manage and communicate risk and the related controls in an integrated approach.

PKM reports directly to the Audit Committee and undertakes internal audit function in a systematic and cyclic basis and on selected business processes. The internal auditor adopts a risk-based approach and prepares its audit plan based on the risk profiles of the major business segments of the Group. The internal audit plan is assessed annually by the Audit Committee and the Board to ensure the plan remains relevant and aligned with the Group's key business risks and business strategies which may change in response to the dynamics of its operating environment.

The internal auditor tabled the results of their review to the Audit Committee at the Audit Committee meetings on a quarterly basis and as and when necessary. The results of PKM's review containing audit findings, management responses and recommendations were presented to the Audit Committee for discussion and deliberation. Follow up reviews on previous audit issues were carried out in order to ensure that the recommendations made by the internal auditors on areas of improvement identified are adopted or necessary corrective actions have been or are being taken by the management.

During the financial year ended 30 November 2015, they had performed a GST post implementation review and the business policies covering stock control, suppliers and sales terms, capital investment and credit control on the Group's key manufacturing business unit. The total costs incurred by the internal audit function in respect of the financial year ended 30 November 2015 was RM47,324.

The associated companies have not been dealt with as part of the Group for the purpose of this Statement. The Group's system of risk management and internal controls does not apply to associated companies where the Group does not have any direct control over their operations. However, the Group's interest is served through representation on the boards of the respective associated companies and the Board meets regularly to discuss and review the financial performance of these companies when necessary. The financial performance of these associated companies is provided regularly to the management and Board via the Group's monthly financial reporting framework with the objective of safeguarding the investment of the Group.

STATEMENT ON
RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board is pleased to set out below the Statement on Risk Management and Internal Control ("Statement") which is prepared in accordance with paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Securities and guided by the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers. To this end, the Board also ensures that the external auditors review this Statement and report the results thereof to the Board annually.

THE BOARD'S RESPONSIBILITIES

The Board is committed to maintain a sound system of risk management and internal control in order to safeguard shareholders' investments and the Group's assets. The Board acknowledges its overall responsibility for reviewing the adequacy and integrity of the Group's system of risk management and internal control. The system of risk management and internal control covers risk management procedures, financial, organisational, management information system, operational and compliance controls.

However, due to the limitations that are inherent in any system of risk management and internal control, it must be noted that these systems are designed to manage rather than to eliminate the risk of failure in meeting the Group's business objectives. Hence, such systems can only provide a reasonable and not absolute assurance against material misstatement, error or losses.

THE RISK MANAGEMENT FRAMEWORK

The Group has in place a formalised ongoing risk management framework that is embedded in the Group's day-to-day operation and management systems. The management and heads of department assists the Board in implementing the process of identifying, evaluating and managing significant risks affecting the respective areas of business and in formulating suitable internal control procedures to mitigate and control these risks on a timely basis.

The Board entrusts the management team with the overall responsibility to manage and regularly monitor the risk management activities of the Group. The special project task force is responsible to assess and evaluate the feasibility and risk impact on prospective investments and for on-going business operations, risk management and evaluation is an integral part of the annual business planning process.

The management of each business unit in establishing its business objectives, is required to identify and evaluate all possible risks that can affect their areas of business together with the design and operation of suitable internal control mechanism to manage these risks. Significant risks of business units have been presented to the Board for their deliberation. The Board is satisfied that there is an on-going process of identifying, evaluating and managing significant risks faced by the Group and that this process has been in place throughout the year and up to the date of approval of the Annual Report. The adequacy and effectiveness of the process is regularly reviewed by the Board and includes updating the system of risk management and internal control when there are changes in the Group's risk profile or business environment.

KEY ELEMENTS OF INTERNAL CONTROL

The Group's system of internal control comprises the following key elements:-

- An organisation structure which clearly defines the lines of responsibility, accountability and delegation of appropriate levels of authority to the various divisions of the Group's business;
- Regular meetings are held at business units and divisional level with the present of the Group Managing Director and/or Group General Manager to review business plan and to identify, discuss and resolve operational and financial issues;
- Monthly financial reporting framework is in place for all companies within the Group whereby actual performance is monitored against the agreed targets set by the Group Managing Director. Explanation is provided for major variances and management action taken, where necessary;
- Comprehensive information is provided to the senior management on a regular basis covering financial performance for effective monitoring and decision making. The Group also operates a comprehensive automated information system that provides for transactions to be captured, compiled and reported. The intranet is used as an effective means of communication and sharing of knowledge; and
- Quarterly monitoring of the Group's results by the Board, who plays an active role in discussing and reviewing any new business ventures, strategies, significant performance and risks faced by the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL [continued]

INTERNAL AUDIT FUNCTIONS

The internal audit function is set up with the objectives to assist the Board to conduct adequate internal control reviews and to ensure that the Group has adequately addressed the corporate governance and risk management requirements. The Group has outsourced its internal audit function to a professional service firm, PKM Partners (M) Sdn. Bhd. ("PKM") to assists the Board and Audit Committee in discharging their responsibilities by providing an independent and objective advisory service in achieving the following functions:-

- To ensure that the management of the Group maintains a sound system of risk management and internal control to safeguard the Group's assets and the investment of shareholders;
- To ensure the reliability and integrity of the financial and operational information and other management data that the reporting system is in place;
- To ensure the adequacy and effectiveness of the Group's system of risk management and internal control;
- To review the internal audit program and results of the internal audit process and where necessary, ensure that appropriate action is taken on recommendations of the internal audit function;
- To perform internal audits over the operational areas and to provide an independent assurance on state of internal control system of the Group;
- To assist the Board and management to instil and sustain the internal control system in a disciplined and systematic manner; and
- To assist the employees to better understand, manage and communicate risk and the related controls in an integrated approach.

The internal auditor reports directly to the Audit Committee and undertakes internal audit function in a systematic and cyclic basis and on selected business processes. The internal auditor adopts a risk-based approach and prepares its audit plan based on the risk profiles of the major business segments of the Group. The internal audit plan is assessed annually by the Audit Committee and the Board to ensure the plan remains relevant and aligned with the Group's key business risks and business strategies which may change in response to the dynamics of its operating environment.

The internal auditor tabled the results of their review to the Audit Committee at the Audit Committee meetings on a quarterly basis and as and when necessary. The results of PKM's review containing audit findings, management responses and recommendations were presented to the Audit Committee for discussion and deliberation. Follow up reviews on previous audit issues were carried out in order to ensure that the recommendations made by the internal auditors on areas of improvement identified are adopted or necessary corrective actions have been or are being taken by the management.

During the financial year ended 30 November 2015, they had performed a GST post implementation review and the business policies covering stock control, suppliers and sales terms, capital investment and credit control on the Group's key manufacturing business unit. The total costs incurred by the internal audit function in respect of the financial year ended 30 November 2015 was RM47,324.

The associated companies have not been dealt with as part of the Group for the purpose of this Statement. The Group's system of risk management and internal control does not apply to associated companies where the Group does not have any direct control over their operations. However, the Group's interest is served through representation on the boards of the respective associated companies and the Board meets regularly to discuss and review the financial performance of these companies when necessary. The financial performance of these associated companies is provided regularly to the management and Board via the Group's monthly financial reporting framework with the objective of safeguarding the investment of the Group.

CONCLUSION

The Board has received assurance from the Group Managing Director and management that the Group's current risk management and internal control systems have been operating adequately and effectively, in all material aspects during the financial year under review and up to the date of this Statement. Taking this assurance into consideration, the Board is of the view that the systems of risk management and internal control were satisfactory and have not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report. As the development of a sound system of internal control is an on-going process, the Board and management will continue to take necessary measures to strengthen the risk management framework and system of internal control of the Group.

This Statement has been approved by the Board of Amtel Holdings Berhad resolution on 22 March 2016.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the Bursa Malaysia Main Market Listing Requirements, the external auditors have reviewed and reported the results thereof to the Board. The review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and RPG 5 (Revised), *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Controls Included in the Annual Report.*

Based on the review performed, the external auditors, Messrs. Baker Tilly AC, have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Controls: Guidelines for Director of Listed Issuers to be set out, nor is factually inaccurate.

REPORTS AND FINANCIAL STATEMENTS

DIRECTORS' REPORT

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 November 2015.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services. The principal activities of the subsidiaries are set out in Note 10 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 financial year	809,957	(360,042)
Profit/(loss) attributable to:-		
Owners of the Company	817,938	(360,042)
Non-controlling interests	(7,981)	–
	809,957	(360,042)

DIVIDEND

No dividend has been paid or declared by the Company since the end of the previous financial year.

The directors do not recommend the payment of any dividends in respect of the financial year ended 30 November 2015.

RESERVES AND PROVISIONS

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

BAD AND DOUBTFUL DEBTS

Before the statements of profit or loss and other comprehensive income and statements of financial position 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 provision for doubtful debts and have satisfied themselves that there were no known bad debts and that adequate provision had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render it necessary to write off any bad debts or render the amount of provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

Before the statements of profit or loss and other comprehensive income and statements of financial position 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 realise 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 liability or other liability of the Group and 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 other than the acquisition of Mewah Amanjaya Sdn. Bhd. were not substantially affected by any item, transaction or event of a material and unusual nature; and

(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 OR DEBENTURES

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

SIGNIFICANT EVENTS

Details of significant events during the financial year are disclosed in Note 40 to the financial statements.

DIRECTORS

The names of the directors of the Company in office since the date of the last report are as follows:-

YTM. TUNKU DATO' SERI KAMEL BIN TUNKU RIJALUDIN
DATO' KOID HUN KIAN
SIOW HOCK LEE
CHANG PAK HING
TAN WOON HUEI

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965 in Malaysia, the interest of the directors who held office at the end of the financial year in the shares of the Company during the financial year are as follows:-

	Number of Ordinary Shares of RM1 each			
	At 1.12.2014	Bought	Sold	At 30.11.2015
Direct interest				
Dato' Koid Hun Kian	7,994,888	–	–	7,994,888
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	200,000	–	–	200,000
Siow Hock Lee	65,333	–	–	65,333
Chang Pak Hing	2,300	–	–	2,300
Tan Woon Huei	219,000	–	–	219,000
Indirect interest				
Dato' Koid Hun Kian *	7,244,270	–	(3,255,000)	3,989,270
Siow Hock Lee **	814,333	–	–	814,333

* This includes shares held by spouse and children pursuant to Section 134(12)(c) of the Companies Act, 1965.
** This includes shares held by spouse pursuant to Section 134(12)(c) of the Companies Act, 1965.

By virtue of his substantial interest in the shares of the Company, Dato' Koid Hun Kian is also deemed interested in the shares of the subsidiaries and its related corporations during the financial year to the extent that the Company has an interest.

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 emoluments received or due and receivable by directors and the estimated value of benefit-in-kind as disclosed in Note 6 to 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.

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, being arrangements with the object or objects of enabling directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

AUDITORS

The auditors, Messrs. Baker Tilly AC, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 22 March 2016.

YTM. TUNKU DATO' SERI KAMEL BIN TUNKU RIJALUDIN

DATO' KOID HUN KIAN

STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2015

\	Note	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Revenue	4	56,656,158	31,985,709	1,857,120	5,200,890
Cost of sales	5	(45,332,038)	(25,305,528)	–	–
Gross profit		11,324,120	6,680,181	1,857,120	5,200,890
Other operating income		1,774,785	3,318,918	154,383	3,176,177
Distribution expenses		(724,114)	(499,606)	–	–
Administrative expenses		(8,763,924)	(5,172,274)	(1,796,901)	(1,396,997)
Other operating expenses		(2,522,935)	(2,811,429)	(574,644)	(2,664,558)
		(12,010,973)	(8,483,309)	(2,371,545)	(4,061,555)
Profit/(loss) from operations		1,087,932	1,515,790	(360,042)	4,315,512
Finance costs		(74,444)	(373,058)	–	–
Share of results of associates		146,867	41,839	–	–
Profit/(loss) before tax	6	1,160,355	1,184,571	(360,042)	4,315,512
Tax expense	7	(350,398)	(591,072)	–	–
Profit/(loss) for the financial year		809,957	593,499	(360,042)	4,315,512
Other comprehensive income, net of tax					
Items that may be reclassified subsequently to profit or loss					
Foreign currency translation		38,333	(3,325)	–	–
Total comprehensive income/ (loss) for the financial year		848,290	590,174	(360,042)	4,315,512
Profit/(loss) attributable to:-					
Owners of the Company		817,938	601,395	(360,042)	4,315,512
Non-controlling interests		(7,981)	(7,896)	–	–
		809,957	593,499	(360,042)	4,315,512
Total comprehensive income/ (loss) attributable to:-					
Owners of the Company		844,769	598,256	(360,042)	4,315,512
Non-controlling interests		3,521	(8,082)	–	–
		848,290	590,174	(360,042)	4,315,512
Earnings per share (sen)					
- Basic	8	1.66	1.22		
- Diluted	8	1.66	1.22		

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

STATEMENTS OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2015

	Note	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
ASSETS					
Non-current assets					
Property, plant and equipment	9	2,046,314	2,275,730	109,232	164,951
Investment in subsidiaries	10	–	–	20,942,809	17,442,809
Investment in associates	11	1,150,020	971,859	–	–
Intangible assets	12	3,409,642	2,831,362	–	–
Other investments	13	250,000	250,000	250,000	250,000
Investment property	14	168,717	168,717	–	–
		7,024,693	6,497,668	21,302,041	17,857,760
Current assets					
Property development costs	15(b)	10,272,388	–	–	–
Inventories	16	737,922	603,949	–	–
Other investments	13	12,653,868	15,427,580	442,767	3,411,059
Trade receivables	17	15,861,720	7,613,636	–	–
Other receivables, deposits and prepayments	18	958,778	896,234	97,782	390,851
Tax assets	19	207,288	308,892	–	–
Amounts owing by subsidiaries	20	–	–	9,307,936	4,583,610
Amounts owing by associates	21	2,920,660	2,284,245	299,606	148,651
Cash deposits with licensed banks	22	6,601,066	4,215,333	–	–
Cash and bank balances	23	6,473,801	12,858,382	226,045	4,170,220
		56,687,491	44,208,251	10,374,136	12,704,391
TOTAL ASSETS		63,712,184	50,705,919	31,676,177	30,562,151

STATEMENTS OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2015

[continued]

	Note	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
EQUITY AND LIABILITIES					
Equity					
Share capital	24	49,277,066	49,277,066	49,277,066	49,277,066
Reserves	25	(5,373,911)	(6,218,680)	(19,395,458)	(19,035,416)
Equity attributable to owners of the Company		43,903,155	43,058,386	29,881,608	30,241,650
Non-controlling interests		374,010	370,489	–	–
Total Equity		44,277,165	43,428,875	29,881,608	30,241,650
Liabilities					
Non-current liabilities					
Finance lease payables	26	218,086	351,923	–	–
Deferred tax liabilities	27	610,708	485,900	–	–
		828,794	837,823	–	–
Current liabilities					
Trade payables	28	8,383,710	3,163,786	–	–
Other payables, deposits and accruals	29	8,449,533	1,868,166	1,758,594	266,455
Amount owing to associates	21	–	17,482	–	–
Provisions	30	669,499	644,919	35,489	53,560
Bank borrowings	31	–	329,179	–	–
Finance lease payables	26	183,743	221,028	–	–
Tax liabilities		919,740	194,661	486	486
		18,606,225	6,439,221	1,794,569	320,501
Total liabilities		19,435,019	7,277,044	1,794,569	320,501
TOTAL EQUITY AND LIABILITIES		63,712,184	50,705,919	31,676,177	30,562,151

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2015

		Attributable to Owners of the Company							
			Non-Distributable						
	Note	Share Capital RM	Share Premium RM	Fair Value Adjustment Reserve RM	Exchange Reserve RM	Accumulated Losses RM	Sub-total RM	Non-controlling Interests RM	Total Equity RM
At 1.12.2013		49,277,066	4,774,665	159,000	–	(9,779,518)	44,431,213	373,488	44,804,701
Comprehensive income									
Profit/(loss) for the financial year		–	–	–	–	601,395	601,395	(7,896)	593,499
Foreign currency translation		–	–	–	(3,139)	–	(3,139)	(186)	(3,325)
Total comprehensive (loss)/ income for the financial year		–	–	–	(3,139)	601,395	598,256	(8,082)	590,174
Transactions with owners									
Dividends	33	–	–	–	–	(1,971,083)	(1,971,083)	–	(1,971,083)
Dividends paid to non-controlling interests	10(e)	–	–	–	–	–	–	(150,000)	(150,000)
Incorporation of a subsidiary company	10(d)	–	–	–	–	–	–	155,083	155,083
Total transactions with owners		–	–	–	–	(1,971,083)	(1,971,083)	5,083	(1,966,000)
At 30.11.2014		49,277,066	4,774,665	159,000	(3,139)	(11,149,206)	43,058,386	370,489	43,428,875
At 1.12.2014		49,277,066	4,774,665	159,000	(3,139)	(11,149,206)	43,058,386	370,489	43,428,875
Comprehensive income									
Profit/(loss) for the financial year		–	–	–	–	817,938	817,938	(7,981)	809,957
Foreign currency translation		–	–	–	26,831	–	26,831	11,502	38,333
Total comprehensive income for the financial year		–	–	–	26,831	817,938	844,769	3,521	848,290
At 30.11.2015		49,277,066	4,774,665	159,000	23,692	(10,331,268)	43,903,155	374,010	44,277,165

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 FINANCIAL YEAR ENDED 30 NOVEMBER 2015

			Non-Distributable			
	Note	Share Capital RM	Share Premium RM	Fair Value Adjustment Reserve RM	Accumulated Losses RM	Total Equity RM
At 1.12.2013		49,277,066	4,774,665	159,000	(26,313,510)	27,897,221
Comprehensive income						
Profit for the financial year		–	–	–	4,315,512	4,315,512
Total comprehensive income for the financial year		–	–	–	4,315,512	4,315,512
Transactions with owners						
Dividends	33	–	–	–	(1,971,083)	(1,971,083)
Total transactions with owners		–	–	–	(1,971,083)	(1,971,083)
At 30.11.2014		49,277,066	4,774,665	159,000	(23,969,081)	30,241,650
Comprehensive income						
Loss for the financial year		–	–	–	(360,042)	(360,042)
Total comprehensive (loss)/income for the financial year		–	–	–	(360,042)	(360,042)
At 30.11.2015		49,277,066	4,774,665	159,000	(24,329,123)	29,881,608

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2015

	Note	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Cash flows from operating activities					
Profit/(loss) before tax		1,160,355	1,184,571	(360,042)	4,315,512
Adjustments for:-					
Amortisation of intangible assets		2,429,512	992,928	–	–
Depreciation of property, plant and equipment		872,772	916,920	89,756	65,866
Dividend income from fixed income fund		(99,985)	(308,616)	(81,708)	(143,582)
Dividend income from other investments		(369,958)	(159,317)	–	–
Dividend income from subsidiaries		–	–	–	(3,969,000)
Gain on disposal of property, plant and equipment		–	(2,391,352)	–	–
Gain on disposals of subsidiaries	10(c)	(4)	–	–	–
Impairment loss on investment in subsidiaries		–	–	–	1,991,325
Intangible assets written off		400,000	–	–	–
Interest expense		74,444	373,058	–	–
Interest income		(304,857)	(274,458)	–	(28,059)
Loss on disposal of an associate		–	6,900	–	–
Net fair value loss on held for trading investments		–	132,516	–	–
Net provision/(reversal) of warranty costs		27,452	(86,624)	–	–
Net (reversal)/provision for employee benefits		(2,872)	12,003	(18,071)	8,089
Property, plant and equipment written off		3,278	1,649	–	1,055
Reversal of impairment loss on amounts owing by subsidiaries		–	–	–	(1,293,398)
Share of results of associates		(146,867)	(41,839)	–	–
Unrealised (gain)/loss on foreign exchange		(164,011)	16,216	–	–
Waiver of amounts owing to subsidiaries		–	–	(40,081)	(1,710,138)
Operating profit/(loss) before working capital changes carried down		3,879,259	374,555	(410,146)	(762,330)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2015

[continued]

	Note	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Operating profit/(loss) before working capital changes brought down		3,879,259	374,555	(410,146)	(762,330)
Property development costs		(10,272,388)	–	–	–
Inventories		(164,277)	69,946	–	–
Receivables		(8,331,883)	1,201,083	293,069	2,172,422
Payables		10,336,279	(2,537,759)	1,492,139	(148,221)
Cash (used in)/generated from operations		(4,553,010)	(892,175)	1,375,062	1,261,871
Interest paid		(74,444)	(373,058)	–	–
Interest received		304,857	274,458	–	28,059
Income tax refunded		54,868	36,136	–	–
Income tax paid		(123,376)	(683,669)	–	–
Net cash (used in)/from operating activities		(4,391,105)	(1,638,308)	1,375,062	1,289,930
Cash flows from investing activities					
Additions in intangible assets		–	(1,838,435)	–	–
Additions in investment in subsidiaries	10	–	–	(3,500,000)	(1,000,000)
Additions in quoted investments	13	(369,958)	(6,859,317)	–	–
(Advances to)/Repayment from subsidiaries		–	–	(4,684,245)	57,036
Advances to associates		(653,897)	(2,178,394)	(150,955)	(86,371)
Dividend income from fixed income fund		99,985	308,616	81,708	143,582
Dividend income from other investments		369,958	159,317	–	–
Dividend income from subsidiaries		–	–	–	3,969,000
Net cash outflow on acquisition of a subsidiary company	10(b)	(1,286,040)	–	–	–
Net cash inflow on subscription of shares of a subsidiary company	10(d)	–	155,083	–	–
Placement of pledged cash deposits		–	(1,000,000)	–	–
Withdrawal/(Placement) of short term deposits		96,361	(2,781)	–	–
Proceeds from disposal of an associate	11	–	8,100	–	–
Proceeds from disposals of subsidiaries	10(c)	4	–	–	–
Proceeds from disposal of held for trading investments		–	347,854	–	–
Proceeds from disposal of property, plant and equipment		–	18,312,961	–	–
Purchase of property, plant and equipment	9	(596,698)	(1,269,707)	(34,037)	(112,517)
(Placement)/Withdrawal of cash at banks under lien		(100,657)	8,960,581	–	–
Withdrawal of fixed income funds		3,143,670	7,279,619	2,968,292	377,479
Net cash from/(used in) investing activities carried down		702,728	22,383,497	(5,319,237)	3,348,209

	Note	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Net cash from/(used in) investing activities brought down		702,728	22,383,497	(5,319,237)	3,348,209
Cash flows from financing activities					
Dividends paid	33	–	(1,971,083)	–	(1,971,083)
Dividends paid to non–controlling interests		–	(150,000)	–	–
Repayment of bankers' acceptance		(246,000)	27,000	–	–
Repayment of finance lease payables		(221,122)	(496,551)	–	–
Repayment of term loan		–	(7,289,091)	–	–
Net cash used in financing activities		(467,122)	(9,879,725)	–	(1,971,083)
Net (decrease)/increase in cash and cash equivalents		(4,155,499)	10,865,464	(3,944,175)	2,667,056
Effects of foreign exchange rate changes		235,534	(16,463)	–	–
Cash and cash equivalents at beginning of the financial year		10,393,766	(455,235)	4,170,220	1,503,164
Cash and cash equivalents at end of the financial year	32	6,473,801	10,393,766	226,045	4,170,220

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 2015

1. CORPORATE INFORMATION

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

The registered office and principal place of business of the Company is located at No. 7, Jalan PJS 7/19, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan.

The principal activities of the Company are investment holding and the provision of management services. The principal activities of the subsidiaries are set out in Note 10. 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 resolution by the Board of Directors dated 22 March 2016.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost basis, except as otherwise disclosed in the summary of significant accounting policies.

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires the directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2 New MFRSs, Amendments/Improvements to MFRSs and New IC Interpretations ("IC Int")

(a) Adoption of Amendments/Improvements to MFRSs and New IC Int

The Group and the Company had adopted the following amendments/improvements to MFRSs and new IC Int that are mandatory for the current financial year:-

<u>Amendments/Improvements to MFRSs</u>

MFRS 2	Share-based Payment
MFRS 3	Business Combinations
MFRS 8	Operating Segments
MFRS 10	Consolidated Financial Statements
MFRS 12	Disclosure of Interest in Other Entities
MFRS 13	Fair Value Measurement
MFRS 116	Property, Plant and Equipment
MFRS 119	Employee Benefits
MFRS 124	Related Party Disclosures
MFRS 127	Separate Financial Statements
MFRS 132	Financial Instruments: Presentation
MFRS 136	Impairment of Assets
MFRS 138	Intangible Assets
MFRS 139	Financial Instrument: Recognition and Measurement
MFRS 140	Investment Property

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 New MFRSs, Amendments/Improvements to MFRSs and New IC Interpretations ("IC Int") (Cont'd)

(a) Adoption of Amendments/Improvements to MFRSs and New IC Int (Cont'd)

The Group and the Company had adopted the following amendments/improvements to MFRSs and new IC Int that are mandatory for the current financial year:- (Cont'd)

New IC Int

IC Int 21	Levies

The adoption of the above amendments/improvements to MFRSs and new IC Int do not have any effect on the financial statements of the Group and of the Company except for those as discussed below.

Amendments to MFRS 3 Business Combinations

Amendments to MFRS 3 clarify that when contingent consideration meets the definition of financial instrument, its classification as a liability or equity is determined by reference to MFRS 132. They also clarify that contingent consideration that is classified as an asset or a liability shall be subsequently measured at fair value at each reporting date and changes in fair value shall be recognised in profit or loss.

In addition, Amendments to MFRS 3 clarify that MFRS 3 excludes from its scope the accounting for the formation of all types of joint arrangements (as defined in MFRS 11) in the financial statements of the joint arrangement itself.

Amendments to MFRS 8 Operating Segments

Amendments to MFRS 8 require an entity to disclose the judgements made by management in applying the aggregation criteria to operating segments. This includes a brief description of the operating segments that have been aggregated and the economic indicators that have been assessed in determining that the aggregated operating segments share similar economic characteristics.

The Amendments also clarify that an entity shall provide reconciliations of the total of the reportable segments' assets to the entity's assets if the segment assets are reported regularly to the chief operating decision maker.

Amendments to MFRS 10 Consolidated Financial Statements, MFRS 12 Disclosure of Interests in Other Entities and MFRS 127 Separate Financial Statements

Amendments to MFRS 10 introduce an exception to the principle that all subsidiaries shall be consolidated. The Amendments define an investment entity and require a parent that is an investment entity to measure its investment in particular subsidiaries at fair value thorough profit or loss in accordance with MFRS 139 Financial Instruments: Recognition and Measurement instead of consolidating those subsidiaries in its consolidated financial statements. Consequently, new disclosure requirements related to investment entities are introduced in Amendments to MFRS 12 and MFRS 127.

In addition, Amendments to MFRS 127 also clarify that if a parent is required, in accordance with paragraph 31 of MFRS 10, to measure its investment in a subsidiary at fair value through profit or loss in accordance with MFRS139, it shall also account for its investment in that subsidiary in the same way in its separate financial statements.

Amendments to MFRS 13 Fair Value Measurement

Amendments to MFRS 13 relate to the IASB's Basis for Conclusions which is not an integral part of the Standard. The Basis for Conclusions clarifies that when IASB issued IFRS 13, it did not remove the practical ability to measure short-term receivables and payables with no stated interest rate at invoice amounts without discounting, if the effect of discounting is immaterial.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 New MFRSs, Amendments/Improvements to MFRSs and New IC Interpretations ("IC Int") (Cont'd)

(a) Adoption of Amendments/Improvements to MFRSs and New IC Int (Cont'd)

Amendments to MFRS 13 Fair Value Measurement (Cont'd)

The Amendments also clarify that the scope of the portfolio exception of MFRS 13 includes all contracts accounted for within the scope of MFRS 139 Financial Instruments: Recognition and Measurement or MFRS 9 Financial Instruments, regardless of whether they meet the definition of financial assets or financial liabilities as defined in MFRS 132 Financial Instruments: Presentation.

Amendments to MFRS 116 Property, Plant and Equipment

Amendments to MFRS 116 clarify the accounting treatment for the accumulated depreciation when an asset is revalued. They clarify that:-

- the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset; and
- the accumulated depreciation is calculated as the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses.

Amendments to MFRS 119 Employee Benefits

Amendments to MFRS 119 provide a practical expedient in accounting for contributions from employees or third parties to defined benefit plans.

If the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the related service is rendered, instead of attributing the contributions to the periods of service.

However, if the amount of the contributions is dependent on the number of years of service, an entity is required to attribute those contributions to periods of service using the same attribution method required by MFRS 119 for the gross benefit (i.e. either based on the plan's contribution formula or on a straight-line basis).

Amendments to MFRS 124 Related Party Disclosures

Amendments to MFRS 124 clarify that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a related party of the reporting entity.

Amendments to MFRS 132 Financial Instruments: Presentation

Amendments to MFRS 132 do not change the current offsetting model in MFRS 132. The Amendments clarify the meaning of 'currently has a legally enforceable right of set-off', that the right of set-off must be available today (not contingent on a future event) and legally enforceable for all counterparties in the normal course of business. The Amendments clarify that some gross settlement mechanisms with features that are effectively equivalent to net settlement will satisfy the MFRS 132 offsetting criteria.

Amendments to MFRS 136 Impairment of Assets

Amendments to MFRS 136 clarify that disclosure of the recoverable amount (based on fair value less costs of disposal) of an asset or cash generating unit is required to be disclosed only when an impairment loss is recognised or reversed. In addition, there are new disclosure requirements about fair value measurement when impairment or reversal of impairment is recognised.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 New MFRSs, Amendments/Improvements to MFRSs and New IC Interpretations ("IC Int") (Cont'd)

(a) Adoption of Amendments/Improvements to MFRSs and New IC Int (Cont'd)

Amendments to MFRS 138 Intangible Assets

Amendments to MFRS 138 clarify the accounting treatment for the accumulated amortisation when an asset is revalued. They clarify that:-

- the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset; and
- the accumulated amortisation is calculated as the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses.

Amendments to MFRS 139 Financial Instruments: Recognition and Measurement

Amendments to MFRS 139 provide relief from discontinuing hedge accounting in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met. As a result of the Amendments, continuation of hedge accounting is permitted if as a consequence of laws or regulations, the parties to hedging instrument agree to have one or more clearing counterparties replace their original counterparty and the changes to the terms arising from the novation are consistent with the terms that would have existed if the novated derivative were originally cleared with the central counterparty.

Amendments to MFRS 140 Investment Property

Amendments to MFRS 140 clarify that the determination of whether an acquisition of investment property meets the definition of both a business combination as defined in MFRS 3 and investment property as defined in MFRS 140 requires the separate application of both Standards independently of each other.

IC Int 21 Levies

IC Int 21 addresses the accounting for a liability to pay a government levy (other than income taxes and fine or other penalties that imposed for breaches of the legislation) if that liability is within the scope of MFRS 137 Provisions, Contingent Liabilities and Contingent Assets. This interpretation clarifies that an entity recognises a liability for a levy when the activity that triggers the payment of the levy, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is recognised progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be recognised before the specific minimum threshold is reached.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 New MFRSs, Amendments/Improvements to MFRSs and New IC Interpretations ("IC Int") (Cont'd)

(b) New MFRSs and Amendments/Improvements to MFRSs that are issued, but not yet effective and have not been early adopted

The Group and the Company have not adopted the following new MFRSs and amendments/improvements to MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") as at the date of authorisation of these financial statements but are not yet effective for the Group and the Company:-

		Effective for financial periods beginning on or after
New MFRSs		
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
Amendments/Improvements to MFRSs		
MFRS 5	Non-current Asset Held for Sale and Discontinued Operations	1 January 2016
MFRS 7	Financial Instruments: Disclosures	1 January 2016
MFRS 10	Consolidated Financial Statements	1 January 2016
MFRS 11	Joint Arrangements	1 January 2016
MFRS 12	Disclosure of Interest in Other Entities	1 January 2016
MFRS 101	Presentation of Financial Statements	1 January 2016
MFRS 116	Property, Plant and Equipment	1 January 2016
MFRS 119	Employee Benefits	1 January 2016
MFRS 127	Separate Financial Statements	1 January 2016
MFRS 128	Investments in Associates and Joint Ventures	1 January 2016
MFRS 138	Intangible Assets	1 January 2016
MFRS 141	Agriculture	1 January 2016

A brief discussion on the above significant new MFRSs and amendments/improvements to MFRSs are summarised below. Due to the complexity of these new standards, the financial effects of their adoption are currently still being assessed by the Group and the Company.

MFRS 9 Financial Instruments

Key requirements of MFRS 9:-

- MFRS 9 introduces an approach for classification of financial assets which is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments.

  In essence, if a financial asset is a simple debt instrument and the objective of the entity's business model within which it is held is to collect its contractual cash flows, the financial asset is measured at amortised cost. In contrast, if that asset is held in a business model the objective of which is achieved by both collecting contractual cash flows and selling financial assets, then the financial asset is measured at fair value in the statements of financial position, and amortised cost information is provided through profit or loss. If the business model is neither of these, then fair value information is increasingly important, so it is provided both in the profit or loss and in the statements of financial position.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 New MFRSs, Amendments/Improvements to MFRSs and New IC Interpretations ("IC Int") (Cont'd)

(b) New MFRSs and Amendments/Improvements to MFRSs that are issued, but not yet effective and have not been early adopted (Cont'd)

MFRS 9 Financial Instruments (Cont'd)

Key requirements of MFRS 9 (Cont'd):-

- MFRS 9 introduces a new, expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, this Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis. The model requires an entity to recognise expected credit losses at all times and to update the amount of expected credit losses recognised at each reporting date to reflect changes in the credit risk of financial instruments. This model eliminates the threshold for the recognition of expected credit losses, so that it is no longer necessary for a trigger event to have occurred before credit losses are recognised.

- MFRS 9 introduces a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new model represents a significant overhaul of hedge accounting that aligns the accounting treatment with risk management activities, enabling entities to better reflect these activities in their financial statements. In addition, as a result of these changes, users of the financial statements will be provided with better information about risk management and the effect of hedge accounting on the financial statements.

MFRS 15 Revenue from Contracts with Customers

The core principle of MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with the core principle by applying the following steps:-

(i) Identify the contracts with a customer.
(ii) Identify the performance obligation in the contract.
(iii) Determine the transaction price.
(iv) Allocate the transaction price to the performance obligations in the contract.
(v) Recognise revenue when (or as) the entity satisfies a performance obligation.

MFRS 15 also includes new disclosures that would result in an entity providing users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

The following MFRSs and IC Interpretations will be withdrawn on the application of MFRS 15:-

MFRS 111	Construction Contracts
MFRS 118	Revenue
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 15	Agreements for the Construction of Real Estate
IC Interpretation 18	Transfers of Assets from Customers
IC Interpretation 131	Revenue – Barter Transactions Involving Advertising Services

Amendments to MFRS 7 Financial Instruments: Disclosures

Amendments to MFRS 7 provide additional guidance to clarify whether servicing contracts constitute continuing involvement for the purposes of applying the disclosure requirements of MFRS 7.

The Amendments also clarify the applicability of Disclosure – Offsetting Financial Assets and Financial Liabilities (Amendments to MFRS 7) to condensed interim financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 New MFRSs, Amendments/Improvements to MFRSs and New IC Interpretations ("IC Int") (Cont'd)

(b) New MFRSs and Amendments/Improvements to MFRSs that are issued, but not yet effective and have not been early adopted (Cont'd)

Amendments to MFRS 101 Presentation of Financial Statements

Amendments to MFRS 101 improve the effectiveness of disclosures. The Amendments clarify guidance on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.

Amendments to MFRS 127 Separate Financial Statements

Amendments to MFRS 127 allow a parent and investors to use the equity method in its separate financial statements to account for investments in subsidiaries, joint ventures and associates, in addition to the existing options.

Amendments to MFRS 138 Intangible Assets

Amendments to MFRS 138 introduce a rebuttable presumption that the revenue-based amortisation method is inappropriate. This presumption can be overcome only in the following limited circumstances:-

- when the intangible asset is expressed as a measure of revenue, i.e. in the circumstance in which the predominant limiting factor that is inherent in an intangible asset is the achievement of a revenue threshold; or
- when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures

These Amendments address an acknowledged inconsistency between the requirements in MFRS 10 and those in MFRS 128, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the Amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not), as defined in MFRS 3 Business Combinations. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

Amendments to MFRS 10 Consolidated Financial Statements, MFRS 12 Disclosures of Interests in Other Entities and MFRS 128 Investments in Associates and Joint Ventures

These Amendments address the following issues that have arisen in the application of the consolidation exception for investment entities:-

- Exemption from presenting consolidated financial statements: the amendments clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.;
- Consolidation of intermediate investment entities: the amendments clarify that only a subsidiary is not an investment entity itself and provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value.; and
- Policy choice for equity accounting for investments in associates and joint ventures: the Amendments allow a non-investment entity that has an interest in an associate or joint venture that is an investment entity, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interest in subsidiaries, or to unwind the fair value measurement and instead perform a consolidation at the level of the investment entity associate or joint venture.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Basis of Consolidation and Subsidiaries

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries, associates, and joint ventures used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

(a) Subsidiaries and business combination

Subsidiaries are entities (including structured entities) over which the Group is exposed, or has rights, to variable returns from its involvement with the acquirees and has the ability to affect those returns through its power over the acquirees.

The financial statements of subsidiaries are included in the consolidated financial statements from the date the Group obtains control of the acquirees until the date the Group loses control of the acquirees.

The Group applies the acquisition method to account for business combinations from the acquisition date.

For a new acquisition, goodwill is initially measured at cost, being the excess of the following:-

- the fair value of the consideration transferred, calculated as the sum of the acquisition-date fair value of assets transferred (including contingent consideration), the liabilities incurred to former owners of the acquiree and the equity instruments issued by the Group. Any amounts that relate to pre-existing relationships or other arrangements before or during the negotiations for the business combination, that are not part of the exchange for the acquiree, will be excluded from the business combination accounting and be accounted for separately; plus
- the recognised amount of any non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date (the choice of measurement basis is made on an acquisition-by-acquisition basis); plus
- if the business combination is achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree; less
- the net fair value of the identifiable assets acquired and the liabilities (including contingent liabilities) assumed at the acquisition date.

The accounting policy for goodwill is set out in Note 2.14(a).

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

If the business combination is achieved in stages, the Group remeasures the previously held equity interest in the acquiree to its acquisition-date fair value, and recognises the resulting gain or loss, if any, in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss or transferred directly to retained earnings on the same basis as would be required if the acquirer had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group uses provisional fair value amounts for the items for which the accounting is incomplete. The provisional amounts are adjusted to reflect new information obtained about facts and circumstances that existed as of the acquisition date, including additional assets or liabilities identified in the measurement period. The measurement period for completion of the initial accounting ends as soon as the Group receives the information it was seeking about facts and circumstances or learns that more information is not obtainable, subject to the measurement period not exceeding one year from the acquisition date.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Basis of Consolidation and Subsidiaries (Cont'd)

(a) Subsidiaries and business combination (Cont'd)

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any gain or loss arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an associate, a joint venture, an available-for-sale financial asset or a held for trading financial asset.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The difference between the Group's share of net assets before and after the change, and the fair value of the consideration received or paid, is recognised directly in equity.

(b) Non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company and are presented separately in the consolidated statement of financial position within equity.

Losses attributable to the non-controlling interests are allocated to the non-controlling interests even if the losses exceed the non-controlling interests.

(c) Associates

Associates are entities over which the Group has significant influence, but not control, to the financial and operating policies.

Investment in associates are accounted for in the consolidated financial statements using the equity method.

Under the equity method, the investment in associates are initially recognised at cost. The cost of investment includes transaction costs. Subsequently, the carrying amount is adjusted to recognise changes in the Group's share of net assets of the associate.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of an available-for-sale financial asset or a held for trading financial asset. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When the Group's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not remeasured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Basis of Consolidation and Subsidiaries (Cont'd)

(d) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intragroup transactions are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.4 Separate Financial Statements

In the Company's statement of financial position, investment in subsidiaries, joint ventures and associates are measured at cost less any accumulated impairment losses, unless the investment is classified as held for sale or distribution. The policy for the recognition and measurement of impairment losses shall be applied on the same basis as would be required for impairment of non-financial assets as disclosed in Note 2.19(b).

2.5 Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities 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 Group's and the Company's functional currency.

2.6 Foreign Currency Transactions and Operations

(a) Translation of foreign currency transactions

Foreign currency transactions are translated to the respective functional currencies of the Group entities at the exchange rates prevailing at the dates of the transactions.

At the end of each reporting date, monetary items denominated in foreign currencies are retranslated at the exchange rates prevailing at the reporting date.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the dates the fair values were determined. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated at the historical rates as at the dates of the initial transactions.

Foreign exchange differences arising on settlement or retranslation of monetary items are recognised in profit or loss except for monetary items that are designated as hedging instruments in either a cash flow hedge or a hedge of the Group's net investment of a foreign operation. When settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, exchange differences are recognised in profit or loss in the separate financial statements of the parent company or the individual financial statements of the foreign operation. In the consolidated financial statements, the exchange differences are considered to form part of a net investment in a foreign operation and are recognised initially in other comprehensive income until its disposal, at which time, the cumulative amount is reclassified to profit or loss.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Foreign Currency Transactions and Operations (Cont'd)

(b) Translation of foreign operations

The assets and liabilities of foreign operations denominated in the functional currency different from the presentation currency, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated at exchange rates at the dates of the transactions.

Exchange differences arising on the translation are recognised in other comprehensive income. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in foreign exchange translation reserves related to that foreign operation is reclassified to profit or loss. For a partial disposal not involving loss of control of a subsidiary that includes a foreign operation, the proportionate share of cumulative amount in foreign exchange translation reserve is reattributed to non-controlling interests. For partial disposals of associates or joint ventures that do not result in the Group losing significant influence or joint control, the proportionate share of the cumulative amount in foreign exchange translation reserve is reclassified to profit or loss.

2.7 Revenue Recognition

Revenue is recognised to the extent that is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

(i) Goods sold

Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised upon delivery of goods and 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 as and when the services are rendered and by reference to the stage of completion at the reporting date. Stage of completion is determined by reference to labour costs incurred to date as a percentage of total estimated labour costs for each contract. Where the contract outcome cannot be measured reliably, revenue is recognised to the extent of the expenses recognised that are recoverable.

(iii) Construction contract

Revenue from construction contracts is recognised on the percentage of completion method when the outcome of the construction contracts can be reliably estimated. The stage of completion is measured by reference to the certified work done to-date or by the proportion that contract costs incurred for work performed to-date bear to the estimated total construction costs. Where foreseeable losses on construction contracts are anticipated, full allowance of those losses is made in the financial statements.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Revenue Recognition (Cont'd)

(iv) Property development

Revenue from the sale of properties is accounted for by the stage of completion method in respect of the property units sold. The stage of completion method is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Any expected loss on development project is recognised as an expense immediately, including costs to be incurred over the defects liability period.

(v) Rental income

Rental income is recognised on an accrual basis.

(vi) Dividend income

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

(vii) Interest income

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

(viii) Management fee income

Management fee income is recognised on an accrual basis.

2.8 Employee Benefits

(i) Short Term Employee Benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the financial period when employees have rendered their services to the Group. Short term accumulating compensated absences such as paid annual leave are recognised as an expense when employees render services that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

A liability is recognised for the amount expected to be paid if the Group and the Company has a present legal and constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(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 expenses as incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Borrowing Costs

Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds.

Borrowing costs are interests and other costs that the Group and the Company incur in connection with borrowing of funds.

Borrowing costs that are not directly attributable to the acquisition, construction or production of qualifying assets are recognised in profit or loss in the period in which they are incurred by using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

2.10 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases that do not meet this criterion are classified as operating leases.

(a) Lessee accounting

If an entity in the Group is a lessee in a finance lease, it capitalises the leased asset and recognises the related liability. The amount recognised at the inception date is the fair value of the underlying leased asset or, if lower, the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that assets.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are charged as expenses in the periods in which they are incurred.

The capitalised leased asset is classified by nature as property, plant and equipment or investment property.

For operating leases, the Group does not capitalise the leased asset or recognise the related liability. Instead lease payments under an operating lease are recognised as an expense on the straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

Any upfront lease payments are classified as land use rights within intangible assets.

(b) Lessor accounting

If an entity in the Group is a lessor in a finance lease, it derecognises the underlying asset and recognises a lease receivable at an amount equal to the net investment in the lease. Finance income is recognised in profit or loss based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.

If an entity in the Group is a lessor in an operating lease, the underlying asset is not derecognised but is presented in the statement of financial position according to the nature of the asset. Lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Income Tax

Income tax expense in profit or loss comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

(a) Current tax

Current tax is the expected taxes payable or receivable on the taxable income or loss for the financial year, using the tax rates that have been enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

(b) Deferred tax

Deferred tax is recognised using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the statements of financial position. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unutilised tax losses and unused tax credits, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, branches, associates and interests in joint ventures, except where the Group is able to control the reversal timing of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Where investment properties are carried at fair value in accordance with the accounting policy as disclosed in Note 2.15, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within the business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different tax entities, but they intend to settle their income tax recoverable and income tax payable on a net basis or their tax assets and liabilities will be realised simultaneously.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 Earnings Per Share

(i) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.

2.13 Property, Plant and Equipment

(a) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.19(b).

Cost of assets, other than bearer plants, includes expenditures that are directly attributable to the acquisition of the asset and any other costs that are directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes cost of materials, direct labour, and any other direct attributable costs but excludes internal profits. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs in Note 2.9.

Cost of bearer plants consists of plantation development costs incurred from the commencement of planting of oil palm seedlings up to the maturity of the crop cultivated. Capitalisation of plantation development and other operating costs ceases upon the commencement of commercial harvesting of the agricultural produce.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as a separate items of property, plant and equipment.

(b) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment, other than bearer plants, is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the part will flow to the Group or the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss as incurred.

When bearer plants reached the end of its useful life and is replanted, the carrying amount of the old bearer plants are derecognised.

(c) Depreciation

Freehold land has an unlimited useful life and therefore is not depreciated. Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

All other property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Property, Plant and Equipment (Cont'd)

(c) Depreciation (Cont'd)

Buildings	2%
Plant, machinery and tools	10% - 33.33%
Renovation, furniture, fixture, fittings, office and computer equipment and electrical installation	10% - 33.33%
Motor vehicles	20%

The residual values, useful lives and depreciation methods are reviewed at the end of each reporting period and adjusted as appropriate.

(d) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in profit or loss.

2.14 Goodwill and Other Intangible Assets

(a) Goodwill

Goodwill arising from business combinations is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.19(b).

In respect of equity-accounted associates and joint ventures, goodwill is included in the carrying amount of the investment and is not tested for impairment individually. Instead, the entire carrying amount of the investment is tested for impairment as a single asset when there is objective evidence of impairment.

(b) Research and development costs

Research costs are recognised in profit or loss as incurred.

An intangible asset arising from development is recognised when the following criteria are met:-

- it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- management intends to complete the intangible asset and use or sell it;
- there is an ability to use or sell the asset;
- it can be demonstrated how the intangible asset will generate future economic benefits;
- adequate resources to complete the development and to use or sell the intangible asset are available; and
- the expenditures attributable to the intangible asset during its development can be reliably measured.

Other development costs that do not meet these criteria are recognised in profit or loss as incurred. Development costs previously recognised as an expense are not recognised as an intangible asset in a subsequent period.

Capitalised development costs are measured at cost less accumulated amortisation and accumulated impairment losses. The policy for the recognition and measurement of impairment any losses is in accordance with Note 2.19(b).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Goodwill and Other Intangible Assets (Cont'd)

(c) Licenses

Licenses acquired in a business combination are recognised at fair value at the acquisition date. The licenses have been acquired with the option to renew at little or no cost to the Group. As a result, those licenses are assessed as having an indefinite useful life. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.19(b).

(d) Development rights

Development rights acquired in a business combination are recognised at fair value at the acquisition date. The development rights are amortised over the percentage of completion of the development project and assessed for impairment whenever there is an indication that the development rights may be impaired. The amortisation expense on development rights is recognised in profit or loss.

(e) Amortisation

The amortisation methods used and the estimated useful lives are as follows:-

	Method	Useful life (years)
License rights	Straight-line	5
Development costs	Straight-line	5
Development rights	% of completion	2-3

2.15 Investment Properties

Investment properties are properties held to earn rental income or for capital appreciation or both.

The Group uses the cost model to measure its investment properties after initial recognition. Accordingly, investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.19(b).

No depreciation is provided on the freehold land as it has indefinite useful life.

An investment property is derecognised on their disposal or when it is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gains and losses arising from derecognition of the asset is recognised in the profit or loss.

2.16 Property Development Costs

Property development costs consists of the cost of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in profit or loss by using the percentage of completion method. The stage of completion is determined by the proportion of property development costs incurred for the work performed up to the reporting date over the estimated total property development costs to completion. Under this method, profits are recognised as the property development activity progresses.

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue and expenses are recognised only to the extent where the recoverability of property development costs incurred is probable, and the property development costs on properties sold are recognised as an expense in the period in which they are incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.16 Property Development Costs (Cont'd)

Any foreseeable loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately in profit or loss. Property development costs not recognised as an expenses is recognised as an asset, which is measured at the lower of cost and net realisable value. Upon the completion of the development, the unsold completed development properties are transferred to inventories.

Borrowing costs incurred on the property development project are capitalised and included as part of property development costs in accordance with the accounting policy on borrowing costs.

The excess of revenue recognised in profit or loss over billings to purchasers is classified as accrued billings and the excess of billings to purchasers over revenue recognised in profit or loss is classified as advance billings.

2.17 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in-first-out principal basis. Cost includes the actual cost of materials purchased and incidentals in bringing the inventories into store.

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.

2.18 Financial Instruments

Financial instruments are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contract provisions of the financial instrument.

Financial instruments are recognised initially at fair value, except for financial instruments not measured at fair value through profit or loss, they are measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised as fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with the policy applicable to the nature of the host contract.

(a) Subsequent measurement

The Group and the Company categorise the financial instruments as follows:-

(i) Financial assets

<u>Financial assets at fair value through profit or loss</u>

Financial assets are classified as financial assets at fair value through profit or loss when the financial assets are either held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or are designated into this category upon initial recognition.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value with the gain or loss recognised in profit or loss.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at costs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.18 Financial Instruments (Cont'd)

(a) Subsequent measurement (Cont'd)

The Group and the Company categorise the financial instruments as follows:- (Cont'd)

(i) Financial assets (Cont'd)

Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method less accumulated impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.19(a). Gains and losses are recognised in profit or loss through the amortisation process.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Group has the positive intention and ability to hold them to maturity.

Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method less accumulated impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.19(a). Gains and losses are recognised in profit or loss through the amortisation process.

Available-for-sale financial assets

Available-for-sale financial assets comprise investment in equity and debt securities that are designated as available-for-sale or are not classified in any of the three preceding categories.

Subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses and foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair values hedges which are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Group's and the Company's right to receive payment is established.

Unquoted equity instruments carried at cost

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less accumulated impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.19(a).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.18 Financial Instruments (Cont'd)

(a) Subsequent measurement (Cont'd)

The Group and the Company categorise the financial instruments as follows:- (Cont'd)

(ii) Financial liabilities

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities designated into this category upon initial recognition.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value with the gain or loss recognised in profit or loss.

Derivatives that are linked to and must be settled by delivery of equity instruments that do not have a quoted price in an active market for identical instruments whose fair values otherwise cannot be reliably measured are measured at cost.

Other financial liabilities

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss through the amortisation process.

(b) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting (i.e. the date the Group and the Company themselves purchase or sell an asset). Trade date accounting refers to:-

(i) the recognition of an asset to be received and the liability to pay for it on the trade date; and
(ii) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

(c) Derecognition

A financial asset or a part of it is derecognised when, and only when, the contractual rights to receive the cash flows from the financial asset expire or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.18 Financial Instruments (Cont'd)

(d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.19 Impairment of Assets

(a) Impairment and uncollectibility of financial assets

At each reporting date, all financial assets (except for financial assets categorised as fair value through profit or loss and investment in subsidiaries, associates and joint ventures) are assessed whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Losses expected as a result of future events, no matter how likely, are not recognised.

Evidence of impairment may include indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Loans and receivables and held-to-maturity investments

The Group and the Company first assess whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If no objective evidence for impairment exists for an individually assessed financial asset, whether significant or not, the Group and the Company may include the financial asset in a group of financial assets with similar credit risk characteristics and collectively assess them for impairment. Financial assets that are individually assessed for impairment for which an impairment loss is or continues to be recognised are not included in the collective assessment of impairment.

The amount of impairment loss is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the financial asset is reduced through the use of an allowance account and the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases due to an event occurring after the impairment that was recognised, the previously recognised impairment loss is then reversed by adjusting an allowance account to the extent that the carrying amount of the financial asset does not exceed what the amortised cost would have been had the impairment not been recognised.

Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group and the Company. If a write-off is later recovered, the recovery is credited to the profit or loss.

Available-for-sale financial assets

In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value below its cost is considered to be objective evidence of impairment. The Group and the Company use their judgement to determine what is considered as significant or prolonged decline, evaluating past volatility experiences and current market conditions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.19 Impairment of Assets (Cont'd)

(a) Impairment and uncollectibility of financial assets (Cont'd)

Where a decline in the fair value of an available-for-sale financial asset has been recognised in other comprehensive income and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised in other comprehensive income shall be reclassified from equity to profit or loss as a reclassification adjustment even though the financial asset has not been derecognised. The amount of cumulative loss that is reclassified from equity to profit or loss shall be the difference between its cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss.

Impairment losses on available-for-sale equity investments are not reversed through profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss, is recognised in other comprehensive income.

For available-for-sale debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to a loss event occurring after the recognition of the impairment loss in profit or loss.

Unquoted equity instruments carried at cost

In the case of unquoted equity instruments carried at cost, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses shall not be reversed.

(b) Impairment of non-financial assets

The carrying amounts of non-financial assets (except for inventories, amount due from customers for contract work, deferred tax assets, assets arising from employee benefits, investment properties measured at fair value, biological assets and non-current assets or disposal groups classified as held for sale) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company make an estimate of the asset's recoverable amount. For goodwill and intangible assets that have indefinite useful life and are not yet available for use, the recoverable amount is estimated at each reporting date.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of non-financial assets or cash-generating units ("CGUs"). Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a CGU or a group of CGUs that are expected to benefit from the synergies of business combination.

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.19 Impairment of Assets (Cont'd)

(b) Impairment of non-financial assets (Cont'd)

Where the carrying amount of an asset exceed its recoverable amount, the carrying amount of asset is reduced to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss, except for assets that were previously revalued with the revaluation surplus recognised in other comprehensive income. In the latter case, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation.

Impairment losses in respect of goodwill are not reversed. For other assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.20 Cash and Cash Equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand, bank balances and deposits and other short-term, highly liquid investments with a maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are presented net of bank overdrafts and cash deposits under lien.

2.21 Share Capital

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities. Ordinary shares are equity instruments. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.22 Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.23 Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group and the Company, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.24 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group and of the Company.

Contingent liability is also referred as a present obligation that arises from past events but is not recognised because:-

(a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
(b) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities and assets are not recognised in the statements of financial position.

2.25 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chief Executive Officer of the Group, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision maker that makes strategic decisions.

2.26 Fair Value Measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For a non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:-

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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) Tax expense

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 Group and 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.

(ii) Useful lives of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight line basis over the assets' useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 to 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 resulting in revision of future depreciation charges.

(iii) Useful lives of intangible assets - development costs

The cost of intangible assets is amortised on a straight line basis over the assets' useful lives. Management estimates the useful lives of these intangible assets to be 2 to 5 years of their expected benefit. The amortisation period and amortisation method are reviewed at each reporting date.

(iv) Capitalisation and amortisation of development expenditure

The Group and the Company follows the guidance of MFRS 138 Intangible Assets in determining the amount and nature of development expenditure to be capitalised and its subsequent amortisation. The assessment of the capitalisation criteria as disclosed in Note 2.14(b) requires ongoing estimates on the future outcome of the development projects. Any changes from the previous estimates will impact the initial and subsequent capitalisation of the development expenditure as well as its future amortisation charges.

(v) Impairment of available-for-sale financial assets

The Group and the Company classify investment in unquoted shares and transferable club membership as available-for-sale financial assets and recognises movements in its fair value in equity. When there is a significant or prolonged decline in fair value below their cost, management determines whether it is an impairment that should be recognised in profit or loss. The determination of what is "significant" or "prolonged" requires judgement.

(vi) Impairment loss on trade receivables

The Group and the Company assesses at each reporting date whether there is any objective evidence that a receivable is impaired. Allowances are applied where events or changes in circumstances indicate that the balances may not be collectable. To determine whether there is objective evidence of impairment, the Group and the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. Where the expectation is different from the original estimate, such difference will impact the carrying amount of receivables at the reporting date.

(vii) Provision for warranty costs

Provision for warranty costs is in respect of products sold under warranty by subsidiaries. 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 best estimate by the directors of the Group.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

(viii) Recognition of revenue using the percentage of completion method

Revenue and associated costs from the sale of properties under development were recognised on the percentage of completion method. In accordance with IC Interpretation 15, where an entity transfers to the buyer control and significant risks and rewards of ownership of the work in progress in its current state as construction progresses and all the criteria for revenue recognition in MFRS 118 are met continuously as the construction progresses, the entity shall recognise revenue by reference to the stage of completion using the percentage of completion method.

Significant judgement is required to determine whether the criteria for revenue recognition in MFRS 118 are met continuously as the construction progresses.

4. REVENUE

Revenue of the Group and of the Company comprise the following:-

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Sales of goods and services	28,453,429	26,083,938	–	–
Contract revenue	8,809,727	5,713,851	–	–
Property development	19,205,082	–	–	–
Management fees	187,920	187,920	1,857,120	1,231,890
Dividend income				
- subsidiaries	–	–	–	3,969,000
	56,656,158	31,985,709	1,857,120	5,200,890

5. COST OF SALES

Cost of sales of the Group comprises the following:-

	Group	
	2015 RM	2014 RM
Cost of sales of goods and services	23,003,577	20,624,368
Contract costs	6,838,698	4,681,160
Cost of sales of property development units	15,489,763	–
	45,332,038	25,305,528

6. PROFIT/(LOSS) BEFORE TAX

Profit/(loss) before tax is arrived at after charging/(crediting):-

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Amortisation of intangible assets	2,429,512	992,928	–	–
Auditors' remuneration:-				
- Statutory audit	117,166	102,412	38,000	33,000
- Other services	9,500	8,500	9,500	8,500
Depreciation of property, plant and equipment	872,772	916,920	89,756	65,866
Dividend income from:-				
- fixed income fund	(99,985)	(308,616)	(81,708)	(143,582)
- other investments	(369,958)	(159,317)	–	–
- subsidiaries	–	–	–	(3,969,000)
Gain on disposal of property, plant and equipment	–	(2,391,352)	–	–
Gain on disposals of subsidiaries	(4)	–	–	–
Gain/(loss) on foreign exchange:–				
- realised	97,238	28,090	–	–
- unrealised	(164,011)	16,216	–	–
Impairment loss on investment in subsidiaries	–	–	–	1,991,325
Independent Non-Executive Directors' fees:-				
- Directors of the Company	152,000	152,000	152,000	152,000
- Director of the subsidiary	36,000	36,000	–	–
Intangible assets written off	400,000	–	–	–
Interest expense:-				
- finance lease payables	24,244	42,502	–	–
- bankers' acceptance	26,257	31,729	–	–
- term loan	–	262,217	–	–
- bank overdrafts	6,349	28,928	–	–
- trust receipts	546	7,682	–	–
- letter of credit	17,048	–	–	–
Interest income	(304,857)	(274,458)	–	(28,059)
Loss on disposal of an associate	–	6,900	–	–
Net fair value loss on held for trading investments	–	132,516	–	–
Net (reversal)/provision for employee benefits	(2,872)	12,003	(18,071)	8,089
Personnel expenses (including key management personnel):-				
- Contribution to Employees Provident Fund and social security contribution	528,364	443,708	111,575	102,786
- Salaries and others	4,731,784	3,546,526	1,036,586	701,066
Property, plant and equipment written off	3,278	1,649	–	1,055
Rental income	(103,500)	(88,000)	(6,000)	(1,000)

6. PROFIT/(LOSS) BEFORE TAX (CONT'D)

Profit/(loss) before tax is arrived at after charging/(crediting) (Cont'd):-

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Rental of motor vehicles	–	–	–	71,250
Rental of premises	569,301	573,167	129,900	89,900
Reversal of impairment loss on amounts owing by subsidiaries	–	–	–	(1,293,398)
Net provision/(reversal) of warranty costs	27,452	(86,624)	–	–
Share of result of associates	146,867	41,839	–	–
Waiver of amounts owing to subsidiaries	–	–	(40,081)	(1,710,138)

Included in personnel expenses are the aggregate amounts of remuneration received and receivable by the Executive Directors of the Company and of its subsidiaries during the financial year as follows:-

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Executive Directors of the Company:-				
- fees	12,000	16,500	12,000	16,500
- other emoluments	694,240	959,501	486,230	589,240
Executive Directors of the subsidiaries:-				
- other emoluments	682,977	705,946	–	–

Estimated monetary value of the Executive Directors' benefits-in-kind in respect of utilisation of the Group's and of the Company's property, plant and equipment are as follows:-

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Executive Directors of the:-				
- Company	48,550	58,450	48,550	37,450
- Subsidiaries	11,200	12,100	–	–

7. TAX EXPENSE

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Current tax expense:-				
Malaysian income tax:-				
- Current year	972,895	86,400	–	–
- Over provision in prior financial year	(77,704)	(119,905)	–	–
Real property gain tax	–	501,977	–	–
	895,191	468,472	–	–
Deferred tax expense (Note 27) :-				
- Relating to origination and reversal of temporary differences	(183,767)	129,000	–	–
- Realisation of deferred tax liabilities	(422,183)	–	–	–
- Under/(Over) provision in prior financial year	61,157	(6,400)	–	–
	(544,793)	122,600	–	–
Tax expense	350,398	591,072	–	–

Domestic income tax is calculated at the Malaysian statutory income tax rate of 25% (2014: 25%) of the estimated assessable profit for the financial year. The domestic statutory income tax rate will be reduced to 24% from the current year's rate of 25% with effect from the year of assessment 2016. The computation of deferred tax as at 30 November 2015 and 30 November 2014 have reflected these changes.

7. TAX EXPENSE (CONT'D)

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

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Profit/(loss) before tax	1,160,355	1,184,571	(360,042)	4,315,512
Tax at the Malaysian statutory income tax rate of 25%	290,089	296,143	(90,011)	1,078,878
Effect of different tax rate in foreign jurisdictions	1,991	(10,898)	–	–
Tax effect of non–taxable income	(135,717)	(592,100)	(37,095)	(1,786,000)
Tax effect of non–deductible expenses	893,182	427,255	134,534	611,022
Deferred tax assets not recognised during the financial year	66,667	178,700	–	92,256
Deferred tax recognised at different tax rate	1,755	11,800	(298)	3,844
Real property gain tax	–	501,977	–	–
Realisation of deferred tax liabilities	(422,183)	–	–	–
Tax effect arising from tax exempt income under the Promotion of Investments (Amendments) Act, 1997	(168,274)	(71,900)	–	–
Utilisation of previously unrecognised deferred tax assets	(160,565)	(23,600)	(7,130)	–
(Over)/Under provision in prior financial year:-				
- current tax expense	(77,704)	(119,905)	–	–
- deferred tax expense	61,157	(6,400)	–	–
Tax expense	350,398	591,072	–	–

The Group has an estimated unabsorbed capital allowances and unutilised tax losses of RM1,157,457 (2014: RM1,763,054) and RM8,651,237 (2014: RM8,505,145) respectively, available for set-off against future taxable profits.

The Company has an estimated unabsorbed capital allowances and unutilised tax losses of RM954,581 (2014: RM1,037,974) and RM1,339,445 (2014: RM1,339,445) respectively, available for set-off against future taxable profits.

8. EARNINGS PER SHARE (SEN)

Basic earnings per share of the Group is calculated based on the profit attributable to owners of the Company of RM817,938 (2014: RM601,395) divided by the weighted average number of ordinary shares of RM1 each in issue during the financial year of 49,277,066 (2014: 49,277,066) ordinary shares.

The diluted earnings per share is equivalent to the basic earnings per share as the Company does not have any dilutive potential ordinary shares.

9. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM	Buildings RM	Plant, machinery and tools RM	Renovation, furniture, fixture, fittings, office and computer equipment and electrical installation RM	Motor vehicles RM	Total RM
Cost						
At 1.12.2014	40,000	122,365	1,140,030	3,380,873	2,231,999	6,915,267
Additions	–	–	34,240	479,976	132,482	646,698
Written off	–	–	(543,937)	(107,643)	–	(651,580)
At 30.11.2015	40,000	122,365	630,333	3,753,206	2,364,481	6,910,385
Accumulated Depreciation and Impairment Loss						
At 1.12.2014						
Accumulated depreciation	–	29,414	655,041	2,347,411	1,441,988	4,473,854
Accumulated impairment loss	–	–	–	165,683	–	165,683
	–	29,414	655,041	2,513,094	1,441,988	4,639,537
Depreciation charge for the financial year	–	2,200	75,030	518,549	276,993	872,772
Written off	–	–	(542,355)	(105,947)	–	(648,302)
Translation adjustment	–	–	–	64	–	64
At 30.11.2015						
Accumulated depreciation	–	31,614	187,716	2,760,077	1,718,981	4,698,388
Accumulated impairment loss	–	–	–	165,683	–	165,683
	–	31,614	187,716	2,925,760	1,718,981	4,864,071
Net Carrying Amount						
At 30.11.2015	40,000	90,751	442,617	827,446	645,500	2,046,314

9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Freehold land RM	Buildings RM	Plant, machinery and tools RM	Renovation, furniture, fixture, fittings, office and computer equipment and electrical installation RM	Motor vehicles RM	Total RM
Cost						
At 1.12.2013	8,507,000	7,387,077	1,081,420	3,078,751	2,512,367	22,566,615
Additions	–	433,485	58,610	711,853	205,074	1,409,022
Disposals	(8,467,000)	(7,698,197)	–	(61,087)	(485,442)	(16,711,726)
Written off	–	–	–	(348,644)	–	(348,644)
At 30.11.2014	40,000	122,365	1,140,030	3,380,873	2,231,999	6,915,267
Accumulated Depreciation and Impairment Loss						
At 1.12.2013						
Accumulated depreciation	–	212,151	587,368	2,355,869	1,538,658	4,694,046
Accumulated impairment loss	–	–	–	165,683	–	165,683
	–	212,151	587,368	2,521,552	1,538,658	4,859,729
Depreciation charge for the financial year	–	141,225	67,673	370,302	337,720	916,920
Disposals	–	(323,962)	–	(31,765)	(434,390)	(790,117)
Written off	–	–	–	(346,995)	–	(346,995)
At 30.11.2014						
Accumulated depreciation	–	29,414	655,041	2,347,411	1,441,988	4,473,854
Accumulated impairment loss	–	–	–	165,683	–	165,683
	–	29,414	655,041	2,513,094	1,441,988	4,639,537
Net Carrying Amount						
At 30.11.2014	40,000	92,951	484,989	867,779	790,011	2,275,730

9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Furniture, fixture, fittings, office and computer equipment RM	Renovation RM	Total RM
Cost			
At 1.12.2014	344,048	63,787	407,835
Additions	34,037	–	34,037
Written off	(3,049)	(63,787)	(66,836)
At 30.11.2015	375,036	–	375,036
Accumulated Depreciation and Impairment Loss			
At 1.12.2014			
Accumulated depreciation	172,048	63,787	235,835
Accumulated impairment loss	7,049	–	7,049
	179,097	63,787	242,884
Depreciation charge for the financial year	89,756	–	89,756
Written off	(3,049)	(63,787)	(66,836)
At 30.11.2015	265,804	–	265,804
Net Carrying Amount			
At 30.11.2015	109,232	–	109,232
Cost			
At 1.12.2013	296,712	63,787	360,499
Additions	112,517	–	112,517
Written off	(65,181)	–	(65,181)
At 30.11.2014	344,048	63,787	407,835
Accumulated Depreciation and Impairment Loss			
At 1.12.2013			
Accumulated depreciation	170,308	63,787	234,095
Accumulated impairment loss	7,049	–	7,049
	177,357	63,787	241,144
Depreciation charge for the financial year	65,866	–	65,866
Written off	(64,126)	–	(64,126)
At 30.11.2014	179,097	63,787	242,884
Net Carrying Amount			
At 30.11.2014	164,951	–	164,951

9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Included in property, plant and equipment of the Group are motor vehicles acquired under finance lease arrangement as follows:-

	Group	
	2015 RM	2014 RM
Cost		
Motor vehicles	1,275,558	1,217,310
Net Carrying Amount		
Motor vehicles	379,023	541,486

During the financial year, the Group and the Company acquired property, plant and equipment with an aggregate cost of RM646,698 (2014: RM1,409,022) and RM34,037 (2014: RM112,517) respectively which are satisfied by the following:-

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Cash payments	596,698	1,269,707	34,037	112,517
Finance lease arrangement	50,000	139,315	–	–
	646,698	1,409,022	34,037	112,517

In the previous financial year, the Company's wholly owned subsidiary, Amtel Resources Sdn. Bhd. completed the disposal of one unit of freehold three (3) storey town house (upper floor unit) held under Title No. 10388, Lot No. TH B68-1, Mukim Kajang, Daerah Hulu Langat, State of Selangor for a total cash consideration of RM145,000. The disposal had resulted in a net gain of RM61,113 in the previous financial year.

In the previous financial year, the Company had acquired furniture, fixture, fittings and office equipment with carrying amount of RM39,547 from a subsidiary.

In the previous financial year, property, plant and equipment of a subsidiary amounting to RM982,302 have been pledged as security for banking facilities granted to the subsidiary as disclosed in Note 31.

10. INVESTMENT IN SUBSIDIARIES

	Company 2015 RM	Company 2014 RM
Unquoted shares		
At cost,		
At beginning of the financial year	27,319,872	26,319,872
Additions	3,500,000	1,000,000
Disposals	(240,968)	–
At end of the financial year	30,578,904	27,319,872
Less: Accumulated impairment loss		
At beginning of the financial year	(9,877,063)	(7,885,738)
Additions	–	(1,991,325)
Disposals	240,968	–
At end of the financial year	(9,636,095)	(9,877,063)
	20,942,809	17,442,809

In the previous financial year, investment in subsidiaries of a subsidiary amounting to RM1,133,120 have been pledged as security for banking facilities granted to the subsidiary as disclosed in Note 31.

Details of the subsidiaries are as follows:-

Name of Company	Country of Incorporation	Effective Equity Interest 2015	Effective Equity Interest 2014	Principal Activities
Held by the Company				
Amtel Cellular Sdn. Bhd.	Malaysia	100%	100%	Distribution of telematics products, trading of electronic, telecommunication related products, vehicle products and related accessories.
Amtel Communications Sdn. Bhd.	Malaysia	100%	100%	Dormant
Amtel Group Sdn. Bhd.	Malaysia	100%	100%	Dormant.
Metrarama Sdn. Bhd.	Malaysia	100%	100%	Property investment and investment holding.
Amtel Resources Sdn. Bhd.	Malaysia	100%	100%	Contractor for installation, jointing and testing of utilities, telecommunication and fibre optic cables and associated civil works.

10. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:- (Cont'd)

Name of Company	Country of Incorporation	Effective Equity Interest 2015	Effective Equity Interest 2014	Principal Activities
Held by the Company (Cont'd)				
AAV Industries Sdn. Bhd.	Malaysia	100%	100%	Manufacturing, installation and distribution of vehicles products related accessories and telematics systems.
Mewah Amanjaya Sdn. Bhd.	Malaysia	100%	–	Property development.
Topweb Sdn. Bhd.*	Malaysia	–	100%	Dormant.
Amtel Technology Sdn. Bhd.*	Malaysia	–	100%	Dormant.
Held through Amtel Cellular Sdn. Bhd.				
Amnavi Sdn. Bhd.	Malaysia	85%	85%	Geographical Information System (GIS) and related products' research and development.
Amtel Pte. Ltd.#	Singapore	70%	70%	Developing and maintaining of map data source for navigation and web based portal application.

* The Company disposed of these subsidiaries during the financial year.

\# Audited by auditors other than Baker Tilly AC.

(a) Subscription of new ordinary shares

In the previous financial year, AAV Industries Sdn. Bhd. ("AAV") increased its issued and fully paid up share capital from 1,000,000 ordinary shares of RM1 each to 2,000,000 ordinary shares of RM1 each, whereby the Company has fully subscribed for a cash consideration of RM1,000,000.

On 25 February 2015, AAV further increased its issued and fully paid up share capital from 2,000,000 ordinary shares of RM1 each to 2,500,000 ordinary shares of RM1 each, whereby the Company has fully subscribed for a cash consideration of RM500,000.

(b) Acquisition of subsidiary

On 17 October 2014, the Company entered into a shares sale agreement with the existing shareholders of Mewah Amanjaya Sdn. Bhd. ("MASB") to acquire 250,000 ordinary shares of RM1 each representing the entire equity interest in MASB for a purchase consideration of RM3,000,000. The transaction was completed on 29 December 2014.

10. INVESTMENT IN SUBSIDIARIES (CONT'D)

(b) Acquisition of subsidiary (Cont'd)

(i) Fair value of identifiable assets acquired and liabilities recognised:-

	Group 2015 RM
Development rights (Note 12)	3,459,604
Land held for property development (Note 15(a))	12,315,694
Other receivables	1,800
Cash and cash equivalents	213,960
	15,991,058
Other payables	(12,321,457)
Deferred tax liabilities (Note 27)	(669,601)
Total identifiable net assets	3,000,000
Goodwill	–
Fair value of consideration transferred	3,000,000

(ii) The effect of the acquisition of MASB on cash flows of the Group were as follows:-

	Group 2015 RM
Total consideration	3,000,000
Less: Deferred consideration to be settled in cash	(1,500,000)
Consideration settled in cash	1,500,000
Cash and cash equivalents	(213,960)
Net cash outflow on acquisition	1,286,040

(iii) Effects of the acquisition in statements of profit or loss and comprehensive income:-

From the date of acquisition, the subsidiary's contributed revenue and profit net of tax are as follows:-

	Group 2015 RM
Revenue	19,205,082
Profit for the financial year	2,309,185
Total comprehensive income	2,309,185

If the acquisition had occured on 1 December 2015, the subsidiary's contributed revenue and profit net of tax are as follows:-

	Group 2015 RM
Revenue	19,205,082
Profit for the financial year	2,309,185
Total comprehensive income	2,309,185

10. INVESTMENT IN SUBSIDIARIES (CONT'D)

(c) Disposals of subsidiaries

On 11 September 2015, the Company disposed of its entire equity interests in Amtel Technology Sdn. Bhd. ("ATSB") and Topweb Sdn. Bhd. ("TWSB"), both wholly-owned dormant subsidiaries of the Company, comprised of total issued of 500,000 ordinary shares and 1,000,000 ordinary shares of RM1 each for a total cash consideration of RM2 each in ATSB and TWSB respectively.

As a result, ATSB and TWSB ceased to be subsidiaries of the Company.

Effect of the disposals on the financial position of the Group is as follows:-

	ATSB RM	TWSB RM	Total RM
Net assets	–	–	–
Cash consideration received	(2)	(2)	(4)
Gain on disposals of subsidiaries	(2)	(2)	(4)

(d) Incorporation of a subsidiary

In the previous financial year, the Company's wholly owned subsidiary, Amtel Cellular Sdn. Bhd. ("AMCSB") has entered into an agreement with Asia World Technology Pte. Ltd. ("AWT") to establish a company in Singapore with the objectives of penetrating into Singapore market on navigation for auto and mobile industry and develop and own high quality Singapore map data to be used for both navigation and web based portal applications. The company, namely Amtel Pte. Ltd. ("APL"), a private limited company was incorporated on 3 December 2013. Pursuant to this agreement, all the issued and paid-up capital of the company shall at all times be held by AMCSB and AWT at 70% and 30% ownership respectively.

On 11 March 2014, APL increased its paid up share capital from SGD2 to SGD200,000. AMCSB and AWT both subscribed for the proportionate increased by cash.

AMCSB subscribed for 70% of ordinary shares of APL for a purchase consideration of RM364,560.

The effects on the subscription of APL is as follows:-

	Group 2014 RM
Cash and bank balances	519,643
Non-controlling interest	(155,083)
Total purchase consideration	364,560
Less: Cash and bank balances of APL	(519,643)
Cash inflow on subscription	(155,083)

10. INVESTMENT IN SUBSIDIARIES (CONT'D)

(e) Non-controlling interests in subsidiaries

The subsidiaries of the Group that have non-controlling interests ("NCI") are as follows:-

	Amtel Pte. Ltd. RM	Amnavi Sdn. Bhd. RM	Total RM
Group			
2015			
NCI percentage of ownership interest and voting interest	30%	15%	
Carrying amount of NCI	19,140	354,870	374,010
(Loss)/Profit allocated to NCI	(104,906)	96,925	(7,981)
2014			
NCI percentage of ownership interest and voting interest	30%	15%	
Carrying amount of NCI	112,544	257,945	370,489
(Loss)/Profit allocated to NCI	(42,351)	34,455	(7,896)

The summarised financial information before intra-group elimination of the subsidiaries that have NCI as at the end of each reporting period are as follows:-

	Amtel Pte. Ltd. RM	Amnavi Sdn. Bhd. RM	Total RM
Group			
2015			
Asset and liabilities			
Non-Current assets	628,929	148,403	777,332
Current assets	214,780	2,750,173	2,964,953
Non-current liabilities	–	(29,035)	(29,035)
Current liabilities	(779,911)	(503,745)	(1,283,656)
Net assets	63,798	2,365,796	2,429,594
Results			
Revenue	403,140	2,415,856	2,818,996
(Loss)/Profit for the financial year	(349,687)	646,165	296,478
Total comprehensive (loss)/income	(349,687)	646,165	296,478
Cash flows used in operating activities	(367,153)	(136,356)	(503,509)
Cash flows used in investing activities	(984)	(232,070)	(233,054)
Cash flows used in financing activities	–	(376,801)	(376,801)

10. INVESTMENT IN SUBSIDIARIES (CONT'D)

(e) Non-controlling interests in subsidiaries (Cont'd)

The summarised financial information before intra-group elimination of the subsidiaries that have NCI as at the end of each reporting period are as follows:- (Cont'd)

	Amtel Pte. Ltd. RM	Amnavi Sdn. Bhd. RM	Total RM
Group			
2014			
Assets and liabilities			
Non-current assets	538,573	109,417	647,990
Current assets	507,461	1,770,640	2,278,101
Non–current liabilities	–	(11,877)	(11,877)
Current liabilities	(670,886)	(148,549)	(819,435)
Net assets	375,148	1,719,631	2,094,779
Results			
Revenue	198,632	1,791,740	1,990,372
(Loss)/Profit for the financial year	(141,169)	229,703	88,534
Total comprehensive (loss)/income	(141,169)	229,703	88,534
Cash flows from operating activities	427,268	678,332	1,105,600
Cash flows used in investing activities	(111,305)	(53,260)	(164,565)
Cash flows from/(used in) financing activities	519,442	(970,553)	(451,111)
Dividends paid to NCI	–	150,000	150,000

11. INVESTMENT IN ASSOCIATES

	Group 2015 RM	Group 2014 RM
Unquoted shares		
At cost,		
At beginning of the financial year	94,561	109,561
Disposal	–	(15,000)
At end of the financial year	94,561	94,561
Share of results of associates		
At beginning of the financial year	877,298	835,459
Current year share of results	178,161	41,839
At end of the financial year	1,055,459	877,298
	1,150,020	971,859

In the previous financial year, investment in associates of a subsidiary amounting to RM388,800 have been pledged as security for banking facilities granted to the subsidiary as disclosed in Note 31.

11. INVESTMENT IN ASSOCIATES (CONT'D)

Reconciliation of share of results of associates recognised in investment in associates and statements of profit or loss and other comprehensive income is as follows:-

	Group 2015 RM
As per investment in associate	178,161
Elimination of share of unrealised profit or sales by associate	(31,294)
As per statements of profit or loss and other comprehensive income	146,867

The details of the associates, all of which are incorporated in Malaysia, are as follows:-

Name of Company	Effective Equity Interest 2015	Effective Equity Interest 2014	Principal Activities
Held through Amtel Cellular Sdn. Bhd.			
Milan Utama Sdn. Bhd.	35%	35%	Trading and distribution of information and communication technology products, manufacturing, installation and distribution of vehicle products and related accessories, telematics products and services, project implementation and related services.
Held through Amtel Resources Sdn. Bhd.			
Amtel Networks Sdn. Bhd.	30%	30%	Contractor for installation, jointing and testing of utilities, telecommunication and fibre optic cables and associated civil works, trading and distribution of telematics and information and communication technology products and services.

In the previous financial year, Amtel Resources Sdn. Bhd. disposed its 15% shareholding in Amtel Networks Sdn. Bhd. comprising 90,000 ordinary shares of RM15,000 to an existing shareholder for a purchase consideration of RM8,100.

(a) The summarised financial information of the associates are as follows:-

	Milan Utama Sdn. Bhd. RM	Amtel Networks Sdn. Bhd. RM
Group		
2015		
Assets and liabilities		
Non-current assets	3,711,713	108,911
Current assets	7,867,621	1,345,004
Non-current liabilities	(294,132)	–
Current liabilities	(8,212,346)	(1,205,513)
Net assets	3,072,856	248,402

11. INVESTMENT IN ASSOCIATES (CONT'D)

(a) The summarised financial information of the associates are as follows:- (Cont'd)

Group	Milan Utama Sdn. Bhd. RM	Amtel Networks Sdn. Bhd. RM
2015		
Results		
Revenue	11,022,608	1,422,969
Profit for the financial year	381,258	149,069
Total comprehensive income	381,258	149,069
2014		
Assets and liabilities		
Non-current assets	3,809,145	228,613
Current assets	2,947,576	644,536
Non-current liabilities	(155,372)	–
Current liabilities	(3,909,751)	(773,816)
Net assets	2,691,598	99,333
Results		
Revenue	7,028,554	1,851,115
Profit for the financial year	201,941	42,794
Total comprehensive income	201,941	42,794

(b) The reconciliation of net assets of the associates to the carrying amount of the investment in associates are follows:-

Group	Milan Utama Sdn. Bhd. RM	Amtel Networks Sdn. Bhd. RM	Total RM
2015			
Share of net assets of the Group, representing carrying amount in the statement of financial position	1,075,500	74,520	1,150,020
Share of results of the Group for the financial year ended 30 November 2015			
Share of profit for the financial year	133,440	44,721	178,161
2014			
Share of net assets of the Group, representing carrying amount in the statement of financial position	942,059	29,800	971,859
Share of results of the Group for the financial year ended 30 November 2014			
Share of profit for the financial year	35,976	5,863	41,839

12. INTANGIBLE ASSETS

Group	License rights RM	Development costs RM	Development costs in-progress RM	Development rights RM	Total RM
Cost/Fair value					
At 1.12.2014	320,000	3,154,932	1,299,862	–	4,774,794
Acquisition of a subsidiary (Note 10(b))	–	–	–	3,459,604	3,459,604
Reversal	–	–	(142,168)	–	(142,168)
Written off	–	–	(400,000)	–	(400,000)
Translation adjustment	–	90,356	–	–	90,356
At 30.11.2015	320,000	3,245,288	757,694	3,459,604	7,782,586
Accumulated Amortisation					
At 1.12.2014	320,000	1,623,432	–	–	1,943,432
Amortisation for the financial year	–	248,232	–	2,181,280	2,429,512
At 30.11.2015	320,000	1,871,664	–	2,181,280	4,372,944
Net Carrying Amount					
At 30.11.2015					
- At cost	–	1,373,624	757,694	–	2,131,318
- At fair value	–	–	–	1,278,324	1,278,324
	–	1,373,624	757,694	1,278,324	3,409,642

Group	License rights RM	Development costs RM	Development costs in-progress RM	Total RM
Cost				
At 1.12.2013	320,000	630,504	1,985,855	2,936,359
Additions	–	538,573	1,299,862	1,838,435
Transferred	–	1,985,855	(1,985,855)	–
At 30.11.2014	320,000	3,154,932	1,299,862	4,774,794
Accumulated Amortisation				
At 1.12.2013	320,000	630,504	–	950,504
Amortisation for the financial year	–	992,928	–	992,928
At 30.11.2014	320,000	1,623,432	–	1,943,432
Net Carrying Amount				
At 30.11.2014				
- At cost	–	1,531,500	1,299,862	2,831,362

12. INTANGIBLE ASSETS (CONT'D)

The license rights of the Global Positioning System Software Engine have been fully amortised in the previous financial year.

Development costs in-progress relates to the progress payment made for the development of a navigation software engine which has yet to be completed as at the financial year end.

Development rights relate to the fair value assigned to the identifiable intangible asset, arising from the acquisition of a subsidiary.

In the previous financial year, intangible assets of a subsidiary amounting to RM2,292,789 have been pledged as security for banking facilities granted to the subsidiary as disclosed in Note 31.

13. OTHER INVESTMENTS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Non-current				
Available-for-sale investments				
At fair value,				
- Transferable club membership	250,000	250,000	250,000	250,000
Current				
Held for trading investments				
At fair value,				
- Quoted unit trusts	11,762,299	11,392,341	–	–
- Fixed income funds	891,569	4,035,239	442,767	3,411,059
	12,653,868	15,427,580	442,767	3,411,059
At market value,				
- Quoted unit trusts	11,762,299	11,392,341	–	–
- Fixed income funds	891,569	4,035,239	442,767	3,411,059
	12,653,868	15,427,580	442,767	3,411,059

The transferable club membership of the Group and of the Company is held in trust by a director of the Company.

Investment in quoted unit trusts is redeemable upon one day notice and bears dividend yield at rates ranging from 3.41% to 3.38% (2014: 3.19%) per annum as at the financial year end.

The fixed income funds is redeemable upon 7 days notice and bears dividend yield at a rate of 3.30% (2014: 3.12%) per annum as at the financial year end.

14. INVESTMENT PROPERTY

	Group 2015 RM	Group 2014 RM
Freehold land		
- At cost	168,717	168,717
- At fair value	431,155	422,080

In the previous financial year, investment property of a subsidiary amounting to RM168,717 has been pledged as security for banking facilities granted to the subsidiary as disclosed in Note 31.

The Group did not generate any rental income or incur any direct operating expenses arising from its investment property during the financial year.

Fair value of the investment property is categorised as level 3 fair value. The fair value of the investment property was derived by the directors on the open market value basis.

15. PROPERTY DEVELOPMENT ACTIVITIES

(a) LAND HELD FOR PROPERTY DEVELOPMENT

	Group 2015 RM
Leasehold land	
At beginning of the financial year	–
Acquisition of subsidiary (Note 10(b))	12,292,500
Transfer to property development costs (Note 15(b))	(12,292,500)
At end of the financial year	–
Development cost	
At beginning of the financial year	–
Acquisition of subsidiary (Note 10(b))	23,194
Transfer to property development costs (Note 15(b))	(23,194)
At end of the financial year	–
	–

15. PROPERTY DEVELOPMENT ACTIVITIES (CONT'D)

(b) PROPERTY DEVELOPMENT COSTS

	Group 2015 RM
Leasehold land	
At beginning of the financial year	–
Additions	1,398,340
Transfer from land held for property development (Note 15(a))	12,292,500
At end of the financial year	13,690,840
Development cost	
At beginning of the financial year	–
Additions	12,048,117
Transfer from land held for property development (Note 15(a))	23,194
At end of the financial year	12,071,311
Total leasehold land and development cost	25,762,151
Less: Cost recognised as an expense in profit or loss	
At beginning of the financial year	–
Recognised during the financial year	15,489,763
At end of the financial year	15,489,763
	10,272,388

16. INVENTORIES

	Group 2015 RM	Group 2014 RM
At cost,		
Trading goods	737,922	603,949

In the previous financial year, inventories of a subsidiary amounting to RM594,602 have been pledged as security for banking facilities granted to the subsidiary as disclosed in Note 31.

17. TRADE RECEIVABLES

		Group	
		2015 RM	2014 RM
Trade receivables	(a)	6,509,950	6,377,660
Amounts due from associates	(b)	3,472,584	592,282
Amounts due from contract customers	(c)	964,467	643,694
Accrued bilings		4,914,719	–
		15,861,720	7,613,636

(a) Trade receivables

(i) In the previous financial year, trade receivables of a subsidiary amounting to RM5,067,104 have been pledged as security for banking facilities granted to the subsidiary as disclosed in Note 31.

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

	Group	
	2015 RM	2014 RM
Renminbi	487,317	–

(iii) Credit terms of trade receivables

The Group's normal trade credit terms extended to customers ranges from 30 to 90 days (2014: 30 to 90 days).

(iv) Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables at reporting date is as follows:-

	Group	
	2015 RM	2014 RM
Neither past due nor impaired	4,783,458	5,561,481
1 to 30 days past due not impaired	1,256,924	–
31 to 60 days past due not impaired	65,083	83,047
61 to 90 days past due not impaired	84,865	212,353
More than 91 days past due not impaired	319,620	520,779
	1,726,492	816,179
Impaired	–	–
	6,509,950	6,377,660

17. TRADE RECEIVABLES (CONT'D)

(a) Trade receivables (Cont'd)

(iv) Ageing analysis of trade receivables (Cont'd)

Receivables that are neither past due nor impaired
Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records and mostly are regular customers that have been transacting with the Group.

None of the Group's trade receivables' terms that are neither past due nor impaired have been renegotiated during the financial year.

Receivables that are past due but not impaired
Trade receivables of the Group amounting to RM3,862,866 (2014: RM816,179) which are past due but not impaired have no significant changes in credit quality of the debtors and the amounts are still considered recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

(b) Amounts due from associates

The amounts due from associates were subject to normal trade terms from 30 days to 90 days (2014: 30 days to 90 days).

(c) Amounts due from contract customers

	Group	
	2015 RM	2014 RM
Aggregate cost incurred to date	6,712,525	4,292,996
Add: Attributable profits	1,716,815	953,871
	8,429,340	5,246,867
Less: Progress billings	(7,464,873)	(4,603,173)
	964,467	643,694

18. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Other receivables	285,582	69,489	29,511	23,239
Deposits	302,551	548,766	61,820	338,570
Prepayments	370,645	277,979	6,451	29,042
	958,778	896,234	97,782	390,851

18. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D)

Included in prepayments of the Group is an amount of RM249,771 (2014: RM80,923) being prepayments made to suppliers for purchase of trading goods.

In the previous financial year, the other receivables, deposits and prepayments of a subsidiary amounting to RM196,695 have been pledged as security for banking facilities granted to the subsidiary as disclosed in Note 31.

19. TAX ASSETS

This is in respect of tax recoverable from the Inland Revenue Board.

20. AMOUNTS OWING BY SUBSIDIARIES

These amounts owing by subsidiaries are non-trade in nature, unsecured, interest-free and repayable within one year.

	Company	
	2015 RM	2014 RM
Amounts owing by subsidiaries	25,610,675	20,886,349
Less: Allowance for impairment loss		
At beginning of the financial year	16,302,739	17,596,137
Reversal of impairment loss during the financial year	–	(1,293,398)
At end of the financial year	(16,302,739)	(16,302,739)
	9,307,936	4,583,610

21. AMOUNTS OWING BY/(TO) ASSOCIATES

Included in the amounts owing by associates is an amount of RM1,976,000 (2014: RM1,976,000) as a financial assistance provided to Milan Utama Sdn. Bhd..

These amounts are non-trade in nature, unsecured, interest-free and repayable within one year.

22. CASH DEPOSITS WITH LICENSED BANKS

Cash deposits with licensed banks of the Group bear effective interest at rates ranging from 2.7% to 3.4% (2014: 2.6% to 3.4%) per annum as at the financial year end with maturity period ranging from 1 day to 365 days (2014: 1 day to 365 days).

Included in the deposits of the Group is an amount of RM6,601,066 (2014: RM3,443,173) pledged as security for banking facilities granted to subsidiaries as disclosed in Note 31.

23. CASH AND BANK BALANCES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Cash at banks and in hand	6,473,801	12,858,382	226,045	4,170,220

In the previous financial year, cash at bank of a subsidiary amounting to RM3,057,236 have been pledged as security for banking facilities granted to a subsidiary as disclosed in Note 31.

The foreign currency exposure of cash at banks and in hand of the Group is as follows:-

	Group	
	2015 RM	2014 RM
United States Dollar	594,075	104,308
Renminbi	1,123,726	–
Singapore Dollar	267,385	103,999

24. SHARE CAPITAL

	Group/Company	
	2015 RM	2014 RM
Ordinary shares of RM1 each:-		
Authorised		
100,000,000 ordinary shares of RM1 each	100,000,000	100,000,000
Issued and fully paid		
49,277,066 ordinary shares of RM1 each	49,277,066	49,277,066

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

25. RESERVES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Non-distributable:-				
- Share premium	4,774,665	4,774,665	4,774,665	4,774,665
- Fair value adjustment reserve	159,000	159,000	159,000	159,000
- Exchange reserve	23,692	(3,139)	–	–
Distributable:-				
Accumulated losses	(10,331,268)	(11,149,206)	(24,329,123)	(23,969,081)
	(5,373,911)	(6,218,680)	(19,395,458)	(19,035,416)

(a) Share premium

Share premium arose from the issue of ordinary shares and can be utilised for distribution to the members of the Company by way of bonus share issue.

(b) Fair value adjustment reserve

Fair value adjustment reserve represents the cumulative fair value changes of available-for-sale financial assets until they are disposed or impaired.

(c) Exchange reserve

The exchange reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

26. FINANCE LEASE PAYABLES

	Group 2015 RM	2014 RM
Future minimum lease payments	429,499	617,376
Less: Future finance charges	(27,670)	(44,425)
Total present value of minimum lease payments	401,829	572,951
Current		
Payable within 1 year		
Future minimum lease payments	199,527	242,330
Less: Future finance charges	(15,784)	(21,302)
Present value of minimum lesse payments	183,743	221,028
Non-current		
Payable after 1 year but not later than 5 years		
Future minimum lease payments	229,972	375,046
Less: Future finance charges	(11,886)	(23,123)
Present value of minimum lesse payments	218,086	351,923
Total present value of minimum lease payments	401,829	572,951

The finance lease payables of the Group bear effective interest at rates ranging from 4.50% to 7.00% (2014: 4.50% to 7.00%) per annum.

27. DEFERRED TAX LIABILITIES

	Group 2015 RM	2014 RM
At beginning of the financial year	485,900	363,300
Recognised in profit or loss (Note 7)	(544,793)	122,600
Acquisition of a subsidiary (Note 10(b))	669,601	–
At end of the financial year	610,708	485,900

27. DEFERRED TAX LIABILITIES (CONT'D)

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

	Group	
	2015 RM	2014 RM
Differences between the carrying amount of property, plant and equipment and its tax base	97,434	71,500
Deductible temporary differences in respect of expenses	(94,717)	(135,900)
Taxable temporary differences in respect of income	360,573	550,300
Acquisition of a subsidiary	247,418	–
	610,708	485,900

The estimated amount of temporary differences for which no deferred tax assets are recognised in the financial statements are as follows:-

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Unutilised tax losses	8,651,237	8,505,145	1,339,445	1,339,445
Unabsorbed capital allowances	1,157,457	1,763,054	954,581	1,037,974
Deductible temporary differences in respect of expenses	68,093	72,482	35,489	53,560
Differences between the carrying amounts of property, plant and equipment and their tax base	(234,941)	(307,594)	(116,100)	(187,855)
	9,641,846	10,033,087	2,213,415	2,243,124

28. TRADE PAYABLES

The normal trade credit term granted by the trade payables to the Group ranges from 30 to 90 days (2014: 30 to 90 days).

Included in trade payables of the Group is an amount owing to an associate of RM970,768 (2014: RM1,174,240) which is on normal trade credit term.

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

	Group	
	2015 RM	2014 RM
United States Dollar	74,757	411,717
Renminbi	551,706	–
Singapore Dollar	11,459	100,856

29. OTHER PAYABLES, DEPOSITS AND ACCRUALS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Other payables	6,615,872	492,006	1,534,424	40,067
Deposits	127,885	18,777	–	–
Accruals	1,705,776	1,357,383	224,170	226,388
	8,449,533	1,868,166	1,758,594	266,455

Included in other payables of the Group is an amount of RM4,361,647 being the land owner entitlements.

30. PROVISIONS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Provision for warranty costs				
At beginning of the financial year	513,914	601,418	–	–
Net provision/(reversal)	27,452	(86,624)	–	–
Utilisation	–	(880)	–	–
At end of the financial year	541,366	513,914	–	–
Provision for employee benefits				
At beginning of the financial year	131,005	119,002	53,560	45,471
Additions	186,807	187,561	44,583	54,236
Reversal	(189,679)	(175,558)	(62,654)	(46,147)
At end of the financial year	128,133	131,005	35,489	53,560
	669,499	644,919	35,489	53,560

Provision for warranty costs is in respect of products sold under warranty by subsidiaries. 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 best estimate by the directors of the Group.

Provision for employee benefits is in respect of provision for short term accumulated compensated absences for employees. The provision is made based on the number of days of outstanding compensated absences of each director and employees multiplied by their respective salary/wages as at year end.

31. BANK BORROWINGS

	Group 2014 RM
Current	
Secured	
Bank overdrafts	83,179
Bankers' acceptance	246,000
Total current borrowings	329,179
Total borrowings	329,179

The maturity profile of bank borrowings of the Group is as follows:-

	Carrying amount RM	Within 1 year RM	2-5 years RM	Over 5 years RM
Group				
2014				
Secured				
Bank overdrafts	83,179	83,179	–	–
Bankers' acceptance	246,000	246,000	–	–
	329,179	329,179	–	–

In the previous financial year, the bank overdrafts and bankers' acceptance facilities are repayable on demand and within one year respectively, and bear interest at rates ranging from 6.22% to 7.85% per annum, secured and supported by the followings:-

(a) debentures comprising fixed and floating charges over all present and future assets and undertakings of a subsidiary;
(b) cash deposits with licensed banks of certain subsidiaries; and
(c) corporate guarantees of the Company.

The debentures have been discharged during the current financial year.

32. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statements of cash flows comprise the following:-

		Group		Company	
	Note	2015 RM	2014 RM	2015 RM	2014 RM
Cash at banks and in hand	23	6,473,801	12,858,382	226,045	4,170,220
Cash deposits with licensed banks	22	6,601,066	4,215,333	–	–
		13,074,867	17,073,715	226,045	4,170,220
Bank overdrafts	31	–	(83,179)	–	–
		13,074,867	16,990,536	226,045	4,170,220
Cash at banks under lien	23	–	(3,057,236)	–	–
Cash deposits with licensed banks under lien	22	(6,601,066)	(3,443,173)	–	–
Cash deposits with maturity more than 3 months		–	(96,361)	–	–
		6,473,801	10,393,766	226,045	4,170,220

33. DIVIDENDS

In the previous financial year, the Company paid a first and final single-tier dividend of 4 sen per ordinary share of RM1 each amounting to RM1,971,083 on 23 June 2014 in respect of the financial year ended 30 November 2013.

34. RELATED PARTY DISCLOSURES

(a) Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group or to the Company if the Group or the Company has the ability to directly or indirectly control the party or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group and the Company have a related party relationship with its subsidiaries, associates and key management personnel.

34. RELATED PARTY DISCLOSURES (CONT'D)

(b) Related party transactions and balances

The transactions with subsidiaries are as follows:-

	Company	
	2015 RM	2014 RM
Dividend received/receivable from subsidiaries	–	(3,969,000)
Management fees received/receivable from subsidiaries	(1,669,200)	(1,098,710)
Management fees paid/payable to subsidiaries	–	31,130
Rental of motor vehicles paid/payable to a subsidiary	–	71,250
Rental of premises paid/payable to a subsidiary	69,900	73,900
Waiver of amounts owing to subsidiaries	(40,081)	(1,710,138)

The transactions with associates are as follows:-

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Purchases from an associate	6,328,540	6,794,015	–	–
Sales to an associate	2,319,301	–	–	–
Services acquired from an associate	307,000	231,950	–	–
Management fees paid/ payable to an associate	41,241	83,834	–	–
Management fees received/ receivable from an associate	(187,920)	(187,920)	(187,920)	(133,180)
Rental of premises paid/ payable to an associate	18,000	7,000	–	–
Rental of premises received/ receivable from associates	(103,375)	(72,375)	–	–

Information regarding outstanding balances arising from related party transactions are disclosed in Notes 17, 20, 21 and 28.

The transactions with a company in which a shareholder and director of a subsidiary has interest:-

	Group	
	2015 RM	2014 RM
Sales to a related company	2,793	–

34. RELATED PARTY DISCLOSURES (CONT'D)

(c) Compensation of key management personnel

Key management personnel include personnel having authority and responsibility for planning, directing and controlling the activities of the entities, directly or indirectly, including any directors of the Group.

The remuneration of key management personnel including directors are as follows:-

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Short term employee benefits (including benefits-in-kind)	3,449,116	3,131,496	747,249	795,167
Post-employment benefits	336,538	307,769	86,253	92,785
	3,785,654	3,439,265	833,502	887,952

35. CONTINGENT LIABILITIES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Secured				
In respect of corporate guarantees given by the Group and the Company to financial institutions for banking and credit facilities granted to:-				
- Subsidiaries	–	–	–	329,179
- Associate	898,723	309,080	898,723	309,080
	898,723	309,080	898,723	638,259

36. SEGMENT INFORMATION

For management purposes, the Group is organised into operating segments based on their products and services. The Group's chief operation decision maker reviews the information of each operating segment on at least monthly basis for the purposes of resource allocation and assessment of segment performance. Therefore, the Group's reportable segment in accordance with MFRS 8 is as follows:-

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.
Property Development	Undertakes the development of commercial and residential properties.
Others	Mainly comprise investment holding and provision of management services, property investment and general trading, neither which are of a sufficient size to be reported separately.

Segment revenue, 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 revenue and results

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2. Segment results represent profit or loss before taxation of the segment. Inter-segment transactions are entered in the ordinary course of business based on terms mutually agreed upon by the parties concerned.

Segment assets

Segment assets are measured based on all assets (including goodwill) of the segment.

Segment liabilities

Segment liabilities are measured based on all liabilities of the segment.

36. SEGMENT INFORMATION (CONT'D)

(a) Operating Segment

Group	Note	Information and Communication Technology RM	Telecommunications, Infrastructure and Services RM	Property Development RM	Others RM	Eliminations RM	Consolidated RM
2015							
Segment Revenue							
External revenue		27,045,427	8,429,340	19,205,082	1,976,309	–	56,656,158
Inter-segment revenue	(i)	1,807,031	–	–	1,669,200	(3,476,231)	–
Total revenue		28,852,458	8,429,340	19,205,082	3,645,509	(3,476,231)	56,656,158
Segment Results							
Interest income		83,468	73,519	8,271	139,599	–	304,857
Interest expense		(63,260)	(11,184)	–	–	–	(74,444)
Depreciation of property, plant and equipment		(546,097)	(127,757)	–	(198,918)	–	(872,772)
Amortisation of intangible assets		(248,232)	–	(2,181,280)	–	–	(2,429,512)
Share of results of associates		102,146	44,721	–	–	–	146,867
Other non-cash items	(ii)	(257,407)	(11,906)	(4,038)	479,451	–	206,100
Segment profit/(loss) before taxation		(163,146)	493,220	922,936	(92,655)	–	1,160,355
Tax credit/(expense)		22,177	–	(372,848)	273	–	(350,398)
Segment Assets							
Additions to non-current assets	(iii)	462,973	102,533	3,459,604	81,192	–	4,106,302
Total segment assets		20,138,948	7,929,965	17,393,581	18,249,690	–	63,712,184
Segment Liabilities							
Total segment liabilities		5,032,456	2,377,442	9,564,316	2,460,805	–	19,435,019

36. SEGMENT INFORMATION (CONT'D)

(a) Operating Segment (Cont'd)

Group	Note	Information and Communication Technology RM	Telecommunications, Infrastructure and Services RM	Others RM	Eliminations RM	Consolidated RM
2014						
Segment Revenue						
External revenue		26,664,000	5,133,789	187,920	–	31,985,709
Inter-segment revenue	(i)	1,905,525	–	5,372,330	(7,277,855)	–
Total revenue		28,569,525	5,133,789	5,560,250	(7,277,855)	31,985,709
Segment Results						
Interest income		136,846	57,944	79,668	–	274,458
Interest expense		(84,908)	(15,791)	(272,359)	–	(373,058)
Depreciation of property, plant and equipment		(411,406)	(125,200)	(380,314)	–	(916,920)
Amortisation of intangible assets		(992,928)	–	–	–	(992,928)
Share of results of associates		35,976	5,863	–	–	41,839
Other non-cash items	(ii)	216,690	62,299	2,497,636	–	2,776,625
Segment profit/(loss) before taxation		790,839	(119,509)	513,241	–	1,184,571
Tax expense		(200,479)	–	(390,593)	–	(591,072)
Segment Assets						
Additions to non-current assets	(iii)	1,939,667	107,090	1,200,700	–	3,247,457
Total segment assets		18,563,889	6,199,225	25,942,805	–	50,705,919
Segment Liabilities						
Total segment liabilities		5,452,200	1,258,985	565,859	–	7,277,044

36. SEGMENT INFORMATION (CONT'D)

(a) Operating Segment (Cont'd)

(i) Inter-segment revenue are in respect of 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.

(ii) Other material non-cash items consist of the following items as presented in the respective notes:-

	Group	
	2015 RM	2014 RM
Dividend income from fixed income fund	(99,985)	(308,616)
Dividend income from other investments	(369,958)	(159,317)
Gain on disposal of property, plant and equipment	–	(2,391,352)
Gain on disposals of subsidiaries	(4)	–
(Gain)/loss on foreign exchange - unrealised	(164,011)	16,216
Intangible assets written off	400,000	–
Loss on disposal of an associate	–	6,900
Net fair value loss on held for trading investments	–	132,516
Net (reversal)/provision for employee benefits	(2,872)	12,003
Property, plant and equipment written off	3,278	1,649
Net provision/(reversal) of warranty costs	27,452	(86,624)
	(206,100)	(2,776,625)

(iii) Additions to non-current assets consist of:-

	Group	
	2015 RM	2014 RM
Property, plant and equipment	646,698	1,409,022
Intangible assets	3,459,604	1,838,435
	4,106,302	3,247,457

(b) Geographical Segment

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

	Group	
	2015 RM	2014 RM
Malaysia	54,097,119	31,981,496
Singapore	22,754	4,213
China	2,536,285	–
	56,656,158	31,985,709

36. SEGMENT INFORMATION (CONT'D)

(b) Geographical Segment (Cont'd)

Non-current assets other than financial instruments based on geographical location of the Group are as follows:-

Group	Malaysia RM	Singapore RM	Total RM
2015			
Property, plant and equipment	2,046,314	–	2,046,314
Investment in associates	1,150,020	–	1,150,020
Intangible assets	2,780,713	628,929	3,409,642
Investment property	168,717	–	168,717
	6,145,764	628,929	6,774,693
2014			
Property, plant and equipment	2,275,730	–	2,275,730
Investment in associates	971,859	–	971,859
Intangible assets	2,292,789	538,573	2,831,362
Investment property	168,717	–	168,717
	5,709,095	538,573	6,247,668

(c) Information about Major Customers

Revenue from 2 (2014: 2) major customers of the Group amounted to RM19,693,979 (2014: RM20,540,786).

37. FINANCIAL INSTRUMENTS

(a) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during the financial years ended 30 November 2015 and 30 November 2014.

The Company and its subsidiaries are not subject to any externally imposed capital requirements.

37. FINANCIAL INSTRUMENTS (CONT'D)

(a) Capital management (Cont'd)

The Group monitors capital using a gearing ratio, which is net debts divided by total capital. Net debts comprise borrowings (including finance lease payables) less cash and cash equivalents (excluding bank overdrafts) whilst total capital is the total equity of the Group. The gearing ratio as at 30 November 2015 and 30 November 2014, which is within the Group's objectives of capital management are as follows:-

	Group	
	2015 RM	2014 RM
Total interest-bearing borrowings	401,829	902,130
Less: Cash and cash equivalents	(13,074,867)	(16,990,536)
Total net cash	(12,673,038)	(16,088,406)
Total equity	44,277,165	43,428,875
Debt to equity ratio (%)	*	*

* Not meaningful as the Group is in a net cash position.

(b) Categories of financial instruments

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Financial assets				
Fair value through profit or loss				
- Quoted unit trusts	11,762,299	11,392,341	–	–
- Fixed income funds	891,569	4,035,239	442,767	3,411,059
	12,653,868	15,427,580	442,767	3,411,059
Loan and receivables				
- Trade and other receivables, net of prepayments	16,449,853	8,231,891	91,331	361,809
- Amounts owing by subsidiaries	–	–	9,307,936	4,583,610
- Amounts owing by associates	2,920,660	2,284,245	299,606	148,651
- Cash deposits with licensed banks	6,601,066	4,215,333	–	–
- Cash and bank balances	6,473,801	12,858,382	226,045	4,170,220
	32,445,380	27,589,851	9,924,918	9,264,290

37. FINANCIAL INSTRUMENTS (CONT'D)

(b) Categories of financial instruments (Cont'd)

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Available-for-sale				
- Transferable club membership	250,000	250,000	250,000	250,000
Financial liabilities				
Other financial liabilities				
- Trade payables	8,383,710	3,163,786	–	–
- Other payables, deposits and accruals	8,449,533	1,868,166	1,758,594	266,455
- Amount owing to associates	–	17,482	–	–
- Bank borrowings	–	329,179	–	–
- Finance lease payables	401,829	572,951	–	–
	17,235,072	5,951,564	1,758,594	266,455

(c) Fair values of financial instruments

The carrying amounts of financial instruments of the Group and of the Company as at the end of the financial year approximate their fair values.

(d) Methods and assumptions used to estimate fair value

The fair values of financial assets and financial liabilities are determined as follows:-

(i) Cash and cash equivalents, trade and other receivables and payables

The carrying amounts of cash and cash equivalents, trade and other receivables and payables are reasonable approximation of fair values due to relatively short term nature of these financial instruments.

(ii) Other investments

The fair value of unit trusts and fixed income funds quoted in an active market is determined by reference to the quoted closing bid price at the reporting date.

The fair value of the transferable club membership is determined by reference to comparable market value of similar investment.

37. FINANCIAL INSTRUMENTS (CONT'D)

(d) Methods and assumptions used to estimate fair value (Cont'd)

The fair values of financial assets and financial liabilities are determined as follows (Cont'd):-

(iii) Borrowings

The carrying amounts of the floating rate borrowings are reasonable approximation of fair values.

The fair value of finance lease payables is estimated using discounted cash flow analysis, based on current lending rate for similar types of borrowing arrangements.

The carrying amounts of financial assets and liabilities recognised in the financial statements approximate their fair values except as follows:-

	Group	
	Carrying Amount RM	Fair Value RM
2015		
Financial Liabilities		
Finance lease payables	401,829	404,250
2014		
Financial Liabilities		
Finance lease payables	572,951	576,242

38. FAIR VALUE HIERARCHY

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, within the fair value hierarchy, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:-

(a) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

(b) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

(c) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

38. FAIR VALUE HIERARCHY (CONT'D)

The following table provides the fair value measurement hierarchy of the Group's and of the Company's financial instruments:-

Group	Carrying amount Total RM	Fair value of financial instruments carried at fair value — Fair value Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Fair value of financial instruments not carried at fair value — Fair value Level 1 RM	Level 2 RM	Level 3 RM	Total RM
30 November 2015									
Financial assets									
Financial assets at fair value through profit or loss									
- Quoted unit trusts	11,762,299	11,762,299	–	–	11,762,299	–	–	–	–
- Fixed income funds	891,569	891,569	–	–	891,569	–	–	–	–
Available-for-sale financial assets									
- Transferable club membership	250,000	250,000	–	–	250,000	–	–	–	–
Financial liabilities									
Other financial liabilities									
- Finance lease payables	401,829	–	–	–	–	–	–	404,250	404,250
30 November 2014									
Financial assets									
Financial assets at fair value through profit or loss									
- Quoted unit trusts	11,392,341	11,392,341	–	–	11,392,341	–	–	–	–
- Fixed income funds	4,035,239	4,035,239	–	–	4,035,239	–	–	–	–
Available-for-sale financial assets									
- Transferable club membership	250,000	250,000	–	–	250,000	–	–	–	–
Financial liabilities									
Other financial liabilities									
- Finance lease payables	572,951	–	–	–	–	–	–	576,242	576,242

38. FAIR VALUE HIERARCHY (CONT'D)

The following table provides the fair value measurement hierarchy of the Group's and of the Company's financial instruments:- (Cont'd)

Company	Carrying amount Total RM	Fair value of financial instruments carried at fair value — Fair value — Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Fair value of financial instruments not carried at fair value — Fair value — Level 1 RM	Level 2 RM	Level 3 RM	Total RM
30 November 2015									
Financial assets									
Financial assets at fair value through profit or loss									
- Fixed income funds	442,767	442,767	–	–	442,767	–	–	–	–
Financial assets									
Available–for–sale financial assets									
- Transferable club membership	250,000	250,000	–	–	250,000	–	–	–	–
30 November 2014									
Financial assets									
Financial assets at fair value through profit or loss									
- Fixed income funds	3,411,059	3,411,059	–	–	3,411,059	–	–	–	–
Financial assets									
Available-for-sale financial assets									
- Transferable club membership	250,000	250,000	–	–	250,000	–	–	–	–

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and market risk.

The Group's and the Company's financial risk management policy seeks to minimise the potential adverse effects from the exposures to variety of risks in the normal course of business.

The Group's and the Company's exposure to the financial risks and the objectives, policies and processes put in place to manage these risks are discussed below.

(a) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations.

The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables and the maximum risk associated with recognised financial assets is the carrying amounts as presented in the statements of financial position. For other financial assets, the Group and the Company minimise credit risk by dealing with high credit rating counterparties.

The Company is also exposed to credit risk arising from corporate guarantee provided in respect of banking facilities granted to the subsidiaries.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. In addition, receivables balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Financial guarantee

The Group and the Company provide secured financial guarantees to banks in respect of banking facilities granted to its subsidiaries and an associate.

The Group and the Company monitor on an ongoing basis the repayments made by the subsidiaries and an associate and their financial performance.

The Group and the Company's maximum exposure to credit risk amounts to RM898,723 and RM898,723 (2014: RM309,080 and RM638,259) respectively, representing the outstanding credit facilities of the subsidiaries and an associate guaranteed by the Group and the Company at the reporting date. At the reporting date, there was no indication that the subsidiaries and associate would default on their repayment.

The financial guarantee has not been recognised as the fair value on initial recognition was immaterial since the financial guarantees provided by the Group and the Company did not contribute towards credit enhancement of the subsidiaries' and associate's borrowings in view of the securities pledged by the subsidiaries and associate and it is unlikely that the subsidiaries and associate will default within the guarantee period.

(b) Liquidity Risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations associated with financial liabilities. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through use of stand-by credit facilities.

The Group's and the Company's liquidity risk management policy is to manage its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. In addition, the Group and the Company maintain sufficient levels of cash and available banking facilities at a reasonable level to their overall debt position to meet their working capital requirement.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity Risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount RM	Total contractual cash flows RM	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM	Over 5 years RM
2015						
Group						
Financial liabilities:-						
Trade payables	8,383,710	8,383,710	8,383,710	–	–	–
Other payables, deposits and accruals	8,449,533	8,449,533	8,449,533	–	–	–
Finance lease payables	401,829	429,499	199,527	199,527	30,445	–
	17,235,072	17,262,742	17,032,770	199,527	30,445	–
Company						
Financial liabilities:-						
Other payables and accruals	1,758,594	1,758,594	1,758,594	–	–	–
2014						
Group						
Financial liabilities:-						
Trade payables	3,163,786	3,163,786	3,163,786	–	–	–
Other payables, deposits and accruals	1,868,166	1,868,166	1,868,166	–	–	–
Term loan	17,482	17,482	17,482	–	–	–
Finance lease payables	572,951	617,376	242,330	242,330	132,716	–
Bank overdrafts	83,179	83,179	83,179	–	–	–
Bankers' acceptance	246,000	246,000	246,000	–	–	–
	5,951,564	5,995,989	5,620,943	242,330	132,716	–
Company						
Financial liabilities:-						
Other payables and accruals	266,455	266,455	266,455	–	–	–

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk arises primarily from interest bearing financial assets and financial liabilities which include cash deposits, fixed income fund, bank borrowings and finance lease payables.

Interest bearing financial assets include cash deposits and fixed income fund that are short term in nature and are not held for speculative purposes but are placed to satisfy conditions for banking facilities granted to the subsidiaries and to earn a better yield than cash at banks. The cash deposits placed with licensed banks and fixed income fund at fixed rate expose the Group to fair value interest rate risk.

Interests bearing financial liabilities include finance lease payables, bank overdrafts and bankers' acceptances.

Borrowings at floating rates amounting to RM Nil (2014: RM329,179) expose the Group to cash flow interest rate risk whilst finance lease payables at fixed rate amounting to RM401,829 (2014: RM572,951) expose the Group to fair value interest rate risk.

The Group manages its interest rate risk exposure by maintaining a prudent mix of fixed and floating borrowings rate. The Group also monitors the interest rate on borrowings closely to ensure that the borrowings are maintained at favourable rates.

Sensitivity analysis for interest rate risk

If the interest rate had been 50 basis point higher/lower and all other variables held constant, the Group's profit net of tax for the financial year ended 30 November 2015 would decrease/increase by RM Nil (2014: RM1,234) as a result of exposure to floating rate borrowings.

(d) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposures arising from purchases and direct costs that are denominated in currencies other than the respective functional currencies of Group entities, primarily RM. The foreign currencies in which these transactions are denominated are mainly United States Dollar ("USD"), Renminbi ("RMB") and Singapore Dollar ("SGD").

The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes. At the reporting date, such foreign currencies balances (mainly in USD, RMB and SGD) amount to RM1,985,186 (2014: RM208,307).

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(d) Foreign Currency Risk (Cont'd)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the USD, RMB and SGD, with all other variable held constant on the Group's total equity and profit for the financial year.

Group	Changes in rate	Effect on profit for the financial year RM	Effect on equity RM
30 November 2015			
- USD	+15%	58,423	58,423
	-15%	(58,423)	(58,423)
- RMB	+15%	119,175	119,175
	-15%	(119,175)	(119,175)
- SGD	+15%	28,792	28,792
	-15%	(28,792)	(28,792)
30 November 2014			
- USD	+15%	(34,584)	(34,584)
	-15%	34,584	34,584
- SGD	+15%	354	354
	-15%	(354)	(354)

(e) Market Risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices. The Group is exposed to market price risk arising from its investment in quoted unit trusts and investments in quoted shares listed on the Bursa Malaysia Securities Berhad. These instruments are classified as held for trading. The Group does not have exposure to commodity price risk.

Sensitivity analysis for equity price risk

At the reporting date, if the price of the quoted unit trusts and quoted shares had been 1% higher/lower, with all other variables held constant, the Group's profit net of tax would increase/decrease by RM88,217 (2014: RM85,442) as a result of increase/decrease in the fair value of financial instruments classified as held for trading.

40. SIGNIFICANT EVENTS

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

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

(c) On 11 September 2015, the Company disposed of its entire equity interests in Amtel Technology Sdn. Bhd. ("ATSB") and Topweb Sdn. Bhd. ("TWSB"), both wholly-owned dormant subsidiaries of the Company, comprised of total issued of 500,000 ordinary shares and 1,000,000 ordinary shares of RM1.00 each for a total cash consideration of RM2.00 each in ATSB and TWSB respectively.

The above disposals have no material effect on the consolidated earnings, net assets and gearing of the Group for the financial year ended 30 November 2015.

41. MATERIAL LITIGATION

On 4 September 2015, the Company announced that Amtel Cellular Sdn. Bhd. ("AMCSB"), the wholly-owned subsidiary of the Company has on 2 September 2015 filed an application to the Shenzhen Luoho District People's Court ("Court") to seek judgment and claims against Shi Jian Bing ("SJB") due to SJB's failure to deliver the new navigation software engine within the prescribed timeline and a breach of contract pursuant to the Agreement dated 25 November 2013 made between AMCSB, SJB and Another Party ("AP").

AP had made an application earlier on 31 March 2015 to the Court to seek similar judgment and claims against SJB, in relation thereto AMCSB is a Joint-Plaintiff with AP against SJB in claiming including but not limited to the development costs of RMB1,677,569 together with interest thereon, the cost of legal proceedings and others as specified in the announcement dated 4 September 2015.

The first court hearing was held on 9 October 2015 and 10 October 2015 (continued hearing from day 1) at the Court. However no decision was formed by the Judge at the conclusion of the first trial, therefore the Judge has fixed this matter for continued hearing at a date to be scheduled in due course.

SUPPLEMENTARY INFORMATION ON THE DISCLOSURE OF REALISED AND UNREALISED PROFIT OR LOSS

The following analysis of realised and unrealised retained profits of the Group and of the Company at 30 November 2015 and 2014 is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad ("Bursa Securities") dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, as issued by the Malaysian Institute of Accountants.

The accumulated losses of the Group and of the Company as at 30 November 2015 and 30 November 2014 are analysed as follows:-

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Total accumulated losses of the Company and its subsidiaries:-				
- realised	(20,133,306)	(31,376,030)	(24,329,123)	(23,969,081)
- unrealised	(988,063)	(1,016,030)	–	–
	(21,121,369)	(32,392,060)	(24,329,123)	(23,969,081)
Total share of retained earnings from associates:-				
- realised	1,024,165	877,298	–	–
	(20,097,204)	(31,514,762)	(24,329,123)	(23,969,081)
Less: Consolidation adjustments	9,765,936	20,365,556	–	–
Total accumulated losses	(10,331,268)	(11,149,206)	(24,329,123)	(23,969,081)

The disclosure of realised and unrealised profit or loss above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purpose.

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 32 to 112, are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of 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 at 30 November 2015 and of their financial performance and cash flows for the financial year then ended.

The supplemental information set out on page 113 has been prepared in accordance with the 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 and presented based on the format as prescribed by Bursa Malaysia Securities Berhad.

Signed on behalf of the Board in accordance with a resolution of the directors dated 22 March 2016.

YTM. TUNKU DATO' SERI KAMEL BIN TUNKU RIJALUDIN

DATO' KOID HUN KIAN

STATUTORY DECLARATION

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

I, Dato' Koid Hun Kian, being the director primarily responsible for the financial management of Amtel Holdings Berhad, do solemnly and sincerely declare that, to the best of my knowledge and belief, the financial statements as set out on pages 32 to 112 and the supplementary information as set out on page 113, are 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 22 March 2016

DATO' KOID HUN KIAN

Before me

NG SAY JIN (B-195)
Commissioner for Oaths

Report on the Financial Statements

We have audited the financial statements of Amtel Holdings Berhad, which comprise the statements of financial position as at 30 November 2015 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 32 to 112.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements so as to give a true and fair view in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal controls as the directors determine are 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 about 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 controls relevant to the Company's preparation of financial statements that give a 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 Company's internal controls. 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 give a true and fair view of the financial position of the Group and of the Company as at 30 November 2015 and of their financial performance and cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

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 Companies Act, 1965 in Malaysia to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

(b) We have considered the financial statements and the auditors' report of the subsidiary of which we have not acted as auditors, which is indicated in Note 10 to the financial statements.

(c) We are satisfied that the financial statements of the subsidiaries 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 subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Companies Act, 1965 in Malaysia.

Other Reporting Responsibilities

The supplementary information set out on page 113 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 the 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.

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 contents of this report.

BAKER TILLY AC
AF 001826
Chartered Accountants

DATO' LOCK PENG KUAN
2819/10/16 (J)
Chartered Accountant

Kuala Lumpur
22 March 2016

LIST OF PROPERTIES
AS AT 30 NOVEMBER 2015

Location	Description and Existing Use	Tenure	Land Area/ Built-up Area (sq. feet)	Date of Acquisition/ Completion	Approximate Age of Building (Years)	Net Book Value RM
Lot No. TH A85-1 Mukim Kajang Daerah Hulu Langat Selangor Darul Ehsan	3 Storey Town House (Ground Floor) Corner Lot Vacant	Freehold	1,078	31.3.2002	13	130,751
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
TOTAL						299,468

ANALYSIS OF SHAREHOLDINGS
AS AT 1 APRIL 2016

Authorised Capital	:	RM100,000,000.00
Issued and Paid-up Capital	:	RM49,277,066.00
Class of Shares	:	Ordinary shares of RM1.00 each
Total Number of Shares Issued	:	49,277,066
Voting Rights	:	1 vote per ordinary share
No. of Shareholders	:	2,314

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	% of Issued Capital
1 - 99	413	17.85	16,411	0.03
100 - 1,000	273	11.80	213,892	0.43
1,001 - 10,000	1,332	57.56	4,105,390	8.33
10,001 - 100,000	239	10.33	7,613,073	15.45
100,001 - less than 5% of issued shares	55	2.37	29,164,175	59.19
5% and above of issued shares	2	0.09	8,164,125	16.57
Total	2,314	100	49,277,066	100.00

SUBSTANTIAL SHAREHOLDERS
AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 1 APRIL 2016

Name	No. of shares in which substantial shareholders have direct interest	%	No. of shares in which substantial shareholders are deemed to have an interest	%
Dato' Koid Hun Kian	7,994,888	16.22	3,217,937*	6.53
Simfoni Kilat Sdn. Bhd.	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 1 APRIL 2016

Name	Direct No. of shares held	%	Indirect No. of shares held	%
Dato' Koid Hun Kian	7,994,888	16.22	3,989,270*	8.10
Tan Woon Huei	219,000	0.44	–	–
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	200,000	0.41	–	–
Siow Hock Lee	65,333	0.13	814,333*	1.65
Chang Pak Hing	2,300	Negligible	–	–

* This includes shares held by spouse pursuant to Section 134(12)(c) of the Companies Act, 1965.

By virtue of his substantial interest in the shares of the Company, Dato' Koid Hun Kian is also deemed interested in the shares of the subsidiaries and its related corporations during the financial year to the extent that the Company has an interest.

TOP THIRTY LARGEST SECURITIES ACCOUNT HOLDERS AS PER THE RECORD OF DEPOSITORS AS AT 1 APRIL 2016

	Name of Shareholder	No. of shares held	%
1.	Koid Hun Kian	4,946,188	10.04
2.	Simfoni Kilat Sdn Bhd	3,217,937	6.53
3.	Kuan Ah Hock	2,400,000	4.87
4.	Leong Wai Cheng	2,342,600	4.75
5.	Chew Soon Kui	2,250,000	4.57
6.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Lee Chye Khern (M09)	1,958,279	3.97
7.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Koid Hun Kian	1,868,000	3.79
8.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securitites Account For Sin Yong Lean	1,822,200	3.70
9.	Ng Ah Chong	1,624,566	3.30
10.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Koid Hun Kian (MR0665)	1,180,700	2.40
11.	Omega Charm Sdn Bhd	1,150,000	2.33
12.	Jurus Handal Sdn Bhd	1,068,500	2.17
13.	Chen Bee Yoke	781,000	1.58
14.	Tan Seow Eng	771,333	1.56
15.	Ng Weng Keong	746,800	1.52
16.	HSBC Nominees (Asing) Sdn Bhd Exempt An For Credit Suisse (SG BR-TST-ASING)	723,733	1.47
17.	Ong Khiam Cheang	500,000	1.01
18.	Amerjeet Singh A/L Naib Singh	486,600	0.99
19.	Lim Tuan Guan	473,000	0.96
20.	Tan Ah Lee	380,000	0.77
21.	Lim Bee Chin	343,000	0.70
22.	HLIB Nominees (Tempatan) Sdn Bhd Eon Bank Berhad for Lee Chin Yen (KLG)	316,000	0.64
23.	Tan Hong Cheng	315,000	0.64
24.	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt An For UOB Kay Hian Pte Ltd (A/C Clients)	291,999	0.59
25.	Ng Choy Yong	266,200	0.54
26.	Yong Mun Tong	255,000	0.52
27.	Zeito Plastic Components Sdn Bhd	225,000	0.46
28.	Chua Lee Guan	210,900	0.43
29.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB For Tan Ah Lee (PB)	210,000	0.43
30.	Tan Woon Huei	209,000	0.42
Total		**33,333,535**	**67.65**

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AMTEL HOLDINGS BERHAD (409449-A)

(Incorporated in Malaysia)

PROXY FORM (Before completing this form, please see notes)

I/We ....Contact No. ....

NRIC/Company No. .... or CDS Account No. ....

of...

[FULL ADDRESS]

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

....(NRIC No. ....)

of...

or failing him/her ....

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 Nineteenth Annual General Meeting of the Company to be held at Bilik Petaling, Kelab Shah Alam Selangor, No. 1A, Jalan Aerobik 13/43, Persiaran Kayangan, 40704 Shah Alam, Selangor Darul Ehsan on Wednesday, 25 May 2016 at 10.00 a.m. and any adjournment thereof.

(Please indicate with an "X" in the space provided below how you wish your votes to be cast. If you do not do so, the proxy/ proxies will vote or abstain from voting at his/her discretion.)

No.	Ordinary Resolution	For	Against
1.	Approval of the payment of Directors' fees		
2.	Re-election of YTM. Tunku Dato' Seri Kamel bin Tunku Rijaludin as Director		
3.	Re-election of Mr. Siow Hock Lee as Director		
4.	Re-appointment of Messrs. Baker Tilly AC as Auditors of the Company and to authorise the Directors to fix their remuneration		
5.	Retention of YTM. Tunku Dato' Seri Kamel bin Tunku Rijaludin as Independent Non-Executive Director in accordance with the Malaysian Code on Corporate Governance 2012		
6.	Retention of Mr. Siow Hock Lee as Independent Non-Executive Director in accordance with the Malaysian Code on Corporate Governance 2012		
7.	Authority to Directors to allot and issue shares pursuant to Section 132D of the Companies Act, 1965		

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 2016

Notes:

1. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 18 May 2016 shall be entitled to attend, speak and vote at this meeting.*
2. *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.*
3. *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 PJS 7/19, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, not less than 48 hours before the time appointed for holding this meeting or adjourned meeting.*
4. *Where a member appoints more than one (1) proxy, the appointment shall be invalid unless the proportion of holdings represented by each proxy is specified.*
5. *A member shall be entitled to appoint more than one (1) proxy to attend and vote at this meeting provided that the provisions of Section 149(1)(c) of the Act are complied with.*
6. *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 one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
7. *Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*

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AFFIX
STAMP

AMTEL HOLDINGS BERHAD (409449-A)
No. 7, Jalan PJS 7/19
Bandar Sunway
47500 Subang Jaya
Selangor Darul Ehsan

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AMTEL HOLDINGS BERHAD (409449-A)

No.7, Jalan PJS 7/19 Bandar Sunway
47500 Subang Jaya, Selangor Darul Ehsan.

Tel: 603-5632 2449
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