

**29 January 2019**



**AMTEL HOLDINGS BERHAD**  
(Company No.: 409449-A)  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT**  
**FOR THE FOURTH FINANCIAL QUARTER ENDED 30 NOVEMBER 2018**

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

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2018**  
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT PERIOD QUARTER 30-11-2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER AS RESTATED 30-11-2017 RM'000	CURRENT YEAR 30-11-2018 RM'000	PRECEDING YEAR AS RESTATED 30-11-2017 RM'000
<b>Continuing Operations</b>				
<b>Revenue</b>	15,806	10,459	50,548	32,947
Operating expenses	(15,413)	(11,432)	(50,250)	(35,923)
Other operating income	301	309	1,091	865
Profit/(Loss) from operations	694	(664)	1,389	(2,111)
Finance costs	(20)	(11)	(82)	(46)
Share of results of associates	(6)	(266)	140	(531)
<b>Profit/(Loss) before taxation</b>	668	(941)	1,447	(2,688)
Taxation	(165)	282	(695)	190
<b>Profit/(Loss) for the financial year from continuing operations</b>	503	(659)	752	(2,498)
(Loss)/profit for the financial year from discontinued operation, net of tax	973	(491)	284	(473)
<b>Profit for the financial year</b>	1,476	(1,150)	1,036	(2,971)
<b>Other comprehensive income, net of tax</b>				
Items that may be reclassified subsequently to Profit or Loss				
Foreign currency translation	(3)	11	2	15
<b>Total comprehensive profit/(loss) for the year</b>	1,473	(1,139)	1,038	(2,956)
<b>Profit/(Loss) Attributable to:-</b>				
Owners of the Company	1,485	(1,193)	1,071	(2,908)
- From continuing operations	512	(702)	787	(2,435)
- From discontinued operation	973	(491)	284	(473)
Non-controlling Interests	(9)	43	(35)	(63)
	1,476	(1,150)	1,036	(2,971)
<b>Total Comprehensive Income/(Loss) Attributable to:-</b>				
Owners of the Company	1,482	(1,182)	1,073	(2,893)
- From continuing operations	509	(691)	789	(2,420)
- From discontinued operation	973	(491)	284	(473)
Non-controlling Interests	(9)	43	(35)	(63)
	1,473	(1,139)	1,038	(2,956)
<b>Earnings Per Share Attributable to Owners of the Company :-</b>				
Basic (sen)				
- From continuing operations	1.03	-1.42	1.59	-4.94
- From discontinued operation	1.96	-1.00	0.57	-0.96
Fully Diluted (sen)	N/A	N/A	N/A	N/A

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2017 and the accompanying explanatory notes attached to the interim financial report.

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 NOVEMBER 2018**  
(The figures have not been audited)

	<u>UNAUDITED</u>	<u>AUDITED</u>
	AS AT	AS AT
	CURRENT	PRECEDING
	FINANCIAL	FINANCIAL
	YEAR ENDED	YEAR ENDED
	30/11/2018	30/11/2017
Note	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	2,568	2,037
Investment Properties	169	169
Investments in Associates	1,078	1,071
Intangible Assets	-	581
Other Investments	250	250
	<u>4,065</u>	<u>4,108</u>
<b>Current Assets</b>		
Inventories	3,342	2,402
Property Development Costs	-	8,427
Trade & Other Receivables	22,018	22,052
Other Investments	4,076	11,621
Cash deposits with licensed banks	8,626	8,117
Cash and Bank Balances	18,158	4,255
	<u>56,220</u>	<u>56,874</u>
<b>TOTAL ASSETS</b>	<u>60,285</u>	<u>60,982</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share Capital	1	32,301
Reserves	12,907	11,814
<b>Equity Attributable to Owners of the Parent</b>	<u>45,208</u>	<u>41,060</u>
Non-controlling Interests ("NCI")	-	1,890
<b>Total Equity</b>	<u>45,208</u>	<u>42,950</u>
<b>Non-Current Liabilities</b>		
Finance Lease Payables	273	357
Deferred Tax Liabilities	141	96
	<u>414</u>	<u>453</u>
<b>Current Liabilities</b>		
Trade & Other Payables	13,138	16,517
Short Term Borrowings	1,242	796
Tax Liabilities	149	126
Finance Lease Payables	134	140
	<u>14,663</u>	<u>17,579</u>
<b>Total Liabilities</b>	<u>15,077</u>	<u>18,032</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>60,285</u>	<u>60,982</u>
Net assets per share attributable to owners of the parent (RM)	<b>0.8341</b>	<b>0.8332</b>

**Note (1):-**

During the financial year, the Company allotted a total of 4,920,000 ordinary shares via Private Placement which raised a total proceeds of RM3,055,400. As a result, the issued and paid up share capital of the Company increased from RM29.246 million to RM32.301 million.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2017 and the accompanying explanatory notes attached to the interim financial report.

**AMTEL HOLDINGS BERHAD (409449-A)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2018  
(The figures have not been audited)**

	←----- Attributable to Owners of the Parent ----->							
	<----- Non-Distributable ----->							
	Share Capital RM'000	Share Premium RM'000	Fair Value Reserve RM'000	Currency Translation Reserve RM'000	Retained Earnings/ (Accumulated Losses RM'000	Sub-total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
<b>12 months ended 30 November 2018</b>								
<b>At 1 December 2017</b>	<b>29,246</b>	<b>-</b>	<b>159</b>	<b>35</b>	<b>11,620</b>	<b>41,060</b>	<b>1,890</b>	<b>42,950</b>
<b>Comprehensive Income:</b>								
Profit/(Loss) for the financial year	-	-	-	-	1,071	1,071	(35)	1,036
Foreign currency translation	-	-	-	2	-	2	-	2
Total comprehensive income/(loss) for the financial year	-	-	-	2	1,071	1,073	(35)	1,038
Issuance of shares pursuant to Private Placement (Note 1)	3,055	-	-	-	-	3,055	-	3,055
<b>Transaction with owners:</b>								
Acquisition of NCI	-	-	-	-	-	-	(1,855)	(1,855)
Net discount received from acquisition of NCI	-	-	-	-	20	20	-	20
<b>At 30 November 2018</b>	<b>32,301</b>	<b>-</b>	<b>159</b>	<b>37</b>	<b>12,711</b>	<b>45,208</b>	<b>-</b>	<b>45,208</b>
<b>12 months ended 30 November 2017</b>								
<b>At 1 December 2016</b>	<b>49,277</b>	<b>4,775</b>	<b>159</b>	<b>14</b>	<b>(10,181)</b>	<b>44,044</b>	<b>1,858</b>	<b>45,902</b>
Adjustment pursuant to Companies Act 2016	4,775	(4,775)	-	-	-	-	-	-
<b>Comprehensive Income:</b>								
Profit/(Loss) for the financial year	-	-	-	-	(2,908)	(2,908)	(63)	(2,971)
Foreign currency translation	-	-	-	15	-	15	-	15
Total comprehensive income/(loss) for the financial year	-	-	-	15	(2,908)	(2,893)	(63)	(2,956)
<b>Transaction with owners:</b>								
Acquisition of NCI	-	-	-	7	-	7	91	98
NCI of newly incorporated subsidiary	-	-	-	-	-	-	4	4
Premium on acquisition of NCI	-	-	-	-	(98)	(98)	-	(98)
Capital reduction	(24,806)	-	-	-	24,806	-	-	-
<b>At 30 November 2017</b>	<b>29,246</b>	<b>-</b>	<b>159</b>	<b>36</b>	<b>11,619</b>	<b>41,060</b>	<b>1,890</b>	<b>42,950</b>

**Note (1):-**

During the financial year, the Company allotted a total of 4,920,000 ordinary shares via Private Placement which raised a total proceeds of RM3,055,400. As a result, the issued and paid up share capital of the Company increased from RM29.246 million to RM32.301 million.

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2017 and the accompanying explanatory notes attached to the interim financial report.

**AMTEL HOLDINGS BERHAD (409449-A)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2018**  
(The figures have not been audited)

	<b>CURRENT FINANCIAL YEAR ENDED 30/11/2018 RM'000</b>	<b>PRECEDING FINANCIAL YEAR ENDED 30/11/2017 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation		
- continuing operations	<b>1,947</b>	(2,688)
- discontinued operation	<b>(216)</b>	(514)
	<b>1,731</b>	(3,202)
Adjustments for:-		
Non-cash items	<b>1,234</b>	1,840
Non-operating items	<b>(651)</b>	(665)
Share of results of associates	<b>(140)</b>	531
Operating profit/(loss) before changes in working capital	<b>2,174</b>	(1,496)
Changes in working capital		
Net changes in property development costs	<b>8,427</b>	(550)
Net changes in current assets	<b>(1,246)</b>	6,674
Net changes in current liabilities	<b>(3,379)</b>	(3,703)
Cash generated from operations	<b>5,976</b>	925
Interest received	<b>371</b>	257
Interest paid	<b>(82)</b>	(46)
Net income tax paid	<b>(519)</b>	(158)
Net cash generated from operating activities	<b>5,746</b>	978
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	<b>(1,625)</b>	(841)
Disposal of property, plant and equipment	<b>277</b>	269
Additions in investment in associates	<b>-</b>	(14)
Withdrawal/(Placement) of fixed income funds & quoted unit trusts	<b>7,907</b>	(2,770)
Placement of pledged cash & cash equivalent under lien	<b>(509)</b>	(2,418)
Dividend income	<b>362</b>	308
Additions in investment in subsidiary	<b>(135)</b>	-
Repayments from associates	<b>357</b>	997
Acquisitions of NCI	<b>(1,835)</b>	-
Net cash generated from/(used in) investing activities	<b>4,799</b>	(4,469)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net payments of finance lease	<b>(147)</b>	(200)
Subscription of shares by NCI	<b>-</b>	5
Proceeds from issuance of new shares	<b>3,055</b>	-
Net cash generated from/(used in) financing activities	<b>2,908</b>	(195)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT</b>	<b>13,453</b>	(3,686)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<b>3,459</b>	7,152
Effects of foreign exchange rate changes	<b>4</b>	(7)
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<b>16,916</b>	3,459
Cash and cash equivalents at end of the financial year comprise of:-		
Cash at banks and in hand	<b>18,158</b>	4,255
Cash deposits with licensed banks	<b>8,626</b>	8,117
Bank overdrafts	<b>(1,242)</b>	(796)
	<b>25,542</b>	11,576
Less: Cash deposits with licensed banks under lien	<b>(8,626)</b>	(8,117)
	<b>16,916</b>	3,459

Note:

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2017 and the accompanying explanatory notes attached to the interim financial report.

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**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FOURTH FINANCIAL QUARTER ENDED 30 NOVEMBER 2018**

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

**1. Basis of Preparation**

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

The interim financial report should be read in conjunction with the audited financial statements of the Group for the last financial year ended 30 November 2017 and the accompanying explanatory notes attached to the interim financial report. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company and of the Group since the financial year ended 30 November 2017.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the last financial year ended 30 November 2017, except for the adoption of the following amendments/improvements that are mandatory for the current financial year:-

Amendments/Improvements to MFRSs

	Effective for financial periods beginning on or after
MFRS 12 Disclosure of Interest in Other Entities	1 January 2017
MFRS 112 Income Taxes	1 January 2017

The adoption of the above amendments/improvements to MFRSs does not have any significant effect on the financial statements of the Group and of the Company, and does not result in significant changes to the Group’s and Company’s existing accounting policies.

The Group has not early adopted any new standards, amendments/improvements to MFRSs which are applicable to the Group that have been issued by the Malaysian Accounting Standards Board but are yet to be effective for the Group’s current financial year.

**2. Audit Qualification**

The audit report of the Group’s financial statements for the year ended 30 November 2017 did not contain any qualification.

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**3. Seasonal or cyclical Factors**

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

**4. Unusual Items**

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

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

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

**6. Debt and Equity Securities.**

There is no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter and financial year, except as follows:-

- i) on 30 May 2018, the Company's ordinary share capital increased by 500,000 shares from 49,277,066 to 49,777,066 shares under the first tranche of private placement; and
- ii) On 28 November 2018, the Company's ordinary share capital increased by 4,420,000 shares from 49,777,066 to 54,197,066 shares under the final tranche of private placement. The private placement was completed on this date following the listing of these shares on the Main Market of Bursa Securities.

Arising from the issue of these shares, the total issued share capital of the Company increased by RM3,055,400, from RM29,245,803 to RM32,301,203 as at 30 November 2018.

**7. Dividends Paid**

There was no dividend paid during the financial year ended 30 November 2018.

**8. Discontinued Operation**

As disclosed in paragraph 12(v) on page 10 of this Interim Financial Report, the Company has disposed of its entire equity interest in Mewah Amanjaya Sdn Bhd on 26 November 2018 and hence discontinued its property development business. In accordance with MFRS 5, a disposal group qualifies as discontinued operation if it is a component of an entity that has been disposed of. Therefore, the comparative consolidated statement of comprehensive income has been re-presented to show the discontinued operation separately from continuing operation.

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**8. Discontinued Operation (Cont'd)**

(i) The results attributable to the discontinued operation were as follows:-

	GROUP	
	Current Year 2018 RM'000	Preceding Year 2017 RM'000
Revenue	378	480
Operating expenses	(1,557)	(1,071)
Other income	471	78
	(708)	(513)
Profit/(loss) from operations of discontinued operation	(708)	(513)
Finance costs	-	(1)
	(708)	(514)
Profit/(loss) from operations of discontinued operation	(708)	(514)
Gain on disposal of subsidiary	992	-
	284	(514)
Profit/(loss) before taxation from discontinued operation	284	(514)
Taxation:-		
Current taxation:		
- current year	-	-
- under provision in prior year	-	(21)
Deferred taxation:		
- current year	-	62
	-	41
Profit/(Loss) for the financial year from discontinued operation	284	(473)

(ii) The profit/(loss) for the financial year is arrived at after charging/(crediting) the following items:-

	GROUP	
	Current Year 2018 RM'000	Preceding Year 2017 RM'000
Gain on disposal of subsidiary	(992)	-
Impairment loss on trade receivables	587	-
Amortisation of intangible assets	-	325
Interest income	(13)	(24)
Interest expense	-	1
	-	1



**AMTEL HOLDINGS BERHAD** (409449-A)  
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**9. Segmental Reporting**

The Group's segment information for the financial year ended 30 November 2018 is as follows:-

**(i) Major Business Segments**

The basis of segmentation and measurement of segment performance is consistent with the basis adopted in the last audited annual financial statements.

**12 months ended 30 November 2018**

GROUP	Information & Communication Technology ("ICT") RM'000	Telecommunications, Infrastructure & Services ("TIS") RM'000	Others RM'000	(Note 8) Discontinued Operation RM'000	Elimination RM'000	Consolidated RM'000
<b>SEGMENT REVENUE</b>						
External revenue	39,462	10,933	153	378	-	50,926
Inter-segment revenue	1,518	-	1,715	-	(3,233)	-
Total revenue	<u>40,980</u>	<u>10,933</u>	<u>1,868</u>	<u>378</u>	<u>(3,233)</u>	<u>50,926</u>

SEGMENT RESULTS	ICT RM'000	TIS RM'000	Others RM'000	Discontinued Operation RM'000	Consolidated RM'000
Profit/(Loss) from operations	1,011	960	410	(708)	1,673
Finance costs	(59)	(23)	-	-	(82)
Share of associates' results	208	(68)	-	-	140
Profit/(Loss) before taxation	<u>1,160</u>	<u>869</u>	<u>410</u>	<u>(708)</u>	<u>1,731</u>
Taxation	(332)	(213)	(150)	-	(695)
Profit/(Loss) for the year	<u>828</u>	<u>656</u>	<u>260</u>	<u>(708)</u>	<u>1,036</u>

FINANCIAL POSITION As at 30 November 2018	ICT RM'000	TIS RM'000	Others RM'000	Discontinued Operation RM'000	Consolidated RM'000
Total segment assets	<u>23,433</u>	<u>10,877</u>	<u>25,975</u>	<u>-</u>	<u>60,285</u>
Total segment liabilities	<u>11,243</u>	<u>3,275</u>	<u>559</u>	<u>-</u>	<u>15,077</u>

**12 months ended 30 November 2017**

GROUP	ICT RM'000	TIS RM'000	Others RM'000	Discontinued Operation RM'000	Elimination RM'000	Consolidated RM'000
<b>SEGMENT REVENUE</b>						
External revenue	19,949	12,774	224	480	-	33,427
Inter-segment revenue	2,121	-	759	-	(2,880)	-
Total revenue	<u>22,070</u>	<u>12,774</u>	<u>983</u>	<u>480</u>	<u>(2,880)</u>	<u>33,427</u>

**AMTEL HOLDINGS BERHAD** (409449-A)  
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**9. Segmental Reporting (Cont'd)**  
**(i) Major Business Segments (Cont'd)**

**12 months ended 30 November 2017**

<b>SEGMENT RESULTS</b>	<b>ICT</b> RM'000	<b>TIS</b> RM'000	<b>Others</b> RM'000	<b>Discontinued Operation</b> RM'000	<b>Consolidated</b> RM'000
Profit/(Loss) from operations	(1,416)	266	(962)	(513)	(2,625)
Finance costs	(39)	(6)	-	(1)	(46)
Share of associates' results	(438)	(93)	-	-	(531)
Profit/(Loss) before taxation	(1,893)	167	(962)	(514)	(3,202)
Taxation	261	(71)	-	41	231
Profit/(Loss) for the year	(1,632)	96	(962)	(473)	(2,971)

<b>FINANCIAL POSITION</b> <b>As at 30 November 2017</b>	<b>ICT</b> RM'000	<b>TIS</b> RM'000	<b>Others</b> RM'000	<b>Discontinued Operation</b> RM'000	<b>Consolidated</b> RM'000
Total segment assets	18,406	14,083	13,304	15,189	60,982
Total segment liabilities	5,709	6,205	646	5,472	18,032

**(ii) Geographical Segments**

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

<b>GROUP</b>	<b>Revenue</b>	
	Current Year 30/11/2018 RM'000	Preceding Year 30/11/2017 RM'000
Malaysia:		
- continuing operations	50,548	32,940
- discontinued operation	378	480
	50,926	33,420
Singapore:		
- continuing operations	-	7
Total	50,926	33,427

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

- (i) Property, plant and equipment which are stated at cost have been brought forward without amendment from the previous annual financial statements.
- (ii) There was no material acquisition or disposal of property, plant and equipment by the Group during the financial year.

**11. Material Event Subsequent to the End of Financial Year**

There was no material event subsequent to the end of the financial year ended 30 November 2018 that has not been reflected in the financial statements or to be disclosed as at the date of this report.

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

There was no change in the composition of the Group during the current quarter and financial year except as mentioned below:-

- (i) On 9 January 2018, the Company completed the disposal of its entire equity interest in Amtel Engineering Sdn Bhd (“AESB”) for a total cash consideration of RM1,110,026. Following the completion of the disposal, AESB ceased to be a wholly-owned subsidiary of the Company;
- (iii) On 5 March 2018, the Company via its 76.92% owned subsidiary namely Amtel Resources Sdn. Bhd. (“ARSB”) completed the acquisition of the remaining 60% equity interest in Amtel Network Sdn. Bhd. (“ANSB”) for a total cash consideration of RM135,000. Consequently, ANSB became an indirect wholly owned subsidiary of the Company;
- (iv) On 17 May 2018 and subsequently on 31 May 2018, the Company acquired another 15.39% and 7.69% equity interests respectively in ARSB for a total cash consideration of RM1.64 million. Consequently, ARSB became a wholly owned subsidiary of the Company on 31 May 2018;
- (v) On 28 September 2018, the Company via its wholly owned subsidiary namely Amtel Cellular Sdn. Bhd. (“AMCSB”) acquired the remaining 15% equity interest in Amnavi Sdn. Bhd. (“Amnavi”) for a total cash consideration of RM199,713. Consequently, Amnavi became an indirect wholly owned subsidiary of the Company; and
- (vi) On 26 November 2018, the Company completed the disposal of its wholly owned subsidiary namely Mewah Amanjaya Sdn Bhd (“MASB”) for a total cash consideration of RM3.50 million. The disposal resulted in a gain on disposal at group level of approximately RM992,000.00

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

There were no changes in contingent liabilities or contingent assets since the last reporting date as at 30 November 2017, except for the following:-

	As At 30/11/2018
<b>Company</b>	
<u>Contingent Liabilities – Secured</u>	RM'000
The maximum exposure to credit risk amounts representing the outstanding credit facilities of the subsidiaries and associated company guaranteed by the Company	<u>1,306</u>
<b>Group</b>	
<u>Contingent Liabilities – Secured*</u>	
Bank guarantees	<u>574</u>

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

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

**14. Capital and Other Commitments**

The Group has no capital commitment in respect of property, plant and equipment for current financial year ended 30 November 2018.

**15. Related Party Transactions**

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

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**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FOURTH FINANCIAL QUARTER ENDED 30 NOVEMBER 2018**

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**PART (B): ADDITIONAL INFORMATION PURSUANT TO APPENDIX 9B OF BURSA  
SECURITIES MAIN MARKET LISTING REQUIREMENTS**

**1. Review of Performance**

Group Performance

For the current financial quarter and financial year ended 30 November 2018, the Group posted higher external revenue with an increase of 77.1% during the quarter as compared to preceding year corresponding quarter and an increase of 52.3% on a year to date basis. TIS segment registered higher revenue for the current quarter whilst the increase in revenue for current financial year mainly contributed by the ICT segment. In tandem with the increase in revenue and higher profit contribution, the Group reported a profit after tax of RM1.48 million for the current quarter, as compared to a loss after tax of RM1.15 million reported in the preceding year corresponding quarter.

For the current financial year ended 30 November 2018, the Group posted profit after tax of RM1.04 million as compared to loss after tax of RM2.97 million reported in preceding financial year.

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

ICT Segment

This segment delivered a total revenue of RM8.60 million during the current quarter and RM39.46 million for the current financial year, which showed substantial improvement as compared to RM5.03 million and RM19.95 million respectively recorded in preceding year corresponding quarter and corresponding year. Overall, ICT segment posted a higher profit after tax both during the current quarter and year to date. The overall improved performance was attributable to higher sales volume of new car models fitted with our Telematics products and corresponding increase in sales of automotive related accessories.

TIS Segment

This segment achieved a total revenue of RM7.22 million and RM10.93 million respectively during the current quarter and current financial year as compared to RM5.38 million and RM12.77 million respectively reported in preceding year corresponding quarter and year to date. The increase in revenue during the current quarter was mainly due to higher turnover recognized from civil infrastructure project works currently in force. Despite recorded a lower revenue during current year, this segment recorded an overall improvement in profit after tax during the current year of approximately RM656,000 as compared to profit after tax of approximately RM96,000 reported in preceding year. This was attributable to close monitoring and management of the various project costs.

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**1. Review of Performance (Cont'd)**

Property Development Segment

The loss reported in the current financial year was due to the absence of new sale of property and the impairment on trade receivables. This segment has been discontinued following the completion of the disposal of the Company's investments in MASB, as disclosed in paragraph 12(v) on page 10 of this Interim Financial Report.

Others Segment

The investment holding company reported higher profit after tax during the current quarter and financial year mainly due to higher management fees income from subsidiaries and the gain on disposal of investment in MASB.

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

The Group's performance for the current financial quarter and the immediate preceding quarter are summarized as follows:-

	Current Quarter	Preceding Quarter	
	30/11/2018	31/8/2018	Changes
	RM'000	RM'000	%
Total revenue	16,117	12,031	+33.9%
Share of results of associates	(6)	(40)	<+100%
Profit/(Loss) for the financial year	1,476	325	>+100%

For the current financial quarter, the Group reported higher revenue of RM16.12 million as compared to the immediate preceding quarter ended 31 August 2018 of RM12.03 million. The 33.9% increase was mainly due to higher turnover recognized from civil infrastructure project works completed during the quarter. In addition to the gain on disposal of MASB of RM992,000 included in the current quarter's results, the Group achieved higher profit before and after tax mainly attributable to positive contributions from both TIS and ICT segments.

**3. Commentary on the Group's Prospects**

Moving forward, the Group will continue to focus on its existing income generating businesses, i.e. the ICT and TIS segments where efforts and resources will be placed on offering new services to existing and new customers. The Group will also pursue opportunities to secure new contracts and expand its business locally and explore selective overseas opportunity as a measure to strengthen the Group's long term revenue and profitability.

Therefore, the Directors are cautiously optimistic that the Group's performance shall remain sustainable in the next financial year, notwithstanding the current subdued economic environment.

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

Not applicable.

**5. Tax Expense**

The movement in tax expense for the Group for the current financial quarter and financial year under review is summarized as follows:-

	Current Quarter 30/11/2018	Current Year 30/11/2018
<b>Continuing operations</b>		
<u>Current tax expense:-</u>	RM'000	RM'000
Based on results for the year	(2)	(532)
Over provision in prior year	22	22
	<hr/>	<hr/>
	20	(510)
Deferred tax expense	(45)	(45)
RPGT under provided in prior financial year	(140)	(140)
	<hr/>	<hr/>
	<u>(165)</u>	<u>(695)</u>

The disproportionate tax charge of the Group was mainly due to losses of certain subsidiaries was not available for set off against taxable profits of other subsidiaries.

**6. Status of Corporate Proposals**

There are no corporate proposals announced, but not completed as at the date of issue of this quarterly report.

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

The Company obtained the shareholders' approval via the Extraordinary General Meeting held on 17 May 2017 to vary the financial assistance provided to associated company Milan Utama Sdn Bhd ("MUSB") to include on a pool basis with Amtel Networks Sdn Bhd ("ANSB"). The amounts of financial assistance provided as of 30 November 2018 to MUSB remain at RM6.58 million.

No financial assistance has been provided to ANSB as at the date of issue of this quarterly report.

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**8. Group Borrowings and Debt Securities**

The Group's total borrowings (all denominated in Ringgit Malaysia) as at 30 November 2018 are as follows:-

	As at 30/11/2018	As at 30/11/2017
	RM'000	RM'000
(1) <u>Short Term Borrowings:-</u>		
- <u>Secured</u>		
Overdrafts	1,242	796
Finance leases payable within the next 12 months	134	140
(2) <u>Long Term Borrowings:-</u>		
- Finance leases payable after the next 12 months	273	357

The Group does not have borrowing denominated in foreign currency and there is no debt securities issued.

**9. Material Litigation**

Save as disclosed below, the Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant as at the date of issue of this quarterly report:-

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. The Company waited for the decision of the Judge following another hearing held on 25 April 2016. On 24 August 2017, the Company announced that the solicitor of AMCSB in the People's Republic of China ("Solicitor") has informed that the Court has rejected AMCSB's appeal filed on 15 July 2016 to seek higher compensation against SJB and upheld the earlier decisions and judgments of the Court as stated in the announcement dated 4 July 2016. On 12 September 2018, the Company announced that the Solicitor has informed that despite AMCSB's second appeal to the Shenzhen Intermediate People's Court ("Shenzhen Court") to seek for a higher compensation against SJB, the Shenzhen Court upheld the earlier decisions and judgements of the Court as stated in the announcement dated 4 July 2016. Our Solicitor has confirmed that the Court's decision is final. We are now in the process of recovering the claims from SJB.



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

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

	Current Quarter	Preceding Year Corresponding Quarter (As restated)	Current Year	Preceding Year (As restated)
	30/11/2018 RM'000	30/11/2017 RM'000	30/11/2018 RM'000	30/11/2017 RM'000
<b>Continuing Operations:-</b>				
1. Interest income	(223)	(177)	(354)	(233)
2. Dividend income	(39)	(156)	(362)	(308)
3. Other income	95	(55)	(165)	(118)
4. Interest expense	20	24	82	45
5. Depreciation of property, plant & equipment	216	429	992	891
6. Written-off of:				
- Property, plant and equipment	-	5	5	5
- Inventories	19	-	19	-
- Intangible assets	-	241	-	241
7. Amortisation of intangible assets	-	509	581	695
8. Gain on disposal of property, plant & equipment	-	(25)	(118)	(100)
9. Gain on disposal of intangible assets	-	(49)	-	(49)
10. Impairment loss on:				
- Other receivables	21	6	21	6
11. Net foreign exchange loss	101	48	76	129
12. Net provision/(reversal) of warranty costs	336	(421)	529	(421)
13. Loss on disposal of:				
- subsidiary	-	-	17	-
- associate	-	-	97	-

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**11. Earnings Per Share**

**(1) Basic earnings per share**

The basic earnings per share for the current quarter and financial year is calculated by dividing the consolidated net profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period as shown below:-

	Current Quarter <hr/> 30/11/2018	Preceding Year Corresponding Quarter <hr/> 30/11/2017	Current Year <hr/> 30/11/2018	Preceding Year <hr/> 30/11/2017
Net profit/(loss) attributable to owners of the Company:				
- From continuing operations RM'000)	512	(702)	787	(2,435)
- From discontinued operations (RM'000)	973	(491)	284	(473)
Weighted average number of shares	49,566,820	49,277,066	49,566,820	49,277,066
Basic earnings per shares:				
- From continuing operations (sen)	1.03	(1.42)	1.59	(4.94)
- From discontinued operations (sen)	1.96	(1.00)	0.57	(0.96)

**(2) Diluted earnings per share**

Not applicable.

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

The retained earnings/(accumulated losses) of the Group as at 30 November 2018 is analysed as follows:-

	As at 30/11/2018 RM'000	As at 30/11/2017 RM'000
Total retained earnings/(accumulated losses) of the Company and its subsidiaries:-		
- Realised	4,054	1,179
- Unrealised	(516)	(312)
	<hr/> 3,538	<hr/> 867
Total share of retained earnings from associates:-		
- Realised	1,022	762
- Unrealised	-	-
	<hr/> 4,560	<hr/> 1,629
Add: Consolidation adjustments	8,151	9,990
Total retained earnings/(accumulated losses) as per consolidated financial statements	<hr/> <hr/> 12,711	<hr/> <hr/> 11,619

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**13. Dividend**

The Board of Directors does not recommend any payment of dividend for the current financial year ended 30 November 2018.

**AMTEL HOLDINGS BERHAD**

By Order of the Board

**LIM LEE CHIN**

**Company Secretary**