

21 January 2020



**AMTEL HOLDINGS BERHAD**

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

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FOURTH FINANCIAL QUARTER ENDED 30 NOVEMBER 2019**

**AMTEL HOLDINGS BERHAD**  
(Registration No. 199601037096 (409449-A))  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2019**  
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT YEAR QUARTER 30-11-2019 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-11-2018 RM'000	CURRENT YEAR QUARTER 30-11-2019 RM'000	PRECEDING YEAR QUARTER 30-11-2018 RM'000
<b>Continuing Operations</b>				
<b>Revenue</b>	17,408	15,806	63,170	50,548
Operating expenses	(15,558)	(15,427)	(58,381)	(50,264)
Other operating income	604	303	1,412	1,093
Profit from operations	2,454	682	6,201	1,377
Finance costs	(16)	(20)	(78)	(82)
Share of results of associates	114	(6)	348	140
<b>Profit before taxation</b>	2,552	656	6,471	1,435
Taxation	(350)	(167)	(1,468)	(697)
<b>Profit for the financial year from continuing operations</b>	2,202	489	5,003	738
Profit for the financial year from discontinued operation, net of tax	-	974	-	285
<b>Profit for the financial year</b>	2,202	1,463	5,003	1,023
<b>Other comprehensive income, net of tax</b>				
Items that may be reclassified subsequently to Profit or Loss:				
Foreign currency translation	-	(4)	1	1
<b>Total comprehensive income for the financial year</b>	2,202	1,459	5,004	1,024
<b>Profit/(Loss) Attributable to:-</b>				
Owners of the Company	2,202	1,472	5,003	1,058
- From continuing operations	2,202	498	5,003	773
- From discontinued operation	-	974	-	285
Non-controlling Interests	-	(9)	-	(35)
	2,202	1,463	5,003	1,023
<b>Total Comprehensive Income/(Loss) Attributable to:-</b>				
Owners of the Company	2,202	1,468	5,004	1,059
- From continuing operations	2,202	605	5,004	774
- From discontinued operation	-	974	-	285
Non-controlling Interests	-	(9)	-	(35)
	2,202	1,459	5,004	1,024
<b>Earnings Per Share Attributable to Owners of the Company :-</b>				
Basic (sen)				
- From continuing operations	4.06	1.00	9.23	1.56
- From discontinued operation	0.00	1.97	0.00	0.57
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 2018 and the accompanying explanatory notes attached to the interim financial report.

**AMTEL HOLDINGS BERHAD**  
(Registration No. 199601037096 (409449-A))  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 NOVEMBER 2019**  
(The figures have not been audited)

	<u>UNAUDITED</u> AS AT CURRENT FINANCIAL YEAR 30/11/2019 RM'000	<u>AUDITED</u> AS AT PRECEDING FINANCIAL YEAR ENDED 30/11/2018 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	2,006	2,567
Investment Properties	1,815	169
Investments in Associates	1,402	1,078
Deferred Tax Assets	445	-
Other Investments	250	250
	<u>5,918</u>	<u>4,064</u>
<b>Current Assets</b>		
Inventories	3,850	3,388
Trade & Other Receivables	9,674	18,153
Contract Assets	1,321	5,066
Other Investments	21,195	4,076
Cash Deposits with Licensed Banks	8,922	8,626
Cash and Bank Balances	13,750	18,159
	<u>58,712</u>	<u>57,468</u>
<b>TOTAL ASSETS</b>	<u><b>64,630</b></u>	<u><b>61,532</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share Capital	32,301	32,301
Reserves	17,898	12,894
<b>Equity Attributable to Owners of the Parent</b>	<u><b>50,199</b></u>	<u><b>45,195</b></u>
Non-controlling Interests ("NCI")	-	-
<b>Total Equity</b>	<u><b>50,199</b></u>	<u><b>45,195</b></u>
<b>Non-Current Liabilities</b>		
Finance Lease Payables	240	289
Deferred Tax Liabilities	87	142
	<u>327</u>	<u>431</u>
<b>Current Liabilities</b>		
Trade & Other Payables	11,405	13,898
Provisions	1,302	535
Short Term Borrowings	136	1,216
Tax Liabilities	1,134	140
Finance Lease Payables	127	117
	<u>14,104</u>	<u>15,906</u>
<b>Total Liabilities</b>	<u><b>14,431</b></u>	<u><b>16,337</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>64,630</b></u>	<u><b>61,532</b></u>
Net assets per share attributable to owners of the parent (RM)	<b>0.9262</b>	<b>0.8339</b>

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 2018 and the accompanying explanatory notes attached to the interim financial report.

**AMTEL HOLDINGS BERHAD**  
(Registration No. 199601037096 (409449-A))  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2019**  
(The figures have not been audited)

	<----- Attributable to Owners of the Parent ----->					Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Fair Value Reserve RM'000	Currency Translation Reserve RM'000	Retained Earnings RM'000	Sub-total RM'000		
<b>12 months ended 30 November 2019</b>							
<b>At 1 December 2018</b>	32,301	159	37	12,698	45,195	-	45,195
<b>Comprehensive Income:</b>							
Profit for the financial year	-	-	-	5,003	5,003	-	5,003
Foreign currency translation	-	-	1	-	1	-	1
Total comprehensive income for the financial year	-	-	1	5,003	5,004	-	5,004
<b>At 30 November 2019</b>	<b>32,301</b>	<b>159</b>	<b>38</b>	<b>17,701</b>	<b>50,199</b>	<b>-</b>	<b>50,199</b>
<b>12 months ended 30 November 2018</b>							
<b>At 1 December 2017</b>	29,246	159	35	11,620	41,060	1,890	42,950
<b>Comprehensive Income:</b>							
Profit/(Loss) for the financial year	-	-	-	1,058	1,058	(35)	1,023
Foreign currency translation	-	-	1	-	1	-	1
Total comprehensive income for the financial year	-	-	1	1,058	1,059	(35)	1,024
Issuance of shares pursuant to Private Placement	3,055	-	-	-	3,055	-	3,055
<b>Transactions with owners:</b>							
Acquisition of NCI	-	-	-	-	-	(1,855)	(1,855)
Discount received from acquisition of NCI	-	-	-	21	21	-	21
<b>At 30 November 2018</b>	<b>32,301</b>	<b>159</b>	<b>36</b>	<b>12,699</b>	<b>45,195</b>	<b>-</b>	<b>45,195</b>

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 2018 and the accompanying explanatory notes attached to the interim financial report.

**AMTEL HOLDINGS BERHAD**  
(Registration No. 199601037096 (409449-A))  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2019**  
(The figures have not been audited)

	<b>CURRENT FINANCIAL YEAR ENDED 30/11/2019 RM'000</b>	<b>PRECEDING FINANCIAL YEAR ENDED 30/11/2018 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation		
- continuing operations	6,471	1,435
- discontinued operation	-	285
	<u>6,471</u>	<u>1,720</u>
Adjustments for:-		
Non-cash items	8	3,185
Non-operating items	(924)	(1,745)
Share of results of associates	(348)	(140)
Operating profit before changes in working capital	<u>5,207</u>	<u>3,020</u>
Changes in working capital		
Net changes in property development costs	-	(1,719)
Net changes in current assets	10,814	(4,575)
Net changes in current liabilities	(1,593)	1,660
Cash generated from/(used in) operations	<u>14,428</u>	<u>(1,614)</u>
Interest received	456	372
Interest paid	(78)	(82)
Net income tax paid	(1,132)	(992)
Net cash generated from/(used in) operating activities	<u>13,674</u>	<u>(2,316)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(387)	(1,428)
Proceeds from disposal of property, plant and equipment	36	191
Dividend income from associate	184	-
(Placement)/Withdrawal of fixed income funds & quoted unit trusts	(16,581)	7,545
Withdrawal/(Placement) of pledged cash & cash equivalent under lien	883	(266)
Distribution income from income funds	548	362
Additions in investment properties	(1,646)	-
Additions in investment in subsidiary	-	7,949
Repayments from associates	1,264	366
Acquisitions of NCI	-	(1,835)
Net cash (used in)/generated from investing activities	<u>(15,699)</u>	<u>12,884</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net payments of finance lease	(124)	(140)
Proceeds from issuance of new shares	-	3,055
Net cash (used in)/generated from financing activities	<u>(124)</u>	<u>2,915</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENT	<u>(2,149)</u>	<u>13,483</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	<u>16,942</u>	<u>3,460</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	<u>14,793</u>	<u>16,943</u>
Cash and cash equivalents at end of the financial year comprise of:-		
Cash at banks and in hand	13,750	18,159
Cash deposits with licensed banks	8,922	8,626
Bank overdrafts	(136)	(1,216)
	<u>22,536</u>	<u>25,569</u>
Less: Cash deposits with licensed banks under lien	(7,743)	(8,626)
	<u>14,793</u>	<u>16,943</u>

**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 2018 and the accompanying explanatory notes attached to the interim financial report.

# AMTEL HOLDINGS BERHAD

(Registration No. 199601037096 (409449-A))  
(Incorporated in Malaysia)

## UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 30 NOVEMBER 2019

---

### 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 (“MFRS”) 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 2018 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 2018.

#### 2. Significant Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the last financial year ended 30 November 2018, except for the adoption of the new amendments/improvements that are mandatory for the current financial year.

##### i) Adoption of amendments/improvements to MFRSs

The adoption of the new amendments/improvements does not have any material effect on the financial performance or position of the Group, except for MFRS 9 and MFRS 15 as disclosed below:

##### MFRS 9 Financial Instruments

MFRS 9 introduces new requirements for classification and measurement, impairment and hedge accounting. The retrospective application of MFRS 9 does not require restatement of 2018 comparative financial statements. As such, the Company have not restated the comparative information, which continues to be reported under MFRS 139. The Company recognised any difference between the carrying amount of financial instruments under MFRS 139 and the restated carrying amount under MFRS 9 in the opening balance of retained earnings (or other equity components) of the annual reporting period including the date of initial application i.e. 1 December 2018.

##### (a) Classification and measurements

MFRS 9 introduces an approach for classification of financial assets which is driven by cash flow characteristic and the business model in which an asset is held.

## AMTEL HOLDINGS BERHAD

(Registration No. 199601037096 (409449-A))

(Incorporated in Malaysia)

### 2. Significant Accounting Policies (Cont'd)

#### MFRS 9 Financial Instruments (cont'd)

##### (b) Classification and measurements (Cont'd)

There is no significant impact on the Group's statements of financial position on applying the classification and measurement requirements of MFRS 9. Quoted unit trust and fixed income funds currently classified as available-for-sale ("AFS") will continue to record gains and losses in other comprehensive income ("OCI"). The equity shares in non-quoted companies are intended to be held for the foreseeable future and the Group will apply the option to present its fair value changes in OCI.

Loans and receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. The Group has analysed the contractual cash flow characteristics of these instruments and concluded that they meet the criteria to be measured at amortised cost under MFRS 9.

Therefore, the adoption of the new standard did not affect the measurement and classification of its financial assets.

##### (b) Impairment

MFRS 9 introduces a new, expected-loss impairment model that will require more timely recognition of expected credit loss. In the previous financial year, trade receivables are impaired if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the receivables (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the receivables ("incurred loss model"). Upon adoption of MFRS 9, the Group is recording expected credit losses on all its trade receivables, either on a 12-month or lifetime basis.

The Group applies the simplified approach to providing for expected credit losses ("ECL") prescribed by MFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables. To measure the ECL, trade receivables have been grouped based on the days past due. The Company also individually assessed ECL of individual customers based on indicators such as changes in financial capability of the receivables, payment trends of the receivable and default or significant delay in payments. The determination of ECL also incorporate economic conditions during the period of historical data, current conditions and forward-looking information on the economic conditions over the expected settlement period of the receivables. The Group believes that changes in economic conditions over these periods would not materially impact the impairment calculation of the receivables.

#### MFRS 15 Revenue from Contracts with Customers

MFRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers. MFRS 15 will supersede the current revenue recognition guidance including MFRS 118 Revenue, MFRS 111 Construction Contracts and the related interpretations.

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. Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

# AMTEL HOLDINGS BERHAD

(Registration No. 199601037096 (409449-A))

(Incorporated in Malaysia)

## 2. Significant Accounting Policies (Cont'd)

### MFRS 15 Revenue from Contracts with Customers (cont'd)

The Group has applied MFRS 15 retrospectively with the cumulative effect of initial application recognised as an adjustment to the opening balance of retained earnings (or other components of equity) at the date of initial application of 1 December 2018. As such, the comparative information was not restated and continues to be reported under MFRS 111, MFRS 118 and related Interpretations. The Company has elected the practical expedient to apply the standard only to contracts that are not completed as at 1 December 2018.

The adoption of MFRS 15 resulted in changes in accounting policies. Other than the enhanced new disclosures relating to contracts with customers, which the Company has complied with in the current financial year, the adoption of this standard does not have any significant effect on the financial statements of the Company.

The Group has assessed that the impact upon the initial application of MFRS 15 is insignificant as the timing and amount of revenue to be recognised for its infrastructure service construction contracts under the new standard is unlikely to be materially different from its current practices.

Nevertheless, effective from 1 December 2018, the Group has changed the presentation of certain amounts in the Statement of Financial Position to reflect the terminology of MFRS 15, i.e. contract assets/liabilities recognised in relation to infrastructure service construction contracts which were previously presented as part of amount due by/to contract customers.

### (ii) Standards issued but not yet effective

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.

## 3. Audit Qualification

The audit report of the Group's financial statements for the year ended 30 November 2018 did not contain any qualification.

## 4. Seasonal or cyclical Factors

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

## 5. 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.

## 6. Material Changes in Estimates of Amounts Reported

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



## AMTEL HOLDINGS BERHAD

(Registration No. 199601037096 (409449-A))  
(Incorporated in Malaysia)

### 7. 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 under review.

### 8. Dividends Paid

There was no dividend paid during the financial year ended 30 November 2019.

### 9. Segmental Reporting

The Group's segment information for the financial year ended 30 November 2019 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.

In the previous financial year, the Company disposed of its entire equity interest in Mewah Amanjaya Sdn Bhd and hence discontinued its property development business. Therefore, the comparative consolidated statement of comprehensive income has been re-presented to show the discontinued operation separately from continuing operations.

#### 12 months ended 30 November 2019

<b>GROUP</b>	<b>Information &amp; Communication Technology ("ICT")</b>	<b>Telecommunications, Infrastructure &amp; Services ("TIS")</b>	<b>Others</b>	<b>Elimination</b>	<b>Consolidated</b>
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>SEGMENT REVENUE</b>					
External revenue	53,972	9,198	-	-	63,170
Inter-segment revenue	943	229	3,066	(4,238)	-
Total revenue	<u>54,915</u>	<u>9,427</u>	<u>3,066</u>	<u>(4,238)</u>	<u>63,170</u>
<b>SEGMENT RESULTS</b>	<b>ICT</b>	<b>TIS</b>	<b>Others</b>	<b>Consolidated</b>	
	RM'000	RM'000	RM'000	RM'000	
Profit/(Loss) from operations	6,477	864	(1,140)	6,201	
Finance costs	(58)	(20)	-	(78)	
Share of associates' results	348	-	-	348	
Profit/(Loss) before taxation	<u>6,767</u>	<u>844</u>	<u>(1,140)</u>	<u>6,471</u>	
Taxation	(1,572)	(20)	124	(1,468)	
Profit/(Loss) after taxation	<u>5,195</u>	<u>824</u>	<u>(1,016)</u>	<u>5,003</u>	
<b>FINANCIAL POSITION</b>	<b>ICT</b>	<b>TIS</b>	<b>Others</b>	<b>Consolidated</b>	
<b>As at 30 November 2019</b>	RM'000	RM'000	RM'000	RM'000	
Total segment assets	<u>26,954</u>	<u>12,040</u>	<u>25,636</u>	<u>64,630</u>	
Total segment liabilities	<u>11,279</u>	<u>2,677</u>	<u>475</u>	<u>14,431</u>	

## AMTEL HOLDINGS BERHAD

(Registration No. 199601037096 (409449-A))  
(Incorporated in Malaysia)

### 9. Segmental Reporting (Cont'd) (i) Major Business Segments (cont'd)

#### 12 months ended 30 November 2018

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	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	1,004	955	(582)	285	1,662
Finance costs	(59)	(23)	-	-	(82)
Share of associates' results	208	(68)	-	-	140
Profit/(Loss) before taxation	<u>1,153</u>	<u>864</u>	<u>(582)</u>	<u>285</u>	<u>1,720</u>
Taxation	(348)	(199)	(150)	-	(697)
Profit/(Loss) after taxation	<u>805</u>	<u>665</u>	<u>(732)</u>	<u>285</u>	<u>1,023</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>24,848</u>	<u>10,910</u>	<u>25,794</u>	<u>-</u>	<u>61,532</u>
Total segment liabilities	<u>12,662</u>	<u>3,117</u>	<u>558</u>	<u>-</u>	<u>16,337</u>

### (ii) Geographical Segments

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

GROUP	Revenue			
	Preceding Year		Preceding Year	
	Current Quarter	Corresponding Quarter	Current Year	Preceding Year
	30/11/2019 RM'000	30/11/2018 RM'000	30/11/2019 RM'000	30/11/2018 RM'000
Malaysia:				
- continuing operations	17,408	15,806	63,170	50,548
- discontinued operation	-	311	-	378
	<u>17,408</u>	<u>16,117</u>	<u>63,170</u>	<u>50,926</u>

## AMTEL HOLDINGS BERHAD

(Registration No. 199601037096 (409449-A))  
(Incorporated in Malaysia)

### 9. Segmental Reporting (Cont'd) (iii) Discontinued Operation

(a) In the previous financial year, the results attributable to the discontinued operation were as follows:-

<b>GROUP</b>	Current Quarter	Preceding Year Corresponding Quarter	Current Year	Preceding Year
	30/11/2019 RM'000	30/11/2018 RM'000	30/11/2019 RM'000	30/11/2018 RM'000
Revenue	-	311	-	378
Operating expenses	-	(680)	-	(1,556)
Other income	-	351	-	471
Loss before taxation from discontinued operation	-	(18)	-	(707)
Taxation	-	-	-	-
Loss after taxation from discontinued operation	-	(18)	-	(707)
Gain on disposal of discontinued operation	-	992	-	992
Profit from discontinued operation	-	974	-	285

(b) The loss before taxation is arrived at after charging/(crediting) the following items:-

<b>GROUP</b>	Current Quarter	Preceding Year Corresponding Quarter	Current Year	Preceding Year
	30/11/2019 RM'000	30/11/2018 RM'000	30/11/2019 RM'000	30/11/2018 RM'000
Interest income	-	(1)	-	(13)
Impairment loss on trade receivables	-	1,045	-	1,045

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

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

## **AMTEL HOLDINGS BERHAD**

(Registration No. 199601037096 (409449-A))

(Incorporated in Malaysia)

### **10. Valuation of Property, Plant and Equipment (Cont'd)**

(2) There was no material acquisition or disposal of property, plant and equipment and investment properties by the Group during the financial year other than as mentioned below:-

- (i) On 14 August 2019, the Company via its wholly owned subsidiary, namely Metrarama Sdn Bhd ("MTSB"), entered into sale and purchase agreements for the acquisition of three units of three-storey terrace houses located in Teluk Kumbar, Penang for a total purchase consideration of RM2,700,000/-. These properties are under construction and our Group has paid up to 45% of the total consideration, amounting to RM1,485,000/- as at 30 November 2019. These properties are classified as Investment Properties in the Consolidated Statement of Financial Position. The balance of the total consideration will be paid upon receiving the relevant progress billings.
- (ii) On 30 October 2019, the Company entered into a sale and purchase agreement for the acquisition of one unit of freehold industrial land together with a four-storey office/factory building located in Bandar Glenmarie, Selangor for a total purchase consideration of RM18,880,000/- ("Proposed Acquisition"). The deposit paid amounting RM1,888,000/- is included in other receivables, deposits & prepayments in the Consolidated Statement of Financial Position as at 30 November 2019. As at the date of this report, the Proposed Acquisition is subject to the Company's shareholders approval at an extraordinary general meeting to be convened on 5 February 2020.
- (iii) On 28 November 2019, the Company via MTSB, entered into a sale and purchase agreement for the acquisition of one unit of three-storey semi-detached house located in Laman Sutera, Subang Jaya, Selangor for a total purchase consideration of RM1,180,000/-. The deposit paid for this property is classified as Investment Properties in the Consolidated Statement of Financial Position as at 30 November 2019. As at the date of this report, the acquisition is pending the consent from the state authority for the transfer of the title.

### **11. Material Event Subsequent to the End of Financial Period**

The material events subsequent to the end of the financial year ended 30 November 2019 are as follows:-

- (i) On 11 December 2019, the Company's wholly-owned subsidiary Amtel Resources Sdn Bhd ("ARSB") disposed of 680,000 ordinary shares of RM1/- each representing 68% equity interest in WAMM Bersekutu Sdn Bhd (formerly known as Amtel Networks Sdn Bhd ("WAMM")) to four Bumiputera individuals for a total cash consideration of RM68/-. The cash consideration was derived at based on the unaudited net assets of WAMM amounting RM435/- as at 30 November 2019. Consequently, ARSB's equity interest in WAMM decreased from 100% to 32%. The disposal has no material effect on the consolidated earnings, net assets and gearing of the Group for the financial year ending 30 November 2020.
- (ii) On 13 January 2020, a new subsidiary company namely Amtel Intelligence Sdn Bhd ("AISB") with paid up ordinary share capital of RM2/- has been incorporated. The entire share capital of AISB is subscribed by the Company's wholly-owned subsidiary Amtel Cellular Sdn Bhd, making it the indirect wholly-owned subsidiary of the Company. AISB's principal activities are that of manufacturing and engineering services.

## AMTEL HOLDINGS BERHAD

(Registration No. 199601037096 (409449-A))

(Incorporated in Malaysia)

### 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 ended 30 November 2019 except for the struck-off of Amtel Mega Sdn Bhd, a dormant wholly owned subsidiary of the Company, from the register on 15 May 2019 pursuant to Section 551(3) of the Companies Act 2016.

### 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 2018, except for the following:-

	As At 30/11/2019
<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>545</u>
<b>Group</b>	
<u>Contingent Liabilities – Secured*</u>	
Bank guarantees	<u>87</u>

\* The bank guarantees were issued by financial institutions on behalf on associated companies in respect of performance guarantees for business contracts, and are secured against the fixed deposits of the associated companies.

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

### 14. Capital and Other Commitments

The amount for capital commitment of the Company and of the Group as at 30 November 2019 are as follows:-

	<b>Group</b> As At 30/11/2019 RM'000	<b>Company</b> As At 30/11/2019 RM'000
Contracted but not provided for:-		
(i) Purchase of investment properties	2,277	-
(ii) Purchase of property, plant and equipment		
- Freehold four-storey office/factory building [Note 10(2)(ii) on page 11]	<u>16,992</u>	<u>16,992</u>
	<u>19,269</u>	<u>16,992</u>

### 15. Related Party Transactions

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

# AMTEL HOLDINGS BERHAD

(Registration No. 199601037096 (409449-A))  
(Incorporated in Malaysia)

## UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 30 NOVEMBER 2019

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

#### 1. Review of Performance

For the fourth quarter ended 30 November 2019, the Group posted a revenue of RM17.41 million and profit after tax of RM2.20 million from the continuing operations, as compared to revenue of RM15.81 million and profit after tax of RM0.49 million reported in the preceding year corresponding quarter. The increase in revenue and profit was mainly attributed to sales increase from the ICT segment.

For the financial year ended 30 November 2019, the Group's revenue from continuing operations increased by 25.0% to RM63.17 million as compared to RM50.55 million reported in the preceding year. In tandem with the increase in revenue, the Group registered a profit after tax of RM5.00 million for the current financial year as compared to profit after tax of RM0.74 million recorded in the preceding year. The strong improvement in current year's performance was mainly driven by higher sales and profit achieved by the ICT segment.

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

#### ICT Segment

The performance of ICT segment are summarized as per table below:-

	Current Quarter	Preceding Year Corresponding Quarter	Changes %	Current Year 12 Months	Preceding Year 12 Months	Changes %
	30/11/2019 RM'000	30/11/2018 RM'000		30/11/2019 RM'000	30/11/2018 RM'000	
Segment revenue	13,492	8,599	56.9	53,972	39,462	36.8
Segment profit after taxation	1,694	-9		5,195	805	545.3

ICT segment accounted for approximately 85.4% of the Group's revenue for current financial year. The increase in the supply of our ICT products to automakers during the financial year is a result of higher sales volume of car models fitted with our Telematics products and automotive accessories.

For the current financial quarter, ICT's revenue rose 56.9% to RM13.49 million from RM8.60 million recorded in the preceding year corresponding quarter. With the strong performance achieved over the past four financial quarters, ICT segment wrapped up current financial year with total revenue of RM53.97 million and profit after taxation of RM5.20 million as compared to preceding financial year of RM39.46 million and RM0.81 million respectively.

## AMTEL HOLDINGS BERHAD

(Registration No. 199601037096 (409449-A))

(Incorporated in Malaysia)

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

#### TIS Segment

The performance of TIS segment are summarized as per table below:-

	Current Quarter	Preceding Year Corresponding Quarter	Changes %	Current Year 12 Months	Preceding Year 12 Months	Changes %
	30/11/2019 RM'000	30/11/2018 RM'000		30/11/2019 RM'000	30/11/2018 RM'000	
Segment revenue	3,916	7,223	-45.8	9,198	10,933	-15.9
Segment profit after taxation	<u>749</u>	<u>576</u>	30.0	<u>824</u>	<u>665</u>	23.9

TIS segment recorded a decrease in revenue in the current quarter and financial year as compared to preceding year corresponding quarter and financial year. This revenue came from progress billings on the completed and on-going civil infrastructure project works. Despite reported decrease in revenue, profit after tax improved due to better cost management and some overhead expenses reduction initiatives.

#### Others Segment

Higher inter-segment revenue was reported in the current quarter mainly due to dividend income received by the investment holding company from the subsidiaries. With inter-companies' dividend eliminated at the Group level, loss posted during the current quarter and year was attributed to the operating costs incurred by the investment holding company.

### 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	Immediate Preceding Quarter	Changes %
	30/11/2019 RM'000	31/8/2019 RM'000	
<u>Continuing operations:</u>			
Total revenue	17,408	15,204	14.5
Profit before taxation	2,552	1,247	104.7
Profit after taxation	<u>2,202</u>	<u>899</u>	144.9

For the current quarter, the Group's revenue of RM17.41 million was 14.5% higher than the RM15.20 million reported in the previous quarter. The increase in revenue and profit reported during the current quarter was attributed to higher supply of ICT products and related services to automakers.

## AMTEL HOLDINGS BERHAD

(Registration No. 199601037096 (409449-A))

(Incorporated in Malaysia)

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

Moving forward the Group will continue to identify new markets and revenue streams, focusing mainly on ICT related products and services which is its core business segment. We will continuously enhance existing products and expand our product range to broaden customer base. The Group will also continue to explore other investment opportunities to strengthen its earning base and performance.

We foresee ICT segment continues to deliver positive results. As such, the Board is optimistic about the Group's prospects for the coming financial year.

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

Not applicable.

### 5. Status of Corporate Proposals

Except as disclosed in paragraph 10(2)(ii) on page 11, there are no corporate proposals announced, but not completed as at the date of issue of this quarterly report.

### 6. 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	Preceding Year Corresponding Quarter	Current Year	Preceding Year
	30/11/2019	30/11/2018	30/11/2019	30/11/2018
	RM'000	RM'000	RM'000	RM'000
Continuing operations:				
<u>Current tax expense</u>				
Based on results for the year	(798)	8	(2,075)	(522)
(Under)/Over provision in prior year	(17)	21	(17)	21
Transferred to deferred tax assets	500	(46)	500	(46)
Transferred to deferred tax liability	(35)	-	-	-
	<u>(350)</u>	<u>(17)</u>	<u>(1,592)</u>	<u>(547)</u>
<u>Real property gain tax</u>				
Over/(Under) provision in prior financial year	-	(150)	124	(150)
Total	<u>(350)</u>	<u>(167)</u>	<u>(1,468)</u>	<u>(697)</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.



## AMTEL HOLDINGS BERHAD

(Registration No. 199601037096 (409449-A))  
(Incorporated in Malaysia)

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

As stated in the circulars dated 25 June 2014 and 25 April 2017, the approval obtained from the shareholders of the Company in relation to the Financial Assistance as well as the variation made to the Financial Assistance, was to enable AHB Group to provide financial assistance to Milan Utama Sdn Bhd ("MUSB") and Amtel Networks Sdn Bhd.

The mandate for the abovementioned Financial Assistance expired on 10 July 2019 and there was no additional financial assistance provided by AHB Group subsequent to this date. The amount of financial assistance provided to MUSB stood as RM2.5 million as at the date of this report, representing approximately 4.98% of the net tangible assets of AHB Group.

### 8. Group Borrowings and Debt Securities

The Group's total borrowings (all denominated in Ringgit Malaysia) as at 30 November 2019 are as follows:-

	As at 30/11/2019 RM'000	As at 30/11/2018 RM'000
(1) <u>Short Term Borrowings:-</u>		
- <u>Secured</u> Overdrafts	<u>136</u>	<u>1,216</u>
- Finance leases payable within the next 12 months	<u>127</u>	<u>118</u>
(2) <u>Long Term Borrowings:-</u>		
- Finance leases payable after the next 12 months	<u>240</u>	<u>289</u>

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

### 9. Material Litigation

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.

### 10. Dividend

The Board of Directors does not recommend any payment of dividend for the current financial year ended 30 November 2019.

## AMTEL HOLDINGS BERHAD

(Registration No. 199601037096 (409449-A))  
(Incorporated in Malaysia)

### 11. 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	Current Year	Preceding Year
	30/11/2019	30/11/2018	30/11/2019	30/11/2018
	RM'000	RM'000	RM'000	RM'000
1. Interest income	(247)	(223)	(456)	(359)
2. Distribution income from income funds	(163)	(39)	(548)	(362)
3. Other income excluding interest and dividend income	(184)	59	(319)	(201)
4. Interest expense	16	20	78	82
5. Depreciation of property, plant & equipment	241	222	943	998
6. Inventories written down	-	94	-	94
7. Amortisation of intangible assets	-	-	-	581
8. (Gain)/Loss on disposal of property, plant & equipment	-	-	(24)	(118)
9. Impairment on other receivables	-	21	-	21
10. Net foreign exchange loss/(gain)	(65)	49	(32)	24
11. Net provision of warranty costs	394	200	849	393
12. Loss on disposal of subsidiary	-	-	-	17
13. Loss on disposal of associate	-	-	-	97
14. Amount written-off:				
- Inventories	23	-	23	-
- Property, plant and equipment	1	-	1	-

## AMTEL HOLDINGS BERHAD

(Registration No. 199601037096 (409449-A))  
(Incorporated in Malaysia)

### 12. Earnings Per Share

#### (1) Basic earnings per share

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

	Current Quarter	Preceding Year Corresponding quarter	Current Year	Preceding Year
	30/11/2019	30/11/2018	30/11/2019	30/11/2018
Net profit attributable to Owners of the Company:				
- From continuing operations (RM'000)	2,202	498	5,003	773
- From discontinued operations (RM'000)	-	974	-	285
Weighted average number of shares	54,197,066	49,566,820*	54,197,066	49,566,820*
Basic earnings per shares:				
- From continuing operations (sen)	4.06	1.00	9.23	1.56
- From discontinued operations (sen)	-	1.97	-	0.57

\* Based on enlarged number of issued shares pursuant to private placement.

#### (2) Diluted earnings per share

Not applicable.

**AMTEL HOLDINGS BERHAD**

By Order of the Board

**TEE LEE LENG**

Company Secretary