AMTEL

ANNUAL REPORT 2021

Amtel Holdings Berhad
199601037096 (409449-A)

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TABLE OF CONTENT

NOTICE OF THE TWENTY-FIFTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Fifth Annual General Meeting ("25th AGM") of Amtel Holdings Berhad ("AHB" or "Company") will be conducted on a virtual basis at the broadcast venue at AHB Office, Board Room, Level 3, Wisma Amtel, No. 12, Jalan Pensyarah U1/28, Hicom Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan on Wednesday, 25 May 2022 at 11:00 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 2021 together with the Reports of the Directors and Auditors thereon. *(Please refer to Explanatory Note 1 on Ordinary Business)*

2. To approve the payment of Directors' fees amounting to RM330,000 for the financial year ending 30 November 2022. (Ordinary Resolution 1)

3. To approve the payment of Directors' benefits and other claimable benefits incurred from 26 May 2022 until the conclusion of the Company's next Annual General Meeting ("AGM"). (Ordinary Resolution 2)

4. To re-elect the following Directors who retire by rotation in accordance with Clause 165 of the Company's Constitution and being eligible, have offered themselves for re-election:

   i) Dato' Koid Hun Kian (Ordinary Resolution 3)
   ii) Ir. Chew Yook Boo (Ordinary Resolution 4)

5. To re-elect Mr. Koid Siang Loong who retires in accordance with Clause 156 of the Company's Constitution and being eligible, has offered himself for re-election. (Ordinary Resolution 5)

6. To re-appoint Messrs Baker Tilly Monteiro Heng PLT as External Auditors of the Company until the conclusion of the Company's next AGM and to authorise the Directors to fix their remuneration. (Ordinary Resolution 6)

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions, with or without any modifications:

7. **Retention of Independent Non-Executive Director pursuant to Practice 5.3 of the Malaysian Code on Corporate Governance** (Ordinary Resolution 7)

   "**THAT** Mr. Siow Hock Lee, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, be and is hereby retained as an Independent Non-Executive Director of the Company until the conclusion of the next AGM of the Company."

8. **Authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016** (Ordinary Resolution 8)

"**THAT** subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may, in their absolute discretion, deem fit, provided always that the aggregate number of shares issued pursuant to this resolution does not exceed twenty per centum (20%) of the total number of issued shares of the Company for the time being to be utilised by 31 December 2022 as empowered by Bursa Securities pursuant to its letter dated 23 December 2021 to grant additional temporary relief measures to listed issuers and thereafter ten per centum (10%) of the total number of issued shares of the Company for the time being as stipulated under Paragraph 6.03(1) of the Main Market Listing Requirements ("MMLR") of Bursa Securities (hereinafter referred to as the "General Mandate");

THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued pursuant to the General Mandate on Bursa Securities;

AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next AGM of the Company."

9. **Proposed Renewal of Authority for Share Buy-Back** (Ordinary Resolution 9)

"**THAT** subject to the Act, the provisions of the Constitution of the Company, MMLR of Bursa Securities and any other relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company ("Proposed Share Buy-Back") as may be determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as at the point of purchase and that an amount not exceeding the Company's retained profits at the time of the purchase(s) will be allocated by the Company for the Proposed Share Buy-Back;

THAT the authority conferred by this resolution will be effective immediately and shall continue in force until:

(a) the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either conditionally or subject to conditions; or

(b) the expiration of the period within which the next AGM after that date is required by law to be held; or

(c) revoked or varied by ordinary resolution passed by shareholders in a general meeting, whichever occurs first;

AND THAT authority be and is hereby given unconditionally and generally to the Directors to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act 1991, and the entering into of all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the repurchased shares or distribute the treasury shares as dividends to the shareholders and/or resell on Bursa Securities and/or transfer the shares or any of the shares as purchase consideration and/or cancel all or part of them) in accordance with the Act, the provisions of the Constitution of the Company and the requirements and/or guidelines of Bursa Securities and all other relevant governmental and/or regulatory authorities and to do all such things as the said Directors may deem fit and expedient in the best interest of the Company."

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

By Order of the Board
CHIN MUN YEE (SSM PC No. 201908002785) (MAICSA 7019243)
HOH YIT FOONG (SSM PC No. 201908000074) (LS 0018)
Company Secretaries

Selangor Darul Ehsan
30 March 2022

Note:

1. *As part of the initiatives to curb the spread of COVID-19, the AGM will be held on a virtual basis at the broadcast venue and online remote voting via Remote Participation and Voting ("RPV") facilities to be provided by SS E Solutions Sdn. Bhd. via Securities Services e-Portal's platform at https://sshsb.net.my/. Please read carefully and follow the procedures provided in the Administrative Guide in order to register, participate and vote remotely via the RPV facilities.*

2. *The broadcast venue, which is the main venue of the AGM is strictly for the purpose of complying with Section 327(2) of the Act which requires the Chairman of the Meeting to be present at the main venue of the AGM. Members, proxies and/or corporate representatives will not be allowed to be physically present at the broadcast venue on the day of the Meeting.*

As guided by the Securities Commission Malaysia's Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers and its subsequent amendments, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all members, proxies and/or corporate representatives shall communicate with the main venue of the AGM via real time submission of typed texts through a text box within Securities Services e-Portal's platform during the live streaming of the AGM as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, members, proxies and/or corporate representatives may email their questions to eservices@sshsb.com.my during the AGM. The questions and/or remarks submitted by the members, proxies and/or corporate representatives will be broadcasted and responded by the Chairman, Board of Directors and/or Management during the AGM.

3. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 18 May 2022 shall be entitled to participate and vote at this Meeting.*

4. *A member of the Company entitled to participate and vote at this Meeting is entitled to appoint a proxy to participate and vote in his stead. Where a member appoints more than one (1) proxy to attend, participate, speak and vote at the same AGM, the appointments shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting of the Company shall have the same rights as the member to attend, participate, speak and vote at the Meeting.*

5. *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.*

6. *The instrument appointing a proxy shall be in writing under the hand of the member or of his attorney duly authorised in writing or, if the member is a corporation, shall either be executed under the Corporation's common seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy must be deposited at the office of SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or submit the Proxy Form electronically via Securities Services e-Portal at https://sshsb.net.my/ not later than forty-eight (48) hours before the time set for holding the AGM or any adjournment thereof. The lodging of the Proxy Form does not preclude any shareholder from participating and voting remotely at the AGM should any shareholder subsequently wishes to do so, provided a Notice of Termination of Authority to act as Proxy is given to the Company and deposited at the office of SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than twenty-four (24) hours before the time stipulated for holding the AGM or any adjournment thereof. All resolutions set out in this notice of meeting are to be voted by poll.*

7. *Please refer to the Administrative Guide for the 25th AGM for further details. The Administrative Guide for the 25th AGM is available for download at https://amtel.com.my/investor-relations/agm-AGM/ or download from the announcement on the 25th AGM from the website of Bursa Malaysia Securities Berhad.*

Explanatory Notes on Ordinary Business:

1. This Agenda item no. 1 is meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements for the financial year ended 30 November 2021. Hence, this Agenda item is not put forward for voting.

2. Ordinary Resolution 1

   The Ordinary Resolution 1 is proposed to obtain an approval in advance of their entitlement and that the existing Directors may be paid in the course of the financial year.

3. Ordinary Resolution 2

   The Directors' benefits comprise the allowances and other emoluments payable to the Directors, details of which are as follows:

   a) Meeting attendance allowances (per day) (for Executive Directors and Non-Executive Directors) is RM400.00

   b) Other benefits (for Non-Executive Directors only)

      • Other claimable benefits

   If the proposed Ordinary Resolution 2 is passed by the shareholders at the 25th AGM, payment of benefits incurred by the Directors from 26 May 2022 until the Company's next AGM will be paid by the Company, as and when incurred.

4. Details of the Directors standing for re-election under Ordinary Resolutions 3, 4 and 5 are stated in the Profile of Directors on pages 010 to 012 of the Annual Report 2021. Their securities holdings in the Company are stated on page 155 of the Annual Report 2021.

Explanatory Notes on Special Business:

1. **Ordinary Resolution 7 – Retention of Independent Non-Executive Director pursuant to Practice 5.3 of the Malaysian Code on Corporate Governance**

   The Nomination Committee has assessed the independency of the following Director, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, and recommended him to continue to act as Independent Non-Executive Director of the Company based on the following justifications:

   Ordinary Resolution 7: Mr. Siow Hock Lee

   (a) He has confirmed and declared that he is an Independent Non-Executive Director as defined in the MMLR of Bursa Securities;
   (b) He does not have any conflict of interest with the Company and has not entered/is not expected to enter into contract(s) especially material contract(s) with the Company and/or its subsidiary companies;
   (c) He has thorough understandings of the businesses of the Group and could provide the Board valuable and insightful advice;
   (d) He has actively participated in Board's deliberations and decision-making in an objective manner; and
   (e) 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 Management.

   The Board recommends that Mr. Siow Hock Lee be retained as an Independent Non-Executive Director of the Company subject to the approval from the shareholders of the Company through a two-tier voting process pursuant to Practice 5.3 of the Malaysian Code on Corporate Governance.

2. Ordinary Resolution 8 – Authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Act

The proposed Ordinary Resolution 8 is intended to renew the authority granted to the Directors at the Twenty-Fourth AGM of the Company held on 5 May 2021 ("Previous Mandate") to empower the Directors from the date of this 25th AGM until the next AGM of the Company, to allot and issue new shares of the Company at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of shares issued does not exceed:

- twenty per centum (20%) of the total number of issued shares of the Company for the time being (for issuance and allotment until 31 December 2022 as empowered by Bursa Securities pursuant to its letter dated 23 December 2021 to grant additional temporary relief measures to listed issuers and thereafter ten per centum (10%) of the total number of issued shares); and
- ten per centum (10%) of the total number of issued shares of the Company for the time being (for issuance and allotment after 31 December 2022 as stipulated under Paragraph 6.03(1) of the MMLR of Bursa Securities),

collectively known as ("General Mandate").

The Directors are of the opinion that the General Mandate is in the best interests of the Company and its shareholders. This General Mandate, if passed, will provide greater flexibility and enable the Directors to make swift decision on allotment of shares for any possible fund raising activities, including but not limited to further placement of shares for purpose of funding future investment project(s), working capital and/or acquisition(s) and any other corporate exercise deem fit for the Company, and avoid delay and cost in convening general meeting to approve such issue of shares. As at the date of this notice of meeting, no new shares were issued pursuant to the Previous Mandate granted to the Directors which will lapse at the conclusion of this 25th AGM.

3. Ordinary Resolution 9 – Proposed Renewal of Authority for Share Buy-Back

The proposed Ordinary Resolution 9, if passed, will empower the Directors to purchase the Company's shares of up to a maximum of ten per centum (10%) of the total number of issued shares of the Company by utilising the funds allocated out of the retained profits of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

Please refer to the Statement to Shareholders in relation to the Proposed Renewal of Share Buy-Back Authority dated 30 March 2022, which is despatched together with the Company's Abridged Version Annual Report 2021, for further information.

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

Dato' Koid Hun Kian
Group Managing Director

Mr. Siow Hock Lee
Independent Non-Executive Director

Ir. Chew Yook Boo
Independent Non-Executive Director

Mr. Lim Hun Teik
Executive Director

Mr. Koid Siang Loong
Executive Director (Appointed on 19 May 2021)

AUDIT COMMITTEE

Ir. Chew Yook Boo (Chairman)
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin
Mr. Siow Hock Lee

NOMINATION COMMITTEE

Ir. Chew Yook Boo (Chairman)
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin
Mr. Siow Hock Lee

REMUNERATION COMMITTEE

Mr. Siow Hock Lee (Chairman)
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin
Ir. Chew Yook Boo

COMPANY SECRETARIES

Ms. Chin Mun Yee (MAICSA 7019243)
(SSM PC No. 201908002785)
Ms. Hoh Yit Foong (LS 0018)
(SSM PC No. 201908000074)

AUDITORS

Baker Tilly Monteiro Heng PLT
(LLP0019411-LCA) & AF0117
Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Tel : (603) 2297 1000
Fax : (603) 2282 9980

REGISTERED OFFICE

Level 3, Wisma Amtel
No. 12, Jalan Pensyarah U1/28
Hicom Glenmarie Industrial Park
40150 Shah Alam, Selangor Darul Ehsan
Tel : (603) 5567 3500
Fax : (603) 5567 3555

SHARE REGISTRAR

Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
Damansara Heights, 50490 Kuala Lumpur
Tel : (603) 2084 9000
Fax : (603) 2094 9940

STOCK EXCHANGE LISTING

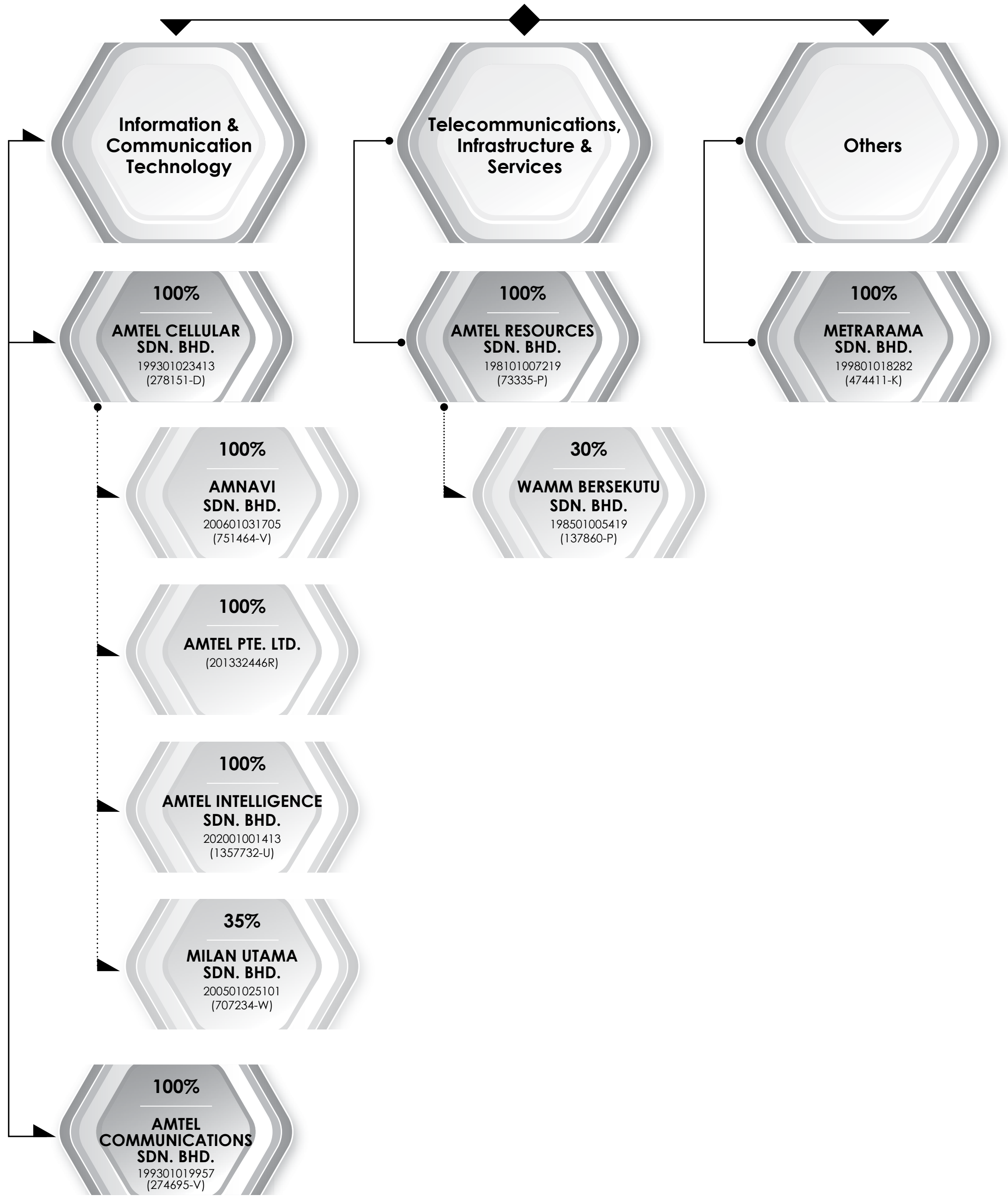
Main Market of Bursa Malaysia Securities Berhad
Stock Name : Amtel
Stock Code : 7031

WEBSITE

www.amtel.com.my

CORPORATE STRUCTURE

AMTEL HOLDINGS BERHAD
Registration No. 199601037096 (409449-A)



PROFILE OF DIRECTORS

YTM. TUNKU DATO' SERI KAMEL BIN TUNKU RIJALUDIN

(Non-Independent Non-Executive Chairman)

YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin, a Malaysian aged 68, male, is a Non-Independent Non-Executive Chairman of Amtel Holdings Berhad ("AHB" or "Company"). He 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 of Directors (the "Board") on 31 July 1997. He is a member of the Audit Committee, Nomination Committee and Remuneration Committee.

He 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 not been convicted of any offences other than traffic offences within the past five (5) years and has not been imposed of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

DATO' KOID HUN KIAN

(Group Managing Director)

Dato' Koid Hun Kian, a Malaysian aged 65, male, is the Group Managing Director of AHB. He was first appointed to the Board on 31 July 1997.

He is a qualified accountant, 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 is a major shareholder of AHB and Simfoni Kilat Sdn. Bhd., which is also a substantial shareholder of AHB. He is also the father of Mr. Koid Siang Loong, who is one of the directors and a substantial shareholder of AHB. Save as disclosed above, he does not have any family relationship with any other directors and/or major shareholders of AHB, nor has he any conflict of interest with AHB. He has not been convicted of any offences other than traffic offences within the past five (5) years and has not been imposed of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF DIRECTORS

Continued

SIOW HOCK LEE

(Independent
Non-Executive Director)

Siow Hock Lee, a Malaysian aged 65, male, 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.

He is a member of the Association of Chartered Certified Accountants (United Kingdom) and Malaysian Institute of Accountants. He has extensive working experience as a professional accountant in public practice.

He is presently an independent non-executive director of Zenworld Holdings Berhad (Formerly known as Mykris International Berhad).

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 not been convicted of any offences other than traffic offences within the past five (5) years and has not been imposed of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

IR. CHEW YOOK BOO

(Independent
Non-Executive Director)

Ir. Chew Yook Boo, a Malaysian aged 65, male, is an Independent Non-Executive Director of AHB. He was appointed to the Board on 8 February 2017. He is the Chairman of the Audit Committee and Nomination Committee and a member of the Remuneration Committee.

He graduated from University of East Asia and University of Malaya with a Master degree in Business Administration and Bachelor degree (Honours) in Engineering respectively. He also holds a diploma in Accounting and Finance.

He has more than thirty (30) years of working experience in civil engineering and the operation and maintenance of sewerage works/treatment plants including budgeting and planning. He started his career with Majlis Perbandaran Sungai Petani as a Civil Engineer from 1981 to 1996. In 1997, he joined Operasi Tembaga Sdn. Bhd. as a Managing Director in charge of land reclamation for development in Langkawi. Subsequently, he joined Indah Water Konsortium Sdn. Bhd. from 1998 to 2012 as a Unit Manager.

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 not been convicted of any offences other than traffic offences within the past five (5) years and has not been imposed of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

LIM HUN TEIK

(Executive Director)

Lim Hun Teik, a Malaysian, aged 53, male, is an Executive Director of AHB. He was appointed to the Board on 7 September 2020.

He graduated with a Master Degree in Supply Chain Management from Midwest Missouri University in 2008. He first joined the AHB and its subsidiaries ("the Group") as a Senior Business Development Manager of Amtel Cellular Sdn. Bhd. ("AMCSB") in September 2005 and subsequently, promoted to Assistant General Manager in 2009. Afterwards, he took over the role of General Manager in 2011 before appointed as director of AHB in 2020. His responsibilities in the company includes overseeing company's daily operations, liaising with business partners and customers, providing and implementing company's guidelines, operating policies and procedures to ensure adherence to standards and best practices in the company. He has more than thirty years (30) years of working experience in quality engineering, project management and business development. Prior to joining AMCSB, he worked for Soarway Enterprise Co., Ltd as a Business Manager.

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 not been convicted of any offences other than traffic offences within the past five (5) years and has not been imposed of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

KOID SIANG LOONG

(Executive Director)

Koid Siang Loong, a Malaysian, aged 33, male, is an Executive Director of AHB. He was appointed to the Board on 19 May 2021.

He graduated with a Master of Engineering in Electrical and Electronic Engineering from Imperial College London, United Kingdom ("UK") in 2011.

He first joined AMCSB in October 2014 as a Corporate Manager and subsequently promoted to Assistant General Manager in 2016. Afterwards, he took over the role of Group Operations Manager of AHB in 2018 before appointed as director of AHB in 2021. His responsibilities in the Company includes overseeing the Group's operations and ensuring the effective implementation of the Group's business strategy, plan and policies. Prior to joining AMCSB, he worked in London for Royal Bank of Scotland ("RBS") as a Business Analyst. He was also the co-founder of Belongingsfinder.org, a community-based lost and found portal being used to reconnect people with their lost cherished belongings, which won the Social Enterprise award during a Startup Weekend challenge held in Cambridge, UK in 2011.

He is a substantial shareholder of AHB and the son of Dato' Koid Hun Kian, the Group Managing Director, and a major shareholder of AHB. He is also a director and shareholder of Simfoni Kilat Sdn. Bhd., which is also a substantial shareholder of AHB. Save as disclosed above, he does not have any family relationship with any other directors and/or major shareholders of AHB, nor has he any conflict of interest with AHB. He has not been convicted of any offences other than traffic offences within the past five (5) years and has not been imposed of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT

CHIN WOU CHAU

(Director, Amtel Resources Sdn. Bhd. ("ARSB"))

Chin Wou Chau, a Malaysian aged 71, male, was appointed as a Director of ARSB on 11 February 1999.

He graduated with a Bachelor of Science degree in Electrical and Electronic Engineering from Heriot-Watt University, Edinburgh in 1977.

He joined ARSB in April 1983 as a project engineer before assuming his current position in 1999. He is responsible for the company's daily operations including sales, technical support and general administration of the company. In addition, he also liaises with the business partners and customers of the company. He has more than thirty five (35) years of working experience in engineering industry. Prior to joining ARSB, he was a Senior System Engineer for T-Cas Inc.

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 not been convicted of any offences other than traffic offences within the past five (5) years and has not been imposed of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CHONG WEI HUA

(Head - Project, ARSB)

Chong Wei Hwa, a Malaysian aged 60, male, was appointed as a Head - Project of ARSB on 1 September 2017.

He graduated with a Diploma in Civil Engineering from Institute Technology Jaya, Kuala Lumpur in 1982.

He joined ARSB in September 2015 as a project manager before assuming his current position in 2017. He is responsible for overall project management & project tender/business development. He has more than thirty five (35) years of working experience in engineering industry. Prior to joining ARSB, he was a Head of Engineering Department for PCOM.

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 not been convicted of any offences other than traffic offences within the past five (5) years and has not been imposed of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

GROUP
FINANCIAL HIGHLIGHTS
SUMMARY OF PAST FIVE YEARS

FINANCIAL YEARS ENDED 30 NOVEMBER	2021 RM '000	2020 RM '000	2019 RM '000	2018 RM '000	2017 RM '000
Revenue	54,728	56,041	63,170	50,926 *	33,427
Profit/(Loss) Before Tax Expense	5,288	5,583	6,296	1,719 *	(3,202)
Profit/(Loss) For The Financial Year	3,558	4,061	4,828	1,023	(2,971)
Total Assets	86,213	81,779	65,498	61,532	60,982
Total Borrowings	2,237	629	503	1,623	1,293
Shareholders' Equity	65,493	61,933	50,024	45,195	42,950
Net Assets	65,493	61,933	50,024	45,195	41,060
Basic Earnings/(Loss) Per Share (Sen) #	3.84	4.88	5.94	1.42 *	(3.93)
Net Assets Per Share (Sen) #	67.14	63.49	51.28	46.33	42.09

Retrospectively adjusted following the completion of bonus issue of shares on 24 February 2021.

* These are inclusive of continuing and discontinued operations.

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

Dear valued shareholders,

On behalf of the Board of Directors of the Company ("the Board"), we are pleased to present to you the Annual Report of Amtel Holdings Berhad and its subsidiaries ("the Group") for the financial year ended 30 November 2021 ("FYE 2021").

BUSINESS AND OPERATIONS OVERVIEW

Our Group is staying focused on its core businesses in Information & Communication Technology ("ICT") and Telecommunications, Infrastructure & Services ("TIS") and to a lesser extent investment holding and property investment.

As we have mentioned previously, we believe 2021 will be the year for the survival of the fittest. Looking back at FYE 2021, the unfortunate resurgence of COVID-19 cases in our country had led to the enforcement of full lockdown nationwide ('FMCO") in June 2021, followed by the implementation of four-phase National Recovery Plan ("NCR") over an extended period. Although we very much welcome these measures to curb the spread of the virus, it had once again caused distress and challenges to our Malaysian economy. Our Group's operations were affected by the FMCO. Our activities in the ICT segment was restricted to administrative works only with 10% working capacity while our production activities have to be temporary halted. Fortunately, our TIS segment was given the approval by the Ministry of International Trade and Industry to operate with 60% working capacity during the FMCO, even though not all project sites could operate. Our ICT production activities gradually resumed only during Phase 1 of NCR in August 2021 when the movement restrictions were relaxed.

Apart from that, one of the snowball effect of the COVID-19 pandemic is the disruption to the global supply chain. The automotive industry, among others, was one of the hardest hit sector due to semiconductor chip shortage. Automotive manufacturers and parts suppliers are all having to change certain designs or look for alternatives, which undoubtedly increased the overall production costs across the entire supply chain.

Despite these challenges, our Group still accomplished a net profit of RM3.56 million for the financial year. The lower net profit is within our expectation due to the negative impact caused by the FMCO on our Group's quarter three ("Q3") results. Otherwise, our Group results could have been better.

Review of Financial Performance

Our Group posted a consolidated revenue of RM54.73 million for FYE 2021. Approximately RM42.96 million (78.5%) and RM11.48 million (21.0%) were derive from the ICT and TIS businesses respectively. FYE 2021 consolidated revenue is inevitably lower compared with RM56.04 million achieved in FYE 2020 as our Group's operations was temporary disrupted due to the FMCO.

In tandem with the retreat in revenue, net profit attributable to owners of our Company dropped to RM3.56 million from RM4.06 million in FYE 2020.

As of FYE 2021, our Group has RM86.21 million in total assets as compared to RM81.78 million in FYE 2020. Shareholders' funds rose to RM65.49 million from RM61.93 million in the previous financial year as a result of accretion in retained earnings. Group net assets value ("NAV") per share after the bonus issue as mentioned hereafter was diluted to 67.14 sen. As of FYE 2020, NAV per share was 63.49 sen.

BUSINESS AND OPERATIONS OVERVIEW (CONTINUED)

Liquidity, Capital Investment and Corporate Exercises

We have managed our financial resources prudently in this trying time. Our Group remains financially sound with low gearing and maintains a healthy level of cash reserve. We continue to generate a positive net cashflow from our operating activities. As at 30 November 2021, our cash reserve comprises mainly cash and cash equivalents, term deposits and fixed income fund totalling RM29.26 million (2020: RM30.27 million). Our current assets of RM53.52 million outstripped current liabilities of RM20.56 million, indicating our strong ability to meet short-term obligations as and when they fall due as well as to fund new capital investments.

The renovation work for our new building "Wisma Amtel" has been completed and it was funded entirely out of our internally generated fund.

REVIEW OF OPERATIONS

Information & Communication Technology Segment ("ICT")

The ICT segment remains our core business, accounting for 78.5% of our Group revenue (2020: 78.9%).

For FYE 2021, the segment reported a revenue of RM42.96 million which is 2.9% lower than the RM44.23 million posted in the preceding financial year. The lower revenue was mainly attributed to the temporary halt in business activities during the FMCO. In the last quarter of FYE 2021, the segment's operations gradually reverted to its optimum capacity after the FMCO was lifted. Shortly after, we even have to ramp up our productions activities to meet backlog orders. The segment experienced encouraging recovery in tandem with increase in sales and profitability. As a result, our ICT segment succeeded to close off the year with a net profit of RM3.68 million.

There is a long lead time between conceptualisation to completion in product development and launching of sales. During the financial year, we continued to expand and offer new and value added products and services to our customers to remain competitive in the market.

During the financial year, the new manufacturing lines we set up for our own in-house designed, built-in toll reader (LOKATAG) and digital video recorder has been completed and are now fully operational.

Telecommunications, Infrastructure & Services Segment ("TIS")

TIS segment maintains its revenue and profit contribution to our Group in FYE 2021. This segment registered revenue of RM11.48 million and profit after tax of RM0.77 million as compared to revenue of RM11.52 million and profit after tax of RM0.60 million respectively recorded in FYE 2020. A higher net profit was posted in FYE 2021 although the segment revenue was at about the same level as in FYE 2020. The lower net profit registered in FYE 2020 was mainly attributed to the lower margins caused by competitive pricing strategies and to a certain extent the direct charge out of some renovation costs incurred at our new office/factory building.

Others Segment

The activities in the remaining segment comprise investment holding, provision of intra-group management services and leasing of properties. The segment loss posted in FYE 2021 was mainly caused by the recognition of fair value loss on other investments and the operating deficit in that the rental income and management fees received were not sufficient to compensate entirely the operating overheads and corporate expenditure incurred by the investment holding company.

CORPORATE EXERCISE

We undertook a corporate exercise in FYE 2021 to issue 32,517,616 bonus shares and 48,776,330 free warrants on the basis of one bonus share and one free warrant for every two ordinary shares held. The exercise was completed following the listing of and quotation for 32,517,616 bonus shares and 48,776,330 warrants on Bursa Malaysia Securities Berhad on 24 February 2021 and 24 March 2021 respectively. As a result, the number of issued and paid-up shares has increased from 65,036,066 to 97,553,682.

RISKS AND CHALLENGES

Our Group is not insulated from the general business risks as well as those risks inherent and specific to our ICT and TIS segments. These business risks and challenges may impact our operations and financial performance and may affect the Group in meeting its business goals and objectives. We are therefore committed to maintaining a sound system of risk management and internal control to identify, assess and manage these risks. The key challenges and known risks specific to our Group are set out below.

Impacts of COVID-19 pandemic

The COVID-19 pandemic spans over two years now. The enforcement of lockdown and travel restrictions certainly have a negative impact to our business. We are fortunate to avert any significant adverse financial effect as we continue to receive orders from our customers. We expect the pandemic to move to a more manageable endemic in the near future. Nevertheless, there is still the risk of new virus variants emerging that may have severe consequences. Therefore, our Group will continue to practice "new normal" in our work culture and the SOPs introduced by our government to mitigate and minimize the risk of infection among our staffs. Some of the preventive measures implemented by our Group are disclosed in the accompanying Sustainability Statement, as shown on page 044 of this Annual Report.

Market Risk

Our ICT products and services are exposed to competition from existing and new competitors. The success of our products and services relies heavily on our pricing policy, quality, sustainable and on timely delivery of our products and sales services. To fend off these competitions, we will continue to leverage on our competitive strengths such as strong business relationship with our customers, new innovations integrating green features, especially those related to artificial intelligence, to enable us to expand our product range and services and eventually, broaden our customer base.

The market risk associated to our TIS segment continues to be the low pricing strategies adopted by our competitors which have been hurting our already tight margins. Our management team is constantly reviewing, monitoring, and managing the project costs to ensure we remain competitive. We will continue to adopt strategies that will improve our results, such as managing operating costs, economies of scale, close monitoring of project costing, and re-assessment of contract terms with our suppliers and sub-contractors for a more favourable materials price.

Foreign Currency Exchange Fluctuation and Material Costs

Our ICT business is partially exposed to foreign currency fluctuation through our imports of components and services that are primarily transacted in USD and Renminbi. Consequently, any depreciation of the Malaysian Ringgit against these currencies will have an impact on our profitability. We regularly monitor the movements in the currencies to minimize any potential negative impact that may arise and we have maintained credit facilities on foreign exchange forward contracts with a few bankers to hedge against the fluctuation in exchange rates. To further mitigate the risk, we will continue to review our procurement process and work closely with our overseas suppliers to assess their pricing, purchase and payment terms as and when the needs arise. On the same note, we will also be sourcing compatible materials from local suppliers of similar quality and standards.

DIVIDEND

We do not adopt any formal dividend policy. Distribution of dividends will depend among others, on factors such as financial resources, liquidity and the amount of cash we need to conserve for our future expansion and growth. No cash dividend was proposed or declared in the FYE 2021.

BUSINESS OUTLOOK AND PROSPECTS

The pandemic has transformed our livelihood and created an imperative for companies to reconfigure their business operations. The early stages of the pandemic saw many businesses scramble to adapt new technologies under intense pressure. And now, digital technologies has no doubt become the new lifeblood for many businesses. We believe our Group is well poised to capitalise on this new development and opportunity with our experienced management team and years of expertise in both software and hardware applications development.

Moving into 2022, we expect our government to play an important role in mitigating the impact of COVID-19 and accelerate economic growth by implementing various strategies and initiatives outlined in Budget 2022 in an orderly manner to prosper the people's well-being and stimulate a progressive and sustainable economic growth.

One of the strategies of Budget 2022 is to strengthen the National Sustainability Agenda where our country look towards implementing more environmentally friendly development projects and programs. In relation to our core ICT business sector, our government has announced certain exemption on import duty, excise duty, sales tax and road tax for Electric Vehicles ("EV") from 1st January 2022 until 31st December 2023 to support the development of local EV industry to reduce our country's carbon footprint. Furthermore, income tax relief of up to RM2,500 will also be given to individuals who purchase, install, rent and as well for monthly EV charging facility subscription fee.

These encouraging incentives prove to be in line with our Group's overall long term strategy of creating more innovative yet sustainable products catering for the mobility sector. We have already positioned ourselves in regards to this matter and are confident to roll out our EV-related products and services with our customers once there is a clear EV policy from the authorities.

While the demand for our own in-house designed, built-in toll reader (LOKATAG) and digital video recorder continue to increase, we have poured in more resources into incorporating our existing products with Advanced Driver Assistance Systems ("ADAS") along with Artificial Intelligence ("AI") features which we target to rollout to the market in the coming financial year.

In relation to our TIS sector, the JENDELA action plan (valued at RM21 billion) announced back in August 2020 as part of the 12th Malaysia Plan (2021-2025), would lay the foundation for comprehensive and high-quality broadband coverage as well as prepare the country for the transition towards 5G technology. We believe that our TIS team, with more than 40 years of experience in this field, would be able to benefit from this opportunity.

Having completed the renovation and relocation to our new building named "Wisma Amtel" located at Hicom Glenmarie Industrial Park, we are now able to conduct our Group's operations under one roof. Various process and services digitalization have been deployed to further enhance our cost-optimisation effort with improved operation efficiency across all business segments. Our rebranding exercise which started last year will continue with our Group's transformation program to embrace changes and foster an innovative, collaborative and high-energy working environment. We will also see a transition of more responsibilities to the next generation of young and caliber leaders.

BUSINESS OUTLOOK AND PROSPECTS (CONTINUED)

In summary, the operating and business environment remains challenging with the emergence of new challenges such as global inflation, fluctuating exchange rates and volatility in certain material prices due to disruptions in the global supply chain. Nevertheless, with a strong base built over the years, we will continue to focus on our core competency, stay vigilant and take timely and appropriate action plans to mitigate the adverse impact of the pandemic and challenges. On this note, amidst the above challenging business environment we stay hopeful that our Group will deliver yet another positive performance in the coming financial year.

ACKNOWLEDGEMENT

On behalf of the Board, we wish to extend our sincere appreciation to our beloved shareholders, our valued customers, suppliers, business associates, bankers, fund managers, consultants and the government and regulatory authorities for your continued trust and unwavering support to our Group.

We would like to take this opportunity to express our heartfelt gratitude to our fellow Board members, the management team and staff for your valuable contribution, resolute commitment and perseverance to maintain the success of our Group in the face of this challenging time.

Lastly, let us all stay safe and follow the safety SOPs.

TUNKU DATO' SERI KAMEL
Chairman

DATO' KOID HUN KIAN
Group Managing Director

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of the Company ("the Board") 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. This Corporate Governance Overview Statement ("CG Statement") sets out the extent to which the Group has applied the practices encapsulated in the principles of the Malaysian Code on Corporate Governance ("MCCG").

The Board is pleased to present the following CG Statement that describes the extent of how the Group has applied and complied the three (3) principles which are set out in the MCCG throughout the financial year under review:-

(a) Principle A: Board leadership and effectiveness;
(b) Principle B: Effective audit and risk management; and
(c) Principle C: Integrity in corporate reporting and meaningful relationship with stakeholders.

This CG Statement is prepared in compliance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and to provide an overview of the extent of compliance with the three (3) principles as set out in the MCCG.

This CG Statement should also be read together with the Corporate Governance Report 2021 of the Company which is available on the Company's corporate website at www.amtel.com.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

Roles 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 Management under the leadership of the Group Managing Director, to deliver the strategic direction and goals determined by the Board. Management may delegate aspects of their authority and powers but remain accountable to the Board for the Group's performance and is required to report regularly to the Board on the progress being made by the Group's key business units and operations. A key function of the Board is to monitor the performance of Management.

The Board assumes, amongst others, the following roles and responsibilities:-

(i) Review, challenge and decide on Management's proposals for the Company and the Group, which includes corporate strategy and business plans and monitor the implementation by 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, to evaluate and assess Management's performance to determine whether the businesses are being properly managed;
(iv) Decide on the steps that are necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensure that such steps are taken;
(v) Identify and understand the principal risks of the business of the Company and the Group and recognise that business decisions involve the taking of appropriate risks;
(vi) Set the risk appetite within which the Board expects Management to operate and ensure that there is an appropriate Risk Management Framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

I. BOARD RESPONSIBILITIES (CONTINUED)

Roles and Responsibilities of the Board (Continued)

The Board assumes, amongst others, the following roles and responsibilities (Continued):-

(vii) Ensure that Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Senior Management;
(viii) Ensure that the Company adopts an effective communication strategy to enable effective communication with shareholders and other stakeholders;
(ix) Review the adequacy and integrity of the Group's internal control systems and ensure that there is a sound framework for internal controls and risk management which complies with applicable laws, regulations, rules, directives and guidelines;
(x) Promote good corporate governance culture within the Company which reinforces ethical, prudent and professional behaviour;
(xi) Delegate certain responsibilities to the various Board Committees with clearly defined Terms of Reference to assist the Board in discharging its responsibilities;
(xii) Ensure that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability; and
(xiii) Ensure the integrity of the Company's financial and non-financial reporting.

Board Committees

In order to ensure the effective discharge of the Board's fiduciary duties and responsibilities effectively, the Board delegates specific responsibilities to the Board Committees established by the Board. Each Board Committee is governed by its own Terms of Reference which sets out its functions and duties, composition, rights and meeting procedures.

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

- Audit Committee
- Remuneration Committee
- Nomination Committee

The Board may also delegate specific functions to ad hoc committees, a Director, employee or other person as and when required. The Board 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 Board Committees reports and updates the Board on significant issues and concerns discussed and where appropriate, make the necessary recommendations to the Board. The minutes of the respective Board Committees will be included in the Board papers for Board's notification.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

I. BOARD RESPONSIBILITIES (CONTINUED)

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, the Non-Independent Non-Executive Chairman and the executive management is led by Dato' Koid Hun Kian, the Group Managing Director.

The Chairman is responsible for leadership of the Board in 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 businesses of the Company and the Group. The role and responsibilities of the Chairman and the Group Managing Director are clearly defined in the Board Charter.

Company Secretaries

The Board is supported by experienced and competent Company Secretaries in discharging its duties and responsibilities. The Company Secretaries attend and ensure that all Board and Board Committees meetings are properly convened and all deliberations and decisions are properly minuted and kept. The Board appoints the Company Secretaries who play advisory roles as a central source of information and advice the Board and Board Committees on issues relating to compliance with laws, rules, procedures and regulations affecting the Company and advocates adoption of corporate governance best practices. The specific responsibilities of the Company Secretaries include the following:-

(i) ensure compliance of listing and related statutory obligations;
(ii) attend Board, Board Committees and general meetings, and ensure the proper recording of minutes;
(iii) ensure proper upkeep of statutory registers and records;
(iv) assist in preparation for and conduct of meetings; and
(v) continuously update the Board on changes to MMLR of Bursa Securities, and other related legislations and regulations.

The appointment and removal of the Company Secretaries is a matter for the Board to decide as a whole.

Both Company Secretaries have the requisite credentials and qualified to act as the Company Secretaries pursuant to Section 235(2) of the Companies Act 2016.

Supply and Access to Information

The Board shall be supplied with appropriate and timely information to enable the Board 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 Management in a concise format that provides adequate facts and analysis pertinent to each proposal or matter that arises.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

I. BOARD RESPONSIBILITIES (CONTINUED)

Supply and Access to Information (Continued)

Senior Management may be invited to attend Board meetings, when necessary, to furnish explanations and comments on the relevant agenda item(s) tabled at the Board meetings or to provide clarifications 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 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 scopes, natures and fees of the professional advice to be sought.

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 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 guide 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 would be reviewed on a periodic basis and may be amended by the Board from time to time to ensure its relevance in assisting the Board to discharge its duties with the changes in the laws and regulations and to remain consistent with the Board's objectives and responsibilities.

Code of Conduct and Ethics

The Directors are expected to conduct themselves with the highest ethical standards. All Directors and employees are expected to behave ethically and professionally at all times and thereby protect and promote the reputation and performance of the Company. In relation to this, the Board has established and adopted a Code of Conduct and Ethics for Directors, as well as a Code of Conduct and Ethics for employees of the Group. Both documents are available for viewing on the Company's corporate website at www.amtel.com.my.

Whistleblowing Policy

In order to strengthen corporate governance practices across the Group, a Whistleblowing Policy was established to provide employees with an accessible avenue to report matter of serious concern and/or improper conduct that may affect the professional and compliant operation of the Group's businesses. The Whistleblowing Policy sets out and identifies the appropriate communication and feedback channels which facilitate whistleblowing.

The Whistleblowing Policy is available for reference on the Company's corporate website at www.amtel.com.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II. BOARD COMPOSITION

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.

In accordance with the MMLR of 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 Non-Executive Directors. If the number of Directors is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) must be used. In the event of any vacancy in the Board resulting in the non-compliance with Paragraph 15.02(1) of the MMLR of Bursa Securities, the Company shall fill the vacancy within three (3) months pursuant to Paragraph 15.02(3) of the MMLR of Bursa Securities.

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

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

Independent Non-Executive Directors

The Independent Non-Executive Directors provide independent judgement, 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. Furthermore, the long serving Independent Non-Executive Director could provide the Board valuable and insightful advice as he has thorough understanding of the Group's businesses.

The Board shall assess the independency of the Independent Non-Executive 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 under review, the Board, through the Nomination Committee, assessed the independence of its Independent Non-Executive Directors based on criteria set out in the MMLR of Bursa Securities.

Mr. Siow Hock Lee who was appointed as Independent Non-Executive Director on 9 November 1996 has exercised his objective and independent judgement on all Board's deliberations and has not compromised his long-term relationship with other Board members.

The tenure of an Independent Non-Executive Director shall not exceed a cumulative term of nine (9) years in accordance with the MCCG. However, upon completion of the nine (9) years, the Independent Non-Executive Director may continue to serve on the Board subject to the Director being re-designated as a Non-Independent Non-Executive Director. The Board will justify and seek shareholders' approval through a two-tier voting process at the Annual General Meeting ("AGM") in the event the Board retains such Director as an Independent Non-Executive Director. Presently, Mr. Siow Hock Lee, is the Independent Non-Executive Director who has served the Board for more than twelve (12) years.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II. BOARD COMPOSITION (CONTINUED)

Independent Non-Executive Directors (Continued)

In order to adhere with the MCCG, the Nomination Committee has recommended for the Board to seek shareholders' approval through a two-tier voting process for Mr. Siow Hock Lee to be retained as an Independent Non-Executive Director at the forthcoming AGM based on the following justifications:-

(a) He has confirmed and declared that he is an Independent Non-Executive Director as defined in the MMLR of Bursa Securities;
(b) He does not have any conflict of interest with the Company and has not entered/is not expected to enter into contract(s) especially material contract(s) with the Company and/or its subsidiary companies;
(c) He has thorough understandings on the businesses of the Group and could provide the Board valuable and insightful advice;
(d) He has actively participated in Board's deliberations and decision-making in an objective manner; and
(e) 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 Management.

Board Diversity

The Board recognises that Board diversity is an essential element contributing to the sustainable development of the Group and does not discriminate on the basis of ethnicity, age, gender, nationality, political affiliation, religious affiliation, marital status, education background or physical ability. There is no specific target in the composition in terms of gender, age or ethnic of its Board members or members of Senior Management.

On boardroom diversity, the Board through Nomination Committee will review the appropriate skills, experience and knowledge required of the Board members, in the context of the needs of the Group. In addition, the Directors must have ability to devote sufficient time and attention to the Company. The Board will review its composition and size from time to time to ensure an appropriate balance of skills, experience and diversity.

The current composition of the Board is diverse in terms of skills and experiences which provides the Board the range of knowledge and expertise essential to govern the Company, including understanding its business operations and the challenges it faces. The Group Managing Director brings an additional perspective to the Board through an in-depth understanding and knowledge of the Group's businesses, which are invaluable to the Board.

Female representation will be considered when a vacancy arises and/or suitable candidates are identified. The Board acknowledges the recommendation of the MCCG on gender diversity but believes that the overriding factors in selection of a Director must be based on skill, experience, competency and wealth of knowledge, while taking into consideration diversity of the Board. Currently, the Board does not have any Gender Diversity Policy.

The Board, with the assistance of the Nomination Committee, will review the Board composition to ensure that it includes the necessary mix of relevant skills and experience required to perform its roles.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II. BOARD COMPOSITION (CONTINUED)

Board Meetings

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 the Directors by the Company Secretaries prior to the meeting and the Company Secretaries will supervise the filing and storage of all Board papers.

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

Each Director has devoted his/her time sufficiently in carrying out his/her responsibilities. To-date, the Directors have complied with MMLR of Bursa Securities of not holding more than five (5) directorships in public listed companies. The Board is satisfied that the current number of directorships held by the Board members does not impair their ability or judgement in discharging their roles and responsibilities.

In addition, the Board is also satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as affirmed by the attendance record of the Directors at Board and relevant Board Committees meetings.

During the financial year under review, five (5) Board meetings were held and the attendance of the Directors who held office during the financial year ended 30 November 2021 are set out below:-

Name of Members	No. of Meeting Attended
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	5/5 (100%)
Dato' Koid Hun Kian	5/5 (100%)
Mr. Siow Hock Lee	5/5 (100%)
Ms. Tan Woon Huei (Retired on 5 May 2021)	3/3 (100%) *
Ir. Chew Yook Boo	5/5 (100%)
Mr. Lim Hun Teik	5/5 (100%)
Mr. Koid Siang Loong (Appointed on 19 May 2021)	2/2 (100%) *

* *Reflects the number of meetings held during the financial year ended 30 November 2021 prior to his/her appointment/retirement as members of the Board respectively*

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 businesses of the Group and do not adversely affect the Directors' performance as members of the Board.

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

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II. BOARD COMPOSITION (CONTINUED)

Directors' Training

The Directors are also encouraged to attend training programmes/courses/seminars/forums 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 programmes 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.

All Directors have completed the Mandatory Accreditation Programme in accordance with MMLR of Bursa Securities. In addition, the Directors after assessing their own training needs, had attended the following trainings during the financial year under review:-

Board Members	Date	Seminar/ Workshop/ Training Programme	Organizer
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	5 May 2021	In-House Training on Corporate Diligence Essentials	Amtel Holdings Berhad (Facilitator: Messrs Tony Chiu & Partners)
Dato' Koid Hun Kian	5 May 2021	In-House Training on Corporate Diligence Essentials	Amtel Holdings Berhad (Facilitator: Messrs Tony Chiu & Partners)
Mr. Siow Hock Lee	5 May 2021	In-House Training on Corporate Diligence Essentials	Amtel Holdings Berhad (Facilitator: Messrs Tony Chiu & Partners)
	28 September 2021	MIA Webinar Series: Can You Survive a Transfer Pricing Audit?	Malaysian Institute of Accountants
	29-30 September 2021	MIA Webinar Series: A Complete Toolkit for MFRS	Malaysian Institute of Accountants
Ir. Chew Yook Boo	5 May 2021	In-House Training on Corporate Diligence Essentials	Amtel Holdings Berhad (Facilitator: Messrs Tony Chiu & Partners)
	18 September 2021	Using Solar PV Technology for Financial and Environmental Gains	Malaysia Energy Professional Association (MEPA)
Mr. Lim Hun Teik	5 May 2021	In-House Training on Corporate Diligence Essentials	Amtel Holdings Berhad (Facilitator: Messrs Tony Chiu & Partners)
Mr. Koid Siang Loong (Appointed on 19 May 2021)	6-8 September 2021	Mandatory Accreditation Programme	Asia School of Business

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II. BOARD COMPOSITION (CONTINUED)

Nomination Committee

The Nomination Committee is primarily empowered by its Terms of Reference to perform the following:-

(i) Consider and recommend to the Board candidates for directorship, proposed by the Group Managing Director or any Director or shareholder, or outsourced independent service providers, taking into consideration the candidates' skills, knowledge, experience, age, cultural background and gender;
(ii) Prior to any appointment by the Board, assess the balance of the mix of skills, experience and diversity of the Board;
(iii) In identifying suitable candidates, the Nomination Committee may use the services of external advisors to facilitate the search;
(iv) Review and recommend to the Board the appointment of member(s) and chairman(s) of Board Committees;
(v) Assess the effectiveness of the Board as a whole and the Committees of the Board and the mix of skills, experience and competencies of each individual Director;
(vi) Ensure that all Directors undergo appropriate induction programmes and receive appropriate trainings;
(vii) Assist the Board in the review of the independence of the Independent Non-Executive Directors;
(viii) Recommend to the Board, candidates for re-election of Directors and retiring Directors who are willing to be re-elected under the annual re-election provisions or retirement; and
(ix) Review the terms of office and performance of the Audit Committee and each of its members annually to determine whether the Audit Committee and its members have carried out their duties in accordance with their Terms of Reference.

The Nomination Committee members shall be appointed by the Board and comprises exclusively of Non-Executive Directors, a majority of whom must be independent. The Nomination Committee held one (1) meeting during the financial year ended 30 November 2021 and the attendance of the members are as follows:-

Name of Members	Designation	No. of Meeting Attended
Ir. Chew Yook Boo	Chairman/Independent Non-Executive Director	1/1 (100%)
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	Member/Non-Independent Non-Executive Chairman	1/1 (100%)
Mr. Siow Hock Lee	Member/Independent Non-Executive Director	1/1 (100%)

The Nomination Committee had carried out its duties in accordance with its Terms of Reference during the financial year ended 30 November 2021 as follows:-

- reviewed and assessed the effectiveness of the Board as a whole and the Board Committees;
- reviewed and assessed the mix of skills, experiences and competencies of each individual Director;
- reviewed and assessed the effectiveness of the Audit Committee;
- reviewed and assessed the independency of the Independent Non-Executive Directors based on criteria set out in MMLR of Bursa Securities;
- reviewed and assessed the Independent Non-Executive Director who has served a tenure of more than twelve (12) 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 Director at the forthcoming AGM; and
- reviewed and recommended to the Board for approval, the re-election of Directors at the forthcoming AGM.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II. BOARD COMPOSITION (CONTINUED)

Nomination Committee

Details of the Terms of Reference for Nomination Committee are available for reference on the Company's corporate website at www.amtel.com.my.

The Nomination Committee is responsible for making recommendations to the Board for the appointment of new Director(s). All nomination to the Board shall first be considered by the Nomination Committee, taking into consideration inter-alia the current and future needs of the Group and the credential of the potential Director.

The procedures for appointment of new Director(s) comprise among others, the following steps:-

(i) Identification of candidate(s);
(ii) Assessing the suitability of the proposed candidate(s);
(iii) Final deliberation by Nomination Committee; and
(iv) Recommendation to the Board.

In assessing the suitability of the proposed candidate(s), the Nomination Committee shall take into consideration the following criteria:-

(i) Size, composition, mix of skills, experience, competencies and other qualities of the existing Board;
(ii) The candidate's skills, knowledge, expertise and experience, competency and capability, professionalism, and personal integrity to effectively discharge his/her role as a Director;
(iii) Directorships of not more than five (5) public listed companies (as prescribed under Paragraph 15.06 of the MMLR of Bursa Securities) to ensure the proposed candidate(s) has sufficient time to fulfil his/her roles and responsibilities effectively; and
(iv) In the case of a candidate for the position of Independent Non-Executive Director, the independence as defined in the MMLR of Bursa Securities.

At least one-third (1/3) of the Directors are subject to retirement by rotation at each 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 names of Directors seeking for re-election at the forthcoming AGM are disclosed in the Notice of AGM of this Annual Report.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II. BOARD COMPOSITION (CONTINUED)

Directors' Assessment/Board Evaluation

The Nomination Committee compiles and conducts on an annual basis the following evaluations:-

- The effectiveness of each Director's ability to contribute to the effectiveness of the Board and the relevant Board Committees;
- The effectiveness of the Board as a whole; and
- The Audit Committee members' evaluation.

The assessment criteria include the mix of skills, size, current composition, experiences, competencies and other qualities required to meet the needs of the Group and to comply with the provisions of the MMLR of Bursa Securities.

All assessments and evaluations carried out by the Nomination Committee are properly documented. The summaries of the assessments prepared by the Company Secretaries are tabled at the Nomination Committee meeting for the Nomination Committee's assessment and evaluation.

The conclusion of the Nomination Committee's assessment will be minuted and the minutes are included in the Board papers for Board's notification.

III. REMUNERATION

Remuneration Policy

The Remuneration Committee is responsible for developing and implementing the Remuneration Policy pertaining to the remuneration for Directors, whilst the Board is responsible to approve the Remuneration Policy.

The remuneration of the Executive Directors is made up of Directors' fees, meeting attendance allowances, salaries, bonus and benefits-in-kind. The determination of the remuneration is based on the executive functions, responsibilities, merits, qualification, competency and experience, as well as the contributions and performance of each Executive Director to the businesses.

The remuneration of Non-Executive Directors is made up of Directors' fees, meeting attendance allowances, medical expenses and other claimable benefits for the purpose of carrying out their duties as Non-Executive Directors. The determination of the remuneration for Non-Executive Directors are based on their experience, qualification and level of responsibilities.

No Director shall participate or vote on the deliberations and decisions concerning his or her own remuneration.

Details of the Remuneration Policy are available for reference on the Company's corporate website at www.amtel.com.my.

The Board is of the view that the remuneration package of the Senior Management shall be determined based on the criteria set under the Remuneration Policy approved by the Group Managing Director with the consultation of the Human Resources department.

III. REMUNERATION (CONTINUED)

Remuneration Committee

The Remuneration Committee plays an essential role in overseeing the quality of the remuneration for Directors by ensuring the remuneration decisions remunerate the Directors fairly and responsibly, and that it reflects the commitment of the Director concerned.

The members of Remuneration Committee shall be appointed by the Board and shall comprise a majority of Non-Executive Directors. The Remuneration Committee held one (1) meeting during the financial year ended 30 November 2021 and the attendance of the members are as follows:-

Name of Members	Designation	No. of Meeting Attended
Ir. Chew Yook Boo	Chairman/Independent Non-Executive Director	1/1 (100%)
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	Member/Non-Independent Non-Executive Chairman	1/1 (100%)
Mr. Siow Hock Lee	Member/Independent Non-Executive Director	1/1 (100%)

The Remuneration Committee is primarily empowered by its Terms of Reference to perform the following:-

- Periodically review the Remuneration Policy for Directors pertaining to the remuneration of Directors;
- To assist the Board in implementation of the Remuneration Policy for Directors to ensure the remuneration packages are determined on the basis of the Directors' merit, qualification, competency, responsibilities, contributions and experiences, having regard to the Company's operating results, individual performance and comparable market statistics;
- To review and recommend to the Board the remuneration packages 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 duties and responsibilities as may be delegated or defined by the Board from time to time.

The Terms of Reference for Remuneration Committee is available for reference on the Company's corporate website at www.amtel.com.my.

III. REMUNERATION (CONTINUED)

Remuneration Committee (Continued)

The details of the aggregate remuneration of the Directors and Senior Management for the financial year ended 30 November 2021 are as follows:-

(a) Aggregate Remuneration of Each Director:-

(i) Received from Amtel Holdings Berhad

Name of Directors	Fees RM'000	Salaries RM'000	Bonus RM'000	Company Meeting Allowances RM'000	Statutory Contributions RM'000	Benefit-in-kind RM'000	Total RM'000
Non-Executive Directors							
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	81.1	–	–	2.0	–	–	83.1
Mr. Siow Hock Lee	74.9	–	–	2.0	–	–	76.9
Ir. Chew Yook Boo	74.9	–	–	2.0	–	–	76.9
Ms. Tan Woon Huei*	33.7	–	–	1.2	–	–	34.9
	264.6	–	–	7.2	–	–	271.8
Executive Directors							
Dato' Koid Hun Kian	–	572.0	75.0	2.0	26.5	31.1	706.6
Mr. Lim Hun Teik	–	–	–	2.0	–	–	2.0
Mr. Koid Siang Loong#	–	–	–	0.8	–	–	0.8
	–	572.0	75.0	4.8	26.5	31.1	709.4
Total	264.6	572.0	75.0	12.0	26.5	31.1	981.2

(ii) Received on Group Basis

Name of Directors	Fees RM'000	Salaries RM'000	Bonus RM'000	Company Meeting Allowances RM'000	Statutory Contributions RM'000	Benefit-in-kind RM'000	Total RM'000
Non-Executive Directors							
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	115.0	–	–	2.0	–	–	117.0
Mr. Siow Hock Lee	74.9	–	–	2.0	–	–	76.9
Ir. Chew Yook Boo	74.9	–	–	2.0	–	–	76.9
Ms. Tan Woon Huei*	33.7	–	–	1.2	–	–	34.9
	298.5	–	–	7.2	–	–	305.7
Executive Directors							
Dato' Koid Hun Kian	–	572.0	75.0	2.0	26.5	31.1	706.6
Mr. Lim Hun Teik	–	234.0	30.0	2.0	32.6	8.8	307.4
Mr. Koid Siang Loong#	–	202.9	22.5	0.8	27.6	–	253.8
	–	1,008.9	127.5	4.8	86.7	39.9	1,267.8
Total	298.5	1,008.9	127.5	12.0	86.7	39.9	1,573.5

* *Retired on 5 May 2021.*

\# *Appointed on 19 May 2021.*

III. REMUNERATION (CONTINUED)

Remuneration Committee (Continued)

The details of the aggregate remuneration of the Directors and Senior Management for the financial year ended 30 November 2021 are as follows:-

(b) Remuneration of Senior Management

Remuneration Bands	Number of Senior Personnel
RM100,001-RM150,000	1
RM150,001-RM200,000	1
RM200,001-RM250,000	1
RM300,001-RM350,000	1
RM700,001-RM750,000	1

Currently, the Company has only five (5) senior personnel. The aggregate remuneration paid to the top five (5) senior personnel (including salaries, bonus, benefits-in-kind and statutory contributions) for the financial year under review are provided in bands of RM50,000 based on the number of senior personnel in those bands instead of on a named basis due to confidentiality and sensitivity of each remuneration package. These senior personnel are Group Managing Director, Executive Directors, General Manager and Head of Project Department.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

The Chairman of the Audit Committee is Ir. Chew Yook Boo, an Independent Non-Executive Director while the Chairman of the Board is YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin, the Non-Independent Non-Executive Chairman.

The Audit Committee's task is to assist the Board in discharging its statutory duties and responsibilities relating to risk management and accounting and reporting practices of the Company and oversees the compliance with the relevant rules and regulations governing listed companies. The Audit Committee is relied upon by the Board to amongst others, provide advice in the areas of financial reporting, external audit, internal control environment and internal audit process, review of related party transactions as well as conflict of interest situations.

The Audit Committee has full access to both the Internal and External Auditors who, in turn, have access at all times to the Chairman of the Audit Committee. The composition and summary of works of the Audit Committee during the financial year ended 30 November 2021 are as disclosed in the Audit Committee Report of this Annual Report.

None of the Audit Committee members was a former key audit partner of the Company. In line with the MCCG, the Terms of Reference of the Audit Committee stipulates that a former key audit partner shall not be appointed as a member of the Audit Committee until the lapse of at least two (2) years cooling-off period.

The Terms of Reference of the Audit Committee is available at the Company's corporate website at www.amtel.com.my.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

I. AUDIT COMMITTEE (CONTINUED)

Assessment of 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 the External Auditors at least once a year without the presence of Management and Executive Directors to exchange independent views on matters which require the Audit Committee's attention. The Audit Committee also meets additionally with the External Auditors whenever it deems necessary. The services provided by the External Auditors include 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 Audit Committee assesses the effectiveness of the External Auditors as well as the independence and objectivity of the External Auditors. In its assessment, the Audit Committee considered several factors, which included competency, audit quality and resources of the firm.

Written assurance shall be obtained from the External Auditors annually, confirming their independence in accordance with the By-laws of the Malaysian Institute of Accountants. The External Auditors provide such declaration in their annual audit plan presented to the Audit Committee prior to the commencement of audit for a particular financial year.

Based on the results of the assessment for the financial year under review, the Audit Committee is satisfied with the quality of services, adequacy of resources provided, independence, objectivity and professionalism demonstrated by the External Auditors in carrying out their functions.

A summary of works and the role of the Audit Committee in relation to both Internal and External Auditors are described in the Audit Committee Report as set out on pages 048 to 051 of this Annual Report.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Risk Management and Internal Control

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 businesses of the Group.

The Statement on Risk Management and Internal Control as set out on pages 052 to 055 of this Annual Report provides an overview of the state of risk management activities within the Group.

The Group 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 Audit Committee Report on pages 048 to 051 of this Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Communication with Stakeholders

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. The shareholders are given opportunity and time to participate in the open question and answer session with regard to the agenda items of the general meeting or other concerns over the Group's businesses as a whole. The Chairman, Group Managing Director, other Committees Chairmen, Senior Management team and External Auditors are available during the general meeting to respond to the shareholders' queries.

In order to maintain a high level of transparency and to effectively address any issues or concerns, the Group has a dedicated electronic email, ahb@amtel.com.my, to which stakeholders can direct their queries or concerns.

Conduct of General Meetings

The Company encourages shareholders to attend the AGMs. The Company dispatches its notice of AGM to shareholders at least 28 days prior to the AGM, in advance of the notice period as required under the Companies Act 2016 and MMLR of Bursa Securities. The additional time given to the shareholders allow them to make necessary arrangements to attend and participate either in person, by corporate representative, by proxy or by attorney.

The Company has also removed the limit on the number of proxies to be appointed by an exempt authorised nominee with shares in the Company for Omnibus account to allow greater participation of beneficial owners of shares at general meetings of the Company. The Constitution of the Company further entitles a member to vote in person, by corporate representative, by proxy or by attorney. Essentially, a corporate representative, proxy or attorney shall be entitled to vote as if they were a member of the Company.

All the Directors, including the Chairmen of the Audit Committee, Nomination Committee and Remuneration Committee attend the general meetings to allow the shareholders to raise questions and clarify any issues they may have relating to each resolution tabled for approval.

Poll Voting

Under Paragraph 8.29A(1) of MMLR of Bursa Securities, the Company ensures that any resolution set out in the notice of any general meeting or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll.

For this purpose, the share registrar will be appointed as the Poll Administrator and an independent scrutineer will be appointed to validate the vote cast at the general meeting. The poll results of the general meeting will be announced to Bursa Securities on the same day for the benefit of all shareholders.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONTINUED)

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 MMLR of Bursa Securities and the guidance as set out in the Corporate Disclosure Guide issued by Bursa Securities.

The Board has ensured that relevant disclosure requirements required by Bursa Securities are complied with. In order to augment the process of disclosure, the Company has established its own website at www.amtel.com.my which allows shareholders and the public access to the Company's announcements, corporate information, financial information, annual reports, corporate governance and such other relevant information.

Compliance Statement

The Board has deliberated and reviewed this CG Statement and satisfied that during the financial year ended 30 November 2021, the Company has complied with the best practices in MCCG on the application of the principles and best practices in corporate governance, except for those departures highlighted in the Corporate Governance Report 2021.

This CG Statement was approved by the Board on 9 March 2022.

SUSTAINABILITY STATEMENT

INTRODUCTION

There is rising awareness of the concept of sustainability within the context of Economic, Environmental and Social ("EES") in today's world. We are seeing major shift of attention and focus by businesses and organisations on sustainable practices after the occurrence of COVID-19 pandemic which has caused major disruptions to societies and economies on a global scale.

In our organisation, we are strongly guided by our business sustainability initiatives and strategy and endeavour to embed these initiatives in all aspects of our business operations for long term success at the same time maintaining sound corporate governance.

This Sustainability Statement covers the EES initiatives undertaken by the Company and its subsidiaries ("Group") and its impacts due to the day-to-day activities in the conduct of our business operations in the financial year ended 30 November 2021.

OBJECTIVES AND SCOPE

We are involved in Information & Communication Technology ("ICT"), Telecommunications, Infrastructure & Services ("TIS") and Others. The ICT segment generates 78.5% of our Group's revenue.

As we progress along the journey of sustainability, we are taking steps to improve our internal capabilities in promoting, managing and implementing sustainability practices and report on the progress of our Group's sustainability related activities. Our Sustainability Statement covers the Company and all subsidiaries located in Malaysia. Our Singapore subsidiary company has been excluded as it is currently inactive. All other associated companies have not been included as we do not have control over them.

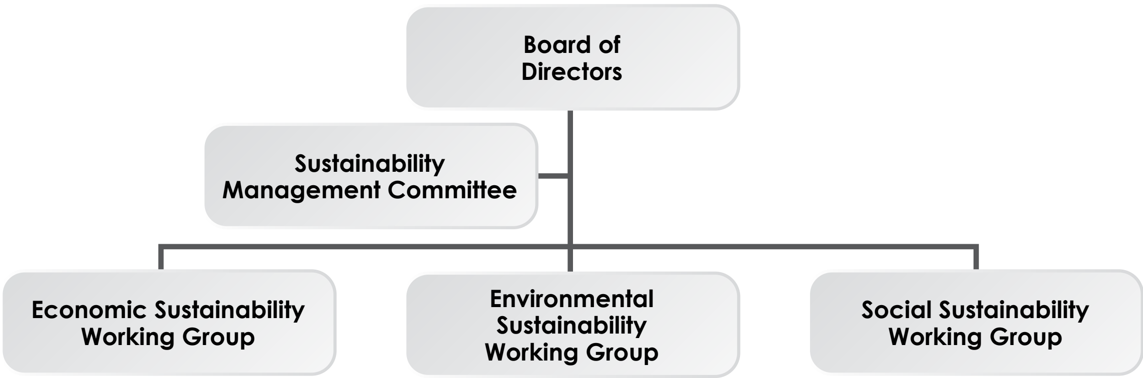
We continue to prioritise sustainability issues within our Group. Our Sustainability scope and objectives will focus mainly on ICT business segment and areas within the organization. Going forward, this will form our basis towards the implementation of Sustainability Development and Reporting.

SUSTAINABILITY FRAMEWORK AND GOVERNANCE

Our Board of Directors ("Board") plays a key role in supporting sustainability initiatives. Our Group Managing Director and management team are responsible for identifying and managing EES risks and opportunities, as well as measuring our Group's sustainability performance. To strengthen our sustainability commitment, a high-level committee namely Sustainability Management Committee ("SMC") has been established comprising predominantly personnel from the senior management to look into the various aspects of fulfilling our Group's obligation and commitment, and to ensure an effective approach in the adoption and implementation of sustainability policy and practices. To effectively discharge its responsibilities, the SMC is supported by a sub-committee, i.e. the Sustainability Working Group (SWG) represented by various personnel such as Heads of Departments, Operations Managers and Accounts Executives from the various departments. The SWG manages and monitors the implementation and performance of EES initiatives and then reports to the SMC. The SWG is further divided into different sub-groups based on their area of focus.

SUSTAINABILITY FRAMEWORK AND GOVERNANCE (CONTINUED)

The chart below shows our Sustainability Framework and Governance structure. The Board plays the role as the highest governance body.



STAKEHOLDERS ENGAGEMENT

We acknowledge that a synergetic relationship with our various internal and external stakeholders is crucial to achieve sustainable growth and continuous success in our Group's business.

Our Group engages with our principal stakeholders regularly through various approaches in their respective interest areas and concerns as summarized in the table below:

Stakeholder	Topic of Interest	Methods of Engagement	Frequencies
Investors/ Shareholders	• Transparent reporting • Business strategy & plans • Corporate governance • Financial performance	• Quarterly & other announcements • Annual report • Corporate website, AGM & Extraordinary General Meeting	• Quarterly • Annually • As notified and/or announced
Customers	• Quality, reliability & competitive pricing of services & products • Customer satisfaction • Timely delivery • Payment & other terms	• Operational meetings & feedback sessions • Corporate functions & events • Annual customer satisfaction survey • Survey for product research and development	• Monthly or continuous (as and when required)
Local community	• Corporate Social Responsibilities	• Corporate functions & events	• Annually or as and when required

STAKEHOLDERS ENGAGEMENT (CONTINUED)

Our Group engages with our principal stakeholders regularly through various approaches in their respective interest areas and concerns as summarized in the table below (Continued):

Stakeholder	Topic of Interest	Methods of Engagement	Frequencies
Employees	• Compensation & benefits • Work-life composition & staff interaction • Career growth & advancement • Training & development • Occupational health & safety	• Internal and external training programs • Project & operational meetings • Internal audits • Staff induction & performance appraisal • Annual employee's satisfaction survey • Company functions & staff engagement activities	• Monthly, annually or continuous (as and when required)
Regulators, authorities & other government bodies	• Statutory compliance • Corporate governance • Permits & licenses	• Announcements/ necessary reporting • Annual payments, filings & returns • Correspondences via circulars, mails or emails • Seminars, dialogues, workshops & forums • Appointments	• Annually, quarterly, monthly or continuous (as and when required)
Suppliers	• Product & service quality & reliability • Credit and trading terms • Reputation-related matters	• Suppliers performance assessment • Appointments – vendors selection and background search • Corporate functions & events	• Annually and continuous (as and when required)
Local community	• Corporate Social Responsibilities	• Corporate functions & events	• Annually or as and when required

MATERIAL SUSTAINABILITY MATTERS

Our Group has identified material sustainability matters as those that reflect our organization's significant EES impacts or matters that substantially influence the assessments and decisions of the stakeholders.

The following are some of the methods used by our Group to identify Material Sustainable Matters:-

- Reference to the Reporting Guide issued by Bursa Malaysia – Appendix A: Selecting your themes and indicators;
- Reading articles and sustainability reports of other listed companies;
- Discussions, meetings and brainstorming sessions with HOD, internal & external auditors and other professional consultants, e.g. valuers and architects;
- Inputs/specifications from various stakeholders; and
- Commentary and inputs from Board members during their review of the sustainability statement.

We carry out reviews on these matters periodically against the emerging business environment and the changes in the global and local trends. Our aim is to ensure that we will improve over the years in addressing these matters. The Material Sustainability Matters are discussed in the paragraphs that follows.

OUR IMPACT ON THE ECONOMY

We acknowledge the impact of our business activities and the importance of achieving a practical balance of optimal financial performance and responsibilities towards the environment and community.

CORPORATE GOVERNANCE AND ETHICAL PRACTICES

We are committed to uphold the principles of sound corporate governance that have been incorporated into our Group's working culture to ensure accountability and integrity throughout the workplace. We have established and adopted policies on Code of Conduct and Ethnics for Directors and Employees, Anti-bribery and Anti-corruption Policy and the Whistle Blowing Policy which further strengthen our integrity initiatives.

Our Group had and will continue to conduct in house workshops for staff at various levels to raise their awareness about bribery and corruption practices. In addition, all directors and staff have signed the declaration forms to indicate that they undertake to comply with the relevant Anti-Bribery and Corruption laws and best practices.

DIRECT ECONOMIC VALUE

We have a viable business that contributes positively in strengthening the Malaysian economy. The revenue generated has been equitably distributed to the stakeholders such as suppliers, employees, investors and tax authorities. For FY 2021, our financial performance is summarised as follows:

	RM'000
Revenue	54,728
Profit before tax	5,288
Tax	1,730
Profit after tax	3,558

Details of our business, products and services and economic performance are discussed in our Management Discussion and Analysis and the financial statements.

OUR IMPACT ON THE ECONOMY (CONTINUED)

NEW BUSINESS BUILDING

Today, we operate our business from a 4,722 sq metres, four-storey office/factory building known as Wisma Amtel located at Hicom Glenmarie Industrial Park. This new building has enabled us to house all our subsidiaries and associates under the same roof.

Our aim is to provide a more conducive working environment as well as promote better interaction among the staff. We believe that such initiative will ultimately improve operating efficiency, strengthen the operations management and tighten our control over the use of resources including the deployment of manpower.

CUSTOMER SATISFACTION

Customers is the main pillar of our business ventures and key driver behind our business success. As such, engagement with customers is important for us to build a long term sustainable partnership and business relationship.

Our primary focus is to offer innovative yet quality products and services. We ensure that our products and services have gone through market feasibility studies and are equipped with sustainable features that take into account market demand and relevant regulatory requirements. Therefore, getting customers' feedbacks and having regular customer interactions via discussions, email communications and factory visits are key elements to our business growth.

Our ICT segment continues to invest in research & development activities to ensure that our products and services remain competitive. Some of the activities include:

- Cost-down, improved design by reducing wastage and energy consumption;
- Safety improvements by integrating more features into various products;
- Automation of services such as data collection, notifications & alerts; and
- Compliance to recognised standards & certifications.

PRODUCT CERTIFICATION AND QUALITY MANAGEMENT

Technological advancement is crucial to remain competitive in this emerging business environment. As part of our commitment towards continual quality improvement in our product and services, our subsidiary, Amtel Cellular Sdn. Bhd. ("AMCSB"), has established a dedicated in-house team which oversees our overall quality control and assurance under our Quality Management System. In 2011, AMCSB was approved by Lloyd's Register Quality Assurance Limited for the certification of TS16949 Standard and subsequently upgraded to the certification of IATF 16949:2016 in year 2018. This certification is testimony to our dedication in terms of quality towards our automotive clients in Malaysia and other ASEAN countries.

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

How effective and efficient our supply chain works affects our operations. We work closely with our principal partners, sub-contractors, local and overseas suppliers to ensure that the materials and services procured conform with the standards, law and regulations relating to environmental, occupational health, safety and labour practices.

Our aim is to incorporate ethical practice, environmental and social considerations when developing a transparent procurement process. We always give priorities to locally sourced supplies in order to help boost the local economy.

OUR IMPACT ON THE ECONOMY (CONTINUED)

SUSTAINABLE SUPPLY CHAIN MANAGEMENT (CONTINUED)

We conduct stringent evaluations of suppliers and sub-contractors prior to engaging their services. Their performances are monitored and reviewed regularly to ensure sustainability is preserved. Our procurement and logistic team conduct regular visits and meetings at suppliers' factories to ensure that their pricing is competitive, credit terms are fair and delivery is always on-time. We also constantly interact with our suppliers via phone calls, email communications and virtual conference calls to update on delivery schedules, products quality, rejections etc.

To underline the point: The prolonged COVID-19 pandemic has caused volatility in certain material prices due to disruptions in the global supply chain and global inflation. To minimize any potential adverse impact, we share and exchange regulatory updates and latest industry information with our suppliers and business partners on a regular basis.

OUR IMPACT ON THE ENVIRONMENT

We are mindful of our responsibility towards environmental impacts arising from our day-to-day operations. Therefore, we create awareness among our employees and encourage them to take a proactive role to preserve our environment through the following initiatives and practices:-

- Innovative and "Green" Products

  As a software and Telematics solutions provider, we design our products and services integrating green features and innovations. Our Telematics solutions primarily aim to assist our customers in reducing travelling times, attaining better fuel efficiency, avoiding traffic congestion, etc., which effectively help in reducing carbon footprint.

- Energy Conservation

  - Minimise water and energy consumption within our office buildings and during our operation processes.
  - Turn off machines, plant or other electronic and electrical equipment, such as computers, servers, electric fans, air-conditioners, lightings, etc. when not in use, including during lunch breaks or recess.
  - Our building is installed with LED lights and air-conditioner with an inverter.
  - Encourage our staff to car pool, or take public transport when commuting to office.

- Recycle and Reduce

  - Promote paperless office culture through the use of electronic documents in place of hard copy documents; mode of communication and correspondences among staff and peers are directed to slowly shift to paperless form.
  - Reuse and recycle office stationeries, wherever permissible. For example, waste paper and paper products, soft and hard cover files are reused to reduce wastages and degradation of resources.
  - Production waste and leftovers are either recycled or returned to suppliers for proper disposal.

- End of Life Sales and IT Products

  - Obsolete and end of life products (such as wire, PCBA, plastic parts and components etc) and IT products (such as CPU, hard disk, laptop, tablet, router, switch etc) are disposed of to an e-waste disposal company certified by Department of Environmental (DOE).

OUR IMPACT ON THE SOCIETY

WORKPLACE

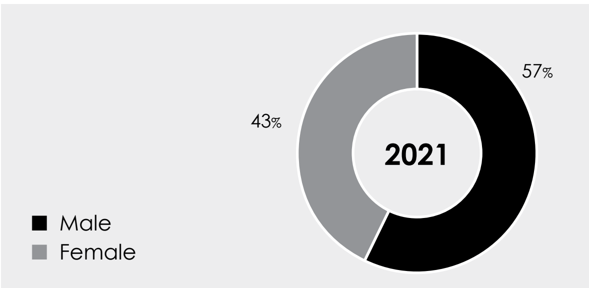
Human resource is one of our Group's biggest assets. Employees play a vital role and is one of the prioritised stakeholders that will have great influence towards our business success and sustainability.

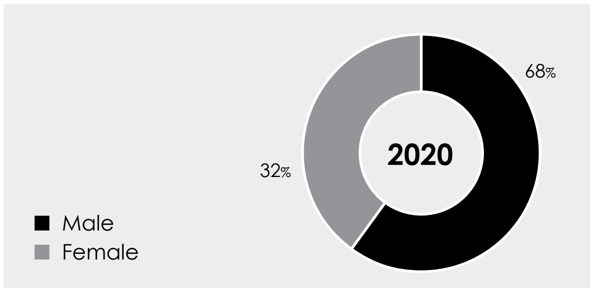
o Employment Diversity, Retention and Succession Planning

We give equal employment and career growth opportunities to existing and potential employees regardless of age, gender, background, religion and ethnicity. However, candidates are hired based on suitability and competency and remuneration is based on skill, qualification, experience, job ranking and roles and responsibilities.

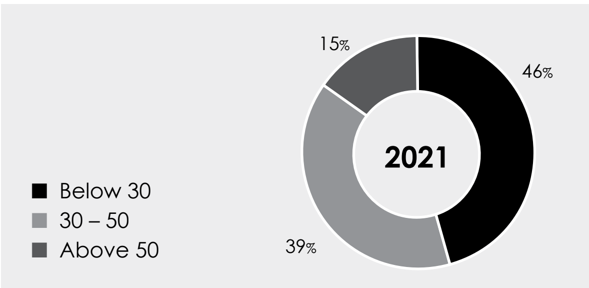
Our Group's workforce profile is presented below:

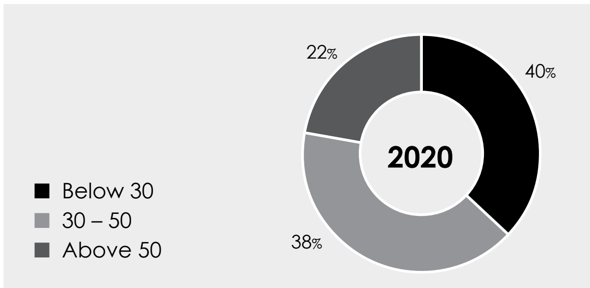
WORKFORCE GENDER DIVERSITY





AGE GROUP





In terms of age, 85% (FY 2020: 78%) of our staff are below 50 years old which constitute an energetic workforce supporting our Group's continued sustainability. We believe that innovative products and quality solutions are developed through interaction amongst employees from diverse knowledge, different skill sets and background.

We have put in place a succession plan to ensure continuity and healthy transition of leadership.

As part of our Group's succession planning, our recruitment policy focuses on bringing in young and dynamic talents with relevant expertise to carry the business to the next level of growth. In line with this, we offer competitive remuneration packages to attract, retain and motivate the right talents within our Group.

OUR IMPACT ON THE SOCIETY (CONTINUED)

WORKPLACE (CONTINUED)

o Occupational Health and Safety

Our Group places high emphasis on the health and safety of our employees. It is vital that they stay in tip-top working condition at all times. We are committed to provide a safe and healthy working environment for our employees and to ensure safe practices in all aspects of our operations and activities. Safety measures in place include providing 24 hours security guards, surveillance equipment, notices on safety measures at relevant work locations etc. We also ensure that fire extinguishers and lifts are maintained regularly and are in good working condition.

The ICT segment has set up an internal Environment, Health and Safety ("EHS") Committee to continuously review and make improvements for a cleaner, healthier and safe environment and to ensure compliance with all the environmental laws and EHS legislation. EHS Committee has also established a formal Safety and Health procedures and policies with the objective to ensure that all the emergency and spill response programmes are put in place to prevent and minimise injuries to our staff, visitors and contractors. We conduct regular in-house training for our employees on the awareness of safe work practices, especially the production/manufacturing teams who are exposed to hazards such as sharp tools and moving parts at their work stations. For FY 2021, we have zero incident of accident at the workplace.

o Preventive Measures for COVID-19 Pandemic

The COVID-19 pandemic outbreak poses new challenges to our Group. In response, our Group has put in place comprehensive Standard Operating Procedures ("SOPs") in compliance with the guidelines advocated by our local authorities to combat COVID-19.

Besides the SOPs such as temperature check, contact tracing, mask-up, social distancing, hand hygiene and regular sanitising, other precautionary measures that have been implemented at our premises to minimise the risk of infection by COVID-19 include:-

- Displaying the relevant information/notices on prevention and procedures within the offices, warehouses and production areas;
- "No Outside Shoe" policy within the office premises;
- Adequate distancing in workplace; Working spaces/workstations at our premises has been modified to allow physical distancing;
- Disseminate free masks and hand sanitisers for use by our employees;
- Encourage staff having lunch in the office to minimise contact with outsiders. Our pantries at each floor are furnished with adequate amenities and seats and they are spacious enough to comply with the physical distancing requirement;
- Provide free self-test kits to all employees for weekly self-test to monitor employee's infection and sickness to protect health and safety of everyone at workplace;
- Contactless delivery/dispatch of mails, parcel and document; and
- Working from home.

In addition, we have also set up a task force to focus on creating awareness and update our staff regularly on information relating to COVID-19 symptom identification, encourage vaccination, perform weekly COVID-19 self-test to enhance immunity and minimise the spread of COVID-19.

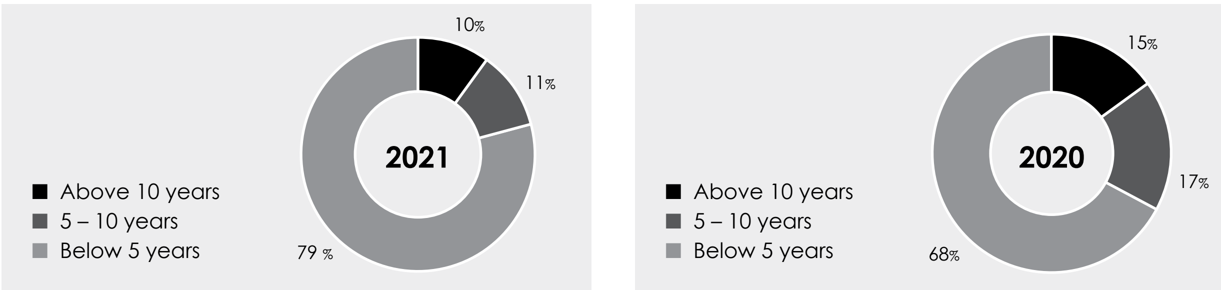
We support our government's call for people to get vaccinated. As of to date, all of our employees have completed two doses of the COVID-19 vaccination and 78% have completed their booster dose.

OUR IMPACT ON THE SOCIETY (CONTINUED)

WORKPLACE (CONTINUED)

o Employees Training and Career Development

NUMBER OF YEARS OF SERVICE



Many of our staff have served our Group for a long time. Currently 21% (FY 2020: 32%) of the present staff have been with us for more than five years. Some of them started from executive positions and worked their way up to become managers and senior management team within our group of companies.

Our Group provides regular briefing and on-the-job trainings to new recruits to equip them with the relevant skills and knowledge. We promote continuous learning and self- improvement to existing employees and develop internal talent. Staff are assigned to attend job related trainings, workshops and seminars to keep themselves abreast of the latest development in their respective field of professional and to upgrade their skills on a regular basis. Trainings are usually in the form of internal and external trainings.

Our Group adopts a merit-based reward system, linking reward to staff contribution and performance. We conduct annual performance appraisal to assess employee own performance and to determine the appropriate reward. The reward may be in the form of bonus, salary revision and/or promotion, which quantum and level of promotion will depend on their performance. In this way, staff have the opportunity to engage directly with the management to understand each other's requirements, which we believe will promote transparency and two-way communication.

o Conducive workplace

We aim to provide a conducive work environment that promotes harmonious work culture, mutual respect, non-discrimination and teamwork as part of our employees' retention efforts. We believe that motivated and dedicated employees are able to contribute at their optimal levels which in turn contribute effectively to the Group's performance.

Our staff holds monthly gatherings to celebrate their colleagues' birthdays and annual parties during major festive celebrations to promote interactions among themselves. However, many of these planned gatherings were held back since FY 2020 due to the COVID-19 outbreak.

A safe and healthy workplace may avert absenteeism and do good to an employee's morale. Our newly renovated premise is well fitted with air-conditioners, latest IT equipment within each discussion and meeting rooms, spacious pantry and eating areas at each floor. For added security, all staff are provided with their own access card which will be used primarily to access the office premise. The employees were able to avail themselves of a Surau within the premise for their convenience.

OUR IMPACT ON THE SOCIETY (CONTINUED)

COMMUNITY

We engage with local communities through education, charitable donations, sponsorship and support in social welfare initiatives. We also encourage our employees to participate in charity programmes on an individual capacity.

We strive to foster a work-life balance work culture for our employees. To this end, we continue to encourage and support staff to participate in physical activities and regular sports activities such as badminton, bowling and sports tournaments although there has been a reduction in such activities in FY 2021 due to the COVID-19 pandemic.

We believe that education is an integral component in empowering the young to become the leaders of tomorrow. Our Group offers short term internship programmes to students and job positions to fresh graduates from local higher learning institutions and universities majoring in automotive engineering technology, electronic engineering (automation and robotic), accounting and finance, surveying science, geoinformatics and geomatics for various positions in our ICT segment.

CONCLUSION

One of our financial goals is to focus on delivering a sustainable performance to enhance our shareholders' value. On the other hand, we acknowledge that there are areas that still need improvement with respect to our sustainability initiatives and strategies. As a result, amid pursuing economic performance, we are committed to take upon ourselves the responsibility with respect to Environmental and Social issues.

This year we continued to ensure every aspect of EES is observed and managed so as to mitigate the risks attributed to the COVID-19 pandemic. We will continue to integrate sustainability practices in our day-to-day processes and working culture in a more prominent manner and intensify our efforts in expanding our sustainability framework and initiatives, as well as working towards an improved disclosures in the near term.

ADDITIONAL COMPLIANCE INFORMATION

(a) Utilisation of proceeds raised from corporate proposals

Private Placement in 2020

As at 30 November 2021, the Company has fully utilized the gross proceeds of RM7,847,436 raised from the aggregate 10,839,000 Placement Shares which were issued and allotted on 20 October 2020.

(b) Audit and Non-Audit Fees

The fees incurred for services rendered to the Company and its subsidiaries by the Company's External Auditors, or a firm affiliated to the External Auditors for the financial year ended 30 November 2021 were as follows:-

	Group RM'000	Company RM'000
Audit Fees	132	63
Non-Audit Fees	6	6

(c) Material Contracts

There was no material contract entered into by the Company and/or its subsidiaries involving the interest of directors, chief executive who is not a director and/or and/or major shareholders that are still subsisting at the end of the financial year or since the end of the previous financial year.

(d) Recurrent Related Party Transactions

The details of recurrent related party transactions entered into by the Group for the financial year ended 30 November 2021 are as disclosed in Note 35 to the accompanying Audited Financial Statements, which are shown on pages 128 to 129 of this Annual Report.

AUDIT COMMITTEE REPORT

The Board of Directors of the Company ("the Board") is pleased to present the report on the Audit Committee for the financial year ended 30 November 2021.

COMPOSITION AND ATTENDANCE

The Audit Committee presently comprises the following members: -

Ir. Chew Yook Boo
Chairman/Independent Non-Executive Director

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

Mr. Siow Hock Lee
Member/Independent Non-Executive Director*
**member of the Malaysian Institute of Accountants*

The Audit Committee was established on 1 August 1997. The Company has complied with Paragraphs 15.09 and 15.10 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), which require all the Audit Committee members to be Non-Executive Directors, with a majority of them being Independent Non-Executive Directors and the Chairman of the Audit Committee is an Independent Non-Executive Director. In addition, one (1) of the members of the Audit Committee is also a member of the Malaysian Institute of Accountants.

In the event of any vacancy of the Audit Committee resulting in the non-compliance with Paragraphs 15.09(1) and 15.10 of the MMLR of Bursa Securities, the Company shall fill the vacancy within three (3) months pursuant to Paragraph 15.19 of the MMLR of Bursa Securities.

The Audit Committee held a total of five (5) meetings during the financial year ended 30 November 2021 and the attendance of each member of the Audit Committee are as follows:

Name	Attendance of meetings
Ir. Chew Yook Boo	5/5
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	5/5
Mr. Siow Hock Lee	5/5

SUMMARY OF WORK OF AUDIT COMMITTEE

During the financial year under review, the Audit Committee carried out its duties and functions in accordance with its Terms of Reference. The activities of the Audit Committee include the following:-

(1) Financial Reporting

(a) Reviewed the unaudited quarterly financial results of the Company and its subsidiaries ("Group") including draft announcements pertaining thereto before recommending the same for the Board's approval and release to Bursa Securities.

The above review was performed to ensure that the Company's quarterly financial reporting and disclosures present a true and fair view of the Group's financial position and are in compliance with the Malaysian Financial Reporting Standards, International Accounting Standards and applicable disclosure provisions of the MMLR of Bursa Securities.

SUMMARY OF WORK OF AUDIT COMMITTEE (CONTINUED)

During the financial year under review, the Audit Committee carried out its duties and functions in accordance with its Terms of Reference. The activities of the Audit Committee include the following (Continued):-

(1) Financial Reporting (Continued)

(b) Reviewed and made recommendation to the Board in respect of the financial statements of the Company and of the Group for the financial year ended 30 November 2021 and to ensure it presented a true and fair view of the Company's financial position and performance for the year and compliance with regulatory requirements.

(2) Internal Audit

(a) Reviewed and discussed with the Internal Auditors on their annual internal audit plan and audit fees to ensure adequate scope, competency, resources and comprehensive coverage over the activities of the Group.

(b) Reviewed and discussed with the Internal Auditors on the audit findings and recommendations of the audit findings to improve any weaknesses of the Group's internal control system and ensuring the risk issues were adequately addressed.

(c) Evaluated the performance of the internal audit function via a set of questionnaires covering the effectiveness, adequacy and suitability of the Internal Auditors.

(3) External Audit

(a) Reviewed and discussed with the External Auditors on the audit planning memorandum covering the audit objectives and plan, audit approach, key audit matters and relevant technical pronouncements and accounting standards.

(b) Evaluated the performance and assessed the suitability, objectivity and independence of the External Auditors during the year via a set of questionnaires covering the calibre of the external audit firm; quality of processes/performance; skills and expertise including industrial knowledge; independence and objectivity; audit scope and planning; audit fees; and their communications with the Audit Committee.

The Audit Committee received from the External Auditors written assurance confirming their independence in accordance with the By-laws of the Malaysian Institute of Accountants.

(c) Recommended to the Board the re-appointment of External Auditors and their remuneration.

(d) Held a private session with the External Auditors without the presence of Executive Directors and Management to exchange independent views on matters which require the Audit Committee's attention.

(4) Related Party Transactions

(a) Reviewed and discussed on a quarterly basis the related party transaction(s) and recurrent related party transaction(s) entered into by the Group and any conflict of interest situation that may arise within the Group.

The above is to ensure that the transactions are fair and reasonable to, and are not detriment of, the minority shareholders.

SUMMARY OF WORK OF AUDIT COMMITTEE (CONTINUED)

During the financial year under review, the Audit Committee carried out its duties and functions in accordance with its Terms of Reference. The activities of the Audit Committee include the following (Continued):-

(5) Other Matters

(a) Reviewed the Statement on Risk Management and Internal Control which provided an overview of internal controls within the Group prior to the Board's approval for inclusion in the Annual Report.

(b) Reviewed the Audit Committee Report and recommended the same for Board's approval for inclusion in the Annual Report.

INTERNAL AUDIT FUNCTION

The internal audit function is set up with the objectives to assist the Board and Audit Committee in providing an independent assessment and assurance on the Group's state of internal control system.

The internal audit functions are summarised as follows:-

- To ensure that the Group has adequately addressed the key components of corporate governance, risk management and internal control requirements;
- To ensure that Management of the Group maintains a sound system of internal control to safeguard the Group's assets and the interest of shareholders;
- To review the adequacy and effectiveness of the Group's system of risk management and internal control;
- To identify principal risks and to ensure the implementation of appropriate internal control and mitigation measures;
- To perform regular review over the operational processes and to provide an independent assurance on the adequacy and efficiency of financial and operating controls of the Group;
- To ensure the reliability and integrity of the financial and operational information and other management data that the reporting system is in place;
- To assist the Audit Committee to review the internal audit programmes and results of the internal audit process and where necessary, ensure that appropriate actions are taken on recommendations of the internal audit function;
- 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 related controls in an integrated approach.

INTERNAL AUDIT FUNCTION (CONTINUED)

The Internal Auditors report directly to the Audit Committee and undertake internal audit function in a systematic and cyclic basis and on selected business processes. The Internal Auditors adopt a risk-based approach and prepare 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 aligns with the Group's key business risks and business strategies which may change in response to the dynamics of its operating environment. The Internal Auditors table the results of their review to the Audit Committee on a half-yearly basis. The results of Internal Auditors' review containing audit findings, Management's responses and recommended corrective actions are presented to the Audit Committee for discussions and deliberations. Follow-up reviews on previous audit issues are 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 Management.

The Group outsourced its internal audit function to a professional service firm, PKM Partners (M) Sdn. Bhd. ("PKM") which is independent of the activities and operations of the Group to assist the Board and Audit Committee in discharging their responsibilities by providing independent and objective advisory services and evaluation of risks and controls in the auditable activities to ensure a sound system of internal controls are implemented across all business segments.

PKM's Internal Control Review methodology is based upon the international recognised framework, i.e., Committee of Sponsoring Organizations of the Treadway Commission, as recommended by Bursa Securities. This will also include information system review in accordance with Bursa Securities' Information Technology ("IT") Security Standards and Procedures. PKM will also benchmark IT processes against International Standards under Control Objectives for Information and Related Technology in ensuring adequacy of controls and security.

During the financial year under review, the following internal audit activities were carried out by PKM in the discharge of its responsibilities:

(i) carried out annual review of the Group's enterprise risk assessment focusing mainly on its core business segments of Information & Communication Technology ("ICT") and Infrastructure and Services and update the risk management report;

(ii) carried out review on the inventory management and inventory accounting of ICT segment to ensure system of internal controls are established for inventory accuracy and completeness and are properly accounted in accordance with the approved accounting policies and standards; and

(iii) reviewed and assessed the adequacy and effectiveness of internal controls and risk assessment processes on data security, quality management and data privacy of the Management Information System.

Based on their review conducted, none of the weaknesses noted have resulted in material losses, contingencies or uncertainties to the Group. The fees incurred during the financial year ended 30 November 2021 in relation to the internal audit function was RM46,763 (For information, FYE 2020: RM50,585).

The associated companies have not been dealt with as part of the Group for the purpose of this report. The Group's system of 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 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 Malaysian Code of Corporate Governance requires listed companies to maintain a sound system of internal control and risk management framework to safeguard shareholders' investments and the Group's assets.

The Board of Directors of the Company ("the Board") is pleased to present the Group's Statement on Risk Management and Internal Control ("Statement") for the financial year ended 30 November 2021, which is prepared in accordance with paragraph 15.26 (b) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and as guided by the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers ("Guidelines").

THE BOARD'S RESPONSIBILITIES

The Board affirms its overall responsibility in maintaining a sound risk management and internal control system as well as to review the adequacy and effectiveness of these systems.

In view of the limitations that are inherent in any system of risk management and internal control, it is important to note that these systems are designed to manage rather than to eliminate all risks that may impede the achievement of the Group's business objectives and goals. Hence, such systems can only provide a reasonable and not absolute assurance against material misstatement or errors.

THE RISK MANAGEMENT FRAMEWORK

The Group's risk management framework is outlined in its Enterprise Risk Management ("ERM") Policy. It is the policy of the Group to achieve best practices in the management of all significant risks that threatens to adversely impact the Group, which includes its business strategies, operation and key functional areas, employees, assets and its customers. The Group adopts the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") ERM methodology to cultivate and promote the risk ownership and continuous monitoring of key risks identified.

The Board through the ERM Committee ("ERMC") will continually review risk management framework and ensures appropriate action is taken to remedy any significant weaknesses identified from the review. The ERMC is headed by the Group Operations Manager and comprises Strategic Business Unit ("SBU") heads together with senior management and is assisted by the Internal Auditors to determine and communicate policy, objectives, procedures and guidelines. The ERMC also directs and monitors the implementation of ERM practices and activities throughout the Group.

The ERM was established with the following main objectives:-

- To ensure the ERM is adequate, adopted and practiced throughout the Group;
- To ensure ERM framework is clearly communicated to all levels of employees and to promote a culture of participation in the risk management process;
- To protect the Group from significant adverse impact arising from incidents, to reduce its exposure, mitigate and control these losses;
- To ensure that the Group fulfills its mission, perform its key functions and meet its business objectives;
- To ensure that the Group adopts the COSO's principles and methodologies to determine the risk appetite; and
- To oversee the implementation of AMTEL Group's Code of Conduct and Business Ethics, Anti Bribery and Corruption ("ABC") Policy and ABC Manual, and to put in place effective system to counter bribery and corruption by setting up relevant internal control mechanism to prevent and deter any potential bribery and corruption related activities.

THE RISK MANAGEMENT FRAMEWORK (CONTINUED)

The Group's ERM is an on-going process which involves the identifying, evaluating and managing significant business risks affecting the achievement of the Group's objectives. The ERM is in place during the year under review and up to the date of approval of this Statement for the purpose of inclusion in the Annual Report. ERM will form part of the SBU heads and management team's responsibilities. It is integrated and embedded into the Group's strategic and business planning exercise, operational processes and management systems, as guided by the Group's policies and procedures.

In respect of managing a special or specific risk, the responsibility may be assigned to a nominated senior officer of the Group, or a committee chairman, as determined by the ERMC when necessary. Consultants may be retained from time to time to advise and assist in the risk management process, or management of specific risks or categories of risk.

Employees of the Group at every work level are recognised as having a role in the risk management awareness and in the process of identification of risks. To enhance the risk management process, the Group reviews regularly the existing risks and identifies new risks with the involvement of selected staff to encourage their participation in the ERM process.

The ERM policy enables Management and the Board to share a common model in the effective communication and evaluation of principal business risks faced by the Group. The risks associated with key business units are identified, assessed and categorised to highlight the root causes of risks, their impacts and the likelihood of occurrence. Risk profiles for the key business units are presented to the ERMC and the Board for deliberation and approval for adoption. Appropriate action plans are formulated to address any key risks identified by management depending on the magnitude of each risk. The SBU heads also prepare action plans to address and manage the key risks and control issues as highlighted by the Internal Auditors.

The Board with the assistance of the Audit Committee, the ERMC and Internal Auditors will re-assess the adequacy and effectiveness of these systems and where appropriate updates them when there are changes in the Group's business environment.

KEY ELEMENTS OF RISK MANAGEMENT AND INTERNAL CONTROL

The Group's risk management and internal control system comprises the following key elements: -

- IATF 16949:2016 Quality Management Systems has been implemented for one (1) of the Group's main subsidiary, namely Amtel Cellular Sdn. Bhd. where documented internal procedures and standard operating procedures have been put in place, guiding staff in carrying out their functions effectively. Internal quality audits are carried out by qualified management representative and annual surveillance audits are conducted by an independent certification body to ensure compliance;
- 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;
- Meetings are held at business units and divisional levels with the present of the Group Managing Director and/or Group General Manager to identify, discuss and review operational and financial issues which require timely decision making and action plan;
- Monthly financial and key operation reports are provided to the senior management and SBU heads on a monthly basis for monitoring and execution of business plans. The Group also operates an ERP and information system that provides for transactions to be captured, compiled and reported. The information system, secured intranet and electronic mail system are used as a tool for communication, dissemination and sharing of operation data, management information and knowledge;
- There is a process for setting monthly, quarterly and/or yearly targets, which include amongst others sales forecast, planned projects expenses and capital expenditure for key operations that require the review and approval by respective General Managers. Actual performance is monitored against the agreed targets and identification of significant variance is highlighted to senior management for prompt corrective action plan, when necessary;

KEY ELEMENTS OF RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

The Group's risk management and internal control system comprises the following key elements (Continued): -

- 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;
- Provision of internal and external training programmes to enhance staff competency and skill set; and
- A policy on whistle-blowing has been established to facilitate the reporting of activities or practices which are in violation of the Group's work rules and policies.

INTERNAL AUDIT FUNCTIONS

The Audit Committee assists the Board in reviewing the adequacy and effectiveness of the risk management and internal control system in the Company. The Board has outsourced its internal audit functions to PKM Partners (M) Sdn. Bhd. ("PKM"), which reports directly and independently to the Audit Committee.

A description of the internal audit functions and activities of PKM during the financial year ended 30 November 2021 can be found in the Audit Committee Report as set out on pages 048 to 051 of this Annual Report.

Upon completion of their audit review, the Internal Auditors submits a report to the Audit Committee on their audit findings, such as internal control weaknesses identified as well as recommendations or corrective measures for the Audit Committee's review and approval, or for future deliberation with the SBU Heads/Board.

The associated companies have not been dealt with as part of the Group for the purpose of this Statement. The Group's system of 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 to discuss and review the financial performance of these companies when necessary. The financial performance of these associated companies is provided to the Management and Board via the Group's monthly financial reporting framework with the objective of safeguarding the investment of the Group.

ASSURANCE AND CONCLUSION

The Board has received assurance from the Group Managing Director that the Group's current risk management and internal control systems have been operating adequately and effectively, in all material aspects based on the risk management and internal control processes adopted and similar assurance given by the respective SBU heads.

Taking this assurance into consideration, the Board is of the opinion that there is an ongoing process of identifying, evaluating and managing significant risks faced by the Group. The Group's systems of risk management and internal control were satisfactory and adequate to safeguard the interest of the shareholders and the Group's assets. There were no significant internal control deficiencies that result in material losses, contingencies or uncertainties requiring disclosure in the Annual Report. The Board and Management are cognisant that the development of a sound system of internal control is an on-going process and will continually assess the adequacy and effectiveness of the Group's risk management framework and system of internal control and strengthen it in line with the changes and challenges in the business environment in which the Group operates in.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the Bursa Securities' MMLR, the External Auditors have reviewed and reported the results thereof to the Board. The review was a limited assurance engagement 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 limited assurance engagement performed, the External Auditors, Messrs Baker Tilly Monteiro Heng PLT, 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 Guidelines, Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is factually inaccurate.

This Statement has been approved by the Board of Amtel Holdings Berhad on 9 March 2022.

DIRECTORS' RESPONSIBILITY STATEMENT

IN RESPECT OF THE PREPARATION OF THE AUDITED FINANCIAL STATEMENTS

The Directors are responsible to ensure that the financial statements give a true and fair view of the financial position of the Group and of the Company as at the end of each financial year, and of their financial performance and cash flows 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 2021, the Directors have:-

- Adopted appropriate accounting policies that are consistently applied;
- Made judgements and estimates that are reasonable and prudent;
- Ensured that all applicable approved accounting standards have been followed; and
- Prepared the financial statements on the assumption that the Company and the Group will operate as a going concern.

The Directors have the responsibility for ensuring that the Group and the Company maintains proper accounting and other records which disclose with reasonable accuracy the financial position of the Group and the Company, which will enable them to ensure that the financial statements comply with the provisions of the Companies Act, 2016 and the applicable regulatory requirements.

In addition, the Directors are also responsible for taking reasonable steps to safeguard the assets of the Group and of the Company and to prevent and detect fraud and other irregularities.

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2021

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 November 2021.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding, property investment and the provision of management services. The principal activities of the subsidiaries are set out in Note 6 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM	Company RM
Profit for the financial year, net of tax	3,557,455	935,200
Profit attributable to:		
Owners of the Company	3,557,455	935,200

DIVIDENDS

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 2021.

RESERVES OR PROVISIONS

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

BAD AND DOUBTFUL DEBTS

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

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

CURRENT ASSETS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company had 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:

(a) 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; and

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

In the opinion of the directors, no contingent or other liability of the Group or of the Company has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which 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 MATERIAL AND UNUSUAL NATURE

In the opinion of the directors:

(a) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(b) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is 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 AND DEBENTURES

During the financial year, the Company issued 32,517,616 new ordinary shares pursuant to the bonus issue on the basis of one bonus share for every two existing ordinary shares held in the Company.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

During the financial year, no debentures were issued by the Company.

WARRANTS

On 24 March 2021, the Company completed the issuance and listing of 48,776,330 free warrants on Bursa Malaysia Securities Berhad, on the basis of one free warrant for every two existing ordinary shares, constituted by a Deed Poll dated 19 November 2020.

The salient terms of the free warrants are disclosed in Note 23 to the financial statements.

The movement in the Company's warrants during the financial year is as follows:

	Number of Warrants			
	At 1 December 2020	Issued	Exercised	At 30 November 2021
Warrants	–	48,776,330	–	48,776,330

DIRECTORS

The directors in office during the financial year and during the period from the end of the financial year to the date of the report are:

YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin*
Dato' Koid Hun Kian*
Siow Hock Lee
Ir. Chew Yook Boo
Koid Siang Loong* (Appointed on 19 May 2021)
Lim Hun Teik*
Tan Woon Huei (Retired on 5 May 2021)

* Directors of the Company and certain subsidiaries.

Other than as stated above, the names of the directors of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of the report are:

Chin Wou Chau
Lee Chye Khern
Wong Shok Fan
Leong Sok Yee
Ng Shyh Kang

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares of the Company during the financial year were as follows:

	Number of Ordinary Shares				
	At 1 December 2020	Bought	Bonus Share Issued	Sold	At 30 Novemeber 2021
Direct interest:					
Dato' Koid Hun Kian	8,286,088	–	4,143,044	–	12,429,132
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	200,000	–	100,000	–	300,000
Siow Hock Lee	65,333	–	32,666	–	97,999
Lim Hun Teik	122,000	–	61,000	–	183,000
Koid Siang Loong	1,559,733	–	779,866	–	2,339,599
Indirect interest:					
Dato' Koid Hun Kian *	8,124,203	–	4,062,100	–	12,186,303
Siow Hock Lee **	814,333	–	407,166	–	1,221,499
Koid Siang Loong ***	1,800,000	–	900,000	–	2,700,000

	Number of Warrants			
	At 1 December 2020	Issued	Sold	At 30 November 2021
Direct interest:				
Dato' Koid Hun Kian	–	6,214,566	(6,214,566)	–
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	–	150,000	–	150,000
Siow Hock Lee	–	48,999	–	48,999
Lim Hun Teik	–	91,500	–	91,500
Koid Siang Loong	–	1,169,799	–	1,169,799
Indirect interest:				
Dato' Koid Hun Kian *	–	6,093,150	(3,573,351)	2,519,799
Siow Hock Lee **	–	610,749	–	610,749
Koid Siang Loong ***	–	1,350,000	–	1,350,000

* This includes shares/warrants held by spouse and/or child pursuant to Section 59(11)(c) and Section 8 of the Companies Act 2016; and shares/warrants held by virtue of his interest in Simfoni Kilat Sdn. Bhd. and Bai Yun Mountain Trading (M) Sdn. Bhd. pursuant to Section 8(4) and Section 8 of the Companies Act 2016.

** This includes shares/warrants held by spouse and/or child pursuant to Section 59(11)(c) and Section 8 of the Companies Act 2016.

*** This includes shares/warrants held by virtue of his interest in Bai Yun Mountain Trading (M) Sdn. Bhd. pursuant to Section 8(4) and Section 8 of the Companies Act 2016.

DIRECTORS' INTERESTS (CONTINUED)

By virtue of his interests in the ordinary shares of the Company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, Dato' Koid Hun Kian is deemed to have an interest in the ordinary shares of the subsidiaries to the extent that the Company has an interest.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in ordinary shares of the Company and its related corporations during the financial year.

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 benefits included in the aggregate amount of emoluments received or due and receivable, by the directors and the estimated value of benefit-in-kind as disclosed in Note 32 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.

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

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity insurance coverage and insurance premium paid for the directors and officers of the Company and its subsidiaries were RM10,000,000 and RM15,225 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 6 to the financial statements.

The auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Details of significant event subsequent to the end of the financial year is disclosed in Note 42 to the financial statements.

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration are disclosed in Note 32 to the financial statements.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors.

YTM. TUNKU DATO' SERI KAMEL BIN TUNKU RIJALUDIN
Director

DATO' KOID HUN KIAN
Director

Date: 18 March 2022

STATEMENTS OF FINANCIAL POSITION

AS AT 30 NOVEMBER 2021

		Group		Company	
		2021	2020	2021	2020
	Note	RM	RM	RM	RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	27,028,419	23,733,681	24,830,745	21,413,739
Investment in subsidiaries	6	–	–	18,016,075	18,016,075
Investment in associates	7	1,722,683	1,572,597	–	–
Intangible assets	8	1	1	–	–
Other investments	9	250,000	250,000	–	–
Investment properties	10	3,386,465	3,068,733	–	–
Deferred tax assets	11	307,890	358,965	–	–
Total non-current assets		32,695,458	28,983,977	42,846,820	39,429,814
Current assets					
Inventories	12	6,773,564	4,337,070	–	–
Other investments	9	7,444,052	7,826,618	670,492	45,453
Trade receivables	13	8,997,549	9,909,594	–	–
Other receivables, deposits and prepayments	14	844,136	1,124,510	31,305	67,778
Contract assets	15	5,731,367	5,309,007	–	–
Tax assets	16	140,217	99,171	–	–
Amount owing by subsidiaries	17	–	–	6,769,086	6,518,030
Amount owing by associates	18	156,020	15,539	156,019	11,597
Cash deposits with licensed banks	19	8,521,585	8,372,166	–	–
Cash and bank balances	20	14,909,474	15,801,436	2,754,203	5,683,053
Total current assets		53,517,964	52,795,111	10,381,105	12,325,911
TOTAL ASSETS		86,213,422	81,779,088	53,227,925	51,755,725

STATEMENTS OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2021

Continued

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	21	40,148,639	40,148,639	40,148,639	40,148,639
Reserves	22	25,343,918	21,784,040	5,091,816	4,156,616
TOTAL EQUITY		65,492,557	61,932,679	45,240,455	44,305,255
Liabilities					
Non-current liabilities					
Lease liabilities	24	60,497	139,290	–	–
Deferred tax liabilities	11	104,803	89,427	–	–
Total non-current liabilities		165,300	228,717	–	–
Current liabilities					
Trade payables	25	11,192,502	13,989,312	–	–
Other payables, deposits and accruals	26	2,506,619	2,517,319	1,195,181	627,379
Amount owing to subsidiaries	17	–	–	6,755,669	6,755,971
Amount owing to associates	18	76,776	13,000	–	–
Provisions	27	1,537,807	1,368,928	36,134	66,634
Contract liabilities	15	2,484,977	455,853	–	–
Bank borrowings	28	2,095,911	389,350	–	–
Lease liabilities	24	80,336	100,207	–	–
Tax liabilities		580,637	783,723	486	486
Total current liabilities		20,555,565	19,617,692	7,987,470	7,450,470
TOTAL LIABILITIES		20,720,865	19,846,409	7,987,470	7,450,470
TOTAL EQUITY AND LIABILITIES		86,213,422	81,779,088	53,227,925	51,755,725

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2021

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Revenue	30	54,728,008	56,040,720	3,341,551	3,729,209
Cost of sales	31	(40,879,873)	(42,391,259)	–	(71,715)
Gross profit		13,848,135	13,649,461	3,341,551	3,657,494
Other operating income		963,629	960,582	107,680	254,204
Impairment loss on trade receivable		(36,650)	–	–	–
Distribution expenses		(273,149)	(353,152)	–	–
Administrative expenses		(6,325,198)	(6,294,088)	(1,617,722)	(2,011,775)
Other operating expenses		(2,941,949)	(2,646,174)	(896,309)	(624,041)
		(9,576,946)	(9,293,414)	(2,514,031)	(2,635,816)
Profit from operations		5,234,818	5,316,629	935,200	1,275,882
Finance costs		(70,926)	(56,292)	–	–
Share of results of associates, net of tax		123,864	322,729	–	–
Profit before tax	32	5,287,756	5,583,066	935,200	1,275,882
Income tax expense	33	(1,730,301)	(1,522,115)	–	–
Profit for the financial year		3,557,455	4,060,951	935,200	1,275,882
Other comprehensive income/(loss), net of tax					
Items that may be reclassified subsequently to profit or loss					
Foreign currency translation		2,423	(156)	–	–
Total comprehensive income for the financial year		3,559,878	4,060,795	935,200	1,275,882
Profit for the financial year attributable to:					
Owners of the Company		3,557,455	4,060,951	935,200	1,275,882
Total comprehensive income attributable to:					
Owners of the Company		3,559,878	4,060,795	935,200	1,275,882
Earnings per share (sen)					
- Basic	34	3.84	4.88		
- Diluted	34	3.51	4.88		

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2021

Group	< ------- Attributable to Owners of the Company ------- >				
	Share Capital RM	Fair Value Reserve of Financial Assets at FVOCI RM	Foreign Exchange Reserve RM	Retained Earnings RM	Total Equity RM
At 1 December 2019	32,301,203	159,000	38,179	17,526,066	50,024,448
Total comprehensive income for the financial year					
Profit for the financial year	–	–	–	4,060,951	4,060,951
Other comprehensive loss for the financial year	–	–	(156)	–	(156)
Total comprehensive income	–	–	(156)	4,060,951	4,060,795
Transaction with owners					
Issue of ordinary shares	7,847,436	–	–	–	7,847,436
Total transaction with owners	7,847,436	–	–	–	7,847,436
At 30 November 2020	40,148,639	159,000	38,023	21,587,017	61,932,679
Total comprehensive income for the financial year					
Profit for the financial year	–	–	–	3,557,455	3,557,455
Other comprehensive income for the financial year	–	–	2,423	–	2,423
Total comprehensive income	–	–	2,423	3,557,455	3,559,878
At 30 November 2021	40,148,639	159,000	40,446	25,144,472	65,492,557

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2021

Continued

Company	Share Capital RM	Retained Earnings RM	Total Equity RM
At 1 December 2019	32,301,203	2,880,734	35,181,937
Total comprehensive income for the financial year			
Profit for the financial year	–	1,275,882	1,275,882
Total comprehensive income	–	1,275,882	1,275,882
Transaction with owners			
Issue of ordinary shares	7,847,436	–	7,847,436
Total transaction with owners	7,847,436	–	7,847,436
At 30 November 2020	40,148,639	4,156,616	44,305,255
Total comprehensive income for the financial year			
Profit for the financial year	–	935,200	935,200
Total comprehensive income	–	935,200	935,200
At 30 November 2021	40,148,639	5,091,816	45,240,455

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2021

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Cash flows from operating activities					
Profit before tax		5,287,756	5,583,066	935,200	1,275,882
Adjustments for:					
Depreciation of property, plant and equipment		1,268,456	977,586	239,226	129,946
Depreciation of investment properties		19,768	9,316	–	–
Distribution income from fixed income funds		(181,093)	(229,234)	(25,039)	(81,243)
Dividend income		–	–	(1,701,000)	(2,268,000)
Fair value loss/(gain) on other investments		436,862	(166,280)	–	–
Gain on disposal of property, plant and equipment		(53,772)	–	–	–
Impairment loss on:					
- trade receivables		36,650	–	–	–
- property, plant and equipment		8	4,392	–	-
Interest expense		70,926	56,292	–	-
Interest income		(242,335)	(389,090)	(18,041)	(43,526)
Inventories written off		35,901	55,376	–	–
Inventories written down		52,471	518,749	–	–
Loss on disposal of a subsidiary		–	271	–	–
Net provision of warranty costs		413,292	347,807	–	–
Net provision for employee benefits		(47,450)	59,651	(30,500)	22,389
Property, plant and equipment written off		392	–	18	–
Share of results of associates		(123,864)	(322,729)	–	–
Unrealised gain on foreign exchange		(96,671)	(50,016)	–	–
Waiver of amount owing by a subsidiary		–	–	1,300	1,300
Operating profit/(loss) before changes in working capital carried forward		6,877,297	6,455,157	(598,836)	(963,252)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2021

Continued

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Cash flows from operating activities (Continued)					
Operating profit/(loss) before changes in working capital brought forward		6,877,297	6,455,157	(598,836)	(963,252)
Changes in working capital:					
Contract assets		1,606,764	(3,532,339)	–	–
Inventories		(2,551,088)	(1,046,694)	–	–
Receivables		1,155,769	(287,302)	36,473	1,887,124
Payables		(2,710,839)	4,076,380	567,802	288,603
Cash generated from operations		4,377,903	5,665,202	5,439	1,212,475
Utilisation of provision of warranty costs		(196,963)	(48,858)	–	–
Dividend received		–	–	1,701,000	5,778,000
Interest paid		(70,926)	(56,292)	–	–
Interest received		242,335	389,090	18,041	43,526
Income tax paid		(1,907,982)	(1,915,413)	–	–
Income tax refunded		–	37,853	–	–
Net cash from operating activities		2,444,367	4,071,582	1,724,480	7,034,001
Cash flows from investing activities					
Subscription for additional shares in associate		–	(48,000)	–	–
(Advances to)/Repayment from an associate		(140,481)	26,884	(144,422)	(7,431)
Advances to subsidiaries		–	–	(2,768,318)	(4,101,278)
Repayment from subsidiaries		–	–	2,515,962	1,973,087
Distribution income from fixed income funds		181,093	229,234	25,039	81,243
Net cash outflows on disposal of a subsidiary		–	(20,080)	–	–
Net changes in pledged cash deposits		(121,898)	(707,103)	–	–
Net withdrawal/(placement) of fixed income funds		265,939	15,101,789	(625,039)	9,218,756
Net cash from/(used in) investing activities carried forward		184,653	14,582,724	(996,778)	7,164,377

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2021

Continued

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Cash flows from investing activities (Continued)					
Net cash from/(used in) investing activities brought forward		184,653	14,582,724	(996,778)	7,164,377
Net acquisition of quoted equity securities		(320,235)	(1,566,720)	–	–
Proceeds from disposal of property, plant and equipment		79,900	–	–	–
Purchase of property, plant and equipment	5	(4,589,722)	(22,744,393)	(3,656,250)	(21,521,878)
Purchase of investment properties	10	(337,500)	(1,424,332)	–	–
Net cash used in investing activities		(4,982,904)	(11,152,721)	(4,653,028)	(14,357,501)
Cash flows from financing activities	(a)				
Advances from an associate		63,776	13,000	–	–
Advances from subsidiaries		–	–	26,061	3,268,399
Repayment to subsidiaries		–	–	(26,363)	(1,075,619)
Proceeds from issuance of ordinary shares		–	7,847,436	–	7,847,436
Payment of lease liabilities		(98,664)	(127,265)	–	–
Net cash (used in)/from financing activities		(34,888)	7,733,171	(302)	10,040,216
Net (decrease)/increase in cash and cash equivalents		(2,573,425)	652,032	(2,928,850)	2,716,716
Cash and cash equivalents at the beginning of the financial year		15,445,225	14,793,349	5,683,053	2,966,337
Effects of foreign exchange rate changes		2,423	(156)	–	–
Cash and cash equivalents at the end of the financial year	29	12,874,223	15,445,225	2,754,203	5,683,053

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2021

Continued

(a) Reconciliation of liabilities arising from financing activities:

Group

	Note	1 December 2020 RM	Cash Flows RM	Non-cash Addition RM	30 November 2021 RM
Lease liabilities	24	239,497	(98,664)	–	140,833

		1 December 2019 RM	Cash Flows RM	Non-cash Addition RM	30 November 2020 RM
Lease liabilities	24	366,762	(127,265)	–	239,497

Company

Changes in liabilities arising from financing activities are changes arising from cash flows.

(b) Total cash outflows for leases

During the financial year, the Group and the Company had total cash outflows for leases of RM361,185 and RM68,000 (2020: RM 515,430 and RM 68,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Amtel Holdings Berhad ("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.

The registered office and principal place of business of the Company is located at Wisma Amtel, No.12, Jalan Pensyarah U1/28, Hicom Glenmarie Industrial Park, 40150 Shah Alam, Selangor, Malaysia.

The principal activities of the Company are investment holding, property investment and the provision of management services. The principal activities of the subsidiaries are set out in Note 6 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 18 March 2022.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), the International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.2 Adoption of new MFRS, amendments/improvements to MFRSs and new IC Interpretation ("IC Int")

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

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

MFRS 3	Business Combinations
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments:
MFRS 16	Leases*
MFRS 101	Presentation of Financial Statements
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
MFRS 139	Financial Instruments: Recognition and Measurement

* Early adopted the amendments to MFRS 16 Leases issued by the Malaysian Accounting Standards Board ("MASB") on 5 June 2020 and 6 April 2021.

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

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective

The Group and the Company have not adopted the following new MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
New MFRS		
MFRS 17	Insurance Contracts	1 January 2023
Amendments/Improvements to MFRSs		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022^/ 1 January 2023#
MFRS 3	Business Combinations	1 January 2022/ 1 January 2023#
MFRS 4	Insurance Contracts	1 January 2021
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2023#
MFRS 7	Financial Instruments: Disclosures	1 January 2021/ 1 January 2023#
MFRS 9	Financial Instruments	1 January 2021/ 1 January 2022^/ 1 January 2023#
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023#
MFRS 16	Leases	1 January 2021/ 1 January 2022^
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2023/ 1 January 2023#
MFRS 107	Statements of Cash Flows	1 January 2023#
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Error	1 January 2023
MFRS 112	Income Taxes	1 January 2023
MFRS 116	Property, Plant and Equipment	1 January 2022/ 1 January 2023#
MFRS 119	Employee Benefits	1 January 2023#
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2023#
MFRS 132	Financial Instruments: Presentation	1 January 2023#
MFRS 136	Impairment of Assets	1 January 2023#
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022/ 1 January 2023#
MFRS 138	Intangible Assets	1 January 2023#
MFRS 139	Financial Instruments: Recognition and Measurement	1 January 2021
MFRS 140	Investment Property	1 January 2023#
MFRS 141	Agriculture	1 January 2022^

^ *The Annual Improvements to MFRS Standards 2018-2020.*

\# *Amendments as to the consequence of effective of MFRS 17 Insurance Contracts.*

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective (Continued)

(a) The Group and the Company plan to adopt the above applicable new MFRS and amendments/improvements to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments/improvements to MFRSs that may be applicable to the Group and the Company are summarised below.

Amendments to MFRS 101 Presentation of Financial Statements

The amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period ; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements. To support this amendments, MFRS Practice Statement 2 was also amended to provide guidance on how to apply the concept of materiality to accounting policy information disclosures. The guidance and examples provided in the MFRS Practice Statement 2 highlight the need to focus on entity-specific information and demonstrate how the four-step materiality process can address standardised (or boilerplate) information and duplication of requirements of MFRSs in the accounting policy information disclosures.

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

The amendments revise the definition of accounting estimates to clarify how an entity should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important because the changes in accounting estimates are applied prospectively to transactions, other events, or conditions from the date of that change, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

(b) The initial application of the above new applicable MFRS and amendments/improvements to MFRSs is not expected to have material impact to the current and prior years financial statements of the Group and of the Company.

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency, unless otherwise stated.

2. BASIS OF PREPARATION (CONTINUED)

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed in Note 3 to the financial statements.

2.6 Use of estimates and judgement

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 directors to exercise their judgement in the process of applying 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 where assumptions and major sources of estimation uncertainty at the end of the reporting period that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year, or areas involving judgements that have most effect on the amounts recognised in the financial statements are disclosed in Note 4 to the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries and associates 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

(a) Subsidiaries and business combination (Continued)

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 3.8(a) to the financial statements.

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.

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, or a financial asset.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

(a) Subsidiaries and business combination (Continued)

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) 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 a 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 decrease 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.

(c) Transactions eliminated on consolidation

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

Unrealised gains arising from transactions with equity-accounted associates 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries and associates are measured at cost less any accumulated impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs. 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 3.12(b) to the financial statements.

Contribution to subsidiaries are amounts for which the Company does not expect repayment in the foreseeable future and are considered as part of the Company's investment in the subsidiaries.

3.3 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 period, 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).

(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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Foreign currency transactions and operations (Continued)

(b) Translation of foreign operations (Continued)

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 that do not result in the Group losing significant influence, the proportionate share of the cumulative amount in foreign exchange translation reserve is reclassified to profit or loss.

3.4 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 contractual provisions of the financial instrument.

Except for the trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the financial instruments are recognised initially at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liability. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient are measured at the transaction price determined under MFRS 15 *Revenue from Contracts with Customers*.

(a) Subsequent measurement

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

(i) Financial assets

For the purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income with recycling of cumulative gains and losses upon derecognition
- Financial assets designated at fair value through other comprehensive income with no recycling of cumulative gains and losses upon derecognition
- Financial assets at fair value through profit or loss

The classification depends on the entity's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

The Group and the Company reclassify financial assets when and only when their business model for managing those assets changes.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Financial instruments (Continued)

(a) Subsequent measurement (Continued)

The Group and the Company categorise the financial instruments as follows (Continued):

(i) Financial assets (Continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group and the Company classify their debt instruments:

- **Amortised cost**

  Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.12(a) to the financial statements. Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

- **Fair value through other comprehensive income (FVOCI)**

  Financial assets that are held for collection of contractual cash flows and for selling the financial assets, and the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. The policy for the recognition and measurement of impairment is in accordance with Note 3.12(a) to the financial statements. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

- **Fair value through profit or loss (FVPL)**

  Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

  Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognised in the profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Financial instruments (Continued)

(a) Subsequent measurement (Continued)

The Group and the Company categorise the financial instruments as follows (Continued):

(i) Financial assets (Continued)

Equity instruments

The Group and the Company subsequently measure all equity investments at fair value. Upon initial recognition, the Group and the Company can make an irrevocable election to classify its equity investments that is not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are not recycled to profit or loss. Dividends are recognised as other income in the profit or loss when the right of payment has been established, except when the Group and the Company benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment.

(ii) Financial liabilities

The Group and the Company classify their financial liabilities in the following measurement categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost

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.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 Financial Instruments are satisfied. The Group and the Company have not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Financial instruments (Continued)

(b) 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 in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the liability is measured at the higher of the amount of the loss allowance determined in accordance with Section 5.5 of MFRS 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15.

(c) Derecognition

A financial asset or a part of it is derecognised when, and only when:

(i) the contractual rights to receive the cash flows from the financial asset expire, or
(ii) the Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

The Group and the Company evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of their continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) 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 expired. 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Financial instruments (Continued)

(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.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.

3.5 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 3.12(b) to the financial statements.

Cost of assets 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 3.17 to the financial statements.

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 separate items of property, plant and equipment.

(b) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment 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.

(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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Property, plant and equipment (Continued)

(c) Depreciation (Continued)

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.

3.6 Leases

(a) Definition of lease

At inception of a contract, the Group and the Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Company assess whether:

- the contract involves the use of an identified asset;
- the Group and the Company have the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group and the Company have the right to direct the use of the asset.

(b) Lessee accounting

At the lease commencement date, the Group and the Company recognise a right-of-use asset and a lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

<u>Right-of-use asset</u>

The right-of-use asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Leases (Continued)

(b) Lessee accounting (Continued)

Right-of-use asset (Continued)

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the Group and the Company expect to exercise a purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts from the commencement date of the underlying asset. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.12(b) to the financial statements.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Company use their incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives; and
- the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The Group and the Company remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Variable lease payments that do not depend on an index or a rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “other expenses” in the statements of comprehensive income.

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Leases (Continued)

(b) Lessee accounting (Continued)

Short-term leases and leases of low value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low value assets. The Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(c) Lessor accounting

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.

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 statements 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.

When a contract includes lease and non-lease components, the Group and the Company apply MFRS 15 to allocate the consideration under the contract to each component.

3.7 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 3.12(b) to the financial statements.

No depreciation is provided on freehold land. Investment properties under construction are not depreciated as these assets are not yet available for use.

All other investment properties are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

Leasehold land	92 years
Building	2%

An investment property is derecognised on its 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 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 3.12(b) to the financial statements.

In respect of equity-accounted associates, 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 losses is in accordance with Note 3.12(b) to the financial statements.

(c) Amortisation

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

	Method	Useful life (years)
Development costs	Straight-line	3-5

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.9 Contract assets/(liabilities)

A contract asset is recognised for the excess of revenue recognised over progress billings and deposits or advances received from customers.

When progress billings and deposits or advances received from customers exceed revenue recognised, the Group recognises a contract liability for the difference.

The policy for the recognition and measurement of impairment losses on contract assets is in accordance with Note 3.12(a) to the financial statements.

3.10 Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is determined on the first-in-first-out basis. Cost includes the actual cost of materials 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 necessary to make the sale.

3.11 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.

3.12 Impairment of assets

(a) Impairment of financial assets and contract assets

Financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income ("FVOCI"), contract assets or a loan commitment and financial guarantee contracts will be subject to the impairment requirement in MFRS 9 *Financial Instruments* which is related to the accounting for expected credit losses on the financial assets. Expected credit loss is the weighted average of credit losses with the respective risks of a default occurring as the weights.

The Group and the Company measure loss allowance at an amount equal to lifetime expected credit loss, except for the following, which are measured as 12-month expected credit loss:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

For trade receivables and contract assets, the Group and the Company apply the simplified approach permitted by MFRS 9 to measure the loss allowance at an amount equal to lifetime expected credit losses.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.12 Impairment of assets (Continued)

(a) Impairment of financial assets and contract assets (Continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information.

The Group and the Company assume that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group and the Company consider a financial asset to be in default when:

- the counterparty is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Expected credit losses are discounted at the effective interest rate of the financial assets.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the counterparty;
- a breach of contract, such as a default of past due event;
- the lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.12 Impairment of assets (Continued)

(a) Impairment of financial assets and contract assets (Continued)

The amount of impairment losses (or reversal) shall be recognised in profit or loss, as an impairment gain or loss. For financial assets measured at FVOCI, the loss allowance shall be recognised in other comprehensive income and shall not reduce the carrying amount of the financial asset in the statements of financial position.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

(b) Impairment of non-financial assets

The carrying amounts of non-financial assets (except for inventories, contract assets and deferred tax assets) 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.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.12 Impairment of assets (Continued)

(b) Impairment of non-financial assets (Continued)

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.

3.13 Share capital

Ordinary shares

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

3.14 Employee benefits

(a) Short-term employee benefits

Short-term employee benefit obligations in respect of wages, salaries, social security contributions, annual bonuses, paid annual leave, sick leave and non-monetary benefits are recognised as an expense in the financial year where the employees have rendered their services to the Group and the Company.

(b) Defined contribution plans

As required by law, the Group and the Company contribute to the Employees Provident Fund, the national defined contribution plan. Such contributions are recognised as an expense in the profit or loss in the period in which the employees render their services.

3.15 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.

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.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.16 Revenue and other income

The Group and the Company recognise revenue that depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for those goods or services.

Revenue recognition of the Group and the Company are applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer).

The Group and the Company measure revenue at its transaction price, being the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties such as sales and service tax, adjusted for the effects of any variable consideration, constraining estimates of variable consideration, significant financing components, non-cash consideration and consideration payable to customer.

For contract with separate performance obligations, the transaction price is allocated to the separate performance obligations on the relative stand-alone selling price basis. If the stand-alone selling price is not directly observable, the Group and the Company estimate it by using the costs plus margin approach.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer, i.e. when or as a performance obligation in the contract with customer is satisfied. A performance obligation is satisfied when or as the customer obtains control of the sales or service underlying the particular performance obligation, which the performance obligation may be satisfied at a point in time or over time.

A contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. A modification exists when the change either creates new or changes existing enforceable rights and obligations of the parties to the contract. The Group and the Company have assessed the type of modification and accounted for as either creates a separate new contract, terminates the existing contract and creation of a new contract, or forms a part of the existing contracts.

Financing components

The Group and the Company have applied the practical expedient for not to adjust the promised amount of consideration for the effects of a significant financing components if the Group and the Company expect that the period between the transfer of the promised goods or services to the customer and payment by the customer will be one year or less.

(a) Sale of goods

Revenue from the sale of goods are recognised at a point in time when controls of the products has been transferred, being when the customer accepts the delivery of the goods.

Sales are made with a credit term ranging from 30 days to 90 days which is consistent with market practice, therefore, no element of financing is deemed present. A receivable is recognised when the customer accepts the delivery of the goods as the consideration is unconditional other than the passage of time before the payment is due.

Revenue is recognised base on the price specified in the contract, net of any discounts.

Certain products sold are provided with warranty of up to 3 years to the customers.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.16 Revenue and other income (Continued)

(b) Infrastructure project contracts

Contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Under the terms of the contracts, control of the assets is transferred over time as the Group creates (or enhance) an asset that the customer controls as the asset is created or enhanced. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of project costs incurred for work performed to date bear to the estimated total project costs (an input method).

Sales are made with a credit term of 30 days to 90 days, which is consistent with market practice, therefore, no element of financing is deemed present. The Group and the Company become entitled to invoice customers for contracts based on achieving a series of performance-related milestones.

The Group and the Company recognised a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or timing for billing is due to passage of time. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers then the Group and the Company recognise a contract liability for the difference.

Defect liability period of 2 years is given to the customers.

(c) Interest income

Interest income is recognised using the effective interest method.

(d) Management fee

Management fee income is recognised upon performance of services satisfied over time.

Management fee are made with a credit term of 30 days, therefore, no element of financing is deemed present.

(e) Distribution income

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

(f) Dividend income

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

(g) Rental income

Rental income from investment property is recognised on a straight-line basis over the term of the lease.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.17 Borrowing costs

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 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.

3.18 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, unused 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 recognised 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 and associates, 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.18 Income tax (Continued)

(b) Deferred tax (Continued)

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.

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.

(c) Sales and services tax

Revenue, expenses, and assets are recognised net of the amount of sales and services tax except:

- where the sales and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales and services tax is recognised as part of the cost of acquisition of asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales and services tax included.

The net amount of sales and services tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

3.19 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

3.20 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group Managing Director, 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.21 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.

3.22 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.

4. 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:

(a) Provision for warranty costs

The Group uses "best estimate" as the basis for measuring the estimated liability on its products still under warranty at the reporting date. The provision is computed based on actual sales. Management evaluates the estimate based on the Group's historical experience and other inputs or assumptions, current developments and future events that are reasonably possible under a particular circumstance. Accordingly, the provision amount is subject to inherent uncertainty. Any possible changes in the estimate could result in revisions to the provision amount.

The carrying amount of the Group's provision is disclosed in Note 27 to the financial statement.

(b) Infrastructure project contract revenue

The Group recognised infrastructure project contract revenue in profit or loss by reference to the progress towards complete satisfaction of the performance obligation at the reporting date. The progress towards complete satisfaction of the performance obligation is determined by the proportion of costs incurred for work performed to date bear to the estimated total costs of each project.

Significant judgement is required in the estimation of total project revenue and costs, and the extent of the costs incurred. In making the judgement, the Group evaluates based on past experience. The estimated total revenue and costs is affected by a variety of uncertainties that depend on the outcome of future events.

The carrying amount of revenue is disclosed in Note 30 to the financial statements.

(c) Classification between investment properties and property, plant and equipment

Certain property comprises a portion that is held to earn rental income or capital appreciation, or for both, whilst the remaining portion is held for use in the production or supply of goods and services or for administrative purposes. If the portion held for rental and/or capital appreciation could be sold separately (or leased out separately as a finance lease), the Group and the Company account for that portion as an investment property. If the portion held for rental and/or capital appreciation could not be sold or leased out separately, it is classified as an investment property only if an insignificant portion of the property is held for use in the production or supply of goods and services or for administrative purposes. Management uses judgement to determine whether any ancillary services are of such significance that a property does not qualify as an investment property.

The carrying amount of property, plant and equipment and investment properties are disclosed in Note 5 and Note 10 to the financial statements respectively.

5. PROPERTY, PLANT AND EQUIPMENT

	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	Capital work-in-progress RM	Right-of-use assets RM	Total RM
Group								
2021								
Cost								
At 1 December 2020	11,840,588	8,190,086	1,948,575	4,085,331	2,687,740	1,556,756	594,831	30,903,907
Additions	–	3,331,755	516,384	621,980	119,603	–	–	4,589,722
Disposals	–	–	(55,000)	(8,187)	(169,510)	–	–	(232,697)
Written off	–	–	(228,373)	(1,000,490)	–	–	–	(1,228,863)
Reclassification	–	1,556,756	–	–	–	(1,556,756)	–	–
At 30 November 2021	11,840,588	13,078,597	2,181,586	3,698,634	2,637,833	–	594,831	34,032,069

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	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	Capital work-in-progress RM	Right-of-use assets RM	Total RM
Group								
2021								
Accumulated depreciation and impairment loss								
At 1 December 2020								
Accumulated depreciation	–	150,184	1,601,868	3,078,964	1,809,723	–	359,412	7,000,151
Accumulated impairment loss	–	–	–	170,075	–	–	–	170,075
	–	150,184	1,601,868	3,249,039	1,809,723	–	359,412	7,170,226
Depreciation charge for the financial year	–	196,302	389,710	249,169	324,601	–	108,674	1,268,456
Disposals	–	–	(28,875)	(8,185)	(169,509)	–	–	(206,569)
Written off	–	–	(228,355)	(1,000,116)	–	–	–	(1,228,471)
Impairment loss	–	–	–	8	–	–	–	8
	–	196,302	132,480	(759,124)	155,092	–	108,674	(166,576)
At 30 November 2021								
Accumulated depreciation	–	346,486	1,734,348	2,319,832	1,964,815	–	468,086	6,833,567
Accumulated impairment loss	–	–	–	170,083	–	–	–	170,083
	–	346,486	1,734,348	2,489,915	1,964,815	–	468,086	7,003,650
Net carrying amount								
At 30 November 2021	11,840,588	12,732,111	447,238	1,208,719	673,018	–	126,745	27,028,419

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	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	Capital work-in-progress RM	Right-of-use assets RM	Total RM
Group								
2020								
Cost								
At 1 December 2019	40,000	122,365	1,614,586	3,738,722	2,087,838	–	822,589	8,426,100
Additions	11,800,588	8,067,721	375,239	562,945	381,144	1,556,756	–	22,744,393
Written off	–	–	–	(4,919)	–	–	–	(4,919)
Exercise of option to purchase	–	–	–	–	227,758	–	(227,758)	–
Disposal of a subsidiary	–	–	(41,250)	(211,417)	(9,000)	–	–	(261,667)
At 30 November 2020	11,840,588	8,190,086	1,948,575	4,085,331	2,687,740	1,556,756	594,831	30,903,907

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	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	Capital work-in-progress RM	Right-of-use assets RM	Total RM
Group								
2020								
Accumulated depreciation and impairment loss								
At 1 December 2019								
Accumulated depreciation	–	40,414	1,274,277	3,188,175	1,329,367	–	422,427	6,254,660
Accumulated impairment loss	–	–	–	165,683	–	–	–	165,683
At 1 December 2019	–	40,414	1,274,277	3,353,858	1,329,367	–	422,427	6,420,343
Depreciation charge for the financial year	–	109,770	337,683	105,892	267,975	–	156,266	977,586
Written off	–	–	–	(4,919)	–	–	–	(4,919)
Exercise of option to purchase	–	–	–	–	219,281	–	(219,281)	–
Disposal of a subsidiary	–	–	(10,092)	(210,184)	(6,900)	–	–	(227,176)
Impairment loss	–	–	–	4,392	–	–	–	4,392
	–	109,770	327,591	(104,819)	480,356	–	(63,015)	749,883
At 30 November 2020								
Accumulated depreciation	–	150,184	1,601,868	3,078,964	1,809,723	–	359,412	7,000,151
Accumulated impairment loss	–	–	–	170,075	–	–	–	170,075
	–	150,184	1,601,868	3,249,039	1,809,723	–	359,412	7,170,226
Net carrying amount								
At 30 November 2020	11,840,588	8,039,902	346,707	836,292	878,017	1,556,756	235,419	23,733,681

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land RM	Building RM	Furniture, fixture, fittings, office and computer equipment and electrical installation RM	Renovation RM	Capital work-in-progress RM	Total RM
Company						
2021						
Cost						
At 1 December 2020	11,800,588	8,067,721	527,308	3,785	1,556,756	21,956,158
Additions	–	3,331,756	324,494	–	–	3,656,250
Written off	–	–	(42,777)	(3,785)	–	(46,562)
Reclassification	–	1,556,756	–	–	(1,556,756)	–
At 30 November 2021	11,800,588	12,956,233	809,025	–	–	25,565,846
Accumulated depreciation and impairment loss						
At 1 December 2020						
Accumulated depreciation	–	107,570	424,016	3,784	–	535,370
Accumulated impairment loss	–	–	7,049	–	–	7,049
	–	107,570	431,065	3,784	–	542,419
Depreciation charge for the financial year	–	194,102	45,124	–	–	239,226
Written off	–	–	(42,760)	(3,784)	–	(46,544)
At 30 November 2021	–	301,672	433,429	–	–	735,101
Net carrying amount						
At 30 November 2021	11,800,588	12,654,561	375,596	–	–	24,830,745

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land RM	Building RM	Furniture, fixture, fittings, office and computer equipment and electrical installation RM	Renovation RM	Capital work-in-progress RM	Total RM
Company						
2020						
Cost						
At 1 December 2019	–	–	435,414	3,785	–	439,199
Additions	11,800,588	8,067,721	96,813	–	1,556,756	21,521,878
Written off	–	–	(4,919)	–	–	(4,919)
At 30 November 2020	11,800,588	8,067,721	527,308	3,785	1,556,756	21,956,158
Accumulated depreciation and impairment loss						
At 1 December 2019						
Accumulated depreciation	–	–	406,559	3,784	–	410,343
Accumulated impairment loss	–	–	7,049	–	–	7,049
	–	–	413,608	3,784	–	417,392
Depreciation charge for the financial year	–	107,570	22,376	–	–	129,946
Written off	–	–	(4,919)	–	–	(4,919)
At 30 November 2020	–	107,570	431,065	3,784	–	542,419
Net carrying amount						
At 30 November 2020	11,800,588	7,960,151	96,243	1	1,556,756	21,413,739

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

During the financial year, the property, plant and equipment acquired were satisfied as follows:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Cash payments on purchase of property, plant and equipment	4,589,722	22,744,393	3,656,250	21,521,878

Assets pledged as security

Freehold land and building with a net carrying amount of RM24,455,149 (2020: RM Nil) has been pledged as security to secure bank borrowings as disclosed in Note 28 to the financial statements.

Right-of-use assets

Information about leases for which the Group is lessee is presented below:

	Motor vehicles RM
Group	
Net carrying amount	
At 1 December 2019	400,162
Exercise of option to purchase	(8,477)
Depreciation	(156,266)
At 30 November 2020	235,419
Depreciation	(108,674)
At 30 November 2021	126,745

The Group leases motor vehicles with remaining lease term of 1 to 3 years, and have options to purchase the assets at the end of the contract term.

6. INVESTMENT IN SUBSIDIARIES

	Company	
	2021 RM	2020 RM
Unquoted share, at cost	19,772,662	19,772,662
Less: Accumulated impairment loss	(1,756,587)	(1,756,587)
At 30 November	18,016,075	18,016,075

6. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:

Name of Company	Principal place of business/ Country of incorporation	Ownership interest 2021	Ownership interest 2020	Principal Activities
Held by the Company				
Amtel Cellular Sdn. Bhd.	Malaysia	100%	100%	Research and development of hardware, software applications and its related services. Manufacturing, assembling, installation and sale of telematics and navigation products, electronics, automotive and telecommunication related products and its related services.
Amtel Communications Sdn. Bhd.	Malaysia	100%	100%	Dormant.
Metrarama Sdn. Bhd.	Malaysia	100%	100%	Property investment, investment holding and trading business.
Amtel Resources Sdn. Bhd.	Malaysia	100%	100%	Contractors for installation, jointing and testing of utilities, telecommunications and fibre optic cables and associated civil works.
Held through Amtel Cellular Sdn. Bhd.				
Amnavi Sdn. Bhd.	Malaysia	100%	100%	Geographical Information System (GIS) and related products. Integration, implementation, maintenance and provision of technical services relating to the products.
Amtel Pte. Ltd.#	Singapore	100%	100%	Developing and maintaining of map data source for navigation and web based portal application.
Amtel Intelligence Sdn. Bhd.	Malaysia	100%	100%	Trading and distribution of telematics and navigation products, electronics, automotive, telecomminication related products, parts, accessories and its related services.

\# *Audited by auditors other than Baker Tilly Monteiro Heng PLT.*

7. INVESTMENT IN ASSOCIATES

	Group 2021 RM	Group 2020 RM
Unquoted shares		
At cost		
At beginning of the financial year	250,520	202,360
Additional investments	–	48,160
At end of the financial year	250,520	250,520
Share of results of associates		
At beginning of the financial year	1,322,077	1,013,931
Current year share of results	150,086	308,146
At end of the financial year	1,472,163	1,322,077
	1,722,683	1,572,597

Reconciliation of share of results of associates recognised in investment in associates and statement of comprehensive income is as follows:

	Group 2021 RM	Group 2020 RM
As per investment in associates	150,086	308,146
(Reversal)/Elimination of share of unrealised profit on sales by associates	(26,222)	14,583
As per statement of comprehensive income	123,864	322,729

Details of the associates are as follows:

Name of Company	Principal place of business/ Country of incorporation	Ownership interest 2021	Ownership interest 2020	Principal Activities
Held through Amtel Cellular Sdn. Bhd.				
Milan Utama Sdn. Bhd. ("MUSB")	Malaysia	35%	35%	Trading and distribution of telecommunication, telematics and information & communication technology products, installation & distribution of vehicle products and project implementation.

7. INVESTMENT IN ASSOCIATES (CONTINUED)

Details of the associates are as follows (Continued):

Name of Company	Principal place of business/ Country of incorporation	Ownership interest 2021	Ownership interest 2020	Principal Activities
Held through Amtel Resources Sdn. Bhd.				
WAMM Bersekutu Sdn. Bhd. ("WAMM")	Malaysia	32%	32%	Contractors for installation, jointing and testing of utilities, telecommunication and fibre optic cables and associated civil work, trading and distribution of telematics and information and communication technology products and services.

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

	MUSB RM	WAMM RM	Total RM
Group			
2021			
Assets and liabilities			
Non-current assets	404,150	38,410	442,560
Current assets	6,022,219	399,073	6,421,292
Non-current liabilities	(767,541)	–	(767,541)
Current liabilities	(1,016,499)	(131,641)	(1,148,140)
Net assets	4,642,329	305,842	4,948,171
Results			
Revenue	5,116,537	324,579	5,441,116
Profit for the financial year	405,156	25,881	431,037
Total comprehensive income	405,156	25,881	431,037
2020			
Assets and liabilities			
Non-current assets	823,591	33,751	857,342
Current assets	5,543,330	393,107	5,936,437
Current liabilities	(2,129,747)	(146,897)	(2,276,644)
Net assets	4,237,174	279,961	4,517,135
Results			
Revenue	6,397,880	382,092	6,779,972
Profit for the financial year	762,052	129,462	891,514
Total comprehensive income	762,052	129,462	891,514

7. INVESTMENT IN ASSOCIATES (CONTINUED)

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

	MUSB RM	WAMM RM	Total RM
Group			
2021			
Share of net assets of the Group, representing carrying amount in the statement of financial position	1,624,815	97,869	1,722,683
Share of results of the Group for the financial year	141,804	8,282	150,086
2020			
Share of net assets of the Group, representing carrying amount in the statement of financial position	1,483,010	89,587	1,572,597
Share of results of the Group for the financial year	266,718	41,428	308,146

8. INTANGIBLE ASSETS

	Development costs RM	Total RM
Group		
Cost		
At the end/beginning of the financial year	2,155,184	2,155,184
Accumulated amortisation		
At the end/beginning of the financial year	2,155,183	2,155,183
Net carrying amount		
At the end/beginning of the financial year	1	1

9. OTHER INVESTMENTS

	Group		Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
Non-current				
At fair value				
- Transferable club membership	250,000	250,000	–	–
Current				
At fair value				
- Fixed income funds	5,827,679	6,093,618	670,492	45,453
- Quoted equity securities	1,616,373	1,733,000	–	–
	7,444,052	7,826,618	670,492	45,453

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

Investment in fixed income funds are redeemable upon one day notice (2020: one day notice).

10. INVESTMENT PROPERTIES

	Freehold land RM	Building RM	Under construction RM	Right-of-use asset RM	Total RM
Group					
2021					
Cost					
At 1 December 2020	168,717	722,957	1,687,500	498,875	3,078,049
Additions	–	–	337,500	–	337,500
At 30 November 2021	168,717	722,957	2,025,000	498,875	3,415,549
Accumulated depreciation					
At 1 December 2020	–	6,814	–	2,502	9,316
Depreciation for the financial year	–	14,459	–	5,309	19,768
At 30 November 2021	–	21,273	–	7,811	29,084
Net carrying amount					
At 30 November 2021	168,717	701,684	2,025,000	491,064	3,386,465
Fair value					
At 30 November 2021	378,428	1,009,901	*	706,766	

10. INVESTMENT PROPERTIES (CONTINUED)

	Freehold land RM	Building RM	Under construction RM	Right-of-use asset RM	Total RM
Group					
2020					
Cost					
At 1 December 2019	168,717	–	1,485,000	–	1,653,717
Additions	–	722,957	202,500	498,875	1,424,332
At 30 November 2020	168,717	722,957	1,687,500	498,875	3,078,049
Accumulated depreciation					
At 1 December 2019	–	–	–	–	–
Depreciation for the financial year	–	6,814	–	2,502	9,316
At 30 November 2020	–	6,814	–	2,502	9,316
Net carrying amount					
At 30 November 2020	168,717	716,143	1,687,500	496,373	3,068,733
Fair value					
At 30 November 2020	422,080	882,001	*	611,332	

* The Group determines that the fair value of investment properties under construction could not be reliably measured.

During the financial year, the direct operating expenses arising from investment properties that did not generate any rental income, amounted to RM20,765 (2020: RM10,034).

Fair value of the investment properties are categorised as level 3 fair value. The fair value of the investment properties was derived based on the relevant information available through internal research.

Right-of-use asset

Information about lease for which the Group is lessee is presented below.

	Leasehold land RM
Group	
Net carrying amount	
At 1 December 2019	–
Additions	498,875
Depreciation	(2,502)
At 30 November 2020	496,373
Depreciation	(5,309)
At 30 November 2021	491,064

The Group leases leasehold land with remaining lease term of 92 years.

11. DEFERRED TAX ASSETS/(LIABILITIES)

Deferred tax assets/(liabilities) relate to the following:

	Group	
	2021	**2020**
	RM	**RM**
Deferred tax assets		
At beginning of the financial year	358,965	445,199
Recognised in profit or loss (Note 33)	(51,075)	(86,234)
At end of the financial year	307,890	358,965
Deferred tax liabilities		
At beginning of the financial year	(89,427)	(86,873)
Recognised in profit or loss (Note 33)	(15,376)	(2,554)
At end of the financial year	(104,803)	(89,427)

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

	Group	
	2021	**2020**
	RM	**RM**
Deferred tax assets		
Differences between the carrying amount of property, plant and equipment and its tax base	(43,143)	55,225
Deductible temporary differences in respect of expenses	351,033	303,740
	307,890	358,965
Deferred tax liabilities		
Differences between the carrying amount of property, plant and equipment and its tax base	(114,172)	(98,237)
Deductible temporary differences in respect of expenses	9,369	8,810
	(104,803)	(89,427)

The deferred tax assets and liabilities are not available to set off as they arise from different taxable entities of the Group.

11. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

The estimated amount of temporary differences for which no deferred tax assets are recognised in the financial statements are as follows (stated at gross):

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Unutilised tax losses	6,456,497	5,808,107	3,547,097	3,390,193
Unabsorbed capital allowances	1,308,331	1,209,645	1,289,965	1,172,224
Deductible temporary differences in respect of expenses	36,134	66,634	36,134	66,634
Differences between the carrying amounts of property, plant and equipment and their tax base	(89,812)	(12,460)	(98,001)	(29,154)
	7,711,150	7,071,926	4,775,195	4,599,897

Pursuant to an amendment to Section 44(5F) of the Income Tax Act 1967, the time limit to utilise business losses has been extended to a maximum of 10 consecutive years. This amendment is deemed to have effect from the year of assessment 2019.

Furthermore, unutilised business losses brought forward from year of assessment 2018 can be carried forward for another 10 consecutive years of assessment (i.e. from year of assessment 2019 to 2028).

The unutilised tax losses which are available for offset against future taxable profits of the Company and of the subsidiaries will expire in the following financial years:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
2028	4,635,080	5,014,234	2,348,733	2,704,251
2029	793,773	793,873	685,942	685,942
2031	1,027,644	–	512,422	–
	6,456,497	5,808,107	3,547,097	3,390,193

12. INVENTORIES

	Group 2021 RM	2020 RM
Manufactured goods and parts	5,285,694	2,705,177
Work in progress	1,487,870	1,631,893
	6,773,564	4,337,070

During the financial year, inventories of the Group recognised as cost of sales amounted to RM26,656,086 (2020: RM25,752,694).

The cost of inventories of the Group recognised as an expense in cost of sales during the financial year in respect of write down of inventories to net realisable value was RM52,471 (2020: RM518,749). Furthermore, the Group recognised as an expense in cost of sales during the financial year in respect of written off to inventories amounted RM35,901 (2020: RM55,376).

13. TRADE RECEIVABLES

	Note	Group 2021 RM	2020 RM
Trade receivables	(a)	9,032,781	9,830,980
Less: Allowance for impairment loss		(36,650)	–
		8,996,131	9,830,980
Amount due from an associate	(b)	1,418	78,614
		8,997,549	9,909,594

(a) Trade receivables

The Group's normal trade credit terms extended to customers ranging from 30 days to 90 days (2020: 30 days to 90 days). Other credit terms are assessed and approved on a case by case basis.

<u>Receivables that are impaired</u>

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

	Group 2021 RM	2020 RM
At beginning of the financial year	–	10,000
Charge for the financial year	36,650	–
Disposal of a subsidiary	–	(10,000)
At end of the financial year	36,650	–

The information about the credit exposures are disclosed in Note 38(b)(i) to the financial statements.

13. TRADE RECEIVABLES (CONTINUED)

(b) Amount due from an associate

The amount due from an associate was subjected to normal trade terms ranging from 30 days to 90 days (2020: 30 days to 90 days).

14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

		Group		Company	
		2021	2020	2021	2020
	Note	RM	RM	RM	RM
Other receivables		274,646	207,422	6,180	8,266
Less: Allowance for impairment loss		(26,939)	(26,939)	(6,180)	(6,180)
	(a)	247,707	180,483	–	2,086
Deposits		247,914	235,732	20,754	54,560
GST refundable		–	95,888	–	–
Prepayments	(b)	348,515	612,407	10,551	11,132
		844,136	1,124,510	31,305	67,778

(a) Other receivables

The Group's other receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of other receivables are as follows:

	Group		Company	
	2021	2020	2021	2020
	RM	RM	RM	RM
At end/beginning of the financial year	26,939	26,939	6,180	6,180

(b) Prepayments

Included in prepayments of the Group are amounts of RM276,573 (2020: RM496,089) being advances made to suppliers for purchase of inventories and equipment.

15. CONTRACT ASSETS/(LIABILITIES)

The Group's contract assets and contract liabilities relating to infrastructure project contracts are summarised as follows:

	Group 2021 RM	Group 2020 RM
Contract assets	5,731,367	5,309,007
Contract liabilities	(2,484,977)	(455,853)
	3,246,390	4,853,154

	Contract assets increase/ (decrease) RM	Contract liabilities increase/ (decrease) RM
Group		
2021		
Revenue recognised that was included in contract liability at the beginning of the financial year	–	435,410
Increase due to progress billings or cash received excluding amount recognised as revenue during the year	–	(2,464,535)
Increase due to unbilled revenue recognised during the year	4,880,581	–
Transfers from contract assets recognised at the beginning of the year to receivables	(4,458,230)	–
2020		
Increase due to progress billings or cash received excluding amount recognised as revenue during the year	–	365,422
Increase due to unbilled revenue recognised during the year	4,633,991	–
Transfers from contract assets recognised at the beginning of the year to receivables	(736,230)	–

16. TAX ASSETS

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

17. AMOUNT OWING BY/(TO) SUBSIDIARIES

The amount owing by/(to) subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand in cash.

18. AMOUNT OWING BY/(TO) ASSOCIATES

The amount owing by/(to) associates are non-trade in nature, unsecured, interest-free and repayable on demand in cash.

19. CASH DEPOSITS WITH LICENSED BANKS

Cash deposits with licensed banks of the Group bear effective interest at rates ranging from 1.70% to 2.60% (2020: 1.70% to 3.09%) per annum as at the financial year end with maturity period ranging from 30 days to 365 days (2020: 30 days to 365 days).

Included in the deposits of the Group is an amount of RM8,460,925 (2020: RM8,339,027) pledged as security for banking facilities granted to subsidiaries as disclosed in Note 28 to the financial statements.

20. CASH AND BANK BALANCES

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Cash at banks and in hand	14,909,474	15,801,436	2,754,203	5,683,053

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

	Group	
	2021 RM	2020 RM
United States Dollar	1,651,870	1,165,499
Renminbi	353,093	424,265
Singapore Dollar	5,526	5,462

21. SHARE CAPITAL

	Group/Company			
	Number of ordinary shares		< ----- Amounts ----- >	
	2021 units	2020 units	2021 RM	2020 RM
Issued and fully paid up (no par value):				
At beginning of the financial year	65,036,066	54,197,066	40,148,639	32,301,203
Issued during the financial year	32,517,616	10,839,000	–	7,847,436
At end of the financial year	97,553,682	65,036,066	40,148,639	40,148,639

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.

During the financial year, the Company issued a total of 32,517,616 new ordinary shares pursuant to the bonus issue on the basis of one bonus share for every two existing ordinary shares held in the Company.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

22. RESERVES

		Group		Company	
		2021 RM	2020 RM	2021 RM	2020 RM
Fair value reserve of financial assets at FVOCI	(a)	159,000	159,000	–	–
Foreign exchange reserve	(b)	40,446	38,023	–	–
Retained earnings		25,144,472	21,587,017	5,091,816	4,156,616
		25,343,918	21,784,040	5,091,816	4,156,616

(a) Fair value reserve of financial assets at FVOCI

This reserve comprises the cumulative net change in the fair value of financial assets at fair value through other comprehensive income (FVOCI) until the investments are derecognised or impaired.

(b) Foreign 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.

23. WARRANTS

On 24 March 2021, the Company completed the issuance and listing of 48,776,330 free warrants on Bursa Malaysia Securities Berhad, on the basis of one free warrant for every two existing ordinary shares, constituted by a Deed Poll dated 19 November 2020.

The warrants will expire on 18 March 2024.

The salient terms of the warrants are as follows:

(i) Holders is entitled to subscribe for one new share of the Company at the exercise price during the exercise period;
(ii) The exercise price of the warrants is RM0.65 per warrant subject to adjustments in accordance with the provisions of the deed poll executed;
(iii) The warrants may be exercised at any time for a period of three years commencing on and inclusive of the date of issue;
(iv) The holder will not be entitled to any voting right in any general meeting or to participate in any form of distribution and/or offer of securities unless the warrants are exercise into new shares;
(v) The warrants will only be transferable in accordance with the provision of the Deed Poll subject to the provision of Securities Industry (Central Depositories) Act 1991 and the rules of Bursa Malaysia Depository Sdn. Bhd.; and
(vi) In the event of winding-up, reconstruction or amalgamation with one or more companies:
    - the terms of winding-up, compromise or arrangement shall be binding on all the holders; and
    - every holder shall be entitled (upon and subject to conditions) to exercise rights at any time within six weeks after such winding-up or from the granting of the court order approving the compromise or arrangement.

23. WARRANTS (CONTINUED)

The movement in the Company's warrants during the financial year is as follows:

	Company Number of warrants 2021 Units
At beginning of the financial year	–
Issued during the financial year	48,776,330
At end of the financial year	48,776,330

24. LEASE LIABILITIES

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	Group 2021 RM	Group 2020 RM
Minimum lease payment:		
Not later than one year	85,405	110,136
Later than one year and not later than five years	62,226	145,979
	147,631	256,115
Less: Future finance charges	(6,798)	(16,618)
Present value of minimum lease payments	140,833	239,497
Present value of minimjm lease payments:		
Not later than one year	80,336	100,207
Later than one year and not later than five years	60,497	139,290
	140,833	239,497
Less: Amount due within 12 months	(80,336)	(100,207)
Amount due after 12 months	60,497	139,290

The lease liabilities of the Group bear implicit interest at rates ranging from 4.74% to 6.32% (2020: 4.74% to 6.32%) per annum.

25. TRADE PAYABLES

The normal trade credit term granted by the trade payables to the Group ranges from 30 days to 90 days (2020: 30 days to 90 days).

Included in trade payables of the Group are:

(a) amounts of RM1,485,467 (2020: RM2,922,740) related to accrued project costs.

(b) an amount owing to an associate of RM1,901,204 (2020: RM2,542,000) which is on normal trade credit term.

The foreign currency exposure profiles of trade payables are as follows:

	Group	
	2021 RM	2020 RM
United States Dollar	518,266	505,256
Renminbi	452,706	1,010
Singapore Dollar	257,560	36,401

26. OTHER PAYABLES, DEPOSITS AND ACCRUALS

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Other payables	398,994	496,707	222,377	16,433
Deposits	110,455	176,135	99,355	165,035
SST payable	72,768	53,725	–	–
Accruals	1,924,402	1,790,752	873,449	445,911
	2,506,619	2,517,319	1,195,181	627,379

27. PROVISIONS

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Provision for warranty costs				
At beginning of the financial year	1,205,644	906,695	–	–
Addition	685,574	396,573	–	–
Utilisation	(196,963)	(48,858)	–	–
Reversal	(272,282)	(48,766)	–	–
At end of the financial year	1,421,973	1,205,644	–	–
Provision for employee benefits				
At beginning of the financial year	163,284	104,888	66,634	44,245
Addition	209,861	183,822	50,974	58,777
Utilisation	(257,311)	(124,171)	(81,474)	(36,388)
Disposal of a subsidiary	–	(1,255)	–	–
At end of the financial year	115,834	163,284	36,134	66,634
	1,537,807	1,368,928	36,134	66,634

Provision for warranty costs is in respect of products sold under warranty by a subsidiary. Provision is recognised for expected warranty claims on products sold based on past experience and directors' best estimate. 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 executive director and employees multiplied by their respective salary/wages as at financial year end.

28. BANK BORROWINGS

	Group 2021 RM	Group 2020 RM
Current		
Bank overdrafts	2,095,911	389,350

The bank overdrafts facilities are repayable on demand, and bear interest at rates ranging from 5.25% to 9.15% (2020: 3.27% to 9.15%) per annum, secured and supported by the following:

(a) cash deposits with licensed banks of certain subsidiaries;
(b) corporate guarantees of the Company; and
(c) first legal charge over freehold land and building of the Company as disclosed in Note 5 to the financial statements.

29. CASH AND CASH EQUIVALENTS

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

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Cash at banks and in hand	20	14,909,474	15,801,436	2,754,203	5,683,053
Cash deposits with licensed banks	19	8,521,585	8,372,166	–	–
		23,431,059	24,173,602	2,754,203	5,683,053
Bank overdrafts	28	(2,095,911)	(389,350)	–	–
		21,335,148	23,784,252	2,754,203	5,683,053
Cash deposits with licensed banks under lien	19	(8,460,925)	(8,339,027)	–	–
		12,874,223	15,445,225	2,754,203	5,683,053

30. REVENUE

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Revenue from contract customers:				
Sales of goods or services	43,056,944	44,227,052	–	–
Contract revenue	11,384,364	11,515,614	–	–
Management fees	–	–	1,140,000	1,140,000
	54,441,308	55,742,666	1,140,000	1,140,000
Revenue from other sources:				
Dividend income from subsidiaries	–	–	1,701,000	2,268,000
Rental income	286,700	298,054	500,551	321,209
	286,700	298,054	2,201,551	2,589,209
	54,728,008	56,040,720	3,341,551	3,729,209

30. REVENUE (CONTINUED)

(a) Disaggregation of revenue

The Group reports the following major segments: information and communication technology, telecommunications, infrastructure and services and others in accordance with MFRS 8 *Operating Segments*. For the purpose of disclosure for disaggregation of revenue, it disaggregates revenue into major products or services and timing of revenue recognition (i.e. goods transferred at a point in time or services transferred over time).

	Information and communication technology RM	Telecommunications, infrastructure and services RM	Total RM
Group			
2021			
Major goods or services:			
Sales of goods or services	43,056,944	–	43,056,944
Contract revenue	–	11,384,364	11,384,364
	43,056,944	11,384,364	54,441,308
Timing of revenue recognition:			
At a point in time	43,056,944	–	43,056,944
Over time	–	11,384,364	11,384,364
	43,056,944	11,384,364	54,441,308
2020			
Major goods or services:			
Sales of goods or services	44,227,052	–	44,227,052
Contract revenue	–	11,515,614	11,515,614
	44,227,052	11,515,614	55,742,666
Timing of revenue recognition:			
At a point in time	44,227,052	–	44,227,052
Over time	–	11,515,614	11,515,614
	44,227,052	11,515,614	55,742,666

30. REVENUE (CONTINUED)

(a) Disaggregation of revenue (Continued)

	Others RM	Total RM
Company		
2021		
Major goods or services:		
Management fee	1,140,000	1,140,000
Timing of revenue recognition:		
Over time	1,140,000	1,140,000
2020		
Major goods or services:		
Management fee	1,140,000	1,140,000
Timing of revenue recognition:		
Over time	1,140,000	1,140,000

(b) Transaction price allocated to the remaining performance obligation

The Group and the Company applied the practical expedient in paragraph 121(a) of MFRS 15 and did not disclose information about remaining performance for contracts that have original expected duration of one year or less.

31. COST OF SALES

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Cost of sales of goods or services	32,535,272	33,338,932	–	–
Cost of infrastructure project contracts	8,344,601	9,052,327	–	–
Cost of property management services	–	–	–	71,715
	40,879,873	42,391,259	–	71,715

32. PROFIT BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit before tax:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Auditors' remuneration:				
- statutory audit	131,605	132,881	62,500	65,000
- other services	6,000	6,000	6,000	6,000
Depreciation of property, plant and equipment	1,268,456	977,586	239,226	129,946
Depreciation of investment properties	19,768	9,316	–	–
Distribution income from fixed income funds	(181,093)	(229,234)	(25,039)	(81,243)
Dividend income	–	–	(1,701,000)	(2,268,000)
Expenses relatingto short term lease	252,700	373,000	68,000	98,600
Fair value loss/(gain) on other investments	436,862	(166,280)	–	–
Gain on disposal of property, plant and equipment	(53,772)	–	–	–
Impairment loss on:				
- trade receivables	36,650	–	–	–
- property plant and equipment	8	4,392	–	–
Interest expense:				
- lease liabilities	9,821	15,165	–	–
- bank overdrafts	39,757	17,799	–	–
- others	21,348	23,328	–	–
Interest income	(242,335)	(389,090)	(18,041)	(43,526)
Inventories written off	35,901	55,376	–	–
Inventories written down	52,471	518,749	–	–
Loss on disposal of a subsidiary	–	271	–	–
Loss/(Gain) on foreign exchange:				
- realised	118,261	28,225	–	–
- unrealised	(96,671)	(50,016)	–	–
Net provision for employee benefits	(47,450)	59,651	(30,500)	22,389
Net provision of warranty costs	413,292	347,807	–	–
Personnel expenses (including key management personnel):				
- contribution to Employees Provident Fund and social security contribution	526,711	399,893	96,150	94,596
- salaries and others	4,753,466	4,712,820	1,198,484	1,664,066
Property, plant and equipment written off	392	–	18	–
Rental income	(40,400)	(56,400)	(52,000)	(78,000)
Share of results of associates	(123,864)	(322,729)	–	–
Waiver of amount owing by a subsidiary	–	–	1,300	1,300

32. PROFIT BEFORE TAX (CONTINUED)

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

	Group		Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
Executive Directors				
- other emoluments	1,280,533	1,293,849	651,800	683,600
- contribution to Employees Provident Fund and social security contribution	92,874	91,926	26,473	27,793
- estimated monetary value of benefit-in-kind	46,450	46,450	31,150	31,150
	1,419,857	1,432,225	709,423	742,543
Non-executive Directors				
- fees	298,374	313,500	264,534	279,300
- other emoluments	7,200	11,200	7,200	11,200
	305,574	324,700	271,734	290,500
Total directors' remuneration	1,725,431	1,756,925	981,157	1,033,043

33. INCOME TAX EXPENSE

	Group		Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
Current tax expense:				
Malaysian income tax:				
- Current year	1,494,698	1,668,967	–	–
- Under/(Over) provision in prior financial year	169,152	(235,640)	–	–
	1,663,850	1,433,327	–	–
Deferred tax expense (Note 11):				
- Relating to origination/(reversal) of temporary differences	22,344	(44,019)	–	–
- Under provision in prior financial year	44,107	132,807	–	–
	66,451	88,788	–	–
Tax expense recognised in profit or loss	1,730,301	1,522,115	–	–

33. INCOME TAX EXPENSE (CONTINUED)

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2020: 24%) of the estimated assessable profit for the financial year.

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	
	2021 RM	2020 RM	2021 RM	2020 RM
Profit before tax	5,287,756	5,583,066	935,200	1,275,882
Tax at the Malaysian statutory income tax rate of 24% (2020: 24%)	1,269,061	1,339,936	224,448	306,212
Effect of different tax rate in foreign jurisdictions	(74,916)	(73,121)	–	–
Tax effect of non-taxable income	(189,270)	(124,898)	(453,387)	(574,265)
Tax effect of non-deductible expenses	358,753	266,063	186,867	121,880
Deferred tax assets not recognised during the financial year	153,414	216,968	42,072	146,173
Under/(Over) provision in prior financial year:				
- current tax expense	169,152	(235,640)	–	–
- deferred tax expense	44,107	132,807	–	–
Income tax expense	1,730,301	1,522,115	–	–

34. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share of the Group is calculated based on the profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the financial year:

	Group	
	2021 RM	2020 RM
Profit for the financial year attributable to owners of the Company	3,557,455	4,060,951
Weighted average number of shares (unit) #	92,653,767	83,161,329
Basic earnings per share (sen) #	3.84	4.88

Retrospectively adjusted following the bonus issue during the financial year as disclosed in Note 21 to the financial statements.

34. EARNINGS PER SHARE (CONTINUED)

(b) Diluted earnings per share

Diluted earnings per share are based on the profit for the financial year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, calculated as follows:

	Group	
	2021 **RM**	**2020** **RM**
Profit for the financial year attributable to owners of the Company	3,557,455	4,060,951
Weighted average number of shares (unit) for basic earnings per share	92,653,767	83,161,329
Effects of dilution from:		
- Warrants	8,659,469	–
Weighted average number of shares (unit) for diluted earnings per share	101,313,236	83,161,329
Diluted earnings per share (sen)	3.51	4.88

There have been no transactions involving ordinary shares or potential ordinary shares since the reporting date and before the authorisation of these financial statements.

35. 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.

35. RELATED PARTY DISCLOSURES (CONTINUED)

(b) Related party transactions and balances

The transactions with subsidiaries are as follows:

	Company 2021 RM	Company 2020 RM
Dividend received/receivable from subsidiaries	(1,701,000)	(2,268,000)
Management fees received/receivable from subsidiaries	(1,140,000)	(1,140,000)
Rental of premises received/receivable from subsidiaries	(233,051)	(95,155)
Waiver of amount owing by a subsidiary	1,300	1,300

The transactions with associates are as follows:

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Purchases from an associate	5,041,579	5,785,519	–	–
Sales to associate	–	(116,276)	–	–
Management fees paid/ payable to an associate	192,000	132,000	–	–
Manpower received/receivable from an associate	–	(17,500)	–	–
Rental of premises paid/ payable to an associate	8,000	12,000	–	–
Rental of premises received/ receivable from an associates	(56,800)	(42,000)	(28,800)	–

Information regarding outstanding balances arising from related party transactions are disclosed in Notes 13, 17, 18 and 25 to the financial statements.

(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 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Fee	298,374	313,500	264,534	279,300
Short term employee benefits	1,574,940	1,599,998	769,650	809,802
Post-employment benefits	123,104	136,008	40,726	48,215
Estimated monetary value of benefit-in-kind	55,250	78,350	31,150	31,150
	2,051,668	2,127,856	1,106,060	1,168,467

36. CORPORATE GUARANTEES

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Secured				
In respect of corporate guarantees given by the Company to financial institutions for banking and credit facilities granted to:				
- Associate	951,995	474,712	951,995	474,712
- Subsidiary	–	–	2,095,904	–
	951,995	474,712	3,047,899	474,712

37. SEGMENT INFORMATION

For management purposes, the Group is organised into operating segments based on their products and services. The Group Managing Director regularly reviews the information of each operating segment for the purposes of resource allocation and assessment of segment performance. As such, the Group's reportable segment in accordance with MFRS 8 *Operating Segments* is as follows:

Information and Communication Technology	Inclusive of research and development of hardware, software applications and its related services, telematics and navigation products, electronics, automotive and telecommunication related products, Geographical Information System (GIS) and related products and services.
Telecommunications, Infrastructure and Services	Inclusive of installation, jointing and testing of utilities, telecommunication and fibre optic cables and associated civil works.
Others	Mainly comprise investment holding, property investment and provision of management services which are incidental to the activities of the Group, and trading business.

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 described in Note 3 to the financial statements. Segment results represent profit or loss before tax 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 of the segment.

Segment liabilities

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

37. SEGMENT INFORMATION (CONTINUED)

(a) Operating segment

Group	Note	Information and Communication Technology RM	Telecommunications, Infrastructure and Services RM	Others RM	Eliminations RM	Consolidated RM
2021						
Segment Revenue						
External revenue		42,957,044	11,484,264	286,700	–	54,728,008
Inter-segment revenue	(i)	221,785	–	3,054,851	(3,276,636)	–
Total revenue		43,178,829	11,484,264	3,341,551	(3,276,636)	54,728,008
Segment Results						
Interest income		130,487	51,482	60,366	–	242,335
Interest expense		(48,132)	(22,794)	–	–	(70,926)
Depreciation of property, plant and equipment		(773,317)	(255,912)	(239,227)	–	(1,268,456)
Share of results of associates		115,582	8,282	–	–	123,864
Other non-cash items	(ii)	386,099	38,976	406,380	–	831,455
Segment profit/(loss) before tax		5,106,445	1,073,247	(891,936)	–	5,287,756
Income tax expense		(1,425,685)	(304,616)	–	–	(1,730,301)
Segment Assets						
Additions to non-current assets	(iii)	749,284	184,189	3,993,749	–	4,927,222
Total segment assets		33,110,292	15,438,446	37,664,684	–	86,213,422
Segment Liabilities						
Total segment liabilities		12,751,784	6,732,140	1,236,941	–	20,720,865

37. SEGMENT INFORMATION (CONTINUED)

(a) Operating segment (Continued)

Group	Note	Information and Communication Technology RM	Telecommunications, Infrastructure and Services RM	Others RM	Eliminations RM	Consolidated RM
2020						
Segment Revenue						
External revenue		44,227,052	11,515,614	298,054	–	56,040,720
Inter-segment revenue	(i)	219,624	181,947	3,431,155	(3,832,726)	–
Total revenue		44,446,676	11,697,561	3,729,209	(3,832,726)	56,040,720
Segment Results						
Interest income		194,564	56,506	138,020	–	389,090
Interest expense		(48,536)	(7,756)	–	–	(56,292)
Depreciation of property, plant and equipment		(619,532)	(228,108)	(129,946)	–	(977,586)
Share of results of associate		281,301	41,428	–	–	322,729
Other non-cash items	(ii)	905,184	8,386	(143,891)	–	769,679
Segment profit/(loss) before tax		5,698,123	715,817	(830,874)	–	5,583,066
Tax (expense)/credit		(1,408,179)	(113,936)	–	–	(1,522,115)
Segment Assets						
Additions to non-current assets	(iii)	894,482	328,031	22,946,212	–	24,168,725
Total segment assets		31,044,497	14,164,936	36,569,655	–	81,779,088
Segment Liabilities						
Total segment liabilities		12,906,262	6,240,228	699,919	–	19,846,409

37. SEGMENT INFORMATION (CONTINUED)

(a) Operating segment (Continued)

(i) Inter-segment revenue is 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	
	2021 RM	**2020 RM**
Fair value loss/(gain) on other investment	436,862	(166,280)
Gain on foreign exchange - unrealised	(96,671)	(50,016)
Impairment loss on:		
- trade receivables	36,650	–
- property plant and equipment	8	4,392
Inventories written off	35,901	55,376
Inventories written down	52,471	518,749
Net provision for employee benefits	(47,450)	59,651
Net provision for warranty costs	413,292	347,807
Property, plant and equipment written off	392	–
	831,455	769,679

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

	Group	
	2021 RM	**2020 RM**
Property, plant and equipment	4,589,722	22,744,393
Investment properties	337,500	1,424,332
	4,927,222	24,168,725

(b) Geographical segment

The Group operates predominantly in Malaysia and hence, no geographical segment is presented.

(c) Information about major customers

Revenue from 3 (2020: 3) major customers of the Group amounted to RM34,481,653 (2020: RM38,463,454).

38. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

(i) Fair value through comprehensive income ("FVOCI")
(ii) Fair value through profit or loss ("FVPL")
(iii) Amortised cost ("AC")

	Carrying amount RM	FVOCI RM	FVPL RM	AC RM
Group				
2021				
Financial assets				
Fixed income funds	5,827,679	–	5,827,679	–
Quoted equity securities	1,616,373	–	1,616,373	–
Transferable club membership	250,000	250,000	–	–
Trade receivables	8,997,549	–	–	8,997,549
Other receivables and deposits	495,621	–	–	495,621
Amount owing by associates	156,020	–	–	156,020
Cash deposits with licensed banks	8,521,585	–	–	8,521,585
Cash and bank balances	14,909,474	–	–	14,909,474
	40,774,301	250,000	7,444,052	33,080,249
Financial liabilities				
Trade payables	11,192,502	–	–	11,192,502
Other payables, deposits and accruals ^	2,433,851	–	–	2,433,851
Amount owing to associates	76,776	–	–	76,776
Bank borrowings	2,095,911	–	–	2,095,911
	15,799,040	–	–	15,799,040

38. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (Continued)

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned (Continued):

	Carrying amount RM	FVOCI RM	FVPL RM	AC RM
Group				
2020				
Financial assets				
Fixed income funds	6,093,618	–	6,093,618	–
Quoted equity securities	1,733,000	–	1,733,000	–
Transferable club membership	250,000	250,000	–	–
Trade receivables	9,909,594	–	–	9,909,594
Other receivables and deposits *	416,215	–	–	416,215
Amount owing by an associate	15,539	–	–	15,539
Cash deposits with licensed banks	8,372,166	–	–	8,372,166
Cash and bank balances	15,801,436	–	–	15,801,436
	42,591,568	250,000	7,826,618	34,514,950
Financial liabilities				
Trade payables	13,989,312	–	–	13,989,312
Other payables, deposits and accruals ^	2,463,594	–	–	2,463,594
Amount owing to associates	13,000	–	–	13,000
Bank borrowings	389,350	–	–	389,350
	16,855,256	–	–	16,855,256

	Carrying amount RM	FVPL RM	AC RM
Company			
2021			
Financial assets			
Fixed income funds	670,492	670,492	–
Other receivables and deposits	20,754	–	20,754
Amount owing by subsidiaries	6,769,086	–	6,769,086
Amount owing by an associate	156,019	–	156,019
Cash and bank balances	2,754,203	–	2,754,203
	10,370,554	670,492	9,700,062

38. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (Continued)

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned (Continued):

	Carrying amount RM	FVPL RM	AC RM
Company			
2021			
Financial liabilities			
Other payables, deposits and accruals	1,195,181	–	1,195,181
Amount owing to subsidiaries	6,755,669	–	6,755,669
	7,950,850	–	7,950,850
2020			
Financial assets			
Fixed income funds	45,453	45,453	–
Other receivables and deposits	56,646	–	56,646
Amount owing by subsidiaries	6,518,030	–	6,518,030
Amount owing by an associate	11,597	–	11,597
Cash and bank balances	5,683,053	–	5,683,053
	12,314,779	45,453	12,269,326
Financial liabilities			
Other payables, deposits and accruals ^	627,379	–	627,379
Amount owing to a subsidiary	6,755,971	–	6,755,971
	7,383,350	–	7,383,350

* *Exclude GST refundable.*
^ *Exclude SST payable.*

(b) Financial risk management

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management. The audit committee provides independent oversight to the effectiveness of the risk management process.

38. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk primarily arise from its trade receivables and contract assets whilst the Company's exposure to credit risk primarily arises from amount owing by subsidiaries. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures.

Trade receivables and contract assets

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statements of financial position.

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group considers any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Credit risk concentration profile

As at the end of the reporting period, the Group has significant concentration of credit risk in the form of outstanding balances owing by 3 (2020: 2) customers representing 20% (2020: 53%) of the total receivables whilst the Company has significant concentration of credit risk from the amount owing by its subsidiaries.

The Group applies the simplified approach to providing for impairment losses prescribed by MFRS 9, which permits the use of the lifetime expected credit loss ("ECL") provision for the trade receivable and contract assets. The Group individually assessed ECL of individual customer based on indicators such as changes in financial capability of the receivables, past payment trends of the receivables 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 receivable. The Group believes that changes in economic conditions over these periods would not materially impact the impairment calculation of the receivables.

38. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(i) Credit risk (Continued)

Trade receivables and contract assets (Continued)

Credit risk concentration profile (Continued)

The information about the credit risk exposure on the Group's trade receivables and contract assets are as follow:

	Gross Carrying Amount RM	ECL Allowance RM	Net Balance RM
Group			
2021			
Trade receivables			
Current (not past due)	7,062,150	–	7,062,150
> 30 days past due	1,122,006	–	1,122,006
> 60 days past due	194,730	–	194,730
> 90 days past due	54,882	–	54,882
> 120 days past due	563,781	–	563,781
Individually assessed (credit-impaired)	36,650	(36,650)	–
	9,034,199	(36,650)	8,997,549
Contract assets			
Current (not past due)	5,731,367	–	5,731,367
	14,765,566	(36,650)	14,728,916
2020			
Trade receivables			
Current (not past due)	7,040,328	–	7,040,328
> 30 days past due	1,576,016	–	1,576,016
> 60 days past due	220,602	–	220,602
> 90 days past due	6,399	–	6,399
> 120 days past due	1,066,249	–	1,066,249
	9,909,594	–	9,909,594
Contract assets			
Current (not past due)	5,309,007	–	5,309,007
	15,218,601	–	15,218,601

38. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(i) Credit risk (Continued)

Other receivables and other financial assets

For other receivables and other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposures to credit risk arising from other receivables and other financial assets are represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

The Company provides advances to subsidiaries. The Company monitors the result of the subsidiaries in determining the recoverability of the intercompany balances. The advances to subsidiaries are repayable on demand. For such advances, ECL are assessed based on the assumption that repayment of the advances is demanded at the reporting date. If the subsidiary does not have sufficient liquid reserves when the loan is demanded, the Company will consider the expected manner of recovery and recovery period of the advances.

Other than the credit-impaired other receivables, the Group and the Company consider these financial assets to have low credit risk. As at reporting date, the Group and the Company determine the ECL for other receivables and other financial assets to be negligible.

Refer to Note 3.12(a) to the financial statements for the Group's and the Company's other accounting policies for impairment of financial assets.

Financial guarantee

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of loans granted to its subsidiaries and associate. The Company monitors the results of its associate and subsidiary and their repayments on an on-going basis. The maximum exposure of the Group and the Company to credit risk amounted to RM951,995 (2020: RM474,712) and RM3,047,899 (2020: RM474,712) respectively representing the outstanding credit facilities of the subsidiary and associate guaranteed by the Company at the reporting date. At the reporting date, there was no loss allowance for impairment as determined by the Company for the financial guarantees.

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

38. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations when they fall due. 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 exposure to liquidity risk arise principally from trade and other payables, loans and borrowings. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the 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.

<u>Analysis of financial instruments by remaining contractual maturities</u>

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	2 to 5 years RM
2021				
Group				
Financial liabilities				
Trade payables	11,192,502	11,192,502	11,192,502	–
Other payables, deposits and accruals ^	2,433,851	2,433,851	2,433,851	–
Amount owing to associates	76,776	76,776	76,776	–
Lease liabilities	140,833	147,631	85,405	62,226
Bank overdrafts	2,095,911	2,095,911	2,095,911	–
Financial guarantee*	–	951,995	951,995	–
	15,939,873	16,898,666	16,836,440	62,226
Company				
Financial liabilities				
Other payables and accruals	1,195,181	1,195,181	1,195,181	–
Amount owing to subsidiaries	6,755,669	6,755,669	6,755,669	–
Financial guarantee*	–	3,047,899	3,047,899	–
	7,950,850	10,998,749	10,998,749	–

38. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(ii) Liquidity risk (Continued)

Analysis of financial instruments by remaining contractual maturities (Continued)

	Carrying amount RM	Total contractual cash flows RM	On demand or within 1 year RM	2 to 5 years RM
2020				
Group				
Financial liabilities				
Trade payables	13,989,312	13,989,312	13,989,312	–
Other payables, deposits and accruals ^	2,463,594	2,463,594	2,463,594	–
Amount owing to associates	13,000	13,000	13,000	–
Lease liabilities	239,497	256,115	110,136	145,979
Bank overdrafts	389,350	389,350	389,350	–
Financial guarantee*	–	474,712	474,712	–
	17,094,753	17,586,083	17,440,104	145,979
Company				
Financial liabilities				
Other payables and accruals	627,379	627,379	627,379	–
Amount owing to subsidiaries	6,755,971	6,755,971	6,755,971	–
Financial guarantee*	-	474,712	474,712	–
	7,383,350	7,858,062	7,858,062	–

^ *Exclude SST payable.*

* *The Company has given corporate guarantee to banks on behalf of associate and subsidiaries for banking facilities. The potential exposure of the financial guarantee is equivalent to the amount of the banking facilities being utilised by the said associate and subsidiaries.*

38. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(iii) 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, bank borrowings and lease liabilities.

Interest bearing financial assets include cash deposits 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 at fixed rate expose the Group to fair value interest rate risk.

Interests bearing financial liabilities include lease liabilities and bank overdrafts.

Borrowings at floating rate amounting to RM2,095,911 (2020: RM389,350) expose the Group to cash flow interest rate risk whilst lease liabilities at fixed rate amounting to RM140,833 (2020: RM239,497) 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.

<u>Sensitivity analysis for interest rate risk</u>

The Group and Company believes that no reasonably possible changes in the interest rate could affect the results of the Group and the Company materially as the impact is not significant.

(iv) 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 bank balances denominated in foreign currencies for working capital purposes. At the reporting date, such foreign currencies balances (mainly in USD, RMB and SGD) amounting to RM2,010,489 (2020: RM1,595,226).

<u>Sensitivity analysis for foreign currency risk</u>

The Group believes that the impact of foreign currency fluctuation will not significantly affect the profitability of the Group. As such, sensitivity analysis is not presented.

38. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(v) Market price 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 quoted equity securities. These instruments are classified as fair value through profit or loss. 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 other investments had been 5% higher/lower, with all other variables held constant, the Group's net profit would increase/decrease by RM61,422 (2020: RM65,854) as a result of increase/decrease in the fair value of the quoted equity securities.

(c) Fair values measurement

(i) Determination of fair value

The methods and assumptions used to determine the fair value of the following classes of financial assets and liabilities are as follows:

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.

Other investments

The fair value of fixed income funds is determined by reference to the redemption price at the reporting date.

The fair value of quoted equity securities is determined by their quoted closing market price at the end of the reporting date.

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

Borrowings

The carrying amounts of the current portion of borrowings are reasonable approximation of fair value due to the insignificant impact of discounting.

38. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair values measurement (Continued)

(ii) 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).

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

	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
Group					
2021					
Financial assets at fair value through profit or loss					
- Fixed income funds	5,827,679	5,827,679	–	–	5,827,679
- Quoted equity securities	1,616,373	1,616,373	–	–	1,616,373
Financial assets at fair value through other comprehensive income					
- Transferable club membership	250,000	–	250,000	–	250,000

38. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair values measurement (Continued)

(ii) Fair value hierarchy (Continued)

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

	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
Group					
2020					
Financial assets at fair value through profit or loss					
- Fixed income funds	6,093,618	6,093,618	–	–	6,093,618
- Quoted equity securities	1,733,000	1,733,000	–	–	1,733,000
Fair value assts at fair value through other comprehensive income					
- Transferable club membership	250,000	–	250,000	–	250,000
Company					
2021					
Financial assets at fair value through profit or loss					
- Fixed income funds	670,492	670,492	–	–	670,492

38. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair values measurement (Continued)

(ii) Fair value hierarchy (Continued)

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

	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
Company					
2020					
Financial assets at fair value through profit or loss					
- Fixed income funds	45,453	45,453	–	–	45,453

During the financial year ended 30 November 2021 and 2020, there have been no transfers between Level 1 and Level 2.

39. CAPITAL COMMITMENTS

The Group and the Company have made commitments for the following:

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Approved and contracted for:				
Acquisition of investment properties	675,000	1,012,500	–	–
Acquisition of property, plant and equipment	1,047,007	3,985,870	1,047,007	3,985,870
	1,722,007	4,998,370	1,047,007	3,985,870

40. 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 2021 and 30 November 2020.

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

The Group monitors capital using a gearing ratio, which is net debts divided by total capital. Net debts comprise borrowings (including 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 2021 and 30 November 2020, which is within the Group's objectives of capital management are as follows:

	Group	
	2021 RM	**2020 RM**
Total interest-bearing borrowings	2,236,744	628,847
Less: Cash at bank, in hand and cash deposits	(23,431,059)	(24,173,602)
Total net cash	(21,194,315)	(23,544,755)
Total equity	65,492,557	61,932,679
Debt to equity ratio (%)	*	*

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

41. IMPACT OF COVID-19 OUTBREAK

On 11 March 2020, the World Health Organisation declared the COVID-19 outbreak as a pandemic in recognition of its rapid spread across the globe. The Malaysian Government imposed the Movement Control Order ("MCO") and various level of MCO to curb the spread of the COVID-19 pandemic. The COVID-19 pandemic also resulted in travel restriction, lockdown and other precautionary measures imposed in various countries. The emergence of the COVID-19 pandemic since early 2020 has brought significant economic uncertainties in Malaysia and around the world.

The Group has assessed and concluded that the COVID-19 outbreak did not have material adverse effect on the Group's and the Company's financial statements for the current financial year.

Given the fluidity of the situation, the Group and the Company will continue to monitor the impact of the pandemic and take appropriate and timely measures to minimise its impact on the Group's and the Company's operations.

42. SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 31 December 2021, Amtel Resources Sdn. Bhd. ("ARSB"), a wholly-owned subsidiary of the Company, disposed of 2% equity shares in its associate, WAMM Bersekutu Sdn. Bhd. ("WAMM"). As a result, ARSB's equity interest in WAMM was reduced from 32% to 30%.

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, **YTM. TUNKU DATO' SERI KAMEL BIN TUNKU RIJALUDIN** and **DATO' KOID HUN KIAN**, being two of the directors of AMTEL HOLDINGS BERHAD, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 064 to 147 are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 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 2021 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors:

YTM. TUNKU DATO' SERI KAMEL BIN TUNKU RIJALUDIN
Director

DATO' KOID HUN KIAN
Director

Date: 18 March 2022

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016

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 accompanying financial statements set out on pages 064 to 147 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.

DATO' KOID HUN KIAN
Director

Subscribed and solemnly declared at Puchong in the state of Selangor Darul Ehsan on 18 March 2022.

Before me,

NG SAY JIN (B-195)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AMTEL HOLDINGS BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Amtel Holdings Berhad, which comprise the statements of financial position as at 30 November 2021 of the Group and of the Company, and the statements of 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 notes to the financial statements, including significant accounting policies, as set out on pages 064 to 147.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 November 2021, and of their financial performance and their 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 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Group

Provision for warranty costs (Notes 4(a) and 27 to the financial statements)

The Group recognised provision for warranty costs as at 30 November 2021. The appropriateness and adequacy of provision made by the Group in respect of the warranty is subject to inherent uncertainty. We focused on this area because there is significant judgement involved in the inputs or assumptions used to estimate the provision.

Our audit response:

Our audit procedures included, among others,

- understanding the design and implementation of the controls over the identification and calculation of the provision;
- discussing with the management and reading of agreements or correspondences with customers; and
- testing the mathematical accuracy of the underlying calculations and the input data by considering the probability of warranty claims and the actual repair costs incurred.

Key Audit Matters (Continued)

Group (Continued)

Contract revenue recognition (Notes 4(b) and 30 to the financial statements)

The Group recognised its infrastructure project contract revenue by reference to the progress towards complete satisfaction of the performance obligation at the reporting date. The progress towards complete satisfaction of the performance obligation is determined by the proportion of costs incurred for work performed to date bear to the estimated total costs for each project. We focused on this area because significant judgement by the Group is required in the estimation of total project revenue and costs and the extent of the cost incurred. The estimated total revenue and costs is affected by a variety of uncertainties that depend on the outcome of future events.

Our audit response:

Our audit procedures on a sample of projects included, among others,

- reading the terms and conditions of agreements with customers;
- obtaining an understanding of the relevant controls of the Group in respect of revenue recognised for contract activities;
- challenging the Group's major assumptions by comparing to contractual terms and our assessments;
- discussing the progress of the projects with the general manager of the projects to obtain an understanding of the basis on which the estimates are made; and
- checking the mathematical computation of the revenue recognised during the financial year.

Company

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to be communicated in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that 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 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

The directors of the Company are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 Group's and the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors, are disclosed in Note 6 to the financial statements.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Lee Kong Weng
No. 02967/07/2023 J
Chartered Accountant

Kuala Lumpur

Date: 18 March 2022

LIST OF PROPERTIES
AS AT 30 NOVEMBER 2021

Location/Address	Description and Existing Use	Tenure	Lease Expiry Date	Land Area/ Built-up Area (sq. feet)	Date of Acquisition/ Completion	Approximate Age of Building (Years)	Net Book Value RM
Lot No. 61862 Bandar Glenmarie Geran 215243 District of Petaling Selangor Darul Ehsan No 12, Jalan Pensyarah U1/28 Hicom Glenmarie Industrial Park, 40150 Shah Alam Selangor Darul Ehsan	4 Storey Office/ Factory Building Head Office Tenanted	Freehold	–	50,831	1.4.2020	21	24,455,149
Lot No. TH A85-1 Mukim Kajang Daerah Hulu Langat Selangor Darul Ehsan 19-G, Jalan Kajang Perdana 43000 Kajang Selangor Darul Ehsan	3 Storey Town House (Ground Floor) Corner Lot For Rental	Freehold	–	1,078	31.3.2002	19	117,550
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	Not Applicable	168,717
Lot No. 20170 Geran Mukim 1455 Mukim 11 District of Barat Daya Pulau Pinang	3 Storey Terrace House Intermediate Lot Investment Properties Under Construction For Rental	Freehold	–	2,578	14.8.2019	Work In Progress	675,000
Lot No. 20171 Geran Mukim 1456 Mukim 11 District of Barat Daya Pulau Pinang	3 Storey Terrace House Intermediate Lot Investment Properties Under Construction For Rental	Freehold	–	2,578	14.8.2019	Work In Progress	675,000
Lot No. 20172 Geran Mukim 1457 Mukim 11 District of Barat Daya Pulau Pinang	3 Storey Terrace House Corner Lot Investment Properties Under Construction For Rental	Freehold	–	2,522	14.8.2019	Work In Progress	675,000
H.S.(M) No. 11460 P.T. No. 35535 Bukit Lancong Mukim of Damansara District of Petaling Selangor Darul Ehsan No 5, Jalan Ikan Keli Laman Sutera 47150 Subang Jaya Selangor Darul Ehsan	3 Storey Semi- Detached House Intermediate Lot Vacant Investment Properies For Rental	Leasehold	13.5.2114	3,998	28.11.2019	4	1,192,748
TOTAL							**27,959,164**

ANALYSIS OF SHAREHOLDINGS
AS AT 28 FEBRUARY 2022

Issued Share Capital	:	RM40,148,639 comprising 97,553,682 ordinary shares
Class of Shares	:	Ordinary shares
Voting Rights	:	1 vote per ordinary share (on a poll)

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	Total Holdings	%
1 - 99	457	24,727	0.03
100 - 1,000	239	144,408	0.15
1,001 - 10,000	1,671	6,909,353	7.08
10,001 - 100,000	570	18,890,043	19.36
100,001 - less than 5% of issued shares	113	53,166,314	54.50
5% and above of issued shares	2	18,418,837	18.88
Total	3,052	97,553,682	100.00

SUBSTANTIAL SHAREHOLDERS
AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 28 FEBRUARY 2022

	Direct Interest		Deemed Interest	
Name	No. of shares	%	No. of shares	%
Dato' Koid Hun Kian	12,429,132	12.74	12,186,303*	12.49
Simfoni Kilat Sdn. Bhd.	5,989,705	6.14	–	–
Koid Siang Loong	2,339,599	2.40	2,700,000**	2.77

Note:

* Deemed interested by virtue of shares held by spouse and child pursuant to Section 59(11)(c) of the Companies Act 2016 ("the Act") and shares held by virtue of his interest in Simfoni Kilat Sdn. Bhd. and Bai Yun Mountain Trading (M) Sdn. Bhd. pursuant to Section 8(4) of the Act.

** Deemed interested by virtue of his interest in Bai Yun Mountain Trading (M) Sdn. Bhd. pursuant to Section 8(4) of the Act.

DIRECTORS' SHAREHOLDINGS AS AT 28 FEBRUARY 2022

Name	Direct Interest No. of shares	Direct Interest %	Deemed Interest No. of shares	Deemed Interest %
Dato' Koid Hun Kian	12,429,132	12.74	12,186,303*	12.49
Koid Siang Loong	2,339,599	2.40	7,280,250**	7.46
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	300,000	0.31	–	–
Lim Hun Teik	183,000	0.19	–	–
Siow Hock Lee	97,999	0.10	1,221,499***	1.25
Ir.Chew Yook Boo	–	–	–	–

Note:

* Deemed interested by virtue of shares held by spouse and child pursuant to Section 59(11)(c) of the Act and shares held by virtue of his interest in Simfoni Kilat Sdn. Bhd. and Bai Yun Mountain Trading (M) Sdn. Bhd. pursuant to Section 8(4) of the Act.

** Deemed interested by virtue of shares held by spouse pursuant to Section 59(11)(c) of the Act and shares held by virtue of his interest in Bai Yun Mountain Trading (M) Sdn. Bhd. pursuant to Section 8(4) of the Act.

*** Deemed interested by virtue of shares held by spouse pursuant to Section 59(11)(c) of the Act.

TOP THIRTY LARGEST SECURITIES ACCOUNT HOLDERS AS PER THE RECORD OF DEPOSITORS AS AT 28 FEBRUARY 2022

	Name of Shareholder	No. of shares	%
1.	Koid Hun Kian	12,429,132	12.74
2.	Simfoni Kilat Sdn. Bhd.	5,989,705	6.14
3.	Chow Teng Ting	3,455,550	3.54
4.	Chuah Chew Huat	2,880,000	2.95
5.	Best Interlink Sdn. Bhd.	2,740,000	2.81
6.	Bai Yun Mountain Trading (M) Sdn. Bhd.	2,700,000	2.77
7.	Maybank Nominees (Tempatan) Sdn. Bhd. (Pledged Securities Account for Sin Yong Lean)	2,362,950	2.42
8.	Koid Siang Loong	2,339,599	2.40
9.	Teh Tzun Tzin	1,912,400	1.96
10.	Public Nominees (Tempatan) Sdn. Bhd. [Pledged Securities Account for Soh Siew Keng (E-TMI/BMC)]	1,588,600	1.63
11.	Maybank Nominees (Tempatan) Sdn. Bhd. (Chua Eng Ho Wa'a @ Chua Eng Wah)	1,387,100	1.42
12.	Chen Bee Yoke	1,171,500	1.20
13.	Tan Seow Eng	1,156,999	1.19
14.	Ow Soon Kooi	1,047,000	1.07
15.	Kenanga Nominees (Tempatan) Sdn. Bhd. (Rakuten Trade Sdn. Bhd. for Chow Teng Ting)	967,950	0.99

Continued

TOP THIRTY LARGEST SECURITIES ACCOUNT HOLDERS AS PER THE RECORD OF DEPOSITORS AS AT 28 FEBRUARY 2022 (CONTINUED)

	Name of Shareholder	No. of shares	%
16.	Ong Yean Pheng	961,650	0.99
17.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. [(Pledged Securities Account for Yap Chin Hock (7003122)]	776,000	0.80
18.	Low Kim Aik	756,300	0.78
19.	Chum Shu Cheng	750,055	0.77
20.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. [Pledged Scurities Account for Leong Yuet Mooi (8105904)]	750,000	0.77
21.	Tan Sun Lai	710,000	0.73
22.	Citigroup Nominees (Asing) Sdn. Bhd. [Exempt An For Bank Of Singapore Limited (Foreign)]	700,000	0.72
23.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. [Pledged Securities Account for Lee Chye Khern (M09)]	685,266	0.70
24.	Chua Eng Ho Wa'a @ Chua Eng Wah	662,800	0.68
25.	Rondy Yunanda Yong	650,000	0.67
26.	Chan Yoke Fung	600,000	0.62
27.	Tan Sun Lai	560,000	0.57
28.	Ee Yong Chew	537,799	0.55
29.	Jeffrey Ng Boon Teck	507,200	0.52
30.	Maybank Nominees (Tempatan) Sdn. Bhd. [Pledged Securities Account for Choy Yang Zhou]	490,000	0.50
Total		**54,225,555**	**55.59**

ANALYSIS OF WARRANTS A HOLDINGS

AS AT 28 FEBRUARY 2022

Class of Securities	:	Warrants A
No. of Warrants	:	48,776,330
Exercise Price of Warrants	:	RM0.65
Exercise Period of Warrants	:	2021/2024

ANALYSIS OF WARRANTS A HOLDINGS

Size of Warrants A Holdings	No. of Warrants A Holders	No. of Warrant A Held	%
1 - 99	532	18,151	0.04
100 - 1,000	700	582,547	1.19
1,001 - 10,000	638	2,474,992	5.07
10,001 - 100,000	284	9,929,540	20.36
100,001 - less than 5% of issued warrants	76	29,532,800	60.55
5% and above of the issued warrants	1	6,238,300	12.79
Total	2,231	48,776,330	100.00

DIRECTORS' WARRANTS A HOLDINGS AS AT 28 FEBRUARY 2022

Name	Direct Interest No. of Warrants A	%	Deemed Interest No. of Warrants A	%
Dato' Koid Hun Kian	–	–	2,519,799*	5.17
Koid Siang Loong	1,169,799	2.40	3,211,875**	6.59
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	150,000	0.31	–	–
Lim Hun Teik	91,500	0.19	–	–
Siow Hock Lee	48,999	0.10	610,749***	1.25
Ir.Chew Yook Boo	–	–	–	–

Note:

* Deemed interested by virtue of warrants held by child pursuant to Section 59(11)(c) of the Act and warrants held by virtue of his interest in Bai Yun Mountain Trading (M) Sdn. Bhd. pursuant to Section 8(4) of the Act.

** Deemed interested by virtue of warrants held by spouse pursuant to Section 59(11)(c) of the Act and warrants held by virtue of his interest in Bai Yun Mountain Trading (M) Sdn. Bhd. pursuant to Section 8(4) of the Act.

*** Deemed interested by virtue of warrants held by spouse pursuant to Section 59(11)(c) of the Act.

ANALYSIS OF WARRANTS A HOLDINGS
AS AT 28 FEBRUARY 2022

Continued

TOP THIRTY LARGEST WARRANTS A HOLDERS AS PER THE RECORD OF DEPOSITORS AS AT 28 FEBRUARY 2022

	Name of Warrants A Holder	No. of Warrants A Held	%
1.	JF Apex Nominees (Tempatan) Sdn. Bhd. [Pledged Securities Account for Satvinder Singh (Margin)]	6,238,300	12.79
2.	Chuah Chew Huat	1,390,000	2.85
3.	Bai Yun Mountain Trading (M) Sdn. Bhd.	1,350,000	2.77
4.	Best Interlink Sdn. Bhd.	1,350,000	2.77
5.	Chow Teng Ting	1,339,125	2.75
6.	Koid Siang Loong	1,169,799	2.40
7.	Leow Hong Yen	1,100,000	2.26
8.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. (Pledged Securities Account for Hong Kok Ann)	1,000,000	2.05
9.	Kenanga Nominees (Tempatan) Sdn. Bhd. (Pledged Securities Account for Ong King Seng)	1,000,000	2.05
10.	M & A Nominee (Tempatan) Sdn. Bhd. [Pledged Securities Account for Teo Boon Ling (M&A)]	1,000,000	2.05
11.	Maybank Nominees (Tempatan) Sdn. Bhd. (Pledged Securities Account for Choy Yang Zhou)	1,000,000	2.05
12.	Maybank Nominees (Tempatan) Sdn. Bhd. (Pledged Securities Account for Sin Yong Lean)	839,125	1.72
13.	Maybank Nominees (Tempatan) Sdn. Bhd. (Chua Eng Ho Wa'a @ Chua Eng Wah)	799,100	1.64
14.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. [Pledged Scurities Account for Leong Yuet Mooi (8105904)]	794,500	1.63
15.	Teh Tzun Tzin	750,500	1.54
16.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. [Pledged Securities Account for Yap Chin Hock (7003122)]	720,900	1.48
17.	Chen Bee Yoke	585,750	1.20
18.	Kenanga Nominees (Tempatan) Sdn. Bhd. (Rakuten Trade Sdn. Bhd. for Chow Teng Ting)	496,875	1.02
19.	Ong Yean Pheng	480,825	0.99
20.	Ong Keng Seng	477,300	0.98
21.	Tan Sun Lai	450,000	0.92
22.	Phua Teong Kee	448,900	0.92
23.	Chum Shu Cheng	414,725	0.85
24.	Tan Sun Lai	400,000	0.82
25.	CGS-CIMB Nominees (Tempatan) Sdn. Bhd. [Pledged Securities Account for Lum Chee Kong (MY3340)]	375,250	0.77
26.	Lee Swee Ngor	350,000	0.72
27.	Public Nominees (Tempatan) Sdn. Bhd. [Pledged Securities Account for Ang Tune Hoe (E-BPJ)]	335,075	0.69
28.	Ow Soon Kooi	330,000	0.68
29.	Jeffrey Ng Boon Teck	308,350	0.63
30.	CGS-CIMB Nominees (Tempatan) Sdn. Bhd. [Pledged Securities Account for Lim Guat Kee (MM0666)]	300,000	0.62
Total		**27,594,399**	**56.57**

AMTEL HOLDINGS BERHAD

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

CDS Account No.	
No. of Shares held	

PROXY FORM
TWENTY-FIFTH ANNUAL GENERAL MEETING ("25th AGM")
(Before completing this form, please refer to the notes)

*I/We *(full name)* ....

**NRIC No./Passport No./Registration No.* .... *Contact No.* ....

Email address .... of (Full Address)...

....

being a member of **AMTEL HOLDINGS BERHAD (" AHB or the Company")** hereby appoint

Name	Email Address	Contact No.	NRIC/Passport No.	Address
*and/or failing him/her (delete as appropriate)				

or failing *him/her, the Chairman of the Meeting as *my/our proxy(ies) to participate, speak and vote for *me/us and on *my/our behalf at the 25th AGM of the Company, which will be conducted virtually through live streaming from the broadcast venue at AHB Office, Board Room, Level 3, Wisma Amtel, No. 12, Jalan Pensyarah U1/28, Hicom Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 25 May 2022 at 11:00 a.m., or at any adjournment thereof.

*My/our proxy(ies) is/are to vote as indicated below:

No.	Resolutions	For	Against
1.	Approval on the payment of Directors' fees for the financial year ending 30 November 2022.		
2.	Approval on the payment of Directors' benefits and other claimable benefits incurred from 26 May 2022 until the conclusion of the Company's next AGM.		
3.	Re-election of Dato' Koid Hun Kian as Director.		
4.	Re-election of Ir. Chew Yook Boo as Director.		
5.	Re-election of Mr. Koid Siang Loong as Director.		
6.	Re-appointment of Messrs. Baker Tilly Monteiro Heng PLT as External Auditors of the Company.		
7.	Retention of Mr. Siow Hock Lee as Independent Non-Executive Director.		
8.	Authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
9.	Proposed Renewal of Authority for Share Buy-Back.		

For appointment of more than one (1) proxy, percentage of shareholdings to be represented by the proxies:

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

....
Signature/Common Seal of Member

Dated this .... day of 2022

Notes:

1. *As part of the initiatives to curb the spread of COVID-19, the AGM will be held on a virtual basis at the broadcast venue and online remote voting via Remote Participation and Voting ("RPV") facilities to be provided by SS E Solutions Sdn. Bhd. via Securities Services e-Portal's platform at https://sshsb.net.my/. Please read carefully and follow the procedures provided in the Administrative Guide in order to register, participate and vote remotely via the RPV facilities.*
2. *The broadcast venue, which is the main venue of the AGM is strictly for the purpose of complying with Section 327(2) of the Act which requires the Chairman of the Meeting to be present at the main venue of the AGM. Members, proxies and/or corporate representatives will not be allowed to be physically present at the broadcast venue on the day of the Meeting.*

As guided by the Securities Commission Malaysia's Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers and its subsequent amendments, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all members, proxies and/or corporate representatives shall communicate with the main venue of the AGM via real time submission of typed texts through a text box within Securities Services e-Portal's platform during the live streaming of the AGM as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, members, proxies and/or corporate representatives may email their questions to eservices@sshsb.com.my during the AGM. The questions and/or remarks submitted by the members, proxies and/or corporate representatives will be broadcasted and responded by the Chairman, Board of Directors and/or Management during the AGM.

3. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 18 May 2022 shall be entitled to participate and vote at this Meeting.*
4. *A member of the Company entitled to participate and vote at this Meeting is entitled to appoint a proxy to participate and vote in his stead. Where a member appoints more than one (1) proxy to attend, participate, speak and vote at the same AGM, the appointments shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting of the Company shall have the same rights as the member to attend, participate, speak and vote at the Meeting.*
5. *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.*
6. *The instrument appointing a proxy shall be in writing under the hand of the member or of his attorney duly authorised in writing or, if the member is a corporation, shall either be executed under the Corporation's common seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy must be deposited at the office of SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or submit the Proxy Form electronically via Securities Services e-Portal at https://sshsb.net.my/ not later than forty-eight (48) hours before the time set for holding the AGM or any adjournment thereof. The lodging of the Proxy Form does not preclude any shareholder from participating and voting remotely at the AGM should any shareholder subsequently wishes to do so, provided a Notice of Termination of Authority to act as Proxy is given to the Company and deposited at the office of SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than twenty-four (24) hours before the time stipulated for holding the AGM or any adjournment thereof. All resolutions set out in this notice of meeting are to be voted by poll.*
7. *Please refer to the Administrative Guide for the 25th AGM for further details. The Administrative Guide for the 25th AGM is available for download at https://amtel.com.my/investor-relations/agm-AGM/ or download from the announcement on the 25th AGM from the website of Bursa Malaysia Securities Berhad.*

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AFFIX
STAMP

The Poll Administrator of

AMTEL HOLDINGS BERHAD
[Registration No.: 199601037096 (409449-A)]
c/o SS E Solutions Sdn. Bhd.
Level 7, Menara Milenium, Jalan Damanlela
Pusat Bandar Damansara, Damansara Heights
50490 Kuala Lumpur, Wilayah Persekutuan

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Fold This Flap For Sealing

Amtel Holdings Berhad (KLSE: 7031) 199601037096 (409449-A)

Wisma Amtel, No. 12,
Jalan Pensyarah U1/28,
Hicom-Glenmarie
Industrial Park, 40150,
Shah Alam, Selangor,
MALAYSIA.

603-55673500

603-55673535

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lokatoo.com