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ANNUAL  
REPORT **2022**

**Amtel Holdings Berhad**  
199601037096 (409449-A)

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# NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Sixth Annual General Meeting ("26th 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, 24 May 2023 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 2022 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 2023.  | (Ordinary Resolution 1)                                   |
| 3. | To approve the payment of Directors' benefits and other claimable benefits incurred from 25 May 2023 until the conclusion of the Company's next Annual General Meeting ("AGM").   | (Ordinary Resolution 2)                                   |
| 4. | To re-elect YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin who retires by rotation in accordance with Clause 165 of the Company's Constitution and being eligible, has offered himself for re-election.  | (Ordinary Resolution 3)                                   |
| 5. | That subject to their consent to act, HLB Ler Lum Chew PLT be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors, Baker Tilly Monteiro Heng PLT to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration to be agreed between the Directors and the Auditors. | (Ordinary Resolution 4)                                   |

## **AS SPECIAL BUSINESS**

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

- |    |  |                         |
|----|--|-------------------------|
| 6. | <b>Authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016</b> | (Ordinary Resolution 5) |
|----|--|-------------------------|

**"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, where such approval is necessary, the Directors be and are hereby authorised pursuant to the Act, to issue and allot shares in the Company, at any time, at such price, to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

**THAT** pursuant to Section 85 of the Act to be read together with Clause 31 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Act;

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

**AND THAT** such authority shall continue to be in force until the conclusion of the next AGM of the Company."

# NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

(Continued)

## 7. Proposed Renewal of Authority for Share Buy-Back

(Ordinary Resolution 6)

**“THAT** subject to the Act, the provisions of the Constitution of the Company, Main Market Listing Requirements 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 of the Company 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 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.”



# NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

(Continued)

8. **Waiver of Pre-Emptive Rights for Issuance of New Shares under Employees Share Option Scheme ("ESOS")** (Ordinary Resolution 7)

"**THAT** further to shareholders' approval obtained on 25 May 2022 on the Long-Term Incentive Plan, which comprises the ESOS and the Share Grant Plan and pursuant to Section 85(1) of the Act and Clause 31 of the Constitution of the Company, shareholders hereby waive their pre-emptive rights over all options and/or grants offered/to be offered pursuant to the ESOS and/or any new shares to be issued pursuant to the exercise of such options and/or the vesting of such grants by eligible employees and executive directors of the Company and its subsidiaries, such new shares, when issued, shall rank pari passu with the existing shares."

9. 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 2023

Notes:

1. 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 /her stead. Where a member appoints more than one (1) proxy to attend, participate, speak and vote at the same AGM of the Company, 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.
2. The broadcast venue, which is the main venue of the AGM of the Company 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 of the Company. 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 of the Company 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 of the Company 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@sshhsb.com.my](mailto:eservices@sshhsb.com.my) during the AGM of the Company. The questions and/or remarks submitted by the members, proxies and/or corporate representatives will be broadcasted and responded to by the Chairman, Board of Directors and/or Management during the AGM of the Company. In the event of any unattended questions and/or remarks submitted, the Company will respond to the said unattended questions and/or remarks after the AGM of the Company via email.

3. In respect of deposited securities, only members whose names appear in the Record of Depositors on 17 May 2023 shall be entitled to participate and vote at this Meeting.

# NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

(Continued)

4. 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.
5. 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 of the Company or any adjournment thereof. The lodging of the Proxy Form does not preclude any shareholder from participating and voting remotely at the AGM of the Company 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 of the Company or any adjournment thereof. All resolutions set out in this notice of meeting are to be voted by poll.
6. Should you wish to personally participate in the Meeting remotely, please register electronically via Securities Services e-Portal at <https://www.sshsb.net.my/> by the registration cut-off date and time.

Please refer to the Administrative Guide for the 26th AGM for further details. The Administrative Guide for the 26th AGM is available for download at <https://amtel.com.my/annual-report> or download from the announcement on the 26th AGM from the website of Bursa Securities.

## 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 the formal approval of the shareholders for the Audited Financial Statements for the financial year ended 30 November 2022. Hence, this Agenda item is not put forward for voting.

2. Ordinary Resolution 1

The Ordinary Resolution 1 is proposed to obtain 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 26th AGM of the Company, payment of benefits incurred by the Directors from 25 May 2023 until the Company's next AGM will be paid by the Company, as and when incurred.

# NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

(Continued)

## 4. Ordinary Resolution 3

Pursuant to Clause 165 of the Company's Constitution, at least one-third (1/3rd) of the Directors will retire from office unless elected or re-elected at the AGM. All Directors shall submit themselves for re-election at least once in every three (3) years. The Directors retiring will be those longest in office since their last election. If Directors were elected on the same day, the Directors to retire will either be as agreed between those Directors or by lot. If the total number of the Directors is not three (3) or a multiple of it, the number nearest to one-third (1/3rd) will retire.

Hence, two (2) out of six (6) Directors are to retire in accordance with Clause 165 of the Company's Constitution. Mr. Siow Hock Lee, the retiring Director has expressed his intention not to seek re-election and hence, Mr. Siow Hock Lee will hold office as a Director of the Company until the conclusion of the 26th AGM of the Company.

For the purpose of determining the eligibility of the Director to stand for re-election at the 26th AGM of the Company, the Board of Directors through its Nomination Committee undertakes a formal evaluation to determine the eligibility of each retiring Director in line with the Malaysian Code on Corporate Governance, which includes the following:

- (i) Performance of the individual Directors; and
- (ii) Fit and proper assessment.

Based on the results of the abovementioned evaluations, the Board of Directors considered the performance of YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin to be effective. He was able to meet the Board of Directors' expectations in terms of probity, personal integrity and reputation, competency and capability, financial integrity and time commitment vide a declaration form based on the Fit and Proper Policy. He had abstained from deliberations and decisions on his eligibility to stand for re-election at the meetings of the Board of Directors and Nomination Committee, where relevant.

## 5. Ordinary Resolution 4

The Company had on 20 March 2023 received a Notice of Nomination of Auditors (a copy of which is annexed and marked as "Appendix A") with the intention to propose the following resolution:

*"That subject to their consent to act, HLB Ler Lum Chew PLT be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors, Baker Tilly Monteiro Heng PLT to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration to be agreed between the Directors and the Auditors."*

The Board of Directors has reviewed the recommendation from the Audit Committee and has agreed with the appointment of HLB Ler Lum Chew PLT as Auditors of the Company, subject to their consent to act as Auditors pursuant to Section 264(5) of the Act in place of the retiring Auditors, Baker Tilly Monteiro Heng PLT and shareholders' approval.

## EXPLANATORY NOTES ON SPECIAL BUSINESS:

### 1. **Ordinary Resolution 5 – Authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Act**

The proposed Ordinary Resolution 5 is a renewal of the general mandate for issuance of shares granted to the Directors at the last AGM of the Company ("Previous Mandate"). This resolution, if passed, will empower the Directors, from the date of the 26th AGM of the Company until the next AGM of the Company, to allot and issue new shares of the Company up to an amount not exceeding ten per centum (10%) of the total number of issued shares of the Company at any time to such persons and for such purposes as the Directors consider would be in the best interests of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

# NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

(Continued)

The purpose of this general mandate is to eliminate the need to seek shareholders' approval to convene general meeting(s) from time to time as and when the Company issues new shares for future business opportunities and thereby reducing administrative time and cost associated. The Directors would utilise the proceeds raised from this mandate for possible fundraising exercises including but not limited to further placement of shares, for the purpose of working capital, funding current and/or future investment project(s), repayment of borrowings and/or acquisition or such other applications they may in their absolute discretion deem fit.

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 26th AGM of the Company.

## 2. Ordinary Resolution 6 – Proposed Renewal of Authority for Share Buy-Back

The proposed Ordinary Resolution 6, 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.

Further information on the Proposed Renewal of Authority for Share Buy-Back is set out in the Statement to Shareholders dated 30 March 2023.

## 3. Ordinary Resolution 7 – Waiver of Pre-Emptive Rights for Issuance of New Shares under ESOS

The Long-Term Incentive Plan, which comprises the ESOS and the Share Grant Plan was approved by the shareholders on 25 May 2022. Subsequent to the approval, the Company now seeks for waiver of the pre-emptive rights pursuant to Section 85(1) of the Act read together with Clause 31 of the Constitution of the Company from the shareholders.

## STATEMENT ACCOMPANYING NOTICE OF AGM

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

- (i) Details of an individual who is standing for election as Director
  - No individual is seeking election as a Director at the 26th AGM of the Company.
- (ii) Authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Act.
  - Please refer to item (1) of the Explanatory Notes of Special Business.



## APPENDIX A

**Dato' Koid Hun Kian**

689, Jalan 17/22,  
46400 Petaling Jaya,  
Selangor Darul Ehsan

Dated: 20 March 2023

The Board of Directors

**Amtel Holdings Berhad**

Level 3, Wisma Amtel,  
No. 12, Jalan Pensyarah U1/28,  
Hicom Glenmarie Industrial Park,  
40150 Shah Alam,  
Selangor Darul Ehsan

Dear Sirs,

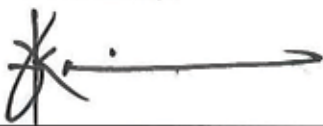
**Amtel Holdings Berhad ("the Company")**

**- Notice of Nomination of Auditors**

I, the undersigned, being the registered shareholder of 12,429,132 ordinary shares in the Company hereby give notice pursuant to Sections 280(2)(b)(ii) and 322 of the Companies Act 2016, of my intention to propose the following resolution be considered at the forthcoming Annual General Meeting of the Company:-

*"That subject to their consent to act, HLB Ler Lum Chew PLT be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors, Baker Tilly Monteiro Heng PLT to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration to be agreed between the Directors and the Auditors."*

Yours faithfully,



**Dato' Koid Hun Kian**

# CORPORATE INFORMATION



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

**Dato' Koid Hun Kian**  
*Chief Executive Officer*

**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*

## 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

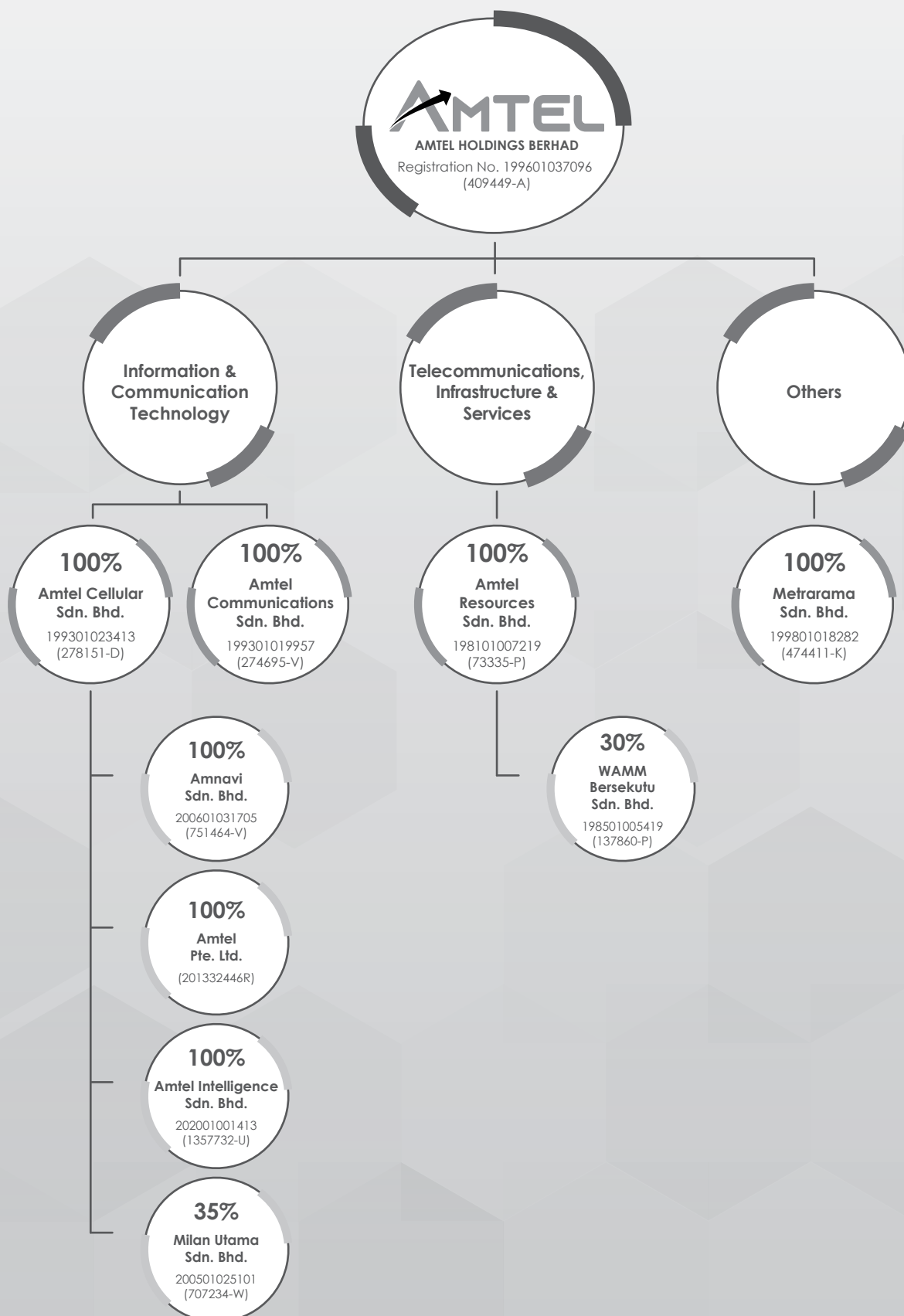
## STOCK EXCHANGE LISTING

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

## WEBSITE

[www.amtel.com.my](http://www.amtel.com.my)

# CORPORATE STRUCTURE



## 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 69, 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 Velayos 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

*(Chief Executive Officer)*

Dato' Koid Hun Kian, a Malaysian aged 66, male, is the Chief Executive Officer of AHB. He was first appointed to the Board on 31 July 1997.

He is a qualified accountant by profession, having admitted as a member of the Association of Chartered Certified Accountants (United Kingdom) since 1985 and he is a member of Malaysian Institute of Accountants. He has wide experience in audit, telecommunications, manufacturing, trading and Information and Communications Technology (ICT) industries. Prior to joining AHB, he was attached to various public accounting firms and a company involved in investment holding, management services, manufacturing and the trading of telecommunications equipment.

He 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 66, 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 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 66, 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 Consortium 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.



## PROFILE OF DIRECTORS

(Continued)

### LIM HUN TEIK

(Executive Director)

Lim Hun Teik, a Malaysian, aged 54, 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 Group as a Senior Business Development Manager of AMCSB in September 2005 and subsequently, promoted to Assistant General Manager in 2009. Afterwards, he took over the role of General Manager of AMCSB in 2011 (subsequently rebranded into Chief Executive Officer in 2022) 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 34, 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, 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 (subsequently rebranded into Chief Operation Officer in 2022) 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, United Kingdom in 2011.

He is a substantial shareholder of AHB and the son of Dato' Koid Hun Kian, the Chief Executive Officer, 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

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### CHIN WOU CHAU

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

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Chin Wou Chau, a Malaysian aged 72, 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 as general manager in 1999 (subsequently rebranded into Chief Executive Officer in 2022). 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.

## GROUP FINANCIAL HIGHLIGHTS

SUMMARY OF PAST FIVE YEARS

FINANCIAL YEARS ENDED 30 NOVEMBER	2018 RM '000	2019 RM '000	2020 RM '000	2021 RM '000	2022 RM '000
Revenue	50,926 *	63,170	56,041	54,728	<b>60,500</b>
Profit Before Tax Expense	1,719 *	6,296	5,583	5,288	<b>3,410</b>
Profit For The Financial Year	1,023	4,828	4,061	3,558	<b>2,090</b>
Total Assets	61,532	65,498	81,779	86,213	<b>82,520</b>
Total Borrowings	1,623	503	629	2,237	<b>752</b>
Shareholders' Equity	45,195	50,024	61,933	65,493	<b>66,291</b>
Net Assets	45,195	50,024	61,933	65,493	<b>66,291</b>
Basic Earnings Per Share (Sen)	1.42 #*	5.94 #	4.88 #	3.84 #	<b>2.15</b>
Net Assets Per Share (Sen)	46.33 #	51.28 #	63.49 #	67.14 #	<b>67.95</b>

# 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 honoured to present to you the Annual Report of Amtel Holdings Berhad and its subsidiaries (“the Group”) for the financial year ended 30 November 2022 (FYE 2022).*

”

## BUSINESS AND OPERATIONS OVERVIEW

Our Group continues to strengthen its core businesses in Information & Communication Technology (“ICT”) and Telecommunications, Infrastructure & Services (“TIS”) and to a lesser extent investment holding and property investment.

After nearly two years of battling the COVID-19 pandemic, with the reopening of our borders and relaxation of COVID-19 related Standard Operating Procedures (“SOPs”), 2022 is the year where we transition towards the endemic phase. We see an upswing in economic activities in various sectors such as the tourism sector and also the consumer products and services sector due to the pent-up demand to travel and buy things. However, those companies in the technology or telecommunication segment are one of the hardest hit sectors due to the increased commodity prices which led to the increased in raw materials price.

As Malaysia's automotive total industry volume (“TIV”) hit a record high of 720,658 units in 2022, our ICT segment benefited from the large backlog orders with increase in sales volume for our automotive accessories. However, the supply chain bottlenecks are still prominent during FYE 2022 as we resort to making purchases on certain chips and components for our products via alternative channels at a much higher price in order to prevent any supply disruptions to our automotive customers. The increased in raw materials price, weakened Ringgit Malaysia against the US Dollar, coupled with higher logistic costs and increased in operating overheads ultimately impacted our Group's margin on the ICT segment.

For the TIS segment, the entire industry itself is also facing similar problems such as higher material costs (which has no signs of slowdown) and shortage of workers. Due to the on-going commitments with our existing customers, we had to temporarily relocate certain workers from the different regions to Klang Valley to complete the projects within the stipulated timeframe. These undoubtedly led to higher operating overheads.

Despite all these headwinds, our Group still managed to generate a profit after tax of RM2.09 million for FYE 2022.

## FINANCIAL RESULTS AND PERFORMANCE

### Review of Financial Performance

For FYE 2022, our Group achieved total revenue of RM60.50 million as compared to RM54.73 million for the financial year ended 30 November 2021 (“FYE 2021”). ICT segment was the main driver for the increase in the Group's revenue mainly attributed to higher sales volume in the current financial year.

However, during the financial year our ICT segment experienced compressions in margins for sales of certain products and services. Moreover, our TIS segment reported a loss after tax that has weakened the Groups' overall performance during the financial year. On this account, our Group's profit after tax for the financial year retreat from RM3.56 million in FYE 2021 to RM2.09 million in FYE 2022.

As of FYE 2022, our Group's total assets stood at RM82.52 million, a drop as compared to RM86.21 million in FYE 2021. Shareholders' funds grew to RM66.29 million from RM65.49 million in FYE 2021 as a result of accumulation in retained earnings. Group net assets value per share increase to 67.95 sen from 67.14 sen as of FYE 2021.

### Liquidity and Capital Investment

Our Group continues to manage our financial resources prudently and maintaining a healthy level of cash reserve. We have been financing our operations through internally generated funds with minimal gearing. As of FYE 2022, our Group is in net cash position with cash reserve totalling RM21.71 million (2021: RM27.16 million) which comprises mainly cash at banks and in hand, term deposits, fixed income fund and net of bank overdrafts. Our current assets of RM49.46 million outstripped current liabilities of RM16.03 million, indicating our strong ability to meet financial obligations as and when they fall due as well as to fund new business ventures.

# CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

## REVIEW OF OPERATIONS

### *Information & Communication Technology Segment ("ICT")*

The ICT segment continues to be our core business, accounting for 86.4% of our Group's revenue (2021: 78.5%) and all the Group's profit for the financial year.

For FYE 2022, the segment posted a revenue of RM52.29 million which is 21.7% higher than the RM42.96 million recorded in the preceding financial year. Apart from the increased in raw material costs, weakened Ringgit Malaysia against the US Dollar, higher logistic costs and increased operating overheads which has affected our margin as explained in the overview section above, our manufacturing lines were not able to operate at maximum efficiency as there were many instances of production line down due to the inability of certain suppliers to cope with the pent-up demand. Our buffered stocks were wiped out at some point and we had to work overtime once the delayed components have finally arrived at our factory.

As a results, despite achieving a higher segment revenue, our ICT segment close off the financial year with a lower profit after tax of RM3.38 million in comparison to FYE 2021 of RM3.68 million.

### *Telecommunications, Infrastructure and Services Segment ("TIS")*

For FYE 2022, the TIS segment recorded RM8.02 million or 13.3% of the Group's revenue, as compared to FYE 2021 of RM11.48 million. The decrease was largely due to the intense market competition, higher operating overheads, labour shortage, smaller projects and lower sales from the ongoing civil infrastructure projects. The deplete in revenue couple with the increase in operational costs resulted in loss after tax of RM0.39 million been reported during the financial year, as opposed to profit after tax of RM0.77 million for FYE 2021.

### *Others Segment*

The activities in the remaining segment comprise investment holding, provision of intra-group management services and leasing of properties. The segment loss arose as the rental income and management fees received were not sufficient to compensate entirely the operating overheads and corporate expenses incurred.

## CORPORATE EXERCISE

On 25 May 2022, the Company has obtained the shareholders' approval for the establishment of a long-term incentive plan ("LTIP") and subsequently the effective date for the LTIP has been fixed on 3 October 2022.

On 24 August 2022, the Company repurchased 2,000,000 of its issued shares from the open market on Bursa Malaysia Securities Berhad ("Bursa Securities") at an average price of RM0.65 per share. The total consideration paid for the repurchased shares was RM1,305,290 and they were financed by internally generated funds.

Subsequent to the financial year end, 69,000 and 150,000 new ordinary shares were issued at the issue price of RM0.65 per share. These shares were listed and quoted on the Bursa Securities on 17 January 2023 and 17 March 2023 respectively. As a result, the number of issued and paid-up shares has increased from 97,553,682 to 97,772,682 on this date.

## RISKS MANAGEMENT

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 profit margins which in turn will affect our Group's financial performance. The immediate challenges and known key risks prevalent to our Group's business are set out below.



# CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

## RISKS MANAGEMENT (CONTINUED)

### *Impacts of COVID-19 pandemic*

As COVID-19 edges toward the endemicity period, infections and mild cases are still occurring. Therefore, our Group remains watchful and continues to practice the safety SOPs introduced by our government to minimize the risk of infection among our staffs.

### *Market Risk*

Same with any technology businesses, our ICT products and services are exposed to intense competition from existing competitors and new entrants. Our ability to compete and the success of our products and services depend on many factors, amongst others are on our pricing policy, quality, innovations, reliability, on time delivery of our products and customer services. To fend off these competitions, we will continue to reinforce our core value and competency by leveraging on our competitive strengths such as strong business relationship with our customers, partnerships, new innovations integrating green features, especially those related to artificial intelligence ("AI"), to enable us to expand our product range and services and eventually, broaden our customer base.

Likewise, 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. We will continue to adopt strategies and preventive measures that will improve operation efficiency, close monitoring of construction work progress and project costing, and re-assessment of contract terms with our suppliers and sub-contractors to ensure we remain competitive.

### *Foreign Currency Exchange Fluctuation and Material Costs*

Our ICT business is exposed to foreign currency exchange risks through our purchases and imports of components and services that are primarily transacted in USD and Renminbi. Hence, the fluctuation of these currencies will affect the Group's operating margins, depending on the extent and effectiveness of hedging strategies adopted by us.

We regularly monitor the movements in the currencies to minimize any potential negative impact that may arise. Currently, we maintain credit facilities on foreign exchange forward contracts and foreign currencies accounts with a few bankers to hedge against the fluctuation in exchange rates and to pay for our overseas purchases. To further mitigate the risk, we constantly review our procurement process and work closely with our overseas suppliers to assess their pricing, purchase and payment terms. In light of this, we also continually finding alternative sources for such components or 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 working capital requirements and future expansion. The Board does not propose payment of any dividend for FYE 2022.

## BUSINESS OUTLOOK AND PROSPECTS

The world post COVID-19 is unlikely to return to the world that was. It has left a lasting imprint on all of us, be it socially, mentally or economically. This pandemic highlighted the importance of having conduct our business in a more resilient and sustainable manner, which is a core component of the digital transformation programme where our Group has embarked on since 2019. We are now better poised and is confident to retort to these challenges with agility riding on the relentless support from our dedicated and experienced team and the strong foundation built over the years.

# CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

## BUSINESS OUTLOOK AND PROSPECTS (CONTINUED)

One of the major highlights of Budget 2023 is the government's continue commitment towards electric mobility ecosystem in line with the National Automotive Policy 2020 and Low Carbon Mobility Blueprint 2021 – 2030. One of the incentives which is directly beneficial to our Group is that full tax exemption will be provided for Electric Vehicle ("EV") charging equipment manufacturers from 2023 to 2032, as well as a complete Investment Tax Allowance over a five-year period. As a tier-1 supplier to local automotive companies, we welcome the government's support in boosting the local development of EV ecosystem.

Based on the positive feedbacks and orders received from our customers in relation to our EV charging equipment, we expect our Green Technology division to gain more tractions as we continue to roll out more EV-related products and services. In years to come, we are confident that our Green Technology division, as a key component within our Environmental, Social & Governance framework, will contribute positively towards our Group long-term growth in creating a sustainable future.

As part of our plan to strengthen our revenue growth and to remain competitive in this fast growing market, we continually increase our ICT products offering, bringing innovative and high quality technology products to our customers mainly in the mobility sector. We expect the demand for our existing own in-house designed products, mainly built-in toll reader (LOKATAG) and digital video recorder to continue to increase within this financial year.

We are confident with the adoption of our products and services across several new vehicle model which are currently not equipped with our products at the moment. At the same time, we are also pouring in more resources into building our online and aftermarket presence as part of our horizontal growth strategy to venture into new markets.

Previously, we target to roll out our new product equipped with Advanced Driver Assistance Systems ("ADAS") along with Artificial Intelligence ("AI") features during FYE 2022. In the end, we decided to delay our new innovative one-of-a-kind product launching to this coming financial year instead due to market sentiment.

In order to minimize the risks of having to make purchases on certain chips and components at a much higher price (as happened to us in FYE 2022), we are working closely with various suppliers to secure in advance all the necessary vital components for entire FYE 2023. This will provide us with a better bargaining power in terms of pricing and delivery schedule.

Overseas expansion has been and will be one of our business strategies to broaden our network and market penetration, especially the ASEAN region. With the reopening of most countries' international borders allowing quarantine-free travel, we shall resume discussions on certain projects collaboration with our overseas partners.

In relation to our TIS segment, under the revised Budget 2023, our government has allocated a total of RM725mil to accelerate the implementation of the JENDELA projects as a national effort to develop our digital infrastructure facilities. In addition, the continuation of large-scale transport-related projects such as ECRL, LRT3 and RTS Link will continue to provide impetus to public investment. These initiatives will benefit our TIS segment, where we believed that our team, with more than 40 years of experience in this field, would be able to tap into this opportunity, provided that the labour shortage issues do not worsen.

In summary, looking ahead, the rising inflation rates, tighter money policy, exchange rates volatility and the global recessionary outlook will continue to pose challenges to many businesses. However, for our Group, this could be an exciting year instead, something for us to look forward to. We expect our next generation of young caliber leaders to take over the helm and steer the Group towards a greater height and deliver promising results in the coming financial year.

# CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

## ACKNOWLEDGEMENT

On behalf of the Board, we would like to express our sincere gratitude to our shareholders, customers, suppliers, business associates, bankers, consultants and the regulatory authorities for your continuous support and confidence in us.

Lastly, to our fellow Board members, the management team and staff thank you for your invaluable contribution and relentless commitment to maintain the success of our Group in the face of this challenging time. We trust that as a dedicated team, we will continue to give our best in achieving our shared goals and will see a brighter prospect ahead.

**TUNKU DATO' SERI KAMEL**  
Chairman

**DATO' KOID HUN KIAN**  
Chief Executive Officer

## 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 Company and its subsidiaries ("Group") and is committed to ensuring 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 to how the Group has applied and complied with 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 2022 of the Company which is available on the Company's corporate website at [www.amtel.com.my](http://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 the day-to-day management and operations of the Group to Management under the leadership of the Chief Executive Officer ("CEO"), 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;

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## 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 that 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, an employee or other persons 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.

#### The Chairman and CEO

There is a clear division of the roles and responsibilities between the Company's Chairman and CEO. 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 CEO.

The positions of the Chairman and the CEO are held by different individuals to promote accountability and facilitate the division of responsibilities between them to preserve a balance of control, power and authority.

The roles and responsibilities of the Chairman and the CEO are clearly defined in the Board Charter.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### I. BOARD RESPONSIBILITIES (CONTINUED)

#### Chairman sits in Board Committees

The Non-Independent Non-Executive Chairman of the Company is also a member of the Remuneration Committee, Audit Committee and Nomination Committee.

#### 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 the adoption of corporate governance best practices. The specific responsibilities of the Company Secretaries include the following:-

- (i) ensure compliance with 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 legislation 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 are qualified to act as 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.

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 CEO on the scopes, natures and fees of the professional advice to be sought.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### I. BOARD RESPONSIBILITIES (CONTINUED)

#### 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 to which the Group subscribes 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](http://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](http://www.amtel.com.my).

#### Whistle blowing Policy

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

The said document is available on the Company's website at [www.amtel.com.my](http://www.amtel.com.my).

#### Anti-Bribery and Corruption Policy

The Board had established and approved the Anti-Bribery and Corruption Policy to set out the Group's responsibilities to comply with laws against bribery and corruption and to provide information and guidance to those working for the Group on how to recognise and deal with corruption and bribery issues.

The said document is available on the Company's website at [www.amtel.com.my](http://www.amtel.com.my).

#### Directors' Fit and Proper Policy

In line with the amendment to the MMLR of Bursa Securities, the Board had on 28 June 2022 approved and adopted the Directors' Fit and Proper Policy which outlined the fit and proper criteria for the appointment and re-appointment of Directors on the Board of the Company and the Group.

The said document is available on the Company's website at [www.amtel.com.my](http://www.amtel.com.my).

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### I. BOARD RESPONSIBILITIES (CONTINUED)

#### Sustainability risks and opportunities

The Board plays a key role in supporting sustainability initiatives. The CEO and Management team are responsible for identifying and managing Economic, Environmental and Social ("EES") risks and opportunities, as well as measuring the Group's sustainability performance.

In order to strengthen the Group's 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 the Group's obligation and commitment, setting the overall corporate sustainability strategy 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 subcommittee i.e., the Sustainability Working Group ("SWG") represented by various personnel such as Heads of Departments, Operations Managers and Finance and Accounts Executives from the various departments and business segments. The SWG is responsible to drive, monitor the implementation and report the EES initiatives to the SMC. The SWG is further divided into different sub-groups based on their area of focus.

The Company's sustainability strategies, priorities and targets as well as performance against these targets are not communicated to its internal and external stakeholders.

Nevertheless, the Board together with Management are working to set the Company's sustainability strategies, priorities and targets as well as performance against these targets and shall communicate the same to its internal and external stakeholders upon finalisation.

The Board is cognisant that Directors are expected to have a strong understanding and be able to engage in rigorous discourse with Management in addressing sustainability-related risks.

The Board would undertake the relevant training to stay abreast with and understand the sustainability issues relevant to the Company and its businesses, including climate-related risks and opportunities.

### II. BOARD COMPOSITION

#### Board Composition and Balance

The Board consists of qualified individuals with diverse professional backgrounds and specialisations with a 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 are 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 (1/3rd) of the Board, whichever is the higher, are Independent Non-Executive Directors and one (1) Director of the Company is a woman. If the number of Directors is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3rd) 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.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### II. BOARD COMPOSITION (CONTINUED)

#### Board Composition and Balance (Continued)

Currently, there is no woman Director appointed but the Company is well noted on the MMLR of Bursa Securities and will appoint at least one (1) woman Director once a suitable candidate has been identified by 1 June 2023.

The Board is mindful that the composition of the Board does not comprise half of the Independent Non-Executive Directors. The Board believes that the existing Independent Non-Executive Directors are capable to act as vigilant gatekeepers and at the same time acting as a check and balance on the Group's Management, which ultimately aims to safeguard the assets of the Group and protect the interests of the Company and shareholders as a whole. Therefore, the lack of at least half of the Independent Non-Executive Directors on the Board does not jeopardise the independence of the Board's deliberations and all decisions were made in the best interest of 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 with valuable and insightful advice as he has a thorough understanding of the Group's businesses.

The Board shall assess the independence 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.

During the financial year under review, the Board and the Nomination Committee have determined not to retain Mr. Siow Hock Lee who was appointed as an Independent Non-Executive Director on 9 November 1996 and has served the Board for more than twelve (12) years to adhere with MMLR of Bursa Securities that limit the tenure of Independent Non-Executive Director to not more than a cumulative period of twelve (12) years. Mr. Siow Hock Lee shall retire at the conclusion of the forthcoming Annual General Meeting ("AGM") of the Company as he has indicated his intention not to seek re-election at the said AGM of the Company.

The Company does not have a policy which limits the tenure of its Independent Non-Executive Directors to nine (9) years. However, upon completion of the nine (9) years term, the Independent Non-Executive Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Non-Executive Director.

In the event that the Director is to remain as an Independent Non-Executive Director after the ninth year, the Company shall first justify the Director's independence and obtain annual shareholders' approval through a two-tier voting process at every AGM of the Company to retain the Independent Non-Executive Director of the Company who has served the Board for more than nine (9) years.

#### 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, educational 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.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### II. BOARD COMPOSITION (CONTINUED)

#### Board Diversity (Continued)

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 the 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 with the range of knowledge and expertise essential to govern the Company, including understanding its business operations and the challenges it faces. The CEO 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 the selection of a Director must be based on skill, experience, competency and wealth of knowledge while taking into consideration the diversity of the Board. Currently, the Board does not have any Gender Diversity Policy and has not set a gender diversity target as of the financial year under review.

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.

#### 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 time sufficiently to carry out his 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 2022 are set out below:-

Name of Directors	Attendance of meeting
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%)
Ir. Chew Yook Boo	5/5 (100%)
Mr. Lim Hun Teik	5/5 (100%)
Mr. Koid Siang Loong	5/5 (100%)



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### II. BOARD COMPOSITION (CONTINUED)

#### Board Meetings (Continued)

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.

#### 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 the 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:-

Name of Director	Date	Seminar/Workshop/ Training Programme	Organiser
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	27 July 2022	In House Training on Conflict of Interest: Related Party Transactions	Amtel Holdings Berhad (Facilitator: Messrs. Wong Beh & Toh)
	22 November 2022	Introduction and Accounting for Share-Based Payments for Employees & Tax Implications and Compliance for Employee Share Schemes	Moore Advent Tax Consultants Sdn. Bhd.
Dato' Koid Hun Kian	27 July 2022	In House Training on Conflict of Interest: Related Party Transactions	Amtel Holdings Berhad (Facilitator: Messrs. Wong Beh & Toh)
	22 November 2022	Introduction and Accounting for Share-Based Payments for Employees & Tax Implications and Compliance for Employee Share Schemes	Moore Advent Tax Consultants Sdn. Bhd.
Mr. Siow Hock Lee	6 December 2021	2022 Budget Seminar	Malaysian Institute of Accountants
	17 February 2022	MIA Webinar Series: Understanding Tax Deductibility of Expenses	Malaysian Institute of Accountants
	8 March 2022	MIA Webinar Series: ISQM - An Overview and Implementation ISQM 1, ISQM 2, ISA220 (Revised)	Malaysian Institute of Accountants

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### II. BOARD COMPOSITION (CONTINUED)

#### Directors' Training (Continued)

Name of Director	Date	Seminar/Workshop/ Training Programme	Organiser
Mr. Siow Hock Lee (Continued)	27 July 2022	In House Training on Conflict of Interest: Related Party Transactions	Amtel Holdings Berhad (Facilitator: Messrs. Wong Beh & Toh)
	17 August 2022	Seminar on Valuation of Early-Stage Companies	Business Valuers Association Malaysia (BVAM)
	20 September 2022	Advocacy Sessions for Directors and Senior Management of Main Market Listed Issuers	Bursa Malaysia Berhad
	22 November 2022	Introduction and Accounting for Share-Based Payments for Employees & Tax Implications and Compliance for Employee Share Schemes	Moore Advent Tax Consultants Sdn. Bhd.
Ir. Chew Yook Boo	27 July 2022	In House Training on Conflict of Interest: Related Party Transactions	Amtel Holdings Berhad (Facilitator: Messrs. Wong Beh & Toh)
	20 September 2022	Advocacy Sessions for Directors and Senior Management of Main Market Listed Issuers	Bursa Malaysia Berhad
	25 October 2022 to 28 October 2022	BEM Convention 2022	Board of Engineers Malaysia
	17 November 2022	Conversation with Audit Committees	Securities Commission Malaysia
	22 November 2022	Introduction and Accounting for Share-Based Payments for Employees & Tax Implications and Compliance for Employee Share Schemes	Moore Advent Tax Consultants Sdn. Bhd.
Mr. Lim Hun Teik	27 July 2022	In House Training on Conflict of Interest: Related Party Transactions	Amtel Holdings Berhad (Facilitator: Messrs. Wong Beh & Toh)
	22 November 2022	Introduction and Accounting for Share-Based Payments for Employees & Tax Implications and Compliance for Employee Share Schemes	Moore Advent Tax Consultants Sdn. Bhd.
Mr. Koid Siang Loong	12 April 2022	Sustainability in the Energy Sector	Asia School of Business
	27 July 2022	In House Training on Conflict of Interest: Related Party Transactions	Amtel Holdings Berhad (Facilitator: Messrs. Wong Beh & Toh)
	22 November 2022	Introduction and Accounting for Share-Based Payments for Employees & Tax Implications and Compliance for Employee Share Schemes	Moore Advent Tax Consultants Sdn. Bhd.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## 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 CEO or any Director or shareholder, or outsourced independent service providers, taking into consideration the candidates' skills, knowledge, experience, age, cultural background and gender;
- (ii) Oversee the selection and assessment of Directors and to ensure that Board composition meets the needs of the Company, taking into consideration the Fit and Proper Policy adopted by the Company, including the skills, knowledge, expertise and experience, integrity, competencies, commitment, contribution and gender;
- (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 the 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 2022 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 carried out its duties in accordance with its Terms of Reference during the financial year ended 30 November 2022 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 recommended to the Board for approval, the re-election of the Directors at the AGM of the Company.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### II. BOARD COMPOSITION (CONTINUED)

#### Nomination Committee (Continued)

Details of the Terms of Reference of the Nomination Committee are available for reference on the Company's corporate website at [www.amtel.com.my](http://www.amtel.com.my).

The Nomination Committee is responsible for making recommendations to the Board for the appointment of new Director(s). All nominations to the Board and Board Committees 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 the 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 (1/3rd) of the Directors are subject to retirement by rotation at each AGM of the Company and 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. If the total number of the Directors is not three (3) or multiple of it, the number nearest to, but not less than one-third (1/3rd) will retire. All newly appointed Directors will be subject to retirement at the next AGM of the Company and is eligible for re-election.

For the purpose of determining the eligibility of the Directors to stand for re-election at the AGM of the Company, the Board through its Nomination Committee undertakes a formal evaluation to determine the eligibility of each retiring Director in line with MCCG, which includes the following:

- Performance of the individual Directors;
- Independence of the Independent Non-Executive Directors; and
- Fit and Proper assessment.

The Director(s) who are to retire shall abstain from deliberations and decisions on their own eligibility to stand for re-election at the meetings of the Board and Nomination Committee, where relevant. The name of the Director seeking for re-election at the forthcoming AGM of the Company is disclosed in the Notice of AGM of this Annual Report.

Based on the recent annual assessment and evaluation, the Nomination Committee is satisfied with the performance of the Director who is standing for re-election and has recommended to the Board the proposed re-election in accordance with the Constitution of the Company. The Board supported the Nomination Committee's recommendation to re-elect the eligible Director standing for re-election at the forthcoming AGM of the Company.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### II. BOARD COMPOSITION (CONTINUED)

#### Directors' Assessment/Board Evaluation

The Company has enhanced its Board Evaluation by including questionnaires on Environmental, Social and Governance ("ESG") issues.

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;
- The Director's declaration on Fit and Proper; 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, qualifications, 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 is based on their experience, qualification and level of responsibilities.

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

Details of the Remuneration Policy are available for reference on the Company's corporate website at [www.amtel.com.my](http://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 CEO with the consultation of the Human Resources department.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### 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 2022 and the attendance of the members are as follows:-

Name of Members	Designation	No. of Meeting Attended
Mr. Siow Hock Lee	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%)
Ir. Chew Yook Boo	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' merits, qualifications, 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, CEO, 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 of the Remuneration Committee is available for reference on the Company's corporate website at [www.amtel.com.my](http://www.amtel.com.my).



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### 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 2022 are as follows:-

#### (a) Aggregate Remuneration of Each Director:-

##### (i) Received from Amtel Holdings Berhad

Company Name of Directors	Fees RM'000	Salaries RM'000	Bonus RM'000	Meeting Allowance RM'000	Statutory Contributions RM'000	Benefits in-kind RM'000	Total RM'000
<b>Non-Executive Directors</b>							
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	62.4	-	-	2.0	-	-	64.4
Mr. Siow Hock Lee	57.6	-	-	2.0	-	-	59.6
Ir. Chew Yook Boo	57.6	-	-	2.0	-	-	59.6
	177.6	-	-	6.0	-	-	183.6
<b>Executive Directors</b>							
Dato' Koid Hun Kian	-	480.0	26.0	2.0	20.8	31.2	560.0
Mr. Lim Hun Teik	-	-	-	2.0	-	-	2.0
Mr. Koid Siang Loong	-	-	-	2.0	-	-	2.0
	-	480.0	26.0	6.0	-	31.2	564.0
<b>Total</b>	<b>177.6</b>	<b>480.0</b>	<b>26.0</b>	<b>12.0</b>	<b>20.8</b>	<b>31.2</b>	<b>747.6</b>

##### (ii) Received on Group Basis

Group Name of Directors	Fees RM'000	Salaries RM'000	Bonus RM'000	Meeting Allowance RM'000	Statutory Contributions RM'000	Benefits in-kind RM'000	Total RM'000
<b>Non-Executive Directors</b>							
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	91.2	-	-	2.0	-	-	93.2
Mr. Siow Hock Lee	57.6	-	-	2.0	-	-	59.6
Ir. Chew Yook Boo	57.6	-	-	2.0	-	-	59.6
	206.4	-	-	6.0	-	-	212.4
<b>Executive Directors</b>							
Dato' Koid Hun Kian	-	480.0	26.0	2.0	20.8	31.2	560.0
Mr. Lim Hun Teik	-	233.2	11.4	2.0	30.3	8.8	285.7
Mr. Koid Siang Loong	-	209.9	10.3	2.0	27.5	-	249.7
	-	923.1	47.7	6.0	78.6	40.0	1,095.4
<b>Total</b>	<b>206.4</b>	<b>923.1</b>	<b>47.7</b>	<b>12.0</b>	<b>78.6</b>	<b>40.0</b>	<b>1,307.8</b>

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### 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 2022 are as follows (Continued):-

#### (b) Remuneration of Senior Management

Remuneration Bands	Senior Personnel
RM150,001-RM200,000	1
RM200,001-RM250,000	1
RM250,001-RM300,000	1
RM550,001-RM600,000	1

Note: Successive bands of RM50,000 are not shown entirely as they are not represented.

Currently, the Company has only four (4) senior personnel. The aggregate remuneration paid to the top four (4) senior personnel (including salaries, bonuses, 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 the Group CEO, Group Chief Operation Officer and CEO of subsidiaries.

The Board through the Remuneration Committee will ensure that the remuneration of the Senior Management is commensurate with their key performance achievements and the performance of the Company.

## 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.

All members of the Audit Committee had undertaken and will continue to undertake continuous professional to keep themselves abreast of the relevant developments in accounting and auditing standards, practices and rules.

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 oversee 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 2022 are as disclosed in the Audit Committee Report of this Annual Report.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

### I. AUDIT COMMITTEE (CONTINUED)

None of the Audit Committee members was a former partner of the external audit firm of the Company i.e., the former partners of the audit firm and/or affiliate firm (including those providing advisory services, tax consulting, etc.). In line with the MCCG, the Terms of Reference of the Audit Committee stipulates that a former partner of the external audit firm of the Company shall not be appointed as a member of the Audit Committee until the lapse of at least three (3) years cooling-off period.

The Terms of Reference of the Audit Committee is available on the Company's corporate website at [www.amtel.com.my](http://www.amtel.com.my).

#### 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 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 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 roles of the Audit Committee in relation to both Internal and External Auditors are described in the Audit Committee Report as set out on pages 49 to 52 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 53 to 56 of this Annual Report provides an overview of the state of risk management activities within the Group.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

### II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONTINUED)

#### Risk Management and Internal Control (Continued)

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 51 and 52 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 the distribution of annual reports and relevant circulars, the release of quarterly financial results, press releases and announcements.

The AGMs of the Company and any other meetings of the shareholders represent the principal forum for dialogue and interaction with all shareholders and investors. The shareholders are given the 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, CEO, other Board 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](mailto: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 of the Company. The Company despatches its notice of AGM to shareholders at least twenty-eight (28) days prior to the AGM of the Company, in advance of the notice period as required under the Constitution of the Company and MMLR of Bursa Securities. The additional time given to the shareholders allows 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 the 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.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

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

### Poll Voting (Continued)

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.

### 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](http://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 is satisfied that during the financial year ended 30 November 2022, 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 2022.

This CG Statement was approved by the Board on 20 March 2023.

# SUSTAINABILITY STATEMENT

## INTRODUCTION

During COVID-19, it is all about business survivability. As we transition towards the endemic phase, sustainability is now being recognized as one of the key determinants of a company's future value creation.

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 ("Statement") covers the economic, environmental and social ("EES") initiatives undertaken by our 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 2022 ("FYE 2022").

## OBJECTIVES AND SCOPE

We are involved in Information & Communication Technology ("ICT"), Telecommunications, Infrastructure & Services ("TIS") and Others.

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 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.

Previously, our Sustainability scope and objectives focus mainly on ICT business segment and specific areas within the organization. Going forward, we are looking to implement it across the entire Group.

## SUSTAINABILITY FRAMEWORK AND GOVERNANCE

Our Board of Directors ("Board") plays a key role in supporting sustainability initiatives. Our Chief Executive Officer 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, setting the overall corporate sustainability strategy 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 Finance and Accounts Executives from the various departments and business segments. The SWG is responsible to drive, monitor the implementation and report the EES initiatives to the SMC. The SWG is further divided into different sub-groups based on their area of focus.

The sustainability governance is reviewed and refined as and when necessary for greater effectiveness and efficiency.

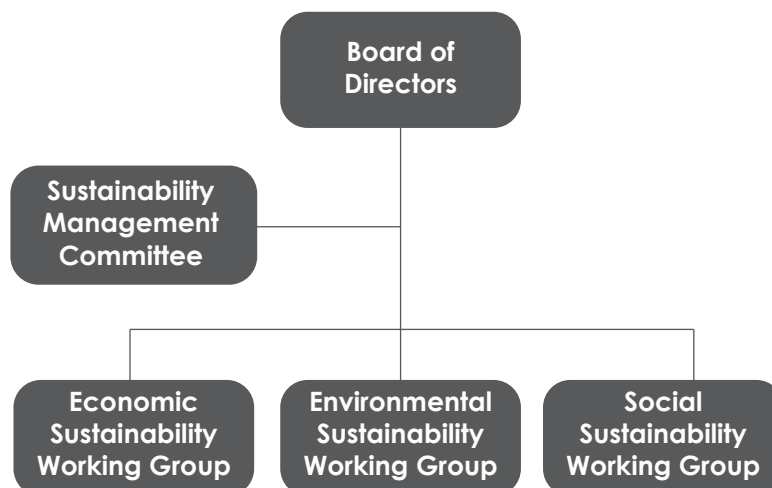


# SUSTAINABILITY STATEMENT

(Continued)

## 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, providing the overall direction of the sustainability initiatives.



## 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 stakeholder groups 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	<ul style="list-style-type: none"> <li>• Transparent reporting</li> <li>• Business strategy &amp; plans</li> <li>• Corporate governance</li> <li>• Financial performance</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly &amp; other announcements</li> <li>• Annual report</li> <li>• Corporate website, AGM &amp; Extraordinary General Meeting</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly</li> <li>• Annually</li> <li>• As notified and/or announced</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• Quality, reliability &amp; competitive pricing of services &amp; products</li> <li>• Customer satisfaction</li> <li>• Timely delivery</li> <li>• Payment &amp; other terms</li> </ul>	<ul style="list-style-type: none"> <li>• Operational meetings &amp; feedback sessions</li> <li>• Corporate functions &amp; events</li> <li>• Annual customer satisfaction survey</li> <li>• Survey for product research and development</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly or continuous (as and when required)</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Compensation &amp; benefits</li> <li>• Work-life composition &amp; staff interaction</li> <li>• Career growth &amp; advancement</li> <li>• Training &amp; development</li> <li>• Occupational health &amp; safety</li> </ul>	<ul style="list-style-type: none"> <li>• Internal and external training programs</li> <li>• Project &amp; operational meetings</li> <li>• Internal audits</li> <li>• Staff induction &amp; performance appraisal</li> <li>• Annual employee's satisfaction survey</li> <li>• Company functions &amp; staff engagement activities</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly, annually or continuous (as and when required)</li> </ul>

# SUSTAINABILITY STATEMENT

(Continued)

## STAKEHOLDERS ENGAGEMENT (CONTINUED)

Our Group engages with our principal stakeholder groups 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
Regulators, authorities & other government bodies	<ul style="list-style-type: none"> <li>Statutory compliance</li> <li>Corporate governance</li> <li>Permits &amp; licenses</li> </ul>	<ul style="list-style-type: none"> <li>Announcements/necessary reporting</li> <li>Annual payments, filings &amp; returns</li> <li>Correspondences via circulars, mails or emails</li> <li>Seminars, dialogues, workshops &amp; forums</li> <li>Appointments</li> </ul>	<ul style="list-style-type: none"> <li>Annually, quarterly, monthly or continuous (as and when required)</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Product &amp; service quality &amp; reliability</li> <li>Credit and trading terms</li> <li>Reputation-related matters</li> </ul>	<ul style="list-style-type: none"> <li>Suppliers performance assessment</li> <li>Appointments – vendors selection and background search</li> <li>Corporate functions &amp; events</li> </ul>	<ul style="list-style-type: none"> <li>Annually and continuous (as and when required)</li> </ul>
Local community	<ul style="list-style-type: none"> <li>Corporate Social Responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>Corporate functions &amp; events</li> </ul>	<ul style="list-style-type: none"> <li>Annually or as and when required</li> </ul>

## 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;
- Commentary and inputs from Board members during their review of the sustainability statement; and
- Reference to Malaysia's Budget in key areas related to environmental sustainability and green technologies.

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. Our Group's 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.

# SUSTAINABILITY STATEMENT

(Continued)

## OUR IMPACT ON THE ECONOMY (CONTINUED)

### 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. Our integrity initiatives are supported by our Group's Code of Conduct and Ethics for Directors and Employees, Anti-bribery and Anti-corruption Policy and the Whistle Blowing Policy.

These policies have been made known to our employees via internal circulation, in house awareness trainings and electronic version which are available at the Company's website. 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 FYE 2022, our Group's financial performance is summarised as follows:-

	RM'000
Revenue	60,500
Profit before tax	3,410
Tax	1,320
Profit after tax	2,090

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

### 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.

# SUSTAINABILITY STATEMENT

(Continued)

## OUR IMPACT ON THE ECONOMY (CONTINUED)

### 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 (subsequently renewed in 2022). 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.

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.

Since the outbreak of COVID-19, the prolonged pandemic has caused significant market disruptions such as volatility in currencies exchange, increase in material costs 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.

### GREEN TECHNOLOGY DIVISION

Under the National Sustainability Agenda, the government has been largely supportive in terms of building up our local Electric Vehicle ("EV") industry to reduce our country's carbon footprint.

As our ICT segment primarily serves the local car manufacturers, we have also setup a Green Technology division within the Group. This division is responsible for delivering sustainable products and services catering for the mobility sector. Starting with our EV charging equipment, we have a few more EV-related products and services which we target to gradually introduce to our customers as well.

While the contribution from this division is still minimal at this moment, we expect our EV-related products and services will augur well with our customers' offerings in coming years.

# SUSTAINABILITY STATEMENT

(Continued)

## 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

- o "Green" Renewable Energy

Our group's operations are all house under our corporate building named Wisma Amtel. In line with our commitment to adopting good EES principles, Wisma Amtel's rooftop is installed with Solar PV system. It covers an estimated area of 380 square meters and is one of our major investments in renewable energy. This solar system was approved by Tenaga Nasional Berhad on 23 March 2022 under the Net Energy Metering Scheme and is able to generate a maximum capacity of approximately 220 kWh per day.

The Solar PV system is fully operational since mid-September 2022. As of FYE 2022, the Solar PV system has generated a total of 16,391.71 kWh.

Apart from that, the others energy conservation our Group practices are as follows:-

- o Minimise water and energy consumption within our office buildings and during our operation processes.
  - o 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.
  - o Our building is installed with LED lights and air-conditioner with an inverter.
  - o Encourage our staff to car pool, or take public transport when commuting to office.

- Recycle and Reduce

- o 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.
  - o 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.
  - o Production waste and leftovers are either recycled or returned to suppliers for proper disposal.

- End of Life Sales and IT Products

- o 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).

# SUSTAINABILITY STATEMENT

(Continued)

## 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	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Male	67%	68%	57%	58%
Female	33%	32%	43%	42%
Total	100%	100%	100%	100%

Age Group	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Below 30 years old	28%	40%	46%	43%
30 – 50 years old	42%	38%	39%	40%
Above 50 years old	30%	22%	15%	17%
Total	100%	100%	100%	100%

In terms of age, 83% (FY 2021: 85%) of our staff are below 50 years old which constitute an energetic workforce supporting our Group's continued business 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.

#### 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 FYE 2022, we have zero incident of accident at the workplace.

# SUSTAINABILITY STATEMENT

(Continued)

## OUR IMPACT ON THE SOCIETY (CONTINUED)

### WORKPLACE (Continued)

#### o Occupational Health and Safety (Continued)

Apart from the above, although our country is transitioning into COVID-19 endemic phase, we still keep in mind that the virus is evolving and transmittable. Thus, we continue to maintain certain SOPs such as wearing face mask in the office, weekly self test for our production workers and employees who contracted the virus are required to self-quarantine at home to minimise the risk of virus spread within our office building.

#### o Employees Training and Career Development

Number of Years of Service	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Below 5 years	61%	68%	79%	78%
5 – 10 years	25%	17%	11%	13%
Above 10 years	14%	15%	10%	9%
Total	100%	100%	100%	100%

Many of our staff have served our Group for a long time. Currently 21% (FY 2021: 21%) 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.



# SUSTAINABILITY STATEMENT

(Continued)

## 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 FYE 2022 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. In the coming years, we will look into the conduct of a materiality assessment engaging our key internal and external stakeholders and intensify our efforts in expanding our sustainability framework and initiatives.

## ADDITIONAL COMPLIANCE INFORMATION

### (a) Utilisation of Proceeds

The Company did not raise any proceeds during the financial year ended 30 November 2022.

### (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 with the External Auditors for the financial year ended 30 November 2022 were as follows:-

	Group RM'000	Company RM'000
Audit Fees	159	71
Non-Audit Fees	6	6

### (c) Material Contracts Involving Interests of Directors, Chief Executive who is not a Director and/or Major Shareholders

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 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 the recurrent related party transactions entered into by the Company and its subsidiaries for the financial year ended 30 November 2022 are disclosed in the Note 37 to the accompanying Audited Financial Statements, which are shown on pages 128 and 129 of this Annual Report.

### (e) Long-Term Incentive Plan ("LTIP")

The LTIP which comprises the Employees Share Option Scheme ("ESOS") and the Share Grant Plan ("SGP") of up to fifteen per centum (15%) of the total number of issued shares in the Company (excluding treasury shares of the Company, if any) for the eligible person(s) during the LTIP period, approved by the shareholders at the Extraordinary General Meeting of the Company held on 25 May 2022 was implemented on 3 October 2022. The LTIP shall be in force for a period of five (5) years until 2 October 2027. During the financial year ended 30 November 2022, there were no ESOS and/or SGP granted or awarded to eligible person(s).

# AUDIT COMMITTEE REPORT

The Board of Directors of Amtel Holdings Berhad ("the Board") is pleased to present the report on the Audit Committee for the financial year ended 30 November 2022.

## 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 in 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 2022 and the attendance of each member of the Audit Committee is 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 ACTIVITIES OF AUDIT COMMITTEE

For 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 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.

# AUDIT COMMITTEE REPORT

(Continued)

## SUMMARY OF ACTIVITIES OF AUDIT COMMITTEE (CONTINUED)

For 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 Group and to ensure they 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 of 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 ensure 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) Enterprise Risk Management

- (a) Reviewed the Enterprise Risk Management Report for the year 2021/2022.

### (4) External Audit

- (a) Reviewed and discussed with the External Auditors 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 written assurance from the External Auditors 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.

### (5) 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.

# AUDIT COMMITTEE REPORT

(Continued)

## SUMMARY OF ACTIVITIES OF AUDIT COMMITTEE (CONTINUED)

For 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):

### (6) 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 of the Group's state of the 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 reviews of 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 in better understanding, managing and communicating risk and related controls in an integrated approach.

The Internal Auditors report directly to the Audit Committee and undertake internal audit functions on 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 the 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.

# AUDIT COMMITTEE REPORT

(Continued)

## INTERNAL AUDIT FUNCTION (CONTINUED)

The Group outsourced its internal audit function to an independent external firm of professional internal auditors, PKM Partners (M) Sdn. Bhd. ("PKM"). PKM assists the Board and Audit Committee in discharging their responsibilities by providing an independent and objective advisory service and evaluation of risks and controls in the auditable activities to ensure a sound system of internal controls is implemented across all business segments. PKM reports directly and independently to the Audit Committee on its activities based on the approved annual internal audit plan.

PKM's Internal Control Review methodology is based upon the international recognised internal control framework i.e., Committee of Sponsoring Organizations of the Treadway Commission (COSO), as recommended by Bursa Securities. This will also include Information System Reviews 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 the adequacy of controls and security.

During the financial year under review, PKM conducted the following internal audit assignments in the discharge of its responsibilities:

- (i) carried out the annual review of the Group's enterprise risk assessment focusing mainly on its core business segment of Information & Communication Technology ("ICT") and reviewed the operations, Standard Operating Procedures ("SOPs"), internal control and the financial reporting functions of Infrastructure and Services segment;
- (ii) carried out the review on the inventory management and inventory accounting of the ICT segment to ensure SOPs and system of internal controls are established for inventory accuracy and completeness and are properly accounted for in the Enterprise Resource Planning system; and
- (iii) Personal Data Protection Act Malaysia 2010 ("Act") – PKM assisted Management in formulating the Group's data protection and privacy policy; carried out the review of the IT framework, infrastructure, and data security across all business segments; and conducted awareness training to all level of staff on the basic concepts, principles and best practices of the Act.

Based on PKM's review, a number of weaknesses to internal controls were identified and addressed. However, none of the weaknesses noted have resulted in material losses, contingencies or uncertainties to the Group. The costs incurred in relation to the internal audit function of the Group for the financial year ended 30 November 2022 was RM48,917 (For information, FY2021: RM46,763).

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 Board is pleased to present the Group's Statement on Risk Management and Internal Control ("Statement") which outlined the scope and key elements of risk management and internal control system of the Group for the financial year ended 30 November 2022. This Statement has been 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 system of internal control and risk management framework as well as to review the adequacy and effectiveness of these systems to safeguard shareholders' investments and the Group's assets.

However, in view of the limitations that are inherent in any system of risk management and internal control, these systems are designed to manage rather than to eliminate all the 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 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 COSO Enterprise Risk Management ("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 Chief Operating Officer 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 ("COBE"), 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 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.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

## THE RISK MANAGEMENT FRAMEWORK (CONTINUED)

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 ERM Council 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 the 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 ERM Council 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 ERM Council 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 key elements of the Group's risk management and internal control system are categorised as follows: -

### (1) Control Environment and Activities

- (i) Standard operating policies and procedures ("SOP")  
Various SOPs are in place which serve as a guidance for the Group's daily operations. These SOPs are reviewed and adjusted as and when necessary to ensure they are operating effectively and continue to support the Group's growing business activities.  
  
IATF 16949:2016 Quality Management Systems has been implemented for the Group's key operating subsidiary, namely Amtel Cellular Sdn. Bhd. where documented internal procedures and standard operating procedures have been put in place, guiding employees 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 warrant a high assurance of compliance.
- (ii) Organisation structure and authorisation procedures  
The Group has a defined organisational structure which clearly lay down the lines of responsibility, accountability, authority limits and approval procedures for the various divisions of the Group's business.
- (iii) Whistle blowing policy and procedures  
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 in a safe and confidential manner.
- (iv) Anti-bribery and corruption policy  
The Group has established the anti-bribery and corruption policy and manual and is committed to conducting the business ethically, as well as complying with all applicable laws in all jurisdiction in which it operates.
- (v) Code of conduct ("Code") and human resource management policies and regulations ("HR Policy")  
The Code and HR Policy covers all levels of management and employees and serves as a source for easy reference on all personnel matters of the Group. They are reviewed from time to time to ensure continuity in the business management processes and support the Group's business objectives.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

## KEY ELEMENTS OF RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

The key elements of the Group's risk management and internal control system are categorised as follows:-  
(Continued)

### (2) Information and Communication

- (i) Meetings are held at business units and divisional levels with the present of the Chief Executive Officers ("CEOs") and/or Chief Operating Officer ("COO"), discuss and review operational and financial issues which require timely decision making and action plan.
- (ii) 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.

### (3) Review and Monitoring Process

- (i) 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 business operations that require the review and approval by respective CEO and COO.
- (ii) 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.
- (iii) Quarterly monitoring of the Group's results by the Board, who plays an active role in discussing, deliberating and reviewing any new business ventures, strategies, significant performance and risks faced by the Group.
- (iv) Provision of internal and external training and development programmes to enhance employees' competency and skill set. In house awareness training conducted to educate and update workforce about the new regulations and laws in place and the new policies or procedures the Group has in place and its compliance.

## 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 2022 can be found in the Audit Committee Report as set out on pages 51 and 52 of this Annual Report.

Upon completion of their audit review, the Internal Auditor 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.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

## ASSURANCE AND CONCLUSION

The Board has received assurance from the Chief Executive Officer that the Group's overall 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 have received the same assurance from 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 on 20 March 2023.

## **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 that financial year then ended.

In preparing the financial statements of the Group and of the Company for the financial year ended 30 November 2022, the Directors have:-

- adopted and reviewed the appropriate accounting policies that are consistently applied;
- made judgements and estimates that are reasonable and prudent;
- ensure compliance with the application of approved accounting standards in Malaysia; and
- prepared it 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 and in compliance with the Companies Act, 2016.

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.

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for the Financial Year Ended 30 November 2022



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## 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 2022.

### 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	2,089,812	687,173
Attributable to:		
Owners of the Company	2,089,812	687,173

### 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 2022.

### RESERVES OR PROVISIONS

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

# DIRECTORS' REPORT

(Continued)

## 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, no new issue of shares or debentures were made 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.



# DIRECTORS' REPORT

(Continued)

## WARRANTS (CONTINUED)

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

	Number of Warrants			At 30 November 2022
	At 1 December 2021	Allotment	Exercised	
Warrants	48,776,330	-	-	48,776,330

## TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company in accordance with the requirement of Section 127 of the Companies Act 2016 in Malaysia.

During the financial year, the Company repurchased 2,000,000 shares from the open market at an average price of RM0.65 per share. The total consideration paid for the repurchased shares was RM1,305,290 and they were financed by internally generated funds.

As at 30 November 2022, the Company held 2,000,000 treasury shares out of its 97,553,682 issued and paid up ordinary shares. Such treasury shares are held at a carrying amount of RM1,305,290.

## EMPLOYEE'S SHARE OPTION SCHEME ("ESOS") AND SHARE GRANT PLAN ("SGP")

At an Extraordinary General Meeting held on 25 May 2022, the Company's shareholders approved the establishment of a long-term incentive plan ("LTIP"), which comprises the ESOS and SGP. The LTIP was implemented on 3 October 2022 and will continue to be in force for a period of five (5) years from the date of implementation and may be extended for a period of up to another 5 years provided that the tenure of the LTIP shall not in aggregate exceed 10 years from the date of implementation.

The salient features of the ESOS and SGP are disclosed in Note 36 to the financial statements.

No options were granted under the ESOS and no shares were granted under the SGP during the financial year.

## 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\*  
 Lim Hun Teik\*

\* Directors of the Company and certain subsidiaries

# DIRECTORS' REPORT

(Continued)

## DIRECTORS (CONTINUED)

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 and warrants of the Company during the financial year were as follows:

	Number of Ordinary Shares		
	At 1 December 2021	Bought Sold	At 30 November 2022
<b>Direct interest:</b>			
Dato' Koid Hun Kian	12,429,132	-	12,429,132
YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin	300,000	-	300,000
Siow Hock Lee	97,999	-	97,999
Lim Hun Teik	183,000	-	183,000
Koid Siang Loong	2,339,599	1,000,000	3,339,599
<b>Indirect interest:</b>			
Dato' Koid Hun Kian *	12,186,303	1,000,000	13,186,303
Siow Hock Lee **	1,221,499	-	1,221,499
Koid Siang Loong ***	2,700,000	-	2,700,000

# DIRECTORS' REPORT

(Continued)

## DIRECTORS' INTERESTS (CONTINUED)

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 and warrants of the Company during the financial year were as follows (Continued):

	At 1 December 2021	Number of Warrants		At 30 November 2022
		Bought	Exercised	
<b>Direct interest:</b>				
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
<b>Indirect interest:</b>				
Dato' Koid Hun Kian *	2,519,799	-	-	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.

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 as shown below) 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.

# DIRECTORS' REPORT

(Continued)

## DIRECTORS' BENEFITS (CONTINUED)

The directors' benefits of the Group and of the Company during the financial year were as follows:

	Group RM	Company RM
<b>Directors of the Company</b>		
Fees	206,400	177,600
Other emoluments	982,816	518,000
Contribution to Employees Provident Fund and social security contribution	78,656	20,870
Estimated monetary value of benefit-in-kind	39,950	31,150
<b>Directors of the subsidiaries</b>		
Other emoluments	144,342	-
Contribution to Employees Provident Fund and social security contribution	6,426	-
Estimated monetary value of benefit-in-kind	7,075	-
	1,465,665	747,620

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, other than as disclosed under Note 36 to the financial statements.

## 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.

# DIRECTORS' REPORT

(Continued)

## AUDITORS

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

The details of the auditors' remuneration of the Group and of the Company during the financial year were RM165,250 and RM77,000 respectively.

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: 20 March 2023

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 NOVEMBER 2022

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	5	27,781,039	27,028,419	25,948,402	24,830,745
Investment in subsidiaries	6	-	-	18,016,075	18,016,075
Investment in associates	7	1,309,124	1,722,683	-	-
Intangible assets	8	1	1	-	-
Other investments	9	250,000	250,000	-	-
Investment properties	10	3,366,697	3,386,465	-	-
Deferred tax assets	11	357,000	307,890	-	-
<b>Total non-current assets</b>		33,063,861	32,695,458	43,964,477	42,846,820
<b>Current assets</b>					
Inventories	12	5,495,230	6,773,564	-	-
Other investments	9	9,589,642	7,444,052	333,876	670,492
Trade receivables	13	10,389,611	8,997,549	-	-
Other receivables, deposits and prepayments	14	3,042,163	844,136	161,647	31,305
Contract assets	15	5,693,843	5,731,367	-	-
Tax assets	16	315,800	140,217	-	-
Amount owing by subsidiaries	17	-	-	6,773,985	6,769,086
Amount owing by associates	18	288,390	156,020	277,021	156,019
Cash deposits with licensed banks	19	6,293,135	8,521,585	-	-
Cash and bank balances	20	8,348,756	14,909,474	749,050	2,754,203
<b>Total current assets</b>		49,456,570	53,517,964	8,295,579	10,381,105
<b>TOTAL ASSETS</b>		82,520,431	86,213,422	52,260,056	53,227,925

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 NOVEMBER 2022

(Continued)

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the Company</b>					
Share capital	21	40,148,639	40,148,639	40,148,639	40,148,639
Treasury shares	24	(1,305,290)	-	(1,305,290)	-
Reserves	22	27,447,672	25,343,918	5,778,989	5,091,816
<b>TOTAL EQUITY</b>		<b>66,291,021</b>	<b>65,492,557</b>	<b>44,622,338</b>	<b>45,240,455</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Hire purchase payables	25	99,575	60,497	-	-
Deferred tax liabilities	11	104,003	104,803	-	-
<b>Total non-current liabilities</b>		<b>203,578</b>	<b>165,300</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>					
Trade payables	26	7,976,328	11,192,502	-	-
Other payables, deposits and accruals	27	2,249,471	2,506,619	853,952	1,195,181
Amount owing to subsidiaries	17	-	-	6,746,086	6,755,669
Amount owing to associates	18	163,450	76,776	-	-
Provisions	28	1,798,823	1,537,807	37,194	36,134
Contract liabilities	15	2,619,793	2,484,977	-	-
Bank borrowings	29	587,144	2,095,911	-	-
Hire purchase payables	25	65,598	80,336	-	-
Tax liabilities		565,225	580,637	486	486
<b>Total current liabilities</b>		<b>16,025,832</b>	<b>20,555,565</b>	<b>7,637,718</b>	<b>7,987,470</b>
<b>TOTAL LIABILITIES</b>		<b>16,229,410</b>	<b>20,720,865</b>	<b>7,637,718</b>	<b>7,987,470</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>82,520,431</b>	<b>86,213,422</b>	<b>52,260,056</b>	<b>53,227,925</b>

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



# STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

	Note	Group		Company	
		2022 RM	2021 RM (Restated)	2022 RM	2021 RM
Revenue	31	60,500,144	54,728,008	3,394,711	3,341,551
Cost of sales	32	(49,302,955)	(42,315,112)	-	-
<b>Gross profit</b>		11,197,189	12,412,896	3,394,711	3,341,551
Other operating income		1,236,019	963,629	22,579	107,680
Distribution expenses		(256,219)	(273,149)	-	-
Administrative expenses		(5,491,977)	(4,889,959)	(1,581,147)	(1,617,722)
Other operating expenses		(3,266,741)	(2,941,949)	(1,148,690)	(896,309)
Impairment loss on trade receivable		-	(36,650)	-	-
		(9,014,937)	(8,141,707)	(2,729,837)	(2,514,031)
<b>Profit from operations</b>		3,418,271	5,234,818	687,453	935,200
Finance costs		(64,875)	(70,926)	(280)	-
Share of results of associates, net of tax		56,179	123,864	-	-
<b>Profit before tax</b>	33	3,409,575	5,287,756	687,173	935,200
Income tax expense	34	(1,319,763)	(1,730,301)	-	-
<b>Profit for the financial year</b>		2,089,812	3,557,455	687,173	935,200
<b>Other comprehensive income, net of tax</b>					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Foreign currency translation		13,942	2,423	-	-
<b>Total comprehensive income for the financial year</b>		2,103,754	3,559,878	687,173	935,200
<b>Profit for the financial year attributable to:</b>					
Owners of the Company		2,089,812	3,557,455	687,173	935,200
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		2,103,754	3,559,878	687,173	935,200
<b>Earnings per share (sen)</b>					
- Basic	35	2.15	3.84		
- Diluted	35	2.10	3.51		

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

# STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

←----- Attributable to Owners of the Company -----→						
Group	Note	Share Capital RM	Fair Value Reserve of Financial Assets at FVOCI RM	Foreign Exchange Reserve RM	Retained Earnings RM	Total Equity RM
<b>At 1 December 2020</b>		40,148,639	159,000	38,023	21,587,017	61,932,679
<b>Total comprehensive income for the financial year</b>						
Profit for the financial year		-	-	-	3,557,455	3,557,455
Other comprehensive income for the financial year		-	-	2,423	-	2,423
<b>Total comprehensive income</b>		-	-	2,423	3,557,455	3,559,878
<b>At 30 November 2021</b>		40,148,639	159,000	40,446	25,144,472	65,492,557

←----- Attributable to Owners of the Company -----→							
Group	Note	Share Capital RM	Treasury Shares RM	Fair Value Reserve of Financial Assets at FVOCI RM	Foreign Exchange Reserve RM	Retained Earnings RM	Total Equity RM
<b>At 1 December 2021</b>		40,148,639	-	159,000	40,446	25,144,472	65,492,557
<b>Total comprehensive income for the financial year</b>							
Profit for the financial year		-	-	-	-	2,089,812	2,089,812
Other comprehensive income for the financial year		-	-	-	13,942	-	13,942
<b>Total comprehensive income</b>		-	-	-	13,942	2,089,812	2,103,754
<b>Transaction with owners</b>							
Share repurchased	24	-	(1,305,290)	-	-	-	(1,305,290)
<b>Total transaction with owners</b>		-	(1,305,290)	-	-	-	(1,305,290)
<b>At 30 November 2022</b>		40,148,639	(1,305,290)	159,000	54,388	27,234,284	66,291,021

# STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

(Continued)

Company		Share Capital RM	Treasury Shares RM	Retained Earnings RM	Total Equity RM
	Note				
<b>At 1 December 2020</b>		40,148,639	-	4,156,616	44,305,255
<b>Total comprehensive income for the financial year</b>					
Profit for the financial year		-	-	935,200	935,200
<b>Total comprehensive income</b>		-	-	935,200	935,200
<b>At 30 November 2021</b>		40,148,639	-	5,091,816	45,240,455
<b>Total comprehensive income for the financial year</b>					
Profit for the financial year		-	-	687,173	687,173
<b>Total comprehensive income</b>		-	-	687,173	687,173
<b>Transaction with owners</b>					
Share repurchased	24	-	(1,305,290)	-	(1,305,290)
<b>Total transaction with owners</b>		-	(1,305,290)	-	(1,305,290)
<b>At 30 November 2022</b>		40,148,639	(1,305,290)	5,778,989	44,622,338

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

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
<b>Cash flows from operating activities</b>					
Profit before tax		3,409,575	5,287,756	687,173	935,200
Adjustments for:					
Depreciation of property, plant and equipment		1,554,926	1,268,456	432,059	239,226
Depreciation of investment properties		19,768	19,768	-	-
Distribution income from fixed income funds		(148,357)	(77,465)	(13,384)	(25,039)
Dividend income		-	-	(1,474,200)	(1,701,000)
Dividend income from quoted equity securities		(516,163)	(100,967)	-	-
Fair value loss on other investments		537,545	436,862	-	-
Gain on disposal of property, plant and equipment		(68,837)	(53,772)	-	-
Impairment loss on:					
- trade receivables		-	36,650	-	-
- property, plant and equipment		101	8	-	-
Interest expense		64,875	70,926	-	-
Interest income		(189,741)	(244,996)	(3,795)	(18,041)
Inventories written off		-	35,901	-	-
Inventories written down		19,904	52,471	-	-
Loss on partial disposal of an associate		597	-	-	-
Net provision of warranty costs		552,912	413,292	-	-
Net provision for employee benefits		32,831	(47,450)	1,060	(30,500)
Property, plant and equipment written off		-	392	-	18
Share of results of associates		(56,179)	(123,864)	-	-
Unrealised gain on foreign exchange		(102,620)	(96,671)	-	-
Waiver of amount owing by a subsidiary		-	-	5,400	1,300
Operating profit/(loss) before changes in working capital carried forward		5,111,137	6,877,297	(365,687)	(598,836)

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

(Continued)

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
<b>Cash flows from operating activities (Continued)</b>					
Operating profit/(loss) before changes in working capital brought forward		5,111,137	6,877,297	(365,687)	(598,836)
<u>Changes in working capital:</u>					
Contract assets		172,340	1,606,764	-	-
Inventories		1,251,650	(2,551,088)	-	-
Receivables		(3,590,088)	1,155,769	(130,342)	36,473
Payables		(3,370,702)	(2,710,839)	(341,229)	567,802
Cash (used in)/generated from operations		(425,663)	4,377,903	(837,258)	5,439
Utilisation of provision of warranty costs		(324,727)	(196,963)	-	-
Dividend received		-	-	1,474,200	1,701,000
Interest paid		(64,875)	(70,926)	-	-
Interest received		189,741	244,996	3,795	18,041
Income tax paid		(1,560,668)	(1,907,982)	-	-
Net cash from/(used in) operating activities		(2,186,192)	2,447,028	640,737	1,724,480
<b>Cash flows from investing activities</b>					
Proceeds from partial disposal of associate		5,520	-	-	-
Advances to an associate		(132,370)	(140,481)	(121,002)	(144,422)
Advances to subsidiaries		-	-	(2,043,616)	(2,768,318)
Repayment from subsidiaries		-	-	2,033,317	2,515,962
Distribution income from fixed income funds		148,357	77,465	13,384	25,039
Dividend income from quoted equity shares		516,163	100,967	-	-
Dividend received from an associate		470,400	-	-	-
Net changes in pledged cash deposits		2,182,287	(121,898)	-	-
Net (placement)/withdrawal of fixed income funds		(1,828,980)	265,939	336,616	(625,039)
Net cash from/(used in) investing activities carried forward		1,361,377	181,992	218,699	(996,778)

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

(Continued)

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
<b>Cash flows from investing activities (Continued)</b>					
Net cash from/(used in) investing activities brought forward		1,361,377	181,992	218,699	(996,778)
Net acquisition of quoted equity securities		(854,155)	(320,235)	-	-
Proceeds from disposal of property, plant and equipment		101,839	79,900	-	-
Purchase of property, plant and equipment	5	(2,340,649)	(4,589,722)	(1,549,716)	(3,656,250)
Purchase of investment properties	10	-	(337,500)	-	-
Net cash used in investing activities		(1,731,588)	(4,985,565)	(1,331,017)	(4,653,028)
<b>Cash flows from financing activities</b>	(a)				
Advances from an associate		86,674	63,776	-	-
Advances from subsidiaries		-	-	20,973	26,061
Repayment to subsidiaries		-	-	(30,556)	(26,363)
Purchase of treasury shares		(1,305,290)	-	(1,305,290)	-
Net drawdown/(payment) of hire purchase payables		24,340	(98,664)	-	-
Net cash used in financing activities		(1,194,276)	(34,888)	(1,314,873)	(302)
<b>Net decrease in cash and cash equivalents</b>		(5,112,056)	(2,573,425)	(2,005,153)	(2,928,850)
Cash and cash equivalents at the beginning of the financial year		12,874,223	15,445,225	2,754,203	5,683,053
Effects of foreign exchange rate changes		13,942	2,423	-	-
<b>Cash and cash equivalents at the end of the financial year</b>	30	7,776,109	12,874,223	749,050	2,754,203

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

(Continued)

(a) Reconciliation of liabilities arising from financing activities:

Group	Note	1 December 2021 RM	Cash Flows RM	30 November 2022 RM
Hire purchase payables	25	140,833	24,340	165,173

		1 December 2020 RM	Cash Flows RM	30 November 2021 RM
Hire purchase payables	25	239,497	(98,664)	140,833

## Company

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

(b) Total cash out-flow for leases

During the financial year, the Group and the Company has total cash out-flows for lease of RM41,440 (2021: RM252,700) and RM Nil (2021: RM68,000) respectively.

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



# 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 20 March 2023.

## 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 amendments/improvements to MFRSs

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

#### Amendments/Improvements to MFRSs

MFRS 4	Insurance Contracts
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 16	Leases
MFRS 139	Financial Instruments: Recognition and Measurement

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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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 or after
<u>New MFRS</u>		
MFRS 17	Insurance Contracts	1 January 2023
<u>Amendments/Improvements to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022 <sup>^</sup> / 1 January 2023 <sup>#</sup>
MFRS 3	Business Combinations	1 January 2022/ 1 January 2023 <sup>#</sup>
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2023 <sup>#</sup>
MFRS 7	Financial Instruments: Disclosures	1 January 2023 <sup>#</sup>
MFRS 9	Financial Instruments	1 January 2022 <sup>^</sup> / 1 January 2023 <sup>#</sup>
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023 <sup>#</sup>
MFRS 16	Leases	1 April 2022/ 1 January 2022 <sup>^</sup>
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2023/ 1 January 2023 <sup>#</sup>
MFRS 107	Statements of Cash Flows	1 January 2023 <sup>#</sup>
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 <sup>#</sup>
MFRS 119	Employee Benefits	1 January 2023 <sup>#</sup>
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2023 <sup>#</sup>
MFRS 132	Financial Instruments: Presentation	1 January 2023 <sup>#</sup>
MFRS 136	Impairment of Assets	1 January 2023 <sup>#</sup>
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022/ 1 January 2023 <sup>#</sup>
MFRS 138	Intangible Assets	1 January 2023 <sup>#</sup>
MFRS 140	Investment Property	1 January 2023 <sup>#</sup>
MFRS 141	Agriculture	1 January 2022 <sup>^</sup>

<sup>^</sup> The Annual Improvements to MFRS Standards 2018-2020.

<sup>#</sup> Amendments as to the consequence of effective of MFRS 17 Insurance Contracts.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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 Group and the Company are currently assessing the impact of initial application of the above applicable amendments/improvements to MFRS. Nevertheless, the Group and the Company expect that the initial application is unlikely to have material financial impacts to the current period and prior period financial statements of the Group and 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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; over
- the net fair value of the identifiable assets acquired and the liabilities (including contingent liabilities) assumed at the acquisition date.

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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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.



# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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.

#### (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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 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.

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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 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.

##### Right-of-use asset

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.

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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 3.6 Leases (Continued)

#### (b) Lessee accounting (Continued)

##### Lease liability (Continued)

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.

##### 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 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	91 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.

### 3.8 Intangible assets

#### (a) 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.

#### (b) Amortisation

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

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



# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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 statement 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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

#### (a) 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.

#### (b) Treasury shares

When share capital recognised as equity is repurchased, the amount of consideration paid is recognised directly in equity. Repurchased shares that have not been cancelled including any attributable transaction costs are classified as treasury shares and presented as a deduction from total equity.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration and the carrying amount is presented as a movement in equity.

### 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 ("EPF"), 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 3.15 Provisions (Continued)

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.

### 3.16 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 3.16 Revenue and other income (Continued)

#### (a) Sale of goods (Continued)

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.

#### (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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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.



# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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, ESTIMATES AND ASSUMPTIONS

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) 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

### (a) Infrastructure project contract revenue (Continued)

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 31 to the financial statements.

### (b) 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	Total RM
<b>Group</b>						
<b>2022</b>						
<b>Cost</b>						
At 1 December 2021	11,840,588	13,078,597	2,181,586	3,698,634	3,232,664	34,032,069
Additions	-	1,062,437	35,292	908,612	334,308	2,340,649
Disposals	-	-	-	(5,660)	(70,718)	(76,378)
At 30 November 2022	11,840,588	14,141,034	2,216,878	4,601,586	3,496,254	36,296,340

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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	Total RM
<b>Group</b>						
<b>2022</b>						
<b>Accumulated depreciation and impairment loss</b>						
At 1 December 2021						
Accumulated depreciation	-	346,486	1,734,348	2,319,832	2,432,901	6,833,567
Accumulated impairment loss	-	-	-	170,083	-	170,083
	-	346,486	1,734,348	2,489,915	2,432,901	7,003,650
Depreciation charge for the financial year	-	266,770	429,242	455,820	403,094	1,554,926
Disposals	-	-	-	(5,660)	(37,716)	(43,376)
Impairment loss	-	-	-	101	-	101
	-	266,770	429,242	450,261	365,378	1,511,651
At 30 November 2022						
Accumulated depreciation	-	613,256	2,163,590	2,769,992	2,798,279	8,345,117
Accumulated impairment loss	-	-	-	170,184	-	170,184
	-	613,256	2,163,590	2,940,176	2,798,279	8,515,301
<b>Net carrying amount</b>						
At 30 November 2022	11,840,588	13,527,778	53,288	1,661,410	697,975	27,781,039

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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	Total RM
<b>Group</b>							
<b>2021</b>							
<b>Cost</b>							
At 1 December 2020	11,840,588	8,190,086	1,948,575	4,085,331	3,282,571	1,556,756	30,903,907
Additions	-	3,331,755	516,384	621,980	119,603	-	4,589,722
Disposal	-	-	(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	3,232,664	-	34,032,069
<b>Accumulated depreciation and impairment loss</b>							
At 1 December 2020							
Accumulated depreciation	-	150,184	1,601,868	3,078,964	2,169,135	-	7,000,151
Accumulated impairment loss	-	-	-	170,075	-	-	170,075
	-	150,184	1,601,868	3,249,039	2,169,135	-	7,170,226
Depreciation charge for the financial year	-	196,302	389,710	249,169	433,275	-	1,268,456
Disposal	-	-	(28,875)	(8,185)	(169,509)	-	(206,569)
Disposal of a subsidiary	-	-	(228,355)	(1,000,116)	-	-	(1,228,471)
Impairment loss	-	-	-	8	-	-	8
	-	196,302	132,480	(759,124)	263,766	-	(166,576)
At 30 November 2021							
Accumulated depreciation	-	346,486	1,734,348	2,319,832	2,432,901	-	6,833,567
Accumulated impairment loss	-	-	-	170,083	-	-	170,083
	-	346,486	1,734,348	2,489,915	2,432,901	-	7,003,650
<b>Net carrying amount</b>							
At 30 November 2021	11,840,588	12,732,111	447,238	1,208,719	799,763	-	27,028,419

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land RM	Building RM	Furniture, fixture, fittings, office and computer equipment and electrical installation RM	Total RM
<b>Company</b>				
<b>2022</b>				
<b>Cost</b>				
At 1 December 2021	11,800,588	12,956,233	809,025	25,565,846
Additions	-	1,062,437	487,279	1,549,716
At 30 November 2022	11,800,588	14,018,670	1,296,304	27,115,562
<b>Accumulated depreciation and impairment loss</b>				
At 1 December 2021				
Accumulated depreciation	-	301,672	426,380	728,052
Accumulated impairment loss	-	-	7,049	7,049
	-	301,672	433,429	735,101
Depreciation charge for the financial year		264,569	167,490	432,059
At 30 November 2022	-	566,241	600,919	1,167,160
<b>Net carrying amount</b>				
At 30 November 2022	11,800,588	13,452,429	695,385	25,948,402

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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
<b>Company</b>						
<b>2021</b>						
<b>Cost</b>						
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
<b>Accumulated depreciation and impairment loss</b>						
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
<b>Net carrying amount</b>						
At 30 November 2021	11,800,588	12,654,561	375,596	-	-	24,830,745

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

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Cash payments on purchase of property, plant and equipment	2,340,649	4,589,722	1,549,716	3,656,250

### Assets pledged as security

Freehold land and building with a net carrying amount of RM25,253,017 (2021: RM24,455,149) has been pledged as security to secure bank borrowings as disclosed in Note 29 to the financial statements.

Motor vehicles with a carrying amount of RM200,519 (2021: RM116,453) have been pledged as security for hire purchase arrangements as disclosed in Note 25 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 6. INVESTMENT IN SUBSIDIARIES

	Company	
	2022	2021
	RM	RM
<b>Unquoted shares</b>		
At cost	19,772,662	19,772,662
Less: Accumulated impairment loss	(1,756,587)	(1,756,587)
At end of the financial year	18,016,075	18,016,075

Details of the subsidiaries are as follows:

Name of company	Principal place of business/ Country of incorporation	Ownership interest		Principal activities
		2022	2021	
Held by the Company				
Amtel Cellular Sdn. Bhd. ("AMCSB")	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. ("ACSB")	Malaysia	100%	100%	Dormant.
Metrarama Sdn. Bhd. ("MTSB")	Malaysia	100%	100%	Property investment, investment holding and trading business.
Amtel Resources Sdn. Bhd. ("ARSB")	Malaysia	100%	100%	Contractors for installation, jointing and testing of utilities, telecommunications and fibre optic cables and associated civil works; and provision of landscaping, cleaning, maintenance work and related services.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 6. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Name of company	Principal place of business/ Country of incorporation	Ownership interest		Principal activities
		2022	2021	
Held through Amtel Cellular Sdn. Bhd.				
Amnavi Sdn. Bhd ("AMSB")	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.# ("APL")	Singapore	100%	100%	Developing and maintaining of map data source for navigation and web based portal application.
Amtel Intelligence Sdn. Bhd. ("AISB")	Malaysia	100%	100%	Trading and distribution of telematics and navigation products, electronics, automotive, telecommunication related products, parts, accessories and its related services.

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

## 7. INVESTMENT IN ASSOCIATES

	Group	
	2022 RM	2021 RM
<b>Unquoted shares</b>		
<b>At cost</b>		
At beginning of the financial year	250,520	250,520
Disposal	(3,010)	-
At end of the financial year	247,510	250,520
<b>Share of results of associates</b>		
At beginning of the financial year	1,472,163	1,322,077
Current year share of results	62,958	150,086
Dividend received	(470,400)	-
Disposal	(3,107)	-
At end of the financial year	1,061,614	1,472,163
	1,309,124	1,722,683



# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 7. INVESTMENT IN ASSOCIATES (CONTINUED)

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

	Group	
	2022	2021
	RM	RM
As per investment in associates	62,958	150,086
Reversal of share of unrealised profit on sales by associates	(6,779)	(26,222)
As per statement of comprehensive income	56,179	123,864

Details of the associates are as follows:

Name of company	Principal place of business/ Country of incorporation	Ownership interest		Principal activities
		2022	2021	
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.
Held through Amtel Resources Sdn. Bhd.				
WAMM Bersekutu Sdn. Bhd. ("WAMM")	Malaysia	30%	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.

During the financial year, ARSB, a wholly owned subsidiary of the Company, disposed of its 2% equity shares in WAMM for a total cash consideration of RM5,520. As a result, ARSB's equity interest in WAMM was reduced from 32% to 30%.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 7. INVESTMENT IN ASSOCIATES (CONTINUED)

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

	MUSB RM	WAMM RM	Total RM
<b>Group</b>			
<b>2022</b>			
<b>Assets and liabilities</b>			
Non-current assets	432,952	133,327	566,279
Current assets	4,692,044	365,456	5,057,500
Non-current liabilities	(827,516)	(12,300)	(839,816)
Current liabilities	(775,945)	(231,188)	(1,007,133)
Net assets	3,521,535	255,295	3,776,830
<b>Results</b>			
Revenue	2,885,784	477,900	3,363,684
Profit for the financial year	223,207	(50,547)	172,660
Total comprehensive income/(loss)	223,207	(50,547)	172,660
<b>2021</b>			
<b>Assets and liabilities</b>			
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
<b>Results</b>			
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

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 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
<b>Group</b>			
<b>2022</b>			
Share of net assets of the Group, representing carrying amount in the statement of financial position	1,232,536	76,588	1,309,124
Share of results of the Group for the financial year	78,122	(15,164)	62,958
<b>2021</b>			
Share of net assets of the Group, representing carrying amount in the statement of financial position	1,624,815	97,868	1,722,683
Share of results of the Group for the financial year	141,804	8,282	150,086

## 8. INTANGIBLE ASSETS

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

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 9. OTHER INVESTMENTS

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
<b>Non-current</b>				
<b>At fair value</b>				
- Transferable club membership	250,000	250,000	-	-
<b>Current</b>				
<b>At fair value</b>				
- Fixed income funds	7,656,659	5,827,679	333,876	670,492
- Quoted equity securities	1,932,983	1,616,373	-	-
	9,589,642	7,444,052	333,876	670,492

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 (2021: one day notice).

## 10. INVESTMENT PROPERTIES

	Freehold land RM	Building RM	Under construction RM	Right-of-use asset RM	Total RM
<b>Group</b>					
<b>2022</b>					
<b>Cost</b>					
At 1 December 2021/ 30 November 2022	168,717	722,957	2,025,000	498,875	3,415,549
<b>Accumulated depreciation</b>					
At 1 December 2021	-	21,273	-	7,811	29,084
Depreciation for the financial year	-	14,459	-	5,309	19,768
At 30 November 2022	-	35,732	-	13,120	48,852
<b>Net carrying amount</b>					
At 30 November 2022	168,717	687,225	2,025,000	485,755	3,366,697
<b>Fair value</b>					
At 30 November 2022	398,275	860,401	*	593,717	

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 10. INVESTMENT PROPERTIES (CONTINUED)

	Freehold land RM	Building RM	Under construction RM	Right-of-use asset RM	Total RM
<b>Group</b>					
<b>2021</b>					
<b>Cost</b>					
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
<b>Accumulated depreciation</b>					
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
<b>Net carrying amount</b>					
At 30 November 2021	168,717	701,684	2,025,000	491,064	3,386,465
<b>Fair value</b>					
At 30 November 2021	378,428	1,009,901	*	706,766	

\* Investment properties under construction consist of three-storey terrace houses. 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 RM20,054 (2021: RM20,765).

Fair value of the investment properties are categorised as level 3 fair value. The fair value of the investment properties was derived based on recent transaction prices of comparable properties. The most significant input used in the valuation was the price per square foot.

### Right-of-use asset

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

	Leasehold land RM
<b>Group</b>	
<b>Net carrying amount</b>	
At 1 December 2020	496,373
Depreciation	(5,309)
At 30 November 2021	491,064
Depreciation	(5,309)
At 30 November 2022	485,755

The Group leases leasehold land with remaining lease term of 91 years.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 11. DEFERRED TAX ASSETS/(LIABILITIES)

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

	At 1 December 2020 RM	Recognised in profit or loss RM	At 30 November 2021 RM	Recognised in profit or loss RM	At 30 November 2022 RM
<b>Group</b>					
<b>Deferred tax assets</b>					
Property, plant and equipment	55,226	(98,368)	(43,143)	(11,239)	(54,382)
Provision	303,739	47,294	351,033	60,349	411,382
	358,965	(51,075)	307,890	49,110	357,000
<b>Deferred tax liabilities</b>					
Property, plant and equipment	(98,237)	(15,935)	(114,172)	800	(113,372)
Provision for employee benefits	8,810	559	9,369	-	9,369
	(89,427)	(15,376)	(104,803)	800	(104,003)
	269,538	(66,451)	203,087	49,910	252,997

	<b>Group</b>	
	<b>2022 RM</b>	<b>2021 RM</b>
<b>Presented after appropriate offsetting as follows:</b>		
Deferred tax assets	357,000	307,890
Deferred tax liabilities	(104,003)	(104,803)
	252,997	203,087

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

	<b>Group</b>		<b>Company</b>	
	<b>2022 RM</b>	<b>2021 RM</b>	<b>2022 RM</b>	<b>2021 RM</b>
Unutilised tax losses	6,959,830	6,573,315	4,147,159	4,235,626
Unabsorbed capital allowances	2,251,817	1,197,506	1,987,224	1,172,224
Deductible temporary differences in respect of expenses	366,063	79,113	41,726	40,666
Differences between the carrying amounts of property, plant and equipment and their tax base	(885,779)	(217,283)	(890,440)	(225,444)
	8,691,931	7,632,651	5,285,669	5,223,072

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).

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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

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	
	2022	2021	2022	2021
	RM	RM	RM	RM
2025	455,384	455,384	-	-
2028	3,875,206	3,963,673	2,616,054	2,646,983
2029	713,587	713,587	685,672	685,942
2030	470,295	470,295	390,279	390,279
2031	970,376	970,376	455,154	512,422
2032	474,982	-	-	-
	6,959,830	6,573,315	4,147,159	4,235,626

## 12. INVENTORIES

	Group	
	2022	2021
	RM	RM
Manufactured goods and parts	4,462,572	5,285,694
Work in progress	1,032,658	1,487,870
	5,495,230	6,773,564

During the financial year, inventories of the Group recognised as cost of sales amounted to RM37,531,152 (2021: RM26,656,086).

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 RM19,904 (2021: RM52,471). Furthermore, the Group recognised as an expense in cost of sales during the financial year in respect of written off to inventories amounted RM Nil (2021: RM35,901).

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 13. TRADE RECEIVABLES

	Note	Group 2022 RM	2021 RM
Trade receivables		10,426,261	9,032,781
Less: Allowance for impairment loss		(36,650)	(36,650)
	(a)	10,389,611	8,996,131
Amount due from an associate	(b)	-	1,418
		10,389,611	8,997,549

### (a) Trade receivables

The Group's normal trade credit terms extended to customers ranging from 30 days to 90 days (2021: 30 days to 90 days). Other credit terms are assessed and approved on a case by case basis.

#### Receivables that are impaired

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 2022 RM	2021 RM
At beginning of the financial year	36,650	-
Charge for the financial year	-	36,650
At end of the financial year	36,650	36,650

The information about the credit exposures are disclosed in Note 40(b)(i) to the financial statements.

### (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 (2021: 30 days to 90 days).



# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
Other receivables		574,895	274,646	134,803	6,180
Less: Allowance for impairment loss		(6,180)	(26,939)	(6,180)	(6,180)
	(a)	568,715	247,707	128,623	-
Deposits		295,341	247,914	20,010	20,754
Prepayments	(b)	2,178,107	348,515	13,014	10,551
		3,042,163	844,136	161,647	31,305

### (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	
	2022 RM	2021 RM	2022 RM	2021 RM
At beginning of the financial year	26,939	26,939	6,180	6,180
Written off	(20,759)	-	-	-
At end of the financial year	6,180	26,939	6,180	6,180

### (b) Prepayments

Included in prepayments of the Group are amounts of RM2,055,467 (2021: RM276,573) 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	
	2022 RM	2021 RM
Contract assets	5,693,843	5,731,367
Contract liabilities	(2,619,793)	(2,484,977)
	3,074,050	3,246,390

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 15. CONTRACT ASSETS/(LIABILITIES) (CONTINUED)

	Contract assets increase/ (decrease) RM	Contract liabilities increase/ (decrease) RM
<b>Group</b>		
<b>2022</b>		
Revenue recognised that was included in contract liability at the beginning of the financial year	-	1,639,730
Increase due to progress billings or cash received excluding amount recognised as revenue during the year	-	(1,774,546)
Increase due to unbilled revenue recognised during the year	1,983,780	-
Transfers from contract assets recognised at the beginning of the year to receivables	(2,021,304)	-
<b>2021</b>		
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)	-

## 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% (2021: 1.70% to 3.09%) per annum as at the financial year end with maturity period ranging from 30 days to 365 days (2021: 30 days to 365 days).

Included in the deposits of the Group is an amount of RM6,278,638 (2021: RM8,460,925) pledged as security for banking facilities granted to subsidiaries as disclosed in Note 29 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 20. CASH AND BANK BALANCES

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Cash at banks and in hand	8,348,756	14,909,474	749,050	2,754,203

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

	Group	
	2022	2021
	RM	RM
United States Dollar	753,600	1,651,870
Renminbi	799,361	353,093
Singapore Dollar	5,810	5,526

## 21. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amounts	
	2022	2021	2022	2021
	units	units	RM	RM
<b>Issued and fully paid up (no par value):</b>				
At beginning of the financial year	97,553,682	65,036,066	40,148,639	40,148,639
Issued during the financial year	-	32,517,616	-	-
At end of the financial year	97,553,682	97,553,682	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.

## 22. RESERVES

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Fair value reserve of financial assets at FVOCI (a)	159,000	159,000	-	-
Foreign exchange reserve (b)	54,388	40,446	-	-
Retained earnings	27,234,284	25,144,472	5,778,989	5,091,816
	27,447,672	25,343,918	5,778,989	5,091,816

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 22. RESERVES (CONTINUED)

### (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.

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

	Company	
	Number of warrants	Number of warrants
	2022 Units	2021 Units
At beginning of the financial year	48,776,330	-
Issued during the financial year	-	48,776,330
At end of the financial year	48,776,330	48,776,330

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 24. TREASURY SHARES

During the financial year, the company repurchased 2,000,000 shares from the open market at an average price of RM0.65 per share. The total consideration paid for the repurchased shares were RM1,305,290 and they were financed by internally generated funds.

As at 30 November 2022, the company held 2,000,000 treasury shares out of its 97,553,682 issued and paid up ordinary shares. Such treasury shares are held at a carrying amount of RM1,305,290.

## 25. HIRE PURCHASE PAYABLES

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

	Group	
	2022	2021
	RM	RM
Minimum hire purchase payments:		
Not later than one year	72,183	85,405
Later than one year and not later than five years	112,770	62,226
	184,953	147,631
Less: Future finance charges	(19,780)	(6,798)
Present value of minimum hire purchase payments	165,173	140,833
Present value of minimum hire purchase payments:		
Not later than one year	65,598	80,336
Later than one year and not later than five years	99,575	60,497
	165,173	140,833
Less: Amount due within 12 months	(65,598)	(80,336)
Amount due after 12 months	99,575	60,497

The hire purchase payables of the Group bear implicit interest at rates ranging from 4.74% to 5.55% (2021: 4.74% to 6.32%) per annum and are secured by the Group's motor vehicles under hire purchase arrangements as disclosed in Note 5 to the financial statements.

## 26. TRADE PAYABLES

The normal trade credit term granted by the trade payables to the Group ranges from 30 days to 90 days (2021: 30 days to 90 days).

Included in trade payables of the Group are:

- (a) amounts of RM1,316,396 (2021: RM1,485,467) related to accrued project costs.
- (b) an amount owing to an associate of RM 1,404,000 (2021: RM1,901,204) which is on normal trade credit term.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 26. TRADE PAYABLES (CONTINUED)

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

	Group	
	2022	2021
	RM	RM
United States Dollar	859,478	518,266
Renminbi	461,997	452,706
Singapore Dollar	-	257,560

## 27. OTHER PAYABLES, DEPOSITS AND ACCRUALS

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Other payables	120,246	398,994	-	222,377
Deposits	133,801	110,455	131,701	99,355
SST payable	24,153	72,768	-	-
Accruals	1,971,271	1,924,402	722,251	873,449
	2,249,471	2,506,619	853,952	1,195,181

## 28. PROVISIONS

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
<b>Provision for warranty costs</b>				
At beginning of the financial year	1,421,973	1,205,644	-	-
Addition	1,023,916	685,574	-	-
Utilisation	(324,727)	(196,963)	-	-
Reversal	(471,004)	(272,282)	-	-
At end of the financial year	1,650,158	1,421,973	-	-
<b>Provision for employee benefits</b>				
At beginning of the financial year	115,834	163,284	36,134	66,634
Addition	231,501	209,861	51,064	50,974
Utilisation	(198,670)	(257,311)	(50,004)	(81,474)
At end of the financial year	148,665	115,834	37,194	36,134
	1,798,823	1,537,807	37,194	36,134

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 28. PROVISIONS (CONTINUED)

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.

## 29. BANK BORROWINGS

	Group	
	2022	2021
	RM	RM
<b>Current</b>		
Bank overdrafts	587,144	2,095,911

The bank overdrafts facilities are repayable on demand, and bear interest at rates ranging from 6.95% to 8.90% (2021: 5.25% 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.

## 30. CASH AND CASH EQUIVALENTS

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

		Group		Company	
		2022	2021	2022	2021
	Note	RM	RM	RM	RM
Cash at banks and in hand	20	8,348,756	14,909,474	749,050	2,754,203
Cash deposits with licensed banks	19	6,293,135	8,521,585	-	-
		14,641,891	23,431,059	749,050	2,754,203
Bank overdrafts	29	(587,144)	(2,095,911)	-	-
		14,054,747	21,335,148	749,050	2,754,203
Cash deposits with licensed banks under lien	19	(6,278,638)	(8,460,925)	-	-
		7,776,109	12,874,223	749,050	2,754,203

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 31. REVENUE

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
<b>Revenue from contract customers:</b>				
Sales of goods or services	52,289,112	43,056,944	-	-
Contract revenue	8,022,699	11,384,364	-	-
Management fees	-	-	1,140,000	1,140,000
	60,311,811	54,441,308	1,140,000	1,140,000
<b>Revenue from other sources:</b>				
Dividend income from subsidiaries	-	-	1,474,200	1,701,000
Rental income	188,333	286,700	780,511	500,551
	188,333	286,700	2,254,711	2,201,551
	60,500,144	54,728,008	3,394,711	3,341,551

### (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	Telecommunications, infrastructure and services	Total
	RM	RM	RM
<b>Group</b>			
<b>2022</b>			
<b>Major goods or services:</b>			
Sales of goods or services	52,289,112	-	52,289,112
Contract revenue	-	8,022,699	8,022,699
	52,289,112	8,022,699	60,311,811
<b>Timing of revenue recognition:</b>			
At a point in time	52,289,112	-	52,289,112
Over time	-	8,022,699	8,022,699
	52,289,112	8,022,699	60,311,811



# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 31. REVENUE (CONTINUED)

### (a) Disaggregation of revenue (Continued)

	Information and communication technology RM	Telecommunications, infrastructure and services RM	Total RM
<b>Group</b>			
<b>2021</b>			
<b>Major goods or services:</b>			
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
<b>Timing of revenue recognition:</b>			
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
		<b>Others RM</b>	<b>Total RM</b>
<b>Company</b>			
<b>2022</b>			
<b>Major goods or services:</b>			
Management fee		1,140,000	1,140,000
<b>Timing of revenue recognition:</b>			
Over time		1,140,000	1,140,000
<b>2021</b>			
<b>Major goods or services:</b>			
Management fee		1,140,000	1,140,000
<b>Timing of revenue recognition:</b>			
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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 32. COST OF SALES

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
	(Restated)			
Cost of sales of goods or services	43,312,756	33,970,511	-	-
Cost of infrastructure project contracts	5,990,199	8,344,601	-	-
	49,302,955	42,315,112	-	-

## 33. 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	
	2022	2021	2022	2021
	RM	RM	RM	RM
	(Restated)			
Auditors' remuneration:				
- statutory audit	159,250	131,605	71,000	62,500
- other services	6,000	6,000	6,000	6,000
Depreciation of property, plant and equipment	1,554,926	1,268,456	432,059	239,226
Depreciation of investment properties	19,768	19,768	-	-
Distribution income from fixed income funds	(148,357)	(77,465)	(13,384)	(25,039)
Dividend income from quoted equity securities	(516,163)	(100,967)	-	-
Dividend income	-	-	(1,474,200)	(1,701,000)
Expenses relating to short term lease	41,440	252,700	-	68,000
Fair value loss on other investments	537,545	436,862	-	-
Gain on disposal of property, plant and equipment	(68,837)	(53,772)	-	-
Impairment loss on:				
- trade receivables	-	36,650	-	-
- property plant and equipment	101	8	-	-
Interest expense:				
- hire purchase payables	6,632	9,821	-	-
- bank overdrafts	37,875	39,757	-	-
- others	20,368	21,348	280	-
Interest income	(189,741)	(244,996)	(3,795)	(18,041)
Inventories written off	-	35,901	-	-
Inventories written down	19,904	52,471	-	-
Loss on partial disposal of an associate	597	-	-	-

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 33. PROFIT BEFORE TAX (CONTINUED)

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

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
	(Restated)			
Loss/(Gain) on foreign exchange:				
- realised	137,471	118,261	-	-
- unrealised	(102,620)	(96,671)	-	-
Net provision for employee benefits	32,831	(47,450)	1,060	(30,500)
Net provision of warranty costs	552,912	413,292	-	-
Personnel expenses (including key management personnel):				
- contribution to Employees Provident Fund and social security contribution	558,210	526,711	73,432	96,150
- salaries and others	5,145,150	4,753,466	902,451	1,198,484
Property, plant and equipment written off	-	392	-	18
Rental income	(9,100)	(40,400)	-	(52,000)
Share of results of associates	(56,179)	(123,864)	-	-
Waiver of amount owing by a subsidiary	-	-	5,400	1,300

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	
	2022	2021	2022	2021
	RM	RM	RM	RM
<b>Executive Directors</b>				
- other emoluments	1,121,158	1,280,533	512,000	651,800
- contribution to Employees Provident Fund and social security contribution	85,082	92,874	20,870	26,473
- estimated monetary value of benefit-in-kind	47,025	46,450	31,150	31,150
	1,253,265	1,419,857	564,020	709,423
<b>Non-executive Directors</b>				
- fees	206,400	298,374	177,600	264,534
- other emoluments	6,000	7,200	6,000	7,200
	212,400	305,574	183,600	271,734
Total directors' remuneration	1,465,665	1,725,431	747,620	981,157

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 34. INCOME TAX EXPENSE

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
<b>Current tax expense:</b>				
Malaysian income tax:				
- Current year	1,338,000	1,494,698	-	-
- Under provision in prior financial year	31,673	169,152	-	-
	1,369,673	1,663,850	-	-
<b>Deferred tax expense (Note 11):</b>				
- Relating to (reversal)/origination of temporary differences	(90,418)	22,344	-	-
- Under provision in prior financial year	40,508	44,107	-	-
	(49,910)	66,451	-	-
Tax expense recognised in profit or loss	1,319,763	1,730,301	-	-

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2021: 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	
	2022	2021	2022	2021
	RM	RM	RM	RM
Profit before tax	3,409,575	5,287,756	687,173	935,200
Tax at the Malaysian statutory income tax rate of 24% (2020: 24%)	818,298	1,269,061	164,922	224,448
Effect of different tax rate in foreign jurisdictions	26,109	(74,916)	-	-
Tax effect of non-taxable income	(252,127)	(189,270)	(421,144)	(453,387)
Tax effect of non-deductible expenses	401,075	358,753	241,199	186,867
Deferred tax assets not recognised during the financial year	254,227	153,414	15,023	42,072
Under provision in prior financial year:				
- current tax expense	31,673	169,152	-	-
- deferred tax expense	40,508	44,107	-	-
Income tax expense	1,319,763	1,730,301	-	-

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 35. 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	
	2022	2021
	RM	RM
Profit for the financial year attributable to owners of the Company	2,089,812	3,557,455
Weighted average number of shares (unit)	97,011,216	92,653,767
Basic earnings per share (sen)	2.15	3.84

\* The weighted average number of shares takes into account the weighted average effect of changes in treasury shares transactions during the financial year.

### (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	
	2022	2021
	RM	RM
Profit for the financial year attributable to owners of the Company	2,089,812	3,557,455
Weighted average number of shares (unit) for basic earnings per share	97,011,216	92,653,767
Effects of dilution from:		
- Warrants	2,604,561	8,659,469
Weighted average number of shares (unit) for diluted earnings per share	99,615,777	101,313,236
Diluted earnings per share (sen)	2.10	3.51

There have been no transactions involving ordinary shares or potential ordinary shares since the reporting date and before the authorisation of these financial statements other than issuance of 69,000 and 150,000 ordinary shares pursuant to the exercise of warrants on 17 January 2023 and 17 March 2023 respectively.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 36. EMPLOYEE'S SHARE OPTION SCHEME ("ESOS") AND SHARE GRANT PLAN ("SGP")

At an Extraordinary General Meeting held on 25 May 2022, the Company's shareholders approved the establishment of a long-term incentive plan ("LTIP"), which comprises the ESOS and SGP. The LTIP was implemented on 3 October 2022 and will continue to be in force for a period of five (5) years from the date of implementation and may be extended for a period of up to another 5 years provided that the tenure of the LTIP shall not in aggregate exceed 10 years from the date of implementation.

The salient features of the LTIP are as follows:

- (i) Eligible persons are directors and employees of the Company and its subsidiaries (excluding dormant subsidiaries) who are confirmed employees (in the case of employees) and have attained the age of eighteen (18) years.
- (ii) The maximum number of shares which may be made available under the LTIP shall not in aggregate exceed 15 percent (15%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the tenure of the LTIP and out of which not more than seventy five percent (75%) shall be allocated to the directors and senior management of the Group. In addition, not more than ten percent (10%) of the maximum shares available under the LTIP shall be allocated to any individual eligible person or employee who, either singly or collectively through persons connected with him/her, hold twenty percent (20%) or more of the total number of issued shares of the Company.
- (iii) The shares to be issued pursuant to the exercise of ESOS Options and/or vesting of the SGP Awards, shall upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that the new shares will not be entitled to any dividends, rights, allotments and/or any other forms of distributions where the entitlement date of such dividends, rights, allotments and/or an other forms of distributions precedes the relevant date of allotment and issuance of the new shares.
- (iv) The exercise price which will be payable by the ESOS Participants upon the exercise of the ESOS Option and the reference value for the SGP Awards to be granted shall be based on a discount (as determined by the LTIP Committee) of not more than 10% of the 5-day VWAP of the Shares transacted on the Bursa Securities immediately preceding the date of the ESOS Award or the SGP Award (or such basis as the relevant authorities may permit).
- (v) In the event of any alternation in the share capital of the Company during the LTIP Period (whether by way of rights issue, bonus issue or other capitalisation issue, consolidation or subdivision of Shares or reduction or any variation of capital), the Board of Directors may, at its discretion, determine:
  - a. in respect of the ESOS, the Exercise Price and/or the number of unexercised ESOS Options; and
  - b. in respect of the SGP, the number of Shares comprised in unvested SGP Awards, shall be adjusted and, if so, the manner in which such adjustments should be made.

No options were granted under the ESOS and no shares were granted under the SGP during the financial year.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 37. 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.

### (b) Related party transactions and balances

Other than as disclosed elsewhere in the financial statements, transactions with related parties are as follows:

	Company	
	2022	2021
	RM	RM
Dividend received/receivable from subsidiaries	(1,474,200)	(1,701,000)
Management fees received/receivable from subsidiaries	(1,140,000)	(1,140,000)
Rental of premises received/receivable from subsidiaries	(592,178)	(233,051)
Waiver of amount owing by a subsidiary	5,400	1,300

The transactions with associates are as follows:

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Dividend received/receivable from an associate	(470,400)	-	-	-
Purchases from an associate	2,808,000	5,041,579	-	-
Management fees paid/payable to an associate	477,900	192,000	-	-
Rental of premises paid/payable to an associate	-	8,000	-	-
Rental of premises received/receivable from associates	(83,973)	(56,800)	(130,626)	(28,800)

Information regarding outstanding balances arising from related party transactions are disclosed in Notes 13, 17, 18 and 26 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 37. RELATED PARTY DISCLOSURES (CONTINUED)

### (c) Compensation of key management personnel

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

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

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Fee	206,400	298,374	177,600	264,534
Short term employee benefits	1,373,967	1,574,940	624,722	769,650
Post-employment benefits	121,015	123,104	34,692	40,726
Estimated monetary value of benefit-in-kind	52,783	55,250	31,150	31,150
	1,754,165	2,051,668	868,164	1,106,060

## 38. FINANCIAL GUARANTEES

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
<b>Secured</b>				
In respect of financial guarantees given by the Company to financial institutions for banking and credit facilities granted to:				
- Associate	783,327	951,995	783,327	951,995
- Subsidiary	-	-	587,144	2,095,904
	783,327	951,995	1,370,471	3,047,899



# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 39. 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 39. SEGMENT INFORMATION (CONTINUED)

### (a) Operating segment

	Note	Information and Communication Technology RM	Telecommunications, Infrastructure and Services RM	Others RM	Eliminations RM	Consolidated RM
<b>Group 2022</b>						
<b>Segment Revenue</b>						
External revenue		52,289,112	8,022,699	188,333	-	60,500,144
Inter-segment revenue	(i)	114,116	-	3,206,378	(3,320,494)	-
Total revenue		52,403,228	8,022,699	3,394,711	(3,320,494)	60,500,144
<b>Segment Results</b>						
Interest income		119,984	34,085	35,672	-	189,741
Interest expense		(30,205)	(34,390)	(280)	-	(64,875)
Depreciation of property, plant and equipment		(828,254)	(294,613)	(432,059)	-	(1,554,926)
Share of results of associates		71,343	(15,164)	-	-	56,179
Other non-cash items	(ii)	(607,165)	102,620	(536,128)	-	(1,040,673)
Segment profit/(loss) before tax		4,693,193	(385,540)	(898,078)	-	3,409,575
Income tax expense		(1,315,101)	(4,662)	-	-	(1,319,763)
<b>Segment Assets</b>						
Additions to non-current assets	(iii)	340,626	450,307	1,549,716	-	2,340,649
Total segment assets		31,308,214	14,358,871	36,853,346	-	82,520,431
<b>Segment Liabilities</b>						
Total segment liabilities		8,586,121	6,703,003	940,286	-	16,229,410

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 39. SEGMENT INFORMATION (CONTINUED)

### (a) Operating segment (Continued)

	Note	Information and Communication Technology RM	Telecommunications, Infrastructure and Services RM	Others RM	Eliminations RM	Consolidated RM
<b>Group</b>						
<b>2021</b>						
<b>Segment Revenue</b>						
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
<b>Segment Results</b>						
Interest income		130,487	51,767	62,742	-	244,996
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
Tax (expense)/credit		(1,425,685)	(304,616)	-	-	(1,730,301)
<b>Segment Assets</b>						
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
<b>Segment Liabilities</b>						
Total segment liabilities		12,751,784	6,732,140	1,236,941	-	20,720,865

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 39. 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	
	2022	2021
	RM	RM
Fair value loss on other investment	(537,545)	(436,862)
Gain on foreign exchange - unrealised	102,620	96,671
Impairment loss on:		
- trade receivables	-	(36,650)
- property plant and equipment	(101)	(8)
Inventories written off	-	(35,901)
Inventories written down	(19,904)	(52,471)
Net provision for employee benefits	(32,831)	47,450
Net provision for warranty costs	(552,912)	(413,292)
Property, plant and equipment written off	-	(392)
	(1,040,673)	(831,455)

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

	Group	
	2022	2021
	RM	RM
Property, plant and equipment	2,340,649	4,589,722
Investment properties	-	337,500
	2,340,649	4,927,222

### (b) Geographical segment

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

### (c) Information about major customers

Revenue from 3 (2021: 3) major customers of the Group amounted to RM44,706,815 (2021: RM34,481,653).

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 40. 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
<b>Group</b>				
<b>2022</b>				
<b>Financial assets</b>				
Fixed income funds	7,656,659	-	7,656,659	-
Quoted equity securities	1,932,983	-	1,932,983	-
Transferable club membership	250,000	250,000	-	-
Trade receivables	10,389,611	-	-	10,389,611
Other receivables and deposits	864,056	-	-	864,056
Amount owing by associates	288,390	-	-	288,390
Cash deposits with licensed banks	6,293,135	-	-	6,293,135
Cash and bank balances	8,348,756	-	-	8,348,756
	36,023,590	250,000	9,589,642	26,183,948
<b>Financial liabilities</b>				
Trade payables	7,976,328	-	-	7,976,328
Other payables, deposits and accruals ^	2,225,318	-	-	2,225,318
Amount owing to associates	163,450	-	-	163,450
Bank borrowings	587,144	-	-	587,144
Hire purchase payables	165,173	-	-	165,173
	11,117,413	-	-	11,117,413

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 40. FINANCIAL INSTRUMENTS (CONTINUED)

### (a) Categories of financial instrument (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
<b>Group</b>				
<b>2021</b>				
<b>Financial assets</b>				
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
<b>Financial liabilities</b>				
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
Hire purchase payables	140,833	-	-	140,833
	15,939,873	-	-	15,939,873

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 40. FINANCIAL INSTRUMENTS (CONTINUED)

### (a) Categories of financial instrument (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
<b>Company</b>			
<b>2022</b>			
<b>Financial assets</b>			
Fixed income funds	333,876	333,876	-
Other receivables and deposits	148,633	-	148,633
Amount owing by subsidiaries	6,773,985	-	6,773,985
Amount owing by associates	277,021	-	277,021
Cash and bank balances	749,050	-	749,050
	8,282,565	333,876	7,948,689
<b>Financial liabilities</b>			
Other payables, deposits and accruals	853,952	-	853,952
Amount owing to subsidiaries	6,746,086	-	6,746,086
	7,600,038	-	7,600,038
<b>2021</b>			
<b>Financial assets</b>			
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 associates	156,019	-	156,019
Cash and bank balances	2,754,203	-	2,754,203
	10,370,554	670,492	9,700,062
<b>Financial liabilities</b>			
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

\* Exclude GST refundable.

^ Exclude SST payable.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 40. FINANCIAL INSTRUMENTS (CONTINUED)

### (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.

#### (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 2 (2021: 2) customers representing 62% (2021: 20%) 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.



# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 40. 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
<b>Group</b>			
<b>2022</b>			
<b>Trade receivables</b>			
Current (not past due)	7,668,069	-	7,668,069
1 to 30 days	591,880	-	591,880
> 30 days past due	1,863,564	-	1,863,564
> 60 days past due	163,205	-	163,205
> 90 days past due	17,191	-	17,191
> 120 days past due	85,701	-	85,701
Individually assessed (credit-impaired)	36,650	(36,650)	-
	10,426,261	(36,650)	10,389,611
<b>Contract assets</b>			
Current (not past due)	5,693,843	-	5,693,843
	16,120,104	(36,650)	16,083,454
<b>2021</b>			
<b>Trade receivables</b>			
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
<b>Contract assets</b>			
Current (not past due)	5,731,367	-	5,731,367
	14,765,566	(36,650)	14,728,916

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 40. 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 guarantees

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 subsidiaries and their repayments on an on-going basis. The maximum exposure of the Group and the Company to credit risk amounted to RM783,327 (2021: RM951,995) and RM1,370,471 (2021: RM3,047,899) respectively representing the outstanding credit facilities of the subsidiaries 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 guarantees have not been recognised as the fair value on initial recognition was immaterial since the financial guarantees provided by the Company did not contribute towards credit enhancement of the subsidiaries' and associate's borrowings in view of the security pledged by the subsidiaries and associate and it is unlikely the subsidiaries and associate will default within the guarantee period.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 40. 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.

#### Analysis of financial instruments by remaining contractual maturities

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

	Carrying amount RM	Total contractual cash flows RM	On demand or within 1 year RM	2 to 5 years RM
<b>Group</b>				
<b>2022</b>				
<b>Financial liabilities</b>				
Trade payables	7,976,328	7,976,328	7,976,328	-
Other payables, deposits and accruals ^	2,225,318	2,225,318	2,225,318	-
Amount owing to associates	163,450	163,450	163,450	-
Hire purchase payables	165,173	184,953	72,183	112,770
Bank overdrafts	587,144	587,144	587,144	-
Financial guarantees*	-	783,327	783,327	-
	11,117,413	11,920,520	11,807,750	112,770
<b>Company</b>				
<b>Financial liabilities</b>				
Other payables and accruals	853,952	853,952	853,952	-
Amount owing to subsidiaries	6,746,086	6,746,086	6,746,086	-
Financial guarantees*	-	1,370,471	1,370,471	-
	7,600,038	8,970,509	8,970,509	-

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 40. 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
<b>Group</b>				
<b>2021</b>				
<b>Financial liabilities</b>				
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	-
Hire purchase payables	140,833	147,631	85,405	62,226
Bank overdrafts	2,095,911	2,095,911	2,095,911	-
Financial guarantees*	-	951,995	951,995	-
	15,939,873	16,898,666	16,836,440	62,226
<b>Company</b>				
<b>Financial liabilities</b>				
Other payables, deposits 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 guarantees*	-	3,047,899	3,047,899	-
	7,950,850	10,998,749	10,998,749	-

^ Exclude SST payable.

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

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 40. 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 RM587,144 (2021: RM2,095,911) expose the Group to cash flow interest rate risk whilst lease liabilities at fixed rate amounting to RM165,173 (2021: RM140,833) expose the Group to fair value interest rate risk.

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

#### Sensitivity analysis for interest rate risk

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 RM1,558,771 (2021: RM2,010,489).

#### Sensitivity analysis for foreign currency risk

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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 40. 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 RM73,453 (2021: RM61,422) 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.

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 40. 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			Total RM
		Level 1 RM	Level 2 RM	Level 3 RM	
<b>Group</b>					
<b>2022</b>					
<b>Financial assets at fair value through profit or loss</b>					
- Fixed income funds	7,656,659	7,656,659	-	-	7,656,659
- Quoted equity securities	1,932,983	1,932,983	-	-	1,932,983
<b>Financial assets at fair value through other comprehensive income</b>					
- Transferable club membership	250,000	-	250,000	-	250,000

	Carrying amount Total RM	Fair value of financial instruments not carried at fair value			
		Fair value			Total RM
		Level 1 RM	Level 2 RM	Level 3 RM	
Group 2022					
Financial liabilities					
- Hire purchase payables	165,173	-	-	160,283	160,283

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 40. 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				Total RM
		Fair value				
		Level 1	Level 2	Level 3		
		RM	RM	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
Fair value assets at fair value through other comprehensive income						
- Transferable club membership	250,000	-	250,000	-		250,000
	Carrying amount Total RM	Fair value of financial instruments not carried at fair value				Total RM
		Fair value				
		Level 1	Level 2	Level 3		
		RM	RM	RM		
Group						
2021						
Financial liabilities						
- Hire purchase payables	140,833	-	-	119,041		119,041



# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 40. 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):

	Fair value of financial instruments carried at fair value				
	Carrying amount Total RM	Fair value			Total RM
		Level 1 RM	Level 2 RM	Level 3 RM	
<b>Company</b>					
<b>2022</b>					
<b>Financial assets at fair value through profit or loss</b>					
- Fixed income funds	333,876	333,876	-	-	333,876
<b>2021</b>					
<b>Financial assets at fair value through profit or loss</b>					
- Fixed income funds	670,492	670,492	-	-	670,492

During the financial year ended 30 November 2022 and 2021, there have been no transfers between Level 1 and Level 2.

## 41. CAPITAL COMMITMENTS

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

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
<b>Approved and contracted for:</b>				
Acquisition of investment properties	675,000	675,000	-	-
Acquisition of property, plant and equipment	-	1,047,007	-	1,047,007
	675,000	1,722,007	-	1,047,007

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 42. 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 2022 and 30 November 2021.

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 2022 and 30 November 2021, which is within the Group's objectives of capital management are as follows:

	Group	
	2022	2021
	RM	RM
Total interest-bearing borrowings	752,317	2,236,744
Less: Cash at bank, in hand and cash deposits	(14,641,891)	(23,431,059)
Total net cash	(13,889,574)	(21,194,315)
Total equity	66,291,021	65,492,557
Debt to equity ratio (%)	*	*

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

## 43. COMPARATIVE FIGURES

Certain comparative figures in the statement of comprehensive income have been restated due to the reclassification of staff costs to cost of sales.

	As previously reported	Adjustments	As restated
	RM	RM	RM
<b>Group</b>			
<b>Financial year ended 30 November 2021</b>			
<b>Statement of comprehensive income</b>			
Cost of sales	(40,879,873)	(1,435,239)	(42,315,112)
Administrative expenses	(6,325,198)	1,435,239	(4,889,959)

The above adjustments have no impact on the statement of financial position of the Group as at 30 November 2021.

## 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 66 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 2022 and of their financial performance and cash flows for the financial year then ended.

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: 20 March 2023

## 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 66 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 20 March 2023.

Before me,

**NG SAY JIN (B-195)**  
Commissioner for Oaths

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AMTEL HOLDINGS BERHAD  
(Incorporated in Malaysia)

## 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 2022 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 66 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 2022, 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

#### **Contract revenue recognition (Notes 4(a) and 31 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;
- comparing the Group's major assumptions to contractual terms;
- 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.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AMTEL HOLDINGS BERHAD

(Incorporated in Malaysia)

(Continued)

## Key Audit Matters (Continued)

### 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.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AMTEL HOLDINGS BERHAD  
(Incorporated in Malaysia)  
(Continued)

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

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.

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.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AMTEL HOLDINGS BERHAD

(Incorporated in Malaysia)

(Continued)

## 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, is 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

Jason Wong Yew Ming  
No. 03668/06/2024 J  
Chartered Accountant

Kuala Lumpur

Date: 20 March 2023





# ANALYSIS OF SHAREHOLDINGS

AS AT 3 MARCH 2023

Issued Share Capital : RM40,193,489 comprising 97,622,682 ordinary shares  
(including 2,000,000 shares held as treasury 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	483	25,082	0.03
100 - 1,000	232	127,157	0.13
1,001 - 10,000	1,504	5,915,771	6.19
10,001 - 100,000	462	15,313,919	16.01
100,001 - less than 5% of issued shares	103	55,821,916	58.38
5% and above of issued shares	2	18,418,837	19.26
<b>Total</b>	<b>2,786</b>	<b>95,622,682</b>	<b>100.00</b>

## SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 3 MARCH 2023

Name	Direct Interest		Deemed Interest	
	No. of shares	%	No. of shares	%
Dato' Koid Hun Kian	12,429,132	13.00	13,186,303*	13.79
Simfoni Kilat Sdn. Bhd.	5,989,705	6.26	-	-
Koid Siang Loong	3,339,599	3.49	2,700,000**	2.82

### Note:

\* Deemed interested by virtue of shares held by spouse and child pursuant to Section 59(1)(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.

# ANALYSIS OF SHAREHOLDINGS

AS AT 3 MARCH 2023

(Continued)

## DIRECTORS' SHAREHOLDINGS AS AT 3 MARCH 2023

Name	Direct Interest		Deemed Interest	
	No. of shares	%	No. of shares	%
Dato' Koid Hun Kian	12,429,132	13.00	13,186,303*	13.79
Koid Siang Loong	3,339,599	3.49	7,280,250**	7.61
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***	1.28
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 3 MARCH 2023

Na	Name of Shareholder	No. of shares	%
1.	KOID HUN KIAN	12,429,132	13.00
2.	SIMFONI KILAT SDN BHD	5,989,705	6.26
3.	CHOW TENG TING	4,567,500	4.78
4.	MAYBANK NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR CHOY YANG ZHOU)	4,250,900	4.45
5.	KOID SIANG LOONG	3,339,599	3.49
6.	BEST INTERLINK SDN BHD	2,740,000	2.87
7.	BAI YUN MOUNTAIN TRADING (M) SDN. BHD.	2,700,000	2.82
8.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR LEONG YUET MOOI (8105904)]	2,615,000	2.73
9.	MAYBANK NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR SIN YONG LEAN)	2,347,950	2.46
10.	TEH TZUN TZIN	1,912,400	2.00
11.	CGS-CIMB SECURITIES SDN BHD [IVT (CZU) WEARN QIAN WEN]	1,678,400	1.76
12.	PUBLIC NOMINEES (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR SOH SIEW KENG (E-TMI/BMC)]	1,588,600	1.66
13.	CHEN BEE YOKE	1,171,500	1.23

# ANALYSIS OF SHAREHOLDINGS

AS AT 3 MARCH 2023

(Continued)

## TOP THIRTY LARGEST SECURITIES ACCOUNT HOLDERS (CONTINUED) AS PER THE RECORD OF DEPOSITORS AS AT 3 MARCH 2023

Na	Name of Shareholder	No. of shares	%
14.	TAN SEOW ENG	1,156,999	1.21
15.	OW SOON KOOI	1,047,000	1.09
16.	TAN SUN LAI	1,000,000	1.05
17.	ONG YEAN PHENG	913,650	0.96
18.	CHUM SHU CHENG	750,055	0.78
19.	M & A NOMINEE (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR TEO BOON LING (M&A)]	750,000	0.78
20.	CHUAH CHEW HUAT	740,000	0.77
21.	RONDY YUNANDA YONG	700,000	0.73
22.	TAN SUN LAI	700,000	0.73
23.	LOW KIM AIK	656,300	0.69
24.	CHAN YOKE FUNG	600,000	0.63
25.	LOKATECH ENGINEERING SDN BHD	533,400	0.56
26.	HEN YI YAN	508,900	0.53
27.	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR TAN AH YAN (B TINGGI-CL)]	500,000	0.52
28.	ENG WAI LING	460,600	0.48
29.	PUBLIC NOMINEES (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR ANG TUNE HOE (E-BPJ)]	432,250	0.45
30.	HLIB NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR LEOW KUAN SHU)	420,000	0.44
<b>Total</b>		<b>59,199,840</b>	<b>61.91</b>

### Note:

The analysis of shareholdings is based on the total number of issued shares of the Company after deducting 2,000,000 ordinary shares bought back by the Company and held as treasury shares as at 3 March 2023.

# ANALYSIS OF WARRANTS A HOLDINGS

AS AT 3 MARCH 2023

Class of Securities	: Warrants A
No. of Warrants	: 48,707,330
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	547	18,994	0.04
100 - 1,000	674	557,686	1.14
1,001 - 10,000	580	2,244,061	4.61
10,001 - 100,000	275	9,951,765	20.43
100,001 - less than 5% of issued warrants	83	29,696,524	60.97
5% and above of the issued warrants	1	6,238,300	12.81
<b>Total</b>	<b>2,160</b>	<b>48,707,330</b>	<b>100.00</b>

## DIRECTORS' WARRANTS A HOLDINGS AS AT 3 MARCH 2023

Name	Direct Interest		Deemed Interest	
	No. of Warrants A	%	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	-	-	-	-

Notes:

\* 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 3 MARCH 2023

(Continued)

## TOP THIRTY LARGEST WARRANTS A HOLDERS AS PER THE RECORD OF DEPOSITORS AS AT 3 MARCH 2023

Name of Warrants A Holder	No. of Warrants A Held	%
1. APEX NOMINEES (TEMPATAN) SDN. BHD. [PLEDGED SECURITIES ACCOUNT FOR SATVINDER SINGH (MARGIN)]	6,238,300	12.81
2. MAYBANK NOMINEES (TEMPATAN) SDN BHD (CHUA ENG HO WA'A @ CHUA ENG WAH)	1,385,600	2.84
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. CHUAH CHEW HUAT	1,211,200	2.49
7. KOID SIANG LOONG	1,169,799	2.40
8. LEOW HONG YEN	1,100,000	2.26
9. MAYBANK NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR SIN YONG LEAN)	839,125	1.72
10. ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR YAP CHIN HOCK (7003122)]	758,200	1.56
11. TEH TZUN TZIN	750,500	1.54
12. M & A NOMINEE (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR TEO BOON LING (M&A)]	736,900	1.51
13. PHUA TEONG KEE	628,900	1.29
14. MAYBANK NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR CHOY YANG ZHOU)	620,000	1.27
15. MAYBANK NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR KOO FOOK THIAN)	596,400	1.22
16. CHEN BEE YOKE	585,750	1.20
17. ENG WAI LING	515,600	1.06
18. ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR TAN SZE HONG (7001191)]	500,000	1.03
19. TAN SUN LAI	500,000	1.03
20. KENANGA NOMINEES (TEMPATAN) SDN BHD (RAKUTEN TRADE SDN BHD FOR CHOW TENG TING)	496,875	1.02
21. ONG YEAN PHENG	480,825	0.99
22. PUBLIC NOMINEES (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR ANG TUNE HOE (E-BPJ)]	475,075	0.98
23. CHUM SHU CHENG	414,725	0.85
24. TAN SUN LAI	400,000	0.82
25. AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR HONG KOK ANN)	357,000	0.73
26. LEE SWEE NGOR	350,000	0.72
27. OW SOON KOOI	330,000	0.68
28. JEFFREY NG BOON TECK	308,350	0.63
29. CGS-CIMB NOMINEES (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR LIM GUAT KEE (MM0666)]	300,000	0.62
30. CHAN YOKE FUNG	300,000	0.62
<b>Total</b>	<b>26,388,249</b>	<b>54.18</b>



Connecting You To The Future

## AMTEL HOLDINGS BERHAD

[Registration No. 199601037096 (409449-A)]

(Incorporated in Malaysia)

### PROXY FORM

#### TWENTY-SIXTH ANNUAL GENERAL MEETING ("26TH AGM")

(Before completing this form, please refer to the notes)

CDS Account No.	
No. of Shares held	

\*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 26th 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 Wednesday, 24 May 2023 at 11:00 a.m., or at any adjournment thereof.

\*My/our proxy(ies) is/are to vote as indicated below:

No.	Resolution	For	Against
1.	Approval on the payment of Directors' fees for the financial year ending 30 November 2023.		
2.	Approval on the payment of Directors' benefits and other claimable benefits incurred from 25 May 2023 until the conclusion of the Company's next Annual General Meeting.		
3.	Re-election of YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin as Director.		
4.	HLB Ler Lum Chew PLT be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors, Baker Tilly Monteiro Heng PLT to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration to be agreed between the Directors and the Auditors.		
5.	Authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
6.	Proposed Renewal of Authority for Share Buy-Back.		
7.	Waiver of Pre-Emptive Rights for Issuance of New Shares under Employees Share Option Scheme.		

For the appointment of more than one (1) proxy, the percentage of shareholdings to be represented by the proxies is as follows:

	Percentage
Proxy 1	%
Proxy 2	%
Total	100%

\_\_\_\_\_  
Signature/Common Seal of Member

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2023

Notes:

1. 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 /her stead. Where a member appoints more than one (1) proxy to attend, participate, speak and vote at the same AGM of the Company, 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.
2. The broadcast venue, which is the main venue of the AGM of the Company 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 of the Company. 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 of the Company 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 of the Company 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](mailto:eservices@sshsb.com.my) during the AGM of the Company. The questions and/or remarks submitted by the members, proxies and/or corporate representatives will be broadcasted and responded to by the Chairman, Board of Directors and/or Management during the AGM of the Company. In the event of any unattended questions and/or remarks submitted, the Company will respond to the said unattended questions and/or remarks after the AGM of the Company via email.

3. In respect of deposited securities, only members whose names appear in the Record of Depositors on 17 May 2023 shall be entitled to participate and vote at this Meeting.

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AFFIX  
STAMP

The Poll Administrator  
**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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4. 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.
5. 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 of the Company or any adjournment thereof. The lodging of the Proxy Form does not preclude any shareholder from participating and voting remotely at the AGM of the Company 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 of the Company or any adjournment thereof. All resolutions set out in this notice of meeting are to be voted by poll.
6. Should you wish to personally participate in the Meeting remotely, please register electronically via Securities Services e-Portal at <https://www.sshsb.net.my/> by the registration cut-off date and time.

Please refer to the Administrative Guide for the 26th AGM for further details. The Administrative Guide for the 26th AGM is available for download at <https://amtel.com.my/annual-report> or download from the announcement on the 26th AGM from the website of Bursa Securities.

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

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 603-55673535