



Form Version V3.0

Financial Results

Submitted by AMTEL HOLDINGS on 21/07/2009 05:26:12 PM

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Submitting Investment

Bank/Advisor
(if applicable)

Submitting Secretarial Firm
(if applicable)

Company name * AMTEL HOLDINGS BERHAD

Stock name * AMTEL

Stock code * 7031

Contact person * CHIA MOH MUI

Designation * GROUP SECRETARY

Part A1 : QUARTERLY REPORT

Financial Year End * 30/11/2009

Quarter * ☐ 1 Qtr ☒ 2 Qtr ☐ 3 Qtr ☐ 4 Qtr ☐ Other

Quarterly report for the financial period ended * 31/05/2009

The figures * ☐ have been audited ☒ have not been audited

Please attach the full Quarterly Report here:



Q2-FY2009(PL&BS).xls



Q2-FY2009(NOTES).doc

Remarks:

Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

Summary of Key Financial Information for the financial period ended
* 31/05/2009

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER *	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE *	PRECEDING YEAR CORRESPONDIN G PERIOD
		31/05/2009 [dd/mm/yyyy] RM'000	31/05/2008 [dd/mm/yyyy] RM'000	31/05/2009 [dd/mm/yyyy] RM'000	31/05/2008 [dd/mm/yyyy] RM'000
1	Revenue	11,370	10,793	18,988	20,317
2	Profit/(loss) before tax	370	540	551	-30

3	Profit/(loss) for the period	248	497	356	-132
4	Profit/(loss) attributable to ordinary equity holders of the parent	278	472	371	-90
5	Basic earnings/(loss) per share (sen)	0.56	0.96	0.75	-0.18
6	Proposed/Declared dividend per share (sen)	0.00	0.00	0.00	0.00

		AS AT END OF CURRENT QUARTER*	AS AT PRECEDING FINANCIAL YEAR END
7	Net assets per share attributable to ordinary equity holders of the parent (RM)	0.6321	0.6246

Remarks :

Part A3 : ADDITIONAL INFORMATION

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER*	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE*	PRECEDING YEAR CORRESPONDING PERIOD
		31/05/2009 [dd/mm/yyyy]	31/05/2008 [dd/mm/yyyy]	31/05/2009 [dd/mm/yyyy]	31/05/2008 [dd/mm/yyyy]
		RM'000	RM'000	RM'000	RM'000
1	Gross interest income	38	33	69	62
2	Gross interest expense	128	164	154	311

Remarks :

Note: The above information is for the Exchange internal use only .

AMTEL HOLDINGS BERHAD
(409449-A)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 MAY 2009

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2009
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-5-2009 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-5-2008 RM'000	CURRENT YEAR TO DATE 31-5-2009 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-5-2008 RM'000
Revenue	11,370	10,793	18,988	20,317
Operating Expenses	(11,252)	(10,083)	(18,907)	(20,055)
Other Operating Income	335	328	577	496
Profit from Operations	453	1,038	658	758
Finance Costs	(128)	(164)	(154)	(311)
Share of Associated Companies' Results	45	(334)	47	(477)
Profit/(Loss) Before Taxation	370	540	551	(30)
Taxation	(122)	(43)	(195)	(102)
Profit/(Loss) for The Period	248	497	356	(132)
<u>Attributable to:-</u>				
Equity Holders to The Company	278	472	371	(90)
Minority Interests	(30)	25	(15)	(42)
Profit/(Loss) for The Period	248	497	356	(132)
<u>Earnings Per Share Attributable to</u> <u>Equity Holders of the Company :-</u>				
Basic (sen)	0.56	0.96	0.75	-0.18
Fully Diluted (sen)	N/A	N/A	N/A	N/A

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 30 November 2008 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MAY 2009
(The figures have not been audited)

	UNAUDITED AS AT CURRENT FINANCIAL PERIOD END 31/5/2009 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 30/11/2008 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	3,868	3,629
Investment Properties	13,514	13,514
Prepaid Land Lease Payments	739	965
Investments in Associates	1,259	4,489
Intangible Assets	602	697
Other Investments	2,573	2,478
Deferred Tax Assets	854	854
	23,409	26,626
Current Assets		
Inventories	4,501	4,227
Trade & Other Receivables	14,140	8,786
Short Term Investments	350	220
Cash and Bank Balances	5,123	5,437
	24,114	18,670
Non-current assets held for sale	2,156	2,156
TOTAL ASSETS	49,679	47,452
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Parent		
Share Capital	49,277	49,277
Reserves	(18,127)	(18,498)
	31,150	30,779
Minority Interests	725	740
Total Equity	31,875	31,519
Non-Current Liabilities		
Term Loans	1,080	1,416
Hire Purchase Creditors	889	250
Deferred Tax Liabilities	11	12
	1,980	1,678
Current Liabilities		
Trade & Other Payables	9,841	8,527
Short Term Borrowings	5,474	5,394
Provision for Taxation	322	191
Hire Purchase Creditors	187	143
	15,824	14,255
Total Liabilities	17,804	15,933
TOTAL EQUITY AND LIABILITIES	49,679	47,452
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.6321	0.6246

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 30 November 2008 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2009
(The figures have not been audited)

	Attributable to Equity Holders of Parent						
	Share Capital RM'000	Share Premium RM'000	Reserve On Consolidation RM'000	Accumulated Losses RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
6 months ended 31 May 2009							
At 1 December 2008	49,277	4,775	-	(23,273)	30,779	740	31,519
Net profit/(loss) for the period	-	-	-	371	371	(15)	356
At 31 May 2009	<u>49,277</u>	<u>4,775</u>	<u>-</u>	<u>(22,902)</u>	<u>31,150</u>	<u>725</u>	<u>31,875</u>
6 months ended 31 May 2008							
At 1 December 2007	49,277	4,799	-	(18,788)	35,288	791	36,079
Net profit/(loss) for the period	-	-	-	(90)	(90)	(42)	(132)
Private placement expenses incurred	-	(19)	-	-	(19)	-	(19)
At 31 May 2008	<u>49,277</u>	<u>4,780</u>	<u>-</u>	<u>(18,878)</u>	<u>35,179</u>	<u>749</u>	<u>35,928</u>

Note:

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 30 November 2008 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2009
(The figures have not been audited)

	CURRENT FINANCIAL PERIOD ENDED 31/5/2009 RM'000	PRECEDING FINANCIAL PERIOD ENDED 31/5/2008 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	551	(30)
Adjustment for:-		
Non-cash items	290	152
Non-operating items	3,278	287
Share of results of associated companies	(47)	477
Operating profit before changes in working capital	4,072	886
Changes in working capital		
Net changes in current assets	(5,525)	578
Net changes in current liabilities	1,314	(1,138)
Cash (used in)/generated from operations	(139)	326
Interest received	69	62
Interest paid	(154)	(311)
Taxes paid	(67)	(46)
Net cash flow (used in)/generated from operating activities	(291)	31
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment	(563)	(300)
Other investment activities	249	1,805
Net cash flow (used in)/generated from investing activities	(314)	1,505
CASH FLOW FROM FINANCING ACTIVITIES		
Net repayment of bank borrowings	279	629
Payment for private placement expenses	-	(19)
Net cash flow generated from financing activities	279	610
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENT	(326)	2,146
CASH AND CASH EQUIVALENT AT BEGINNING OF THE PERIOD	3,147	2,508
CASH AND CASH EQUIVALENT AT END OF THE PERIOD	2,821	4,654

Note:

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 30 November 2008 and the accompanying explanatory notes attached to the interim financial statements.

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NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 MAY 2009: EXPLANATORY NOTES IN COMPLIANCE WITH REPORTING REQUIREMENTS OF FRS 134 – INTERIM FINANCIAL REPORTING

1. Basis of Preparation

The interim financial statements have been prepared in compliance with Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad (“BMSB”) Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the last financial year ended 30 November 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 November 2008.

1.1 Significant Accounting Policies

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted in the financial statements for the financial year ended 30 November 2008 except for the following FRSs and Interpretations issued but not yet effective and have not been applied by the Group:-

		Effective for annual periods beginning on or after
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments : Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 139	Financial Instruments : Recognition and Measurement	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010

The adoptions of the above FRSs upon their effective dates are not expected to have significant financial impact on the financial statements of the Group except for the changes in disclosures arising from the adoption of FRS 7 and 8.

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2. Audit Qualification

There was no qualification on audit report of the Group's preceding annual financial statements.

3. Seasonal or cyclicity of interim operations

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

4. Unusual Items

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

5. Material Changes in Estimates of Amounts Reported

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

6. Debt and Equity Securities.

There is no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter and financial period to date.

7. Dividends Paid

There was no dividend paid during the financial quarter ended 31 May 2009.

8. Segmental Reporting

The Group's segment revenue and results for the current financial period is as follows:-

	Investment Holdings RM'000	Trading & Distribution RM'000	Others RM'000	Intra-group Elimination RM'000	Total RM'000
Revenue					
External revenue	703	14,665	4,834	(1,214)	18,988
Inter-segment	(691)	(46)	(477)	1,214	-
Segment revenue	12	14,619	4,357	-	18,988
Results					
Profit/(Loss) from operations	2,835	902	(3,079)		658
Finance costs					(154)
Share of associates' results					47
Profit before taxation					551
Taxation					(195)
Profit after taxation					356
Minority interests					15
Net profit for the period					371

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9. Valuation of Property, Plant and Equipment

- (1) Property, plant and equipment which are stated at cost have been brought forward without amendment from the previous annual financial statements.
- (2) There was no material acquisition or disposal of property, plant and equipment by the Group during the financial period to date other than as mentioned below:-
 - (i) On 20 May 2009, the Company via its subsidiary company, namely Viva World Industries Sdn Bhd completed the sale of a piece of leasehold land together with buildings erected thereon comprising a 1 ½ storey detached light industrial factory building and a single storey detached guard house for a cash consideration of RM630,500/-.
 - (ii) On 17 April 2009, the Company via its subsidiary company, namely AAV Industries Sdn Bhd entered into a conditional Sale & Purchase Agreement with Bamboo Gate Sdn Bhd to dispose of a piece of leasehold land together with industrial building erected thereon for a total cash consideration of RM1.6 million. The disposal was completed on 4 June 2009.

10. Material Events Subsequent to the End of Financial Period

The material events subsequent to the end of financial period are as follows:-

- (i) On 25 June 2009, the Company entered into a Share Sale Agreement to dispose of 600,000 ordinary shares of RM1/- each representing 100% equity interest in subsidiary, namely Viva World Industries Sdn Bhd to Encik Mocktar Bin Mansor and Che Zainab Binti Md Desa for a cash consideration of RM340,860/-. The disposal was completed on the same date; and
- (ii) On 3 July 2009, the Company entered into a Share Sale Agreement with AE Multi Holdings Berhad for the acquisition of 499,000 ordinary shares of RM1/- each representing 49.9% equity interest in AAV Industries Sdn Bhd ("AAV") for a cash consideration of RM140,522/-. AAV becomes a wholly-owned subsidiary of the Company upon completion of the acquisition on the same date.

The above transactions have no material effect on the Group's earnings, gearing and net assets.

11. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter and financial period to date other than as mentioned below:-

- (i) On 5 December 2008, the Company entered into a sale and purchase agreement with Mdm. Cheah See Mooi @ Cheah Seow Lan, Mr. Ching Ngau and Mr. Ching Jze Haur ("Purchaser") for the disposal of 736,000 ordinary shares of RM1/- each representing 32% equity interest in the associated company, Permata Makmur Sdn Bhd ("PMSB") for a cash consideration of RM3.6 million payable in nine (9) instalments over three (3) years, the last instalment being payable on 2 December 2011. The Disposal was completed on 31 December 2008.

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11. Changes in Composition of the Group (Cont'd)

- (i) On 27 February 2009, the Company entered into an Option Agreement with the Purchaser that grants the Company a Put Option to require the Purchaser to purchase 414,000 ordinary shares of RM1/- each representing the remaining 18% equity interest still held by the Company in PMSB from the Company for a cash consideration of RM1.2 million.
- (ii) On 31 March 2009, the Company's wholly-owned subsidiary companies, Amtel Cellular Sdn Bhd ("AMCSB") and Amtel Communications Sdn Bhd ("ACSB") entered into a Shares Sale Agreement whereby AMCSB acquired from ACSB the 30% equity interest in the associate company, Milan Utama Sdn Bhd comprising 18,000 ordinary shares of RM1/- each for a cash consideration of RM351,000/-. The above acquisition has no effect on the Group's gearing and is not expected to have material effect on the Group's earnings and net assets.

12. Changes in Contingent Liabilities and Contingent assets

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet as at 30 November 2008, except for the following:-

	As At 31/5/2009 RM'000
<u>Contingent Liabilities – Unsecured</u>	
In respect of corporate guarantees given by the Company to financial institutions and trade creditors for banking and credit facilities granted to the subsidiary companies	<u>6,554</u>

13. Capital and Other Commitments

The Group has no capital commitment in respect of property, plant and equipment for current period ended 31 May 2009.

14. Cash and Cash Equivalents

Cash and cash equivalents included in the Condensed Consolidated Cash Flow Statements for the financial period ended 31 May 2009 comprise the following Balance Sheet amounts:-

	RM'000
Cash and bank balances	1,503
Cash deposits with licensed banks	3,620
Bank overdrafts	<u>(1,090)</u>
	4,033
Less: Cash deposits with licensed banks under lien	<u>(1,212)</u>
	<u>2,821</u>

15. Related Party Transactions

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

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NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 MAY 2009:

EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. Review of Performance

For the current period ended 31 May 2009, the Group recorded a turnover of RM18.988 million and profit before tax of RM551,000/- as compared to turnover of RM20.317 million and loss before tax of RM30,000/- reported in preceding year corresponding period.

The improvement in the current period's results was mainly due to higher sales and profit margin achieved by the Trading & Distribution business and share of profit reported by an associated company involved in the trading and distribution products.

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

The Group reported a profit before tax of RM370,000/- for current quarter as compared to profit before tax of RM181,000/- reported in preceding quarter. The improved results was mainly due to higher sales and margin reported by the Trading & Distribution division.

3. Prospects for the Current Financial Year

Barring unforeseen circumstances, the Board is optimistic that the Group's performance for the remaining financial year will be positive.

4. Variances of Actual Profit from Forecast Profit

Not applicable.

5. Taxation

	Current Quarter RM'000	Cumulative Current Period RM'000
Taxation includes:-		
Tax provided based on results for the period	122	195

Tax provided for the current quarter and period is in respect of profit made by certain companies in the Group. The effective tax rate is higher than the statutory tax rate mainly due to expenses non-deductible for tax purposes.

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6. Profit/Loss on Sale of Unquoted Investments and/or Properties

There was no sale of unquoted investments and/or properties for the current quarter and financial period to date other than as mentioned in Note 9 (2) and Note 11 of Page 7 & Page 8.

The Group received dividends of RM22,322/- from quoted investments in income trust fund for the current financial period to date.

7. Quoted Securities

(1) Summary of dealings in quoted securities:-

	Current Quarter RM'000	Cumulative Current Period RM'000
<u>Long Term Investments:</u>		
<u>(i) Quoted Unit Trusts</u>		
Total Disposal Proceeds	3,646	6,884
Total Profit/(Loss) on Disposal	-	-
Total Purchase Consideration	3,327	6,979
<u>Short Term Investments – Quoted Shares:</u>		
Total Disposal Proceeds	-	-
Total Profit/(Loss) on Disposal	-	-
Total Purchase Consideration	-	8

(2) Investments in quoted securities as at 31 May 2009 are as follows:-

	RM'000
<u>Long Term Investments:</u>	
<u>(i) Quoted Unit Trusts</u>	
Total investments at cost & at carrying value (after allowance for impairment loss)	2,482
Total investments at market value	2,482
<u>(ii) Quoted Shares</u>	
Total investments at cost	481
Total investments at carrying value/book value (after allowance for impairment loss)	350
Total investments at market value	350

8. Status of Corporate Proposals

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

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9. Group Borrowings

The Group's total borrowings (all denominated in Ringgit Malaysia) as at 31 May 2009 are as follows:-

	RM'000	RM'000
(1) Short Term Borrowings		
- <u>Unsecured</u>		
Bank overdrafts	1,090	
Bills payable	<u>1,329</u>	2,419
- <u>Secured</u>		
Current portion of revolving project loans		<u>3,055</u>
		<u>5,474</u>
(2) Long Term Borrowings		
- <u>Secured</u>		
Revolving project loans	4,135	
Less: current portion of long term loans	<u>(3,055)</u>	<u>1,080</u>
Hire purchase creditors payable after the next 12 months		<u>889</u>

Securities:-

- (i) The revolving project loans are secured by a debenture incorporating fixed and floating charge over all present and future assets and undertakings of Amtel Cellular Sdn Bhd and corporate guarantee of the Company.

10. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off-balance sheet risk as at the date of issue of this quarterly report.

11. Material Litigation

There is no pending material litigation that would have a material adverse effect on the financial position of the Group as at the date of issue of this quarterly report.

12. Dividend

The Board of Directors does not recommend any payment of dividend for the current financial period ended 31 May 2009.

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13. Earning Per Share

(1) Basic earning per share

The basic earning per share for the current quarter and financial period to date is calculated by dividing the consolidated net profit attributable to the equity holders to the Company of RM278,000/- and RM371,000/- respectively by the number of 49,277,066 ordinary shares in issue during the period.

(2) Diluted earning per share

Not applicable.

AMTEL HOLDINGS BERHAD
By Order of the Board

CHIA MOH MUI
Company Secretary