

Quarterly rpt on consolidated results for the financial period ended 30 Nov 2016

AMTEL HOLDINGS BERHAD

Financial Year End 30 Nov 2016

Quarter 4 Qtr

Quarterly report for the financial period ended 30 Nov 2016

The figures have not been audited

Attachments

[AHB-Q4-FY2016.pdf](#)
511.0 kB

Default Currency	Other Currency
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Currency: Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION 30 Nov 2016

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		30 Nov 2016	30 Nov 2015	30 Nov 2016	30 Nov 2015
		\$\$'000	\$\$'000	\$\$'000	\$\$'000
1	Revenue	17,069	24,536	47,417	56,656
2	Profit/(loss) before tax	1,964	707	1,145	1,160
3	Profit/(loss) for the period	1,694	799	470	810
4	Profit/(loss) attributable to ordinary equity holders of the parent	1,561	756	239	818
5	Basic earnings/(loss) per share (Subunit)	3.17	1.53	0.49	1.66
6	Proposed/Declared dividend per share (Subunit)	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 (\$\$)	0.8935	0.8909
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Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.
Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Announcement Info

Company Name	AMTEL HOLDINGS BERHAD
Stock Name	AMTEL
Date Announced	23 Jan 2017
Category	Financial Results
Reference Number	FRA-23012017-00004

23 January 2017



AMTEL HOLDINGS BERHAD

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

UNAUDITED INTERIM FINANCIAL REPORT

FOR THE FOURTH FINANCIAL QUARTER ENDED 30 NOVEMBER 2016

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

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 NOVEMBER 2016

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2016
(The figures have not been audited)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT PERIOD QUARTER 30-11-2016 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-11-2015 RM'000	CURRENT YEAR TO DATE 30-11-2016 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-11-2015 RM'000
Revenue	17,069	24,536	47,417	56,656
Operating Expenses	(15,619)	(24,255)	(47,549)	(57,343)
Other Operating Income	379	338	1,159	1,775
Profit from Operations	1,829	619	1,027	1,088
Finance Costs	(20)	(22)	(70)	(75)
Share of Results of Associates	155	110	188	147
Profit Before Taxation	1,964	707	1,145	1,160
Taxation	(270)	92	(675)	(350)
Profit for the financial year	1,694	799	470	810
Other Comprehensive Income, Net of Tax				
Items that may be reclassified subsequently to Profit or Loss				
Foreign currency translation	(11)	(28)	(13)	38
Total Comprehensive Income for the year	1,683	771	457	848
<u>Profit/(Loss) Attributable to:-</u>				
Owners of the Company	1,561	756	239	818
Non-controlling Interests	133	43	231	(8)
	1,694	799	470	810
<u>Total Comprehensive Income Attributable to:-</u>				
Owners of the Parent	1,562	736	230	845
Non-controlling Interests	143	35	227	3
	1,705	771	457	848
<u>Earnings Per Share Attributable to Owners of the Parent :-</u>				
Basic (sen)	3.17	1.53	0.49	1.66
Fully Diluted (sen)	N/A	N/A	N/A	N/A

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2015 and the accompanying explanatory notes attached to the interim financial report.

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2016
(The figures have not been audited)

	UNAUDITED AS AT CURRENT FINANCIAL YEAR ENDED 30/11/2016 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR ENDED 30/11/2015 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	1,853	2,046
Investment Properties	169	169
Investments in Associates	1,540	1,150
Intangible Assets	2,241	3,410
Other Investments	250	250
	<u>6,053</u>	<u>7,025</u>
Current Assets		
Inventories	1,269	738
Property Development Costs	15,278	10,272
Trade & Other Receivables	20,692	19,948
Other Investments	8,852	12,654
Cash deposits with licensed banks	5,699	6,601
Cash and Bank Balances	7,526	6,474
	<u>59,316</u>	<u>56,687</u>
TOTAL ASSETS	<u>65,369</u>	<u>63,712</u>
EQUITY AND LIABILITIES		
Equity		
Share Capital	49,277	49,277
Reserves	(5,250)	(5,374)
Equity Attributable to Owners of the Parent	<u>44,027</u>	<u>43,903</u>
Non-controlling Interests ("NCI")	1,893	374
Total Equity	<u>45,920</u>	<u>44,277</u>
Non-Current Liabilities		
Finance Lease Payables	185	218
Deferred Tax Liabilities	450	611
	<u>635</u>	<u>829</u>
Current Liabilities		
Trade & Other Payables	18,211	17,502
Short Term Borrowings	374	-
Tax Liabilities	125	920
Finance Lease Payables	104	184
	<u>18,814</u>	<u>18,606</u>
Total Liabilities	<u>19,449</u>	<u>19,435</u>
TOTAL EQUITY AND LIABILITIES	<u>65,369</u>	<u>63,712</u>
Net assets per share attributable to owners of the parent (RM)	0.8935	0.8909

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2015 and the accompanying explanatory notes attached to the interim financial report.

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2016**
(The figures have not been audited)

	<----- Attributable to Owners of the Parent ----->							
	<----- Non-Distributable ----->							
	Currency							
	Share Capital RM'000	Share Premium RM'000	Fair Value Reserve RM'000	Translation Reserve RM'000	Accumulated Losses RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
12 months ended 30 November 2016								
At 1 December 2015	49,277	4,775	159	23	(10,331)	43,903	374	44,277
Comprehensive Income								
Profit/(Loss) for the financial year	-	-	-	-	239	239	231	470
Foreign currency translation	-	-	-	(9)	-	(9)	(4)	(13)
Total comprehensive income/(loss) for the financial year	-	-	-	(9)	239	230	227	457
Transaction with owners:								
Subscription of new shares by NCI in a subsidiary	-	-	-	-	-	-	1,186	1,186
Effect of dilution of equity interest in a subsidiary	-	-	-	-	(106)	(106)	106	-
At 30 November 2016	49,277	4,775	159	14	(10,198)	44,027	1,893	45,920
12 months ended 30 November 2015								
At 1 December 2014	49,277	4,775	159	(3)	(11,150)	43,058	371	43,429
Comprehensive Income								
Profit/(Loss) for the financial year	-	-	-	-	818	818	(8)	810
Foreign currency translation	-	-	-	27	-	27	11	38
Total comprehensive income for the financial year	-	-	-	27	818	845	3	848
At 30 November 2015	49,277	4,775	159	24	(10,332)	43,903	374	44,277

Note:

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2015 and the accompanying explanatory notes attached to the interim financial report.

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2016
(The figures have not been audited)

	CURRENT FINANCIAL YEAR ENDED 30/11/2016 RM'000	PRECEDING FINANCIAL PERIOD ENDED 30/11/2015 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,145	1,160
Adjustments for:-		
Non-cash items	2,382	3,566
Non-operating items	(884)	(465)
Share of results of associates	(188)	(147)
Operating profit before changes in working capital	<u>2,455</u>	<u>4,114</u>
Changes in working capital		
Net changes in property development costs	(5,006)	(10,272)
Net changes in current assets	(1,657)	(9,150)
Net changes in current liabilities	709	10,336
Cash used in operations	<u>(3,499)</u>	<u>(4,972)</u>
Interest received	233	305
Interest paid	(70)	(74)
Taxes paid	(1,623)	(69)
Net cash used in operating activities	<u>(4,959)</u>	<u>(4,810)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(640)	(597)
Disposal of property, plant and equipment	30	-
Subscription of new shares in an associate	(200)	-
Withdrawal of fixed income funds & quoted unit trusts	4,154	2,871
Withdrawal/(Placement) of pledged cash & cash equivalent under lien	902	(101)
Dividend income	423	470
Subscription of new shares by NCI in a subsidiary	1,186	-
Acquisition of a subsidiary	-	(1,286)
Net cash from investing activities	<u>5,855</u>	<u>1,357</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Net additions/(repayment) of bank borrowings	-	(246)
Net payment of finance lease	(218)	(221)
Net cash used in financing activities	<u>(218)</u>	<u>(467)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT	678	(3,920)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	6,474	10,394
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	<u>7,152</u>	<u>6,474</u>
Cash and cash equivalents at end of the year comprise of:-		
Cash at banks and in hand	7,526	6,474
Cash deposits with licensed banks	5,699	6,601
Bank overdrafts	(374)	-
	<u>12,851</u>	<u>13,075</u>
Less: Cash at banks under lien	-	-
Less: Cash deposits with licensed banks under lien	(5,699)	(6,601)
	<u>7,152</u>	<u>6,474</u>

Note:

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2015 and the accompanying explanatory notes attached to the interim financial report.

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

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 NOVEMBER 2016**

(A) EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

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

The interim financial report should be read in conjunction with the audited financial statements of the Group for the last financial year ended 30 November 2015 and the accompanying explanatory notes attached to the interim financial report. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company and of the Group since the financial year ended 30 November 2015.

1.1 Significant Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the last financial year ended 30 November 2015.

As at the date of authorization of this interim financial report, the Group has not early adopted the following new MFRSs, and amendments under MFRS framework that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group and the Company:-

		Effective for financial periods beginning on or after
<u>New MFRSs</u>		
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 16	Leases	1 January 2019
<u>Amendments/Improvements to MFRSs</u>		
MFRS 5	Non-current Asset Held for Sale and Discontinued Operations	1 January 2016
MFRS 7	Financial Instruments: Disclosure	1 January 2016
MFRS 10	Consolidated Financial Statements: Investment Entities	1 January 2016
MFRS 11	Joint Arrangements	1 January 2016
MFRS 12	Disclosure of Interest in Other Entities: Investment Entities	1 January 2016
MFRS 101	Presentation of Financial Statements: Disclosure Initiative	1 January 2016

AMTEL HOLDINGS BERHAD (409449-A)
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1. Basis of Preparation (Cont'd)

1.1 Significant Accounting Policies (Cont'd)

<u>Amendments/Improvements to MFRSs (Cont'd)</u>		Effective for financial periods beginning on or after
MFRS 116	Property, Plant and Equipment	1 January 2016
MFRS 119	Employee Benefits	1 January 2016
MFRS 127	Separate Financial Statements: Investment Entities	1 January 2016
MFRS 128	Investments in Associates and Joint Ventures	1 January 2016
MFRS 138	Intangible Assets	1 January 2016
MFRS 141	Agriculture	1 January 2016

2. Audit Qualification

The audit report of the Group's financial statements for the year ended 30 November 2015 did not contain any qualification.

3. Seasonal or cyclical Factors

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

4. Unusual Items

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

5. Material Changes in Estimates of Amounts Reported

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

6. Debt and Equity Securities.

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

7. Dividends Paid

There was no dividend paid during the financial year ended 30 November 2016.

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8. Segmental Reporting

The Group's segment information for the financial year ended 30 November 2016 is as follows:-

(i) Major Business Segments

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

12 months ended 30 November 2016

GROUP	Property Development RM'000	Information & Communication Technology ("ICT") RM'000	Telecommunications, Infrastructure & Services ("TIS") RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
SEGMENT REVENUE						
External revenue	9,271	23,893	14,028	225	-	47,417
Inter-segment revenue	-	1,586	-	1,203	(2,789)	-
Total revenue	9,271	25,479	14,028	1,428	(2,789)	47,417

SEGMENT RESULTS	Property Development RM'000	ICT RM'000	TIS RM'000	Others RM'000	Consolidated RM'000
Profit/(Loss) from operations	221	(1,227)	2,441	(408)	1,027
Finance costs	-	(55)	(15)	-	(70)
Share of associates' results	-	178	10	-	188
Profit/(Loss) before taxation	221	(1,104)	2,436	(408)	1,145
Taxation	(82)	(77)	(512)	(4)	(675)
Profit/(Loss) for the year	139	(1,181)	1,924	(412)	470

FINANCIAL POSITION As at 30 November 2016	Property Development RM'000	ICT RM'000	TIS RM'000	Others RM'000	Consolidated RM'000
Total segment assets	17,949	22,200	12,410	12,810	65,369
Total segment liabilities	6,469	8,414	4,000	566	19,449

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8. Segmental Reporting (Cont'd)
(i) Major Business Segments (Cont'd)

12 months ended 30 November 2015

GROUP	Property Development RM'000	ICT RM'000	TIS RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
SEGMENT REVENUE						
External revenue	19,205	27,046	8,429	1,976	-	56,656
Inter-segment revenue	-	1,807	-	1,669	(3,476)	-
Total revenue	19,205	28,853	8,429	3,645	(3,476)	56,656

	Property Development RM'000	ICT RM'000	TIS RM'000	Others RM'000	Consolidated RM'000
SEGMENT RESULTS					
Profit/(Loss) from operations	923	(201)	459	(93)	1,088
Finance costs	-	(64)	(11)	-	(75)
Share of associates' results	-	102	45	-	147
Profit/(Loss) before taxation	923	(163)	493	(93)	1,160
Taxation	(372)	22	-	-	(350)
Profit/(Loss) for the year	551	(141)	493	(93)	810

FINANCIAL POSITION As at 30 November 2015	Property Development RM'000	ICT RM'000	TIS RM'000	Others RM'000	Consolidated RM'000
Total segment assets	17,393	20,139	7,930	18,250	63,712
Total segment liabilities	9,564	5,033	2,377	2,461	19,435

(ii) Geographical Segments

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

GROUP	Revenue	
	Current Year 30 November 2016 RM'000	Preceding Year 30 November 2015 RM'000
Malaysia	47,259	54,097
Singapore	76	23
China	82	2,536
Total	47,417	56,656

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 year to date.

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10. Material Event Subsequent to the End of Financial Year

There was no material event subsequent to the end of the financial year ended 30 November 2016 that has not been reflected in the financial statements or to be disclosed as at the date of this report other than as mentioned below:-

On 8 December 2016, the Company via its wholly owned subsidiary, namely Amtel Cellular Sdn Bhd ("AMCSB") acquired 60,000 ordinary shares of SGD1.00 each, representing the remaining 30% equity interest in Amtel Pte. Ltd. ("APL"), for a total cash consideration of SGD1.00. Consequently, AMCSB's equity interest in APL increased from 70% to 100% and thereby making APL an indirect wholly owned subsidiary of the Company.

11. Changes in the Composition of the Group

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

On 12 May 2016, two key employees of Amtel Resources Sdn Bhd ("ARSB") had subscribed for a total 300,000 ordinary shares, representing 23.08% of the enlarged issued and paid-up share capital of ARSB for a total cash consideration of RM1.186 million. Upon completion of the subscription, the Company's equity interest in ARSB reduced from 100% to 76.92%. The dilution in equity interest in ARSB has no material effect on the consolidated earnings, net assets and gearing of the Group for the financial year ending 30 November 2016.

12. Changes in Contingent Liabilities and Contingent assets

There were no changes in contingent liabilities or contingent assets since the last reporting date as at 30 November 2015, except for the followings:-

	As At 30/11/2016
Company	
<u>Contingent Liabilities – Unsecured</u>	RM'000
The maximum exposure to credit risk amounts representing the outstanding credit facilities of the subsidiaries and associated company guaranteed by the Company	<u>1,335</u>
Group	
<u>Contingent Liabilities – Secured*</u>	
Bank guarantees	<u>95</u>

*** - The bank guarantees are secured against the fixed deposits of the subsidiary company.**

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

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13. Capital and Other Commitments

The Group has no capital commitment in respect of property, plant and equipment for current year ended 30 November 2016.

14. Related Party Transactions

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

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

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 NOVEMBER 2016**

**(B) EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**

1. Review of Performance

For the current quarter ended 30 November 2016, the Group reported a revenue of RM17.07 million and profit after tax of RM1.69 million, as compared to a revenue of RM24.54 million and profit after tax of RM0.80 million recorded in the preceding year corresponding quarter. The Group recorded a lower revenue for the current quarter mainly due to the slow down in sales of the Property Development segment. However this decrease was offset by higher revenue and profit after tax reported by the ICT and TIS business segments. As a results the Group posted an overall improvement in the current quarter's performance.

For the current financial year, the Group posted a revenue of RM47.42 million and profit after tax of RM1.15 million, as compared to revenue of RM56.66 million and profit after tax of RM1.16 million reported in the preceding year. The drop in current year's revenue was largely due to lower performance recorded by the Property Development and ICT segments. However this drop is mitigated by the marked improvement achieved by the TIS segment which contributed significantly to the Group's overall improvement in current year's results.

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

ICT Segment

Despite having posted a higher revenue and profit after tax during the current quarter as compared to preceding year corresponding quarter, overall this segment reported a drop in performance for the current year mainly attributed to lower level of sales recorded in the first three quarters of the financial year as a result of the slowdown in the demand of Telematics related products and services, compounded by the increase in material costs due to the unfavorable exchange rate has also significantly affected the profit margin.

Property Development Segment

Overall a lower performance was reported in current quarter and financial year mainly due to the lack of new sales and lower profit recognition from properties development works in progress.

TIS Segment

Improved performance in both revenue and profit after tax was achieved in the current quarter and year, as compared to preceding year. This was mainly due to higher progress billings and profit recognised from various completed projects, as well as new and on-going civil infrastructure works and projects.

Others Segment

Loss recorded during the current quarter and year was attributed to the operating costs incurred by the investment holding company. Lower loss was reported in the preceding year due to a one off export sales and profit derived by a subsidiary company involved in component trading.

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

The Group posted a profit after tax of RM1.69 million for the current quarter under review as compared to profit after tax of RM44 thousand reported in the immediate preceding quarter. Improvement in profit recorded during this quarter is mainly due to higher revenue and profit contribution from the ICT and TIS business segments and share of associated companies' profits.

3. Commentary on Prospects

The current fluctuations in currency exchange rates affecting the material costs will continue to pose challenges to the Group's operations. Despite these challenges, the Group will focus on its strategic plans to expand its ICT business activities via the introduction of a new range of innovative products and services which are expected to contribute to the ICT segment's performance. In addition, the ongoing projects in the TIS segment will continue to make a stable contribution to the Group's results.

Barring any unforeseen circumstances, the Board is optimistic that the Group will continue to achieve a satisfactory performance in the next financial year.

4. Variances of Actual Profit from Forecast Profit

Not applicable.

5. Taxation

The taxation for the Group for the current financial quarter and year under review was as follows:-

	Current Quarter RM'000	Cumulative Current Year RM'000
<u>Tax expense:-</u>		
Based on results for the year	(336)	(871)
Over provision in prior year	7	11
Transfer from deferred tax liabilities	59	185
	<u>(270)</u>	<u>(675)</u>

The effective tax rate is higher than the statutory income tax rate due to the losses of certain subsidiaries that were not available for set-off against taxable profits of other subsidiaries and certain expenses which were not deductible for tax purposes.

6. Status of Corporate Proposals

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

7. Provision of Financial Assistance to Associated Company

The Company obtained the shareholders' approval via an Extraordinary General Meeting held on 10 July 2014 to provide financial assistance to an associated company. The amounts of financial assistance provided as of 30 November 2016 remain at RM6.58 million.

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8. Group Borrowings

The Group's total borrowings (all denominated in Ringgit Malaysia) as at 30 November 2016 are as follows:-

	As at 30/11/2016 RM'000
(1) <u>Short Term Borrowings:-</u>	
- <u>Secured</u>	
Bank overdraft	<u>374</u>
Finance leases payable within the next 12 months	<u>104</u>
(2) <u>Long Term Borrowings:-</u>	
- <u>Secured</u>	
Finance leases payable after the next 12 months	<u>185</u>

The Group does not have borrowing denominated in foreign currency.

9. Disclosure of Derivatives

The Group does not have outstanding derivatives (including financial instruments designated as hedging instruments) as at 30 November 2016.

10. Gain/Losses Arising From Fair Value Changes of Financial Liabilities

There were no gains/losses arising from fair value changes of financial liabilities for the current year ended 30 November 2016.

11. Material Litigation

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

On 4 September 2015, the Company announced that Amtel Cellular Sdn Bhd ("AMCSB"), the wholly-owned subsidiary of the Company has on 2 September 2015 filed an application to the Shenzhen Luoho District People's Court ("Court") to seek judgment and claims against Shi Jian Bing ("SJB") due to SJB's failure to deliver the new navigation software engine within the prescribed timeline and a breach of contract pursuant to the Agreement dated 25 November 2013 made between AMCSB, SJB and Another Party ("AP").

AP had made an application earlier on 31 March 2015 to the Court to seek similar judgment and claims against SJB, in relation thereto AMCSB is a Joint-Plaintiff with AP against SJB in claiming including but not limited to the development costs of RMB1,677,569.00 together with interest thereon, the cost of legal proceedings and others as specified in the announcement dated 4 September 2015.

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11. Material Litigation (Cont'd)

The first court hearing was held on 9 October 2015 and 10 October 2015 (continued hearing from day 1) at the Court. However no decision was formed by the Judge at the conclusion of the first trial. Another hearing was held on 25 April 2016. AMCSB had on 26 June 2016 received the decisions and judgement from the Court in respect of AMCSB's claims against SJB as follows:-

- (i) The Court agreed that the Agreement entered between AMCSB, SJB and AP dated 25 November 2013 has been terminated;
- (ii) That SJB was ordered to pay 40% of AMCSB's claim of RMB1,677,569.00 and 40% of AP's permitted claim of RMB400,878.32 totalling RMB831,378.90 to AMCSB and AP;
- (iii) That SJBs to immediately refrain from using, developing, disclosing, transferring or licensing and return all relevant materials for the purpose of software development; and
- (iv) That the claim for cost of legal proceedings against SJB is unsuccessful.

AMCSB's solicitor in People's Republic of China have successfully filed an appeal on 15 July 2016 to the Court's decision to seek for higher compensation after taking into consideration the advice by AMCSB's Solicitor in People's Republic of China. The Company is awaiting the advice from the solicitor on the Appeal Court's hearing.

12. Notes to the Condensed Consolidated Statement of Comprehensive Income

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

	Current Quarter 30/11/2016 RM'000	Current Year To-date 30/11/2016 RM'000
1. Interest income	(62)	(233)
2. Dividend income	(104)	(423)
3. Other income excluding interest and dividend income	(57)	(290)
4. Interest expense	20	70
5. Depreciation of property, plant & equipment	216	854
6. Amortisation of intangible assets	369	1,169
7. (Gain)/Loss on disposal of property, plant & equipment	(45)	(54)
8. Allowance for impairment loss on trade receivable	158	358
9. Impairment of property, plant & equipment	-	-
10. Net foreign exchange loss/(gain)	(35)	86

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13. Dividend

The Board of Directors does not recommend any payment of dividend for the current financial year ended 30 November 2016.

14. Earnings Per Share

(1) Basic earnings per share

The basic earnings per share for the current quarter and financial year to date is calculated by dividing the consolidated net profit attributable to owners of the Parent of RM1.56 million and RM0.24 million respectively by the number of 49,277,066 ordinary shares in issue during the year.

(2) Diluted earnings per share

Not applicable.

15. Disclosure of Realised and Unrealised Profits or Losses of the Group

The breakdown of the accumulated losses of the Group as at 30 November 2016 into realised and unrealised profits/(losses) is as follows:-

	As at 30/11/2016 RM'00	As at 30/11/2015 RM'000
Total accumulated losses:-		
- Realised	(20,415)	(20,133)
- Unrealised	(776)	(988)
	<u>(21,191)</u>	<u>(21,121)</u>
Total share of retained profits/(accumulated losses) from associated companies:-		
- Realised	1,212	1,024
- Unrealised	-	-
	<u>(19,979)</u>	<u>(20,097)</u>
Add/(Less): Consolidation adjustments	9,781	9,765
Total accumulated losses as per consolidated accounts	<u><u>(10,198)</u></u>	<u><u>(10,332)</u></u>

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By Order of the Board

LAI YAT LEE

Company Secretary