



AMTEL HOLDINGS BERHAD

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

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 30 NOVEMBER 2011**

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

INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 NOVEMBER 2011

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2011
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER <u>30-11-2011</u> RM'000	PRECEDING YEAR CORRESPONDING QUARTER <u>30-11-2010</u> RM'000	CURRENT PERIOD TO DATE <u>30-11-2011</u> RM'000	PRECEDING YEAR CORRESPONDING PERIOD <u>30-11-2010</u> RM'000
Revenue	16,814	13,165	61,368	59,263
Operating Expenses	(15,792)	(12,890)	(58,020)	(57,111)
Other Operating Income	209	482	931	1,933
Profit from Operations	1,231	757	4,279	4,085
Finance Costs	(49)	(47)	(190)	(316)
Share of Associated Companies' Results	54	2	188	39
Profit Before Taxation	1,236	712	4,277	3,808
Taxation	(534)	(116)	(605)	(340)
Profit for the Year	702	596	3,672	3,468
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the Year	702	596	3,672	3,468
<u>Profit Attributable to:-</u>				
Equity Holders of the Company	704	697	3,622	3,847
Non-controlling Interests	(2)	(101)	50	(379)
	702	596	3,672	3,468
<u>Total Comprehensive Income Attributable to:-</u>				
Equity Holders of the Company	704	697	3,622	3,847
Non-controlling Interests	(2)	(101)	50	(379)
	702	596	3,672	3,468
<u>Earnings Per Share Attributable to Equity Holders of the Company :-</u>				
Basic (sen)	1.43	1.41	7.35	7.81
Fully Diluted (sen)	N/A	N/A	N/A	N/A

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2010 and the accompanying explanatory notes attached to the interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2011
(The figures have not been audited)

	UNAUDITED	AUDITED
	AS AT	AS AT
	CURRENT	PRECEDING
	FINANCIAL	FINANCIAL
	YEAR ENDED	YEAR ENDED
	<u>30/11/2011</u>	<u>30/11/2010</u>
	RM'000	RM'000
		(Restated)
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	1,769	2,743
Investment Properties	169	169
Investments in Associates	338	112
Intangible Assets	127	317
Other Investments	15,962	9,361
Other Receivables	-	315
Deferred Tax Assets	359	900
	18,724	13,917
Current Assets		
Inventories	1,896	5,931
Trade & Other Receivables	15,814	16,439
Short Term Investments	140	276
Cash and Bank Balances	18,505	15,749
	36,355	38,395
	55,079	52,312
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Parent		
Share Capital	49,277	49,277
Reserves	(8,152)	(11,774)
	41,125	37,503
Non-controlling Interests	112	276
Total Equity	41,237	37,779
Non-Current Liabilities		
Finance Lease Payables	579	671
Deferred Tax Liabilities	17	14
	596	685
Current Liabilities		
Trade & Other Payables	11,423	11,538
Short Term Borrowings	1,316	1,856
Provision for Taxation	205	214
Finance Lease Payables	302	240
	13,246	13,848
Total Liabilities	13,842	14,533
TOTAL EQUITY AND LIABILITIES	55,079	52,312
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.8346	0.7611

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 2010 and the accompanying explanatory notes attached to the interim financial statements.

AMTEL HOLDINGS BERHAD (409449-A)
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2011**
(The figures have not been audited)

	<u>Attributable to Equity Holders of Parent</u>				Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Fair Value Reserve RM'000	Accumulated Losses RM'000			
<----- Non-Distributable ----->							
12 months ended 30 November 2011							
At 1 December 2010	49,277	4,775	-	(16,708)	37,344	276	37,620
Effects of adopting FRS 139	-	-	159	-	159	-	159
At 1 December 2010 restated	49,277	4,775	159	(16,708)	37,503	276	37,779
Total comprehensive income for the year	-	-	-	3,622	3,622	50	3,672
Disposal of minority interests	-	-	-	-	-	(214)	(214)
At 30 November 2011	49,277	4,775	159	(13,086)	41,125	112	41,237
12 months ended 30 November 2010							
At 1 December 2009	49,277	4,775	-	(20,555)	33,497	655	34,152
Total comprehensive income for the year	-	-	-	3,847	3,847	(379)	3,468
At 30 November 2010	49,277	4,775	-	(16,708)	37,344	276	37,620

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 2010 and the accompanying explanatory notes attached to the interim financial statements.

AMTEL HOLDINGS BERHAD (409449-A)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2011
(The figures have not been audited)

	CURRENT FINANCIAL YEAR ENDED <u>30/11/2011</u> RM'000	PRECEDING FINANCIAL YEAR ENDED <u>30/11/2010</u> RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	4,277	3,808
Adjustment for:-		
Non-cash items	1,021	1,428
Non-operating items	40	(1,155)
Share of results of associated companies	(188)	(39)
Operating profit before changes in working capital	5,150	4,042
Changes in working capital		
Net changes in current assets	5,045	(3,972)
Net changes in current liabilities	(115)	5
Cash generated from operations	10,080	75
Interest received	279	460
Interest paid	(190)	(316)
Taxes paid	(162)	(469)
Net cash generated from/(used in) operating activities	10,007	(250)
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment	150	(650)
Other investment activities	(6,806)	7,889
Net cash (used in)/generated from investing activities	(6,656)	7,239
CASH FLOW FROM FINANCING ACTIVITY		
(Net repayment)/Drawdown of bank borrowings, representing net cash (used in)/generated from financing activity	(263)	(1,668)
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,088	5,321
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	9,664	4,343
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	12,752	9,664
Cash and Cash equivalents at end of the year comprise of:-		
Cash and bank balances	10,470	4,919
Cash deposits with licensed banks	8,035	10,830
Bank overdrafts	(13)	(320)
	18,492	15,429
Less: Cash deposits with licensed banks under lien	(5,740)	(5,765)
	12,752	9,664

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 2010 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 30 NOVEMBER 2011**

(A) EXPLANATORY NOTES PURSUANT TO FRS 134

1. Basis of Preparation

The interim financial statements are unaudited and 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 2010. 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 2010.

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 2010, except for the adoption of the following Financial Reporting Standards (“FRSs”), amendments to FRSs, IC Interpretations and Technical Releases (“TRs”) that are effective for financial periods beginning on or after 1 January 2010 and 1 July 2010:-

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
FRS 4	Insurance Contracts
FRS 7	Financial Instruments : Disclosures
FRS 101	Presentation of Financial Statements (Revised)
FRS 123	Borrowing Costs
FRS 127	Consolidated and Separate Financial Statements (Revised)
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1 and FRS 127	First-time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 138	Intangible Assets
Amendments to FRS 139, FRS 7	Financial Instruments: Recognition and Measurement, Financial Instruments: Disclosures and
and IC interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 – Group and Treasury Share Transactions
IC Interpretation 12	Service Concession Arrangements

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1. Basis of Preparation (Cont'd)

1.1 Significant Accounting Policies (Cont'd)

IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives	
Amendments to FRSs contained in the document entitled “Improvements to FRSs (2009)”	
TR i-3 Presentation of Financial Statements of Islamic Financial Institutions	

The adoption of the above FRSs, Amendments to FRSs, IC Interpretations and TRs are not expected to have significant impact on the financial statements of the Group, except for the changes in accounting policies as indicated below:-

FRS 101, Presentation of Financial Statements (Revised)

The revised FRS 101 requires owner and non-owner changes in equity to be presented separately. Thus, the statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line item termed as total comprehensive income. In addition, the revised standard introduces the statement of comprehensive income: It presents all items of income and expense recognised in income statement, together with all other items of recognised income and expense, either in one single statement or in two link statements. The Group has elected to present the statement of comprehensive income in one single statement. New terminologies will replace “balance sheet” with “statement of financial position” and “cash flow statement” with “statement of cash flows”. Comparative information had been re-presented to conform with the presentation required by the revised standard. The adoption of the revised standard will only impact the form and content of the presentation of the financial statements.

Amendments to FRS 117, Leases

The amendments remove the specific guidance on classifying leasehold land as operating lease. As such, leases of land will be classified as either finance or operating lease based on the general principle of FRS 117. Consequently, upon initial application, leasehold land where in substance a finance lease will be classified from “prepaid land lease payments” to “property, plant and equipment” and measured as such retrospectively. Following this reassessment, the Group has reclassified the existing long term leasehold land to property, plant and equipment and the changes have been accounted for retrospectively by restating the following opening balances:-

Statement of Financial Position

	As previously stated as at 1.12.2010 RM'000	Effect of adopting Amendments to FRS 117 RM'000	As restated as at 1.12.2010 RM'000
Group			
Prepaid land lease payments	31	(31)	-
Property, plant and equipment	2,712	31	2,743
	<hr/>	<hr/>	<hr/>

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1. Basis of Preparation (Cont'd)
1.1 Significant Accounting Policies (Cont'd)

FRS 3, Business Combinations (Revised) and FRS 127, Consolidated and Separate Financial Statements (Revised)

The revised FRS 3 introduces a number of significant changes to the accounting for business combinations with greater use of fair value. These changes include recognising all acquisition-related costs as expense, measuring any pre-existing interest at fair value and allowing measurement of non-controlling interest (previously known as minority interest) at either fair value or at its proportionate share of the acquiree's net identifiable assets. The revised FRS 127 requires accounting for changes in ownership interests by the Group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the Group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The revised standard also requires all losses attributable to the minority shareholders to be absorbed by minority shareholders instead of by the parent. The Group is applying the changes of revised FRS 3 and FRS 127 prospectively.

FRS 139, Financial Instrument: Recognition and Measurement

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments at the reporting date reflects the designation of the financial instruments. The details of the changes in accounting policies and the effects arising from the adoption of FRS 139 are as follows:-

Financial Assets

Financial assets are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial assets include financial assets at fair value through profit or loss, available-for-sale financial assets and loans and receivables.

Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, these financial assets are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or losses do not include interest and dividend income, which are recognised separately in profit or loss as part of other loss or other income. Financial assets that is held for trading purposes are presented as current whereas financial assets that is not held primarily for trading purposes are presented as non-current or current based on the settlement date.

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1. Basis of Preparation (Cont'd)
1.1 Significant Accounting Policies (Cont'd)

FRS 139, Financial Instrument: Recognition and Measurement (Con'd)

Available-for-sale financial assets

Available-for-sale financial assets are measured at fair value and changes in the fair value are recognised directly in equity as "Fair Value Reserve" until the investment is derecognised, at which time the cumulative gain or loss is removed from the Fair Value Reserve and recognised in statement of comprehensive income. In the event where the investment is determined to be impaired, the cumulative loss is recognised in the statement of comprehensive income and removed from the Fair Value Reserve.

In accordance with the transitional provision of FRS 7, the changes affecting available-for-sale financial assets are applied prospectively and the comparatives as at 30 November 2010 are not restated. Instead, the changes have been accounted for by restating the opening balance of the statement of financial position as at 1 December 2010 as shown below:-

Statement of Financial Position

	As previously stated as at 1.12.2010 RM'000	Effect of adopting FRS 139 RM'000	As restated as at 1.12.2010 RM'000
Group and Company			
<u>Assets</u>			
Other Investments -			
Available-for-sale financial assets	91	159	250
<u>Equity</u>			
Fair Value Reserve	-	159	159

Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest rate method. Gain or loss is recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process. Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

Financial Liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss, other financial liabilities at amortised cost using the effective interest rate method, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade and other payables and loans and borrowings. These financial liabilities are measured initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

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

FRS 139, Financial Instrument: Recognition and Measurement (Con'd)

Financial Guarantee Contracts

The Company provides unsecured financial guarantees to financial institutions/trade creditors in respect of banking/credit facilities granted to certain fellow subsidiaries as disclosed in Part (A) Note 12. The maximum exposure to credit risk amounts to approximately RM673,000/- representing the outstanding banking/credit facilities of the fellow subsidiary companies as at 30 November 2011.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

New and Revised FRSs, Amendments for FRSs, IC Interpretations and TRs

The Group has not early adopted the following new and revised FRSs, Amendments for FRSs, IC Interpretations and TRs that are not yet effective in preparing these interim financial statements:-

		For financial periods beginning on or after
FRS 124	Related Party Disclosures (Revised)	1 January 2012
Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters (Amendment to FRS 1)		1 January 2011
Improving Disclosures about Financial Instruments (Amendments to FRS 7)		1 January 2011
Additional Exemptions for First-time Adopters (Amendments to FRS 1)		1 January 2011
Group Cash-settled Share-based Payment Transactions (Amendments to FRS 2)		1 January 2011
Amendments to FRSs contained in the document entitled "Improvements to FRSs (2010)"		1 January 2011
IC Interpretation 4	Determining whether an Arrangement contains a Lease	1 January 2011
IC Interpretation 15	Arrangements for the Construction of Real Estate	1 January 2012
IC Interpretation 18	Transfers of Assets from Customers	1 January 2011
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Prepayments of a Minimum Funding Requirement (Amendments to IC Interpretation 14)		1 July 2011
TR 3	Guidance on Disclosures of Transition to IFRSs	31 December 2010
TR i-4	Shariah Compliant Sale Contracts	1 January 2011

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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 year to date.

7. Dividends Paid

There was no dividend paid during the financial quarter ended 30 November 2011.

8. Segmental Reporting

The Group's segment information for the financial year ended 30 November 2011 is as follows:-

GROUP	Information & Communication Technology ("ICT")	Telecommunications Infrastructure & Services ("TIS")	Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE					
External revenue	57,977	3,190	201	-	61,368
Inter-segment	2,331	-	1,851	(4,182)	-
Segment revenue	<u>60,308</u>	<u>3,190</u>	<u>2,052</u>	<u>(4,182)</u>	<u>61,368</u>
RESULTS	ICT RM'000	TIS RM'000	Others RM'000	Consolidated RM'000	
Profit/(Loss) from operations	4,707	33	(461)	4,279	
Finance costs	(161)	(10)	(19)	(190)	
Share of associates' results	189	-	(1)	188	
Profit before taxation	<u>4,735</u>	<u>23</u>	<u>(481)</u>	<u>4,277</u>	
Taxation	(554)	(38)	(13)	(605)	
Segment profit for the year	<u>4,181</u>	<u>(15)</u>	<u>(494)</u>	<u>3,672</u>	

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8. Segmental Reporting (Cont'd)

GROUP	ICT RM'000	TIS RM'000	Others RM'000	Consolidated RM'000
FINANCIAL POSITION				
As at 30 November 2011				
Total segment assets	29,062	5,974	20,043	55,079
Total segment liabilities	12,245	1,298	299	13,842

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 other than as mentioned in Paragraph 10 below.

10. Material Events Subsequent to the End of Financial Period

There were no material events subsequent to the end of the financial year ended 30 November 2011 that have not been reflected in the financial statements or to be disclosed as at the date of this report other than as mentioned below:-

On 2 December 2011, the Company's wholly owned subsidiary company, namely Amtel Resources Sdn Bhd, has completed the disposal of 12 pieces of vacant freehold residential lands held under Title No. H.S.(D) 3168 to 3179, Lot No. P.T. 2826 to 2837 all in Mukim Bagai Serai, District of Kerian, State of Perak comprising in total approximately 1,718 square metres for a total cash consideration of RM640,000/- to Pinsit Development Sdn Bhd.

The disposal had resulted in a net loss of approximately RM140,000/- which has already been provided for as impairment losses for the financial year ended 30 November 2011.

11. Changes in Composition of the Group

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

- (i) On 25 August 2011, the Company via its wholly owned subsidiary company Amtel Cellular Sdn Bhd ("AMCSB"), has acquired additional 18,000 ordinary shares of RM1/- each representing 5.0% equity interest in Milan Utama Sdn Bhd ("MUSB") for a cash consideration of RM37,800/-. AMCSB's equity investment in MUSB is increased from 30.0% to 35.0% upon completion of the acquisition on the same date.

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

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

(ii) On 29 November 2011, the Company via its wholly owned subsidiary company Amtel Communications Sdn Bhd ("ACSB"), has disposed of its entire shareholding comprised of 3,200 ordinary shares representing 50.80% equity interests in Damansara Duta Sdn Bhd ("DDSB") for a total cash consideration of RM163,000.00. Following the disposal, DDSB and its wholly owned subsidiary company, namely Talk Connect Sdn Bhd, ceased to be the subsidiary companies of ACSB and the Company.

The disposal had no material effect on the consolidated earnings, gearing and net assets of the Group for the financial year ended 30 November 2011.

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 2010, except for the following:-

	Outstanding As At 30/11/2011 RM'000
Company	
<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	1,422
Group	
<u>Contingent Liabilities – Secured*</u>	
Bank guarantees	673

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

At the reporting date, there was no indication that the fellow subsidiary companies would default on their repayments.

13. Capital and Other Commitments

The Group has no capital commitment in respect of property, plant and equipment for current quarter ended 30 November 2011.

However the amount of commitments for the development of navigation software engine not provided for in the interim financial statements as at 30 November 2011 is as follows:-

<u>Capital Expenditure – Intangible Assets</u>	RM'000
Contracted but not provided for	2,728

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.

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**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 30 NOVEMBER 2011**

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

1. Review of Performance

The Group reported a turnover of RM16.814 million for the current quarter under review as compared to RM13.165 million reported in the preceding year corresponding quarter. The Group's revenue for the current quarter increased by approximately 28% mainly contributed by the ICT segment which reported a revenue growth of 34% compared to the preceding year corresponding quarter. Consequently, the Group recorded an improvement in profit before tax of RM1.236 million for the current quarter under review as compared to profit before tax of RM712,000/- reported in the preceding year corresponding period.

The Group registered a profit before tax of RM4.277 million for the current financial year under review as compared to a profit before tax of RM3.808 million reported in preceding year corresponding period. The Group reported a total turnover of RM61.368 million representing an increase of 3.6% from RM59.263 million reported in the preceding year corresponding period. The increase in the revenue and profit from the sale of Telematics products leads to the overall improvement in the Group's financial results for the current financial year.

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 RM1.236 million for the current quarter under review which was comparable to the profit before tax reported in the immediate preceding quarter of RM1.169 million. Eventhough there is an increase of 18% in total turnover attributed mainly by the increase in sales of Telematics products, the Group's current quarter profit was only marginally higher due to the non-recurring voluntary separation scheme costs incurred in scaling down of the other business.

3. Prospects for the Current Financial Year

The Group will continue to focus its resources to expand the core business of the ICT segment. There are ongoing and new development activities set to take place to improve and enhance the quality and services of the Telematics products. The Group will continue to assess and unlock all new business opportunities to broaden its products base with the objective of maximizing long term growth and strengthening shareholder value.

Barring any unforeseen circumstances, the Group is confident of maintaining its earnings momentum and delivers a positive growth in its performance for the next financial year.

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4. Variances of Actual Profit from Forecast Profit

Not applicable.

5. Taxation

	Current Quarter RM'000	Cumulative Current Year RM'000
Tax expense:-		
Based on results for the year	(25)	47
Underprovision in prior year	13	13
Transfer to deferred tax liabilities	4	3
Transfer from deferred tax assets	542	542
	534	605

The tax charge for the Group reflects an effective tax rate which is lower than the statutory tax rate due to certain income not subject to tax and utilisation of unabsorbed tax losses brought forward in certain subsidiaries.

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 year to date.

The Group received dividends of RM317,470/- from quoted investments in income trust funds for the current financial year to date.

7. Quoted Securities

(1) Summary of dealings in quoted securities for the current year are as follows:-

	Current Quarter RM'000	Cumulative Current Year RM'000
<u>Long Term Investments – Quoted Unit Trusts</u>		
Total Disposal Proceeds	465	4,467
Total Purchase Consideration	666	11,068

Short Term Investments – Quoted Shares:

No movement during the current quarter and financial year-to-date.

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7. Quoted Securities (Cont'd)

(2) Investments in quoted securities as at 30 November 2011 are as follows:-

	RM'000
<u>(i) Quoted Unit Trusts</u>	
Total investments at cost & at carrying value	14,512
Total investments at market value	14,512
<u>(ii) Quoted Shares</u>	
Total investments at cost	481
Total investments at carrying value/book value	140
Total investments at market value	140

8. Status of Corporate Proposals

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

9. Group Borrowings

The Group's total borrowings (all denominated in Ringgit Malaysia) as at 30 November 2011 are as follows:-

	RM'000
(1) Short Term Borrowings	
- <u>Secured</u>	
Bank overdraft	13
Bills payable	1,303
	1,316
(2) Long Term Borrowings	
Finance leases payable after the next 12 months	579

Securities:-

(i) The short term borrowings are secured by debentures incorporating fixed and floating charge over all present and future assets and undertakings of Amtel Cellular Sdn Bhd, corporate guarantees of the Company and cash deposits with licensed bank of a subsidiary company.

10. 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.

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11. Financial Instruments With Off Statement of Financial Position Risk

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

12. Disclosure of Derivatives

The Group does not have outstanding derivatives (including financial instruments designated as hedging instruments) as at 30 November 2011.

13. 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 quarter and financial year ended 30 November 2011.

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

The breakdown of the accumulated losses of the Group as at 30 November 2011 into realised and unrealised profits/(losses) is as follows:-

	As at 30/11/2011 RM'000	As at 30/11/2010 RM'000
Total accumulated losses:		
- Realised	(34,112)	(35,108)
- Unrealised	(569)	(62)
	(34,681)	(36,170)
Total share of retained profits/(accumulated losses) from associated companies:		
- Realised	342	90
- Unrealised	(4)	(4)
	(34,343)	(36,084)
Add/(Less): Consolidation adjustments	21,257	19,376
Total accumulated losses as per consolidated accounts	(13,086)	(16,708)

15. Dividend

The Board of Directors does not recommend any payment of dividend for the current financial year ended 30 November 2011.

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16. Earning Per Share

(1) Basic earning per share

The basic earning per share for the current quarter and financial year to date is calculated by dividing the consolidated net profit attributable to the equity holders of the Company of RM0.702 million and RM3.622 million 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

Chan Phooi Sze
Company Secretary