

AMTEK HOLDINGS BERHAD (125863-K)
UNAUDITED QUARTERLY REPORT ON THE CONSOLIDATED RESULTS
FOR THE YEAR ENDED 30 JUNE 2016

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	As At End Of Current Quarter 30.06.16 RM '000	As At Preceding Financial Year End 30.06.15 RM '000
		(AUDITED)
ASSETS		
Non-current assets		
Property, plant and equipment	7,138	7,688
Investment properties	504	516
Deferred tax assets	5	5
	7,647	8,209
Curent assets		
Inventories	10,615	15,417
Receivables	9,721	9,336
Tax assets	1,237	585
Deposits, cash and bank balances	10,071	10,804
	31,644	36,142
TOTAL ASSETS	39,291	44,351
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	49,999	49,999
Reserves	(32,069)	(29,450)
	17,930	20,549
Minority interest	959	960
Total equity	18,889	21,509
Non-current liabilites		
Borrowings	1,376	1,912
	1,376	1,912
Current liabilities		
Borrowings	5,640	9,506
Payables	13,386	11,424
Provision of taxation	-	-
	19,026	20,930
TOTAL LIABILITIES	20,402	22,842
TOTAL EQUITY AND LIABILITIES	39,291	44,351

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements)

AMTEK HOLDINGS BERHAD (125863-K)

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter (Restated)	Current Year To Date	Preceding Year Corresponding Period (Restated)
	30.06.16	30.06.15	30.06.16	30.06.15
	RM '000	RM '000	RM '000	RM '000
Revenue	7,283	6,306	31,799	40,168
Cost of Sales	(4,209)	(4,057)	(17,970)	(22,430)
Gross Profit	3,074	2,249	13,829	17,738
Other operating income	203	195	404	250
Administrative expenses	(1,152)	(1,182)	(4,660)	(5,310)
Selling and distribution costs	(2,112)	(2,254)	(10,631)	(12,607)
Other expenses	(234)	(1,947)	(1,053)	(2,736)
Finance costs	(90)	(48)	(503)	(668)
Loss before tax	(311)	(2,987)	(2,614)	(3,333)
Income tax expense	(6)	(432)	(6)	(469)
Loss for the period	(317)	(3,419)	(2,620)	(3,802)
Attributable to :-				
Equity holders of the parent	(317)	(3,419)	(2,619)	(3,801)
Minority interest	-	-	(1)	(1)
	(317)	(3,419)	(2,620)	(3,802)
Loss per share attributable to equity holders of the parent (sen)				
Basic, for loss for the period	(0.63)	(6.84)	(5.24)	(7.60)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Attributable to Equity Holders of the Parent				Minority Interest	Total Equity
	Share Capital	Share Premium	Accumulated Losses	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2014	49,999	19,130	(44,780)	24,349	962	25,311
Total comprehensive expense	-	-	(3,800)	(3,800)	(2)	(3,802)
At 30 June 2015	49,999	19,130	(48,580)	20,549	960	21,509
At 1 July 2015	49,999	19,130	(48,580)	20,549	960	21,509
Total comprehensive expense	-	-	(2,619)	(2,619)	(1)	(2,620)
At 30 June 2016	49,999	19,130	(51,199)	17,930	959	18,889

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements)

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AMTEK HOLDINGS BERHAD CONDENSED CONSOLIDATED CASH FLOW STATEMENT	12 months ended	
	30.06.16	30.06.15
	RM'000	RM'000 Restated
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(2,614)	(3,333)
Adjustments for:		
Allowance for inventory obsolescence	600	1,269
Bad debts written off	12	60
Depreciation of investment properties	12	12
Depreciation of property, plant and equipment	1,024	1,037
Impairment on debts	6	1,006
Interest expense	503	668
Interest income	(227)	(211)
Operating (loss)/profit before working capital changes	(685)	509
Inventories	4,202	7,937
Receivables	(404)	(78)
Payables	1,962	(125)
Cash generated from operations	5,075	8,243
Income tax paid	(658)	(1,211)
Net cash generated from operating activities	4,417	7,032
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income received	227	211
Purchase of property, plant and equipment	(473)	(647)
Net cash used in investing activities	(246)	(436)
CASH FLOW FROM FINANCING ACTIVITIES		
Changes to short term borrowings	(3,776)	(1,773)
Interest paid	(503)	(668)
Repayment of term loan	(505)	(421)
Net cash used in financing activities	(4,785)	(2,862)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(613)	3,734
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	4,432	698
CASH AND CASH EQUIVALENTS CARRIED FORWARD	3,818	4,432
The cash and cash equivalents consist of the following:		
Deposits, cash and bank balances	10,071	10,804
(Less): Fixed deposit pledged for banking facility	(6,100)	(6,100)
Bank overdraft	(152)	(273)
	3,818	4,432

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements)

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SUMMARY OF KEY FINANCIAL INFORMATION	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.16 RM '000	Preceding Year Corresponding Quarter (Restated) 30.06.15 RM '000	Current Year To Date 30.06.16 RM '000	Preceding Year Corresponding Period (Restated) 30.06.15 RM '000
1. Revenue	7,283	6,306	31,799	40,168
2. Loss before tax	(311)	(2,987)	(2,614)	(3,333)
3. Loss for the period	(317)	(3,419)	(2,620)	(3,802)
4. Loss attributable to ordinary equity holders of the parent	(317)	(3,419)	(2,619)	(3,801)
5. Loss per share (sen)	(0.63)	(6.84)	(5.24)	(7.60)
6. Proposed/Declared dividend per share (sen)	-	-	-	-
	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)		0.36		0.41

ADDITIONAL INFORMATION	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.16 RM '000	Preceding Year Corresponding Quarter (Restated) 30.06.15 RM '000	Current Year To Date 30.06.16 RM '000	Preceding Year Corresponding Period (Restated) 30.06.15 RM '000
1 Gross interest income	186	176	227	211
2 Gross interest expense	(90)	(48)	(503)	(668)

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(E) NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. Basis Of Preparation

The financial report has been prepared under the prescription of the FRS 134 - Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad's Listing Requirements. This interim report has not been audited and should be read in conjunction with the most recent annual financial statements. The accounting policies and methods of computation are consistent with those adopted for the most recent annual financial statements.

The financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015. 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 June 2015.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 30 June 2015, except for the adoption of the following amendment to MFRS:

Amendment to MFRS 7	Financial Instruments : Disclosures (Annual Improvements to MFRSs 2012-2014 Cycle)
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities : Applying the Consolidation Exception
Amendment to MFRS 101	Disclosures Initiative
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendment to MFRS 119	Employee Benefits (Annual Improvements to MFRSs 2012-2014 Cycle)
Amendment to MFRS 127	Equity Method in Separating Financial Statements

It is anticipated that the adoption of the abovementioned Standards will not have a significant impact on the financial statements of the Group and the Company.

3. Audit Qualification

The audited Annual Financial Statements for the preceding year was not subject to any qualifications.

4. Seasonal or Cyclical Factors

The domestic market for the garment industry is influenced by festive seasons. The Group's apparel segment revenue will start to pick up in June and peak from August to January before falling to its low in February or March normally. The Group's other businesses are not much affected by seasonal/cyclical factors.

5. Unusual Items affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no amounts of items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence during the financial year ended 30 June 2016.

6. Changes in Accounting Estimates

There were no changes in estimates of amounts reported in prior interim period or financial year that have a material effect in the current financial quarter.

7. Debt and Equity Securities

There were no issues and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the financial year ended 30 June 2016.

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8. Dividends Paid

The Directors do not declare or recommend the payment of any dividend for the financial year ended 30 June 2016.

9. Related Party Disclosures

Tuan Syed Azmin Bin Syed Nor is the Director of Amtek Holdings Berhad and also a Director of Tradewinds International Insurance Brokers Sdn Bhd ("TIIB"). In the normal course of business, the Company agreed on the terms and prices, transactions with the following related parties:

	Current Quarter RM'000	Year To Date RM'000
Insurance premium paid to TIIB	45	197

10. Segmental Reporting

	Individual Quarter		Cumulative Quarter	
	12 months ended		12 months ended	
	30.06.16	30.06.15	30.06.16	30.06.15
	RM'000	RM'000	RM'000	RM'000
Segment Revenue :				
Marketing & distribution	7,271	6,293	31,751	40,119
Other operations	72	58	288	229
Total revenue including inter-segment sales	7,343	6,351	32,039	40,348
Elimination of inter-segment sales	(120)	(45)	(240)	(180)
Consolidated Total	7,223	6,306	31,799	40,168

Segment Results :

Marketing & distribution	6	(1,958)	(1,551)	(1,705)
Other operations	(317)	(1,029)	(1,063)	(1,627)
Consolidated Total	(311)	(2,987)	(2,614)	(3,332)

No geographical segmental analysis is presented as the Group operates principally in Malaysia.

All inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

11. Valuation of Property, Plant and Equipment

There has been no valuation of property, plant and equipment carried out since the previous audited financial statements.

12. Material Events subsequent to the end of the current quarter

There were no material events subsequent to the end of the financial period reported on, that have not been reflected in the financial statements.

13. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial year ended 30 June 2016, including business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings and discontinuing operations.

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14. Contingent Liabilities

	30.06.16	30.06.15
	RM'000	RM'000

Unsecured Corporate Guarantee

Corporate guarantee to banks for banking facilities
granted to a subsidiary company

- Guarantee Limit	1,500	1,500
- Amount utilized	632	1,129

Corporate guarantee to banks for banking facilities
granted to a former subsidiary company

- Guarantee Limit	-	1,541
- Amount utilized	-	341

Subsequent to the disposal of the subsidiary company, the corporate guarantee has been removed on 21 August 2015.

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F ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD

1. Review of Performance For The Quarter

Group revenue for the financial period under review of RM7.3 million is higher compared to the previous corresponding period of last year of RM6.3 million. The increase is mainly due to higher sales reported by apparel operation segment which is in its beginning of festive season.

The Group posted a pre-tax loss of RM0.3 million as compared to a pre-tax loss of RM3.0 million in the previous corresponding period of last year. The decreased in pre-tax losses was mainly due to incurrance of impairment of debt of RM1.0 million, MBB factoring debt of RM0.62 million and allowance of stock obsolescence of RM0.75 million in the previous corresponding period of last year and increase in revenue coupled with lower operating expenses in apparel operation segment.

2. Comparison of Results with the Preceding Quarter's Results

Group revenue for the quarter under review of RM7.3 million is lower compared with the revenue achieved in the immediate preceding quarter of RM9.3 million. The decreased is mainly due to lower sales reported by apparel operation segment which is in its begining of festive season.

The Group recorded a pre-tax loss of RM0.3 million as compared to a pre-tax loss of RM0.6 million in the preceding quarter. The decreased in pre-tax loss in the current quarter was mainly due to lower operating expenses in apparel operation segment.

3. Prospects for the year

The prospects for the coming year is expected to be challenging and the Group will remain cautious in its spending in view of the uncertain global and domestic economic situation and would continue to explore new opportunities for growth.

4. Variance from Profit Forecast / Profit Guarantee

This is not applicable to the Group.

5. Taxation

The was a provision for prior year taxation of RM5,882 during the financial year ended 30 June 2016.

6. Quoted Securities

There were no purchases or disposals of quoted securities for the financial year ended 30 June 2016.

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7. Group Borrowings

Secured short term bank borrowings as at 30 June 2016 are as follows:

	RM'000
Bank overdraft	152
Bankers' acceptances	3,451
Revolving credits	1,500
Term loans	537
	<u>5,640</u>

Secured long term bank borrowings as at 30 June 2016 are as follows:

	RM'000
Term loans	<u>1,376</u>
Total Group Borrowings	<u>7,016</u>

8. Financial Instruments with Off Balance Sheet Risks

There were no financial instrument with off balance sheet risks as at the date of this report.

9. Material Litigation

There were no pending material litigations as at the date of this report.

10. Dividends

There were no dividends paid or declared for the financial year ended 30 June 2016.

11. Loss Per Share

The basic loss per share of the Group for the financial year ended 30 June 2016 is 5.24 sen per ordinary share, calculated based on the loss attributable to equity holders of the Company of RM2,619,000 divided by the number of ordinary shares in issue of 49,998,750.