

AMTEK HOLDINGS BERHAD (125863-K)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2016

	As At 30.09.16 RM '000	As At 30.06.16 RM '000
	(UNAUDITED)	(AUDITED)
ASSETS		
Non-current assets		
Property, plant and equipment	6,989	7,138
Investment properties	501	504
Deferred tax assets	5	5
Total non-current assets	7,495	7,647
Current assets		
Inventories	9,360	10,615
Receivables	6,527	9,721
Tax assets	1,335	1,237
Deposits, cash and bank balances	10,877	10,071
Total current assets	28,099	31,644
TOTAL ASSETS	35,594	39,291
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	49,999	49,999
Reserves	(33,808)	(32,069)
	16,191	17,930
Non-Controlling interest	959	959
Total equity	17,150	18,889
Non-current liabilities		
Borrowings	1,244	1,376
Total non-current liability	1,244	1,376
Current liabilities		
Borrowings	6,163	5,640
Payables	11,037	13,386
Provision of taxation	-	-
Total current liabilities	17,200	19,026
TOTAL LIABILITIES	18,444	20,402
TOTAL EQUITY AND LIABILITIES	35,594	39,291
Net asset per share	0.32	0.36

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2016 and the accompanying explanatory notes attached to the interim financial report)

AMTEK HOLDINGS BERHAD (125863-K)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2016

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 30.09.16 RM '000	Preceding Year Corresponding Quarter 30.09.15 RM '000	Current Year To Date 30.09.16 RM '000	Preceding Year Corresponding Period 30.09.15 RM '000
Revenue	10	4,656	8,431	4,656	8,431
Cost of Sales	10	(2,678)	(4,347)	(2,678)	(4,347)
Gross Profit		1,978	4,084	1,978	4,084
Other operating income	11	29	15	29	15
Selling and distribution costs	12	(2,753)	(2,945)	(2,753)	(2,945)
Administrative expenses	13	(881)	(1,317)	(881)	(1,317)
Loss from operations		(1,627)	(163)	(1,627)	(163)
Finance costs		(112)	(139)	(112)	(139)
Loss before tax		(1,739)	(302)	(1,739)	(302)
Taxation	22	-	-	-	-
Loss for the period		(1,739)	(302)	(1,739)	(302)
Other comprehensive income for the period		-	-	-	-
Total comprehensive expense for the period		(1,739)	(302)	(1,739)	(302)
Loss attributable to					
Owner of the Company		(1,739)	(301)	(1,739)	(301)
Non-controlling interest		-	(1)	-	(1)
		(1,739)	(302)	(1,739)	(302)
Total comprehensive expense attributable to:					
Owner of the Company		(1,739)	(301)	(1,739)	(301)
Non-controlling interest		-	(1)	-	(1)
		(1,739)	(302)	(1,739)	(302)
Basic loss per share attributable to owner of the Company (sen)	29	(3.48)	(0.60)	(3.48)	(0.60)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2016 and the accompanying explanatory notes attached to the interim financial report)

AMTEK HOLDINGS BERHAD (125863-K)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2016

	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 2015	49,999	19,130	(48,580)	20,549	960	21,509
Total comprehensive expense	-	-	(301)	(301)	(1)	(302)
At 30 September 2015	49,999	19,130	(48,881)	20,248	959	21,207
At 1 July 2016	49,999	19,130	(51,199)	17,930	959	18,889
Total comprehensive expense	-	-	(1,739)	(1,739)	-	(1,739)
At 30 September 2016	49,999	19,130	(52,938)	16,191	959	17,150

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2016 and the accompanying explanatory notes attached to the interim financial report)

AMTEK HOLDINGS BERHAD (125863-K)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2016

	3 months ended	
	30.09.16	30.09.15
	RM'000 Unaudited	RM'000 Unaudited
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(1,739)	(302)
Adjustments for:		
Allowance for inventory obsolescence	150	150
Depreciation of investment properties	3	3
Depreciation of property, plant and equipment	185	291
Impairment on debts	2	2
Interest expense	112	139
Interest income	(29)	(13)
Operating (loss)/ profit before working capital changes	(1,316)	270
Inventories	1,105	1,898
Receivables	3,192	(322)
Payables	(2,349)	(2,539)
Cash generated from/ (used in) operations	632	(694)
Income tax paid	(98)	(228)
Net cash generated from/ (used in) operating activities	534	(921)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income received	29	13
Purchase of property, plant and equipment	(35)	(177)
Net cash used in investing activities	(7)	(164)
CASH FLOW FROM FINANCING ACTIVITIES		
Changes to short term borrowings	674	(1,273)
Interest paid	(112)	(139)
Repayment of term loan	(130)	(122)
Net cash generated from/ (used in) in financing activities	431	(1,534)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	959	(2,619)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	3,818	4,432
CASH AND CASH EQUIVALENTS CARRIED FORWARD	4,777	1,813
The cash and cash equivalents consist of the following:		
Deposits, cash and bank balances	10,877	8,918
(Less): Fixed deposit pledged for banking facility	(6,100)	(6,100)
Bank overdraft	-	(1,005)
	4,777	1,813

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2016 and the accompanying explanatory notes attached to the interim financial report)

AMTEK HOLDINGS BERHAD (125863-K)
SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE PERIOD ENDED 30 SEPTEMBER 2016

KEY FINANCIAL INFORMATION	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.16 RM '000	<i>Preceding Year Corresponding Quarter</i> 30.09.15 RM '000	Current Year To Date 30.09.16 RM '000	<i>Preceding Year Corresponding Period</i> 30.09.15 RM '000
1. Revenue	4,656	8,431	4,656	8,431
2. Loss before tax	(1,739)	(302)	(1,739)	(302)
3. Loss for the period	(1,739)	(302)	(1,739)	(302)
4. Loss attributable to owner of the Company	(1,739)	(301)	(1,739)	(301)
5. Loss per share (sen)	(3.48)	(0.60)	(3.48)	(0.60)
6. Proposed/Declared dividend per share (sen)	-	-	-	-
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7. Net assets per share (RM)		0.32		0.36

ADDITIONAL INFORMATION	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.16 RM '000	<i>Preceding Year Corresponding Quarter</i> 30.09.15 RM '000	Current Year To Date 30.09.16 RM '000	<i>Preceding Year Corresponding Period</i> 30.09.15 RM '000
1 Gross interest income	29	13	29	13
2 Gross interest expense	(112)	(139)	(112)	(139)

AMTEK HOLDINGS BERHAD (125863-K)
EXPLANATION NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 SEPTEMBER 2016

1. Accounting policies and methods of computation

The interim financial report is unaudited and 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.

The financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2016. 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 2016.

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 2016, except for the adoption of the following amendment to MFRS:

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers
MFRS 16	Leases
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
Amendment to MFRS 107	Disclosures Initiative
Amendment to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
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
Amendment to MFRS 134	Interim Financial Reporting (Annual Improvements to MFRSs 2012-2014 Cycle)

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 cyclicity of interim operations

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 items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence during the financial period ended 30 September 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.

AMTEK HOLDINGS BERHAD (125863-K)
EXPLANATION NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 SEPTEMBER 2016

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 period ended 30 September 2016.

8. Dividends paid

The Directors do not declare or recommend the payment of any dividend for the financial period ended 30 September 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	38	38

10. Revenue and cost of sales

	Current Quarter 3 months ended		Current Year-To-Date 3 months ended	
	30.09.16 RM'000	30.09.15 RM'000	30.09.16 RM'000	30.09.15 RM'000
Revenue				
Sales of goods	4,644	8,419	4,644	8,419
Rental income	12	12	12	12
	<u>4,656</u>	<u>8,431</u>	<u>4,656</u>	<u>8,431</u>
Cost of sales				
Purchase of trading inventories	1,423	2,299	1,423	2,299
Changes in inventories of finished goods	1,255	2,048	1,255	2,048
	<u>2,678</u>	<u>4,347</u>	<u>2,678</u>	<u>4,347</u>

Included in cost of sales is an allowance for inventory obsolescence of RM150,000 (30.09.15: RM150,000)

11. Other operating income

	Current Quarter 3 months ended		Current Year-To-Date 3 months ended	
	30.09.16 RM'000	30.09.15 RM'000	30.09.16 RM'000	30.09.15 RM'000
Interest income	29	13	29	13
Miscellaneous income	-	2	-	2
	<u>29</u>	<u>15</u>	<u>29</u>	<u>15</u>

AMTEK HOLDINGS BERHAD (125863-K)
EXPLANATION NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 SEPTEMBER 2016

12. Selling and distribution costs

	Current Quarter		Current Year-To-Date	
	3 months ended		3 months ended	
	30.09.16	30.09.15	30.09.16	30.09.15
	RM'000	RM'000	RM'000	RM'000
Depreciation	140	247	140	247
Other costs	2,613	2,698	2,613	2,698
	<u>2,753</u>	<u>2,945</u>	<u>2,753</u>	<u>2,945</u>

13. Administrative expenses

	Current Quarter		Current Year-To-Date	
	3 months ended		3 months ended	
	30.09.16	30.09.15	30.09.16	30.09.15
	RM'000	RM'000	RM'000	RM'000
Depreciation	45	44	45	44
Impairment of debts	2	2	2	2
Other expenses	834	1,271	834	1,271
	<u>881</u>	<u>1,317</u>	<u>881</u>	<u>1,317</u>

14. Segmental reporting

No geographical and operating segmental analysis is presented as the Group is principally involved in the trading of garments 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.

15. Valuation of property, plant and equipment

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

16. 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.

17. Changes in the composition of the Group

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

18. Contingent liabilities

	30.09.16	30.06.16
	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	<u>207</u>	<u>632</u>

AMTEK HOLDINGS BERHAD (125863-K)
EXPLANATION NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 SEPTEMBER 2016

19. Review of performance of the Group for the quarter under review and financial year-to-date

Group revenue for the financial period under review of RM4.6 million is lower compared to the previous corresponding period of last year of RM8.4 million. The substantial decreased in revenue was due to the softer than expected consumer spending during the Hari Raya sales festival and timing difference of Hari Raya festival whereby this year Hari Raya held earlier in beginning of July compared to mid July last year, hence part of this year Hari Raya sales were captured in June 2016 or last financial year.

The Group posted a pre-tax loss of RM1.7 million as compared to a pre-tax loss of RM0.3 million in the previous corresponding period of last year. The substantial increased in pre-tax losses was mainly due to lower revenue coupled with shrinking margin despite the dropped in overall operating expenses.

20. Review of performance of the Group for the quarter under review and immediate preceding quarter

Group revenue for the quarter under review of RM4.6 million is lower compared with the revenue achieved in the immediate preceding quarter of RM7.3 million. The decreased was mainly due to timing difference of Hari Raya festival whereby this year Hari Raya held earlier in beginning of July, hence part of this year Hari Raya sales were captured in June 2016 or preceding quarter.

The Group recorded a pre-tax loss of RM1.7 million as compared to a pre-tax loss of RM0.3 million in the preceding quarter. The increased in pre-tax losses was mainly due to lower revenue coupled with shrinking margin in apparel operation segment.

21. Prospects for the year

The prospects for the remaining quarter 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.

22. Variance from financial estimate, forecast or projection or profit guarantee

This is not applicable to the Group.

23. Taxation

The was no provision for taxation during the financial period ended 30 September 2016.

24. Corporate proposal

There were no corporate proposal for the financial period ended 30 September 2016.

AMTEK HOLDINGS BERHAD (125863-K)
EXPLANATION NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 SEPTEMBER 2016

25. Group borrowings

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

	RM'000
Bank overdraft	-
Bankers' acceptances	4,125
Revolving credits	1,500
Term loans	538
	<u>6,163</u>

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

	RM'000
Term loans	<u>1,244</u>
Total Group Borrowings	<u>7,407</u>

26. Financial instruments with off balance sheet risks

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

27. Material litigation

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

28. Dividends

There were no dividends paid or declared for the financial period ended 30 September 2016.

29. Loss per share

The basic loss per share of the Group for the financial period ended 30 September 2016 is 3.48 sen per ordinary share, calculated based on the loss attributable to equity holders of the Company of RM1,739,000 divided by the number of ordinary shares in issue of 49,998,750.