

AMTEK HOLDINGS BERHAD (125863-K)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	As At 30.06.17 RM '000	As At 30.06.16 RM '000
	(UNAUDITED)	(AUDITED)
ASSETS		
Non-current assets		
Property, plant and equipment	6,571	7,138
Investment properties	492	504
Deferred tax assets	5	5
Total non-current assets	7,068	7,647
Current assets		
Inventories	11,010	10,615
Receivables	9,276	9,721
Tax assets	1,429	1,237
Deposits, cash and bank balances	7,653	10,071
Total current assets	29,368	31,644
TOTAL ASSETS	36,436	39,291
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	49,999	49,999
Reserves	(35,329)	(32,069)
	14,670	17,930
Non-Controlling interest	958	959
Total equity	15,628	18,889
Non-current liabilities		
Borrowings	803	1,376
Total non-current liability	803	1,376
Current liabilities		
Borrowings	8,249	5,640
Payables	11,756	13,386
Provision of taxation	-	-
Total current liabilities	20,005	19,026
TOTAL LIABILITIES	20,808	20,402
TOTAL EQUITY AND LIABILITIES	36,436	39,291
Net asset per share	0.29	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 YEAR ENDED 30 JUNE 2017

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 30.06.17 RM '000	Preceding Year Corresponding Quarter 30.06.16 RM '000	Current Year To Date 30.06.17 RM '000	Preceding Year Corresponding Period 30.06.16 RM '000
Revenue	10	7,594	7,283	25,822	31,799
Cost of Sales	10	(4,629)	(4,209)	(14,411)	(17,970)
Gross Profit		2,965	3,074	11,411	13,829
Other operating income	11	216	203	303	404
Selling and distribution costs	12	(2,662)	(2,276)	(10,387)	(11,467)
Administrative expenses	13	(1,179)	(1,222)	(4,164)	(4,877)
Loss from operations		(660)	(221)	(2,837)	(2,111)
Finance costs		(109)	(90)	(424)	(503)
Loss before tax		(769)	(311)	(3,261)	(2,614)
Taxation	22	-	(6)	-	(6)
Loss for the period		(769)	(317)	(3,261)	(2,620)
Other comprehensive income for the period		-	-	-	-
Total expense for the period		(769)	(317)	(3,261)	(2,620)
Loss attributable to					
Owner of the Company		(769)	(317)	(3,260)	(2,619)
Non-controlling interest		-	-	(1)	(1)
		(769)	(317)	(3,261)	(2,620)
Total expense attributable to:					
Owner of the Company		(769)	(317)	(3,260)	(2,619)
Non-controlling interest		-	-	(1)	(1)
		(769)	(317)	(3,261)	(2,620)
Basic loss per share attributable to owner of the Company (sen)	29	(1.54)	(0.63)	(6.52)	(5.24)

(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 YEAR ENDED 30 JUNE 2017

	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	-	-	(2,619)	(2,619)	(1)	(2,620)
At 30 June 2016	49,999	19,130	(51,199)	17,930	959	18,889
At 1 July 2016	49,999	19,130	(51,199)	17,930	959	18,889
Total comprehensive expense	-	-	(3,260)	(3,260)	(1)	(3,261)
At 30 June 2017	49,999	19,130	(54,459)	14,670	958	15,628

(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 YEAR ENDED 30 JUNE 2017

	12 months ended	
	30.06.17	30.06.16
	RM'000 Unaudited	RM'000 Unaudited
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(3,262)	(2,614)
Adjustments for:		
Allowance for inventory obsolescence	600	600
Bad debts written off	22	0
Deposit written off	-	12
Depreciation of investment properties	12	12
Depreciation of property, plant and equipment	642	1,024
Fixed assets written off	25	-
Loss on disposal of property, plant and equipment	1	(0)
Impairment on debts	6	6
Interest expense	424	503
Interest income	(275)	(227)
Operating loss before working capital changes	(1,804)	(685)
Inventories	(995)	4,202
Receivables	417	(404)
Payables	(1,629)	1,962
Cash (used in)/generated from operations	(4,011)	5,074
Income tax paid	(192)	(658)
Net cash (used in)/generated from operating activities	(4,204)	4,417
CASH FLOW FROM INVESTING ACTIVITIES		
Changes to fixed deposit placement as security for credit facility	1,500	-
Interest income received	275	227
Proceed on disposal of property, plant and equipment	1	0
Purchase of property, plant and equipment	(103)	(473)
Net cash generated from/(used in) investing activities	1,674	(245)
CASH FLOW FROM FINANCING ACTIVITIES		
Changes to short term borrowings	2,488	(3,776)
Interest paid	(424)	(503)
Repayment of term loan	(538)	(505)
Net cash generated from/(used in) in financing activities	1,525	(4,785)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,005)	(613)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	3,818	4,432
CASH AND CASH EQUIVALENTS CARRIED FORWARD	2,814	3,818
The cash and cash equivalents consist of the following:		
Deposits, cash and bank balances	7,653	10,071
(Less): Fixed deposit pledged for banking facility	(4,600)	(6,100)
Bank overdraft	(239)	(152)
	2,814	3,818

(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 YEAR ENDED 30 JUNE 2017

KEY FINANCIAL INFORMATION	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.17 RM '000	<i>Preceding Year Corresponding Quarter</i> 30.06.16 RM '000	Current Year To Date 30.06.17 RM '000	<i>Preceding Year Corresponding Period</i> 30.06.16 RM '000
1. Revenue	7,594	7,283	25,822	31,799
2. Loss before tax	(769)	(311)	(3,261)	(2,614)
3. Loss for the period	(769)	(317)	(3,261)	(2,620)
4. Loss attributable to owner of the Company	(769)	(317)	(3,260)	(2,619)
5. Loss per share (sen)	(1.54)	(0.63)	(6.52)	(5.24)
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)		0.29		0.36

ADDITIONAL INFORMATION	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.17 RM '000	<i>Preceding Year Corresponding Quarter</i> 30.06.16 RM '000	Current Year To Date 30.06.17 RM '000	<i>Preceding Year Corresponding Period</i> 30.06.16 RM '000
1 Gross interest income	207	186	275	227
2 Gross interest expense	(109)	(90)	(424)	(503)

AMTEK HOLDINGS BERHAD (125863-K)
EXPLANATION NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017

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 year ended 30 June 2017.

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 YEAR ENDED 30 JUNE 2017

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 2017.

8. Dividends paid

The Directors do not declare or recommend the payment of any dividend for the financial year ended 30 June 2017.

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	189

10. Revenue and cost of sales

	Current Quarter 12 months ended		Current Year-To-Date 12 months ended	
	30.06.17 RM'000	30.06.16 RM'000	30.06.17 RM'000	30.06.16 RM'000
Revenue				
Sales of goods	7,581	7,271	25,775	31,751
Rental income	13	12	47	48
	<u>7,594</u>	<u>7,283</u>	<u>25,822</u>	<u>31,799</u>
Cost of sales				
Purchase of trading inventories	6,428	5,539	14,806	13,168
Changes in inventories of finished goods	(1,799)	(1,330)	(395)	4,802
	<u>4,629</u>	<u>4,209</u>	<u>14,411</u>	<u>17,970</u>

Included in cost of sales is an allowance for inventory obsolescence of RM600,000 (30.06.16: RM600,000)

11. Other operating income

	Current Quarter 12 months ended		Current Year-To-Date 12 months ended	
	30.06.17 RM'000	30.06.16 RM'000	30.06.17 RM'000	30.06.16 RM'000
Interest income	207	186	275	227
Miscellaneous income	9	17	28	177
	<u>216</u>	<u>203</u>	<u>303</u>	<u>404</u>

AMTEK HOLDINGS BERHAD (125863-K)
EXPLANATION NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017

12. Selling and distribution costs

	Current Quarter		Current Year-To-Date	
	12 months ended		12 months ended	
	30.06.17	30.06.16	30.06.17	30.06.16
	RM'000	RM'000	RM'000	RM'000
Depreciation	91	173	462	845
Other costs	2,571	2,103	9,925	10,622
	<u>2,662</u>	<u>2,276</u>	<u>10,387</u>	<u>11,467</u>

13. Administrative expenses

	Current Quarter		Current Year-To-Date	
	12 months ended		12 months ended	
	30.06.17	30.06.16	30.06.17	30.06.16
	RM'000	RM'000	RM'000	RM'000
Depreciation	45	44	181	178
Impairment of debts	1	2	6	6
Other expenses	1,133	1,176	3,977	4,693
	<u>1,179</u>	<u>1,222</u>	<u>4,164</u>	<u>4,877</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 year ended 30 June 2017, including business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings and discontinuing operations.

18. Contingent liabilities

	30.06.17	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>1,222</u>	<u>632</u>

AMTEK HOLDINGS BERHAD (125863-K)
EXPLANATION NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017

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

The Group revenue for the financial year ended 30 June 2017 of RM25.8 million decreased significantly compared to the previous corresponding period of last year of RM31.8 million. And the Group revenue for the quarter under review of RM7.6 million is only marginally higher compared to the previous corresponding period of last year of RM7.3 million. The decreased in revenue for the year was due to the softer than expected consumer spending during all the major festival seasons toward non-essential items, i.e. fashion.

The Group posted a higher loss after taxation for the financial year ended 30 June 2017 of RM3.3 million as compared to the previous corresponding period of last year of RM2.6 million. Similarly, the Group posted a higher loss after taxation for the quarter under review of RM769,000 compared to a loss after taxation of RM317,000 in the previous corresponding period of last year. The higher losses posted for the year and current quarter was mainly due to the one-off penalty of RM400,00 imposed by a departmental store for failing to meet the minimum sales target and significant dropped in revenue.

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

Group revenue for the quarter under review of RM7.6 million is comparable with the revenue achieved in the immediate preceding quarter of RM7.5 million. The marginal increased was mainly contributed by the better sales achieved during the Hari Raya festival for the quarter under review.

The Group posted a loss after taxation of RM769,000 as compared to a profit after taxation of RM47,000 in the preceding quarter. The substantial increased in pre-tax losses was mainly due to the one-off penalty of RM400,000 imposed by a departmental store for failing to meet the minimum sales target and shrinking gross profit margin.

21. 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.

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

This is not applicable to the Group.

23. Taxation

There was no provision for taxation during the financial year ended 30 June 2017.

24. Corporate proposal

There were no corporate proposal for the financial year 30 June 2017.

AMTEK HOLDINGS BERHAD (125863-K)
EXPLANATION NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017

25. Group borrowings

Secured short term bank borrowings as at 30 June 2017 are as follows:

	RM'000
Bank overdraft	239
Bankers' acceptances	6,439
Revolving credits	1,000
Term loans	571
	<u>8,249</u>

Secured long term bank borrowings as at 30 June 2017 are as follows:

	RM'000
Term loans	<u>803</u>
Total Group Borrowings	<u>9,052</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 year ended 30 June 2017.

29. Loss per share

The basic loss per share of the Group for the financial year ended 30 June 2017 is 6.52 sen per ordinary share, calculated based on the loss attributable to equity holders of the Company of RM3,260,000 divided by the number of ordinary shares in issue of 49,998,750.