

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

	As At 30.09.17 RM '000	As At 30.06.17 RM '000
	(UNAUDITED)	(AUDITED)
ASSETS		
Non-current assets		
Property, plant and equipment	6,473	6,571
Investment properties	489	492
Deferred tax assets	5	5
Total non-current assets	6,967	7,068
Current assets		
Inventories	9,541	11,010
Receivables	6,051	9,276
Tax assets	1,470	1,429
Deposits, cash and bank balances	6,470	7,653
Total current assets	23,532	29,368
TOTAL ASSETS	30,499	36,436
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	69,129	69,129
Reserves	(55,765)	(54,459)
	13,364	14,670
Non-Controlling interest	1,008	958
Total equity	14,372	15,628
Non-current liabilities		
Borrowings	687	803
Total non-current liability	687	803
Current liabilities		
Borrowings	7,289	8,249
Payables	8,151	11,756
Provision of taxation	-	-
Total current liabilities	15,440	20,005
TOTAL LIABILITIES	16,127	20,808
TOTAL EQUITY AND LIABILITIES	30,499	36,436
Net asset per share	0.19	0.21

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2017 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 2017

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 30.09.17 RM '000	Preceding Year Corresponding Quarter 30.09.16 RM '000	Current Year To Date 30.09.17 RM '000	Preceding Year Corresponding Period 30.09.16 RM '000
Revenue	10	3,213	4,656	3,213	4,656
Cost of Sales	10	(1,911)	(2,678)	(1,911)	(2,678)
Gross Profit		1,302	1,978	1,302	1,978
Other operating income	11	18	29	18	29
Selling and distribution costs	12	(1,889)	(2,753)	(1,889)	(2,753)
Administrative expenses	13	(580)	(881)	(580)	(881)
Loss from operations		(1,149)	(1,627)	(1,149)	(1,627)
Finance costs		(107)	(112)	(107)	(112)
Loss before tax		(1,256)	(1,739)	(1,256)	(1,739)
Taxation	22	-	-	-	-
Loss for the period		(1,256)	(1,739)	(1,256)	(1,739)
Other comprehensive income for the period		-	-	-	-
Total expense for the period		(1,256)	(1,739)	(1,256)	(1,739)
Loss attributable to					
Owner of the Company		(1,306)	(1,739)	(1,306)	(1,739)
Non-controlling interest		50	-	50	-
		(1,256)	(1,739)	(1,256)	(1,739)
Total expense attributable to:					
Owner of the Company		(1,306)	(1,739)	(1,306)	(1,739)
Non-controlling interest		50	-	50	-
		(1,256)	(1,739)	(1,256)	(1,739)
Basic loss per share attributable to owner of the Company (sen)	29	(2.61)	(3.48)	(2.61)	(3.48)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2017 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 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 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
	49,999	19,130	(54,459)	14,670	958	15,628
Transfer to no par value regime	19,130	(19,130)	-	-	-	-
At 1 July 2017	69,129	-	(54,459)	14,670	958	15,628
Total comprehensive expense	-	-	(1,306)	(1,306)	50	(1,256)
At 30 September 2017	69,129	-	(55,765)	13,364	1,008	14,372

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2017 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 2017

	3 months ended	
	30.09.17	30.09.16
	RM'000 Unaudited	RM'000 Unaudited
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(1,256)	(1,739)
Adjustments for:		
Allowance for inventory obsolescence	-	150
Depreciation of investment properties	3	3
Depreciation of property, plant and equipment	103	185
Interest expense	107	112
Interest income	(18)	(29)
(Reversal)/Impairment of debts	(38)	2
Operating loss before working capital changes	(1,100)	(1,316)
Inventories	1,468	1,105
Receivables	3,264	3,192
Payables	(3,606)	(2,349)
Cash generated from operations	27	632
Income tax paid	(41)	(98)
Net cash (used in)/generated from operating activities	(14)	534
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income received	18	29
Purchase of property, plant and equipment	(4)	(35)
Net cash generated from/(used in) investing activities	13	(7)
CASH FLOW FROM FINANCING ACTIVITIES		
Changes to short term borrowings	(802)	674
Interest paid	(107)	(112)
Repayment of term loan	(143)	(130)
Net cash (used in)/generated from financing activities	(1,052)	431
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,053)	959
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	2,814	3,818
CASH AND CASH EQUIVALENTS CARRIED FORWARD	1,761	4,777
The cash and cash equivalents consist of the following:		
Deposits, cash and bank balances	6,470	10,877
(Less): Fixed deposit pledged for banking facility	(4,600)	(6,100)
Bank overdraft	(109)	-
	1,761	4,777

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2017 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 2017

KEY FINANCIAL INFORMATION	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.17 RM '000	<i>Preceding Year Corresponding Quarter</i> 30.09.16 RM '000	Current Year To Date 30.09.17 RM '000	<i>Preceding Year Corresponding Period</i> 30.09.16 RM '000
1. Revenue	3,213	4,656	3,213	4,656
2. Loss before tax	(1,256)	(1,739)	(1,256)	(1,739)
3. Loss for the period	(1,256)	(1,739)	(1,256)	(1,739)
4. Loss attributable to owner of the Company	(1,306)	(1,739)	(1,306)	(1,739)
5. Loss per share (sen)	(2.61)	(3.48)	(2.61)	(3.48)
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)		0.19		0.21

ADDITIONAL INFORMATION	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.17 RM '000	<i>Preceding Year Corresponding Quarter</i> 30.09.16 RM '000	Current Year To Date 30.09.17 RM '000	<i>Preceding Year Corresponding Period</i> 30.09.16 RM '000
1 Gross interest income	18	29	18	29
2 Gross interest expense	(107)	(112)	(107)	(112)

AMTEK HOLDINGS BERHAD (125863-K)
EXPLANATION NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 SEPTEMBER 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 2017. 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 2017.

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 2017, except for the adoption of the following amendment to MFRSs and IC Interpretations:

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers
MFRS 16	Leases
Amendments to MFRS 12	Disclosure of Interests in Other Entities (Annual Improvements to MFRSs 2014-2016 Cycle)
Amendment to MFRS 107	Disclosures Initiative
Amendment to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to MFRS 140	Investments Property (Transfers of Investment Property)
IC Interpretations 23	Uncertainty over Income Tax Treatments

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 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.

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 2017.

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

8. Dividends paid

The Directors do not declare or recommend the payment of any dividend for the financial period ended 30 September 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	43	43

10. Revenue and cost of sales

	Current Quarter 12 months ended		Current Year-To-Date 12 months ended	
	30.09.17	30.09.16	30.09.17	30.09.16
	RM'000	RM'000	RM'000	RM'000
Revenue				
Sales of goods	3,200	4,644	3,200	4,644
Rental income	13	12	13	12
	<u>3,213</u>	<u>4,656</u>	<u>3,213</u>	<u>4,656</u>
Cost of sales				
Purchase of trading inventories	443	1,423	443	1,423
Changes in inventories of finished goods	1,468	1,255	1,468	1,255
	<u>1,911</u>	<u>2,678</u>	<u>1,911</u>	<u>2,678</u>

Included in cost of sales is an allowance for inventory obsolescence of RM NIL (30.09.16: RM150,000)

11. Other operating income

	Current Quarter 12 months ended		Current Year-To-Date 12 months ended	
	30.09.17	30.09.16	30.09.17	30.09.16
	RM'000	RM'000	RM'000	RM'000
Interest income	18	29	18	29
Miscellaneous income	-	-	-	-
	<u>18</u>	<u>29</u>	<u>18</u>	<u>29</u>

12. Selling and distribution costs

	Current Quarter 12 months ended		Current Year-To-Date 12 months ended	
	30.09.17	30.09.16	30.09.17	30.09.16
	RM'000	RM'000	RM'000	RM'000
Depreciation	58	140	58	140
Other costs	1,831	2,613	1,831	2,613
	<u>1,889</u>	<u>2,753</u>	<u>1,889</u>	<u>2,753</u>

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

13. Administrative expenses

	Current Quarter		Current Year-To-Date	
	12 months ended		12 months ended	
	30.09.17	30.09.16	30.09.17	30.09.16
	RM'000	RM'000	RM'000	RM'000
Depreciation	45	45	45	45
(Reversal)/Impairment of debts	(38)	2	(38)	2
Other expenses	573	834	573	834
	<u>580</u>	<u>881</u>	<u>580</u>	<u>881</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 2017, including business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings and discontinuing operations.

18. Contingent liabilities

	30.09.17	30.06.17
	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>619</u>	<u>1,222</u>

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

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 RM3.2 million is lower compared to the previous corresponding period of last year of RM4.6 million. The substantial decreased in revenue was due to the softer than expected consumer spending during the Hari Raya sales festival and timing difference in Hari Raya festival whereby this year Hari Raya held earlier in end of June compared to early July last year, hence the entire Hari Raya sales proceed were captured in June 2017 or last financial year.

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

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

Group revenue for the quarter under review of RM3.2 million is much lower compared with the revenue achieved in the immediate preceding quarter of RM7.6 million. The decreased was mainly due to the timing difference in Hari Raya festival whereby this year Hari Raya held earlier in end of June, hence the entire Hari Raya sales for this year were captured in June 2017 or preceeding quarter.

The Group recorded a pre-tax loss of RM1.3 million as compared to a pre-tax loss of RM0.7 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 2017.

24. Corporate proposal

There were no corporate proposal for the financial period 30 September 2017.

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

25. Group borrowings

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

	RM'000
Bank overdraft	109
Bankers' acceptances	5,636
Revolving credits	1,000
Term loans	544
	<u>7,289</u>

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

	RM'000
Term loans	<u>687</u>
Total Group Borrowings	<u>7,976</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 2017.

29. Loss per share

The basic loss per share of the Group for the financial period ended 30 September 2017 is 2.61 sen per ordinary share, calculated based on the loss attributable to equity holders of the Company of RM1,306,000 divided by the number of ordinary shares in issue of 49,998,750.