

THIS SUPPLEMENTARY ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

THIS DOCUMENT IS A SUPPLEMENTARY ABRIDGED PROSPECTUS AND SHOULD BE READ IN CONJUNCTION WITH THE ABRIDGED PROSPECTUS DATED 16 MARCH 2020 (“ORIGINAL ABRIDGED PROSPECTUS”).

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

Unless otherwise stated, all abbreviations contained in this Supplementary Abridged Prospectus are defined in the “Definitions” section of the Original Abridged Prospectus unless stated otherwise.

This Supplementary Abridged Prospectus have been registered by the SC. The registration of this Supplementary Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue with Warrants or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Supplementary Abridged Prospectus. The SC has not, in any way, considered the merits of the securities being offered for investment. A copy of this Supplementary Abridged Prospectus and the accompanying documents will be lodged with the Registrar of Companies, who takes no responsibility for the contents of these documents, upon lifting of the MCO (as defined in this Supplementary Abridged Prospectus) by the Government of Malaysia.

This Supplementary Abridged Prospectus and the accompanying documents have been seen and approved by our Directors. They collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable inquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which if omitted would make the statements in these documents false or misleading.

Bursa Securities does not take any responsibility for the correctness or accuracy of any statements made or opinions expressed in this Supplementary Abridged Prospectus.

Mercury Securities, being our Principal Adviser for the Rights Issue with Warrants, acknowledges that, based on all available information and to the best of its knowledge and belief, this Supplementary Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue with Warrants.

A copy of this Supplementary Abridged Prospectus can also be viewed or obtained from Bursa Securities’ website at <http://www.bursamalaysia.com>.



[Registration No. 200401006297 (644800-X)]

(Incorporated in Malaysia under the Companies Act, 1965 and deemed registered under the Companies Act, 2016)

THIS SUPPLEMENTARY ABRIDGED PROSPECTUS IS TO BE READ IN CONJUNCTION WITH THE ORIGINAL ABRIDGED PROSPECTUS IN RELATION TO THE:-

RENOUNCEABLE RIGHTS ISSUE OF UP TO 997,966,616 NEW ORDINARY SHARES IN ATS (“ATS SHARES” OR “SHARES”) (“RIGHTS SHARES”) AT AN ISSUE PRICE OF RM0.035 PER RIGHTS SHARE TOGETHER WITH UP TO 748,474,962 FREE DETACHABLE WARRANTS IN ATS (“WARRANTS C”) ON THE BASIS OF 4 RIGHTS SHARES TOGETHER WITH 3 FREE WARRANTS C FOR EVERY 2 EXISTING SHARES HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY AT 5.00 P.M. ON 16 MARCH 2020

Principal Adviser



MERCURY SECURITIES SDN BHD

[Registration No. 198401000672 (113193-W)]

(A Participating Organisation of Bursa Malaysia Securities Berhad)

This Supplementary Abridged Prospectus is dated 29 April 2020

THIS DOCUMENT IS A SUPPLEMENTARY ABRIDGED PROSPECTUS AND SHOULD BE READ IN CONJUNCTION WITH THE ORIGINAL ABRIDGED PROSPECTUS DATED 16 MARCH 2020

ALL TERMS AND ABBREVIATIONS USED HEREIN SHALL HAVE THE SAME MEANINGS AS THOSE DEFINED IN THE "DEFINITIONS" SECTION OF THE ORIGINAL ABRIDGED PROSPECTUS UNLESS STATED OTHERWISE.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON OUR PART AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS SUPPLEMENTARY ABRIDGED PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS SUPPLEMENTARY ABRIDGED PROSPECTUS.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

YOU ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE AND MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS SUPPLEMENTARY ABRIDGED PROSPECTUS ARE DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CMSA.

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE ISSUE FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

WE AND OUR ADVISER HAVE NOT AUTHORISED ANY PERSON TO GIVE ANY INFORMATION OR REPRESENT US IN RELATION TO THIS RIGHTS ISSUE WITH WARRANTS. BEAR IN MIND ALSO THAT THIS SUPPLEMENTARY ABRIDGED PROSPECTUS SHALL NOT REPRESENT OR IMPLY THAT THERE HAVE BEEN NO CHANGE IN OUR COMPANY'S AFFAIRS SINCE THE ISSUANCE OF THIS SUPPLEMENTARY ABRIDGED PROSPECTUS.

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IN CONJUNCTION WITH THE ORIGINAL ABRIDGED PROSPECTUS DATED 16 MARCH 2020**

DEFINITIONS

Unless otherwise defined, the definitions used in the Original Abridged Prospectus dated 16 March 2020 shall apply herein.

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WITHDRAWAL FORM

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AT SYSTEMATIZATION BERHAD
(644800-X)

[Registration No. 200401006297 (644800-X)]
(Incorporated in Malaysia under the Companies Act, 1965 and deemed registered under the Companies Act, 2016)

Registered Office

35, 1st Floor
Jalan Kelisa Emas 1
Taman Kelisa Emas
13700 Seberang Jaya
Penang

29 April 2020

Board of Directors:-

Dato' Nik Ismail Bin Dato' Nik Yusoff (Independent Non-Executive Chairman)
Choong Lee Aun (Managing Director)
Mak Siew Wei (Executive Director)
Dr. Ch'ng Huck Khoo (Independent Non-Executive Director)
Tan Lay Chee (Independent Non-Executive Director)

To: Entitled Shareholders

Dear Sir / Madam,

RENOUNCEABLE RIGHTS ISSUE OF UP TO 997,966,616 RIGHTS SHARES AT AN ISSUE PRICE OF RM0.035 PER RIGHTS SHARE TOGETHER WITH UP TO 748,474,962 FREE DETACHABLE WARRANTS C ON THE BASIS OF 4 RIGHTS SHARES TOGETHER WITH 3 FREE WARRANTS C FOR EVERY 2 EXISTING SHARES HELD BY THE ENTITLED SHAREHOLDERS AT 5.00 P.M. ON 16 MARCH 2020

1. INTRODUCTION

This Supplementary Abridged Prospectus has been issued in view of the recent developments which have taken place since 16 March 2020, being the date of the Original Abridged Prospectus.

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THIS DOCUMENT IS A SUPPLEMENTARY ABRIDGED PROSPECTUS AND SHOULD BE READ IN CONJUNCTION WITH THE ORIGINAL ABRIDGED PROSPECTUS DATED 16 MARCH 2020**2. EXTENSION OF THE SUBSCRIPTION DEADLINE**

As specified in the Original Abridged Prospectus, the important relevant dates and times for the Rights Issue with Warrants are as follows:-

Important Relevant Dates and Times

Entitlement date	:	Monday, 16 March 2020 at 5.00 p.m.
Last date and time for:		
Sale of provisional allotments	:	Monday, 23 March 2020 at 5.00 p.m.
Transfer of provisional allotments	:	Wednesday, 25 March 2020 at 4.30 p.m.
Acceptance and payment	:	Tuesday, 31 March 2020 at 5.00 p.m.
Excess Rights Shares with Warrants C application and payment	:	Tuesday, 31 March 2020 at 5.00 p.m.

The last date and time for the acceptance of Rights Shares with Warrants C entitlement and payment for the Rights Shares with Warrants C (including excess Rights Shares with Warrants C) is hereinafter referred to as the "**Subscription Deadline**".

On 16 March 2020, the Government of Malaysia announced that a movement control order ("**MCO**") issued under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 will be imposed from 18 March 2020 to 31 March 2020 to contain the COVID-19 outbreak. All government and private premises except those involved in essential services are to be closed during the period that the MCO takes effect. As part of the measures to ensure that individuals stay home and abide by the MCO, the Royal Malaysian Police have conducted road blocks throughout the nation to curtail the movements of individuals.

On 25 March 2020, the Government of Malaysia announced the further extension of the MCO to 14 April 2020. On 31 March 2020, Mercury Securities had, on behalf of the Company, announced that the Subscription Deadline has been extended to Wednesday, 6 May 2020 at 5.00 p.m. in order to provide more time for Entitled Shareholders and/or their renounee(s) and/or transferee(s) to subscribe for the Rights Shares with Warrants C and/or Excess Rights Shares with Warrants C ("**Extension Announcement**").

Hence, the following important relevant dates and times for the Rights Issue with Warrants has been revised as follows:-

	Original	Revised
Last date and time for:		
Acceptance and payment	Tuesday, 31 March 2020 at 5.00 p.m.	Wednesday, 6 May 2020 at 5.00 p.m.
Excess Rights Shares with Warrants C application and payment	Tuesday, 31 March 2020 at 5.00 p.m.	Wednesday, 6 May 2020 at 5.00 p.m.

For avoidance of doubt, the Rights Issue with Warrants is not cancelled or withdrawn. This Supplementary Abridged Prospectus relates only to an extension of the Subscription Deadline.

THIS DOCUMENT IS A SUPPLEMENTARY ABRIDGED PROSPECTUS AND SHOULD BE READ IN CONJUNCTION WITH THE ORIGINAL ABRIDGED PROSPECTUS DATED 16 MARCH 2020**3. BASIS FOR THE EXTENDED SUBSCRIPTION DEADLINE**

At the time of the Extension Announcement, the MCO was effective until 14 April 2020. Thus, the Subscription Deadline was extended to 6 May 2020 based on the assumption that the MCO would be extended by another 14 days to 28 April 2020 and the MCO would be lifted on 29 April 2020. Under this scenario, Entitled Shareholders and/or their renounee(s) and/or transferee(s) would have 5 business days after the expiry of the MCO from 29 April 2020 up to 6 May 2020 to subscribe for the Rights Shares with Warrants C and/or Excess Rights Shares with Warrants C if they wish to do so.

However, the Government of Malaysia had on 10 April 2020 and 23 April 2020 respectively announced that the MCO is further extended to 28 April 2020 and 12 May 2020 respectively. Hence, in view of the uncertainty as to when the MCO will be lifted, the Subscription Deadline will not be extended further beyond 6 May 2020 and acceptances of Rights Shares with Warrants C entitlement and payment for the Rights Shares with Warrants C (including excess Rights Shares with Warrants C) will close on 6 May 2020.

4. EXIT OFFER

If you are an applicant who has already applied for the Rights Shares with Warrants C and/or Excess Rights Shares with Warrants C ("**Application**"), you are now given the option to withdraw your Application by 13 May 2020 in accordance with Section 239 of the Capital Markets and Services Act 2007 ("**Exit Offer**").

Should you wish to withdraw your Application, please fill in the withdrawal form enclosed together with this Supplementary Abridged Prospectus and thereafter send the completed withdrawal form via electronic mail to a representative of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd ("Share Registrar"), whose contact details are set out below:-

		
Lim Lay Kiow	03 – 2783 9232	lay.kiow.lim@my.tricorglobal.com
Zakiah Wardi	03 – 2783 9287	zakiah@my.tricorglobal.com
Siti Zalina	03 – 2783 9247	sitzalina@my.tricorglobal.com
Keith Lim	03 – 2783 9240	keith.lim@my.tricorglobal.com
Lim Jia Jin	03 – 2783 9246	jia.jin.lim@my.tricorglobal.com

If you are unable to send the completed withdrawal form via electronic mail or if you have any other enquiries on the withdrawal of your Application, please contact a representative of the Share Registrar at the telephone numbers stated above for further guidance.

All monies paid by you to the Company in respect of your Application will be refunded without interest by way of cheque or crediting into your bank account registered with Bursa Depository within 14 business days from the date of receipt of the completed withdrawal form by the Share Registrar.

If the Share Registrar does not receive the completed withdrawal form by 13 May 2020, we will deem that you have decided to proceed with your Application. Any withdrawal form which is received by the Share Registrar after 13 May 2020 will not be accepted.

Should you wish to continue with your Application, no further action from you is required.

For the avoidance of doubt, the Undertaking Shareholders are not entitled to the Exit Offer.

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5. RISK RELATING TO THE RIGHTS ISSUE WITH WARRANTS

Save as disclosed below, the risk factors highlighted in the Original Abridged Prospectus remains the same.

5.1 Failure or delay in the completion of the Rights Issue with Warrants

In addition to the existing risks disclosed in Section 6.2.1 of the Original Abridged Prospectus, the Board wishes to highlight the risk that the Rights Issue with Warrants may be delayed for a prolonged period of time in the event of a material adverse change of events or circumstances. Under the context of the current COVID-19 pandemic, this may include, amongst others, severe deterioration in the spread and impact of COVID-19.

There can be no assurance that the abovementioned factors or events will not cause a prolonged delay in the completion of the Rights Issue with Warrants.

In the event of a prolonged delay in the completion of the Rights Issue with Warrants, the Group will not be able to receive the proceeds raised from the Rights Issue with Warrants in a timely manner. Thus, the benefits to be realised by the Group arising from the utilisation of proceeds would be delayed, and this may lead to, amongst others, the inability of the Group to fulfill as much orders of high precision machine components as desired by the Rieter Group due to insufficient production capacity. In turn, this may result in a material adverse impact to the business and financial performance of the Group moving forward.

For information, the Undertaking Shareholders have not subscribed for their entitlement of Rights Shares and excess Rights Shares pursuant to their obligations under their respective Undertakings. The Undertaking Shareholders intend to do so on the Subscription Deadline.

With regards to the above, the Undertaking Shareholders have reiterated that they will fulfill their obligations under their respective Undertakings.

For the avoidance of doubt, the Undertaking Shareholders are not entitled to the Exit Offer.

5.2 Capital market risk

As disclosed in Section 2.2 of the Original Abridged Prospectus, the issue price of RM0.035 per Rights Share represents a discount of approximately 6.17% to the TEAP of ATS Shares of RM0.0373, calculated based on the 5-day VWAP of ATS Shares up to and including the LTD (i.e. 25 February 2020) of RM0.0454.

Since the outbreak of COVID-19, the pandemic has had a significant impact on capital markets, both in Malaysia and worldwide. Accordingly, the share price of the Company has also been impacted. The issue price of RM0.035 per Rights Share now represents a premium of approximately 1.45% to the TEAP of ATS Shares of RM0.0345, calculated based on the 5-day VWAP of ATS Shares up to and including 27 April 2020 (being the latest practicable date prior to the date of this Supplementary Abridged Prospectus) of RM0.0329.

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Given the uncertainties arising from and the impact of COVID-19 on the Malaysian economy as well as the global economy, there can be no assurance that market sentiments will improve or that the capital markets will be able to stage a rebound back to the levels seen prior to the outbreak of COVID-19. Any further prolonging of the COVID-19 pandemic, which may result in further prolonged extension to the MCO period, is likely to cause material adverse effect on the performance of the capital markets and accordingly, the share price of the Company is likely to be similarly affected. In addition, any further prolonging of the COVID-19 pandemic may cause material adverse effect on the business and operations of the Company, thus resulting in further downward pressure on the share price of the Company.

The implications of the MCO and COVID-19 on the business and operations of the Group are set out in Section 6 of this Supplementary Abridged Prospectus.

Accordingly, there can be no assurance that the Shares (together with the Rights Shares and any new Shares issued pursuant to the exercise of the Warrants C) will trade at or above the TEAP set out above after the completion of the Rights Issue with Warrants.

6. IMPLICATIONS OF THE MCO AND COVID-19 ON THE BUSINESS AND OPERATIONS OF THE GROUP

Despite the temporary suspension of the Group's operations since 18 March 2020 to comply with the MCO, the operations of ATP and ATES (both wholly-owned subsidiaries of the Company which contributed 94.5%⁽¹⁾ and 5.5%⁽¹⁾ of the Group's total revenue for the 11-month FPE 29 February 2020⁽²⁾ respectively) have partially resumed since 13 April 2020 after obtaining letters of permission from the Ministry of International Trade and Industry ("MITI") to operate during the MCO period.

Notes:-

- (1) Includes revenue from the solar division via the sale to TNB of solar energy generated from the solar plants installed on the premises of ATP and ATES. The solar division, which contributed 3.9% of the Group's total revenue for the 11-month FPE 29 February 2020, has not been affected by the MCO as the supply of solar energy to TNB is automated. Apart from the fabrication division and the solar division, the Group does not have any other business division.
- (2) Based on the unaudited management accounts of the Group.

The letters of permission currently allow ATP and ATES to operate during the MCO period with certain conditions. These include, amongst others, reduction in the number of workers to a minimum level or not more than 50% of their current or registered workforce, creation of a work-from-home system for workers that are not involved in critical activities and compliance with the standard operating procedures stated in the application portal of MITI ("SOP") that are meant to prevent the spread of COVID-19. The permission granted may be cancelled and retracted if the stated conditions are not complied with.

To comply with the SOP, the Group has taken steps such as providing face masks and hand sanitizers for its workers as well as conducting frequent sanitization of its factories / premises. Apart from additional costs incurred in respect thereof, the Group is not expected to incur any other significant additional costs to comply with the conditions imposed by MITI.

Given the said letters of permission, the Group is currently operating with approximately 50% of the workforce of ATP and ATES. Since resuming operations, the Group has been in contact with all the customers in ATP's and ATES's current order book, each of which has indicated that they are operational during the MCO. Currently, the Group's production lines are mainly focused on clearing the backlog in its current order book i.e. orders placed prior to the imposition of the MCO.

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Thus far, the Group has not experienced any request for downward variation or cancellation of existing orders by its customers since the imposition of the MCO. Instead, the Group has been receiving new orders from customers even during the MCO period. These new orders include those placed by the Rieter Group, which is considered to be a key customer of the Group. At this juncture, the Board is not aware of any information which may result in the loss of the Group's existing customers as a direct result of the COVID-19 outbreak.

For the delivery of finished goods to customers, the Group uses both internal and external transportation depending on the agreed arrangement with each customer. To date, the Group has not experienced and does not expect any potential hike in internal transportation costs arising from the MCO. As for external transportation costs, these are usually borne by the customers and therefore any potential hike in such costs would be borne by the customers.

In terms of delivery times of finished goods to its customers, the Group has not experienced and does not expect any potential delay in delivery times arising from the MCO, save for potentially slower deliveries to foreign customers given that the frequency of sea freight transportation has been reduced during the MCO. For information, foreign customers contributed 12.3% of the Group's total revenue for the 11-month FPE 29 February 2020⁽¹⁾, and 26.4% of the Group's current order book as at 24 April 2020 is from a foreign customer i.e. the Rieter Group. Apart from the aforesaid, the Group does not expect any other issues in terms of the ability of its customers to receive the Group's finished goods.

Note:-

(1) Based on the unaudited management accounts of the Group.

Insofar as supply of raw materials such as aluminium and stainless steel are concerned, the Group sources almost all of its raw materials from Malaysian suppliers who in turn indicate that they import around 60% to 70% of their supplies from China. To date, the Group has not experienced any material difficulties or issues relating to the sourcing of such raw materials since the outbreak of COVID-19 first arose in January 2020. Nonetheless, the price of raw materials have increased by around 5% to 10% since January 2020. Further, apart from lead times being expected to increase from an average of 4 weeks before the MCO to around 8 to 10 weeks during the MCO, the Board does not anticipate that COVID-19 will have a direct material impact on the continuous supply of raw materials or the Group's supply chain as a whole at this juncture.

In terms of business and financial impact, the Board estimates that the temporary suspension of the Group's operations from mid-March 2020 to mid-April 2020 has resulted in a significant loss of revenue as a result of the temporary suspension in the fulfillment of orders placed prior to the MCO. Furthermore, the overall impact of the MCO and COVID-19 on the Group's business and financial performance may likely extend beyond just the direct impact of the temporary suspension of the Group's operations given that COVID-19 has become a pandemic affecting markets worldwide. In the longer term:-

- (i) anticipated slowdowns in the performance of our national economy as well as the global economy as a whole, despite economic stimulus measures being implemented by almost every national government around the world including our own, may have an indirect impact on the demand for the Group's products and services; and
- (ii) potential disruptions in supply chains, which may arise from restriction in movement orders or other similar policies implemented by governments around the world to curb the spread of COVID-19, may have an indirect impact on the production and/or operational costs of the Group.

Given the potential for the overall impact to be wide-ranging and in view that the COVID-19 pandemic has yet to be contained worldwide, the estimated impact on the Group's business and financial performance remains uncertain and cannot be determined nor quantified at this juncture. Nonetheless, the management of the Group will seek to review the Group's monthly expenses and introduce measures to reduce its operating costs to offset the loss of revenue as much as possible.

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The Board confirms that since 17 February 2020 (being the latest practicable date prior to the date of the Original Abridged Prospectus) up to 20 April 2020 (being the latest practicable date prior to the date of this Supplementary Abridged Prospectus), pending the longer term effects of COVID-19 on the Group's business and financial condition becoming more observable and apart from the temporary suspension of business as well as partial resumption of business by some of the Group's customers and suppliers during the MCO:-

- (i) there has been no material adverse change in the market conditions or the industry and environment in which the Group operates in that would materially and adversely affect the financial and operating position of the Group; and
- (ii) there has been no material adverse change in the trading and financial position or prospects of the Group.

At this juncture, based on the Group's current state of operations as well as feedback with the Group's customers and suppliers, the Board expects that the effects of the MCO and COVID-19 on its business and operations moving forward are likely to be temporary. Notwithstanding this, a prolonged extension of the MCO and/or severe deterioration in the COVID-19 outbreak may eventually lead to a significant reduction in sales volume and/or disruption in the overall supply chain, thus leading to material adverse impact to the Group's business and financial performance.

Notwithstanding the above, the Board wishes to highlight that as the circumstances pertaining to COVID-19 are highly fluid, there can be no assurance that the statements made above, which are based on information and circumstances known at this juncture, will continue to be accurate moving forward. The Board will make further announcements on Bursa Securities to notify Shareholders if there are material changes or developments to the statements made in this Supplementary Abridged Prospectus.

As such, Shareholders are advised to exercise their own judgement and stay updated with the latest news and developments pertaining to COVID-19 as well as any announcements or notices that may be issued by the Company after the date of this Supplementary Abridged Prospectus from time to time.

7. INDUSTRY OVERVIEW AND FUTURE PROSPECTS

Subsequent to the issuance of the Original Abridged Prospectus, please refer to the following updates on the Malaysian economy and the manufacturing sector in Malaysia after taking into consideration the COVID-19 outbreak:-

2020 is an exceptionally challenging year for the global economy. Confronted with an unprecedented health crisis, global growth is expected to contract. As an open economy, Malaysia will not be spared. Malaysia's GDP growth is projected to be between -2.0% and +0.5% in 2020, affected by weak global demand, supply chain disruptions and COVID-19 containment measures both abroad and domestic.

While the Movement Control Order and measures to promote social distancing will dampen economic activity temporarily, they are necessary to contain the spread of the virus. The Government's stimulus package will help to cushion the economic fallout. Both *Pakej Rangsangan Ekonomi 2020* and *Pakej Rangsangan Ekonomi Prihatin Rakyat* as well as Bank Negara Malaysia's financial measures will provide sizable support to households and businesses.

These measures are expected to add 2.8 percentage points to 2020 GDP growth. Also supporting growth is the ongoing large-scale infrastructure projects, which are expected to provide an additional 1 percentage point lift to growth in 2020.

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There remains significant uncertainties surrounding the growth outlook, with both upside and downside risks to the outlook. Downside risks stems from more prolonged and wider spread of COVID-19 globally and domestically, recurring commodities supply disruptions and tighter financial conditions following heightened volatility in financial markets. However, there are also upside risks, emanating from potentially larger-than-expected impact from the pro-growth measures, faster normalisation in activity amid pent-up demand and better-than expected global economy, arising from the various stimulus measures. Bank Negara Malaysia expects the Malaysian economy to rebound in 2021, in line with the projected global recovery.

The factors that have enabled Malaysia to weather past episodes of shocks are expected to continue to serve the Malaysian economy well. Malaysia will continue to benefit from having diversified sources of growth, economic flexibility, adequate buffers, a strong financial system and robust policy frameworks that have been built over the years.

(Source: Bank Negara Malaysia's Press Statement dated 3 April 2020: "Bank Negara Malaysia Publishes Annual Report 2019, Economic and Monetary Review 2019 and Financial Stability Review for Second Half 2019")

Insofar as the outlook of the manufacturing sector specifically is concerned, as uncertainties continue to weigh amid the COVID-19 outbreak, manufacturers' outlook for business in the first half of 2020 (1H2020) is generally lacklustre.

Sales projections for 1H2020 are gloomy with both local and domestic sales on a decline. The main concern of manufacturers is impact on production due to reduced supply of raw materials from China including moulded and metal press parts, iron and steel products, ingredients for food and beverage production, parts and components for machinery, paper and packaging material, plastic materials including resin, etc. Similarly exports to China are also affected by reduced demand.

The main sectors impacted in terms of domestic sales are food products; construction materials; motor vehicles, trailers and semi-trailers; electrical machinery & apparatus; basic metal & fabricated metal products; and chemical and chemical products. Exports most affected include machinery and equipment, automotive components, electrical and electronic products, toiletries, steel products and processed food products.

(Source: Federation of Malaysian Manufacturers Press Statement dated 9 March 2020: "FMM-MIER Business Conditions Survey 2H2019 Reveals Sluggish Outlook for 1H2020")

8. ADDITIONAL INFORMATION

The Board confirms that save as disclosed in this Supplementary Abridged Prospectus:-

- (a) no significant new matter has arisen which is required to be disclosed in the Original Abridged Prospectus;
- (b) there is no significant change affecting a matter disclosed in the Original Abridged Prospectus;
- (c) the Original Abridged Prospectus does not contain a material statement that is false or misleading; and
- (d) there is no material omission from the Original Abridged Prospectus.

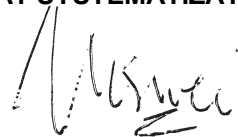
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9. RESPONSIBILITY STATEMENT

This Supplementary Abridged Prospectus has been seen and approved by the Board. The Board collectively and individually accepts full responsibility for the accuracy of the information given herein and confirms that, after having made all reasonable enquiries and to the best of the Board's knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement herein false or misleading.

Mercury Securities, being our Principal Adviser for the Rights Issue with Warrants, confirms that, based on all available information and to the best of its knowledge and belief, the Original Abridged Prospectus read together with this Supplementary Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue with Warrants.

Yours faithfully
For and on behalf of the Board of
AT SYSTEMATIZATION BERHAD


MAK SIEW WEI
Executive Director

Dear Sirs,

ORIGINAL ABRIDGED PROSPECTUS DATED 16 MARCH 2020 (“Original Abridged Prospectus”) TOGETHER WITH THE SUPPLEMENTARY ABRIDGED PROSPECTUS DATED 29 APRIL 2020 (“Supplementary Abridged Prospectus”) IN RELATION TO THE RENOUNCEABLE RIGHTS ISSUE OF UP TO 997,966,616 NEW ORDINARY SHARES IN AT SYSTEMATIZATION BERHAD (“ATS” or “Company”) (“Shares”) (“Rights Shares”) TOGETHER WITH UP TO 748,474,962 FREE DETACHABLE WARRANTS IN ATS (“Warrants C”) ON THE BASIS OF 4 RIGHTS SHARES TOGETHER WITH 3 FREE WARRANTS C FOR EVERY 2 EXISTING SHARES HELD BY THE ENTITLED SHAREHOLDERS OF ATS AT 5.00 P.M. ON 16 MARCH 2020 (“Rights Issue with Warrants”)

All terms not specifically defined herein shall have the same meaning ascribed to them in the Original Abridged Prospectus and the Supplementary Abridged Prospectus.

I/We refer to the above matter.

I/We have applied for the Rights Shares with Warrants C and/or Excess Rights Shares with Warrants C (“**Application**”) together with full payment which was made by way of bankers’ draft / cashiers’ order / money order / postal order / online payment gateway *[to delete whichever not applicable]* (“**Application Money**”).

I/we hereby exercise my/our option to withdraw my/our Application in accordance with Section 239(2) of the CMSA and pursuant thereto, my/our Application shall be treated as cancelled and of no further effect by the Company with immediate effect.

In the event that the Application Money has been cleared into the relevant bank account of the Company, I/We instruct and authorise the Company and/or the Share Registrar (whichever applicable) to refund the Application Money to me/us, within 14 working days, by way of cheque which shall be sent by ordinary post to my/our address as shown in the Record of Depositors of the Company / crediting into my/our bank account registered with Bursa Depository, the details of which are set out in the Record of Depositors of the Company *[to delete whichever not applicable]*.

In the event that the Application Money is made by way of bankers’ draft / cashiers’ order / money order / postal order *[to delete whichever not applicable]* and the same has not been encashed by the Company and cleared into the relevant bank account of the Company, I/We instruct and authorise the Company and/or the Share Registrar (whichever applicable) to return the said bankers’ draft / cashiers’ order / money order / postal order *[to delete whichever not applicable]* to me/us which shall be sent by ordinary post to my/our address as shown in the Record of Depositors of the Company.

Thank you.

Yours faithfully,

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Name:

NRIC No./Passport No.: