



# **AT SYSTEMATIZATION BERHAD**

**(COMPANY NO: 644800-X)  
(INCORPORATED IN MALAYSIA)**

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR 4<sup>th</sup> QUARTER ENDED 29 FEBRUARY 2016**



**Condensed Consolidated Statements of Financial Position  
For 4<sup>th</sup> Quarter ended 29 February 2016**

	(Unaudited) As At 29.2.2016 RM '000	(Audited) As At 28.2.2015 RM '000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	44,144	37,976
Investment in unquoted share	-	25
	44,144	38,001
<b>Current assets</b>		
Inventories	2,348	2,783
Trade receivables	4,984	6,113
Other receivables, deposits and prepayments	3,888	3,097
Tax assets	235	387
Cash and cash equivalents	3,483	3,586
	14,938	15,966
<b>TOTAL ASSETS</b>	59,082	53,967
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	43,306	39,369
Share premium	10,768	10,967
Warrant reserve	17,126	17,126
Revaluation reserve	6,615	6,768
Accumulated losses	(35,170)	(32,779)
	42,645	41,451
Non-controlling interests	85	40
<b>Total equity</b>	42,730	41,491
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Finance lease payables	3,994	2,122
Bank borrowings	4,700	764
Deferred tax liabilities	2,048	2,180
	10,742	5,066
<b>Current liabilities</b>		
Trade payables	2,190	3,233
Other payables & deposits	1,341	2,975
Tax liabilities	23	-
Finance lease payables	1,491	967
Bank borrowings	565	235
	5,610	7,410
<b>Total liabilities</b>	16,352	12,476
<b>TOTAL EQUITY AND LIABILITIES</b>	59,082	53,967
<b>Net assets per share (Sen)</b>	9.85	10.53

*The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 28 February 2015 and the accompanying explanatory notes attached to the interim financial report.*



**Condensed consolidated statements of comprehensive income  
For 4<sup>th</sup> Quarter ended 29 February 2016**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	29.2.2016	29.2.2015	29.2.2016	29.2.2015
	RM '000	RM '000	RM '000	RM '000
Revenue	3,417	4,890	17,394	23,398
Cost of sales	(3,137)	(4,812)	(15,765)	(18,582)
<b>Gross profit</b>	280	78	1,629	4,816
Other income	417	869	2,024	1,967
Administrative and general expenses	(1,455)	(1,923)	(5,769)	(5,834)
Selling and distribution expenses	(35)	(66)	(61)	(168)
	(1,490)	(1,989)	(5,830)	(6,002)
<b>(Loss)/Profit from operations</b>	(793)	(1,042)	(2,177)	781
Finance costs	(153)	(53)	(447)	(371)
<b>(Loss)/Profit before tax</b>	(946)	(1,095)	(2,624)	410
Tax income/(expense)	140	601	126	301
<b>(Loss)/Profit for the period/year</b>	(806)	(494)	(2,498)	711
<b>Attributable to:-</b>				
Owners of the parent	(808)	(494)	(2,543)	713
Non-controlling interests	2	-	45	(2)
	(806)	(494)	(2,498)	711
Profit/(Loss) per share attributable to owners of the parent (sen)				
- Basic	(0.19)	(0.13)	(0.61)	0.18
- Diluted	(0.19)	(0.13)	(0.61)	0.18

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 28 February 2015 and the accompanying explanatory notes attached to the interim financial report.*



**Condensed consolidated statements of comprehensive income  
For 4<sup>th</sup> Quarter ended 29 February 2016 (Cont'd)**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	29.2.2016	29.2.2015	29.2.2016	29.2.2015
	RM '000	RM '000	RM '000	RM '000
<b>(Loss)/Profit for the period/year</b>	(806)	(494)	(2,498)	711
<b>Other comprehensive income:-</b>				
Foreign currency translations	-	-	-	-
Revaluation surplus on property, plant and equipment	-	-	-	-
<b>Total comprehensive income for the period/year</b>	<u>(806)</u>	<u>(494)</u>	<u>(2,498)</u>	<u>711</u>
<b>Attributable to:-</b>				
Owners of the parent	(808)	(494)	(2,543)	713
Non-controlling interests	2	-	45	(2)
<b>Total comprehensive income for the period/year</b>	<u>(806)</u>	<u>(494)</u>	<u>(2,498)</u>	<u>711</u>

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 28 February 2015 and the accompanying explanatory notes attached to the interim financial report.*



**Condensed Consolidated Statements of Equity**  
**For 4<sup>th</sup> Quarter ended 29 February 2016**

	<----- Attributable to owners of the parent ----->							
	<----- Non-Distributable ----->			Distributable			Non-	
	Share Capital RM '000	Share Premium RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Accumulated Losses RM '000	Sub Total RM '000	Controlling Interests RM '000	Total Equity RM '000
<b>At 1 March 2014</b>	39,369	10,967	217	17,126	(33,467)	34,212	17	34,229
<b>Comprehensive income</b>								
Profit for the financial year	-	-	-	-	713	713	(2)	711
<b>Other comprehensive income</b>								
Revaluation surplus from property, plant and equipment	-	-	6,551	-	-	6,551	-	6,551
<b>Total comprehensive income for the financial period</b>	-	-	6,551	-	713	7,264	(2)	7,262
<b>Transactions with owners</b>								
Issue of shares	-	-	-	-	-	-	-	-
(Dilution)/Accretion from change in stake in subsidiaries	-	-	-	-	(25)	(25)	25	-
<b>Total transactions with owners</b>	-	-	-	-	(25)	(25)	25	-
<b>At 28 February 2015</b>	39,369	10,967	6,768	17,126	(32,779)	41,451	40	41,491



**Condensed consolidated statements of Equity  
For 4<sup>th</sup> Quarter ended 29 February 2016 (Cont'd)**

	<----- Attributable to owners of the parent ----->							
	<----- Non-Distributable ----->			Warrant	Accumulated	Sub Total	Non-	Total
	Share	Share	Revaluation	Reserve	Losses		Controlling	Equity
	Capital	Premium	Reserve	Reserve	RM '000	RM '000	Interests	RM '000
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
<b>At 1 March 2015</b>	39,369	10,967	6,768	17,126	(32,780)	41,450	40	41,490
<b>Comprehensive income</b>								
Loss for the financial year	-	-	-	-	(2,543)	(2,543)	45	(2,498)
<b>Other comprehensive income</b>								
Revaluation surplus from property, plant and equipment	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the financial period/year</b>	-	-	-	-	(2,543)	(2,543)	45	(2,498)
<b>Transfer to retained earnings</b>	-	-	(153)	-	153	-	-	-
<b>Transactions with owners</b>								
Issue of shares	3,937	(199)	-	-	-	3,738	-	3,738
(Dilution)/Accretion from change in stake in subsidiaries	-	-	-	-	-	-	-	-
<b>Total transactions with owners</b>	-	-	-	-	-	-	-	-
<b>At 29 February 2016</b>	43,306	10,768	6,768	17,126	(35,323)	42,645	85	42,730

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 28 February 2015 and the accompanying explanatory notes attached to the interim financial report.*



**Condensed Consolidated Statements of Cash Flows  
For 4<sup>th</sup> Quarter ended 29 February 2016**

	<b>Current Year To-Date 29.2.2016 (Unaudited) RM'000</b>	<b>Preceding Year Corresponding Period 29.2.2015 (Audited) RM'000</b>
<b>Cash flows from operating activities</b>		
(Loss)/Profit before tax	(2,624)	410
Adjustments for non-cash and non-operating items	2,895	2,493
Operating profit before working capital changes	271	2,903
(Increase)/Decrease in inventories	412	(801)
(Increase)/Decrease in receivables	341	(1,732)
Increase/(Decrease) in payables	(2,592)	1,778
Cash (used in)/generated from operations	(1,568)	2,148
Tax refunded	509	447
Tax paid	(341)	(552)
<b>Net cash (used in)/from operating activities</b>	<b>(1,400)</b>	<b>2,043</b>
<b>Cash flows from investing activities</b>		
Investment in unquoted share	-	(25)
Dividend and interest received	20	199
Proceeds from disposal of investment in unquoted shares	25	-
Proceeds from disposal of property, plant and equipment	108	100
Purchase of property, plant and equipment	(5,538)	(6,071)
<b>Net cash used in investing activities</b>	<b>(5,385)</b>	<b>(5,797)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	3,738	-
Interest paid	(447)	(371)
Repayments of finance lease payables	(996)	(1,397)
Net drawdown/(repayment) of term loans	4,266	(10,935)
<b>Net cash from/(used in) financing activities</b>	<b>6,561</b>	<b>(12,703)</b>
Effects of exchange rate changes on cash and cash equivalents	120	86
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(103)</b>	<b>(16,371)</b>
Cash and cash equivalents brought forward	3,586	19,957
Cash and cash equivalents carried forward	3,483	3,586

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2015 and the accompanying explanatory notes attached to the interim financial report.*



**Part B – Additional information required under Listing Requirements  
4<sup>th</sup> Quarter ended 29 February 2016**

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**A1) Basis of Preparation**

The interim financial report is unaudited and has been prepared in compliance with Malaysia Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”) and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 28 February 2015 and the accompanying notes attached to the interim financial report.

**A2) Changes in Accounting Policies**

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 28 February 2015.

As at the date of authorisation of this interim financial report, the following Standards, Amendments and Issues Committee (“IC”) Interpretations have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective and have not been adopted by the Group:

	<b>Effective for financial periods beginning on or after</b>
<b><u>New MFRSs</u></b>	
MFRS 9 : Financial Instruments	1 January 2018
MFRS 15 : Revenue from Contracts with Customers	1 January 2018
MFRS 16 : Leases	1 January 2019
<b><u>Amendments/Improvements to MFRSs</u></b>	
MFRS 5 : Non-current Asset Held for Sale and Discontinued Operations	1 January 2016
MFRS 7 : Financial Instruments: Disclosures	1 January 2016
MFRS 10 : Consolidated Financial Statements	Deferred/ 1 January 2016
MFRS 11 : Joint Arrangements	1 January 2016
MFRS 12 : Disclosure of Interest in Other Entities	1 January 2016
MFRS 101 : Presentation of Financial Statements	1 January 2016
MFRS 107 : Statement of Cash Flows	1 January 2017
MFRS 112 : Income Taxes	1 January 2017
MFRS 116 : Property, Plant and Equipment	1 January 2016
MFRS 119 : Employee Benefits	1 January 2016
MFRS 127 : Separate financial statements	1 January 2016
MFRS 128 : Investments in Associates and Joint Ventures	Deferred/ 1 January 2016
MFRS 138 : Intangible Assets	1 January 2016
MFRS 141 : Agriculture	1 January 2016





**Part B – Additional information required under Listing Requirements**  
**4<sup>th</sup> Quarter ended 29 February 2016**

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**A2) Changes in Accounting Policies (cont'd)**

The Group will adopt the above pronouncements when they become effective in the respective financial periods.

**A3) Auditors' Report of Preceding Annual Audited Financial Statements**

The auditor's report of the Group's most recent annual audited financial statements for the year ended 28 February 2015 was not subject to any qualification.

**A4) Seasonal or Cyclical Factors**

The Group sells its products and services to customers from various sub-sectors of the semiconductor and manufacturing industries. The Group's performance is, to certain extent, dependent on the outlook and cyclical nature of these semiconductor and manufacturing industries.

**A5) Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial period.

**A6) Material Changes in Estimates**

There were no changes in estimates that have a material effect for the current quarter and financial period.

**A7) Debt and Equity Securities**

Other than the issuance of 39,369,100 new ordinary shares of RM0.10 each under private placement at a value of RM0.10 for each share and for a total consideration of RM 3.94 million, there were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period under review.



**Part B – Additional information required under Listing Requirements**  
**4<sup>th</sup> Quarter ended 29 February 2016**

**A8) Dividend Paid**

There was no dividend paid in the current quarter and financial period.

**A10) Segmental Information**

The segmental information of the Group are presented by operating segments as follows:-

- (a) **Fabrication and automation** - Fabrication of industrial and engineering parts; Design and manufacturing of industrial automation systems and machinery;
- (b) **Others** - Investment holding and provision of management services to subsidiaries, neither which are of a sufficient size to be reported separately.

**Cumulative Quarter Ended 29.2.2016**

	<b>Fabrication and automation</b>	<b>Others</b>	<b>Eliminations</b>	<b>Total</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
<b>Revenue</b>				
External revenue	17,394	-	-	17,394
Inter-segment revenue	-	842	(842)	-
<b>Total revenue</b>	<b>17,394</b>	<b>842</b>	<b>(842)</b>	<b>17,394</b>
<b>Results</b>				
Interest income	-	647	(626)	21
Finance costs	(1,073)	-	626	(447)
Tax credit/(expense)	65	61	-	126
<b>Segment profit/(loss)</b>	<b>(2,644)</b>	<b>146</b>	<b>-</b>	<b>(2,498)</b>
<b>Other material non-cash items :-</b>				
- Depreciation of property, plant and equipment	(2,510)	(17)	-	(2,527)
- Unrealised gain/(loss) on foreign exchange	136	-	-	136
- Reversal of impairment loss on loan & receivables	72	-	-	72
- Impairment loss on loan & receivables	(58)	-	-	(58)
- Loss on disposal of property, plant and equipment	(127)	-	-	(127)



**Part B – Additional information required under Listing Requirements**  
**4<sup>th</sup> Quarter ended 29 February 2016**

**A10) Segmental Information (cont'd)**

**Cumulative Quarter Ended 28.2.2015**

	<b>Fabrication and automation RM '000</b>	<b>Others RM '000</b>	<b>Eliminations RM '000</b>	<b>Total RM '000</b>
<b>Revenue</b>				
External revenue	23,398	-	-	23,398
Inter-segment revenue	-	1,147	(1,147)	-
<b>Total revenue</b>	<b>23,398</b>	<b>1,147</b>	<b>(1,147)</b>	<b>23,398</b>
<b>Results</b>				
Interest income	19	384	(384)	19
Finance costs	(755)	-	384	(371)
Tax credit/(expense)	436	(135)	-	301
<b>Segment profit/(loss)</b>	<b>581</b>	<b>115</b>	<b>15</b>	<b>711</b>
<b>Other material non-cash items :-</b>				
- Depreciation of property, plant and equipment	(2,190)	(16)	(48)	(2,254)
- Unrealised gain/(loss) on foreign exchange	230	-	-	230
- Reversal of impairment loss on loan & receivables	-	-	-	-
- Impairment loss on loan & receivables	(60)	-	-	(60)
- Loss on disposal of property, plant and equipment	(237)	-	-	(237)

**A11) Valuation of Property, Plant and Equipment**

The carrying values of property, plant and equipment have been brought forward, without amendment from the previous audited financial statements.

**A12) Events after the Reporting Period**

Other than those disclosed elsewhere in the interim financial report, there were no other material events subsequent to the end of the interim period.



**Part B – Additional information required under Listing Requirements**  
**4<sup>th</sup> Quarter ended 29 February 2016**

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**A13) Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current quarter and financial period under review.

**A14) Changes in Contingent Liabilities or Contingent Assets**

There were no material contingent liabilities or contingent assets to be disclosed as at the date of the interim financial report.

**A15) Contingent Liabilities**

As of 29 February 2016, the Group has no material contingent liabilities save for corporate guarantee provided by the Company to financial institutions for credit facilities granted to certain subsidiaries up to a total limit of approximately RM21,140,000. Total utilisation of these credit facilities as at 29 February 2016 amounted to approximately RM10,750,000.

**A16) Capital Commitment**

As of 29 February 2016, capital commitment are in respect of refurbishment of existing factory by the Group:

	<b>RM'000</b>
Approved but not contracted for	-
Contracted but not provided for	1,071
	<u>1,071</u>

**A17) Related Party Transactions**

There were no significant transactions with related parties during the current quarter and financial period.

**B1) Review of Performance**

**Current Quarter**

The Group posted revenue of RM3.42 million for the fourth quarter ended 29 February 2016, 30% lower than RM4.89 million in the previous corresponding quarter. The decrease was mainly due to lower contribution from the fabrication business as a result of lower customer orders from hard disk drives industry. The decrease was however mitigated by higher fabrication orders arising from customers in other business segment.



**Part B – Additional information required under Listing Requirements**  
**4<sup>th</sup> Quarter ended 29 February 2016**

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**B1) Review of Performance (cont'd)**

**Current Quarter (cont'd)**

The Group recorded pre-tax loss of RM0.95 million for the current quarter as compared to pre-tax loss of RM1.1 million in the previous corresponding quarter. The pre-tax loss was mainly due to weaker performance in both fabrication and automation business, coupled with higher hire-purchase and term loan interest.

**Cumulative Quarter**

The Group posted revenue of RM17.39 million for the cumulative quarter ended 29 February 2016, which was RM6 million or 25.7% lower as compared to RM23.4 million in the corresponding cumulative quarter. The decrease was mainly attributable to lower customers' order in the fabrication business. The decrease was however mitigated by higher job orders from automation business.

The Group recorded pre-tax loss of RM2.62 million for the cumulative quarter ended 29 February 2016, a decrease of RM3.03 million as compared to pre-tax profit of RM0.41 million in the corresponding cumulative quarter. The decrease was mainly due to weaker performance in fabrication business. The decrease was however mitigated by higher rental income and higher gain on foreign exchange.

**B2) Material Change in the Profit before Taxation of Current Quarter Compared with the Immediate Preceding Quarter**

The Group posted pre-tax loss of RM0.95 million for the fourth quarter ended 29 February 2016 as compared to pre-tax loss of RM0.34 million in the preceding quarter. Higher pre-tax loss was mainly due to weaker performance in fabrication business, coupled with higher finance costs.

**B3) Prospects**

The Group will continue to focus and expand on the core business in the fabrication of industrial & engineering parts and the design & manufacture of industrial automation system and machinery. Notwithstanding that, the Group will continuously seek opportunity for business growth and look for new market opportunities by way of capitalizing the strength of the business venture with strategic partners.

**B4) Variance between Actual Profit and Forecast Profit**

The Group did not issue any profit forecast or profit guarantee during the current quarter and financial period.



**Part B – Additional information required under Listing Requirements**  
**4<sup>th</sup> Quarter ended 29 February 2016**

**B5) Taxation**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	29.2.2016	29.2.2015	29.2.2016	29.2.2015
	RM '000	RM '000	RM '000	RM '000
Corporate tax income/(expense)	8	275	(6)	(25)
Deferred tax income/(expense)	132	326	132	326
	<u>140</u>	<u>601</u>	<u>126</u>	<u>301</u>

The effective tax rate of the Group for the current quarter and for the current financial year is lower than the statutory income tax rate mainly due to losses suffered by certain subsidiaries and availability of group tax relief to the Company.

**B6) Corporate Proposals**

- The Company completed Rights Issue with Free Warrants (“Rights Issue Exercise”) on 5 February 2014. On 28 August 2014, the Company announced the variation to the utilisation of proceeds arising from the Rights Issue Exercise. Taking into consideration the variation of proceeds, the summary of the utilisation of proceeds are set out below:-

Details	Proposed utilisation	Revised utilisation	Amounts utilised as at 29 February 2016	Balance unutilised	Estimated timeframe for the utilisation of proceeds
	RM'000	RM'000	RM'000	RM'000	
Repayment of bank borrowings	12,600	12,600	12,600	-	Within six (6) months
Working capital	3,785	285	285	-	Within twelve (12) months
Partially finance the construction of factory building extension	2,800	5,450	5,450	-	Within twelve (12) months
Goods and Services Tax compliance and implementation	-	150	150	-	Within twelve (12) months
Capital expenditure and/or working capital for the Group’s wholly-owned subsidiary, namely AT Precision Tooling Sdn Bhd	-	700	700	-	Within twelve (12) months
To defray expenses relating to rights issue exercise	500	500	500	-	Within three (3) months
<b>Total</b>	<b>19,685</b>	<b>19,685</b>	<b>19,685</b>	<b>-</b>	



**Part B – Additional information required under Listing Requirements**  
**4<sup>th</sup> Quarter ended 29 February 2016**

**B6) Corporate Proposals (cont'd)**

- 2) On 5 August 2015, the Company completed a private placement exercise following the listing and quotation of 39,369,100 new ordinary shares of RM0.10 each in the Company. The Company raised cash proceeds of RM3.94 million and the summary of the utilisation of proceeds are as follows :-

<b>Details</b>	<b>Proposed utilisation</b>	<b>Amounts utilised as at 29 February 2016</b>	<b>Balance unutilised</b>	<b>Estimated timeframe for the utilisation of proceeds</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
Business expansion and/or investments: - Partially finance the construction of solar photovoltaic plant	3,500	3,500	-	Within twelve (12) months
Working capital	297	297	-	Within twelve (12) months
To defray expenses relating to private placement exercise	140	140	-	-
<b>Total</b>	<b>3,937</b>	<b>3,937</b>	<b>-</b>	

- 3) On 14 July 2015, the Company proposed to establish and implement a share issuance scheme of up to thirty percent (30%) of the Company's issued and paid-up share capital (excluding any treasury shares) for the eligible Directors and employees of AT and its non-dormant wholly-owned subsidiaries ("Proposed SIS").

Bursa Malaysia Securities Berhad has vide its letter dated 23 July 2015 (which was received on 30 July 2015) approved the Proposed SIS. On 26 August 2015, the Proposed SIS was approved by the shareholders in the Extraordinary General Meeting and the effective date for the implementation of the SIS is 29 October 2015.

- 4) On 10 March 2015, the Company announced that its wholly-owned subsidiary, AT Engineering Solution Sdn. Bhd. ("ATES") has secured the Feed-in Tariff quota from Sustainable Energy Development Authority Malaysia on 9 March 2015. On 17 November 2015, ATES entered into a Renewable Energy Power Purchase Agreement with Tenaga Nasional Berhad for the supply and delivery of 425kW renewable energy from solar photovoltaic plant for a concession period of 21 years.



**Part B – Additional information required under Listing Requirements**  
**4<sup>th</sup> Quarter ended 29 February 2016**

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**B6) Corporate Proposals (cont'd)**

- 5) On 2 March 2016, the Company announced that its wholly-owned subsidiary, AT Precision Tooling Sdn. Bhd. (“ATP”) has secured the Feed-in Tariff quota from Sustainable Energy Development Authority Malaysia on 1 March 2016 to construct a 300 kilowatts (kW) Grid-Connected Retrofitted System Solar Photovoltaics Plant. ATP is expected to sign a Renewable Energy Power Purchase Agreement with Tenaga Nasional Berhad for the supply and delivery of renewable energy from solar photovoltaic plant for a concession period of 21 years.
- 6) On 1 April 2016, Mercury Securities Sdn Bhd (“Mercury Securities”), on behalf of the Company announced that the Company proposes to undertake the following:
- (i) proposed par value reduction involving the cancellation of RM0.07 from the par value of every existing ordinary share of RM0.10 each in the issued and paid-up share capital of the Company pursuant to Section 64 of the Companies Act, 1965 (“Act”) (“Proposed Par Value Reduction”) and the proposed reduction of the Company’s entire share premium account pursuant to Sections 60(2) and 64 of the Act (“Proposed Share Premium Reduction”) (collectively, the “Proposed Capital Reorganisation”);
  - (ii) proposed renounceable rights issue of up to 759,824,495 new ordinary shares of RM0.03 each in ATS (“ATS Shares” or “Shares”) (after the Proposed Par Value Reduction) (“Rights Shares”) together with up to 379,912,247 free detachable warrants in ATS (“Warrants B”) on the basis of two (2) Rights Shares together with one (1) free Warrant B for every two (2) existing ATS Shares held by entitled shareholders of ATS (“Entitled Shareholders”) on an entitlement date to be determined later (“Entitlement Date”) (“Proposed Rights Issue with Warrants”); and
  - (iii) proposed amendment to the Memorandum of Association of the Company (“Proposed Amendment”).

Bursa Malaysia Securities Berhad had, vide its letter dated 20 April 2016, approved the following:

- (i) admission to the Official List and the initial listing and quotation of up to 379,912,247 Warrants B to be issued pursuant to the Proposed Rights Issue with Warrants;
- (ii) listing of up to 62,365,310 additional Warrants A arising from the adjustments in accordance with the provisions of the deed poll for Warrants A pursuant to the Proposed Rights Issue with Warrants (“Additional Warrants A”);
- (iii) listing of up to 759,824,495 Rights Shares to be issued pursuant to the Proposed Rights Issue with Warrants;
- (iv) listing of up to 379,912,247 new ATS Shares to be issued pursuant to the exercise of Warrants B; and
- (v) listing of up to 62,365,310 new ATS Shares to be issued pursuant to the exercise of Additional Warrants A.





**Part B – Additional information required under Listing Requirements**  
**4<sup>th</sup> Quarter ended 29 February 2016**

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**B6) Corporate Proposals (cont'd)**

- 6) On 1 April 2016, Mercury Securities Sdn Bhd (“Mercury Securities”), on behalf of the Company announced that the Company proposes to undertake the following:  
(cont'd)

The above proposals are now pending for approval by shareholders in an Extraordinary General Meeting.

**B7) Borrowings and Debts Securities**

Group’s borrowings as at 29 February 2016 are as follows:-

	<b>Current (Secured) RM '000</b>	<b>Non-Current (Secured) RM '000</b>
Finance lease payables	1,491	3,994
Bank borrowings	565	4,700
	<u>2,056</u>	<u>8,694</u>

**B8) Material Litigation**

There were no material litigations against the Group as at the date of the interim financial report. The directors of the Group do not have any knowledge of any proceeding pending or threatened against the Group which might materially and adversely affect the financial position or business of the Group.

**B9) Dividend**

There was no dividend declared or paid for the current period under review.



**Part B – Additional information required under Listing Requirements**  
**4<sup>th</sup> Quarter ended 29 February 2016**

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**B10) Earnings/(Loss) per Share**

The basic earnings/(loss) per share is calculated by dividing the Group's profit/(loss) for the financial period/year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period as follows:-

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 Months Ended</b>	<b>3 Months Ended</b>	<b>12 Months Ended</b>	<b>12 Months Ended</b>
	<b>29.2.2016</b>	<b>29.2.2015</b>	<b>29.2.2016</b>	<b>29.2.2015</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
Profit/(Loss) attributable to owners of the parent	<u>(808)</u>	<u>(494)</u>	<u>(2,543)</u>	<u>713</u>
Weighted average number of shares in issue ('000)	<u>433,061</u>	<u>393,692</u>	<u>415,958</u>	<u>393,692</u>
Earnings/(Loss) Per Share				
- Basic (sen)	<u>(0.19)</u>	<u>(0.13)</u>	<u>(0.61)</u>	<u>0.18</u>
- Diluted (sen)	<u>(0.19)</u>	<u>(0.13)</u>	<u>(0.61)</u>	<u>0.18</u>

**B10) Earnings/(Loss) per Share (cont'd)**

The diluted earnings/(loss) per share equal the basic earnings/(loss) per share as the Company did not have any dilutive potential ordinary shares during the financial period. The Company's warrants are anti-dilutive for the financial period under review.



**Part B – Additional information required under Listing Requirements**  
**4<sup>th</sup> Quarter ended 29 February 2016**

**B11) Profit/(Loss) Before Tax**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	29.2.2016	29.2.2015	29.2.2016	29.2.2015
	RM '000	RM '000	RM '000	RM '000
Included in the profit/(loss) before tax is after charging/(crediting) :-				
Interest expense	147	53	441	371
Impairment loss on loan & receivables	58	60	58	60
Impairment loss on slow moving stock	23	-	23	-
Depreciation of property, plant and equipment	713	580	2,527	2,254
Rental income	(381)	389	(1,596)	(1,460)
Dividend income	-	-	-	-
Income distribution from fixed income fund	(0)	(3)	(16)	(180)
Interest income	(7)	(13)	(21)	(19)
Loss/(Gain) on foreign exchange:				
- realised	(120)	(8)	(309)	(15)
- unrealised	123	(43)	(136)	(47)
Loss/(Gain) on disposal of property, plant & equipment	(0)	237	127	237
Reversal of impairment loss on loan & receivables	(53)	-	(72)	-



**Part B – Additional information required under Listing Requirements**  
**4<sup>th</sup> Quarter ended 29 February 2016**

**B12) Fair Value Hierarchy**

- (a) The following table provides an analysis of assets and liabilities that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.
- (i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
  - (ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
  - (iii) Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at 29 February 2016, the Group held the following financial instruments not carried at fair value for which fair value is disclosed, together with their and carrying amounts shown in the statements of financial position:

	<b>Fair value of financial instruments not carried at</b>				<b>Carrying amount</b>
	<b>fair value</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Group</b>					
<b>2016</b>					
<b>Financial liabilities</b>					
- Finance lease payables	-	5,636	-	5,636	5,485
- Term loans	-	5,265	-	5,265	5,265
	-	10,901	-	10,901	10,750



**Part B – Additional information required under Listing Requirements**  
**4<sup>th</sup> Quarter ended 29 February 2016**

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**B13) Realised and Unrealised Profits/ (Losses)**

	As At 29.2.2016	As At 28.2.2015
Total accumulated lossess of the Company and its subsidiaries		
- Realised	(36,194)	(33,675)
- Unrealised	(2,048)	(2,180)
	<u>(38,242)</u>	<u>(35,855)</u>
Consolidation adjustments and eliminations	3,072	3,076
Total accumulated lossess as per statement of financial position	<u><u>(35,170)</u></u>	<u><u>(32,779)</u></u>

**B14) Authorisation for Issue**

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Board on 28 April 2016.