



AT SYSTEMATIZATION BERHAD

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

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 MARCH 2017**



Condensed Consolidated Statements of Financial Position
As At 31 March 2017

	(Unaudited) As At 31.3.2017 RM '000	(Audited) As At 29.2.2016 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	55,728	44,144
Current assets		
Inventories	2,454	2,348
Trade receivables	4,535	4,984
Other receivables, deposits and prepayments	9,932	4,386
Tax assets	346	235
Cash and cash equivalents	9,075	3,472
Other investments	1,882	10
	28,224	15,435
TOTAL ASSETS	83,952	59,579
EQUITY AND LIABILITIES		
Equity		
Share capital	25,984	43,306
Share premium	5,912	10,768
Share option reserve	3,602	-
Warrant reserve	23,622	17,126
Revaluation reserve	6,461	6,615
Accumulated losses	(4,069)	(35,169)
	61,512	42,646
Non-controlling interests	(129)	85
Total equity	61,383	42,731
Liabilities		
Non-current liabilities		
Finance lease payables	3,425	3,994
Bank borrowings	9,412	4,700
Deferred tax liabilities	1,999	2,048
	14,836	10,742
Current liabilities		
Trade payables	3,434	2,189
Other payables & deposits	1,645	1,838
Tax liabilities	-	23
Finance lease payables	1,489	1,491
Bank borrowings	1,165	565
	7,733	6,106
Total liabilities	22,569	16,848
TOTAL EQUITY AND LIABILITIES	83,952	59,579
Net assets per share (Sen)	7.10	9.85

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 29 February 2016 and the accompanying explanatory notes attached to the interim financial report. As announced on 7 February 2017, the financial year end has been changed from 28 February to 31 March.



**Condensed Consolidated Statements of Comprehensive Income
For the Period ended 31 March 2017**

	Individual Quarter 1 Month Ended 31.3.2017 RM '000	Preceding Year Corresponding 1 Month Ended 31.3.2016 RM '000	Cumulative Quarter 13 Months Ended 31.3.2017 RM '000	Preceding Year Corresponding 13 Months Ended 31.3.2016 RM '000
Revenue	2,455	N/A	17,787	N/A
Cost of sales	(2,129)	N/A	(17,151)	N/A
Gross profit	326	N/A	636	N/A
Other income	133	N/A	2,255	N/A
Administrative and general expenses	(83)	N/A	(12,224)	N/A
Selling and distribution expenses	(7)	N/A	(62)	N/A
	(90)	N/A	(12,286)	N/A
Profit/(Loss) from operations	369	N/A	(9,395)	N/A
Finance costs	(147)	N/A	(925)	N/A
Profit/(Loss) before tax	222	N/A	(10,320)	N/A
Tax income/(expense)	(6)	N/A	(29)	N/A
Profit/(Loss) for the period	216	N/A	(10,349)	N/A
Attributable to:-				
Owners of the parent	205	N/A	(10,136)	N/A
Non-controlling interests	11	N/A	(214)	N/A
	216	N/A	(10,349)	N/A
Profit/(Loss) per share attributable to owners of the parent (sen)				
- Basic	0.02	N/A	(1.67)	N/A
- Diluted	0.02	N/A	(1.67)	N/A

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 29 February 2016 and the accompanying explanatory notes attached to the interim financial report.

As announced on 7 February 2017, the financial year end has been changed from 28 February to 31 March. The comparative figures are not applicable for the current financial period due to the change of financial year end.



**Condensed Consolidated Statements of Comprehensive Income
For the Period ended 31 March 2017**

	Individual Quarter 1 Month Ended 31.3.2017 RM '000	Preceding Year Corresponding 1 Month Ended 31.3.2016 RM '000	Cumulative Quarter 13 Months Ended 31.3.2017 RM '000	Preceding Year Corresponding 13 Months Ended 31.3.2016 RM '000
Profit/(Loss) for the period	216	N/A	(10,349)	N/A
Other comprehensive income:-				
Foreign currency translations	-	N/A	-	N/A
Revaluation surplus on property, plant and equipment	-	N/A	-	N/A
Total comprehensive income for the period	216	N/A	(10,349)	N/A
Attributable to:-				
Owners of the parent	205	N/A	(10,136)	N/A
Non-controlling interests	11	N/A	(214)	N/A
Total comprehensive income for the period	216	N/A	(10,349)	N/A

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 29 February 2016 and the accompanying explanatory notes attached to the interim financial report.

As announced on 7 February 2017, the financial year end has been changed from 28 February to 31 March. The comparative figures are not applicable for the current financial period due to the change of financial year end.



Condensed Consolidated Statements of Equity
As At 31 March 2017

<----- Attributable to Owners of the Parent ----->
<----- Non-Distributable -----> **Distributable**

	Share Capital RM '000	Share Premium RM '000	Share Option Reserve RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Accumulated Losses RM '000	Sub Total RM '000	Non- Controlling Interests RM '000	Total Equity RM '000
Unaudited									
At 1 March 2016	43,306	10,768	-	6,615	17,126	(35,169)	42,646	85	42,731
Comprehensive income									
Loss for the financial period	-	-	-	-	-	(10,136)	(10,136)	(214)	(10,350)
Other comprehensive income									
Revaluation surplus from property, plant and equipment	-	-	-	-	-	-	-	-	-
Total comprehensive income for the financial period	-	-	-	-	-	(10,136)	(10,136)	(214)	(10,350)
Realisation of revaluation reserve	-	-	-	(154)	-	154	-	-	-
Transactions with owners									
Rights issues with warrants	12,992	5,912	-	-	6,496	-	25,400	-	25,400
Par value reduction	(30,314)	(10,768)	-	-	-	41,082	-	-	-
Share-based payment under Share Issuance Scheme	-	-	3,602	-	-	-	3,602	-	3,602
Total transactions with owners	(17,322)	(4,856)	3,602	-	6,496	41,082	29,002	-	29,002
At 31 March 2017	25,984	5,912	3,602	6,461	23,622	(4,069)	61,512	(129)	61,383



Condensed Consolidated Statements of Equity
As At 31 March 2017

	<----- Attributable to Owners of the Parent ----->							
	<----- Non-Distributable ----->			Distributable				
	Share Capital RM '000	Share Premium RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Accumulated Losses RM '000	Sub Total RM '000	Non- Controlling Interests RM '000	Total Equity RM '000
Audited								
At 1 March 2015	39,369	10,967	6,768	17,126	(32,780)	41,450	40	41,490
Comprehensive income								
Loss for the financial period	-	-	-	-	(2,542)	(2,542)	45	(2,497)
Other comprehensive income								
Revaluation surplus from property, plant and equipment	-	-	-	-	-	-	-	-
Total comprehensive income for the financial period	-	-	-	-	(2,542)	(2,542)	45	(2,497)
Realisation of revaluation reserve	-	-	(153)	-	153	-	-	-
Transactions with owners								
Issue of shares	3,937	(199)	-	-	-	3,738	-	3,738
Total transactions with owners	3,937	(199)	-	-	-	3,738	-	3,738
At 29 February 2016	43,306	10,768	6,615	17,126	(35,169)	42,646	85	42,731

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 29 February 2016 and the accompanying explanatory notes attached to the interim financial report. As announced on 7 February 2017, the financial year end has been changed from 28 February to 31 March.



**Condensed Consolidated Statements of Cash Flows
For the Period ended 31 March 2017**

	Current Year To-Date 31.3.2017 (Unaudited) RM'000	Preceding Year Corresponding Period 29.2.2016 (Audited) RM'000
Cash flows from operating activities		
(Loss)/Profit before tax	(10,320)	(2,624)
Adjustments for :-		
Fair value adjustments on share options	3,602	-
Other non-cash and non-operating items	4,172	2,935
Operating (loss)/profit before working capital changes	(2,546)	311
(Increase)/Decrease in inventories	(106)	412
(Increase)/Decrease in receivables	(2,458)	283
Increase/(Decrease) in payables	1,485	(3,125)
Cash generated from/(used in) operations	(3,625)	(2,119)
Tax paid, net of tax refund	(211)	167
Net cash used in operating activities	(3,836)	(1,952)
Cash flows from investing activities		
Income distribution and interest received	230	36
Investment in short term money market funds	(1,871)	(10)
Proceeds from disposal of investment in unquoted shares	-	25
Proceeds from disposal of property, plant and equipment	109	108
Purchase of property, plant and equipment	(13,331)	(5,027)
Net cash used in investing activities	(14,863)	(4,868)
Cash flows from financing activities		
Proceeds from issue of shares	25,400	3,738
Interest paid	(925)	(444)
Placement of deposits with banks	(1,290)	-
Repayments of finance lease payables	(5,490)	(996)
Net (repayment)/drawdown of term loans	5,313	4,266
Net cash from financing activities	23,008	6,564
Effects of exchange rate changes on cash and cash equivalents	3	142
Net (decrease)/increase in cash and cash equivalents	4,312	(114)
Cash and cash equivalents brought forward	3,472	3,586
Cash and cash equivalents carried forward	7,784	3,472
Represented by:-		
Cash and cash equivalents	9,075	3,472
Less: Placement of deposits pledged with bank	(1,290)	-
	7,785	3,472

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 29 February 2016 and the accompanying explanatory notes attached to the interim financial report.

As announced on 7 February 2017, the financial year end has been changed from 28 February to 31 March.



**Part A – Notes to the Unaudited Interim Financial Reports
For the Period ended 31 March 2017**

A1) Change of Financial Year End

As announced on 7 February 2017, the Group has changed its financial year end from 28 February to 31 March. Accordingly, the current financial period covers a 13-month period from 1 March 2016 to 31 March 2017.

The periods under review comprise one (1) and thirteen (13) months ended 31 March 2017.

A2) 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 29 February 2016 and the accompanying notes attached to the interim financial report.

A3) 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 29 February 2016.

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

<u>New MFRSs</u>		Effective for financial periods beginning on or after
MFRS 9	: Financial Instruments	1 January 2018
MFRS 14	: Regulatory Deferral Accounts	1 January 2016
MFRS 15	: Revenue from Contracts with Customers	1 January 2018
MFRS 16	: Leases	1 January 2019



**Part A – Notes to the Unaudited Interim Financial Reports
For the Period ended 31 March 2017**

A3) Changes in Accounting Policies (cont'd)

Amendments to MFRSs

MFRS 2	: Classification and Measurement of Share-based Payment Transactions	1 January 2018
MFRS 10, 12 & 128	: Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 11	: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
MFRS 101	: Disclosure Initiative	1 January 2016
MFRS 107	: Disclosure Initiative	1 January 2017
MFRS 112	: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
MFRS 116 & 138	: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
MFRS 127	: Equity Method in Separate Financial Statements	1 January 2016
MFRS 141	: Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS	: Annual Improvements 2012 – 2014 Cycle	1 January 2016

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

A4) Prior Period Adjustment

The Group operates an equity-settled share-based payment awards (share options) pursuant to the Group's Share Issuance Scheme. MFRS 2 Share-based Payment requires an entity to recognise the cost of the equity-settled transactions as an expense with a corresponding increase in equity and the total amount to be expensed is measured by reference to the fair value of the share options at the grant date.

During the financial period, the Group made restatement on amounts reported previously in relation to the fair value of the share options. Previously, the fair value of the share options was re-measured and the changes in such fair value were adjusted at each reporting period. Pursuant to MFRS 2, the fair value of the share options is measured at grant date and not subjected to re-measurement at the subsequent reporting period.



Part A – Notes to the Unaudited Interim Financial Reports
For the Period ended 31 March 2017

A4) Prior Period Adjustments (cont'd)

The previously announced and restated consolidated statements of comprehensive income are as follows: -

	As previously announced			As restated		
	Individual Quarter 3 Months Ended			Individual Quarter 3 Months Ended		
	31.8.2016 RM '000	30.11.2016 RM '000	28.2.2017 RM '000	31.8.2016 RM '000	30.11.2016 RM '000	28.2.2017 RM '000
Revenue	3,513	4,066	3,363	3,513	4,066	3,363
Cost of sales	(3,943)	(3,663)	(3,496)	(3,943)	(3,663)	(3,496)
Gross (loss)/profit	(430)	403	(133)	(430)	403	(133)
Other income	442	718	580	442	718	580
Administrative and general expenses	(5,104)	(668)	(3,335)	(5,250)	(2,617)	(2,529)
Selling and distribution expenses	(5)	(24)	(16)	(5)	(24)	(16)
	(5,109)	(692)	(3,351)	(5,255)	(2,641)	(2,545)
Profit/(Loss) from operations	(5,097)	429	(2,904)	(5,243)	(1,520)	(2,098)
Finance costs	(163)	(159)	(294)	(163)	(159)	(294)
Profit/(Loss) before tax	(5,260)	270	(3,198)	(5,406)	(1,679)	(2,392)
Tax income/(expense)	-	(31)	8	-	(31)	8
Profit/(Loss) for the period	(5,260)	239	(3,190)	(5,406)	(1,710)	(2,384)



Part A – Notes to the Unaudited Interim Financial Reports
For the Period ended 31 March 2017

A4) Prior Period Adjustments (cont'd)

The previously announced and restated consolidated statements of comprehensive income are as follows: - (cont'd)

	As previously announced			As restated		
	Individual Quarter 3 Months Ended			Individual Quarter 3 Months Ended		
	31.8.2016 RM '000	30.11.2016 RM '000	28.2.2017 RM '000	31.8.2016 RM '000	30.11.2016 RM '000	28.2.2017 RM '000
Profit/(Loss) for the period	(5,260)	239	(3,190)	(5,406)	(1,710)	(2,384)
Other comprehensive income:-						
Foreign currency translations	-	-	-	-	-	-
Revaluation surplus on property, plant and equipment	-	-	-	-	-	-
Total comprehensive income for the period	<u>(5,260)</u>	<u>239</u>	<u>(3,190)</u>	<u>(5,406)</u>	<u>(1,710)</u>	<u>(2,384)</u>
Attributable to:-						
Owners of the parent	(5,216)	344	(3,020)	(5,362)	(1,605)	(2,214)
Non-controlling interests	<u>(44)</u>	<u>(105)</u>	<u>(170)</u>	<u>(44)</u>	<u>(105)</u>	<u>(170)</u>
	<u>(5,260)</u>	<u>239</u>	<u>(3,190)</u>	<u>(5,406)</u>	<u>(1,710)</u>	<u>(2,384)</u>
Profit/(Loss) per share attributable to owners of the parent (sen)						
- Basic	<u>(1.20)</u>	<u>0.06</u>	<u>(0.35)</u>	<u>(1.24)</u>	<u>(0.26)</u>	<u>(0.26)</u>
- Diluted	<u>(1.20)</u>	<u>0.06</u>	<u>(0.35)</u>	<u>(1.24)</u>	<u>(0.26)</u>	<u>(0.26)</u>



**Part A – Notes to the Unaudited Interim Financial Reports
For the Period ended 31 March 2017**

A4) Prior Period Adjustments (cont'd)

The previously announced and restated consolidated statements of comprehensive income are as follows: - (cont'd)

	As previously announced	As restated
	Cumulative Quarter 12 Months Ended 28.2.2017 RM '000	Cumulative Quarter 12 Months Ende 28.2.2017 RM '000
Revenue	15,332	15,332
Cost of sales	(15,022)	(15,022)
Gross (loss)/profit	310	310
Other income	2,122	2,122
Administrative and general expenses	(10,852)	(12,141)
Selling and distribution expenses	(55)	(55)
	(10,907)	(12,196)
Profit/(Loss) from operations	(8,475)	(9,764)
Finance costs	(778)	(778)
Profit/(Loss) before tax	(9,253)	(10,542)
Tax income/(expense)	(23)	(23)
Profit/(Loss) for the period	(9,276)	(10,565)
Other comprehensive income	-	-
Total comprehensive income for the period	(9,276)	(10,565)
Attributable to:-		
Owners of the parent	(9,051)	(10,340)
Non-controlling interests	(225)	(225)
	(9,276)	(10,565)
Profit/(Loss) per share attributable to owners of the parent (sen)		
- Basic	(1.55)	(1.71)
- Diluted	(1.55)	(1.71)



**Part A – Notes to the Unaudited Interim Financial Reports
For the Period ended 31 March 2017**

A4) Prior Period Adjustments (cont'd)

The previously announced and restated consolidated statements of financial position and consolidated statement of changes in equity are as follows:

	<u>As previously announced</u> 28.2.2017 RM '000	<u>As restated</u> 28.2.2017 RM '000
Share options reserve	2,313	3,602
Accumulated losses	<u>(2,984)</u>	<u>(4,273)</u>

A5) 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 29 February 2016 was not subject to any qualification.

A6) 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.

A7) Unusual Items

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

A8) Material Changes in Estimates

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

A9) Debt and Equity Securities

On 22 July 2016, the Company completed a 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 this, issued and paid-up share capital of the Company changed from RM43,306,063 comprising 433,060,630 ordinary shares of RM0.10 each to RM12,991,819 comprising 433,060,630 ordinary shares of RM0.03 each.



**Part A – Notes to the Unaudited Interim Financial Reports
For the Period ended 31 March 2017**

A9) Debt and Equity Securities (Cont'd)

Further on 25 October 2016, the Company completed a Rights Issue with Warrants following the listing and quotation of 433,060,630 Rights Shares and 216,530,315 Warrants B as well as 19,683,805 additional Warrants A arising from the Rights Issue with Warrants on the ACE Market of Bursa Securities.

Other than as disclosed above, there was no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for financial period under review.

A10) Dividend Paid

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

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

On 17 May 2017, the Company completed a private placement exercise following the listing and quotation of 86,600,000 placement shares on the ACE Market of Bursa Securities.

On 23 May 2017, the Company announced that it has acquired the remaining 19% interest in its subsidiary company, namely Yellow Choice Sdn Bhd (“YCSB”) comprising 19,000 ordinary shares each fully paid up from Asia Bioenergy Technologies Berhad for a cash consideration of RM40,000. The acquisition was completed on even date and YCSB is now a wholly owned subsidiary of the Company.

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

A13) Changes in the Composition of the Group

There were no changes in the composition of the Group during the current month 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.



**Part A – Notes to the Unaudited Interim Financial Reports
For the Period ended 31 March 2017**

A15) Contingent Liabilities

The Group has no material contingent liabilities save for corporate guarantee provided by the Company to financial institutions for credit facilities granted to subsidiaries up to a total limit of approximately RM23,461,000. Total utilisation of these credit facilities as at 31 March 2017 amounted to approximately RM15,472,000.

A16) Capital Commitment

There was no material capital commitment as of 31 March 2017.

A17) Related Party Transactions

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

A18) 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) **Renewable energy and property** - Renewable energy operator; Property letting;
- (c) **Others** - Investment holding and provision of management services to subsidiaries, neither which are of a sufficient size to be reported separately.



Part A – Notes to the Unaudited Interim Financial Reports
For the Period ended 31 March 2017

A18) Segmental Information (cont'd)

Cumulative Period Ended 31.3.2017

	Fabrication and automation RM '000	Solar and property RM '000	Others RM '000	Eliminations RM '000	Total RM '000
Revenue					
External revenue	17,280	507	-	-	17,787
Inter-segment revenue	-	-	839	(839)	-
Total revenue	<u>17,280</u>	<u>507</u>	<u>839</u>	<u>(839)</u>	<u>17,787</u>
Results					
Interest income	29	15	894	(905)	33
Finance costs	(1,358)	(472)	-	905	(925)
Tax credit/(expense)	5	25	(57)	-	(27)
Segment profit/(loss)	<u>(7,688)</u>	<u>15</u>	<u>(2,676)</u>	<u>-</u>	<u>(10,349)</u>
Other material non-cash items :-					
- Depreciation of property, plant and equipment	(2,586)	(956)	(10)	-	(3,552)
- Unrealised gain/(loss) on foreign exchange	36	-	-	-	36
- Reversal of impairment loss on loan & receivables	(98)	-	-	-	(98)
- Impairment loss on loan & receivables	(52)	-	-	-	(52)
- Property, plant & equipment written off	(84)	-	(3)	-	(87)
- Gain/(Loss) on disposal of property, plant and equipment	91	-	-	-	91

Cumulative Period Ended 31.3.2016

There is no preceding year corresponding period comparison due to the change in financial year end from 28 February to 31 March as announced on 7 February 2017.



**Part B – Additional information required under Listing Requirements
For the Period ended 31 March 2017**

B1) Review of Performance

Current Period

For the current one (1) month period ended 31 March 2017, the Group posted pre-tax profit of RM0.22 million on the back of a revenue of RM2.46 million. There is no preceding year corresponding period comparison due to the change in financial year end from 28 February to 31 March as announced on 7 February 2017.

Revenue for the current period mainly contributed by fabrication business on the back of high orders from the hard disk manufacturing customer. Meanwhile, automation business recorded minimum revenue due to the timing difference of the completion for automation projects. On the hand, renewable energy segment reported additional RM0.03 million revenue arising from the sale of solar energy to Tenaga Nasional Berhad under the Feed-in Tariff Programme.

The Group recorded pre-tax profit in current period on the back of improved performance in fabrication business, offset by start-up cost incurred for production line of fabricating textile industry parts.

Cumulative Period

For the cumulative 13 months' period ended 31 March 2017, the Group posted pre-tax loss of RM10.32 million on the back of a revenue of RM17.79 million. There is no preceding year corresponding period comparison due to the change in financial year end from 28 February to 31 March as announced on 7 February 2017.

For the cumulative period, fabrication business contributed approximately RM16.8 million revenue, mainly deriving from the hard disk, medical and semiconductor industries. Automation business contributed RM0.48 million and this was mainly from delivery of test handler machines and refurbishment of used machines for customers in the semiconductor industry. On the hand, renewable energy segment contributed RM0.51 million revenue arising from the sale of solar energy to Tenaga Nasional Berhad under the Feed-in Tariff Programme.

The Group recorded pre-tax loss in cumulative period under review due to weak performance in fabrication and automation business, coupled with start-up manufacturing and operating costs incurred for production line of fabricating textile industry parts as well as recognition of RM3.6 million fair value expense in respect of the share options granted under the Group's Share Issuance Scheme.



**Part B – Additional information required under Listing Requirements
For the Period ended 31 March 2017**

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

	Individual Quarter 1 Month Ended 31.3.2017 RM '000	Preceding Quarter 3 Months Ended 28.2.2017 Restated RM '000
Revenue	<u>2,455</u>	<u>3,363</u>
Pre-tax profit/(loss)	<u>222</u>	<u>(2,392)</u>

The Group posted pre-tax profit of RM0.22 million for the current 1 month period ended 31 March 2017 as compared to pre-tax loss of RM2.39 million in the preceding 3 months' period ended 28 February 2017. The pre-tax profit was mainly due to improved performance in the fabrication business, backed by high orders from the hard disk manufacturing customer.

B3) Prospects

The Group will continue to operate its existing businesses with main focus on fabrication of industrial and engineering parts. As part of the on-going strategies, the Group continuously diversify into new customer base and seek opportunity for business growth by way of capitalizing the strength of the business venture with strategic partners.

The Group strives to improve the operational efficiency, productivity and cost management. To further demonstrate the Group's commitment to the safety and quality of the manufactured products, the Group has disembarked a project to obtain Quality Management System - ISO 13485 Certification. Upon attaining this certification, the Group is confident this will attract more business opportunity from medical related industries.

The Group has completed its maiden 425kW Solar PV Plant under the Feed-in Tariff Programme conducted by Sustainable Energy Development Authority Malaysia. The Group has also completed another 300kW Solar PV Plant by end of December 2016. The Group's involvement in the generation of solar energy supplements the Group's revenue, thereby providing an alternative yet sustaining source of incomes.

Subject to the external market conditions and macroeconomic factors, the Group will strive to improve its performance for the coming financial year.

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
For the Period ended 31 March 2017**

B5) Taxation

	Individual Quarter 1 Month Ended 31.3.2017 RM '000	Preceding Year Corresponding 1 Month Ended 31.3.2016 RM '000	Cumulative Quarter 13 Months Ended 31.3.2017 RM '000	Preceding Year Corresponding 13 Months Ended 31.3.2016 RM '000
Corporate tax income/(expense)	(6)	N/A	(77)	N/A
Deferred tax income/(expense)	-	N/A	48	N/A
	(6)	N/A	(29)	N/A

The effective tax rate for the current period is lower than the statutory income tax rate mainly due to losses suffered by subsidiaries.

B6) Corporate Proposals

- On 25 October 2016, the Company completed a Rights Issue with Warrants exercise following the listing and quotation of 433,060,630 new ordinary shares of RM0.03 each in the Company together with 216,530,315 Warrants B and 19,683,805 additional Warrants A. The Company raised cash proceeds of RM25.98 million and the summary of the utilisation of proceeds are as follows: -

Details	Proposed utilisation RM'000	Amounts utilised as at 31 March 2017 RM'000	Balance unutilised RM'000	Estimated timeframe for the utilisation of proceeds
Construction of Solar PV Plant	2,000	2,000	-	Within 6 months
Acquisition of specialised machineries	8,000	7,130	870	Within 12 months
Repayment of bank borrowings	6,315	6,315	-	Immediate
Working capital	9,089	7,593	1,496	Up to 24 months
Estimated expenses for the corporate exercises	580	580	-	Immediate
Total	25,984	23,618	2,366	



**Part B – Additional information required under Listing Requirements
For the Period ended 31 March 2017**

B6) Corporate Proposals (cont'd)

2) The Company, has on the following dates announced the offers of share options to its eligible Directors and employees of the Company and its non-dormant wholly-owned subsidiaries to subscribe for new ordinary shares of RM0.03 each in the Company at an exercise price of RM0.05 per share pursuant to the Company's Share Issuance Scheme ("SIS"): -

- (i) On 27 July 2016, a total number of 128,675,000 share options were offered;
- (ii) On 2 August 2016, a total number of 111,868,200 share options were offered;

A total of 129,918,100 share options accepted by eligible persons and these share options remained unexercised as of 31 March 2017.

3) On 6 April 2017, Mercury Securities Sdn Bhd ("Mercury Securities"), on behalf of the Company had announced that the Company proposed to implement a private placement of up to ten percent (10%) of the existing total number of issued shares of the Company (excluding treasury shares) to third party investor(s) to be identified later and at an issue price to be determined later ("Private Placement").

On 10 April 2017, Bursa Securities approved the listing and quotation of up to 86,612,100 new ATS Shares to be issued pursuant to the Private Placement.

On 17 May 2017, the Company completed the Private Placement following the listing and quotation of 86,600,000 placement shares on the ACE Market of Bursa Securities.

The Company raised cash proceeds of RM3.56 million and the proceeds raised are expected to be utilised in the following manner: -

Utilisation of proceeds	RM'000	Expected timeframe for utilisation from completion of Proposed Private Placement
Acquisition of specialised machineries	2,411	Within 12 months
Expansion of production space	1,000	Within 8 months
Estimated expenses for the corporate exercises	150	Immediate
Total	3,561	



**Part B – Additional information required under Listing Requirements
For the Period ended 31 March 2017**

B7) Borrowings and Debts Securities

Group's borrowings as at 31 March 2017 are as follows: -

	Current (Secured) RM '000	Non-Current (Secured) RM '000
Finance lease payables	1,489	3,425
Bank borrowings	1,165	9,412
	2,654	12,837

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.

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: -

	Individual Quarter 1 Month Ended 31.3.2017 RM '000	Preceding Year Corresponding 1 Month Ended 31.3.2016 RM '000	Cumulative Quarter 13 Months Ended 31.3.2017 RM '000	Preceding Year Corresponding 13 Month Ended 31.3.2016 RM '000
Profit/(Loss) attributable to owners of the Company	205	N/A	(10,136)	N/A
Weighted average number of shares in issue ('000)	866,121	N/A	605,847	N/A
Earnings/(Loss) Per Share				
- Basic (sen)	0.02	N/A	(1.67)	N/A
- Diluted (sen)	0.02	N/A	(1.67)	N/A

The diluted earnings/(loss) per share equal to 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
For the Period ended 31 March 2017**

B11) Profit/(Loss) Before Tax

	Individual Quarter 1 Month Ended 31.3.2017 RM '000	Preceding Year Corresponding 1 Month Ended 31.3.2016 RM '000	Individual Quarter 13 Months Ended 31.3.2017 RM '000	Preceding Year Corresponding 13 Months Ended 31.3.2016 RM '000
Included in the (loss)/profit before tax is after charging/(crediting) :-				
Interest expense	139	N/A	925	N/A
Impairment loss on loan & receivables	-	N/A	52	N/A
Property, plant & equipment written off	-	N/A	87	N/A
Depreciation of property, plant and equipment	329	N/A	3,553	N/A
Rental income	(142)	N/A	(1,800)	N/A
Income distribution from fixed income fund	(25)	N/A	(197)	N/A
Interest income	(8)	N/A	(33)	N/A
Loss/(Gain) on foreign exchange:	-	N/A	-	
- realised	(66)	N/A	(61)	N/A
- unrealised	65	N/A	36	N/A
Loss/(Gain) on disposal of property, plant & equipment	(0)	N/A	(91)	N/A
Reversal of impairment loss on loan & receivables	(0)	N/A	(98)	N/A

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).



**Part B – Additional information required under Listing Requirements
For the Period ended 31 March 2017**

B12) Fair Value Hierarchy (cont'd)

The following table provides the fair value measurement hierarchy of the Group's financial instruments: -

	<--- Fair value of financial instruments --->				Carrying amount RM'000
	carried at fair value				
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	
Group					
31.3.2017					
Financial assets					
- Financial assets at fair value through profit or loss					
- Short term fund	1,882	-	-	-	1,882

	<--- Fair value of financial instruments --->				Carrying amount RM'000
	not carried at fair value				
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	
Group					
31.3.2017					
Financial liabilities					
- Finance lease payables	-	4,997	-	4,997	4,914

B13) Realised and Unrealised (Losses)/Profits

	As At 31.3.2017 RM '000	As At 29.2.2016 RM '000
Total accumulated lossess of the Company and its subsidiaries : -		
- Realised	(5,396)	(36,193)
- Unrealised	(2,000)	(2,048)
	(7,396)	(38,241)
Consolidation adjustments and eliminations	3,327	3,072
Total accumulated lossess as per statement of financial position	(4,069)	(35,169)

B14) Authorisation for Issue

The interim financial report was authorized for issue on 30 May 2017 by the Board of Directors.