



AT SYSTEMATIZATION BERHAD

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

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 MARCH 2018**



Unaudited Condensed Consolidated Statements of Financial Position
As At 31 March 2018

	(Unaudited) As At 31.3.2018 RM '000	(Audited) As At 31.3.2017 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	63,209	55,595
Current assets		
Inventories	2,304	2,454
Trade receivables	5,777	4,566
Other receivables, deposits and prepayments	7,913	10,090
Tax assets	358	347
Cash and cash equivalents	9,595	9,076
Other investments	-	1,882
	25,947	28,415
TOTAL ASSETS	89,156	84,010
EQUITY AND LIABILITIES		
Equity		
Share capital	53,111	25,984
Share premium	-	5,912
Share option reserve	378	3,602
Warrant reserve	23,621	23,621
Revaluation reserve	6,308	6,461
Accumulated losses	(9,552)	(4,038)
	73,866	61,542
Non-controlling interests	(488)	(129)
Total equity	73,378	61,413
Liabilities		
Non-current liabilities		
Finance lease payables	2,335	3,425
Bank borrowings	4,981	9,593
Deferred tax liabilities	1,951	1,999
	9,267	15,017
Current liabilities		
Trade payables	2,924	3,275
Other payables & deposits	1,503	1,851
Finance lease payables	1,553	1,489
Bank borrowings	531	965
	6,511	7,580
Total liabilities	15,778	22,597
TOTAL EQUITY AND LIABILITIES	89,156	84,010
Net assets per share (Sen)	17.51	7.11

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial period ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial report.



Unaudited Condensed Consolidated Statements of Comprehensive Income
For the Period Ended 31 March 2018

	Individual Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	31.3.2018 RM '000	31.3.2017 RM '000	31.3.2018 RM '000	31.3.2017 RM '000
Revenue	6,092	N/A	23,086	N/A
Cost of sales	(6,323)	N/A	(20,057)	N/A
Gross (loss)/profit	(231)	N/A	3,029	N/A
Other income	635	N/A	2,341	N/A
Administrative and general expenses	(3,964)	N/A	(10,598)	N/A
Selling and distribution expenses	(35)	N/A	(93)	N/A
	(3,999)	N/A	(10,691)	N/A
Loss from operations	(3,595)	N/A	(5,321)	N/A
Finance costs	(124)	N/A	(636)	N/A
Loss before tax	(3,719)	N/A	(5,957)	N/A
Tax income/(expense)	(29)	N/A	(29)	N/A
Loss for the period/year	(3,748)	N/A	(5,986)	N/A
Attributable to:-				
Owners of the Company	(3,670)	N/A	(5,627)	N/A
Non-controlling interests	(78)	N/A	(359)	N/A
	(3,748)	N/A	(5,986)	N/A
Loss per share attributable to owners of the Company (sen)				
- Basic	(0.87)	N/A	(0.82)	N/A
- Diluted	(0.87)	N/A	(0.82)	N/A

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial period ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial report.

There are no comparative figures disclosed for the current quarter and the cumulative period-to-date results following the change in the financial year end from February 2017 to March 2017.



Unaudited Condensed Consolidated Statements of Comprehensive Income
For the Period Ended 31 March 2018

	Individual Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	31.3.2018 RM '000	31.3.2017 RM '000	31.3.2018 RM '000	31.3.2017 RM '000
Loss for the period/year	(3,748)	N/A	(5,986)	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	(3,748)	N/A	(5,986)	N/A
Attributable to:-				
Owners of the Company	(3,670)	N/A	(5,627)	N/A
Non-controlling interests	(78)	N/A	(359)	N/A
Total comprehensive income for the period	(3,748)	N/A	(5,986)	N/A

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial period ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial report.

There are no comparative figures disclosed for the current quarter and the cumulative period-to-date results following the change in the financial year end from February 2017 to March 2017.



Unaudited Condensed Consolidated Statements of Changes in Equity
As At 31 March 2018

	<----- Attributable to Owners of the Company ----->						Sub Total RM '000	Non- Controlling Interests RM '000	Total Equity RM '000
	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			
Unaudited									
At 1 April 2017	25,984	5,912	3,602	6,461	23,621	(4,038)	61,542	(129)	61,413
Comprehensive income									
Loss for the financial period	-	-	-	-	-	(5,627)	(5,627)	(359)	(5,986)
Total comprehensive income for the financial year	-	-	-	-	-	(5,627)	(5,627)	(359)	(5,986)
Realisation of revaluation reserve	-	-	-	(153)	-	153	-	-	-
Transactions with owners									
Issue of shares pursuant to private placement	3,561	-	-	-	-	-	3,561	-	3,561
Share-based payment pursuant to Share Issuance Scheme	-	-	1,061	-	-	-	1,061	-	1,061
Issue of shares pursuant to exercise of share options	17,994	-	(4,285)	-	-	-	13,709	-	13,709
Share issuance expense	-	(340)	-	-	-	-	(340)	-	(340)
Adjustment for effect of Companies Act 2016	5,572	(5,572)	-	-	-	-	-	-	-
Additional investment in a subsidiary	-	-	-	-	-	(40)	(40)	-	(40)
Total transactions with owners	27,127	(5,912)	(3,224)	-	-	(40)	17,951	-	17,951
At 31 March 2018	53,111	-	378	6,308	23,621	(9,552)	73,866	(488)	73,378



Unaudited Condensed Consolidated Statements of Changes in Equity
As At 31 March 2018

	<----- Non-Distributable ----->					Distributable	Sub Total RM '000	Non- Controlling Interests RM '000	Total Equity RM '000
	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			
Audited									
At 1 March 2016	43,306	10,768	-	6,614	17,125	(35,168)	42,645	84	42,729
Comprehensive income									
Loss for the financial period	-	-	-	-	-	(10,105)	(10,105)	(213)	(10,318)
Total comprehensive income for the financial year	-	-	-	-	-	(10,105)	(10,105)	(213)	(10,318)
Realisation of revaluation reserve	-	-	-	(153)	-	153	-	-	-
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 pursuant to 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	23,621	(4,038)	61,542	(129)	61,413

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial period ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial report.

In accordance with the transitional provisions set out in section 618 of the Companies Act, 2016, any amount standing to the credit of the share premium account becomes part of the Company's share capital. Companies have twenty-four months upon the commencement of Companies Act, 2016 to utilise the credit.



Unaudited Condensed Consolidated Statements of Cash Flows
For the Period Ended 31 March 2018

	Current Year To-Date 31.3.2018 (Unaudited) RM'000	Preceding Year Corresponding Period 31.3.2017 (Audited) RM'000
Cash flows from operating activities		
Loss before tax	(5,957)	(10,291)
Adjustments for :-		
Fair value adjustments on share options	1,061	3,602
Other non-cash and non-operating items	5,500	4,192
Operating profit/(loss) before working capital changes	604	(2,497)
(Increase)/Decrease in inventories	150	(106)
(Increase)/Decrease in receivables	(638)	(5,652)
Increase/(Decrease) in payables	(731)	1,532
Cash generated from/(used in) operations	(615)	(6,723)
Net tax refund/(tax paid)	(88)	(211)
Net cash used in operating activities	(703)	(6,934)
Cash flows from investing activities		
Income distribution and interest received	479	168
Net withdrawal/(investment) in short term money market funds	1,882	(1,823)
Proceeds from disposal of property, plant and equipment	57	109
Purchase of property, plant and equipment	(10,874)	(10,191)
Net cash used in investing activities	(8,456)	(11,737)
Cash flows from financing activities		
Proceeds from issue of shares, net of expense	16,931	25,400
Interest paid	(636)	(928)
Withdrawal/(Placement) of deposits with banks	1,290	(1,290)
Repayments of finance lease payables	(1,576)	(5,490)
Net (repayment)/drawdown of term loans	(4,767)	5,014
Net cash from financing activities	11,242	22,706
Effects of exchange rate changes on cash and cash equivalents	5	-
Net (decrease)/increase in cash and cash equivalents	2,088	4,035
Cash and cash equivalents brought forward	7,507	3,472
Cash and cash equivalents carried forward	9,595	7,507
Represented by:-		
Cash and cash equivalents	9,595	9,076
Bank overdraft	-	(279)
Less: Placement of deposits pledged with bank	-	(1,290)
	9,595	7,507

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial period ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial report.



Part A - Explanatory Notes to the Unaudited Interim Financial Report
For the Period Ended 31 March 2018

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”), Rule 9.22 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 period ended 31 March 2017 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 period ended 31 March 2017 except for the adoption of the following Amendments to MFRSs:-

- (i) Amendments to MFRS 107 Disclosure Initiative
- (ii) Amendments to MFRS 112 Recognition of Deferred Tax Assets for Unrealised Losses
- (iii) Annual Improvements to MFRS Standards 2014 - 2016 Cycle

The adoption of the above Amendments to MFRSs does not have any material impact on the financial statements of the Group.

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

	Effective for financial periods beginning on or after
<u>MFRSs/Amendments to MFRSs/IC Interpretation</u>	
MFRS 9 - Financial Instruments (IFRS 9 as issued by IASB in July 2014)	1 January 2018
MFRS 15 - Revenue from Contracts with Customers	1 January 2018
MFRS 15 - Clarifications to MFRS 15	1 January 2018
Amendments to MFRS 2 Share-based Payment - Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 140 Investment Property - Transfers of Investment Property	1 January 2018
IC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
MFRS 16 - Leases	1 January 2019



A2) Changes in Accounting Policies (cont'd)

Effective for
financial periods
beginning on or
after

MFRSs/Amendments to MFRSs/IC Interpretation

Amendments to MFRS 10 Consolidated Financial Statements -
Sale or Contribution of Assets between an Investor and its
Associate or Joint Venture To be announced

Amendments to MFRS 128 Investments in Associates and Joint
Ventures - Sale or Contribution of Assets between an Investor
and its Associate or Joint Venture To be announced

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 period ended 31 March 2017 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 Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

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

A6) Material Changes in Estimates

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



**Part A - Explanatory Notes to the Unaudited Interim Financial Report
For the Period Ended 31 March 2018**

A7) Debt and Equity Securities

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

- (i) Allotment of 86,600,000 new ordinary shares pursuant to the completion of private placement exercise on 17 May 2017.
- (ii) Issuance of 412,844,308 consolidated shares to the shareholders, adjusted number of 72,176,258 Warrants A to the holders of outstanding Warrants A and adjusted number of 72,176,471 Warrants B to the holders of outstanding Warrants B, pursuant to the completion of share consolidation on 15 September 2017.
- (iii) Issuance of the following new ordinary shares at the respective dates pursuant to the Company's Share Issuance Scheme: -
 - (a) 125,418,100 new ordinary shares were issued and listed on 27 July 2017;
 - (b) 4,500,000 new ordinary shares were issued and listed on 2 August 2017;
 - (c) 65,925,000 new ordinary shares were issued and listed on 11 August 2017;
 - (d) 89,973,200 new ordinary shares were issued and listed on 15 August 2017;
 - (e) 3,300,000 new ordinary shares were issued and listed on 17 November 2017;
 - (f) 2,750,000 new ordinary shares were issued and listed on 23 November 2017;
 - (g) 3,000,000 new ordinary shares were issued and listed on 24 November 2017.

A8) Dividend Paid

There was no dividend paid in the current financial period.

A9) Valuation of Property, Plant and Equipment

There was no valuation of the property, plant and equipment in the current financial quarter.

A10) Events after the Reporting Period

Save as disclosed below and those disclosed elsewhere in the interim financial report, there were no other material events subsequent to the end of the interim period.



A11) Changes in the Composition of the Group

On 23 May 2017, the Company announced that it has acquired the remaining 19% equity in Yellow Choice Sdn Bhd ("YCSB") which the Company does not own comprised of 19,000 ordinary shares of RM1.00 each from Asia Bioenergy Technologies Berhad at a total purchase price of RM40,000 thereby making YCSB a wholly-owned subsidiary of the Company. The acquisition was completed on even date.

Other than the above and those disclosed elsewhere in the interim financial report, there were no changes in the composition of the Group during the financial period under review.

A12) 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.

A13) 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 RM19,861,000. Total utilisation of these credit facilities as at 31 March 2018 amounted to approximately RM9,400,000.

A14) Capital Commitment

As of 31 March 2018, capital commitment is in respect of the acquisition of specialised machineries and building expansion by subsidiary of the Group: -

	RM'000
Approved and contracted for	-
Contracted but not provided for	4,724
	<u>4,724</u>

A15) Related Party Transactions

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



Part A - Explanatory Notes to the Unaudited Interim Financial Report
For the Period Ended 31 March 2018

A16) Fair Value Hierarchy

- (a) Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows: -
- (i) Level 1 - Quoted price in active markets for identical assets or liabilities.
 - (ii) Level 2 - Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for the asset or liability.
 - (iii) Level 3 - Inputs for the asset or liability that are not based on observable market data.
- (b) 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					
31.3.2018					
Financial assets					
- Financial assets at fair value through profit or loss:					
- Short term fund	-	-	-	-	-

	<-- 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					
31.3.2018					
Financial liabilities					
- Finance lease payables	-	3,977	-	3,977	3,888

A17) 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 - Explanatory Notes to the Unaudited Interim Financial Report
For the Period Ended 31 March 2018

A17) Segmental Information (cont'd)

Cumulative Period Ended 31.3.2018

	Fabrication and automation RM '000	Renewable energy and property RM '000	Others RM '000	Eliminations RM '000	Total RM '000
Revenue					
External revenue	22,221	865	-	-	23,086
Inter-segment revenue	-	-	1,037	(1,037)	-
Total revenue	<u>22,221</u>	<u>865</u>	<u>1,037</u>	<u>(1,037)</u>	<u>23,086</u>
Results					
Interest income	187	-	1,380	(1,525)	42
Finance costs	(1,497)	(659)	(5)	1,525	(636)
Tax credit/(expense)	11	25	(65)	-	(29)
Segment profit/(loss)	<u>(4,834)</u>	<u>151</u>	<u>(1,303)</u>	<u>-</u>	<u>(5,986)</u>
Other material non-cash items :-					
- Depreciation of property, plant and equipment	(2,589)	(1,150)	(53)	-	(3,792)
- Unrealised gain/(loss) on foreign exchange	(23)	-	-	-	(23)
- Provision for doubtful debts	-	-	1,569	-	1,569
- Share options expenses	(1,191)	(209)	(206)	-	(1,606)
- Gain/(Loss) on disposal of property, plant and equipment	57	-	-	-	57

Cumulative Period Ended 31.3.2017

There is no preceding year corresponding period comparison due to the change in the financial year end from February 2017 to March 2017.



Part B - Additional information required under Listing Requirements
For the Period Ended 31 March 2018

B1) Review of Performance

The Group's performance for current quarter and cumulative quarter is tabled below. There is no preceding year corresponding period due to the change in financial year end from 28 February to 31 March as announced on 7 February 2017.

	Individual Period (4th Quarter)		Changes	Cumulative Period		Changes
	Current Year Quarter	Preceding Year Corresponding Quarter	%	Current Year to-date	Preceding Year Corresponding Period	%
	31.3.2018 RM '000	31.3.2017 RM '000		31.3.2018 RM '000	31.3.2017 RM '000	
Revenue						
Fabrication and automation	5,908	N/A	N/A	22,221	N/A	N/A
Renewable energy and property	184	N/A	N/A	865	N/A	N/A
Others	-	N/A	N/A	-	N/A	N/A
	<u>6,092</u>	<u>N/A</u>	<u>N/A</u>	<u>23,086</u>	<u>N/A</u>	<u>N/A</u>
Profit/(Loss) before tax						
Fabrication and automation	(2,136)	N/A	N/A	(4,834)	N/A	N/A
Renewable energy and property	39	N/A	N/A	151	N/A	N/A
Others	(1,651)	N/A	N/A	(1,303)	N/A	N/A
	<u>(3,748)</u>	<u>N/A</u>	<u>N/A</u>	<u>(5,986)</u>	<u>N/A</u>	<u>N/A</u>

Current Quarter

For the 3 months period ended 31 March 2018, the Group posted pre-tax loss of RM3.75 million on the back of revenue of RM6.09 million. Revenue mainly contributed by fabrication business especially from hard disk manufacturing, medical and semiconductor customers. Meanwhile, automation business contributed RM0.85 million mainly from projects delivered to glove and medical customers. Renewable energy segment reported additional RM0.19 million revenues arising from the sale of solar energy to Tenaga Nasional Berhad under the Feed-in Tariff Programme.

Fabrication and automation segment reported pre-tax loss of RM2.14 million mainly due to weaker performance in both fabrication and automation business. Other segment reported pre-tax loss of RM1.65 million mainly due to provision for doubtful debts of RM1.57 million less income distribution from short term money market funds.



Part B - Additional information required under Listing Requirements
For the Period Ended 31 March 2018

B1) Review of Performance (cont'd)

Cumulative Period

For the cumulative 12 months' period ended 31 March 2018, the Group posted pre-tax loss of RM5.98 million on the back of revenue of RM23.09 million.

Fabrication business contributed approximately RM20.58 million revenue, mainly deriving from the hard disk, medical and semiconductor industries. Automation business contributed RM1.64 million and this was mainly from delivery of automated machines and test handler machines for customers. On the other hand, renewable energy segment contributed RM0.87 million revenues 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 weaker performance in fabrication and automation business, coupled with start-up manufacturing and operating costs incurred for production line of fabricating textile industry parts, provision for doubtful debts of RM1.57 million as well as recognition of RM1.06 million fair value expenses in respect of granting the share options.

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

	Current Quarter	Immediate Preceding Quarter	Changes	
	31.3.2018 RM '000	31.12.2017 RM '000	RM '000	%
Revenue				
Fabrication and automation	5,908	5,033	875	17.4
Renewable energy and property	184	186	(2)	(1.1)
Others	-	-		
	<u>6,092</u>	<u>5,219</u>	873	16.7
Profit/(Loss)before tax				
Fabrication and automation	(2,136)	(1,149)	(987)	(85.9)
Renewable energy and property	39	70	(31)	(44.3)
Others	(1,651)	5	(1,656)	(33,120.0)
	<u>(3,748)</u>	<u>(1,074)</u>	(2,674)	(249.0)

The Group posted revenue of RM6.09 million for the current quarter ended 31 March 2018, 16.8% higher than RM5.22 million in the preceding quarter ended 31 December 2017. The increase was mainly due to higher sales from automation following the delivery of its project to glove customer.



**Part B - Additional information required under Listing Requirements
For the Period Ended 31 March 2018**

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

The Group recorded pre-tax loss of RM3.75 million for the current quarter, RM2.67 million higher than pre-tax loss of RM1.07 million recorded in the preceding quarter. This pre-tax loss was mainly due to weaker performance in fabrication business and provision for doubtful debts of RM1.57 million.

B3) Prospects

The Group will continue to focus on its core business, i.e. fabrication of industrial & engineering parts and to grow its automation business.

This year will see the Group's commitment to grow its business through its strategic plan in partnering with Fong's Engineering & Manufacturing Pte Ltd, in particular the implementation of contract for Rieter group on fabrication of textile machinery parts. The Group is also positive in penetrating into medical industries by way of capitalising our strength as contract manufacturer of endoscope and endoscopy accessories metal parts through ISO 13485 certification. The Group also anticipate the fabrication orders from its hard disk manufacturing customer to pick up in the coming year following the completion of relocating new production lines at the customer's Penang manufacturing plants.

Moving forward, the Group will expand into fabrication of sheet metals to complement the Group's existing fabrication capabilities.

The Group has completed two (2) Solar PV Plants (i.e. 425kW and 300kW) under the Feed-in Tariff Programme conducted by Sustainable Energy Development Authority Malaysia. The Group's involvement in the generation of solar energy supplements the Group's revenue, thereby providing an alternative yet sustaining source of incomes.

Barring any unforeseen situation, the Group will strive to improve its performance and to deliver better results 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 financial period.



Part B - Additional information required under Listing Requirements
For the Period Ended 31 March 2018

B5) Taxation

	Individual Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	31.3.2018 RM '000	31.3.2017 RM '000	31.3.2018 RM '000	31.3.2017 RM '000
Corporate tax income/(expense)	(77)	N/A	(77)	N/A
Deferred tax income/(expense)	48	N/A	48	N/A
	<u>(29)</u>	<u>N/A</u>	<u>(29)</u>	<u>N/A</u>

The effective tax rate for the current period is lower than the statutory income tax rate mainly due to losses suffered by subsidiaries and the availability of tax allowances to offset the taxable income of the Company.

B6) Corporate Proposals

- 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 summary of the utilisation of proceeds are as follows: -

Purpose	Proposed utilisation RM'000	Amounts utilised as at 31 March 2018 RM'000	Balance unutilised RM'000	Estimated timeframe for the utilisation of proceeds
Acquisition of specialised machineries	2,411	374	2,037 *	Within 12 months
Expansion of production space	1,000	1,000	-	Within 8 months
Estimated expenses for the corporate exercises	150	150	-	Immediate
Total	3,561	1,524	2,037	

* The Company has on 17 May 2018 fully utilised the proceeds for the acquisition of specialised machineries.



Part B - Additional information required under Listing Requirements
For the Period Ended 31 March 2018

B6) Corporate Proposals (cont'd)

- 2) On 16 May 2018, 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 (“Proposed Private Placement”).

The Company is expected to raise gross proceeds amounting to RM2.95 million from the Proposed Private Placement. 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	2,863	Within 12 months
Estimated expenses for the corporate exercises	90	Immediate
Total	2,953	

On 18 May 2018, Bursa Securities approved the listing and quotation of up to 42,189,430 new ATS Shares to be issued pursuant to the Proposed Private Placement, subject to the following conditions: -

- (i) ATS and Mercury Securities must fully comply with the relevant provisions under the ACE Market Listing Requirements pertaining to the implementation of the Proposed Private Placement;
- (ii) ATS and Mercury Securities to inform Bursa Securities upon the completion of the Proposed Private Placement;
- (iii) ATS to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Private Placement is completed; and
- (iv) Mercury Securities to furnish Bursa Securities with details of the places prior to the issuance/allotment of the Placement Shares.



Part B - Additional information required under Listing Requirements
For the Period Ended 31 March 2018

B6) Corporate Proposals (cont'd)

3) 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 in the Company at an exercise price of RM0.108 per share pursuant to the Company's Share Issuance Scheme: -

- (i) On 17 October 2017, a total number of 28,485,000 share options were offered;
- (ii) On 20 October 2017, a total number of 25,476,000 share options were offered;

A total of number 28,581,000 share options was accepted.

4) On 9 November 2017, the Company has announced that its wholly-owned subsidiary, AT Engineering Solution Sdn. Bhd. entered into a memorandum of understanding ("MOU") with Peri Formwork Malaysia Sdn. Bhd. ("PERI") and Asiabio Petroleum Sdn. Bhd. for the collaboration in the technology localization of PERI's formwork and scaffolding systems.

There has been no material development on the status since the signing of the above MOU.

B7) Borrowings and Debts Securities

	Current (Secured) RM '000	Non-Current (Secured) RM '000	Total RM '000
As at 31.3.2018			
Finance lease payables	1,553	2,335	3,888
Term loans	531	4,981	5,512
Bank overdraft	-	-	-
	<u>2,084</u>	<u>7,316</u>	<u>9,400</u>
As at 31.3.2017			
Finance lease payables	1,489	3,425	4,914
Term loans	686	9,593	10,279
Bank overdraft	279	-	279
	<u>2,454</u>	<u>13,018</u>	<u>15,472</u>

All the Group's borrowings are denominated in RM.



Part B - Additional information required under Listing Requirements
For the Period Ended 31 March 2018

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) (Loss)/Earnings per Share

The basic and diluted loss per share for the current quarter and financial year-to-date are computed as follows: -

	Individual Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	31.3.2018 RM '000	31.3.2017 RM '000	31.3.2018 RM '000	31.3.2017 RM '000
Loss attributable to owners of the Company	(3,670)	N/A	(5,627)	N/A
Weighted average number of ordinary shares in issue ('000)	421,894	N/A	684,326	N/A
Basic Loss Per Share (sen)	(0.87)	N/A	(0.82)	N/A
Diluted Loss Per Share (sen)	(0.87)	N/A	(0.82)	N/A

Notes:

- (1) The basic loss per share is calculated based on the loss attributable to the owners of the Company and weighted average number of ordinary shares in issue during the periods under review.
- (2) The diluted loss per share equal to basic loss per share as the Company does not have any dilutive potential ordinary shares during the financial period.



Part B - Additional information required under Listing Requirements
For the Period Ended 31 March 2018

B11) Profit/(Loss) Before Tax

	Individual Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	31.3.2018 RM '000	31.3.2017 RM '000	31.3.2018 RM '000	31.3.2017 RM '000
Included in the profit/(loss) before tax is after charging/(crediting) :-				
Interest expense	124	N/A	636	N/A
Impairment loss on loan & receivables	1,569	N/A	1,569	N/A
Property, plant & equipment written off	20	N/A	20	N/A
Depreciation of property, plant and equipment	1,069	N/A	3,790	N/A
Rental of premises	106	N/A	169	N/A
Loss on disposal of property, plant & equipment	-	N/A	-	N/A
Rental income	(440)	N/A	(1,760)	N/A
Income distribution from fixed income fund	(134)	N/A	(400)	N/A
Interest income	(31)	N/A	(42)	N/A
Loss/(Gain) on foreign exchange:				
- realised	78	N/A	62	N/A
- unrealised	(13)	N/A	23	N/A
Loss/(Gain) on disposal of property, plant & equipment	-	N/A	(57)	N/A

B13) Realised and Unrealised (Losses)/Profits

	As At 31.3.2018 RM '000	As At 31.3.2017 RM '000
Total accumulated lossess of the Company and its subsidiaries :-		
- Realised	(11,286)	(5,365)
- Unrealised	(1,951)	(1,999)
	<u>(13,237)</u>	<u>(7,364)</u>
Consolidation adjustments and eliminations	3,685	3,326
Total accumulated lossess as per statement of financial position	<u>(9,552)</u>	<u>(4,038)</u>

B14) Authorisation for Issue

The interim financial report was authorised for issue on 31 May 2018 by the Board of Directors.