



AT SYSTEMATIZATION BERHAD

[REGISTRATION NO. 200401006297 (644800-X)]
(INCORPORATED IN MALAYSIA)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**



Unaudited Condensed Consolidated Statements of Financial Position
As At 30 June 2024

	(Unaudited) As At 30.06.2024 RM '000	(Audited) As At 31.03.2024 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	82,280	84,011
Right-of-use assets	24,680	24,722
Investment in associates	27,360	27,337
Marketable securities	18,036	19,071
Receivables, deposits and prepayments	-	4,325
	152,356	159,466
Current assets		
Inventories	6,250	6,278
Trade receivables	6,510	4,260
Other receivables, deposits and prepayments	6,860	4,241
Tax assets	118	119
Money market instruments	16,594	16,338
Cash and bank balances	3,005	4,849
	39,337	36,085
Assets held for sale	19,600	18,635
	58,937	54,720
TOTAL ASSETS	211,293	214,186
EQUITY AND LIABILITIES		
Equity		
Share capital	227,943	487,943
Warrant reserve	9,261	9,261
Translation reserve	(85)	(9)
Revaluation reserve	1,180	1,188
Fair value adjustment reserve	(12,106)	(11,394)
Accumulated losses	(66,478)	(325,098)
Total equity	159,715	161,891
Liabilities		
Non-current liabilities		
Finance lease payables	3,308	3,614
Lease liabilities	528	597
Bank borrowings	3,780	4,178
	7,616	8,389
Current liabilities		
Trade payables	4,842	2,902
Other payables & deposits	35,169	36,761
Contract liabilities	485	485
Finance lease payables	1,248	1,504
Lease liabilities	720	710
Bank borrowings	1,498	1,544
	43,962	43,906
Total liabilities	51,578	52,295
TOTAL EQUITY AND LIABILITIES	211,293	214,186
Net assets per share (Sen)	70.61	71.57

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024 and the accompanying explanatory notes attached to the interim financial report.



Unaudited Condensed Consolidated Statements of Comprehensive Income
For the Period Ended 30 June 2024

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		3 Months Ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM '000	RM '000	RM '000	RM '000
Revenue	6,542	9,792	6,542	9,792
Cost of sales	(6,292)	(11,260)	(6,292)	(11,260)
Gross profit/(loss)	250	(1,468)	250	(1,468)
Other income	1,255	1,464	1,255	1,464
Administrative and general expenses	(2,770)	(2,991)	(2,770)	(2,991)
Selling and distribution expenses	-	(47)	-	(47)
	(2,770)	(3,038)	(2,770)	(3,038)
Net (loss)/gain on financial instruments	(75)	(2,424)	(75)	(2,424)
Other expenses	-	(480)	-	(480)
Profit/(Loss) from operations	(1,340)	(5,946)	(1,340)	(5,946)
Finance costs	(144)	(588)	(144)	(588)
Share of profit/(loss) of associates	106	(3,199)	106	(3,199)
Profit/(Loss) before tax	(1,378)	(9,733)	(1,378)	(9,733)
Taxation	(2)	(3)	(2)	(3)
Profit/(Loss) for the period	(1,380)	(9,736)	(1,380)	(9,736)
Attributable to:-				
Owners of the Company	(1,380)	(9,736)	(1,380)	(9,736)
Non-controlling interests	-	-	-	-
	(1,380)	(9,736)	(1,380)	(9,736)
Earnings/(Loss) per share attributable to owners of the Company (sen)				
- Basic	(0.61)	(4.33)	(0.61)	(4.33)
- Diluted	(0.61)	(4.33)	(0.61)	(4.33)

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial period year 31 March 2024 and the accompanying explanatory notes attached to the interim financial report.



Unaudited Condensed Consolidated Statements of Comprehensive Income
For the Period Ended 30 June 2024

	Individual Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	30.06.2024 RM '000	30.06.2023 RM '000	30.06.2024 RM '000	30.06.2023 RM '000
Profit/(Loss) for the period	(1,380)	(9,736)	(1,380)	(9,736)
Other comprehensive loss:-				
<i>Item that will not be reclassified subsequently to profit or loss</i>				
Net change in fair value of equity instrument designated at fair value through other comprehensive income ("FVOCI")	(712)	-	(712)	-
<i>Item that may be reclassified subsequently to profit or loss</i>				
Share of other comprehensive income/(loss) of associates	(84)	504	(84)	505
Total comprehensive (loss)/profit for the financial period	(2,176)	(9,232)	(2,176)	(9,231)
Attributable to:-				
Owners of the Company	(2,176)	(9,232)	(2,176)	(9,231)
Non-controlling interests	-	-	-	-
Total comprehensive (loss)/profit for the period	(2,176)	(9,232)	(2,176)	(9,231)

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024 and the accompanying explanatory notes attached to the interim financial report.



Unaudited Condensed Consolidated Statements of Changes in Equity
As At 30 June 2024

	←----- Attributable to Owners of the Company ----->						
	←----- Non-Distributable ----->						
	Share Capital RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Fair Value Adjustment Reserve RM '000	Translation Reserve RM '000	Accumulated Losses RM '000	Total Equity RM '000
Unaudited							
At 1 April 2024	487,943	1,188	9,261	(11,394)	(9)	(325,098)	161,891
Profit/(Loss) for the financial period	-	-	-	-	-	(1,380)	(1,380)
Fair value on quoted investment at FVOCI	-	-	-	(712)	-	-	(712)
Other comprehensive loss for the financial period	-	(8)	-	-	(76)	-	(84)
Total comprehensive income/(loss) for the period	-	(8)	-	(712)	(76)	(1,380)	(2,176)
Transactions with owners							
Reduction on capital	(260,000)	-	-	-	-	260,000	-
Total transactions with owners	(260,000)	-	-	-	-	260,000	-
At 30 June 2024	227,943	1,180	9,261	(12,106)	(85)	(66,478)	159,715



Unaudited Condensed Consolidated Statements of Changes in Equity
As At 30 June 2024

	←----- Attributable to Owners of the Company ----->							Total Equity RM '000
	←----- Non-Distributable ----->							
	Share Capital RM '000	Share Option Reserve RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Fair Value Adjustment Reserve RM '000	Translation Reserve RM '000	Accumulated Losses RM '000	
Audited								
At 1 April 2023	480,444	35	5,630	9,261	-	1,191	(239,283)	257,278
Profit/(Loss) for the financial period	-	-	-	-	-	-	(85,815)	(85,815)
Fair value on quoted investment at FVOCI	-	-	-	-	(11,394)	-	-	(11,394)
Release of reserve upon derecognition of associate	-	-	(5,336)	-	-	(989)	-	(6,325)
Other comprehensive loss for the financial period	-	(35)	894	-	-	(211)	-	648
Total comprehensive income/(loss) for the period	-	(35)	(4,442)	-	(11,394)	(1,200)	(85,815)	(102,886)
Transactions with owners								
Proceeds from private placement	5,461	-	-	-	-	-	-	5,461
Share issuance expenses	(108)	-	-	-	-	-	-	(108)
Share-based payments	-	478	-	-	-	-	-	478
Exercise of share options	2,146	(478)	-	-	-	-	-	1,668
Total transactions with owners	7,499	-	-	-	-	-	-	7,499
At 31 March 2023	487,943	-	1,188	9,261	(11,394)	(9)	(325,098)	161,891

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024 and the accompanying explanatory notes attached to the interim financial report.



Unaudited Condensed Consolidated Statements of Cash Flows
For the Period Ended 30 June 2024

	Current Period To-Date 30.06.2024 (Unaudited) RM'000	Preceding Year Corresponding Period 30.06.2023 (Unaudited) RM'000
Cash flows from operating activities		
Profit/(Loss) before tax	(1,378)	(9,733)
Adjustments for :-		
Gain on disposal of subsidiary	(652)	-
Share of (profit)/loss of associates	(106)	3,199
Fair value adjustments on share options	-	478
Fair value loss/(gain) on investment in quoted shares	322	2,423
Other non-cash and non-operating items	2,076	4,122
Operating profit/(loss) before working capital changes	262	489
Decrease/(Increase) in inventories	29	1,278
(Increase)/Decrease in receivables	(5,189)	(1,113)
Increase/(Decrease) in payables	6,986	(2,087)
Cash (used in)/generated from operations	2,088	(1,433)
Net (tax paid)/tax refund	(1)	(53)
Net cash (used in)/from operating activities	2,087	(1,486)
Cash flows from investing activities		
Distribution income on money market instruments	-	63
Interest income	5	4
Net investment in short term fixed deposit	-	(560)
Proceeds from disposal of property, plant and equipment	92	-
Purchase of property, plant and equipment	(1,463)	(630)
Net cash from/(used in) investing activities	(1,366)	(1,123)



Unaudited Condensed Consolidated Statements of Cash Flows
For the Period Ended 30 June 2024

	Current Period To-Date 30.06.2024 (Unaudited) RM'000	Preceding Year Corresponding Period 30.06.2023 (Unaudited) RM'000
Cash flows from financing activities		
Proceeds from exercise of share options	-	1,669
Proceeds from private placement	-	5,461
Share issuance expenses	-	(108)
Interest paid	(144)	(445)
Net (repayments)/drawdown of finance lease payables	(622)	(846)
Net repayment of term loans	(444)	(6,637)
Net cash (used in)/from financing activities	(1,210)	(906)
Effects of exchange rate changes on cash and cash equivalents	260	(427)
Net increase/(decrease) in cash and cash equivalents	(229)	(3,942)
Cash and cash equivalents brought forward	19,154	26,404
Cash and cash equivalents carried forward	<u>18,925</u>	<u>22,462</u>
Represented by:-		
Placement of deposits with bank	674	34,513
Cash and bank balances	2,331	6,399
Money market instruments	16,594	16,063
Bank overdraft	-	-
	<u>19,599</u>	<u>56,975</u>
Less: Deposits pledged with bank	(674)	(34,513)
	<u>18,925</u>	<u>22,462</u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024 and the accompanying explanatory notes attached to the interim financial report.

A1) Basis of Preparation

The interim financial report is unaudited and has been prepared in compliance with Malaysian 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 year ended 31 March 2024. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2024.

A2) Changes in Accounting Policies

Adoption of MFRSs, Amendments to MFRSs and IC Interpretations

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 31 March 2024, except for the following which were adopted at the beginning of this quarter:

MFRSs/Amendments to MFRSs	Effective for annual periods beginning on or after
Amendments to MFRS 16 Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 107 and MFRS 7 Supplier Finance Arrangements	1 January 2024

A2) Changes in Accounting Policies (Cont'd)

Standards in issue but not yet effective

As at the date of authorisation of this interim financial report, the following new Malaysian Financial Reporting Standards ("MFRS") and amendments to MFRSs have been issued by the MASB but are not yet effective and have not been adopted by the Group:-

MFRSs/Amendments to MFRSs	Effective for annual periods beginning on or after
Amendments to MFRS 121 Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7 Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further noticed

The Group will adopt the above MFRS and amendments to MFRS when they become effective in the respective financial periods.

A3) 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.

A4) 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 for the current period under review.

A5) Material Changes in Estimates

There were no material changes in estimates of amounts reported in the prior financial year that have a material effect in the current period under review.

A6) Debt and Equity Securities

There were no issuances, repurchases and repayment of debt and equity securities for the financial period under review.

A7) Dividend Paid

There was no dividend paid in the current quarter under review.

A8) 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.

A9) Material Events Subsequent to the end of the Financial Period

There were no material events subsequent to the end of the financial period up to the date of this report.

A10) Changes in the Composition of the Group

There were no material changes in the composition of the Group for the current quarter and financial period-to-date other than as stated below.

On 17 April 2024, the Company entered into a conditional Share Sale Agreement with 2 individuals for the proposed disposal of the entire 100,000 ordinary shares in AT Glove Engineering Sdn Bhd ("ATGE"), a subsidiary of the Company, for a consideration of RM2. The proposed disposal was completed on even date and ATGE ceased to be a subsidiary of the Group.

A11) Contingent Liabilities or Contingent Assets

The Group has no material contingent liabilities save for the corporate guarantees provided by the Company to financial institutions for credit facilities, and to suppliers for credit terms granted to subsidiaries of up to a total limit of approximately RM25,837,000. Total utilisation of these credit facilities as at 30 June 2024 amounted to approximately RM9,760,000.

There were no material contingent assets as at the date of this report.

A12) Capital Commitment

There were no capital commitments at the end of the financial quarter under review.

A13) Related Party Transactions

	Individual Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM '000	RM '000	RM '000	RM '000
Purchases from associates	-	45	-	45
Sale to associates	-	6	-	6
Rental income from associate	7	60	7	60
Rental expense to associates	29	202	29	202

A14) Fair Value Measurements

- (a) Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:-

- Level 1 : Quoted price in active markets for identical assets or liabilities.
 Level 2 : Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for the asset or liability.
 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			Total RM'000	
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
Group - 30.06.2024					
Financial assets at fair value through profit or loss					
- Investment in quoted shares	9,480	-	-	-	9,480
- Investment in money market instruments	16,594	-	-	-	16,594
	<u>26,074</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,074</u>
Financial assets at fair value through other comprehensive income					
- Investment in quoted shares	8,557	-	-	-	8,557
	<u>8,557</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,557</u>

A15) Revenue

	Individual Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	30.06.2024 RM '000	30.06.2023 RM '000	30.06.2024 RM '000	30.06.2023 RM '000
<u>Fabrication:</u>				
(i) Fabrication of customised parts	6,330	9,207	6,330	9,207
(ii) Servicing charges	25	28	25	28
<u>Sheet metal & automation:</u>				
(i) Sheet metal fabrication	1	96	1	96
Solar renewable energy	186	188	186	188
Gloves	-	273	-	273
	<u>6,542</u>	<u>9,792</u>	<u>6,542</u>	<u>9,792</u>
Goods or services transferred:				
- at a point in time	6,542	9,792	6,542	9,792
- over time	-	-	-	-
	<u>6,542</u>	<u>9,792</u>	<u>6,542</u>	<u>9,792</u>

A16) Segmental Information

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

- (a) **Fabrication and automation** – Fabrication of industrial & engineering parts and sheet metal; Design and manufacturing of industrial automation systems and machinery;
- (b) **Renewable energy and property** – Renewable energy operator; Property letting; Glove facilities;*
- (c) **Gloves** – Manufacturing and sale of medical grade nitrile gloves;*
- (d) **Others** – Investment holding and provision of management services to subsidiaries, neither which are of a sufficient size to be reported separately.

* Starting mid of April 2024, the Group ceased its glove-making operation and consolidated its glove facilities with the renewable energy and property segment of the Group.



Notes to the Unaudited Interim Financial Report
For 3 Months Ended 30 June 2024

A16) Segmental Information (Cont'd)

Cumulative Period Ended 30.06.2024

	Fabrication and automation RM '000	Renewable energy and property RM '000	Gloves RM '000	Others RM '000	Adjustment & Eliminations RM '000	Total RM '000
Revenue						
External revenue	6,356	186	-	-	-	6,542
Inter-segment revenue	-	-	-	-	-	-
Total revenue	6,356	186	-	-	-	6,542
Results						
Interest income	1	3	-	1	-	5
Finance costs	(140)	(3)	-	(1)	-	(144)
Share of profit/(loss) of associates	-	-	-	106	-	106
Segment profit/(loss) before tax	(761)	(1,182)	121	444	-	(1,378)
Taxation	(2)	-	-	-	-	(2)
Segment profit/(loss) after tax	(763)	(1,182)	121	444	-	(1,380)
Other material non-cash items:						
- Depreciation	(992)	(1,201)	-	(15)	-	(2,208)
- Unrealised gain/(loss) on foreign exchange	(14)	-	1	255	-	242
- (Impairment loss)/Reversal of impairment on:						
(i) loan & receivables	247	-	-	-	-	247
- Fair value gain/(loss) on quoted shares	(322)	-	-	-	-	(322)
- Gain on disposal of subsidiary	-	-	-	652	-	652



Notes to the Unaudited Interim Financial Report
For 3 Months Ended 30 June 2024

A16) Segmental Information (Cont'd)

Cumulative Period Ended 30.06.2023

	Fabrication and automation RM '000	Renewable energy and property RM '000	Gloves RM '000	Others RM '000	Adjustment & Eliminations RM '000	Total RM '000
Revenue						
External revenue	9,416	103	273	-	-	9,792
Inter-segment revenue	-	-	-	390	(390)	-
Total revenue	<u>9,416</u>	<u>103</u>	<u>273</u>	<u>390</u>	<u>(390)</u>	<u>9,792</u>
Results						
Interest income	2	-	-	204	-	206
Finance costs	(159)	-	(1)	(428)	-	(588)
Share of profit/(loss) of associates	-	-	-	(3,199)	-	(3,199)
Segment profit/(loss) before tax	(4,381)	172	(2,536)	(2,988)	-	(9,733)
Taxation	(3)	-	-	-	-	(3)
Segment profit/(loss) after tax	<u>(4,384)</u>	<u>172</u>	<u>(2,536)</u>	<u>(2,988)</u>	<u>-</u>	<u>(9,736)</u>
Other material non-cash items:						
- Depreciation	(1,243)	(135)	(1,826)	(14)	-	(3,218)
- Unrealised gain/(loss) on foreign exchange	105	-	-	694	-	799
- (Impairment loss)/Reversal of impairment on:						
(i) loan & receivables	(4)	-	-	-	-	(4)
- Fair value gain/(loss) on quoted shares	(2,423)	-	-	-	-	(2,423)
- Share options expenses	(376)	-	-	(102)	-	(478)

Explanatory Notes Pursuant to the Listing Requirements
For 3 Months Ended 30 June 2024

B1) Review of Performance

Individual Period (Quarter 1)	Preceding Year		Changes	
	Current Quarter	Corresponding Quarter		
	30.06.2024 RM '000	30.06.2023 RM '000	RM '000	%
Revenue				
Fabrication and automation	6,356	9,416	(3,060)	(32)
Renewable energy and property letting	186	103	83	81
Gloves	-	273	(273)	(100)
Others	-	-	-	-
	6,542	9,792	(3,250)	(33)
Profit/(Loss) before tax				
Fabrication and automation	(761)	(4,381)	3,620	83
Renewable energy and property letting	(1,182)	172	(1,354)	(787)
Gloves	121	(2,536)	2,657	105
Others	444	(2,988)	3,432	115
	(1,378)	(9,733)	8,355	86

Current Quarter

The Group posted revenue of RM6.54 million for the current quarter ended 30 June 2024, representing a decrease of 33% as compared to RM9.79 million recorded in the corresponding quarter ended 30 June 2023. The decrease in revenue was mainly due to lower revenue in fabrication and automation segment and lower order from sale of medical gloves. Fabrication and automation segment posted lower revenue by RM3.06 million mainly due to lower number of orders from contract manufacturers and textile machines maker. Glove segment posted lower revenue by RM0.27 million following the Group ceased its glove-making operation and consolidated its glove facilities with the renewable energy and property letting segment of the Group. Meanwhile, sale of solar energy to Tenaga Nasional Berhad was consistent at RM0.2 million.

The Group recorded pre-tax loss of RM1.38 million for the current quarter as compared to pre-tax loss of RM9.73 million in the corresponding quarter. Fabrication and automation segment reported lower pre-tax loss by RM0.76 million for the current quarter as compared to pre-tax loss of RM4.38 million in the corresponding quarter due to lower mark-to-market loss on quoted investments of RM0.32 million (Q1 FY2024: RM2.42 million). Renewable energy and property letting segment reported weaker performance mainly due to depreciation of glove facilities.



Explanatory Notes Pursuant to the Listing Requirements
For 3 Months Ended 30 June 2024

B1) Review of Performance (Cont'd)

Current Quarter (cont'd)

Other segment reported pre-tax profit of RM0.44 million for current quarter as compared to pre-tax loss RM2.99 million in the corresponding quarter mainly due to higher share of profits in associates of RM0.11 million (Q1 FY2024: RM3.20 million share of losses) and one-off gain on disposal of subsidiary of RM0.65 million, off-set against with lower unrealised gain in foreign exchange of RM0.26 million (Q1 FY2024: RM0.69 million).

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

	Current Quarter	Immediate Preceding Quarter	Changes	
	30.06.2024	31.03.2024	RM '000	%
	RM '000	RM '000		
Revenue				
Fabrication and automation	6,356	4,099	2,257	55
Renewable energy and property letting	186	203	(17)	(8)
Gloves	-	566	(566)	(100)
Others	-	-	-	-
	6,542	4,868	1,674	34
Profit/(Loss) before tax				
Fabrication and automation	(761)	(3,300)	2,539	77
Renewable energy and property letting	(1,182)	100	(1,282)	(1,282)
Gloves	121	(36,582)	36,703	100
Others	444	(28,983)	29,427	102
	(1,378)	(68,765)	67,387	98

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

Q1 FY2025 vs Q4 FY2024

The Group posted revenue of RM6.54 million for the current quarter ended 30 June 2024, representing an increase of 34% as compared to RM4.87 million recorded in the preceding quarter ended 31 March 2024. Fabrication and automation segment reported higher sales mainly due to higher orders from contract manufacturers. No revenue reported in the glove segment following the Group ceased its glove-making operation and consolidated its glove facilities with the renewable energy and property letting segment of the Group. Meanwhile, sale of solar energy to Tenaga Nasional Berhad was consistent at RM0.2 million.

The Group recorded pre-tax loss of RM1.38 million for the current quarter, representing a decrease by RM67.39 million as compared pre-tax loss of RM68.76 million recorded in the preceding quarter. Fabrication and automation segment reported lower pre-tax loss by RM2.54 million mainly due better operational performance couple with lower mark-to-market loss on quoted shares of RM0.32 million (Q4 FY2024: RM1.12 million) and lower depreciation of RM0.99 million (Q4 FY2024: RM1.20 million).

Other segment reported lower pre-tax loss by RM29.43 million in Q1 FY2025 mainly due to one-off gain on disposal of subsidiary RM0.65 million (Q4 FY2024: RM NIL), absence of mark-to-market loss on quoted investments (Q4 FY2024: RM35.05 million), share of profits in associates of RM0.46 million (as compared to share of losses in associates of RM2.96 million in Q4 FY2024), lower impairment loss on investment in associates of RM NIL (Q4 FY2024: RM1.35 million), lower interest income RM NIL (Q4 FY2024: RM0.32 million). Included in the pre-tax loss reported in Q4 FY2024 was a gain on derecognition of investment in associates of RM10 million.

B3) Prospects

Fabrication and automation business

The manufacturing sector is projected to grow by 4.2% in 2024 driven by better performance in both export and domestic-oriented industries. Export-oriented industries are expected to benefit from the recovery of external demand, particularly in the Electrical and Electronics segment, driven primarily by memory products, aligning with the resurgence in demand for technologically advanced products. Looking ahead to 2024, inflation is expected to remain moderate, though risks to this outlook are contingent upon changes in domestic policies regarding subsidies and price controls, as well as fluctuations in global commodity prices and financial market dynamics. Malaysian manufacturers are also wary of potential risks such as rising energy costs and fluctuations in the value of the Ringgit currency.

The Group will maintain a cautious approach to its manufacturing operations, prioritising operational efficiency to reduce costs and sustain its growth.

B4) Profit forecast or profit guarantee

Not applicable as the Group did not publish any profit forecast.

Explanatory Notes Pursuant to the Listing Requirements
For 3 Months Ended 30 June 2024

B5) Qualification of Preceding Audited Financial Statements

There was no qualification to the preceding audited financial statements for the financial year ended 31 March 2024.

B6) Profit/(Loss) Before Tax

	Individual Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	30.06.2024 RM '000	30.06.2023 RM '000	30.06.2024 RM '000	30.06.2023 RM '000
Included in the profit/(loss) before tax is after charging/(crediting):-				
Property, plant & equipment:-				
(i) Depreciation	1,770	2,577	1,770	2,577
(ii) (Gain)/Loss on disposal	-	(118)	-	(118)
Right-of-use assets:-				
(i) Depreciation	438	641	438	641
(ii) (Gain)/Loss on disposal	(29)		(29)	
Fair value (gain)/loss on quoted shares	322	2,423	322	2,423
(Reversal of)/Allowance for impairment loss on loan & receivables	(247)	4	(247)	4
Rental income	(181)	(153)	(181)	(153)
Distribution income on money market instruments	-	(64)	-	(64)
Interest income	(5)	(206)	(5)	(206)
Interest expense	144	588	144	588
Gain on disposal of subsidiary	(652)	-	(652)	-
Rental expense of premises	37	21	37	21
Loss/(Gain) on foreign exchange:				
- realised	(6)	(102)	(6)	(102)
- unrealised	(242)	(799)	(242)	(799)
Share options expenses	-	478	-	478



Explanatory Notes Pursuant to the Listing Requirements
For 3 Months Ended 30 June 2024

B7) Taxation

	Individual Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	30.06.2024 RM '000	30.06.2023 RM '000	30.06.2024 RM '000	30.06.2023 RM '000
Corporate tax income/(expense)	(2)	(3)	(2)	(3)
Deferred tax income/(expense)	-	-	-	-
	<u>(2)</u>	<u>(3)</u>	<u>(2)</u>	<u>(3)</u>

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

B8) Status of Corporate Proposals

There were no other corporate proposals announced but not completed at the latest practicable date which is not earlier than seven (7) days from the date of issue of this interim financial report.

B9) Material Litigation

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



Explanatory Notes Pursuant to the Listing Requirements
 For 3 Months Ended 30 June 2024

B10) Borrowings and Debts Securities

	Non-Current RM '000	Current RM '000	Total RM '000
As at 30.06.2024			
<u>Secured</u>			
Finance lease payables	3,308	1,248	4,556
Term loans	3,780	1,498	5,278
	7,088	2,746	9,834
As at 30.06.2023			
<u>Secured</u>			
Finance lease payables	4,619	2,291	6,910
Term loans	918	763	1,682
Revolving credit	-	30,136	30,136
	5,538	33,190	38,728
		30.06.2024	30.06.2023
		%	%
The weighted average interest rate are as follows:			
Finance lease payables		3.22	3.24
Term loans		5.31	5.00
Revolving credit		-	5.69
Proportion of borrowings between:			
Fixed interest rates		46%	18%
Floating interest rates		54%	82%

All the Group's borrowings are denominated in RM.

B11) Dividend

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

Explanatory Notes Pursuant to the Listing Requirements
For 3 Months Ended 30 June 2024

B12) Earnings/(Loss) per Share

The basic and diluted earnings per share are computed as follows: -

	Individual Quarter		Cumulative Quarter	
	3 Months Ended	3 Months Ended	3 Months Ended	3 Months Ended
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
(a) Basis earnings per share				
Profit/(Loss) attributable to the owners of the Company (RM'000)	(1,380)	(9,736)	(1,380)	(9,736)
Weighted average number of ordinary shares in issue ('000)	226,193	224,949	226,193	224,949
Basic earnings/(loss) per share (sen)	(0.61)	(4.33)	(0.61)	(4.33)
(b) Diluted earnings/(loss) per share				
Profit/(Loss) attributable to the owners of the Company (RM'000)	(1,380)	(9,736)	(1,380)	(9,736)
Weighted average number of ordinary shares in issue ('000)	226,193	224,949	226,193	224,949
Adjusted for Warrants C ('000)	-	-	-	-
Adjusted for share options ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares in issue ('000)	226,193	224,949	226,193	224,949
Diluted earnings/(loss) per share (sen)	(0.61)	(4.33)	(0.61)	(4.33)

Notes:

- (1) The diluted loss per share is equivalent to the basic loss per share as the Company's warrants and share options had an anti-dilutive effect on the basic loss per share.
- (2) The comparative basic and diluted loss per share is re-calculated after assuming that the share consolidation had been executed at respective financial years.

B13) Authorisation for Issue

The interim financial report was authorised for issue on 30 August 2024 by the Board of Directors.