



Quarterly report on consolidated results for the first financial quarter ended 30 September 2020

Condensed Consolidated Statements of Comprehensive Income for the first financial quarter ended 30 September 2020

(The figures have not been audited)

	Notes	3 months ended 30th Sept 2020 RM'000	3 months ended 30th Sept 2019 RM'000	3 months ended 30th Sept 2020 RM'000	3 months ended 30th Sept 2019 RM'000
Revenue	A4	12,946	NA	12,946	NA
Operating Expenses		(14,909)	NA	(14,909)	NA
Other operating income	A5	1,797	NA	1,797	NA
<b>Profit before interest and tax</b>	A4	(166)	NA	(166)	NA
Finance costs		(60)	NA	(60)	NA
<b>Profit before tax</b>		(226)	NA	(226)	NA
Income tax expense	B5	(44)	NA	(44)	NA
<b>Profit for the year</b>		(270)	NA	(270)	NA
<b>Total comprehensive income for the year</b>		(270)	NA	(270)	NA
<b>Profit Attributable to:</b>					
Owners of the parent		(213)	NA	(213)	NA
Non - controlling interests		(57)	NA	(57)	NA
		(270)	-	(270)	-
Earnings per share attributable to equity holders of the parent:					
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		(213)	NA	(213)	NA
Non - controlling interests		(57)	NA	(57)	NA
		(270)	-	(270)	-
Basic - sen		(0.10)	NA	(0.10)	NA

There are no comparative figure with the preceeding quarter/period ended 30 Sept 2020 due to change in financial year end to 30 June 2020

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 30th June 2020 and the accompanying explanatory notes attached to the interim financial statements.



**Interim report on consolidated results for the first financial quarter ended 30th September 2020**

**Condensed Consolidated Statements of Financial Position as at 30th September 2020**

(The figures have not been audited)

	Notes	As at 30 Sept 2020 RM RM'000	As at 30 June 2020 RM RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant & equipment		63,165	63,997
Right-Of-Use Asset		105	105
Inventories - Property		38,692	43,713
Property Development Cost		3,529	-
Investment Properties		63,300	63,300
Goodwill on Consolidation		6,798	6,798
		<u>175,589</u>	<u>177,913</u>
<b>Current assets</b>			
Inventories		140,355	135,832
Trade receivables		14,132	11,951
Other receivables		34,162	26,087
Short Term Investment	B6	20,845	22,155
Fixed Deposit with licensed banks		4,455	4,504
Cash and bank balances		24,784	21,859
Non - Current Assets held for sale		-	18,000
		<u>238,733</u>	<u>240,388</u>
<b>TOTAL ASSETS</b>		<u>414,322</u>	<u>418,301</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		212,203	212,203
Other reserves		(5,829)	(5,829)
ICULS- Equity reserve		12,349	12,349
ICPS		93,757	93,757
Warrants reserve		5,779	5,779
Retained profits		31,519	31,732
		<u>349,778</u>	<u>349,991</u>
<b>Non-controlling interests</b>		<u>19,298</u>	<u>19,355</u>
<b>Total equity</b>		<u>369,076</u>	<u>369,346</u>
<b>Non-current liabilities</b>			
Borrowings	B9	1,218	2,954
Deferred tax liabilities		4,901	4,901
		<u>6,119</u>	<u>7,855</u>
<b>Current liabilities</b>			
Borrowings	B9	2,389	1,387
Trade payables		20,009	17,942
Other payables		18,564	22,953
Provision for taxation		(1,835)	(1,182)
		<u>39,127</u>	<u>41,100</u>
<b>Total liabilities</b>		<u>45,246</u>	<u>48,955</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>414,322</u>	<u>418,301</u>
Net asset per share attributable to ordinary equity holders of the parent (RM)		1.65	1.65

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 30th June 2020 and the accompanying explanatory notes attached to the interim financial statements.



**Quarterly report on consolidated results for the first financial quarter ended 30th September 2020**

**Condensed Consolidated Statements of Cash Flow for the first financial quarter ended 30th September 2020**

(The figures have not been audited)

	<b>3 months ended As at 30 Sept 2020 RM'000</b>	<b>3 months ended As at 30 Sept 2019 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	(226)	NA
Adjustments for:		
Depreciation	952	
Property Inventories	795	
Property Development Cost	697	
Interest expense	62	
Operating profit before working capital changes	<u>2,280</u>	<u>NA</u>
(Increase)/ decrease in inventories	(4,523)	
(Increase)/ decrease in receivables	8,594	
(Decrease)/ increase in payables	(2,883)	
Net change in intercompanies	2	
Cash generated from/ (used in) operations	<u>3,470</u>	<u>NA</u>
Income tax paid	(176)	
Interest paid	(62)	
Net cash from/ (used in) operating activities	<u>3,232</u>	<u>NA</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(129)	
Proceeds from disposal of property, plant and equipment	8	
Disposal/ (Purchase) of investment	463	
Net cash from/ (used in) investing activities	<u>342</u>	<u>NA</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net changes in short term borrowings	3,554	
Proceeds/(Repayment) of term loans	(624)	
Proceeds/(Repayment) of hire purchase	387	
	<u>3,317</u>	<u>NA</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	6,891	NA
<b>CASH AND CASH EQUIVALENTS AT BEGINNING</b>	21,859	NA
<b>CASH AND CASH EQUIVALENTS AT END</b>	<u><u>28,750</u></u>	<u><u>NA</u></u>
<b>Represented by:</b>		
Cash and bank balances	24,784	NA
Fixed deposits with a licenced bank	4,455	NA
Bank overdrafts	(489)	
	<u><u>28,750</u></u>	<u><u>NA</u></u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 30th June 2020 and the accompanying explanatory notes attached to the interim financial statements.



**Quarterly report on consolidated results for the first financial quarter ended 30th September 2020**

**Condensed Consolidated Statement of Changes in Equity for the first financial quarter ended 30th September 2020**

	----- Attributable to Owners of the Parent -----										
	Share capital	----- Non-Distributable -----					Warrants reserve	Retained profits	Total	Non Controlling Interest	Total Equity
		Share premium	Treasury shares	Other reserve	Irredeemable Convertible Loan Stocks	Irredeemable Convertible Preference Shares					
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
15 months 1.4.2019 to 30.6.2020	212,203			(5,829)	12,349	93,757	5,779	25,033	343,292	19,731	363,023
Movements during the period (cumulative)		-			-		-		-	(246)	(246)
Net profit for the period		-	-	-				6,699	6,699	(130)	6,569
At 30 June 2020	<u>212,203</u>	<u>-</u>	<u>-</u>	<u>(5,829)</u>	<u>12,349</u>	<u>93,757</u>	<u>5,779</u>	<u>31,732</u>	<u>349,991</u>	<u>19,355</u>	<u>369,346</u>
3 months ended 30 September 2020	212,203			(5,829)	12,349	93,757	5,779	31,732	349,991	19,355	369,346
As at 1 July 2020											
Movements during the period (cumulative)		-		-					-		-
Net profit for the period		-	-	-				(213)	(213)	(57)	(270)
At 30 September 2020	<u>212,203</u>	<u>-</u>	<u>-</u>	<u>(5,829)</u>	<u>12,349</u>	<u>93,757</u>	<u>5,779</u>	<u>31,519</u>	<u>349,778</u>	<u>19,298</u>	<u>369,076</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.



**EXPLANATORY NOTES: (AS PER MFRS 134)**

**A1 Basis of Preparation**

The condensed consolidated interim financial statements (“Report”) are unaudited and have been prepared in accordance with applicable Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards (“IFRS”), No. 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the requirements of the Companies Act 2016 in Malaysia. This Report also complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”).

The accounting policies and methods used in preparing the quarterly financial statements are consistent and should be read in conjunction with the audited financial statements for the financial year ended 30<sup>th</sup> June 2020.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 30<sup>th</sup> June 2020.

**A2 Basis of measurement**

The unaudited financial statements of the Group have been prepared under the historical cost convention other than as disclosed.

The explanation and financial impacts on transition to MFRSs are disclosed below:

**(i) Property, plant and equipment**

The Group has previously adopted the transitional provisions available on the first application of the MASB Approved Accounting Standards IAS 16 (Revised) Property, Plant and Equipment, which was effective for periods ending on or after 1 September 1998. By virtue of this transitional provision, the Group had recorded certain property, plant and equipment at revalued amounts, but had not adopted a policy of regular revaluation, and continued to carry those assets on the basis of their previous revaluations subject to continuity in its depreciation policy and the requirement to write down the assets to their recoverable amounts for impairment adjustments.

For non-financial asset, the fair value measurement takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - unobservable inputs for the asset or liability.



## A2.1 Adoption of Amendments/Improvement to MFRS

The Group and the Company have adopted the following standards that are mandatory for the current financial period:

### **Effective for annual periods beginning on or after 1 January 2019**

#### *MFRS 16 Leases*

*Amendments to MFRS 9 Financial Instruments: Prepayment Features with Negative Compensation*

*Amendments to MFRS 119 Employee Benefits: Plan Amendment, Curtailment or Settlement*

*Amendments to MFRS 128 Investments in Associates and Joint Ventures: Long-term Interests in Associates and Joint Ventures*

*Annual Improvements to MFRS Standards 2015-2017 Cycle*

*IC Interpretation 23 Uncertainty over Income Tax Treatments*

The initial application of the above standards did not have any material impact on the financial statements of the Group and of the Company except as mentioned below:

#### **MFRS 16 Leases**

MFRS 16 supersedes MFRS 117 Leases, IC Interpretation 4 Determining whether an Arrangement contains a Lease, IC Interpretation 115 Operating Leases-Incentives and IC Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. Basically, MFRS 16 requires the Group and the Company to account operating leases as on-balance sheet items instead of off-balance sheet previously.

Upon adoption of MFRS 16, the Group applied a single recognition and measurement approach for all leases where leases will be recognised as right-of-use assets and corresponding lease liabilities except for short-term leases and leases of low-value assets where the lease rental payments are recognised as an expense in the profit or loss. Leases which were previously classified as finance leases under MFRS 117 continue to be treated as such without any changes upon adoption of MFRS 16 on 1 April 2019.

Operating lease payment previously recognised as rental expense is being replaced with depreciation of right-of-use assets and accretion of interest in profit or loss.

Lessor accounting under MFRS 16 is substantially unchanged from MFRS 117. Lessors will continue to classify leases as either operating or finance leases using similar principles as in MFRS 117. Therefore, MFRS 16 does not have an impact for leases where the Group is the lessor.



**EXPLANATORY NOTES: (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)**

**A2.2 Standards Issued But Not Yet Effective**

The following are accounting standards that have been issued by the Malaysian Accounting Standards Board but have not been early adopted by the Group and by the Company:

**Effective for annual periods beginning on or after 1 January 2020**

*Amendments to References to the Conceptual Framework in MFRS Standards*  
*Amendments to MFRS 3 Business Combinations: Definition of a Business*  
*Amendments to MFRS 101 Presentation of Financial Statements and MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Material*  
*Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement and MFRS 7 Financial Instruments: Disclosures: Interest Rate Benchmark Reform*

**Effective for annual periods beginning on or after 1 June 2020**

*Amendments to MFRS 16 Leases: Covid-19-Related Rent Concessions*

**Effective for annual periods beginning on or after 1 January 2021**

*Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosures, MFRS 4 Insurance Contracts and MFRS 16 Leases: Interest Rate Benchmark Reform - Phase 2*

The initial application of the above standards is not expected to have any material impact on the financial statements of the Group and of the Company upon adoption.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with the most recent annual audited financial statements for the year ended 30<sup>th</sup> June, 2020.

**A3 Declaration of audit qualification**

The audit report of the Company in respect of the annual financial statements for the year ended 30<sup>th</sup> June 2020 was not subject to any audit qualification.

**A4 Segmental reporting**

Segmental analysis for the current financial year to-date

	<b>Revenue (RM)</b>	<b>Profit/(Loss) before interest and tax (RM)</b>
Manufacturing	8,588,881	(441,907)
Trading	354,222	( 97,217)
Others	4,003,741	373,278
	-----	-----
	12,946,844	(165,846)
	=====	=====



**EXPLANATORY NOTES: (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)**

**A5 Other operating income**

	<b>30 Sept 2020</b>	<b>30 Sept 2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Interest Received	9	-
Gain on Sale of Fixed Asset	-	-
Gain on foreign exchange	54	-
Administrative Charges	2	-
FD interest	21	-
Gain on Investment	1,547	-
Rental receivable	66	-
Rental income	4	-
Scrap sales	73	-
Dividend Received	1	-
Prihatin National	20	-
	<hr/>	<hr/>
	1,797	NA

**A6 Unusual items**

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, incidence and other than notes disclose in A13.

**A7 Changes in estimates**

There were no changes in estimates of amount used in our previous reporting having a material impact in the current reporting.

**A8 Seasonality or cyclicity of operation**

The business of the Group is generally neither non-cyclical nor seasonal except for decreased activities during the festive season.

**A9 Dividends Paid**

No Dividend was paid during the financial period ended 30<sup>th</sup> Sept 2020

**A10 Valuation of property, plant and equipment**

Investment properties have been revalued to fair value according to MFRS140 for the financial year ended 30th June 2020





**EXPLANATORY NOTES: (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)**

**A11 Issuances and repayments of debts and equity securities**

As at 30 Sept 2020, out of the total 212,203,372 issued and fully paid ordinary shares 774 shares were held as treasury shares at an average purchase price of RM0.52. The share buyback transactions were financed by internally generated funds.

Save as disclosed above, there were no other issuances, cancellations, resale or repayments of debt and equity securities during the quarter ended 30 June 2020.

**A12 Changes in the composition of the Group**

There is no transaction or event of a changes between 30<sup>th</sup> June 2020 and the date of this announcement.

**A13 Material events**

**A) Disposal of Property**

- i) On 16<sup>th</sup> Jan 2020 Sparkle Gateway Sdn Bhd (“**SGSB**” or the “**Vendor**”) a wholly-owned sub-subsidiary of the company has entered into a Sale and Purchase agreement (“**SPA**”) with ISEC (Penang) Sdn Bhd (“**ISEC**” or **Purchaser**”) for the disposal of the following property for total consideration of RM 18,100,000.00 (“**the purchase price**”):

On 21st Aug 2020 the Company has completed the disposal in accordance with the term and condition of the Sale and Purchase Agreement dated 16<sup>th</sup> Jan 2020.

Description of property

The property known as No Lot 1047, Section 13, Bandar Georgetown, Daerah Timur Laut, Penang comprised in Geran No 8892 with premises erected thereon now bearing address No 56, Jalan Larut 10050 Penang (“the said property”)



## **B) Suspension of Trading**

### **i) Status of Police Investigation**

On 16 January 2020, a portion of the Company's premises located at Prai Industrial Estate which is tenanted by a third party had been raided by the Police Diraja Malaysia ("PDRM") for investigation of an offence under the Dangerous Drugs Act 1952. The Executive Chairman, Mr. Ooi Chieng Sim has also been remanded by PDRM to assist in the investigations.

In regard to the ongoing investigations,

- a total of nine (9) banking accounts in the name of the Company and its subsidiaries, namely Duro Metal Industrial (M) Sdn. Bhd., SMPC Industries Sdn. Bhd., Syarikat Perkilangan Besi Gaya Sdn. Bhd. and Progerex Sdn. Bhd. have been frozen;
- the securities maintained in the CDS accounts belonging to the Company's subsidiaries, namely Progerex Sdn. Bhd. and Park Avenue Construction Sdn. Bhd. have been suspended;
- some of the Group's motor vehicles had been seized;
- the Executive Chairman, Mr. Ooi Chieng Sim's personal banking accounts and CDS accounts have been frozen; and
- the Executive Director, Mr. Ng Chin Nam's personal banking accounts have been frozen.

Hence, the financial and operations of the Group will be substantially affected.

### **ii) The Board had taken the following proactive actions to address the above matters:**

- Termination of the Tenancy Agreement dated 1 April 2016 with the involved tenant with effect from 20 January 2020;
- To re-designate the following two (2) Non-Executive Directors of the Company with effect from 17 February 2020:
  - Mr. Tan Kim Hee from Non-Independent Non-Executive Director to Executive Director
  - Mr. Chiok Kian Chau from Independent Non-Executive Director to Executive Director



To be Continued

The above arrangement would allow:

- Mr. Tan Kim Hee also a major shareholder of the Group holding 21.80% of the equity shares to take stewardship of the Group's direction and spearhead the running of the Group's operations
- Mr. Chiok Kian Chau with financial planning and audit background will be able to give a check and balance on the Group's operations and discharging his responsibilities to protect the shareholders' interest
- To appoint Mr. Chiok Kian Chau as Executive Chairman in place of Mr. Ooi Chieng Sim of which his directorship has been suspended by the Board on 31 January 2020.
- To change its financial year end from 31 March 2020 to 30 June 2020 and 30 June in every subsequent year.



iii) On 31 Jan 2020 further development for investigation of an offence under the Dangerous Drugs Act 1952 are as follow.

1. the securities maintained in the CDS accounts of the Company have been suspended;
2. the securities maintained in the CDS account of the Company's subsidiary, SMPC Industries Sdn. Bhd. has been suspended;
3. the securities maintained in the CDS account of the Executive Director, Mr. Ng Chin Nam has been suspended;
4. additional one banking account of the Company's subsidiary, Metal Perforators (M) Sdn. Bhd. has been frozen;
5. the following properties of the Company and its subsidiary have been seized:

Name of Company	Description of Property
1. ATTA Global Group Berhad	<p>i) Lot 5037, Mukim 1, Daerah Seberang Perai Tengah, Pulau Pinang, No. Lot 5037, No. Geran PN 3394.</p> <p>ii) Lot 5038, Mukim 1, Daerah Seberang Perai Tengah, Pulau Pinang, No. Lot 5039, No. Geran PN 3887.</p> <p>iii) PT 1444, Mukim 1, Daerah Seberang Perai Tengah, Pulau Pinang, No. Lot 766, No. Geran HSD 41686.</p>
2. Progerex Sdn. Bhd.	<p>i) Lot 4707, Mukim 3, Seberang Perai Utara, Pulau Pinang, No. Lot 4707, No. Geran GM 2857.</p> <p>ii) Lot 4661, Mukim 7, Seberang Perai Utara, Pulau Pinang, No. Lot 4661, No. Geran GM 2510.</p> <p>iii) PMT 3-14, Blok C, Lorong Perusahaan Baru 2E, Taman Perai Indah, 13600 Perai, Pulau Pinang, No. Lot 3793, No. Geran GM 1189/M1/4/71, Mukim 6.</p> <p>iv) PMT 3-15, Blok C, Lorong Perusahaan Baru 2E, Taman Perai Indah, 13600 Perai, Pulau Pinang, No. Lot 3793, No. Geran GM 1189/M1/4/72, Mukim 6.</p>



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To be Continued

v) PMT 3-16, Blok C, Lorong Perusahaan Baru 2E, Taman Perai Indah, 13600 Perai, Pulau Pinang, No. Lot 3793, No. Geran GM 1189/M1/4/73, Mukim 6.

vi) PMT 4-11, Blok C, Lorong Perusahaan Baru 2E, Taman Perai Indah, 13600 Perai, Pulau Pinang, No. Lot 3793, No. Geran GM 1189/M1/5/88, Mukim 6.

vii) PMT 4-12, Blok C, Lorong Perusahaan Baru 2E, Taman Perai Indah, 13600 Perai, Pulau Pinang, No. Lot 3793, No. Geran GM 1189/M1/5/89, Mukim 6.

viii) PMT 4-12A, Blok C, Lorong Perusahaan Baru 2E, Taman Perai Indah, 13600 Perai, Pulau Pinang, No. Lot 3793, No. Geran GM 1189/M1/5/90, Mukim 6.

ix) No. Lot 10707, No. Geran 8716, Daerah Seberang Perai Tengah, Mukim 14.

x) No. Lot 10708, No. Geran 8717, Daerah Seberang Perai Tengah, Mukim 14.

xi) No. Lot 10709, No. Geran 8718, Daerah Seberang Perai Tengah, Mukim 14.

xii) No. Lot 10710, No. Geran 8719, Daerah Seberang Perai Tengah, Mukim 14.

xiii) Lot 1242, Seksyen 3, Bandar Georgetown, Daerah Timor Laut, Pulau Pinang, No. Geran 62181/M1A/20/82.

xiv) Lot 1435, Bandar Bukit Mertajam, Seksyen 5, Daerah Seberang Perai Tengah, Pulau Pinang, No. Geran 148898.



To be Continued

iv) The Company has made the payment of RM500,000 to Akauntan Negara Malaysia as bond for the release of the following 10 units of motor vehicles which have been seized pursuant to Section 26(2) of the Dangerous Drugs (Forfeiture of Property) Act, 1988 except one Toyota Vellfire in the name of SMPC Industries Sdn. Bhd.:

Name of Company	Description of Motor Vehicle
1. ATTA Global Group Berhad	BMW X5
2. SMPC Industries Sdn. Bhd.	Mercedes Benz E350
3. Progerex Sdn. Bhd.	i) 3 units of Excavator, Model Kobelco ii) 4 units of Lorry, Model Hino iii) 1 unit of Proton Persona

On 14 May 2020, the above said motor vehicles have been released by Police Diraja Malaysia (PDRM) pursuant Section 26(2)(a) of the Dangerous Drugs (Forfeiture of Property) Act, 1988.

## **2. Application for Return of Properties Seized**

The Company has exercised its right under the Law to apply for release of the properties seized by the Police. The said claim was made under the relevant law and has been referred to the Sessions Court of Georgetown, Penang for determination. Due to Conditional Movement Control Order, the Company is still waiting for court's date from the Authority.

## **3. The Resumption of Operation of the Company and its Subsidiaries**

In view of the above release of motor vehicles for excavators, lorries and Proton Persona by Police Diraja Malaysia (PDRM), the Company had sought the legal opinion on the resumption of operation of the Company and its subsidiaries. It was concluded that the Company and its subsidiaries are at liberty to commence the operation. Hence, the subsidiaries, namely Progerex Sdn. Bhd. and Syarikat Perkilangan Besi Gaya Sdn. Bhd. plan to resume its scrap metal operation by 1 June 2020.



At this juncture, the Board of Directors of ATTA has taken the following actions:

i) appointment of a solicitor to file a Notice of Claim for the release of the seized assets covering banking accounts, CDS accounts and properties to protect the interest of the Company & the Group and the shareholders;

ii) Further to the above on 2<sup>nd</sup> June 2020 the Company's subsidiaries have received the letters of resignation from Mr Ooi Chieng Sim as the Director of the following subsidiaries :

- ATTA Properties Sdn. Bhd.
- Duro Metal Industrial (M) Sdn. Bhd
- Eminent Potential Sdn. Bhd
- Kembang Kartika Sdn. Bhd
- Metal Perforators (Malaysia) Sdn. Bhd.
- Park Avenue Construction Sdn. Bhd
- Progerex Sdn. Bhd
- Scanrite Sdn. Bhd
- Sungguh Gemilang Development Sdn. Bhd.
- Syarikat Perkilangan Besi Gaya Sdn. Bhd.

iii) Mr Ooi Chieng Sim has his office as an Executive Director had be vacated by the the end of financial year ended 30<sup>th</sup> June 2020 pursuant to paragraph 15.05(3)(c) of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad and Article 20.11(h) of the Company's Constitution as he has been absent for more than 50% of the total Board Meetings held during the financial year Ended 30<sup>th</sup> June 2020.

#### **4. Updates on the Forfeiture Case (No Case: PA-64-FOP-22-04/2020)**

Following the first case management held on 2 July 2020 at Sessions Court 2, Georgetown, the Court had fixed another case management on 8 September 2020 to enable all Claimants to appoint legal representatives and to submit their representation letters to the Attorney General Chamber ("AGC"), Putrajaya to be considered.

In this connection, the Company had on 6 July 2020 submitted the Company's representation letter to the AGC. The Company had explained in the representation letter on the historical background, business operation of the Company and how the seized properties were legitimately acquired by the Company. The Company had furnished the AGC with the relevant evidences to be considered.



Further to the update above following the case management held on 8 September 2020, the Court has decided to release the following properties and CDS accounts of the Company and subsidiary:

1.1 Properties

Name of Company	Description of Property
Progerex Sdn. Bhd.	i) No. Lot 10707, No. Geran 8716, Daerah Seberang Perai Tengah, Mukim 14.
	ii) No. Lot 10708, No. Geran 8717, Daerah Seberang Perai Tengah, Mukim 14.
	iii) No. Lot 10709, No. Geran 8718, Daerah Seberang Perai Tengah, Mukim 14.
	iv) No. Lot 10710, No. Geran 8719, Daerah Seberang Perai Tengah, Mukim 14.
	- Total of 2.259 acres at Bukit Minyak, Seberang Perai

1.2 A total of 2 securities accounts maintained in the CDS account of the Company under M&A Securities Sdn. Bhd. and Inter-Pacific Securities Sdn. Bhd.

Further to the update above the Mention on 10 November 2020 has been postponed to 8 December 2020 due to Conditional Movement Control Order (CMCO) in Penang.

Save as disclosed above, there is no transaction or event of a material or unusual nature occurring between 30<sup>th</sup> June 2020 and the date of this announcement.

A14 Material commitments

**Property, plant and equipment**  
- Authorized and contracted for

**Group (RM'000)**

2,000





**B1 Review of the performance of the Company and its principal subsidiaries**

	<b>3 months ended</b>	
	<b>30 Sept 2020</b>	<b>30 Sept 2019</b>
	RM'000	RM'000
Revenue	12,946	N/A
Profit / (Loss) before tax	(226)	N/A

Following the change in financial year end to 30 June 2020 from 31 March 2020 there are no comparative financial information available for the current quarter.

The Group generated revenue of approximately RM12.946 million for the 1st quarter ended 30 September 2020 and recorded a Loss before tax of RM0.226million for 1st quarter ended 30 September 2020.

The performance of the respective operating business segments of the Group for 1<sup>st</sup> Quarter 2020 are analysed as follows:-

	<b>Manufacturing</b>	<b>Trading</b>	<b>Property Development</b>	<b>Rental / Others</b>	<b>Total</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Revenue	8,588,881	354,222	3,306,557	697,184	12,946,844
Profit / (Loss) Before Tax	-394,576	-178,675	145,251	202,369	-225,631

**B2 Financial review for current quarter compared with immediate preceding quarter**

	<b>Current Quarter</b>	<b>Immediate Preceding</b>	<b>Changes</b>
	<b>30 Sept 2020</b>	<b>Quarter</b>	<b>(Amount/ %)</b>
	<b>RM"000</b>	<b>30 June 2020</b>	<b>RM"000</b>
	<b>RM"000</b>	<b>RM"000</b>	<b>RM"000</b>
Revenue	12,946	27,182	-52.37 %
Profit / (Loss) Before Interest and Tax	-166	8,385	-101.97 %
Profit / (Loss) before tax	-226	8,385	- 102.69 %
Profit / (Loss) after tax	-270	8,030	-103.36 %
Profit/(Loss) Attributable to Ordinary Equity Holders Of the parent holders of the parent	-213	8,094	-102.63 %

The Group's registered revenue of RM12.946 million for the current quarter under review as compared to RM27.182million in the immediate preceding quarter. Turnover reduced by RM14.236 million or 52.37%. The Decreases in revenue was contributed by lesser progress billing of Property Development division compare to immediate preceding quarter.

The Group made loss before tax of RM0.226 million for current quarter compared to profit before tax of RM8.385 million for the immediate preceding quarter. The decrease in profit are mainly in line with the decline in revenue.



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## B3 Prospects of the current financial year

In view of the recent resurgence of the third wave coronavirus (Covid-19) pandemic and the implementation of the Conditional Movement Control Order (CMCO) which impacted the global and Malaysian economy, the Group expects performance to remain challenging and resilient in 2021.

The Board of Directors is of the view that the business environment for the manufacturing and trading of steel products will continue to be challenging due to a huge drop in demand and volatility in steel prices. Whereas the property market demand would remain soft and many developers are likely to miss their completion deadlines due to Movement Control Order (MCO).

To weather the challenging pandemic environment, the Group will focus on adhering to stringent Covid-19 Standard Operating Procedures (“SOPs”) to ensure sustainable operations, carry out cost containment measures and preserve cashflow to remain competitive and resilient.

## B4 Variance of actual profit from forecast profit

This is not applicable to the Group.

## B5 Taxation

Taxation comprises:-

	Current Year Quarter 30/6/2020 RM'000	Cumulative Quarters	
		Current Year To Date 30/6/2020 RM'000	Preceding Year Corresponding Period 30/6/2019 RM'000
Current year expense	-	-	-
Provision of Income tax	(44)	(44)	NA
	(44)	(44)	NA
Current year Deferred tax provision	-	-	-
	(44)	(44)	NA



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**B6 Other Investments**

	<b>RM</b> <b>30 Sept 2020</b>	<b>RM</b> <b>30 June 2020</b>
<b>Non-current</b>		
Available for sale financial assets:		
At fair value:		
- Quoted securities in Malaysia	16,465,980	17,662,637
- Addition		
	<u>16,465,980</u>	<u>17,662,637</u>
Held-to-maturity investments		
At cost:		
- Loan stocks quoted in Malaysia	4,379,102	4,379,102
	<u>20,845,081</u>	<u>22,041,739</u>
Market value of:		
- Quoted securities	17,827,723	17,828,516
- Loan stocks	7,716,501	4,286,945
	<u>25,544,224</u>	<u>22,115,461</u>

**B7 Status of corporate proposals**

There are no other corporate proposals at the date of issue of the quarterly report.



**B8 Status of Utilisation of Proceeds**

The Company received proceeds amounting to RM97.794 million from the issuance of 1,222,426,720 Irredeemable Convertible Preference Shares (“ICPS”) at an issue price of RM0.08 per ICPS in December 2017. The proceeds have been utilized in the following manner as at 30<sup>th</sup> June 2020:-

Purpose	Approved utilisation RM'000	Amount utilised RM'000	Balance unutilized RM'000
Purchase of new equipment/machineries	6,550	4,078	2,472
Investment in new business	30,000	29,970	30
Upgrading of building	10,000	7,161	2,839
Working capital	50,244	49,325	919
Expenses in relation to the Proposal (ICPS)	1,000	763	237
<b>Total :</b>	<b>97,794</b>	<b>91,297</b>	<b>6,497</b>

**B9 Group borrowings and debt securities**

There were no bank borrowings other than as detailed below and debt securities as at the end of the reporting period.

	As at 1 <sup>st</sup> quarter ended Sept 2020					
	Long term		Short term		Total borrowings	
	Foreign denomination	RM denomination	Foreign denomination	RM denomination	Foreign denomination	RM denomination
<b>Secured</b>						
Bank Overdrafts	-	-	-	485,629	-	485,629
Bankers Acceptance	-	-	-	140,292	-	140,292
Term Loan	-	(139,748)	-	1,762,893	-	1,623,145
<b>Unsecured</b>						
Term Loan	-	-	-	-	-	-
Hire Purchase	-	1,357,308	-	-	-	1,357,308
<b>TOTAL</b>	<b>-</b>	<b>1,217,560</b>	<b>-</b>	<b>2,388,814</b>	<b>-</b>	<b>3,606,374</b>



B9 Group borrowings and debt securities – con't

	As at quarter ended Sept 2019					
	Long term		Short term		Total borrowings	
	Foreign denomination	RM denomination	Foreign denomination	RM denomination	Foreign denomination	RM denomination
<b>Secured</b>						
Bank Overdrafts	-	-	-	489,250	-	489,250
Bankers Acceptance	-	-	-	1,623,970	-	1,623,970
Term Loan	-	1,606,637	-	1,643,415	-	3,250,052
Revolving Credit	-	-	-	-	-	-
<b>Unsecured</b>						
Term Loan	-	-	-	-	-	-
Hire Purchase	-	1,979,171	-	-	-	1,979,171
<b>TOTAL</b>	-	<b>3,585,808</b>	-	<b>3,756,635</b>	-	<b>7,342,443</b>



**B10 Dividends**

The Board of Directors of the Company has not recommended any dividend for the period ended 30/9/2020

**B11 Earnings per Share**

(i) Basic earnings per ordinary share

The earnings per share is calculated by dividing the net profits / (loss) attributable to owners of the parent of RM (213,341) by the number of ordinary shares in issue during the current quarter after treasury shares of 212,203,372.

(ii) Diluted earnings per ordinary share

The diluted earnings per share is not presented as the assumed conversion of potential ordinary share are anti-dilutive.