



ATA IMS Berhad
(Company No. 190155-M)
(Incorporated in Malaysia)
and its subsidiaries

Interim Financial Statements
For the Fourth Quarter Ended
31 March 2022

ATA IMS Berhad

(Company No. 190155-M)
(Incorporated in Malaysia)

Interim Financial Statements For the Fourth Quarter Ended 31 March 2022

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ATA IMS Berhad

(Company No. 190155-M)

(Incorporated in Malaysia)

**Unaudited Condensed Consolidated Statement of Financial Position
As at 31 March 2022**

	31.03.2022	31.03.2021
	RM'000	RM'000
Note		Audited
Assets		
Property, plant and equipment	361,422	368,851
Right-of-use assets	927	6,908
Goodwill on consolidation	76,414	76,414
Total non-current assets	<u>438,763</u>	<u>452,173</u>
Inventories	314,785	458,487
Asset held for sales	3,224	-
Contract assets	52,811	86,541
Trade and other receivables	431,349	984,553
Current tax assets	29,229	2,587
Derivative financial assets	-	213
Cash and cash equivalents	200,424	351,208
	<u>1,031,822</u>	<u>1,883,589</u>
Total assets	<u><u>1,470,585</u></u>	<u><u>2,335,762</u></u>
Equity		
Share capital	1,338,445	1,338,445
Treasury Shares	(1,897)	(1,897)
Reserves	(1,104,083)	(1,104,371)
Retained earnings	506,743	558,519
Equity attributable to owners of the Company	<u>739,208</u>	<u>790,696</u>
Non-controlling interests	<u>195</u>	<u>-</u>
Total equity	<u><u>739,403</u></u>	<u><u>790,696</u></u>
Liabilities		
Loans and borrowings	24 137,079	118,293
Lease Liabilities	88	5,178
Deferred tax liabilities	11,089	19,436
Total non-current liabilities	<u>148,256</u>	<u>142,907</u>
Loans and borrowings	24 117,854	434,568
Lease Liabilities	1,016	2,019
Trade and other payables	464,056	965,374
Contract liabilities	-	198
Total current liabilities	<u>582,926</u>	<u>1,402,159</u>
Total liabilities	<u><u>731,182</u></u>	<u><u>1,545,066</u></u>
Total equity and liabilities	<u><u>1,470,585</u></u>	<u><u>2,335,762</u></u>
Net assets per share attributable to the owners of the company (RM)	<u><u>0.61</u></u>	<u><u>0.66</u></u>

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Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income For the Fourth Quarter Ended 31 March 2022

	Individual 3 months ended 31-Mar		Cumulative 12 months ended 31-Mar	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue	431,062	967,978	2,602,405	4,221,815
Cost of sales	<u>(443,774)</u>	<u>(887,344)</u>	<u>(2,518,881)</u>	<u>(3,916,389)</u>
Gross profit/(loss)	(12,712)	80,634	83,524	305,426
Other operating income/(expenses)	(10,612)	(21,957)	(8,045)	7,499
Distribution expenses	(6,718)	(16,170)	(42,914)	(72,110)
Administrative expenses	<u>(7,819)</u>	<u>(8,972)</u>	<u>(34,239)</u>	<u>(38,309)</u>
Result from operating activities	(37,861)	33,535	(1,674)	202,506
Finance income	601	1,510	4,694	7,302
Finance costs	<u>(3,395)</u>	<u>(4,089)</u>	<u>(16,568)</u>	<u>(17,770)</u>
Profit/(Loss) before tax	(40,655)	30,956	(13,548)	192,038
Tax expense	<u>11,413</u>	<u>(4,014)</u>	<u>2,026</u>	<u>(41,738)</u>
Profit/(Loss) for the period	<u>(29,242)</u>	<u>26,942</u>	<u>(11,522)</u>	<u>150,300</u>
Other comprehensive income/ (expenses), net of tax				
Foreign currency translation difference for foreign operations	<u>123</u>	<u>(338)</u>	<u>288</u>	<u>(579)</u>
Total comprehensive income/ (expenses) for the period	<u>(29,119)</u>	<u>26,604</u>	<u>(11,234)</u>	<u>149,721</u>
Profit/(Loss) attributable to:				
Owners of the company	(29,220)	26,942	(11,481)	150,300
Non-controlling interests	<u>(22)</u>	<u>-</u>	<u>(41)</u>	<u>-</u>
Profit/(Loss) for the period	<u>(29,242)</u>	<u>26,942</u>	<u>(11,522)</u>	<u>150,300</u>
Basic earnings per ordinary share (sen)	(Note 25)			
	<u>(2.43)</u>	<u>2.24</u>	<u>(0.95)</u>	<u>12.49</u>
Diluted earnings per ordinary share (sen)	(Note 26)			
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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Unaudited Condensed Consolidated Statement of Changes in Equity For the Fourth Quarter Ended 31 March 2022

	← Attributable to owners of the Company →							
	← Non-distributable			→ Distributable				
	Share Capital	Treasury Shares	Exchange fluctuation reserve	Reverse acquisition reserve	Retained earnings	Total	Non-controlling interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2021	1,338,445	(1,897)	65	(1,104,436)	558,519	790,696	-	790,696
Foreign currency translation differences for foreign operations	-	-	288	-	-	288	-	288
Loss for the period	-	-	-	-	(11,481)	(11,481)	(41)	(11,522)
Total comprehensive income/(loss) for the period	-	-	288	-	(11,481)	(11,193)	(41)	(11,234)
Dividends to owners of the company	-	-	-	-	(40,295)	(40,295)	-	(40,295)
Total transactions with owners of the Company	-	-	-	-	(40,295)	(40,295)	-	(40,295)
Acquisition of a subsidiary	-	-	-	-	-	-	236	236
At 31 March 2022	<u>1,338,445</u>	<u>(1,897)</u>	<u>353</u>	<u>(1,104,436)</u>	<u>506,743</u>	<u>739,208</u>	<u>195</u>	<u>739,403</u>
At 1 April 2020	1,338,445	-	644	(1,104,436)	432,276	666,929	-	666,929
Foreign currency translation differences for foreign operations	-	-	(579)	-	-	(579)	-	(579)
Profit for the period	-	-	-	-	150,300	150,300	-	150,300
Total comprehensive income for the period	-	-	(579)	-	150,300	149,721	-	149,721
Own shares acquired	-	(1,897)	-	-	-	(1,897)	-	(1,897)
Dividends to owners of the company	-	-	-	-	(24,057)	(24,057)	-	(24,057)
Total transactions with owners of the Company	-	(1,897)	-	-	(24,057)	(25,954)	-	(25,954)
At 31 March 2021	<u>1,338,445</u>	<u>(1,897)</u>	<u>65</u>	<u>(1,104,436)</u>	<u>558,519</u>	<u>790,696</u>	<u>-</u>	<u>790,696</u>

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**Unaudited Condensed Consolidated Statement of Cash Flows
For the Fourth Quarter Ended 31 March 2022**

	12 months ended	
	31-Mar	
	2022	2021
	RM'000	RM'000
Cash flows from operating activities		
Profit/(loss) before tax	(13,548)	192,038
Adjustment for:-		
Bad debts written off	-	449
Depreciation of property, plant and equipment	48,009	39,213
Depreciation of right-of-use assets	2,019	3,377
Finance costs	16,568	17,770
Finance income	(4,694)	(7,302)
Gain on disposal of property, plant and equipment	(3,593)	(232)
Property, plant and equipment written off	159	286
Gain arising from lease modification	(257)	(2)
Impairment of goodwill	127	-
Impairment loss of plant and equipment	12,000	-
Reversal of Impairment loss on trade receivables	(25)	(51)
Unrealised gain on foreign exchange	(2,033)	(4,874)
Allowance for slow moving inventories	9,277	506
Inventories write-down to net realisable value	32	96
Fair value (gain)/loss on derivative instruments	3	(213)
Operating profit before changes in working capital	<u>64,044</u>	<u>241,061</u>
Changes in inventories	134,393	(89,907)
Changes in contract assets	33,730	(50,432)
Changes in trade and other receivables	553,629	(268,883)
Changes in trade and other payables	(472,055)	202,132
Changes in contract liabilities	(198)	64
Changes in derivative financial assets	210	-
Cash generated from operations	<u>313,753</u>	<u>34,035</u>
Tax Paid	(33,003)	(35,605)
Net cash from/(used in) operating activities	<u>280,750</u>	<u>(1,570)</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(32,983)	(9,705)
Acquisition of subsidiary, net of cash and cash equivalents acquired	(58)	-
Proceeds from disposal of property, plant and equipment	7,361	1,157
Change in pledged deposits	8,982	9,346
Interest received	4,694	7,302
Net cash from/(used in) investing activities	<u>(12,004)</u>	<u>8,100</u>
Cash flows from financing activities		
Repayment of term loans	(4,414)	(2,107)
Proceeds from/(Repayment of) bankers' acceptance	(223,667)	73,601
Repayment of supply chain financing	(78,644)	(19,306)
Proceeds from/(Repayment of) of hire purchase liabilities	(23,126)	(39,504)
Payment of lease liabilities	(1,874)	(3,234)
Dividend paid to owners of the Company	(40,295)	(24,057)
Repurchase of treasury shares	-	(1,897)
Proceeds from/(Repayment of) revolving credits	(23,000)	30,000
Interest paid	(16,568)	(17,770)
Net cash used in financing activities	<u>(411,588)</u>	<u>(4,274)</u>

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**Unaudited Condensed Consolidated Statement of Cash Flows
For the Fourth Quarter Ended 31 March 2022**

	12 months ended	
	31-Mar	
	2022	2021
	RM'000	RM'000
Net increase/(decrease) in cash and cash equivalents	(142,842)	2,256
Effect of exchange rate fluctuation on cash held	292	(662)
Cash and cash equivalents at 1 April	342,226	340,632
Cash and cash equivalents at 31 March	<u>199,676</u>	<u>342,226</u>
Cash and cash equivalents comprise:		
Cash and bank balances	190,776	254,067
Fixed deposits with licensed banks	9,648	97,141
Cash and cash equivalents in the statements of financial position	<u>200,424</u>	<u>351,208</u>
Less: Pledged deposits	-	(8,982)
Bank overdrafts	(748)	-
Cash and cash equivalents in the statements of cash flow	<u>199,676</u>	<u>342,226</u>

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Part A

Selected explanatory notes pursuant to MFRS 134

For the Fourth Quarter Ended 31 March 2022

1 Basis of preparation

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS 134, Interim Financial Reporting in Malaysia and with IAS 34, Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 March 2021.

(b) Reverse Accounting

On 5 February 2018, the Company completed its acquisition of the entire equity interest in Integrated Manufacturing Solutions Sdn Bhd ("IMS") and its subsidiaries ("IMS Group") via the issuance of 1,032,104,348 new ordinary shares of the Company to the shareholders of IMS Group. This acquisition has been accounted for using Reverse Accounting in accordance with MFRS 3, Business Combinations. Accordingly, the IMS Group (being the legal subsidiaries in the transaction) is regarded as the accounting acquirer, and the Company (being the legal parent in the transaction) is regarded as the accounting acquiree.

2 Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 31 March 2021.

The following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to MFRS 3, Business Combinations – Reference to the Conceptual Framework
- Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to Illustrative Examples accompanying MFRS 16, Leases (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to MFRS 116, Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018–2020)

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, Insurance Contracts
- Amendments to MFRS 17, Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information
- Amendments to MFRS 101, Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies
- Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to MFRS 112, Income Taxes – Deferred tax related to assets and liabilities arising from a Single Transaction

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Part A

Selected explanatory notes pursuant to MFRS 134

For the Fourth Quarter Ended 31 March 2022

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group plans to apply the abovementioned accounting standards, interpretations and amendments in the respective financial year when the above accounting standards, interpretations and amendments become effective, if applicable.

The initial application of the accounting standards, interpretations and amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group upon their first adoption.

3 Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report on the Audited Financial Statements for the year ended 31 March 2021 was not qualified.

4 Unusual items affecting the assets, liabilities, equity, net income, or cash flows

There are no unusual items affecting the assets, liabilities, equity, net income, or cash flows of the Group for the current quarter and financial year-to-date.

5 Material changes in estimates

There are no material changes in estimates for the current quarter and financial year-to-date.

6 Dividends paid

The Company has paid a first and final dividend of 3.35 sen per ordinary share totalling RM 40,295,913.04 on 28 October 2021 in respect of the financial year ended 31 March 2021.

7 Segment information

The Group is principally involved in manufacturing and sales of precision plastic injection moulded parts, secondary process, sub assembly and full assembly and supply of the finished products to the electronics manufacturing industry and are predominantly carried out in Malaysia. Segmental information is not prepared as the food trading segment is insignificant to the Group.

8 Material events subsequent to period end

There were no material events subsequent to the period end.

9 Changes in the composition of the Group

The company acquired a 60% subsidiary, Zullick Metal Sdn. Bhd. ("Zullick Metal") for a cash consideration of RM480,000 on 1 April 2021. Zullick Metal is principally engaged in the business of metal stamping and is based in Johor Bahru.

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Part A

Selected explanatory notes pursuant to MFRS 134

For the Fourth Quarter Ended 31 March 2022

10 Seasonal or cyclical factors

Generally, the Group operations are not significantly affected by any seasonal or cyclical factors.

11 Contingent liabilities and contingent assets

The Group does not have any contingent liabilities and contingent assets since the last annual balance sheet date.

12 Capital commitments

	31-Mar-2022
	RM'000
Property, plant and equipment	
Contracted but not provided for	<u>1,313</u>

13 Related party transactions

Significant related party transactions of the Group are as follows:-

	12 months ended	
	31-Mar	
	2022	2021
	RM'000	RM'000
Sales	11,419	32,560
Purchases	<u>504,923</u>	<u>1,051,247</u>

14 Debt and Equity Securities

There were no issue and/or repayment of debt and equity securities, share cancellations, share buyback or resale of treasury shares during the quarter.

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Part B

Explanatory notes pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia For the Fourth Quarter Ended 31 March 2022

15 Review of performance for current quarter vs previous year same quarter comparison

	Individual		Cumulative	
	3 months ended		12 months ended	
	31-Mar		31-Mar	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Group Revenue	431,062	967,978	2,602,405	4,221,815
Profit/(loss) before taxation	(40,655)	30,956	(13,548)	192,038
Profit/(loss) after taxation	(29,242)	26,942	(11,522)	150,300

For the current quarter under review, the Group recorded a lower turnover of RM 431.1 million, a decrease of RM 536.9 million or 55.5% as compared to the corresponding quarter in 2021. The Group incurred a Loss before tax of RM40.7 million compared to a Profit before tax of RM 31.0 million in the preceding year quarter.

For the period ended 31 March 2022, the Group recorded a revenue of RM 2,602.4 million as compared to RM 4,221.8 million recorded in the preceding year. Profit before tax decreased 107.1% or RM 205.6 million to a Loss before tax of RM 13.5 million over the same period.

The decrease in revenue and profit before tax was mainly attributable to the termination of contracts by the major customer in one of the subsidiaries, resulting in under-utilisation of the Group's production capacity and impairment of assets.

16 Variation of results against the immediate preceding quarter

	Individual	
	31-Mar	31-Dec
	RM'000	RM'000
Group Revenue	431,062	683,810
Profit/(loss) before taxation	(40,655)	9,409
Profit/(loss) after taxation	(29,242)	5,503

For the current quarter under review the Group recorded an RM 252.7 million or 37.0% decrease in revenue and incurred a loss before tax of RM 40.7 million as compared to a profit before tax of RM 9.4 million in the immediate preceding quarter. It was mainly due to termination of contracts by the major customer in one of the subsidiaries, resulting in under-utilisation of the Group's production capacity and impairment of assets.

17 Current year prospects

The Company announced on 25 November 2021, informing of the receipt of (1) Notice of Termination of Contract Manufacturing Agreement dated 15 October 2020 between Dyson Operations Pte Ltd ("Dyson Operations") and ATA Industrial (M) Sdn. Bhd ("AIM"); (2) Notice of Termination of the Agreement for the Supply of Goods and Services dated 1 March 2013 and the Framework Agreement for the Supply of Goods (Tooling) dated 17 June 2009 between Dyson Manufacturing Sdn. Bhd. ("Dyson Manufacturing") and AIM.

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Part B

Explanatory notes pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia For the Fourth Quarter Ended 31 March 2022

A further announcement was made on 29 November 2021 following a request from Bursa Malaysia Securities Berhad to provide additional information relating to the above announcement which we explained that the customer is the largest customer with 80% of the revenue contribution to the Company, the financial impact is material in all aspects arising from the termination of contracts.

Further to these announcements and due to the current global economic uncertainties, the Company estimates the turnover for the financial year 2023 to reduce by approximately 60% as compared to 2022.

The Company will continue to undertake cost cutting measures in response to the termination of contracts, and work towards downsizing to maintain profitable and to ensure sustainability. The measures taken thus far include the following :

- a.) Excess stocks has been resold and the inventory for raw material and components on hand to be assembled or sell back to customer or other manufacturers have been ongoing. In accordance to the contract with customers, all stocks for customer are to be purchased back by customers where discussion with customers are taking place to ensure all stocks can be cleared in the next one to two months.
- b.) The management has identified ten factories or warehouses to be discontinued, and are in talks with the landlords to return the properties before the expiry of the tenancy agreements.
- c.) Reduce production capacity by selling excess plant and machinery.

With the existing business and potential new customers, the management is optimistic that the Group will return to reasonable profitability in the new financial year.

18 Profit forecast

Not applicable.

19 Tax expense

	Individual 3 months ended 31-Mar		Cumulative 12 months ended 31-Mar	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Malaysian - current				
Tax expense	484	(215)	11,577	39,712
Deferred tax	(9,979)	4,229	(11,685)	5,390
Malaysian - prior years				
Tax expense	(5,245)	-	(5,245)	(2,972)
Deferred tax	3,327	-	3,327	(392)
	<u>(11,413)</u>	<u>4,014</u>	<u>(2,026)</u>	<u>41,738</u>

The effective tax rate of the Group for the financial year-to-date was higher than the statutory tax rate mainly due to losses of certain subsidiaries that cannot be offset against the taxable profits made by other entities within the Group, in addition to certain non-deductible expenses for tax purposes.

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Part B

Explanatory notes pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia For the Fourth Quarter Ended 31 March 2022

20 Status of Corporate Proposals

There are no outstanding uncompleted corporate proposals as at the date of this quarterly report.

21 Changes in material litigation

There are no material litigation reported in this current quarter except for the following:-

(i) United Max Construction Sdn Bhd

Via a Tenancy Agreement dated 28 May 2015, ATA Industrial (M) Sdn Bhd (“AIM”) had been renting from United Max Construction Sdn Bhd (“United Max”) a factory premise with address No.8 Jalan Dewani 1, Kawasan Perindustrian Temenggong, 81100 Johor Bahru from 1 March 2015 to 28 February 2018. The tenancy for the premises was subsequently renewed from 1 March 2018 to 28 February 2021.

During the period from May 2020 to March 2021 and during the Movement Control Order period, AIM and United Max were in negotiations on the terms to renew the tenancy without reaching any formal agreement, resulting in United Max filing the Writ of Summons and Statement of Claim dated 29 April 2021, via a suit no. JA-B52NCC-43-04/2021 filed at the Johor Bahru Sessions Court, which AIM received in May 2021.

The details of the Claim are as follows:

- a) Vacant possession of the said premise with address at No.8 Jalan Dewani 1, Kawasan Perindustrian Temenggong, 81100 Johor Bahru;
- b) Two times the rental amounting to RM165,780.00 per month from 1 March 2021 up to the date of returning of vacant possession of the said premises, or Mesne profits;
- c) Compensation for loss of income resulting from the failure to return vacant possession before the expiry of the tenancy on 28 February 2021;
- d) Compensation for refurbishment works to restore the premises to its original condition;
- e) Compensation to restore any original equipment to working condition;
- f) Interest of 5% per annum from date of judgement up to the date of full settlement;
- g) Costs ; and
- h) Any other relief which the Court may deem fair and appropriate.

AIM had been engaging with the Plaintiff, United Max for an amicable settlement for the past year without success and had restored back the factory and handed back vacant possession to United Max on 14 March 2022.

The Plaintiff is claiming thirteen months compensation from March 2021 to March 2022, ie

- (i) Mesne profits of RM2,155,140; or
- (ii) Two times of the rental amounting to RM1,810,317.60.

AIM has made a provision of RM1.60 million for this claim.

The Summons also resulted in the Company incurring the costs of shifting the operations previously conducted at the said premise to other existing premises and restoration costs of the rented premises amounting to approximately RM73,000. The temporary loss of production due to the shifting of this premises did not have any significant financial and operational impact as the Group was able to transfer the production operations to other premises.

AIM had appointed lawyers from G K Sritharan & Co to file our defense The Company had also been in discussions with the Plaintiff to resolve the matter amicably but was unable to reach an agreement as the plaintiff refused.

The plaintiff filed an order 14 summary judgement application but was dismissed by the court on 6 December 2021.

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Part B

Explanatory notes pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia For the Fourth Quarter Ended 31 March 2022

On 21 March 2022, the Plaintiff applied to transfer the case to the Johor Bahru High Court, but was subsequently withdrawn on 26 May 2022. The case management for the abovementioned suit has been fixed for 26 June 2022 at the Johor Bahru sessions court.

22 Dividends payable

No dividend has been recommended for the current quarter.

23 Profit for the period

	12 months ended	
	31-Mar	
	2022	2021
	RM'000	RM'000
Profit for the period is arrived at after charging /(crediting):		
Depreciation of property, plant and equipment	48,009	39,213
Depreciation of right-of-use assets	2,019	3,377
Net foreign exchange loss/(gain)	726	(3,088)
Finance costs	16,568	17,770
Finance income	(4,694)	(7,302)
Gain on disposal of property, plant and equipment	(3,593)	(232)
Property, plant and equipment written off	159	286
Gain arising from lease modification	(257)	(2)
Impairment of goodwill	127	-
Impairment loss of plant and equipment	12,000	-
Reversal of Impairment loss on trade receivables	(25)	(51)
Unrealised gain on foreign exchange	(2,033)	(4,874)
Allowance for slow moving inventories	9,277	506
Inventories write-down to net realisable value	32	96
Fair value (gain)/loss on derivative instruments	3	(213)

During the year, due to the loss of a major customer in one of the subsidiaries, the Group assessed the excess production capacity and tested the plant and equipment for impairment. The Group has assessed the recoverable amount based on the fair value less cost to sales method and recognized an impairment loss of RM 12,000,000 with respect to plant and equipment.

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ATA IMS Berhad

(Company No. 190155-M)

(Incorporated in Malaysia)

Part B

Explanatory notes pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia For the Fourth Quarter Ended 31 March 2022

24 Group borrowings

	31 Mar 2022	31 Mar 2021
	RM'000	RM'000
Secured		
Non-Current		
Hire purchase liabilities	90,026	65,936
Term loans	47,053	52,357
	<u>137,079</u>	<u>118,293</u>
Current		
Bank overdraft	748	-
Bankers acceptance	40,687	288,432
Hire purchase liabilities	59,191	28,154
Revolving credit	12,000	35,000
Supply chain financing	-	78,644
Term loans	5,228	4,338
	<u>117,854</u>	<u>434,568</u>
Total	<u>254,933</u>	<u>552,861</u>

25 Basic earnings per share

	Individual		Cumulative	
	3 months ended		12 months ended	
	31-Mar		31-Mar	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) attributable to owners of the company (RM'000)	(29,220)	26,942	(11,481)	150,300
Weighted average number of ordinary shares in issue ('000)	1,202,864	1,202,864	1,202,864	1,203,330
Basic earnings per share (sen per share)	(2.43)	2.24	-0.95	12.49

26 Diluted earnings per share

Fully diluted profit/ (loss) per ordinary share for the current quarter is not presented as the Company does not have any outstanding share options or other potentially dilutive financial instruments currently on issue.

27 Authorise for issue

These Interim Financial Statements were authorised for issue by the Board of Directors in accordance with a resolution passed on 31 May 2022.