



ATA IMS Berhad
(Registration No. 198901012846 (190155-M))
(Incorporated in Malaysia)
and its subsidiaries

Interim Financial Statements
For the First Quarter Ended
30 June 2024

ATA IMS Berhad
(Registration No. 198901012846 (190155-M))
(Incorporated in Malaysia)

Interim Financial Statements
For the First Quarter Ended 30 June 2024

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ATA IMS Berhad
(Registration No. 198901012846 (190155-M))
(Incorporated in Malaysia)

Unaudited Condensed Consolidated Statement of Financial Position
As at 30 June 2024

	Note	30.06.2024 RM'000	31.03.2024 RM'000 Audited
Assets			
Property, plant and equipment		48,281	48,670
Investment properties		24,672	24,748
Total non-current assets		<u>72,953</u>	<u>73,418</u>
Inventories		44,244	47,137
Contract assets		4,582	3,765
Trade and other receivables		77,566	115,298
Current tax assets		32,336	32,452
Cash and cash equivalents		248,876	235,426
		407,604	434,078
Assets classified as held for sale		86,038	92,812
Total current assets		<u>493,642</u>	<u>526,890</u>
Total assets		<u><u>566,595</u></u>	<u><u>600,308</u></u>
Equity			
Share capital		1,338,445	1,338,445
Treasury Shares		(1,897)	(1,897)
Reserves		(1,104,554)	(1,104,332)
Retained earnings		139,675	146,633
Equity attributable to owners of the Company		<u>371,669</u>	<u>378,849</u>
Non-controlling interests		<u>--</u>	<u>22</u>
Total equity		<u><u>371,669</u></u>	<u><u>378,871</u></u>
Liabilities			
Loans and borrowings	23	55,188	61,921
Deferred tax liabilities		3,811	3,843
Total non-current liabilities		<u>58,999</u>	<u>65,764</u>
Loans and borrowings	23	42,963	49,779
Trade and other payables		92,964	105,894
Total current liabilities		<u>135,927</u>	<u>155,673</u>
Total liabilities		<u>194,926</u>	<u>221,437</u>
Total equity and liabilities		<u><u>566,595</u></u>	<u><u>600,308</u></u>
Net assets per share attributable to the owners of the company		<u>0.31</u>	<u>0.31</u>

ATA IMS Berhad
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**Unaudited Condensed Consolidated Statement of Profit or Loss and Other
Comprehensive Income
For the First Quarter Ended 30 June 2024**

	Note	Individual 3 months ended 30-Jun		Cumulative 3 months ended 30-Jun	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue		57,011	82,247	57,011	82,247
Cost of sales		(68,190)	(96,728)	(68,190)	(96,728)
Gross loss		(11,179)	(14,481)	(11,179)	(14,481)
Other income		8,077	3,007	8,077	3,007
Distribution expenses		(606)	(863)	(606)	(863)
Administrative expenses		(3,585)	(5,195)	(3,585)	(5,195)
Result from operating activities		(7,293)	(17,532)	(7,293)	(17,532)
Finance income		1,851	1,781	1,851	1,781
Finance costs		(1,343)	(1,845)	(1,343)	(1,845)
Loss before tax		(6,785)	(17,596)	(6,785)	(17,596)
Tax expense		(418)	(821)	(418)	(821)
Loss for the period/year		(7,203)	(18,417)	(7,203)	(18,417)
Other comprehensive income/ (expenses), net of tax		--	--	--	--
Foreign currency translation difference for foreign operations		1	--	1	--
Total comprehensive loss for the period/year		(7,202)	(18,417)	(7,202)	(18,417)
Loss attributable to:					
Owners of the company		(7,180)	(18,392)	(7,180)	(18,392)
Non-controlling interests		(22)	(25)	(22)	(25)
Loss for the period/year		(7,202)	(18,417)	(7,202)	(18,417)
Basic earnings per ordinary share (sen)	25	(0.60)	(1.53)	(0.60)	(1.53)
Diluted earnings per ordinary share (sen)	26	-	-	-	-

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Unaudited Condensed Consolidated Statement of Changes in Equity
For the First Quarter Ended 30 June 2024

Note	← Attributable to owners of the Company →							
	← Non-distributable →				Distributable			
	Share capital RM'000	Treasury shares RM'000	Exchange fluctuation reserve RM'000	Reverse accounting reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interest RM'000	Total equity RM'000
At 1 April 2024	1,338,445	(1,897)	104	(1,104,436)	146,633	378,849	22	378,871
Foreign currency translation differences for foreign operation/ Loss for the period	--	--	1	--	--	1	--	1
	--	--	--	--	(7,181)	(7,181)	--	(7,181)
Total comprehensive income/ (expense) for the year	--	--	1	--	(7,181)	(7,180)	--	(7,180)
<i>Contributions by and distributions to owners of the Company</i>	--	--	--	--	--	--	--	--
Deconsolidation of subsidiaries	--	--	(223)	--	223	--	(22)	(22)
At 30 June 2024	1,338,445	(1,897)	(118)	(1,104,436)	139,675	371,669	--	371,669
At 1 April 2023	1,338,445	(1,897)	104	(1,104,436)	251,574	483,790	107	483,897
Foreign currency translation differences for foreign operation/ Loss for the period	--	--	--	--	(18,392)	(18,392)	(25)	(18,417)
Total comprehensive income/ (expense) for the year	--	--	--	--	(18,392)	(18,392)	(25)	(18,417)
<i>Contributions by and distributions to owners of the Company</i>	--	--	--	--	--	--	--	--
At 30 June 2023	1,338,445	(1,897)	104	(1,104,436)	233,182	465,398	82	465,480

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Unaudited Condensed Consolidated Statement of Cash Flows
For the First Quarter Ended 30 June 2024

	Note	3 months ended	
		30.06.2024	30.06.2023
		RM'000	RM'000
Loss before tax		(6,785)	(17,596)
Adjustments for:			
Bad Debts written-off		8	--
Depreciation:			
- Property, plant and equipment		719	4,272
- Right-of-use assets		--	31
- Investment properties		76	--
Finance income		(1,851)	(1,781)
Finance costs		1,343	1,845
Impairment loss on other receivables		3	17
Property, plant and equipment:			
- (Gain)/Loss on disposal		332	(826)
- (Reversal of impairment)/Impairment loss		(777)	1,100
- Written-off		1	--
Asset classified under asset held for sales:			
- Gain on disposal		(6,086)	--
Unrealised gain on foreign exchange		(85)	(1,209)
Gain arising from deconsolidation of subsidiaries		(198)	--
Inventories:			
- (Reversal of allowance)/Allowance for slow moving		493	(2,201)
Operating loss before changes in working capital		(12,807)	(16,348)
Change in inventories		2,335	(9,865)
Change in contract assets		(817)	6,671
Change in trade and other receivables		37,767	44,277
Change in trade and other payables		(11,625)	(17,047)
Change in contract liabilities		--	(326)
Cash generated from operations		14,853	7,362
Tax paid		(286)	(1,315)
Net cash from operating activities		14,567	6,047

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Unaudited Condensed Consolidated Statement of Cash Flows
For the First Quarter Ended 30 June 2024
(continued)

	Note	3 months ended	
		30.06.2024	30.06.2023
		RM'000	RM'000
Cash flows from investing activities			
Acquisition of property, plant and equipment		(1,764)	(241)
Proceeds from disposal of property, plant and equipment		747	2,334
Proceeds from disposal of asset held for sales		12,860	--
Effect of deconsolidation of subsidiaries		80	--
Interest received		1,851	1,781
		<u>13,774</u>	<u>3,874</u>
Net cash from investing activities			
Cash flows from financing activities			
Repayment of term loans		(1,177)	(1,109)
(Repayment of)/Proceeds from bankers' acceptances		(4,999)	862
Repayment of hire purchase liabilities		(7,373)	(8,273)
Payment of lease liabilities		--	(32)
Repayment of revolving credits		--	(2,000)
Interest paid			(1,845)
		<u>(1,343)</u>	<u>(12,397)</u>
Net cash used in financing activities			
Net increase/(decrease) in cash and cash equivalents			
Effect of exchange rate fluctuation on cash held		1	--
Cash and cash equivalents at 1 April		235,426	255,905
Cash and cash equivalents at 30 June		<u>248,876</u>	<u>253,429</u>
Cash and cash equivalents comprise:			
Cash and bank balances		127,272	127,150
Fixed deposits with licensed bank		121,604	126,279
Cash and cash equivalents in the statements of financial position		<u>248,876</u>	<u>253,429</u>

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Part A

**Selected explanatory notes pursuant to MFRS 134
For the First Quarter Ended 30 June 2024**

1. Basis of preparation

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 2022.

2. Changes in material accounting

The material accounting policies adopted by the Group in this interim financial report are consistent with those of the annual audited financial statements for the financial year ended 31 March 2024, except for the following amendments to published standard which are effective for the financial period commencing 1 April 2024:

- Amendments to MFRS 16, Leases – Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101, Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current
- Amendments to MFRS 107, Statement of Cash Flows and MFRS 7, Financial Instruments: Disclosures – Supplier Finance Arrangements

The adoption of the above amendments does not have any material effect to the Group.

3. Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report on the Audited Financial Statements for the year ended 31 March 2024 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

No dividend was paid for the current quarter.

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.

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Part A

**Selected explanatory notes pursuant to MFRS 134
For the First Quarter Ended 30 June 2024**

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

There are no major changes in the composition of the Group for the current quarter and financial year to date.

10. Seasonal or cyclical factors

The Group is affected by consumer electronics seasonal demand 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

Property, plant and equipment
Contracted but not provided for

30-Jun 2024
RM'000

557

13. Related party transactions

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

	3 months ended	
	30-Jun	
	2024	2023
	RM'000	RM'000
Sales	896	1,460
Purchases	12,427	19,572

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 First Quarter Ended 30 June 2024

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

	Individual		Cumulative	
	3 months ended		3 months ended	
	30-Jun		30-Jun	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Group Revenue	57,011	82,247	57,011	82,247
Loss before taxation	(6,785)	(17,596)	(6,785)	(17,596)
Loss after taxation	(7,203)	(18,417)	(7,203)	(18,417)

For the current quarter under review, the Group recorded a lower turnover of RM 57.0 million, a decrease of RM 25.2 million or 30.7 % as compared to the corresponding quarter in 2023. Loss before tax reduced 61.4% or RM 10.8 million to RM 6.8 million over the same period.

The decrease in revenue was mainly attributable to a cyclical reduction, while the reduction in loss before tax was derived from cost cutting activities coupled with gains from disposal of assets classified under assets held for sale.

16. Variation of results against the immediate preceding quarter

	Individual	
	30-Jun	31-Mar
	RM'000	RM'000
Group Revenue	57,011	89,748
Loss before taxation	(6,785)	(59,467)
Loss after taxation	(7,203)	(63,625)

For the current quarter under review the Group recorded an RM 57.0 million or 36.5% decrease in revenue and registered a lower loss before tax of RM 6.8 million, which was a reduction in the loss before tax by RM 52.7 million against the immediate preceding quarter.

The decrease in revenue was mainly due to a cyclical reduction, while loss before taxation has been improving due to streamlining of operation and cost control efforts.

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Part B

**Explanatory notes pursuant to Appendix 9B of the Listing Requirement of
Bursa Malaysia**

For the First Quarter Ended 30 June 2024

17. Current year prospects

With the improving working capital, cash flow and reducing loans, the Group is in a better financial position to take on new business opportunities and will be able to meet its financial obligations when they become due.

The Group had on 8 August 2024, announced that its wholly owned subsidiary Integrated Manufacturing Solutions Sdn. Bhd. (“IMS”) had on 7 August 2024 entered into a joint venture agreement (“JV”) with Jinhua Chunguang Technology Co., Ltd. for the incorporation of Suntone (Malaysia) Technology Sdn. Bhd. For the details of the JV, please refer to the Group’s announcement on 8 August 2024. It is the intention for the JV company to manufacture consumer electronic products.

The Group is confident that the continuous and intensive business development efforts are beginning to yield positive results, and more new business and orders will be secured in the near future, and the Group should see an upward trend in revenue for the coming quarters.

18. Profit forecast

Not applicable.

19. Tax expense

	Individual		Cumulative	
	3 months ended		3 months ended	
	30-Jun		30-Jun	
	2024	2023	2024	2023
	RM’000	RM’000	RM’000	RM’000
Malaysian - current				
Tax expense	405	1,188	405	1,188
Deferred tax	13	735	13	735
Malaysian - prior years				
Tax expense	--	--	--	--
Deferred tax	--	(1,102)	--	(1,102)
	<u>418</u>	<u>821</u>	<u>418</u>	<u>821</u>

The current tax expense for the Group arose from interest and others income.

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Part B

**Explanatory notes pursuant to Appendix 9B of the Listing Requirement of
Bursa Malaysia
For the First Quarter Ended 30 June 2024**

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

(a) United Max Construction Sdn Bhd

Reference is made to the announcement made by the ATA IMS Berhad (“ATAIMS” or “the Company”) on 31 May 2022, 3 June 2022, 7 June 2022, 28 June 2022, 15 July 2022, 9 December 2022 and 18 January 2023 relating to the receipt of a sealed copy of Writ of Summons and Statement of Claim by ATAIMS’s wholly owned subsidiary ATA Industrial (M) Sdn Bhd (“AIM”), dated 29 April 2021 filed by United Max Construction Sdn Bhd (“United Max”), via a suit no. JA-B52NCC-43-04/2021 filed at the Johor Bahru Sessions Court.

However, on 2 March 2023, AIM received a letter dated 28 February 2023 from AIM’s lawyer informing of the receipt of a sealed copy of a Writ of Summons number JA-24NCvC-104-01/2023 dated 31 January 2023 from the Plaintiff’s lawyer to apply for the original case number JA-B52NCC-43-04/2021 to be transferred to the Johor Bahru High Court, the reason cited being the amount of the claim exceeds the authority of the sessions court.

The Plaintiff had also amended their Statement of Claim stating that they are claiming two times of the rental of RM1,810,317.60 and repair costs of RM914,036.00.

The trial has been adjourned to 11 and 20 November 2024 in the Johor Bahru High Court.

(b) Intag Industrial Supplies Sdn Bhd

Reference is made to the announcement made by ATAIMS on 26 April 2023 relating to the receipt of a sealed copy of Writ of Summons and Statement of Claim by ATAIMS’s wholly owned subsidiary AIM dated 18 April 2023 filed by Intag Industrial Supplies Sdn Bhd (“Intag”) via suit no. JA-22NCC-29-04/2023 filed in the High Court of Malaya at Johor Bahru, Johor.

AIM had appointed Messrs GK Sritharan & Co as its lawyers and to file its defense. The plaintiff proceeded to file for Summary Judgement and the Court had on 13 September 2023 allowed the said summary judgement.

AIM has paid the balance outstanding as per the plaintiff’s settlement of claims of RM2,141,255.44 together with interest amounting to RM83,890.28 and taken possession of the goods. However AIM had filed an appeal to the Court of Appeal, and the case management has been postponed to 12 November 2024.

For details of the case and claims by Intag, please refer to the company's announcement dated 26 April 2023.

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Part B

**Explanatory notes pursuant to Appendix 9B of the Listing Requirement of
Bursa Malaysia**

For the First Quarter Ended 30 June 2024

(c) Intag Industrial Supplies Sdn Bhd

Reference is made to the announcement made by ATAIMS on 24 May 2023 that its wholly owned subsidiary Jabco Filter System Sdn Bhd (“Jabco”) had received a sealed copy of Writ of Summons and Statement of Claim dated 18 May 2023 filed by Intag Industrial Supplies Sdn Bhd (“Intag”) via suit no. JA-22NCC-35-05/2023 filed in the High Court of Malaya at Johor Bahru, Johor.

Jabco had appointed Messrs GK Sritharan & Co as its lawyers and to file its defense. The plaintiff proceeded to file for Summary Judgement and the case was heard on 15 August 2024, and the Court has fixed 30 October 2024 for a decision.

In a letter from the plaintiff to Jabco dated 29 July 2024, the plaintiff informed that further quantities of the outstanding stocks had been sold, and that their claim against Jabco for the outstanding amount has been reduced to RM 4,090,165.25

For details of the case and claims by Intag, please refer to the company's announcement dated 24 May 2023.

22. Dividends payable

No dividend has been recommended for the current quarter.

23. Group borrowings

	30-Jun-2024	31-Mar-2024
	RM'000	RM'000
Secured		
Non-Current		
Hire purchase liabilities	18,634	24,042
Term loans	36,554	37,879
	<hr/> 55,188	<hr/> 61,921
Current		
Bankers acceptance	14,772	19,772
Hire purchase liabilities	23,258	25,223
Term loans	4,933	4,784
	<hr/> 42,963	<hr/> 49,779
Total	<hr/> 98,151	<hr/> 111,700

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Part B

**Explanatory notes pursuant to Appendix 9B of the Listing Requirement of
Bursa Malaysia
For the First Quarter Ended 30 June 2024**

24. Profit for the period

Profit for the period is arrived at after charging
crediting):

	3 months ended 30-Jun	
	2024 RM'000	2023 RM'000
Bad Debts written-off	8	--
Depreciation:		
-Property, plant and equipment	719	4,272
-Right-of-use assets	--	31
-Investment properties	76	--
Finance income	(1,851)	(1,781)
Finance costs	1,343	1,845
Impairment loss on other receivables	3	17
Property, plant and equipment:		
- Gain)/Loss on disposal	332	(826)
- (Reversal of impairment)		
Impairment Loss	(777)	1,100
-Written-off	1	--
Asset classified under asset held for sales:		
-Gain on disposal	(6,086)	--
Net gain on foreign exchange	(79)	(1,203)
- (Reversal of allowance)/Allowance for slow moving inventories	493	(2,201)
Gain arising from deconsolidation of subsidiaries	(198)	--

25. Basic earnings per share

	Individual 3 months ended 30-Jun		Cumulative 3 months ended 30-Jun	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
	Loss attributable to owners of the company (RM'000)	(7,180)	(18,392)	(7,180)
Weighted average number of ordinary shares in issue ('000)	1,202,864	1,202,864	1,202,864	1,202,864
Basic earnings per share (sen per share)	(0.60)	(1.53)	(0.60)	(1.53)

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Part B

**Explanatory notes pursuant to Appendix 9B of the Listing Requirement of
Bursa Malaysia
For the First Quarter Ended 30 June 2024**

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 29 August 2024.

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