



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

Interim Financial Statements
For the Second Quarter Ended
30 September 2024

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

Interim Financial Statements
For the Second Quarter Ended 30 September 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 September 2024

	Note	30.09.2024 RM'000	31.03.2024 RM'000 Audited
Assets			
Property, plant and equipment		81,288	48,670
Investment properties		24,595	24,748
Total non-current assets		105,883	73,418
Inventories		38,312	47,137
Contract assets		6,124	3,765
Trade and other receivables		86,223	115,298
Current tax assets		32,287	32,452
Cash and cash equivalents		221,802	235,426
		384,748	434,078
Assets classified as held for sale		46,878	92,812
Total current assets		431,626	526,890
Total assets		537,509	600,308
Equity			
Share capital		1,338,445	1,338,445
Treasury Shares		(1,897)	(1,897)
Reserves		(1,104,531)	(1,104,332)
Retained earnings		115,098	146,633
Equity attributable to owners of the Company		347,115	378,849
Non-controlling interests		--	22
Total equity		347,115	378,871
Liabilities			
Loans and borrowings	23	49,430	61,921
Deferred tax liabilities		3,868	3,843
Total non-current liabilities		53,298	65,764
Loans and borrowings	23	39,686	49,779
Trade and other payables		97,410	105,894
Total current liabilities		137,096	155,673
Total liabilities		190,394	221,437
Total equity and liabilities		537,509	600,308
Net assets per share attributable to the owners of the company		0.29	0.31

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

	Note	Individual 3 months ended 30-Sep		Cumulative 6 months ended 30-Sep	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue		51,371	117,431	108,383	199,678
Cost of sales		(73,306)	(124,883)	(141,496)	(221,611)
Gross loss		(21,935)	(7,452)	(33,113)	(21,933)
Other income/(expenses)		721	(784)	8,798	2,222
Distribution expenses		(304)	(532)	(910)	(1,395)
Administrative expenses		(3,573)	(4,943)	(7,157)	(10,138)
Result from operating activities		(25,091)	(13,711)	(32,382)	(31,244)
Finance income		2,212	1,819	4,063	3,600
Finance costs		(1,204)	(1,796)	(2,548)	(3,642)
Loss before tax		(24,083)	(13,688)	(30,867)	(31,286)
Tax (expense)/income		(495)	128	(913)	(692)
Loss for the period/year		(24,578)	(13,560)	(31,780)	(31,978)
Other comprehensive income/ (expenses), net of tax		--	-	--	--
Foreign currency translation difference for foreign operations		23	-	24	--
Total comprehensive loss for the period/year		(24,555)	(13,560)	(31,756)	(31,978)
Loss attributable to:					
Owners of the company		(24,578)	(13,540)	(31,758)	(31,932)
Non-controlling interests		--	(20)	(22)	(46)
Loss for the period/year		(24,578)	(13,560)	(31,780)	(31,978)
Basic earnings per ordinary share (sen)	24	(2.04)	(1.13)	(2.64)	(2.65)
Diluted earnings per ordinary share (sen)	25	-	-	-	-

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**Unaudited Condensed Consolidated Statement of Changes in Equity
For the Second Quarter Ended 30 September 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/	--	--	24	--	--	24	--	24
Loss for the period	--	--	--	--	(31,758)	(31,758)	--	(31,758)
Total comprehensive income/ (expense) for the year	--	--	24	--	(31,758)	(31,734)	--	(31,734)
Deconsolidation of subsidiaries	--	--	(223)	--	223	--	(22)	(22)
At 30 September 2024	<u>1,338,445</u>	<u>(1,897)</u>	<u>(95)</u>	<u>(1,104,436)</u>	<u>115,098</u>	<u>347,115</u>	<u>--</u>	<u>347,115</u>
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/	--	--	--	--	(31,932)	(31,932)	(46)	(31,978)
Loss for the period	--	--	--	--	(31,932)	(31,932)	(46)	(31,978)
Total comprehensive income/ (expense) for the year	--	--	--	--	(31,932)	(31,932)	(46)	(31,978)
<i>Contributions by and distributions to owners of the Company</i>	--	--	--	--	--	--	--	--
At 30 September 2023	<u>1,338,445</u>	<u>(1,897)</u>	<u>104</u>	<u>(1,104,436)</u>	<u>219,642</u>	<u>451,858</u>	<u>61</u>	<u>451,919</u>

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Unaudited Condensed Consolidated Statement of Cash Flows
For the Second Quarter Ended 30 September 2024

	Note	6 months ended	
		30.09.2024	30.09.2023
		RM'000	RM'000
Loss before tax		(30,867)	(31,286)
Adjustments for:			
Bad Debts written-off		8	--
Depreciation:			
- Property, plant and equipment		7,257	8,522
- Right-of-use assets		--	64
- Investment properties		153	--
Finance income		(4,063)	(3,600)
Finance costs		2,548	3,642
Impairment loss on other receivables		3	17
Property, plant and equipment:			
- (Gain)/Loss on disposal		786	(149)
- (Reversal of impairment)/Impairment loss		(3,211)	733
- Written-off		250	38
Asset classified under asset held for sales:			
- Gain on disposal		(6,086)	--
- Reversal of impairment loss		(132)	--
Unrealised (gain)/loss on foreign exchange		1,012	(668)
Gain arising from deconsolidation of subsidiaries		(198)	--
Inventories:			
- Reversal of allowance for slow moving		(2,965)	(2,953)
- Reversal of written-off		--	(268)
Operating loss before changes in working capital		(35,505)	(25,908)
Change in inventories		11,725	14,901
Change in contract assets		(2,359)	18,264
Change in trade and other receivables		29,108	7,370
Change in trade and other payables		(9,180)	(15,589)
Change in contract liabilities		--	(326)
Cash used in operations		(6,211)	(1,288)
Tax paid		(675)	(1,903)
Net cash used in operating activities		(6,886)	(3,191)

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

	Note	6 months ended	
		30.09.2024	30.09.2023
		RM'000	RM'000
Cash flows from investing activities			
Acquisition of property, plant and equipment		(1,175)	(548)
Proceeds from disposal of property, plant and equipment		631	3,723
Proceeds from disposal of asset held for sales		14,772	--
Effect of deconsolidation of subsidiaries		80	--
Interest received		4,063	3,600
Net cash from investing activities		<u>18,371</u>	<u>6,775</u>
Cash flows from financing activities			
Repayment of term loans		(2,362)	(2,236)
(Repayment of)/Proceeds from bankers' acceptances		(5,833)	4,635
Repayment of hire purchase liabilities		(14,390)	(16,275)
Payment of lease liabilities		--	(43)
Repayment of revolving credits		--	(2,000)
Interest paid		(2,548)	(3,642)
Net cash used in financing activities		<u>(25,133)</u>	<u>(19,561)</u>
Net increase/(decrease) in cash and cash equivalents		(13,648)	(15,977)
Effect of exchange rate fluctuation on cash held		24	--
Cash and cash equivalents at 1 April		235,426	255,904
Cash and cash equivalents at 30 September		<u>221,802</u>	<u>239,927</u>
Cash and cash equivalents comprise:			
Cash and bank balances		81,802	140,475
Fixed deposits with licensed bank		140,000	99,452
Cash and cash equivalents in the statements of financial position		<u>221,802</u>	<u>239,927</u>

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Part A

**Selected explanatory notes pursuant to MFRS 134
For the Second Quarter Ended 30 September 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 20224.

2. Changes in material accounting policy

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 Second Quarter Ended 30 September 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

On 4 July 2024, the Group was informed by the appointed liquidator that ATA Industries Denmark Aps had been officially dissolved by voluntary liquidation on 25 June 2024.

Further to the Group's announcement on 8 August 2024, the joint venture company, Suntone Technology (Malaysia) Sdn. Bhd. has been incorporated under the Malaysian Companies Act 2016 on 13 September 2024. Please refer to the Group's announcement on 8 August 2024 for further details.

There are no other 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-Sep 2024
RM'000**

252

13. Related party transactions

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

	6 months ended 30-Sep	
	2024	2023
	RM'000	RM'000
Sales	3,326	2,804
Purchases	<u>21,000</u>	<u>37,361</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 Second Quarter Ended 30 September 2024

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

	Individual		Cumulative	
	3 months ended		6 months ended	
	30-Sep		30-Sep	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Group Revenue	51,371	117,431	108,383	199,678
Loss before taxation	(24,082)	(13,688)	(30,867)	(31,286)
Loss after taxation	(24,577)	(13,560)	(31,780)	(31,978)

For the current quarter under review, the Group recorded a lower turnover of RM 51.3 million, a decrease of RM 66.1 million or 56.3 % as compared to the corresponding quarter in 2023. Loss before tax increased 75.9 % or RM 10.4 million to RM 24.1 million over the same period.

For the period ended 30 September 2024, the Group recorded a revenue of RM 108.4 million as compared to RM 199.7 million recorded in the preceding year. Loss before tax reduced from RM 31.3 million in the previous period to RM 30.9 million in the current period.

The decrease in revenue was mainly attributable to lower sales volume from customers. The loss before tax for the current quarter was due to foreign exchange loss of RM 10.1 million incurred as a result of the strengthening Malaysian Ringgit.

16. Variation of results against the immediate preceding quarter

	Individual	
	30-Sep	30-Jun
	RM'000	RM'000
Group Revenue	51,371	57,011
Loss before taxation	(24,082)	(6,785)
Loss after taxation	(24,577)	(7,203)

For the current quarter under review the Group recorded an RM 51.4 million or 9.9% decrease in revenue and registered a higher loss before tax of RM 24.1 million, which was an increase in the loss before tax by RM 17.3 million against the immediate preceding quarter.

The decrease in revenue and increase in loss before taxation were due to foreign exchange effect from the strengthening Malaysian Ringgit. The loss before taxation was also impacted by an increase in depreciation as some assets classified under held for sales were reclassified to plant and equipment in current quarter.

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Part B

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

For the Second Quarter Ended 30 September 2024

17. Current year prospects

The Group had on 8 August 2024, announced that the Group had entered into a joint venture agreement for the incorporation of Suntone Technology (Malaysia) Sdn. Bhd. (“Suntone”). (For the details of the agreement, please refer to the Group’s announcement on 8 August 2024). It is the intention for the Suntone to manufacture consumer electronic products. Suntone has been incorporated on 13 September 2024, and the manufacturing plant is targeted to be operational by the end of our financial year end.

The Group has received an increase in sales orders from current customers and is expected to see an upward trend in revenue for the coming quarters.

18. Profit forecast

Not applicable.

19. Tax expense

	Individual		Cumulative	
	3 months ended		6 months ended	
	30-Sep		30-Sep	
	2024	2023	2024	2023
	RM’000	RM’000	RM’000	RM’000
Malaysian - current				
Tax expense	436	570	841	1,758
Deferred tax	59	698	72	36
Malaysian - prior years				
Tax expense	--	--	--	--
Deferred tax	--	--	--	(1,102)
	<u>495</u>	<u>(128)</u>	<u>913</u>	<u>692</u>

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

20. Status of Corporate Proposals

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

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Part B

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

21. Changes in material litigation

(a) United Max Construction Sdn Bhd (“United Max”)

For details of the case and claims by United Max, please refer to the announcements 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, and the updates made in the quarterly announcements for the Group’s interim financial statements.

The trial has been adjourned to 6 to 8 January 2025 in the Johor Bahru High Court.

(b) Intag Industrial Supplies Sdn Bhd (“Intag”)

For details of the case and claims by Intag, please refer to the company's announcement dated 26 April 2023, and the updates made in the quarterly announcements for the Group’s interim financial statements.

Intag filed for Summary Judgement and the Court had on 13 September 2023 allowed the said summary judgement.

However ATA Industrial (M) Sdn Bhd (‘AIM’) had filed an appeal to the Court of Appeal, and the case management was supposed to be schedule on 12 November 2024.

However, AIM has filed a Notice of Discontinuation for this appeal dated 8 November 2024 as both Intag and AIM have agreed to settle the matter out of court, and the terms of which are in the midst of being finalised.

(c) Intag Industrial Supplies Sdn Bhd (“Intag”)

For details of the case and claims by Intag, please refer to the company's announcement dated 24 May 2023, and the updates made in the quarterly announcements for the Group’s interim financial statements.

In a letter from Intag to Jabco Filter System Sdn Bhd (‘Jabco’) dated 29 July 2024, Intag 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. On 1 November 2024, Intag had filed a Notice of Discontinuation for this suit, as both Intag and Jabco had agreed to settle the suit out of court, and the terms of which are in the midst of being finalised.

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Part B

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

For the Second Quarter Ended 30 September 2024

22. Dividends payable

No dividend has been recommended for the current quarter.

23. Group borrowings

	30-Sep-2024	31-Mar-2024
	RM'000	RM'000
Secured		
Non-Current		
Hire purchase liabilities	14,006	24,042
Term loans	35,424	37,879
	<u>49,430</u>	<u>61,921</u>
Current		
Bankers acceptance	13,938	19,772
Hire purchase liabilities	20,869	25,223
Term loans	4,879	4,784
	<u>39,686</u>	<u>49,779</u>
Total	<u><u>89,116</u></u>	<u><u>111,700</u></u>

24. Basic earnings per share

	Individual		Cumulative	
	3 months ended		6 months ended	
	30-Sep		30-Sep	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Loss attributable to owners of the company (RM'000)	(24,578)	(13,540)	(31,758)	(31,932)
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)	(2.04)	(1.13)	(2.64)	(2.65)

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Part B

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

For the Second Quarter Ended 30 September 2024

25. 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.

26. Profit for the period

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

	6 months ended 30-Sep	
	2024	2023
	RM'000	RM'000
Bad Debts written-off	8	--
Depreciation:		
-Property, plant and equipment	7,257	8,522
-Right-of-use assets	--	64
-Investment properties	153	--
Finance income	(4,063)	(3,600)
Finance costs	2,548	3,642
Impairment loss on other receivables	3	17
Property, plant and equipment:		
- Gain)/Loss on disposal	786	(149)
- (Reversal of impairment)/ Impairment Loss	(3,211)	733
-Written-off	250	38
Asset classified under asset held for sales:		
-Gain on disposal	(6,086)	--
- Reversal of impairment loss	(132)	--
Net (gain)/loss on foreign exchange	1,028	(770)
- Reversal of allowance for slow moving inventories	(2,965)	(2,953)
-Reversal of inventories written-off	--	(268)
Gain arising from deconsolidation of Subsidiaries	(198)	--

27. Authorise for issue

These Interim Financial Statements were authorised for issue by the Board of Directors in accordance with a resolution passed on 26 November 2024.

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