

**ATA IMS Berhad**  
Registration Number: 198901012846 (190155-M)  
(Incorporated in Malaysia)  
**and its subsidiaries**

**Financial statements for the  
year ended 31 March 2024**

# ATA IMS Berhad

Registration Number: 198901012846 (190155-M)  
(Incorporated in Malaysia)

## and its subsidiaries

### Directors' report for the year ended 31 March 2024

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2024.

### Principal activities

The principal activity of the Company consists of investment holding. The principal activities of its subsidiaries are disclosed in Note 6 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

### Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 6 to the financial statements.

### Results

	Group RM'000	Company RM'000
Loss for the year attributable to:		
Owners of the Company	104,941	118,717
Non-controlling interests	85	--
	<u>105,026</u>	<u>118,717</u>

### Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review.

### Dividends

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend the payment of any final dividend in respect of the current financial year.

### Directors of the Company

Directors who served during the financial year until the date of this report are:

Dato' Sri Foo Chee Juan\*\*  
Dato' Fong Chiu Wan\*\*  
Mr. Koh Win Ton  
Mr. Lee Kok Jong  
Ms. Elizabeth Shanti A/P Frank Louis  
Mr. Dharma Rajah Nadarajah\*\*

\*\* These Directors are also Directors of the Company's subsidiaries.

The name of the Director of the Company's subsidiaries in office since the beginning of the financial year to the date of their report (not including those Directors listed above) is:

Mr. Chua Lai Heng

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## Directors' interests in shares

The direct and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

Name of Directors	Interest	Number of ordinary shares			At 31 March 2024 '000
		At 1 April 2023 '000	Bought '000	Sold '000	
Company					
Dato' Sri Foo Chee Juan	Direct	1,290	--	--	1,290
	Deemed <sup>(1)</sup>	407,396	--	--	407,396
Dato' Fong Chiu Wan	Direct	316,066	--	--	316,066

<sup>(1)</sup> Deemed interested by virtue of his equity interest in Oregon Technology Sdn. Bhd..

By virtue of Dato' Sri Foo Chee Juan's and Dato' Fong Chiu Wan's substantial interests in the Company, they are also deemed to have interests in the ordinary shares of all the wholly-owned subsidiaries of the Company as disclosed in Note 6 to the financial statements.

None of the other Directors holding office at 31 March 2024 had any interest in the ordinary shares of the Company and of its related corporations during the financial year.

## Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 March 2024 are as follows:

	From the Company RM'000	From subsidiary companies RM'000
Directors of the Company:		
Fees	180	--
Remuneration	--	4,596
Contribution to state plans	--	556
	<u>180</u>	<u>5,152</u>
Transactions with a company in which certain Directors have substantial financial interests		
Sales	--	8,041
Purchases	--	72,211
Lease income	--	2,040
	<u>--</u>	<u>82,292</u>

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## Issue of shares

There were no changes in the issued and paid-up capital of the Company during the financial year.

## Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

## Indemnity and insurance costs

The total premium paid for insurance effected for Directors and officers of the Group and of the Company is RM27,570.

## Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision has been made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, except for the impairment loss on property, plant and equipment and assets classified as held for sale as disclosed in Notes 3 and 13 to the financial statements of the Group and impairment loss on investments in certain subsidiaries as disclosed in Note 6 to the financial statements of the Company, the financial performance of the Group and of the Company for the financial year ended 31 March 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

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## Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The details of auditors' remuneration of the Group and the Company during the financial year are as follows:

	Group RM'000	Company RM'000
Auditors' remuneration		
- Statutory audit		
KPMG PLT	339	105
Other auditors	38	--
- Non-audit fees		
KPMG PLT	8	8
Local affiliates of KPMG PLT	54	6
Other auditors	20	--
	<u>459</u>	<u>119</u>

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:



.....  
**Dato' Sri Foo Chee Juan**  
 Director



.....  
**Dato' Fong Chiu Wan**  
 Director

Date: 22 JUL 2024

**ATA IMS Berhad**

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(Incorporated in Malaysia)

**and its subsidiaries****Statements of financial position****As at 31 March 2024**

		<b>Group</b>		<b>Company</b>	
	<b>Note</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Assets</b>					
Property, plant and equipment	3	48,670	207,282	--	--
Investment properties	4	24,748	--	--	--
Right-of-use assets	5	--	85	--	--
Investments in subsidiaries	6	--	--	358,407	467,641
Goodwill on consolidation	7	--	--	--	--
Deferred tax assets	8	--	282	--	--
<b>Total non-current assets</b>		<b>73,418</b>	<b>207,649</b>	<b>358,407</b>	<b>467,641</b>
Inventories	9	47,137	80,047	--	--
Contract assets	10	3,765	32,042	--	--
Trade and other receivables	11	115,298	154,310	85	9,668
Current tax assets		32,452	30,827	--	--
Cash and cash equivalents	12	235,426	255,904	293	266
		434,078	553,130	378	9,934
Assets classified as held for sale	13	92,812	15,496	--	--
<b>Total current assets</b>		<b>526,890</b>	<b>568,626</b>	<b>378</b>	<b>9,934</b>
<b>Total assets</b>		<b>600,308</b>	<b>776,275</b>	<b>358,785</b>	<b>477,575</b>
<b>Equity</b>					
Share capital	14	1,338,445	1,338,445	1,338,445	1,338,445
Reserves	14	(959,596)	(854,655)	(979,969)	(861,252)
<b>Equity attributable to owners of the Company</b>		<b>378,849</b>	<b>483,790</b>	<b>358,476</b>	<b>477,193</b>
<b>Non-controlling interests</b>		<b>22</b>	<b>107</b>	<b>--</b>	<b>--</b>
<b>Total equity</b>		<b>378,871</b>	<b>483,897</b>	<b>358,476</b>	<b>477,193</b>
<b>Liabilities</b>					
Loans and borrowings	15	61,921	94,250	--	--
Deferred tax liabilities	8	3,843	--	--	--
<b>Total non-current liabilities</b>		<b>65,764</b>	<b>94,250</b>	<b>--</b>	<b>--</b>
Loans and borrowings	15	49,779	53,941	--	--
Lease liabilities		--	88	--	--
Trade and other payables	16	105,894	143,773	309	278
Contract liabilities	10	--	326	--	--
Current tax liabilities		--	--	--	104
<b>Total current liabilities</b>		<b>155,673</b>	<b>198,128</b>	<b>309</b>	<b>382</b>
<b>Total liabilities</b>		<b>221,437</b>	<b>292,378</b>	<b>309</b>	<b>382</b>
<b>Total equity and liabilities</b>		<b>600,308</b>	<b>776,275</b>	<b>358,785</b>	<b>477,575</b>

The accompanying notes form an integral part of the financial statements.

**ATA IMS Berhad**

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**and its subsidiaries****Statements of profit or loss and other comprehensive income  
For the year ended 31 March 2024**

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	17	399,805	915,783	500	--
Cost of sales		(449,954)	(960,939)	--	--
<b>Gross (loss)/profit</b>		(50,149)	(45,156)	500	--
Other income		16,892	13,969	36	435
Distribution expenses		(2,780)	(12,181)	--	--
Administrative expenses		(19,313)	(23,403)	(882)	(1,342)
Net loss on impairment of financial instruments		(39)	--	(9,241)	(2,360)
Other expenses		(44,646)	(180,955)	(109,234)	(248,254)
<b>Results from operating activities</b>		(100,035)	(247,726)	(118,821)	(251,521)
Finance income		7,410	3,921	--	--
Finance costs	18	(6,797)	(9,252)	--	--
<b>Net finance income/(costs)</b>		613	(5,331)	--	--
<b>Loss before tax</b>		(99,422)	(253,057)	(118,821)	(251,521)
Tax (expense)/income	19	(5,604)	(1,570)	104	(104)
<b>Loss for the year</b>	20	(105,026)	(254,627)	(118,717)	(251,625)
<b>Other comprehensive expense, net of tax</b>					
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operation		--	(249)	--	--
<b>Total comprehensive loss for the year</b>		(105,026)	(254,876)	(118,717)	(251,625)
<b>Loss attributable to:</b>					
Owners of the Company		(104,941)	(254,539)	(118,717)	(251,625)
Non-controlling interest		(85)	(88)	--	--
<b>Loss for the year</b>		(105,026)	(254,627)	(118,717)	(251,625)
<b>Total comprehensive loss attributable to:</b>					
Owners of the Company		(104,941)	(254,788)	(118,717)	(251,625)
Non-controlling interest		(85)	(88)	--	--
<b>Total comprehensive loss for the year</b>		(105,026)	(254,876)	(118,717)	(251,625)
Basic loss per ordinary share (sen)	21	(8.72)	(21.16)		

The accompanying notes form an integral part of the financial statements.





**ATA IMS Berhad**

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**and its subsidiaries****Statement of changes in equity  
For the year ended 31 March 2024**

	Attributable to owners of the Company			Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Accumulated losses RM'000	
<b>Company</b>				
<b>At 1 April 2022</b>	1,338,445	(1,897)	(607,730)	728,818
Loss and total comprehensive loss for the year	--	--	(251,625)	(251,625)
<b>At 31 March 2023/1 April 2023</b>	1,338,445	(1,897)	(859,355)	477,193
Loss and total comprehensive loss for the year	--	--	(118,717)	(118,717)
<b>At 31 March 2024</b>	<u>1,338,445</u>	<u>(1,897)</u>	<u>(978,072)</u>	<u>358,476</u>

The accompanying notes form an integral part of the financial statements.

**ATA IMS Berhad**

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**and its subsidiaries****Statements of cash flows****For the year ended 31 March 2024**

	Note	Group 2024 RM'000	2023 RM'000	Company 2024 RM'000	2023 RM'000
<b>Cash flows from operating activities</b>					
Loss before tax		(99,422)	(253,057)	(118,821)	(251,521)
Adjustments for:					
Depreciation:					
- Property, plant and equipment		15,470	44,678	--	--
- Investment properties		306	--	--	--
- Right-of-use assets		85	648	--	--
Finance income		(7,410)	(3,921)	--	--
Finance costs	18	6,797	9,252	--	--
Bad debt written off		--	--	--	1,844
Impairment loss on:					
- Trade receivables		14	--	--	--
- Other receivables		25	--	17	--
- Amounts due from subsidiaries		--	--	9,224	516
- Investments in subsidiaries		--	--	109,234	248,253
- Goodwill		--	76,414	--	--
Property, plant and equipment:					
- Written off		798	6,672	--	--
- Gain on disposal		(2,744)	(2,786)	--	--
- Impairment loss		29,348	76,235	--	--
Assets classified as held for sale:					
- Gain on disposal		(539)	--	--	--
- Impairment loss		902	--	--	--
Provision for/(Reversal of):					
- Restoration costs		395	(290)	--	--
- Litigation claims		--	24	--	--
- Onerous contracts		5,455	14,715	--	--
Gain on derecognition of lease liabilities		--	(27)	--	--
Unrealised gain on foreign exchange		(1,634)	(3,026)	--	--
Inventories:					
- Allowance for slow moving		892	26,504	--	--
- Write-down to net realisable value		--	1,503	--	--
- Written off		20	1,692	--	--
Dividend income		--	--	(500)	--
<b>Operating loss before changes in working capital</b>		(51,242)	(4,770)	(846)	(908)
Change in inventories		31,998	205,039	--	--
Change in contract assets		28,277	20,769	--	--
Change in trade and other receivables		38,973	278,838	342	1,189
Change in trade and other payables		(39,542)	(324,835)	31	(136)
Change in contract liabilities		(326)	326	--	--
<b>Cash generated from/ (used in) operations</b>		<u>8,138</u>	<u>175,367</u>	<u>(473)</u>	<u>145</u>

The accompanying notes form an integral part of the financial statements.

# **Statements of cash flows** **For the year ended 31 March 2024** **(continued)**

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Cash generated from/ (used in) operations</b>		8,138	175,367	(473)	145
Dividend received		--	--	500	--
Tax paid		(3,104)	(15,152)	--	--
<b>Net cash from operating activities</b>		<u>5,034</u>	<u>160,215</u>	<u>27</u>	<u>145</u>
<b>Cash flows from investing activities</b>					
Acquisition of property, plant and equipment	22	(5,858)	(13,446)	--	--
Proceeds from disposal of property, plant and equipment		6,849	21,568	--	--
Proceeds from disposal of assets classified as held for sale		9,474	--	--	--
Interest received		<u>7,410</u>	<u>3,921</u>	<u>--</u>	<u>--</u>
<b>Net cash from investing activities</b>		<u>17,875</u>	<u>12,043</u>	<u>--</u>	<u>--</u>
<b>Cash flows from financing activities</b>					
Repayment of term loans		(4,538)	(5,080)	--	--
Proceeds from/(Repayment of) bankers' acceptances		3,855	(48,850)	--	--
Repayment of hire purchase liabilities		(33,808)	(42,064)	--	--
Repayment of lease liabilities		(88)	(796)	--	--
Repayment of revolving credits		(2,000)	(10,000)	--	--
Interest paid		<u>(6,797)</u>	<u>(9,252)</u>	<u>--</u>	<u>--</u>
<b>Net cash used in financing activities</b>		<u>(43,376)</u>	<u>(116,042)</u>	<u>--</u>	<u>--</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		(20,467)	56,216	27	145
Effect of exchange rate fluctuation on cash held		(11)	(236)	--	--
<b>Cash and cash equivalents at 1 April</b>		<u>255,904</u>	<u>199,924</u>	<u>266</u>	<u>121</u>
<b>Cash and cash equivalents at 31 March</b>	12	<u><u>235,426</u></u>	<u><u>255,904</u></u>	<u><u>293</u></u>	<u><u>266</u></u>

The accompanying notes form an integral part of the financial statements.

## Statements of cash flows

### For the year ended 31 March 2024

(continued)

#### Cash outflows for leases as a lessee

	Note	Group 2024 RM'000	2023 RM'000
<b>Included in net cash from operating activities</b>			
Payment relating to short-term leases	20	11,524	15,157
<b>Included in net cash from financing activities</b>			
Payment of lease liabilities		88	796
Interest paid in relation to lease liabilities	18	1	20
<b>Total cash outflows for leases</b>		<u>11,613</u>	<u>15,973</u>

#### Reconciliation of movement of liabilities to cash flows arising from financing activities

	At 1 April 2023 RM'000	Net changes from financing cash flows RM'000	At 31 March 2024 RM'000
<b>Group</b>			
Hire purchase liabilities	83,074	(33,808)	49,266
Term loans	47,201	(4,538)	42,663
Bankers' acceptances	15,916	3,855	19,771
Revolving credits	2,000	(2,000)	--
Lease liabilities	88	(88)	--
<b>Total liabilities from financing activities</b>	<u>148,279</u>	<u>(36,579)</u>	<u>111,700</u>

	At 1 April 2022 RM'000	Net changes from financing cash flows RM'000	Derecogni- -tion of leases RM'000	At 31 March 2023 RM'000
<b>Group</b>				
Hire purchase liabilities	125,138	(42,064)	--	83,074
Term loans	52,281	(5,080)	--	47,201
Bankers' acceptances	64,766	(48,850)	--	15,916
Revolving credits	12,000	(10,000)	--	2,000
Lease liabilities	1,104	(796)	(220)	88
<b>Total liabilities from financing activities</b>	<u>255,289</u>	<u>(106,790)</u>	<u>(220)</u>	<u>148,279</u>

The accompanying notes form an integral part of the financial statements.

# ATA IMS Berhad

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## and its subsidiaries

### Notes to the financial statements

ATA IMS Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

#### Principal place of business

No. 6, Jalan Dewani 1  
Kawasan Perindustrian Dewani  
81100 Johor Bahru  
Johor

#### Registered office

Suite 1301, 13th Floor  
City Plaza, Jalan Tebrau  
80300 Johor Bahru  
Johor

The consolidated financial statements of the Company as at and for the financial year ended 31 March 2024 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group Entities"). The financial statements of the Company as at and for the financial year ended 31 March 2024 do not include other entities.

The principal activity of the Company consists of investment holding. The principal activities of its subsidiaries are disclosed in Note 6.

These financial statements were authorised for issue by the Board of Directors on 22 JUL 2024.

## 1. Basis of preparation

### (a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

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

#### ***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 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*

**(a) Statement of compliance (continued)*****MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025***

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026***

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027***

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

***MFRS Accounting Standards, 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 and the Company plan to apply the abovementioned accounting standards, interpretations and amendments in the respective financial year when the above accounting standards, interpretations and amendments become effective, where applicable.

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

**(b) Basis of measurement**

The financial statements of the Group and the Company have been prepared on the historical cost basis.

**(c) Functional and presentation currency**

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

**(d) Use of estimates and judgements**

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

**(d) Use of estimates and judgements (continued)**

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than as disclosed in the following notes:

- Note 3.1 - Impairment loss on property, plant and equipment
- Note 6 - Measurement of recoverable amounts of investments in subsidiaries
- Note 16 - Provisions: key assumptions on the likelihood and magnitude of an outflow of resources
- Note 25.4 - Measurement of expected credit loss ("ECL")

**2. Changes in material accounting policy****2.1 Material accounting policy information**

The Group adopted amendments to MFRS 101, *Presentation of Financial Statements* and MFRS Practice Statement 2 – *Disclosures of Accounting Policies* from 1 April 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

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### 3. Property, plant and equipment

Group	Note	Land and buildings RM'000	Plant and machinery RM'000	Office furniture and equipment RM'000	Motor vehicles RM'000	Renovation and electrical installation RM'000	Construction -in-progress RM'000	Total RM'000
<b>At cost</b>								
At 1 April 2022		126,882	412,980	23,027	7,418	36,329	688	607,324
Additions		--	3,961	469	48	34	--	4,512
Disposals/Written off		--	(54,401)	(1,134)	(3,081)	(8,829)	--	(67,445)
Reclassification		--	688	--	--	--	(688)	--
Translation differences		--	31	(47)	--	--	--	(16)
Transfer to assets held for sale		--	(35,056)	--	--	--	--	(35,056)
At 31 March 2023/1 April 2023		126,882	328,203	22,315	4,385	27,534	--	509,319
Additions		--	2,656	1,115	--	452	--	4,223
Disposals/Written off		(1,059)	(24,154)	(1,813)	(591)	(7,066)	--	(34,683)
Reclassification		(918)	--	--	--	--	--	(918)
Translation differences		--	14	--	--	--	--	14
Transfer to investment properties	4	(26,432)	--	--	--	--	--	(26,432)
Transfer to assets held for sale		(63,043)	(87,830)	--	--	(3,201)	--	(154,074)
At 31 March 2024		35,430	218,889	21,617	3,794	17,719	--	297,449
<b>Accumulated depreciation</b>								
At 1 April 2022		13,398	183,141	13,995	5,314	18,053	--	233,901
Depreciation charge		2,020	37,251	2,211	742	2,454	--	44,678
Disposals/Written off		--	(36,222)	(437)	(2,759)	(3,655)	--	(43,073)
Translation differences		--	10	(13)	--	--	--	(3)
Transfer to asset held for sale		--	(21,701)	--	--	--	--	(21,701)
At 31 March 2023/1 April 2023		15,418	162,479	15,756	3,297	16,852	--	213,802
Depreciation charge		1,301	13,006	444	166	553	--	15,470
Disposals/Written off		(1,015)	(16,277)	(1,622)	(507)	(6,199)	--	(25,620)
Translation differences		--	3	--	--	--	--	3
Transfer to investment properties	4	(1,378)	--	--	--	--	--	(1,378)
Transfer to assets held for sale		(12,487)	(44,525)	--	--	(1,649)	--	(58,661)
At 31 March 2024		1,839	114,686	14,578	2,956	9,557	--	143,616



### 3. Property, plant and equipment (continued)

Group	Land and buildings RM'000	Plant and machinery RM'000	Office furniture and equipment RM'000	Motor vehicles RM'000	Renovation and electrical installation RM'000	Construction -in-progress RM'000	Total RM'000
<b>Accumulated impairment losses</b>							
At 1 April 2022	--	6,791	535	--	4,674	--	12,000
Impairment loss	--	70,546	3,533	340	1,816	--	76,235
At 31 March 2022/1 April 2023	--	77,337	4,068	340	6,490	--	88,235
Impairment loss	2,746	21,006	3,058	--	2,538	--	29,348
Disposals/Written off	--	(3,149)	(137)	(8)	(866)	--	(4,160)
Transfer to assets held for sale	--	(8,260)	--	--	--	--	(8,260)
At 31 March 2024	2,746	86,934	6,989	332	8,162	--	105,163
<b>Carrying amounts</b>							
At 1 April 2022	113,484	223,048	8,497	2,104	13,602	688	361,423
At 31 March 2023/1 April 2023	111,464	88,387	2,491	748	4,192	--	207,282
At 31 March 2024	30,845	17,269	50	506	--	--	48,670

### 3. Property, plant and equipment (continued)

#### 3.1 Impairment loss

Due to the termination of contracts with a major customer of the Group, the Group assessed the excess production capacity based on the revised business plans. The Group has assessed the recoverable amount based on the higher of value-in-use calculation and the fair value less costs of disposal.

The recoverable value of the assets amounting to RM53,042,000 (2023: RM207,282,000) are determined based on fair value less costs of disposal and the Group recognised an impairment loss of RM29,348,000 (2023: RM76,235,000) in the statement of profit or loss and other comprehensive income in the current financial year.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the impairment assessment.

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Sales comparison approach for land: Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as land size. The most significant input into this valuation approach is price per square foot.	Historical transaction data are used due to absence of recent transactions (Price per square foot of comparable properties range from RM78 - RM166).	The estimated fair value would increase/(decrease) if the price per square foot is higher/(lower).
Depreciated replacement cost method for buildings.	Gross replacement cost of the buildings with appropriate deductions based on age and assets condition.	The estimated fair value would increase/(decrease) if the gross replacement cost is higher/(lower) and depreciation is lower/(higher).
For machineries and equipment, the method involved determining the market value that reflects recent transacted prices of plant and machineries of similar age and specifications.	Comparison to machineries and equipment which have been sold or market value of the type of machine fitted with the same specifications of similar nature or as close in similarity.	The estimated fair value would increase/(decrease) if the sales price/market value of recent transactions based on similar age and specifications are higher/(lower).
	Useful lives and residual values.	The estimated fair value would increase/(decrease) if the useful lives and the residual values of the machines are higher/(lower).

### 3. Property, plant and equipment (continued)

#### 3.2 Carrying amounts of land and buildings

Included in the carrying amount of land and buildings are:

	Group	
	2024 RM'000	2023 RM'000
Freehold land	9,275	39,463
Buildings	21,570	72,001
	<u>30,845</u>	<u>111,464</u>

#### 3.3 Land and buildings subject to operating lease

In prior year, certain land and buildings of the Group with carrying amounts of RM25,054,000 were leased to a company in which certain Directors have substantial financial interests.

The following are recognised in profit or loss:

	Group	
	2024 RM'000	2023 RM'000
Lease income	--	2,040

#### 3.4 Security

The land and buildings of the Group with carrying amounts of RM30,845,000 (2023: RM111,464,000) are charged to licensed banks as securities for bank borrowings as disclosed in Note 15.

The net carrying amount of plant and machinery and motor vehicles acquired under hire purchase arrangements are RM11,361,000 (2023: RM83,896,000).

#### 3.5 Material accounting policy information

##### (a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

##### (b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for its intended use.

### 3. Property, plant and equipment (continued)

#### 3.5 Material accounting policy information (continued)

##### (b) Depreciation (continued)

The estimated useful lives for the current and comparative periods are as follows:

Buildings	10 - 50 years
Plant and machinery	6.67 - 10 years
Office furniture and equipment	5 - 10 years
Motor vehicles	5 - 6.67 years
Renovation and electrical installation	6.67 - 10 years

### 4. Investment properties

Group	Note	Land RM'000	Building RM'000	Total RM'000
<b>At cost</b>				
At 1 April 2023		--	--	--
Transfer from property, plant and equipment	3	11,125	15,307	26,432
At 31 March 2024		11,125	15,307	26,432
<b>Accumulated depreciation</b>				
At 1 April 2023		--	--	--
Transfer from property, plant and equipment	3	--	1,378	1,378
Depreciation charge		--	306	306
At 31 March 2024		--	1,684	1,684
<b>Carrying amounts</b>				
At 1 April 2023		--	--	--
At 31 March 2024		11,125	13,623	24,748

#### 4.1 Nature of leasing activities

Investment properties comprise a double storey factory that is leased to a company in which certain Directors have substantial financial interests.

#### 4.2 Restrictions on investment properties

The land and building are charged to licensed banks as securities for bank borrowings as disclosed in Note 15.

#### 4.3 Other income/expenses recognised in profit or loss in relation to investment properties

	Group	
	2024 RM'000	2023 RM'000
Lease income	2,040	--
Direct operating expenses:		
- income generating investment properties	95	--

## 4. Investment properties (continued)

### 4.4 Fair value information

Fair value of investment properties are categorised as follows:

Group	Level 3	
	2024 RM'000	2023 RM'000
Land and building	28,178	--

#### Level 3 fair value

The fair values of the investment properties are determined by the Directors based on market value of similar properties located in surrounding area.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Sales comparison approach: Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot	Historical transaction data are used due to absence of recent transactions (Price per square foot of comparable properties range from RM91 - RM138).	The estimated fair value would increase/(decrease) if the price per square foot is higher/(lower).

### 4.5 Material accounting policy information

Investment properties are initially and subsequently measured at cost less any accumulated depreciation and any accumulated impairment loss.

Depreciation is charged to profit and loss on a straight-line basis over the estimated useful lives. Freehold land is not depreciated.

The estimated useful live for the current period is as follows:

Building	50 years
----------	----------

## 5. Right-of-use assets

Group	Land RM'000	Factories RM'000	Total RM'000
At 1 April 2022	214	712	926
Depreciation	(129)	(519)	(648)
Derecognition*	--	(193)	(193)
At 31 March 2023/1 April 2023	85	--	85
Depreciation	(85)	--	(85)
At 31 March 2024	--	--	--

\* Derecognition of the right-of-use assets in prior year was a result of lease termination.

### 5.1 Material accounting policy information

#### (a) Recognition and measurement

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

#### (b) Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

## 6. Investments in subsidiaries

	Company	
	2024 RM'000	2023 RM'000
Cost of investments	1,253,595	1,253,595
Amount due from a subsidiary	85,787	85,787
	1,339,382	1,339,382
Less: Impairment losses	(980,975)	(871,741)
	358,407	467,641

Included in the cost of investments are investment in Integrated Manufacturing Solutions Sdn. Bhd. and its subsidiaries ("IMS Group") amounted to RM1,190,481,000 (2023: RM1,190,481,000).

The amount due from a subsidiary represents amount owing from ATA Industrial (M) Sdn. Bhd.. The amount is interest free, unsecured and no fixed term of repayment. The settlement of balance is neither planned nor likely to occur in the foreseeable future. In substance, the amount forms part of the Company's net investments in the subsidiaries and is stated at cost.

The Company determines whether there is impairment on interests in subsidiaries when indicators of impairment were identified. The recoverable amount is estimated based on the higher of fair value less costs of disposal and the value in use. The fair value is determined based on the adjusted net assets.

During the financial year, the Company provided additional impairment loss of RM109,234,000 (2023: RM248,253,000) because the adjusted net assets value of certain subsidiaries are lower than the carrying amount of the respective investments.

## 6. Investments in subsidiaries (continued)

Details of the subsidiaries are as follows:

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Winsheng Plastic Industry Sdn. Bhd. ("WPI")	Malaysia	Manufacturing and sales of precision plastic injection moulded parts, secondary process, sub-assembly, full assembly of finished products, and tooling fabrication	100	100
Lean Teik Soon Sdn. Bhd.	Malaysia	Wholesaler/retailer of foodstuff and consumer goods	100	100
Integrated Manufacturing Solutions Sdn. Bhd. ("IMS")	Malaysia	Investment holding	100	100
ATA Components Sdn. Bhd.*	Malaysia	Manufacturing and sales of electrical and electronic components and products	100	100
Jabind Manufacturing India Private Limited*	India	Manufacturing of filter systems and other related products	100	100
ATA Industries Denmark ApS*	Denmark	Dormant	100	100
Zullick Metal Sdn. Bhd.*	Malaysia	Manufacturing of metal stamping	60	60
Newtec Sdn. Bhd.	Malaysia	Dormant	100	100
<b>Subsidiaries of IMS</b>				
ATA Industrial (M) Sdn. Bhd. ("AIM")	Malaysia	Manufacturing and sales of precision plastic injection moulded parts and assembly of electrical and electronic components and products	100	100
Jabco Filter System Sdn. Bhd. ("JABCO")*	Malaysia	Manufacturing and sales of air filters and sterilizers	100	100
ATA Precision Engineering Sdn. Bhd.*	Malaysia	Design and fabrication of tools and moulds	100	100

\* Not audited by KPMG PLT.

There is no disclosure for non-controlling interest in a subsidiary as the balance is not material to the Group.

### 6.1 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

## 7. Goodwill on consolidation

	<b>Goodwill RM'000</b>
<b>Group</b>	
<b>At cost</b>	
At 1 April 2022/31 March 2023	76,541
At 1 April 2023/31 March 2024	76,541
<b>Accumulated impairment loss</b>	
At 1 April 2022	127
Impairment loss	76,414
At 31 March 2023	76,541
At 1 April 2023/31 March 2024	76,541
<b>Carrying amounts</b>	
At 1 April 2022	76,414
At 31 March 2023/1 April 2023	--
At 31 March 2024	--

### 7.1 Goodwill

In year 2018, the Company acquired the entire equity interest in IMS Group via the issuance of 1,032,104,348 new ordinary shares of the Company. The acquisition has been accounted for using reverse accounting in accordance with MFRS 3, *Business Combinations*. Arising from this acquisition, the Group recognised a goodwill of RM76 million.

Goodwill represents enhanced scale and synergies expected from the combined business. It is expected that the Group, as enlarged by the acquisition of IMS (the "enlarged group"), will substantially increase its annual production capacity of its plastic injection which would enable the enlarged group to increase its market share in the plastic injection moulding business.

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating units ("CGUs") that are expected to benefit from that business combination. The aggregate carrying amounts of goodwill were allocated to the manufacture, assembly and sale of plastic injection moulded parts.

In the previous financial year, the Group recognised an impairment loss on goodwill allocated to the manufacture, assembly and sale of plastic injection moulded parts of RM76,414,000 as a result of the loss of major customer.

### 7.2 Material accounting policy information

Goodwill arises on business combinations is measured at cost less any accumulated impairment losses.



## 8. Deferred tax assets/(liabilities)

### 8.1 Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

Group	Assets		Liabilities		Net	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Property, plant and equipment	--	--	(3,843)	(12,228)	(3,843)	(12,228)
Right-of-use assets	--	--	--	(20)	--	(20)
Inventories	--	9,065	--	--	--	9,065
Contract assets	--	--	--	(1,798)	--	(1,798)
Trade receivables	--	3	--	--	--	3
Lease liabilities	--	21	--	--	--	21
Provisions	--	4,229	--	--	--	4,229
Unabsorbed capital allowances	--	1,607	--	--	--	1,607
Unrealised exchange differences	--	--	--	(597)	--	(597)
	--	14,925	(3,843)	(14,643)	(3,843)	282
Set off of tax	--	(14,643)	--	14,643	--	--
Net tax assets/(liabilities)	--	282	(3,843)	--	(3,843)	282

### 8.2 Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group	
	2024 RM'000	2023 RM'000
Deductible temporary differences	91,127	806
Unabsorbed capital allowances	65,536	57,156
Unutilised tax losses	81,268	58,673
	<u>237,931</u>	<u>116,635</u>

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

The comparative figures have been restated to reflect the revised tax losses carry-forward, capital allowances carry-forward and deductible temporary differences available to the Group.

The unutilised tax losses will expire in the following respective year of assessment:

	Group	
	2024 RM'000	2023 RM'000
2028	6,737	7,423
2029	757	757
2030	439	439
2031	257	257
2032	288	288
2033	49,336	49,509
2034	23,454	--
	<u>81,268</u>	<u>58,673</u>

## 8. Deferred tax assets/(liabilities) (continued)

### 8.2 Unrecognised deferred tax assets (continued)

The deductible temporary differences and unabsorbed capital allowances do not expire under the current tax legislation.

### 8.3 Movements in temporary differences during the year

Group	At 1 April 2022 RM'000	Recognised in profit or loss (Note 19) RM'000	At 31 March 2023/ 1 April 2023 RM'000	Recognised in profit or loss (Note 19) RM'000	At 31 March 2024 RM'000
Property, plant and equipment	(25,466)	13,238	(12,228)	8,385	(3,843)
Right-of-use assets	(222)	202	(20)	20	--
Inventories	1,208	7,857	9,065	(9,065)	--
Contract assets	(2,719)	921	(1,798)	1,798	--
Trade receivables	39	(36)	3	(3)	--
Lease liabilities	265	(244)	21	(21)	--
Provisions	2,501	1,728	4,229	(4,229)	--
Unabsorbed capital allowances	12,928	(11,321)	1,607	(1,607)	--
Unutilised tax losses	472	(472)	--	--	--
Unrealised exchange differences	(97)	(500)	(597)	597	--
	(11,091)	11,373	282	(4,125)	(3,843)

## 9. Inventories

	Group	
	2024 RM'000	2023 RM'000
Raw materials	42,936	61,559
Work-in-progress	2,184	12,766
Finished goods	2,017	5,722
	<u>47,137</u>	<u>80,047</u>
Recognised in profit or loss:		
- Inventories recognised as cost of sales	449,954	960,939
- Write-down to net realisable value (included in cost of sales)	--	1,503
- Allowance for slow moving (included in cost of sales)	892	26,504
- Inventories written off (included in cost of sales)	20	1,692

### 9.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

## 10. Contract with customers

### 10.1 Contract assets/(liabilities)

	Group	
	2024 RM'000	2023 RM'000
Contract assets	3,765	32,042
Contract liabilities	--	(326)

The contract assets primarily relate to the Group's rights to consideration for work completed on contracts but not yet billed at the reporting date. Typically, the amount will be billed within 30 days and payment is expected within 60 to 90 days.

The contract liabilities primarily related to the progress billings exceeded cost incurred for tooling sales contract, which revenue was recognised over time during the contract period. The contract liabilities were expected to be recognised as revenue over a period of 30 to 90 days.

There are no significant changes to contract assets and contract liabilities balances during the year.

## 11. Trade and other receivables

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Trade</b>					
Trade receivables	25.4	100,438	132,274	--	--
<b>Non-trade</b>					
Other receivables, deposits and prepayments		14,860	22,036	25	20
Due from subsidiaries		--	--	60	9,648
		14,860	22,036	85	9,668
		115,298	154,310	85	9,668

The amounts due from subsidiaries are non-trade, unsecured, interest free and repayable on demand.

Included in trade receivables of the Group are RM1,974,000 (2023: RM4,282,000) due from company in which certain Directors have substantial financial interests.

Included in other receivables, deposits and prepayments are:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Due from company in which certain Directors have substantial financial interests	301	1,021	--	--
Other receivables	2,113	4,723	--	--
Deposits	4,279	6,206	1	1
Prepayments	8,167	10,086	24	19
	14,860	22,036	25	20

## 12. Cash and cash equivalents

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed deposits with licensed banks	122,967	36,852	--	--
Cash and bank balances	112,459	219,052	293	266
	<u>235,426</u>	<u>255,904</u>	<u>293</u>	<u>266</u>

## 13. Assets classified as held for sale

The Group is committed to dispose certain property, plant and equipment and is actively seeking buyers for the assets.

At 31 March 2024, the assets classified as held for sale comprise the following:

	2024 RM'000	2023 RM'000
<b>Assets classified as held for sale</b>		
Property, plant and equipment	<u>92,812</u>	<u>15,496</u>

The Group recognised an impairment loss of RM8,260,000 on the property, plant and equipment before it was reclassified to assets held for sale.

Included in assets classified as held for sale is carrying amount from prior year amounting to RM7,513,000 (2023: RM2,141,000) with recoverable value amounting to RM6,611,000 (2023: RM2,141,000) determined based on fair value less costs of disposal and the Group recognised an impairment loss of RM902,000 (2023: NIL) in the statement of profit or loss and other comprehensive income in the current financial year.

During the financial year, the Group disposed machineries amounting to RM8,935,000 and recognised a gain on disposal amounting to RM539,000.

## 14. Capital and reserves

### Share capital

	Group/Company		Group/Company Number of ordinary shares	
	2024 RM'000	2023 RM'000	2024 '000	2023 '000
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares	<u>1,338,445</u>	<u>1,338,445</u>	<u>1,204,371</u>	<u>1,204,371</u>

## 14. Capital and reserves (continued)

### Reserves

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Distributable</b>				
Retained earnings	146,633	251,574	--	--
<b>Non-distributable</b>				
Accumulated losses	--	--	(978,072)	(859,355)
Exchange fluctuation reserve	104	104	--	--
Reverse accounting reserve	(1,104,436)	(1,104,436)	--	--
Treasury shares	(1,897)	(1,897)	(1,897)	(1,897)
	<u>(959,596)</u>	<u>(854,655)</u>	<u>(979,969)</u>	<u>(861,252)</u>

#### 14.1 Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

#### 14.2 Exchange fluctuation reserve

The exchange fluctuation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

#### 14.3 Reverse accounting reserve

The reverse accounting reserve arose to reflect the equity structure of the Company, including the equity interests issued by the Company to effect the business combinations of IMS Group.

#### 14.4 Treasury shares

Treasury shares comprises cost of acquisition of the Company's own shares. At 31 March 2024, a total of 1,507,400 (2023: 1,507,400) repurchased shares were held as treasury shares. The number of outstanding shares in issue after the set off is 1,202,863,599 (2023: 1,202,863,599).

Treasury shares have no rights to voting, dividends and participation in any other distribution. Treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, take-overs, notices, the requisition of meeting, the quorum for a meeting and the result of a vote on a resolution at a meeting.

## 15. Loans and borrowings

	<b>Group</b>	
	<b>2024 RM'000</b>	<b>2023 RM'000</b>
<b>Secured</b>		
<b>Non-current</b>		
Hire purchase liabilities	24,042	51,783
Term loans	37,879	42,467
	<u>61,921</u>	<u>94,250</u>
<b>Current</b>		
Hire purchase liabilities	25,224	31,291
Term loans	4,784	4,734
Bankers' acceptances	19,771	15,916
Revolving credits	--	2,000
	<u>49,779</u>	<u>53,941</u>
	<u><u>111,700</u></u>	<u><u>148,191</u></u>

### 15.1 Securities

The loans and borrowings are secured by way of:

- first party legal charges over the properties, plant and machineries of the Group;
- jointly and severally guaranteed by certain Directors of the Company; and
- corporate guarantee by the Company.

## 16. Trade and other payables

	<b>Group</b>		<b>Company</b>	
	<b>2024 RM'000</b>	<b>2023 RM'000</b>	<b>2024 RM'000</b>	<b>2023 RM'000</b>
Trade payables	51,633	82,366	--	--
Other payables and accrued expenses	<u>54,261</u>	<u>61,407</u>	<u>309</u>	<u>278</u>
	<u><u>105,894</u></u>	<u><u>143,773</u></u>	<u><u>309</u></u>	<u><u>278</u></u>

Included in trade payables of the Group are RM16,381,000 (2023: RM11,806,000) due to company in which certain Directors have substantial financial interests which is subject to normal trade terms.

Included in other payables and accrued expenses of the Group and the Company are:

	<b>Group</b>		<b>Company</b>	
	<b>2024 RM'000</b>	<b>2023 RM'000</b>	<b>2024 RM'000</b>	<b>2023 RM'000</b>
Property, plant and equipment creditors	1,812	3,447	--	--
Due to Directors	400	337	180	180
Due to company in which certain Directors have substantial financial interests	501	652	--	--
Provision for restoration costs	595	200	--	--
Provision for litigation claims	2,724	2,724	--	--
Provision for onerous contracts	18,055	14,715	--	--
Other payables and accrued expenses	<u>30,174</u>	<u>39,332</u>	<u>129</u>	<u>98</u>
	<u><u>54,261</u></u>	<u><u>61,407</u></u>	<u><u>309</u></u>	<u><u>278</u></u>

## 16. Trade and other payables (continued)

The non-trade amounts due to Directors and company in which certain Directors have substantial financial interests are unsecured, interest free and repayable on demand.

The provision for restoration costs relate to the estimated dismantling of the building improvements and installations as well as the restoration to the original state of leased factories.

The provision for onerous contracts relate to the estimated potential obligations arising from open purchase orders from suppliers that are not yet fulfilled by the Group and the Company.

The movements for respective provisions during the year are as follows:

Group	Restoration costs RM'000	Litigation claims RM'000	Onerous contracts RM'000	Total RM'000
At 1 April 2022	1,100	2,700	--	3,800
Provision made during the year	200	24	14,715	14,939
Provision used during the year	(610)	--	--	(610)
Provision reversed during the year	(490)	--	--	(490)
At 31 March 2023/1 April 2023	200	2,724	14,715	17,639
Provision made during the year	395	--	5,455	5,850
Provision used during the year	--	--	(2,115)	(2,115)
At 31 March 2024	595	2,724	18,055	21,374

## 17. Revenue

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Revenue from contracts with customers</b>				
- Over time	318,477	915,783	--	--
- At a point in time	81,328	--	--	--
	<u>399,805</u>	<u>915,783</u>	<u>--</u>	<u>--</u>
<b>Other revenue</b>				
- Dividend income	<u>--</u>	<u>--</u>	<u>500</u>	<u>--</u>

### 17.1 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Warranty
Electrical and electronic components and products	<ul style="list-style-type: none"> <li>- Revenue is recognised over time as costs are incurred. These contracts would meet the no alternative use criteria and the Group has rights to payment for work performed</li> <li>- Revenue is recognised at a point in time when the goods are delivered and accepted by the customer at its premise</li> </ul>	Credit period of 60 to 90 days from invoice date	Assurance warranties of 15 months are given to certain customers

## 17. Revenue (continued)

### 17.1 Nature of goods and services (continued)

The revenue from contracts with customers of the Group are not subject to variable element in the consideration and obligation for returns or refunds.

The Group applies the practical expedients for exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.

## 18. Finance costs

	Group	
	2024 RM'000	2023 RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss	6,796	9,232
Interest expenses on lease liabilities	1	20
	<u>6,797</u>	<u>9,252</u>

## 19. Tax expense/(income)

### 19.1 Recognised in profit or loss

Major components of income tax expense include:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Current tax expense</b>				
- Current year	1,126	10,077	--	104
- Under/(Over) provision in prior years	353	2,866	(104)	--
	<u>1,479</u>	<u>12,943</u>	<u>(104)</u>	<u>104</u>
<b>Deferred tax expense/ (benefit)</b>				
- Origination and reversal of temporary differences	4,121	(11,718)	--	--
- Under provision in prior years	4	345	--	--
	<u>4,125</u>	<u>(11,373)</u>	<u>--</u>	<u>--</u>
	<u>5,604</u>	<u>1,570</u>	<u>(104)</u>	<u>104</u>



**19. Tax expense/(income) (continued)****19.2 Reconciliation of tax expense/(income)**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Loss before tax	(99,422)	(253,057)	(118,821)	(251,521)
Income tax calculated using Malaysian tax rate of 24%	(23,861)	(60,734)	(28,517)	(60,365)
Non-deductible expenses	72	20,400	28,646	60,469
Non-taxable income	(75)	--	(129)	--
Effect of unrecognised deferred tax assets	29,111	38,693	--	--
	5,247	(1,641)	--	104
Under/(Over) provided in prior years	357	3,211	(104)	--
Tax expense/(income)	5,604	1,570	(104)	104

**20. Loss for the year**

	<b>Note</b>	<b>Group</b>		<b>Company</b>	
		<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Loss for the year is arrived at after charging/(crediting)</b>					
Auditor's remuneration:					
- Audit fees:					
- KPMG PLT					
- Current year		339	336	105	105
- Under provision in prior year		--	40	--	40
- Other auditors		38	52	--	--
- Non-audit fees:					
- KPMG PLT		8	8	8	8
- Local affiliates of KPMG PLT		54	313	6	5
- Other auditors		20	23	--	--
Bad debt written off		--	--	--	1,844
Depreciation:					
- Property, plant and equipment		15,470	44,678	--	--
- Investment properties		306	--	--	--
- Right-of-use assets		85	648	--	--
Expenses relating to short-term leases	a	11,524	15,157	--	--
Personnel expenses (including key management personnel):					
- Contribution to state plans		5,455	8,124	--	--
- Wages, salaries and others		94,388	148,421	180	180
Net foreign exchange gain		(14,806)	(5,782)	--	--
Lease income		(2,040)	(2,040)	--	--

**20. Loss for the year (continued)**

	Note	Group 2024 RM'000	2023 RM'000	Company 2024 RM'000	2023 RM'000
Loss for the year is arrived at after charging/(crediting) (continued)					
Property, plant and equipment:					
- Written off		798	6,672	--	--
- Gain on disposal		(2,744)	(2,786)	--	--
- Impairment loss		29,348	76,235	--	--
Assets classified as held for sale:					
- Gain on disposal		(539)	--	--	--
- Impairment loss		902	--	--	--
Provision for/(Reversal of):					
- Restoration costs		395	(290)	--	--
- Litigation claims		--	24	--	--
- Onerous contracts		5,455	14,715	--	--
Impairment loss on:					
- Trade receivables		14	--	--	--
- Other receivables		25	--	17	--
- Amounts due from subsidiaries		--	--	9,224	516
- Investments in subsidiaries		--	--	109,234	248,253
- Goodwill		--	76,414	--	--
Wages subsidy from government	b	(26)	(307)	--	--
Retrenchment benefits		2,066	--	--	--

**Note a**

The Group leases factories, hostels and forklift equipment with contract terms of not more than 1 year. These leases are short-term items in nature. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

**Note b**

The Group receives grants related to wage subsidy programme introduced by Perkeso. The grants are recognised in profit or loss as a deduction against the related expense.

**21. Loss per ordinary share****Basic loss per ordinary share**

The calculation of basic loss per ordinary share at 31 March 2024 was based on the loss attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2024 RM'000	2023 RM'000
Loss for the year attributable to owners	(104,941)	(254,539)

## 21. Loss per ordinary share (continued)

### Basic loss per ordinary share (continued)

Weighted average number of ordinary shares are determined as follows:

	Group	
	2024 '000	2023 '000
Weighted average number of ordinary shares at 31 March	1,202,864	1,202,864
Basic loss per ordinary share (sen)	(8.72)	(21.16)

### Diluted loss per ordinary share

There is no diluted loss per ordinary share as there is no outstanding dilutive potential ordinary shares.

## 22. Acquisition of property, plant and equipment

Acquisition of property, plant and equipment represent:

	Group	
	2024 RM'000	2023 RM'000
Current year's additions of property, plant and equipment	4,223	4,512
Less: Balances in respect of acquisition of property, plant and equipment included in other creditors		
- at end of year	(1,812)	(3,447)
- at beginning of year	3,447	12,381
Cash used in acquisition of property, plant and equipment	5,858	13,446

## 23. Operating segments

The Group is principally involved in manufacturing and sales of precision plastic injection of moulded parts, secondary process, sub assembly, full assembly of the finished products for the electronic industry and are predominantly carried out in Malaysia. Segmental information is not prepared as the food trading segment has not met the quantitative thresholds for reporting segment in 2024 and 2023.

### Major customers

The following are the major customers with revenue equal to or more than 10 percent of the Group's total revenue:

	Revenue RM'000
<b>2024</b>	
Customer A	326,633
<b>2023</b>	
Customer A	123,026
Customer B	88,907
	211,933

## 24. Capital commitments

	Group	
	2024 RM'000	2023 RM'000
Capital expenditure commitments		
Property, plant and equipment		
Contracted but not provided for	<u>1,180</u>	<u>172</u>

## 25. Financial instruments

### 25.1 Categories of financial instruments

All financial assets and liabilities are categorised as amortised cost ("AC").

### 25.2 Net gains and losses arising from financial instruments

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net gains/(losses) arising on:				
Financial assets at AC	7,371	3,921	(9,241)	(2,360)
Financial liabilities at AC	<u>8,010</u>	<u>(3,450)</u>	<u>--</u>	<u>--</u>
	<u>15,381</u>	<u>471</u>	<u>(9,241)</u>	<u>(2,360)</u>

### 25.3 Financial risk management

The Group has exposure to the following risks from its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

### 25.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivable from customers. The Company's exposure to credit risk arises principally from advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries. There are no significant changes as compared to prior period.

#### Trade receivables and contract assets

##### *Risk management objectives, policies and processes for managing the risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to prior period.

## 25. Financial instruments (continued)

### 25.4 Credit risk (continued)

#### Trade receivables and contract assets (continued)

##### *Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statement of financial position.

##### *Concentration of credit risk*

The Group trades extensively with established customers which the Group has a long standing business relationship. As at the end of the reporting period, the Group has significant concentration of credit risk from one (2023: two) major customers, which constitute approximately 81% (2023: 30%) of total trade receivables. The customer does not have any significant outstanding balances exceeding its normal credit terms as at the end of the reporting period.

##### *Recognition and measurement of impairment loss*

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions to recover long overdue balances.

As there are only few customers, the Group assesses the risk of loss of the customer individually based on their financial information, past trend of payment and external credit ratings, where applicable.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at the end of the reporting date which are grouped together as they are expected to have similar risk nature.

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
<b>2024</b>			
Current (not past due)	89,183	--	89,183
1 - 30 days past due	8,749	--	8,749
31 - 90 days past due	978	--	978
	98,910	--	98,910
<b>Credit impaired</b>			
More than 90 days past due	5,368	75	5,293
	104,278	75	104,203
Trade receivables	100,513	75	100,438
Contract assets	3,765	--	3,765
	104,278	75	104,203

## 25. Financial instruments (continued)

### 25.4 Credit risk (continued)

#### Trade receivables and contract assets (continued)

##### Recognition and measurement of impairment loss (continued)

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
<b>2023</b>			
Current (not past due)	111,144	--	111,144
1 - 30 days past due	34,280	--	34,280
31 - 90 days past due	11,780	--	11,780
	157,204	--	157,204
<b>Credit impaired</b>			
More than 90 days past due	7,423	311	7,112
	164,627	311	164,316
Trade receivables	132,585	311	132,274
Contract assets	32,042	--	32,042
	164,627	311	164,316

The movements in the allowance for impairment in respect of trade receivables during the year are shown below.

Group	Credit impaired/Total 2024 RM'000	2023 RM'000
<b>Balance at 1 April</b>	311	536
Net remeasurement of loss allowance	14	--
Amount written off	(250)	(225)
<b>Balance at 31 March</b>	75	311

#### Financial guarantees

##### Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to subsidiaries. The Company monitors the ability of the subsidiaries to service its loans on an individual basis.

##### Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM96,392,000 (2023: RM119,506,000) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the subsidiaries' secured loans.

## 25. Financial instruments (continued)

### 25.4 Credit risk (continued)

#### Financial guarantees (continued)

##### *Recognition and measurement of impairment loss*

The Company assumes that there is a significant increase in credit risk when subsidiaries' financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiaries are unlikely to repay its credit obligation to the bank in full; or
- The subsidiaries are continuously loss making and are having a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

As at the end of the reporting period, the Company does not recognise any allowance for impairment losses.

#### Inter-company balances

##### *Risk management objectives, policies and processes for managing the risk*

The Company monitors the ability of subsidiaries to repay the balances on an individual basis.

##### *Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

##### *Recognition and measurement of impairment loss*

The Company considers amounts due from subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when subsidiaries' financial position deteriorates significantly. The Company considers amounts due from subsidiaries to be credit impaired when:

- The subsidiaries are unlikely to repay the amounts to the Company in full; or
- The subsidiaries are continuously loss making and are having a deficit shareholders' fund.

The Company determines the probability of default for amounts due from subsidiaries individually using internal information available.

## 25. Financial instruments (continued)

### 25.4 Credit risk (continued)

#### Inter-company balances (continued)

##### *Recognition and measurement of impairment loss (continued)*

The following table provides information about the exposure to credit risk and ECLs for inter-companies as at the end of the reporting period:

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
<b>Company</b>			
<b>2024</b>			
Low credit risk	60	--	60
Credit impaired	9,822	9,822	--
	<u>9,882</u>	<u>9,822</u>	<u>60</u>
<b>2023</b>			
Low credit risk	9,648	--	9,648
Credit impaired	598	598	--
	<u>10,246</u>	<u>598</u>	<u>9,648</u>

The movements in the allowance for impairment in respect of inter-companies during the year are shown below.

	<b>Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Balance at 1 April</b>	598	7,272
Net remeasurement of loss allowance	9,224	516
Written off	--	(7,190)
<b>Balance at 31 March</b>	<u>9,822</u>	<u>598</u>

#### Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

#### Other receivables

##### *Risk management objectives, policies and processes for managing the risk*

The Group and the Company monitor the exposure to credit risk on individual basis.

##### *Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position and the Group and the Company.



## 25. Financial instruments (continued)

### 25.4 Credit risk (continued)

#### Other receivables (continued)

##### Recognition and measurement of impairment loss

As at the end of the reporting period, the Group and the Company recognised allowance for impairment loss of RM25,000 (2023: NIL) and RM17,000 (2023: NIL) respectively.

### 25.5 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables and loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

#### Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities and lease liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Contractual interest rate/ coupon/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
<b>Group</b>							
<b>2024</b>							
<i>Non-derivative financial liabilities</i>							
Secured hire purchase liabilities	49,266	2.36 - 5.79	51,952	27,098	18,995	5,859	--
Secured term loans	42,663	4.70 - 7.17	54,368	6,847	6,667	16,489	24,365
Secured bankers' acceptances	19,771	4.50 - 4.86	19,771	19,771	--	--	--
Trade and other payables	105,894	--	105,894	105,894	--	--	--
	<u>217,594</u>		<u>231,985</u>	<u>159,610</u>	<u>25,662</u>	<u>22,348</u>	<u>24,365</u>
<b>2023</b>							
<i>Non-derivative financial liabilities</i>							
Secured hire purchase liabilities	83,074	2.10 - 5.79	89,505	34,880	28,364	26,261	--
Secured term loans	47,201	4.30 - 6.92	59,892	6,878	6,851	17,968	28,195
Secured bankers' acceptances	15,916	3.30 - 6.00	15,916	15,916	--	--	--
Secured revolving credits	2,000	4.24	2,000	2,000	--	--	--
Lease liabilities	88	5.10	90	90	--	--	--
Trade and other payables	143,773	--	143,773	143,773	--	--	--
	<u>292,052</u>		<u>311,176</u>	<u>203,537</u>	<u>35,215</u>	<u>44,229</u>	<u>28,195</u>

## 25. Financial instruments (continued)

### 25.5 Liquidity risk (continued)

#### *Maturity analysis (continued)*

Company	Carrying amount RM'000	Contractual interest rate/coupon/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000
<b>2024</b>				
<i>Non-derivative financial liabilities</i>				
Trade and other payables	309	--	309	309
Financial guarantees*	--	--	96,392	96,392
	<u>309</u>		<u>96,701</u>	<u>96,701</u>
<b>2023</b>				
<i>Non-derivative financial liabilities</i>				
Trade and other payables	278	--	278	278
Financial guarantees*	--	--	119,506	119,506
	<u>278</u>		<u>119,784</u>	<u>119,784</u>

\* The amount represents the outstanding banking facilities of subsidiaries as at the end of the reporting period.

### 25.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates that will affect the Group's financial position or cash flows.

#### **Currency risk**

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the functional currency of Group entities. The currencies giving rise to this risk are primarily US Dollar ("USD") and Chinese Yuan ("CNY").

#### *Risk management objectives, policies and processes for managing the risk*

The Group uses forward exchange contracts from time to time to hedge its foreign currency risk. Most of the forward exchange contracts have maturities of less than one year after the end of the reporting period.

## 25. Financial instruments (continued)

### 25.6 Market risk (continued)

#### Currency risk (continued)

##### *Exposure to foreign currency risk*

The Group's exposure to foreign currency (a currency which is other than the functional currency of Group entities) risk, based on carrying amounts as at the end of the reporting period was:

	Denominated in	
	USD	CNY
	RM'000	RM'000
<b>Group</b>		
<b>2024</b>		
Trade and other receivables	89,333	--
Cash and cash equivalents	38,930	--
Trade and other payables	(10,887)	(3,581)
	<u>117,376</u>	<u>(3,581)</u>
<b>2023</b>		
Trade and other receivables	43,832	--
Cash and cash equivalents	126,779	--
Trade and other payables	(22,152)	(8,133)
	<u>148,459</u>	<u>(8,133)</u>

##### *Currency risk sensitivity analysis*

A 10% (2023: 10%) strengthening of Ringgit Malaysia against the following currencies at the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Profit or loss	
	2024	2023
	RM'000	RM'000
<b>Group</b>		
USD	(8,921)	(11,283)
CNY	272	618
	<u>(8,649)</u>	<u>(10,665)</u>

A 10% (2023: 10%) weakening of Ringgit Malaysia against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

## 25. Financial instruments (continued)

### 25.6 Market risk (continued)

#### Interest rate risk

The Group's fixed rate deposits, lease liabilities and its fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

*Risk management objectives, policies and processes for managing the risk*

Exposure to interest risk is monitored on an ongoing basis and the Group endeavours to keep the exposure at an acceptable level.

*Exposure to interest rate risk, credit quality and collateral*

The interest rate profile of the Group's significant interest-bearing financial instruments and lease liabilities, based on carrying amounts as at the end of the reporting period was:

	Group	
	2024 RM'000	2023 RM'000
<b>Fixed rate instruments</b>		
Financial assets	122,967	36,852
Financial liabilities	(69,037)	(100,990)
Lease liabilities	--	(88)
	<u>53,930</u>	<u>(64,226)</u>
<b>Floating rate instruments</b>		
Financial liabilities	<u>(42,663)</u>	<u>(47,201)</u>

#### *Interest rate risk sensitivity analysis*

##### (a) *Fair value sensitivity analysis for fixed rate instruments*

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss and the Group does not designate derivatives as hedging instruments under a fair value hedged accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

##### (b) *Cash flow sensitivity analysis for variable rate instruments*

A change of 100 basis points (bp) in interest rates at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by RM324,000 (2023: RM359,000). This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

### 25.7 Fair value information

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

The carrying amount of floating rate term loans approximates their fair values as their effective interest rate changes accordingly to movements in market interest rate.

## 25. Financial instruments (continued)

### 25.7 Fair value information (continued)

The table below analyses other financial instruments at fair value.

Group	Fair value of financial instruments not carried at fair value Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
<b>2024</b>			
<b>Financial liabilities</b>			
Hire purchase liabilities	(49,695)	(49,695)	(49,266)
<b>2023</b>			
<b>Financial liabilities</b>			
Hire purchase liabilities	(84,669)	(84,669)	(83,074)
<b>Level 3 fair value</b>			

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

#### *Financial instruments not carried at fair value*

Type	Description of valuation technique and inputs used
Hire purchase liabilities	Discounted cash flows using a rate based on the current market rate of borrowing of the Group at the reporting date.

## 26. Capital management

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Directors monitor and maintain an optimal capital and liquidity ratio that complies with debt covenants and regulatory requirements.

The gearing ratios at 31 March 2024 and at 31 March 2023 were as follows:

	2024 RM'000	2023 RM'000
Total loans and borrowings (Note 15)	111,700	148,191
Lease liabilities	--	88
Total debts	111,700	148,279
Total equity attributable to owners of the Company less goodwill	378,849	483,790
Gearing ratio	0.29	0.31

## 26. Capital management (continued)

There was no change in the Group's approach to capital management during the financial year.

The Group is also required to maintain a maximum gearing ratio of 1 time to comply with bank covenants, failing which, the bank may call an event of default. The Group has complied with this covenant.

## 27. Related parties

### Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and of the Company are shown below. The balances related to the below transactions are shown in Notes 11 and 16.

		Group	
		2024 RM'000	2023 RM'000
<b>A.</b>	<b>Company in which certain Directors of the Company have substantial financial interest</b>		
	Sales	8,041	15,786
	Purchases	72,211	91,478
	Lease income	2,040	2,040
	Transportation charges	--	178
<b>B.</b>	<b>Key management personnel</b>		
	<b>Directors</b>		
	- Fees	180	180
	- Remuneration	4,596	3,829
	- Contribution to state plans	556	454
	Total short-term employee benefits	5,332	4,463
	<b>Other key management personnel</b>		
	- Wages, salaries and others	2,912	3,397
	- Contributions to state plans	343	400
		3,255	3,797
		8,587	8,260
		Company	
		2024 RM'000	2023 RM'000
<b>A.</b>	<b>Subsidiaries</b>		
	- Dividend income	500	--
<b>B.</b>	<b>Key management personnel</b>		
	<b>Directors</b>		
	- Fees	180	180

Other key management personnel comprise persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

**ATA IMS Berhad**

Registration Number: 198901012846 (190155-M)

(Incorporated in Malaysia)

**and its subsidiaries****Statement by Directors pursuant to  
Section 251(2) of the Companies Act 2016**

In the opinion of the Directors, the financial statements set out on pages 5 to 45 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2024 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:



.....  
**Dato' Sri Foo Chee Juan**  
Director



.....  
**Dato' Fong Chiu Wan**  
Director

Date: 22 JUL 2024

**ATA IMS Berhad**

Registration Number: 198901012846 (190155-M)

(Incorporated in Malaysia)

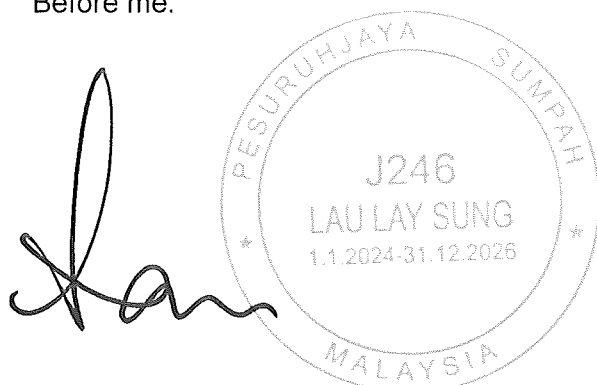
**and its subsidiaries****Statutory declaration pursuant to  
Section 251(1)(b) of the Companies Act 2016**

I, **Loh Choo Shien**, the officer primarily responsible for the financial management of ATA IMS BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 5 to 45 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Loh Choo Shien, NRIC: 741126-01-6517, MIA CA 22027, at Johor Bahru in the State of Johor on ..... **22 JUL 2024** .....

  
.....  
**Loh Choo Shien**

Before me:



No. 18-01, Jalan Bestari 5/2,  
Taman Nusa Bestari,  
81300 Johor Bahru, Johor





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## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATA IMS BERHAD**

Registration Number: 198901012846 (190155-M)  
(Incorporated in Malaysia)

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of ATA IMS Berhad, which comprise the statements of financial position as at 31 March 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 5 to 45.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

#### **Basis for Opinion**

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.



## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### **Impairment of property, plant and equipment, investment properties and assets classified as held for sale - Group**

Refer to Note 3 Property, plant and equipment, Note 4 Investment properties and Note 13 Assets classified as held for sale.

As at 31 March 2024, the carrying amount of the Group's property, plant and equipment, investment properties and assets classified as held for sale were RM49 million, RM25 million and RM93 million respectively. There was an impairment indicator that the carrying amount of the Group's property, plant and equipment, investment properties and assets classified as held for sale may be higher than the recoverable amount as a result of termination of manufacturing contracts with a major customer. The Group has assessed the excess production capacity based on the revised business plan.

The recoverable amount of a cash generating unit ("CGU") is the higher of its value in use and the fair value less costs of disposal. The Group has estimated the recoverable amount of the assets based on the fair value less costs of disposal method. Using this basis, impairment loss amounting to approximately RM30 million was recognised in current year.

Due to the significance of the carrying value of property, plant and equipment, investment properties and assets classified as held for sale, the complexity and subjectivity involved in the impairment assessment, we considered this as a key audit matter.

### **How the matter was addressed in our audit**

Our audit procedures performed in this area included, amongst others:

- We made inquiries of management regarding the indicators that was assessed as possible indicators of impairment for relevant assets/CGUs.
- We challenged management's assessment and considered whether further indicators should have been assessed based on our knowledge of the business, its operating environment, industry knowledge, current market conditions and other information obtained during the audit.
- We verified the mathematical accuracy of management's calculations in arriving at recoverable amount for those assets subject to impairment testing and considered whether the assets tested are complete.
- We evaluated the assumptions and data used by management to derive the accounting estimates used in determining the fair value less costs of disposal.



## **Key Audit Matters (continued)**

### **Impairment on investments in subsidiaries - Company**

Refer to Note 6 Investments in subsidiaries.

As at 31 March 2024, the Company's gross carrying amount of investments in subsidiaries amounted to RM1,339 million. There are indications that investments may be impaired as the net assets balances of certain subsidiaries were lower than the carrying amount of the investment.

The Company is required to estimate the recoverable amount based on the higher of fair value less costs of disposal and the value in use and to recognise impairment loss if the recoverable amount is less than its carrying amount in accordance with MFRS 136 *Impairment of Assets*.

The Company recognised an additional impairment loss allowance of RM109 million in current financial year.

In view of the significance of the carrying amount of investments and the inherent uncertainties and level of judgement required in evaluating the Company's assumptions and data used, impairment loss allowance on investments in subsidiaries is determined as a key audit matter.

### **How the matter was addressed in our audit**

Our audit procedures performed in this area included, amongst others:

- We assessed the events or indicators of impairment affecting the cost of investments in subsidiaries
- We evaluated the methodology and approach applied in determining the recoverable amount.
- We assessed the appropriateness of key assumptions and data used in deriving the adjusted net assets value of the subsidiaries.

### **Information Other than the Financial Statements and Auditors' Report Thereon**

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.



### **Responsibilities of the Directors for the Financial Statements**

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.



### Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 6 to the financial statements.

### Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**KPMG PLT**  
(LLP0010081-LCA & AF 0758)  
Chartered Accountants

**Chan Yen Ing**  
Approval Number: 03174/04/2025 J  
Chartered Accountant

Johor Bahru

Date: **22 JUL 2024**