



**ATA IMS BERHAD**

Registration Number: 198901012846 (190155-M)

# 2024 ANNUAL REPORT



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Dato' Sri Foo Chee Juan**

Executive Chairman cum Executive Director

**Dato' Fong Chiu Wan**

Chief Executive Officer cum Executive Director

**Mr. Dharma Rajah Nadarajah**

Chief Operating Officer cum Executive Director

**Mr. Koh Win Ton**

Independent Non-Executive Director

**Mr. Lee Kok Jong**

Independent Non-Executive Director

**Ms. Elizabeth Shanti A/P Frank Louis**

Independent Non-Executive Director

### COMPANY SECRETARIES

**Ms. Wong Chee Yin**

(MAICSA 7023530, SSM PC No. 202008001953)

**Ms. Yong May Li**

(LS 0000295, SSM PC No. 202008000285)  
(Resigned on 16 April 2024)

### PRINCIPAL BANKERS

Alliance Islamic Bank Berhad  
AmBank Islamic Berhad  
CIMB Islamic Bank Berhad  
Hong Leong Islamic Bank Berhad  
Maybank Islamic Berhad  
RHB Islamic Bank Berhad

### REGISTERED OFFICE

Suite 1301, 13th Floor, City Plaza  
Jalan Tebrau, 80300 Johor Bahru, Malaysia  
Tel : +607 332 2088  
Fax : +607 332 8096  
Email : info@my.tricorglobal.com

### AUDITORS

**KPMG PLT**

Level 3, CIMB Leadership Academy No. 3,  
Jalan Medini Utara 1, Medini Iskandar,  
79200 Iskandar Puteri, Johor, Malaysia.  
Tel : +607 266 2213  
Fax : +607 266 2214

### COMPANY'S WEBSITE

[www.ataims.com.my](http://www.ataims.com.my)

**RSM Malaysia**

Suite 16-02, Level 16, Menara Landmark,  
No. 12, Jalan Ngee Heng,  
80000 Johor Bahru, Johor, Malaysia.  
Tel : +607 276 2828  
Fax : +607 276 2832

### STOCK EXCHANGE LISTING

Main Market,  
Bursa Malaysia Securities Berhad  
Bursa Code: 8176  
Reuters Code: ATAI.KL  
Bloomberg Code: AIB MK

**AA Associates**

No.6, Jalan Setia Tropika 1/1  
Taman Setia Tropika  
81200 Johor Bahru  
Tel : 07-2344323  
HP : 010-8108426 / 0146-7107199

### SHARE REGISTER

Tricor Investor & Issuing House Services Sdn Bhd  
Unit 32-01, Level 32, Tower A,  
Vertical Business Suite, Avenue 3, Bangsar South,  
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur,  
Malaysia.

Tel : +603 2783 9299

Fax : +603 2783 9222

E-mail : is.enquiry@my.tricorglobal.com

**KPSN & Associates LLP,**

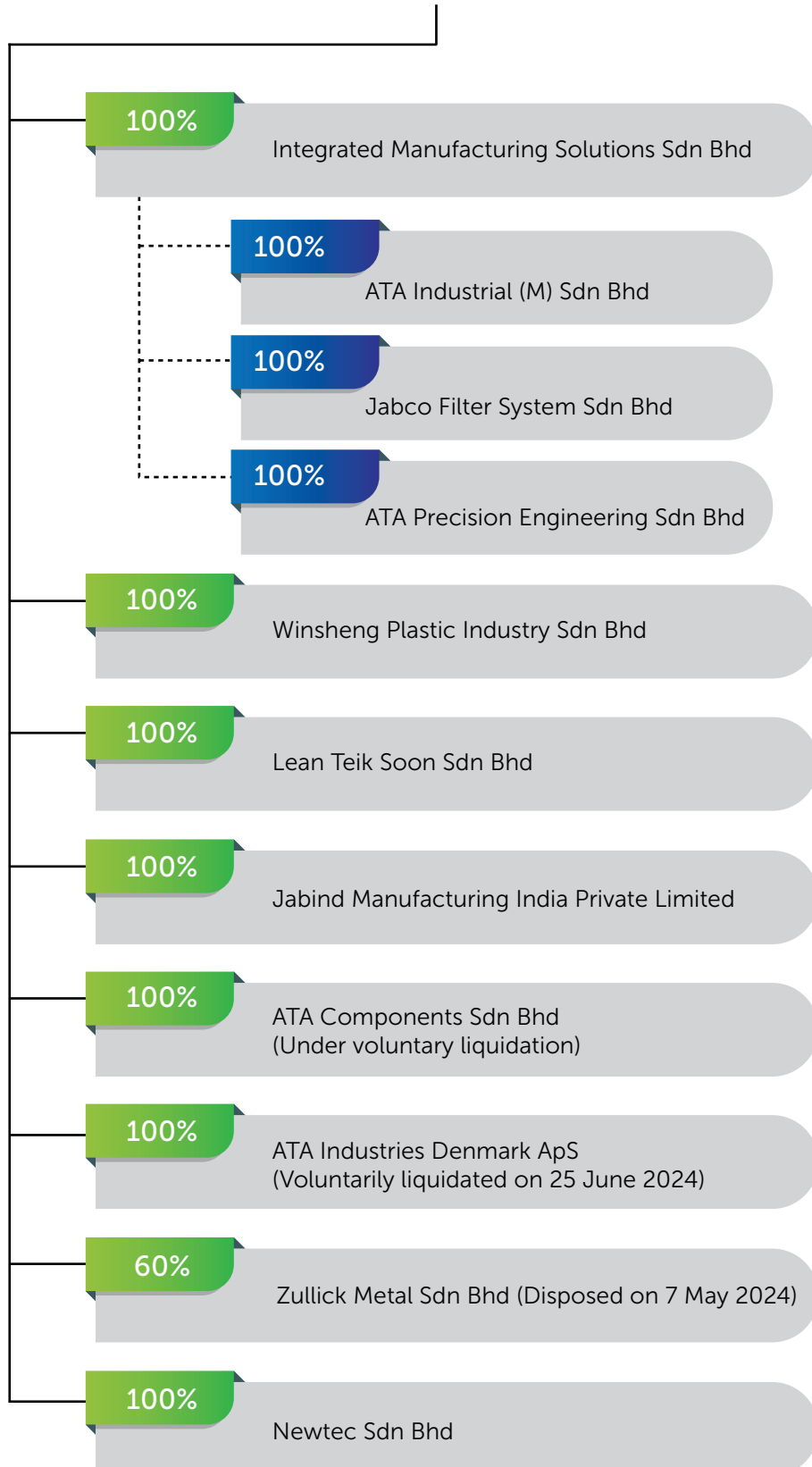
1st Floor, 128, Crown Court,  
Cathedral Road, Chennai 600086, India.  
Tel : +91 44 4500 0259

## GROUP STRUCTURE



ATA IMS BERHAD

Registration Number: 198901012846 (190155-M)



## FINANCIAL HIGHLIGHTS

### FIVE YEARS GROUP FINANCIAL SUMMARY

#### OPERATING RESULTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH (RM'000)

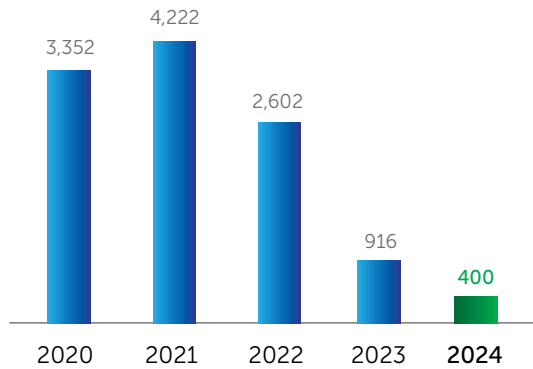
	2020	2021	2022	2023	2024
Revenue	3,352,243	4,221,815	2,602,120	915,783	399,805
Earnings before Interest, Tax, Depreciation & Amortisation (EBITDA)	161,447	252,398	53,012	(198,479)	(76,764)
(Loss)/Profit before Tax (PBT)	106,798	192,038	(13,563)	(253,057)	(99,422)
(Loss)/Profit after Tax (PAT)	76,270	150,300	(12,151)	(254,627)	(105,026)

#### KEY BALANCE SHEET DATA AS AT 31ST MARCH (RM'000)

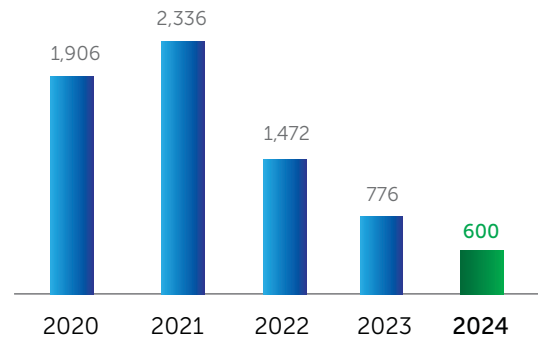
	2020	2021	2022	2023	2024
Shareholders' Funds	666,929	790,696	738,578	483,790	378,849
Total Assets	1,906,450	2,335,762	1,472,020	776,275	600,308
Net Current Assets	375,963	481,430	448,268	370,498	371,217
Total Borrowings	463,731	552,861	254,933	148,191	111,700
Cash and Cash Equivalents	359,627	351,208	200,672	255,904	235,426
<b>PER SHARE</b>					
Basic Earnings/(Loss) per Share (sen)	6.33	12.49	(1.01)	(21.16)	(8.72)
Net Assets per Share (RM)	0.55	0.66	0.61	0.40	0.32
<b>FINANCIAL RATIOS</b>					
Current Ratio (times)	1.34	1.34	1.77	2.87	3.38
EBITDA Margin (%)	4.82	5.98	2.04	(21.67)	(19.20)
Debt-to-Equity (times)	0.70	0.70	0.35	0.31	0.29
Return on Equity (%)	11.44	19.01	(1.65)	(52.63)	(27.72)

## FINANCIAL HIGHLIGHTS

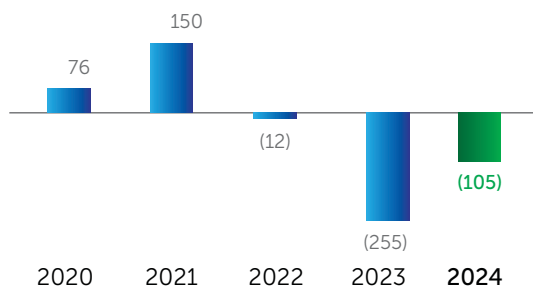
Revenue (RM' Millions)



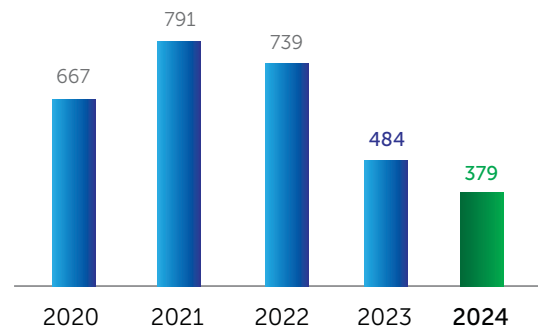
Total assets (RM' Millions)



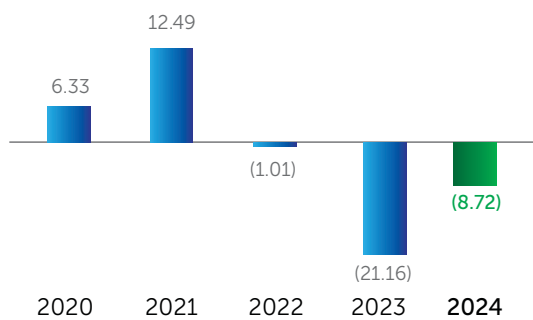
(Loss)/Profit after tax attributable to equity holders (RM Millions)



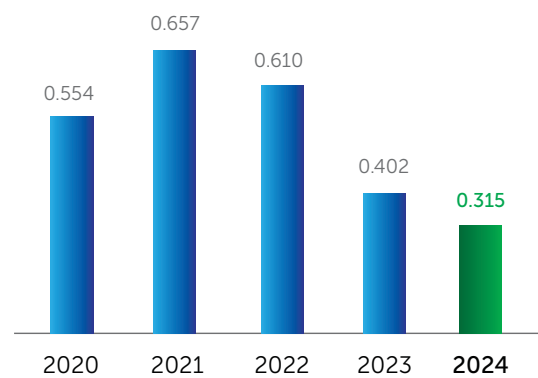
Shareholders' funds (RM' Millions)



Basic earnings/(loss) per share (Sen)



Net asset per share (RM)



## OUR BOARD OF DIRECTORS

### DATO' SRI FOO CHEE JUAN

63, Singaporean, Male  
Executive Chairman & Executive Director

Dato' Sri Foo Chee Juan was appointed to the Board on 21 March 2017.

Dato' Sri Foo Chee Juan is the co-founder of Integrated Manufacturing Solutions Sdn Bhd and its group of subsidiaries and Executive Chairman of ATA IMS Berhad. He is responsible for setting the overall direction and strategy of the Group. Dato' Sri Foo also leads the execution of strategic expansions and new investments to drive the overall growth of the Group.

Dato' Sri Foo has more than 30 years of experience in the manufacturing industry. Under his visionary leadership, ATA has transformed from an injection moulding start-up with 20 employees and five injection machines into today's leading EMS provider offering complete design and manufacturing capabilities to well-known global brand names.

Dato' Sri Foo holds a Bachelor of Science in Finance, Economics and Marketing from the University of Oregon's Lundquist College of Business.

Dato' Sri Foo is a shareholder and director of Oregon Technology Sdn Bhd, which is a substantial shareholder of the Company. He also sits on the board of several private limited companies.

Dato' Sri Foo is an interested party in the Recurrent Related Party Transactions ("RRPT") which are carried out in the ordinary course of business of the Group as disclosed in the Circular for RRPT where the annual mandate is sought.

### DATO' FONG CHIU WAN

61, Singaporean, Female  
Chief Executive Officer (CEO) & Executive Director

Dato' Fong Chiu Wan was appointed to the Board on 13 February 2018.

Dato' Fong Chiu Wan is the co-founder of Integrated Manufacturing Solutions Sdn Bhd and its group of subsidiaries and Chief Executive Officer of ATA IMS Berhad. She is responsible for the formulation of corporate and business strategies of the Group.

With over 35 years of experience in the manufacturing industry, Dato' Fong has been instrumental in the growth of the company since the beginning. She has spent extensive amount of time in various areas from strategic planning, operations to business development. Under her leadership, ATA has grown from strength to strength to become today's leading EMS provider offering vertically integrated manufacturing capabilities.

Dato' Fong holds a Bachelor of Arts in Management and Marketing from the University of Oregon's Lundquist College of Business.

Dato' Fong also sits on the board of several private limited companies.

Dato' Fong is an interested party in the Recurrent Related Party Transactions ("RRPT") which are carried out in the ordinary course of business of the Group as disclosed in the Circular for RRPT where the annual mandate is sought.

## OUR BOARD OF DIRECTORS

**DHARMA RAJAH NADARAJAH**

54, Malaysian, Male  
Chief Operating Officer (COO) & Executive Director

Mr. Dharma was appointed to the board as Executive Director and Group Chief Operating Officer on 09 May 2022.

Mr. Dharma holds a Bachelor of Computer Systems Engineering (Hons) Degree from the University of Bristol, UK. He also has a Master of Business Administration (MBA) degree from the Nanyang Technological University, Singapore, where he was the Institute of Engineers Gold Medalist. He also obtained a Certificate in Blockchain Technologies from the Sloan School of Management, Massachusetts Institute of Technology (MIT).

Mr. Dharma has almost 30 years of deep industry experience and insight. He last served at Venture Corporation Ltd for more than 20 years where he was Executive Vice-President responsible for various functions including Global Operations, Customer Management, Design Services and Sales. Prior to joining Venture Corporation, he worked in the hard-disk industry for more than 5 years where he served as an Engineer at Seagate Corp and subsequently as Engineering Manager at Quantum Corp. He also worked at Schlumberger Wireline as a Field Engineer after graduation.

Mr. Dharma has a solid and proven record in Financial Management, Business Development and Operational Excellence. Over the span of his career, he has also built strong customer relationships with many of the world's most successful Electronics companies. As a strong advocate of Enterprise Business Systems and Continuous Improvement, Mr. Dharma is responsible to augment the Groups energy and focus in all areas of Operational Performance including building high-performing teams, strengthening the Groups revenue base and sharpening corporate ESG initiatives.

**KOH WIN TON**

51, Malaysian, Male  
Independent Non Executive Director

Mr. Koh Win Ton was appointed to the Board on 21 March 2017. He was also appointed as Chairman of the Audit Committee and a member of the Nominating and Remuneration Committee on the same day.

Mr Koh holds a Master of Business Administration from the Veritas University College, and a Bachelor of Business (Accounting) from the University of Technology, Sydney in 1995 and he was admitted to CPA Australia on 30 June 1999 and admitted to the Malaysia Institute of Accountants on 27 August 1999. In 2005, he was also admitted to the Malaysia Institute of Taxation.

Mr. Koh Win Ton is a director of Opal Corporate Services Sdn Bhd and has more than 20 years of experience in the accounting and tax profession as well as commercial sector in Malaysia, Singapore, Hong Kong and China.

He joined one of the big four international accounting firms in 1996 and was exposed to a wide range of professional services including audit, tax and business advisory. In 1999, he joined a manufacturing company as the Financial Controller where he was responsible to oversee the internal control system as well as the finance and accounts departments. In 2001, he extended his exposure to China where he was appointed as the General Manager by a PLC in Malaysia to set up a factory in the southern part of China. In 2003, he was transferred back to Singapore to oversee the Group accounts department, and preparation of PLC's annual report as well as quarterly reporting and the internal audit function.

In 2004, Mr Koh joined Opal Corporate Service Sdn Bhd as a Director and is currently in charge of the day-to-day operation of the business advisory department providing corporate secretarial services and compliance advisory.



## OUR BOARD OF DIRECTORS

### LEE KOK JONG

49, Malaysian, Male  
Independent Non Executive Director

Mr. Lee Kok Jong was appointed to the Board on 24 August 2017. He was appointed as Chairman of the Nominating and Remuneration Committee and member of the Audit Committee on the same day.

Mr Lee holds a Master of Business Administration from the Veritas University College, and a Bachelor of Business majoring in Accounting from Charles Sturt University, Australia in 1999. He was admitted to CPA Australia in April 2003 and in 2022, he was awarded a fellow membership of the Association. He was also admitted to the Malaysian Institute of Accountants in July 2003 and to the Malaysian Institute of Taxation in 2006. Additionally, he is a member of Institute of Approved Company Secretaries.

In 2023, Mr. Lee has been admitted as an ASEAN Chartered Professional Accountant, further enhancing his commitment to professional excellence and recognition in the field of accountancy and finance across the ASEAN region.

Mr. Lee has more than 25 years of working experience with great exposure to auditing, compliance, tax planning, group accounts, corporate governance, corporate planning and restructuring garnered from his previous employment with a CPA firm in Singapore after his graduation and also his current accountancy practice in Malaysia that he set up since 2005. His current practice provides various services including corporate secretarial services, compliance advisory, tax planning advisory and business consulting services to a wide clientele of different industries.

### ELIZABETH SHANTI A/P FRANK LOUIS

55, Malaysian, Female  
Independent Non Executive Director

Ms Elizabeth Shanti was appointed to the Board on 17 December 2021. She was appointed as a member of the Audit Committee and a member of the Nominating and Remuneration Committee on 17 December 2021.

She holds a Bachelor of Laws (LLB.) from the University of London in 1991 and was admitted to the Malaysian Bar in 1993. She also holds a Master of Business Administration from the University of Strathclyde.

She has extensive experience in real estate matters and has represented property developers in connection with property development for residential and commercial as well as integrated development. She has undertaken a wide spectrum of work which includes property related finance and general conveyancing transactions, acquisitions and disposals of companies, shareholders agreements, leases, tenancies and work in relation to probate and administration matters.

#### Note:

Saved as disclosed, none of the Directors have:

- (a) Any family relationship with any Director and/or major shareholder of the Company.
- (b) Any conviction for offence (other than traffic offences, if any) within the past 5 years, nor any public sanction or penalty imposed by regulatory bodies during the financial year.
- (c) Any conflict of interest with the Company other than as disclosed.
- (d) Any other directorship in public companies and listed issuers.

## OUR SENIOR MANAGEMENT TEAM

The executive function in the Group is spearheaded by the Executive Chairman, namely Dato Sri' Foo Chee Juan and assisted by Dato' Fong Chiu Wan and Mr.Dharma Rajah Nadarajah whose profiles are included in the Board of Directors section of this Annual Report. The profile of other key senior management is set out below:

### Loh Choo Shien

50, Malaysian  
Finance Director  
Gender: Male

Mr. Loh Choo Shien graduated with a Bachelor Degree in Accounting from Curtin University, Australia in 1998. He completed the Australian Certified Practising Accountants (CPA) programme in 2001, and is a member of the Malaysian Institute of Accountants (MIA) since 2003.

Mr. Loh started his career in 1998, specialising in Financial Audit and joined a plastic manufacturer firm in 2003.

Mr. Loh then joined ATA Industrial (M) Sdn Bhd in January 2008 and rose to the rank of Finance Director. He is currently in charge of the Group's day-to-day accounting and financial functions.

#### Note:

Saved as disclosed, none of the senior management have:

- (a) Any family relationship with any director or major shareholder of the Company.
- (b) Any conviction for offence (other than traffic offences, if any) within the past 5 years, nor any public sanction or penalty imposed by regulatory bodies during the financial year.
- (c) Any conflict of interest with the Company other than as disclosed.
- (d) Any directorship in public company and listed issuers.

## CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

### WHO WE ARE: A Premier Electronics Manufacturing Services Provider for Globally Acclaimed Brands

ATA IMS Berhad ("ATA" or the "Group") is a leading Electronics Manufacturing Services (EMS) provider catering to internationally renowned brands. With a strong leadership team and a range of global ISO accreditations and esteemed accolades, ATA and its subsidiaries are dedicated to delivering cutting-edge innovation.

Dear Shareholders,

#### The Financial Year Gone by

##### Business Overview

On the backdrop of Geopolitical conflicts, fluctuations in commodities and raw materials prices, rising cost of living concerns and inflationary and recessionary pressures, the global economy saw weaker growth and subdued consumer demand in many regional economies. These factors contributed to a challenging and uncertain economic and business operating landscape for the ATA Group.

##### Financial Analysis

For the financial year ended 31 March 2024, the Group recorded a revenue of RM399.8 million, representing a 56.3% reduction from last financial year, as last year, the Group was still disposing stocks from the previous customer. Revenue was also affected by the softer global economic climate.

Due to vigilant cost control and production efficiency optimization efforts, loss before tax for the Group narrowed to RM99.4 million, which was a 60.7% improvement from the last financial year.

During the year, further streamlining of operations were carried out where a number of production premises were vacated and consolidated into other existing operating premises. Consequently, assets which are considered as excess to capacity amounting to RM29.3 million were impaired, and properties amounting to RM24.7 million were reclassified as investment properties. Property plant and equipment now stands at RM48.7 million. The Group will be able to scale up its production capacity within a relatively short period of time if there is a significant increase in customers' business volume.

Net current assets, excluding assets classified as held for sale stood at RM278.4 million, which was lower than RM355.0 million last year. However, net current assets ratio was maintained at 2.79 times, which was the same as the previous year.

With careful and prudent operational and financial management, bank borrowings declined from RM148.2 million to RM111.7 million, while cash less borrowings improved from RM107.7 million to RM123.7 million. This precipitated to an 89.0% increase in finance income, and 26.5% drop in finance costs.

As a result of these efforts, the Group is able to meet its financial obligations, and remains resilient and ready to take on new business opportunities and to face the challenging economic environment in the new financial year.

## CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

### Risk Areas

The Internet of Things ("IoT") and Artificial Intelligence ("A.I.") advancement and proliferation are currently being made at a breath-taking pace, resulting in unprecedented rapid technological developments and demand for highly innovative and more sophisticated products and designs. This presents the Group with a constant need to upgrade and broaden our technical skills, knowledge, and even recruit talent and expertise, some capital investments into more advanced and modern equipment and plant and machinery may also become necessary.

With increasing pressures on labour costs and human resource management on businesses, enhancing ethical employment practices, safe and healthy workplace environment, and talent retention initiatives are also key elements that require a concerted effort by all levels of management.

The number and impact of geopolitical conflicts around the world, and the prolonged trade tensions between the USA and China have resulted in disruptions to supply chains and elevated material costs, dampening an already fragile global economic growth which was still recovering from the Covid-19 pandemic. Also, with a higher sales mix on consumer electronic products during the year, the Group's sales volume is affected by seasonal demand factors which are usually higher in the months leading up to festive and holiday periods.

These risks presented opportunities and provided the impetus for the Group to put in place strategies to bolster key areas within the various functions in the organisation to be better prepared for when the global economic growth starts to pick up and customers' demand increase.

### Building and Strengthening Key Functions

The Group's focus during the financial year was to expand and strengthen its capabilities by assembling, through recruitment of and collaborations, a team of engineers possessing expertise in product design and development, process engineering and improvements and procurement. This has enabled the Group to offer a whole suite of product design, development and manufacturing solutions to our existing and potential new customers in a wider coverage area and to a broader range of industries.

The business development team has also been expanded and business development activity are continuously being intensified. With the support of the team of engineers, the Group is reaching out to several new potential customers, with a few already on board with some sales orders already received, and we believe more will be giving the Group the opportunity to provide them with various innovative product development and manufacturing solutions in the near future.

### Reinforcing Human Resource Practices and Talent Retention

The management strives to continuously enhance and reinforce the Group's labour practices and workforce retention programmes. Management has made every effort to ensure our human resource policies and practices comply with the human rights indicators set out by the International Labour Organization, Sedex Members Ethical Trade Audit's Supplier Ethical Data Exchange Requirements, and we have implemented the 10-Task Force Initiatives to develop and strengthen a workplace environment which enhances workers' rights, welfare and dignity. We have confidently met and, at times even exceeded customers' requirements with regards to ethical workforce practices.

To incentivise and promote talent retention, significant emphasis has been placed on improving employee engagement, which includes increasing training and development programmes for a larger number of employees, making townhall sessions between our human resource personnel with production workers a regular affair, frequent upgrades to workplace safety, health, and facilities have also been made to improve the general working environment for employees, as well as other noteworthy events, for example department heads and/or team leaders making their own effort to initiate various small but meaningful incentive schemes to reward their teams for efforts to improve production efficiency and optimize output.

## CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

### Unwavering Commitment Towards ESG

Environment, Social and Governance, or ESG has risen to the forefront of the world economy, and driving changes in the way the business community, governing bodies and government regulators set policies and conduct businesses. The Group is committed to its sustainability initiatives, and has already commenced on its journey to transform the Group into one where ESG and sustainability are key considerations for all business decision making processes within the organisation.

The main improvements made to our Sustainability reporting for the current year include the following:

- Updated the Group's ESG Framework, and enhanced the Sustainability Governance Structure and more clearly define the stakeholders.
- The Group adopted and aligned our ESG initiatives to the United Nations Sustainability Development Goals.
- The Group implemented a Climate Risk Policy so as to guide the Group towards effective integration of climate action plans throughout the Group's business operations, and initiated reporting on climate related disclosures.
- Established 15 ESG related key performance indicators ("KPI's), with 12 of these achieved during the year, and another 3 already in progress with various action plans initiated to ensure we are on target to achieve these KPI's in the near future.

The Group aims to be in full compliance with Bursa Malaysia's Sustainability reporting guides and other international sustainability guidelines within the time frame allowed by the regulators.

Please refer to our Sustainability Statement in this annual report for details of the Groups' ESG commitment, our sustainability materiality matters, key performance indicators and progress and/or achievements to date.

### Moving Ahead

In conclusion, the Leadership Team of ATA has reinforced the key areas of financial resilience, operational efficiency, human resource expertise, production capabilities, and our commitment and steps taken for ESG preparedness, are essential to ensure that the Group is moving forward to be equipped with the sought after manufacturing solutions required by the industry, and to meet the ever changing needs of our customers and the business community.

### Gratitude

Last but not least, I wish to extend my sincere thanks and appreciation to the Leadership Team of the Group, dedicated employees, loyal customers, valued shareholders, and esteemed partners. Your steadfast and continued trust and support have enabled us to face and overcome the ever-evolving business landscape and challenges ahead. I am confident that the Group is in a strong position to seize any new opportunities, navigate onto the path of sustainable growth, and create value for our stakeholders

Thank you.

**DATO' SRI FOO CHEE JUAN**  
Executive Chairman  
ATA IMS BERHAD



# SUSTAINABILITY STATEMENT



## SUSTAINABILITY STATEMENT

### An Insight into Our Commitment to Sustainable Practices

ATA IMS Berhad and its subsidiaries, collectively referred to as "ATA IMS" or "the Group," function as Electronics Manufacturing Service ("EMS") providers in Southeast Asia. Our portfolio spans diverse product lines, including home care and environment care appliances, lighting, Internet of Things ("IoT") devices, electronic automotive solutions and medical devices.

Given the responsibility associated with our operations, particularly in addressing environmental, governance and labour issues, ATA IMS is dedicated to embedding sustainability within our EMS operations. In alignment with this commitment, we are pleased to present our 2024 Sustainability Statement that provides an overview of our environmental, social and governance ("ESG") practices.

To fortify our sustainability commitments, we strategically aligned our initiatives with global sustainability targets by embracing five United Nations Sustainable Development Goals ("UN SDGs"). In adherence to Bursa Malaysia's enhanced reporting requirements, we refined our material matters in alignment with the prescribed 11 common material matters. We also established 15 sustainability key performance indicators ("KPIs") to track our ESG progress across the Group.

In keeping with our focus on environmental responsibility, we recognise that climate change is a critical global issue. To address its challenges, we have adopted best practices in climate-related reporting to deepen our understanding of potential risks and advance our decarbonisation efforts. Our greenhouse gas ("GHG") disclosures were expanded to incorporate Scope 1 and limited Scope 3 emissions.

To reinforce our commitment to human rights, we adopted the International Labour Organization ("ILO") indicators and Sedex Members Ethical Trade Audit's ("SMETA") Supplier Ethical Data Exchange ("SEDEX") Requirements and implemented the 10-Task Force Initiatives. Tailored to enhance employee welfare and safeguard their fundamental rights, these initiatives set a benchmark for the responsible treatment of our employees, reinforcing worker well-being within our operations.

### Setting the Reporting Scope and Boundary

The disclosures within this statement cover the financial year from April 1, 2023, to March 31, 2024 ("FY2024"), providing insights into the operations of our corporate office and subsidiaries. These subsidiaries include ATA Industrial (M) Sdn. Bhd. ("ATA"), situated in Dewani Industrial Park in Johor Bahru and Winsheng Plastic Industry Sdn. Bhd. ("WSP"), located in Tampoi Industrial Park, Johor Bahru. To enable our stakeholders to meaningfully observe trends and patterns in our journey, we have disclosed comparative historical data covering the latest three (3) years.

### The Reporting Guidelines We Adhere to

In preparing this statement, Bursa Malaysia's Sustainability Reporting Guide (3rd Edition) and the supporting Illustrative Reporting Guide were employed. Our disclosures are also guided by the Global Reporting Initiatives ("GRI") Standards and the United Nations Sustainable Development Goals ("UN SDGs").



### Memberships and Associations

Beyond facilitating industry networking and collaborative initiatives with business peers, our engagement with industry associations serves as a channel for receiving updates on prevailing industry trends, regulations and policies.



## SUSTAINABILITY STATEMENT

## Data Verification

Driven by our dedication to elevating the quality of our data and disclosures, we aspire to obtain independent verification to enhance the accuracy of our reporting. In the interim, we have internally verified the sustainability indicators presented in this statement to ensure their accuracy, providing reliable and credible information.

## Driving Improvement with Your Feedback

The perspectives and input of our stakeholders are integral to the continuous enhancement of our sustainability reporting and initiatives. For any inquiries, comments or recommendations, please reach out to us using the contact details as outlined below.

Mr Mosses Antony  
Group Director of ESG and Quality  
Email: mosses.antony@ataind.com.my

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

## Focusing on Achievements

## FY2024 Sustainability Highlights

## ETHICAL GOVERNANCE

**ZERO**

Cases of Corruption, Bribery and Whistleblowing

## ECONOMIC DEVELOPMENT

**53%**

Procurement Budget Allocated to Local Suppliers

## SOCIAL RESPONSIBILITY

**ZERO**

Incidents of Discrimination and Human Rights Violation

**10 Task Force**

Initiatives to Enhance Worker Rights and Welfare

**ZERO**

Cases of Work-Related Fatalities

**5,971**

Total Training Hours for Employees

## ENVIRONMENTAL PROTECTION

**↓31%**

Reduction in Total Energy Consumption

**↓31%**

Reduction in Scope 2 GHG Emissions

**↓35%**

Reduction in Scope 1 GHG Emissions

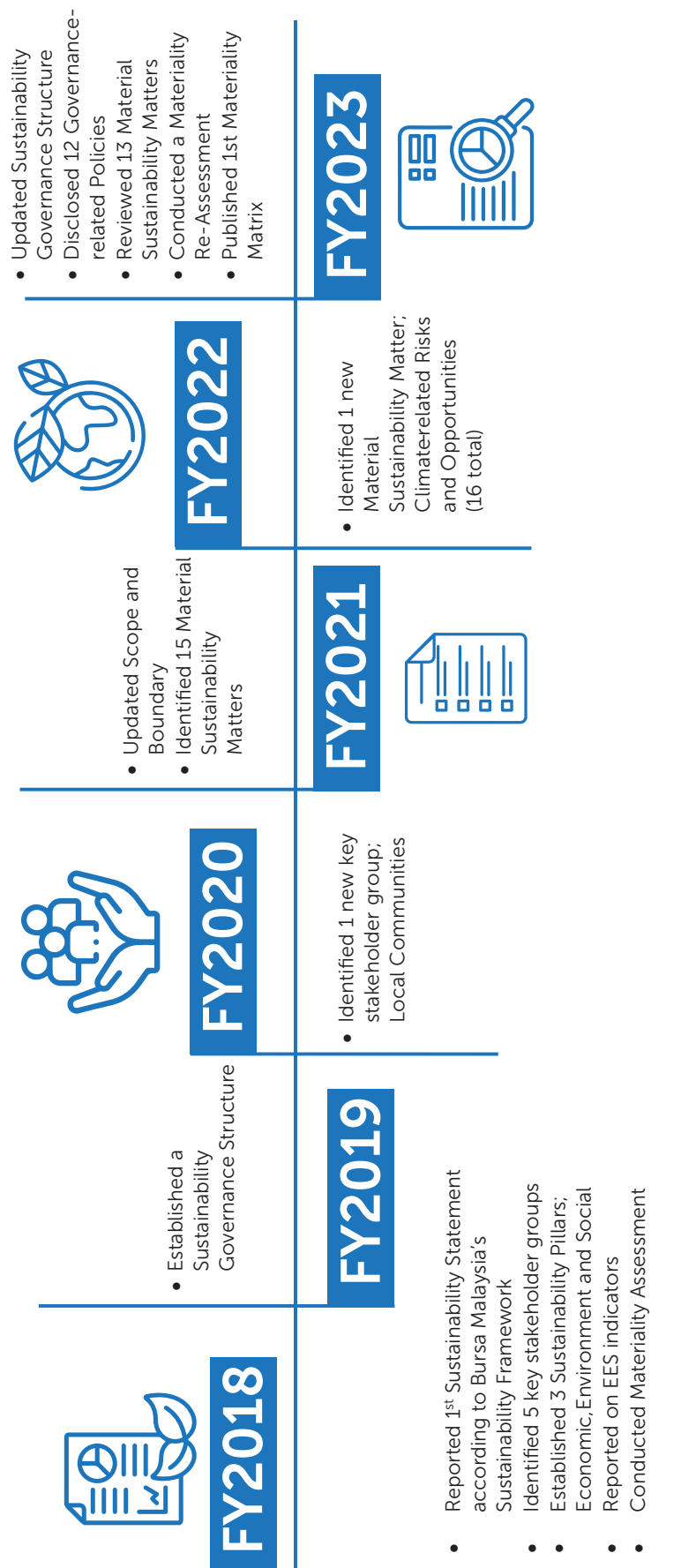
**↓10%**

Reduction in Water Consumption



## SUSTAINABILITY STATEMENT

### Charting ATA IMS's Sustainability Journey



## SUSTAINABILITY STATEMENT

### Our Philosophy to Sustainability

#### ESG Framework

We developed an ESG Framework to integrate our sustainability initiatives with our corporate business strategy. The framework enables us to navigate ESG-related risks and opportunities, facilitating the precise execution of sustainability action plans and initiatives. The outcome is a set of well-informed business decisions that open avenues for value generation while meeting increasing expectations of our stakeholders.

Directed by our vision and mission, the framework is comprised of four (4) pillars in alignment with our adopted UN SDGs. This structured framework empowers our sustainability strategies and facilitates optimal manufacturing best practices.
















#### OUR VISION

Unlocking value through sustainability: We synergise Innovation and Sensibility to foster positive transformations within our communities and among our people through impactful and meaningful initiatives. Propelled by our unwavering commitment to align with global sustainability standards, we aspire to pioneer the delivery of world-class products to the global market, embodying our dedication to a greener and more responsible world.

#### OUR MISSION

Sensible · Innovation · Meaningful · Impactful · Meet Global Standards · Local Context and Community

### OUR SUSTAINABILITY PILLARS AND MATERIAL SUSTAINABILITY MATTERS

Navigating Economic Development	Governing with Integrity Beyond Compliance	Environmental Strategy and Stewardship	Uplifting People and Communities		
<ul style="list-style-type: none"><li>Economic Presence</li><li>Supply Chain Management</li></ul>	<ul style="list-style-type: none"><li>Corporate Governance, Anti-Corruption &amp; Data Privacy</li></ul>	<ul style="list-style-type: none"><li>Energy</li><li>GHG Emission</li><li>Water</li><li>Waste Management</li><li>Environmental Compliance</li><li>Noise Pollution</li></ul>	<ul style="list-style-type: none"><li>Occupational Health and Safety</li><li>Ethical Labour Practices</li><li>Diversity &amp; Equal Opportunities</li><li>Training and Education</li></ul>		
OUR CONTRIBUTION TO THE UN SDGS	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> 	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> 	<div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> 	<div>13 CLIMATE ACTION</div> 	<div>16 PEACE AND JUSTICE STRONG INSTITUTIONS</div> 
OUR STRATEGIC STAKEHOLDERS	 Shareholders & Investors  Employees	 Government & Regulators  Community	 Suppliers  Customers		
OUR ALIGNMENT WITH RELEVANT FRAMEWORKS AND STANDARDS					

## SUSTAINABILITY STATEMENT

### A Guiding Sustainability Policy

Our sustainability commitments are anchored in our sustainability policy that guides our initiatives and objectives. This policy facilitates the integration of ATA IMS's sustainability principles into our operational processes at every level of our EMS value chain.

#### ECONOMIC

- To ensure economic interest of all relevant stakeholders are preserved in all significant business operations and strategic business decisions.
- To promote the economic development of the communities where the significant business operations are carried out, when making business strategy decisions and when implementing business strategies.

#### ENVIRONMENT

- To comply with all guidelines and regulations relating to the preservation of environmental aspects in relevant jurisdictions where the Group is operating in.
- To reduce carbon footprint through product designs that are energy-efficient, optimise manufacturing efficiency and through investment in energy-efficient production machinery.
- To address climate-related risks, including those which threaten the environment and pose physical risks to our property and assets.

#### SOCIAL

- To ensure that all stakeholders receive fair treatment and do not engage in or support discrimination based on race, nationality, religion, disability, gender, age, sexual orientation, union membership and political body.
- To ensure that the Group's, the suppliers' and the subcontractors' human resources are with the right to not be discriminated against, not to be enslaved, to be treated with dignity, to have the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay and the right to freedom of opinion and expression.
- To provide a safe and healthy workplace for all of its human resources, customers, suppliers, subcontractors, business partners and the public at large and all the relevant stakeholders have the right to work in a safe and healthy environment, in compliance with the Occupational Safety and Health Act and any other applicable legislation.



## SUSTAINABILITY STATEMENT

## Contributing to Global Change with the UN SDGs

The 2030 Agenda for Sustainable Development was endorsed by all United Nations Member States as a collaborative effort to address and tackle pressing global challenges. Comprised of 17 UN SDGs, the agenda offers a collective blueprint for future worldwide peace and prosperity, spurring governments and organisations alike towards an equitable future.

ATA IMS aspires to meaningfully contribute to this global agenda, becoming part of a worldwide network addressing the various sustainability aspects. Thus, we embedded the targets of five (5) UN SDGs most pertinent to our electronics manufacturing servicing business.

**Target 8.7: End modern slavery, trafficking and child labour.****Target 8.8: Protect labour rights and promote safe and secure working environments**

- Anti-Discrimination Policy
- Anti-Harassment Policy
- Safety and Health Policy
- Zero cases of discrimination, harassment and violence in FY2024

**8** DECENT WORK AND ECONOMIC GROWTH**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE**Target 9.4: Upgrade all industries and infrastructures for sustainability**

- Developed and produced High Efficiency Particulate Air (HEPA) filter that captures 99.97% of microscopic allergens, as small as 0.3 microns.
- ISO 13485 certified - the globally recognised Quality Management System (QMS) standard for the medical industry
- IATF 16949:2016 certified - a widely used international standard for quality management in the automotive industry

**Target 12.4: Responsible management of chemicals and waste**

- Implemented Waste Management Standard Operating Procedures to monitor the disposal and handling of waste.

**12** RESPONSIBLE CONSUMPTION AND PRODUCTION**13** CLIMATE ACTION**Target 13.2: Integrate climate change measures into policies and planning**

- Reduced 31% of electricity consumption from FY2023
- 4% decrease of GHG emissions from FY2023

**Target 16.4: Reduction in illicit financial and arms flow and combat all forms of organised crime****Target 16.5: Reduction in all forms of corruption and bribery**

- Board Charter
- Anti-Bribery and Corruption Policy
- Remuneration Policy
- Code of Ethics and Conduct Policy
- Whistleblowing Policy
- Director's Fit and Proper Policy

**16** PEACE AND JUSTICE STRONG INSTITUTIONS

## SUSTAINABILITY STATEMENT

### Performance Scorecard

In FY2024, ATA IMS introduced essential Key Performance Indicators ("KPIs") based on ESG principles. These KPIs cover critical areas such as human rights, labour practices, occupational health and safety and energy consumption among others. The establishment of these KPIs strengthens our commitment to sustainability, fostering a cohesive, top-down effort across ATA IMS to achieve our overarching goals. Moreover, they serve as benchmarks, facilitating performance assessment, trend identification, and proactive management of potential risks and opportunities.

We are pleased to report that we have successfully met a significant percentage of our KPIs and have implemented enhanced metrics this year.

Material Matters	KPIs	FY2024 Progress
Navigating Economic Development		
Economic Performance	To add <b>two new customers</b> in FY2024	Achieved
Supply Chain Management	To achieve <b>at least more than 50%</b> procurement budget spending on local suppliers.	Achieved 53% of group local procurement
Governing with Integrity Beyond Compliance		
Anti-Corruption	To maintain <b>zero</b> incidents on Corruption and Bribery cases.	Achieved <b>zero</b> cases of bribery and non-compliance
Environmental Strategy and Stewardship		
Energy	Implementing measures to mitigate variances to obtain <b>5%</b> of energy savings per annum.	Achieved 31% reduction in energy consumption.
Water	Implementing measures to mitigate variances to obtain <b>5%</b> of water savings per annum.	Achieved 10% reduction in water consumption.
Waste Management	To increase waste recycling and reuse by <b>5%</b> .	In progress. Started tracking recycling and reuse in FY2024
Environment Compliance	To maintain <b>zero</b> environmental compliance violation.	Achieved zero non-compliance in FY2024
Noise Pollution	To maintain <b>zero</b> non-compliance related to Noise.	Achieved zero non-compliance in FY2024
Uplifting People and Communities		
Occupational Health and Safety	To <b>reduce the number of accident cases and incident rate</b> as compared with previous year by <b>5%</b> per annum.	Achieved 43% reduction with 8 lost time injuries recorded.
	To maintain <b>zero fatalities</b> at all worksites	Achieved
	To achieve <b>at least 5%</b> of employee participation in health and safety training.	33% of employees participated in health and safety training
Ethical Labour Practices	To conduct <b>awareness training on human rights, discrimination</b> for <b>100%</b> of employees.	Achieved. 100% of employees received training during the induction process
Diversity and Equal Opportunity	Increase female representation in management and executive roles by <b>20%</b> .	In Progress
	At least <b>55%</b> of workforce hired from <b>local community</b> .	In Progress
Training and Education	Achieve <b>&gt;5%</b> of <b>employee participation</b> in educational and work-related training programme.	Achieved 61% of employee participation

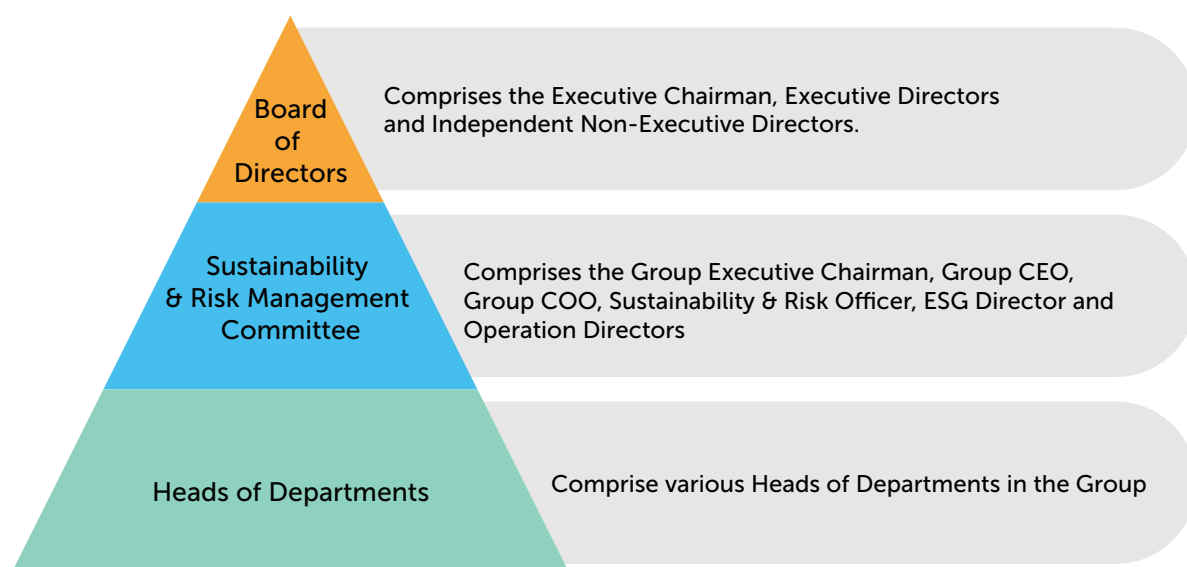
## SUSTAINABILITY STATEMENT

### Sustainability Governance

ATA IMS's sustainability journey is steered by a dedicated team focused on realising the Group's ESG aspirations. The structure fosters accountability and ensures the systematic enactment of our initiatives from top to bottom, enabling timely goal achievement.

Leading the Group's sustainability governance is our Board of Directors ("BoD" or "the Board"). Supported by the Sustainability & Risk Management Committee ("SRMC"), the Board has oversight over the development of our strategy and performance. Meanwhile, the SRMC monitors our sustainability progression throughout the Group, consolidating this data for the Board. Daily management and monitoring of sustainability matters fall under the purview of our Heads of Department ("HOD").

We further enhance our sustainability governance structure through the development of a Sustainability Framework. The Sustainability Framework clarifies the composition of the SRMC, its roles and responsibilities and the meeting and reporting processes.





Roles	Responsibilities
Board of Directors	<ul style="list-style-type: none"> <li>Determines and approves the sustainability management framework and management of the material sustainability matters.</li> <li>Develops and approves sustainability strategy to ensure integration of sustainability considerations into all business strategies and major operational activities.</li> </ul>
Sustainability & Risk Management Committee	<ul style="list-style-type: none"> <li>Implements the sustainability framework approved by the Board.</li> <li>Leads and implements the process of sustainability matters identification, assessment and management and devising appropriate action plan.</li> <li>Conducts periodic review of all sustainability matters of the Group and to report the review results and recommendations to the Audit Committee.</li> <li>Identifies and proposes changes to sustainability policies, standards and procedures to the Board when required.</li> </ul>
Heads of Departments	<ul style="list-style-type: none"> <li>Manages sustainability matters of the business processes on day-to-day basis.</li> <li>Monitors sustainability matters for its risk and opportunity and to evaluate existing controls.</li> <li>Assists SRMC with the implementation of the process of sustainability matters identification, assessment and management and periodic review of all sustainability matters of the Group.</li> </ul>






## SUSTAINABILITY STATEMENT

### Addressing Needs and Fostering Sustainable Relationships

Stakeholders play a pivotal role in shaping our business success. Their decisions and actions possess the potential to impact our business operations while we in turn have the potential to affect them through our activities. Recognising this interdependence, ATA IMS continuously engages in dialogues with crucial stakeholder groups across diverse channels to cultivate a strategy that aligns with their expectations.

	Key Areas of Concern	Our Response	Method of Engagement
 <b>SHAREHOLDERS AND INVESTORS</b>	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Shareholder value and returns</li> <li>Business outlook</li> <li>Business governance and risk management</li> <li>Ethical practices</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly financial results and annual reports</li> <li>Uphold good governance practices</li> <li>Group Risk Management Framework</li> </ul>	<p><b>As Needed</b></p> <ul style="list-style-type: none"> <li>Company's website and announcement at Bursa Malaysia website</li> <li>Shareholders meetings</li> <li>Analysts' briefings</li> <li>Investors presentations and meetings</li> </ul> <p><b>Quarterly and Annually</b></p> <ul style="list-style-type: none"> <li>Annual general meetings</li> <li>Annual report and quarterly reports</li> </ul>
 <b>EMPLOYEES</b>	<ul style="list-style-type: none"> <li>Fair and competitive remuneration and benefits</li> <li>Career enhancement</li> <li>Talent development</li> <li>Health and wellness</li> <li>Workplace safety</li> <li>Succession planning</li> <li>Job security</li> <li>Provision of accommodation such as hostels</li> </ul>	<ul style="list-style-type: none"> <li>Provide employee benefits</li> <li>Provide relevant upskilling and development opportunities</li> <li>Compliant with ISO 45001:2017 Occupational Health and Safety</li> <li>10-Task Force Initiatives</li> <li>Compliant with Malaysian Worker's Minimum Standard of Housing and Amenities Act 1990</li> </ul>	<p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>Employee handbook</li> <li>Induction briefings</li> <li>Skills and personal development programs</li> <li>On-the-job training and workshop</li> <li>Performance appraisals</li> <li>Learning and development programmes</li> <li>Regular communication and meetings</li> <li>Hostel visits and townhall sessions</li> </ul>
 <b>GOVERNMENT AND REGULATORS</b>	<ul style="list-style-type: none"> <li>Regulatory requirements</li> <li>Economic and environmental issues</li> <li>Pollution management</li> <li>Community development</li> </ul>	<ul style="list-style-type: none"> <li>Full compliance with regulatory requirements</li> <li>Participation in government programmes and initiatives</li> <li>Air and noise monitoring and assessment</li> <li>Community investment</li> </ul>	<p><b>Annually and Ad-hoc</b></p> <ul style="list-style-type: none"> <li>Local council meetings and dialogues</li> <li>Consultation</li> <li>Site visits and inspections</li> </ul> <p><b>Quarterly and Annually</b></p> <ul style="list-style-type: none"> <li>Annual general meetings</li> <li>Annual report and quarterly reports</li> </ul>

## SUSTAINABILITY STATEMENT

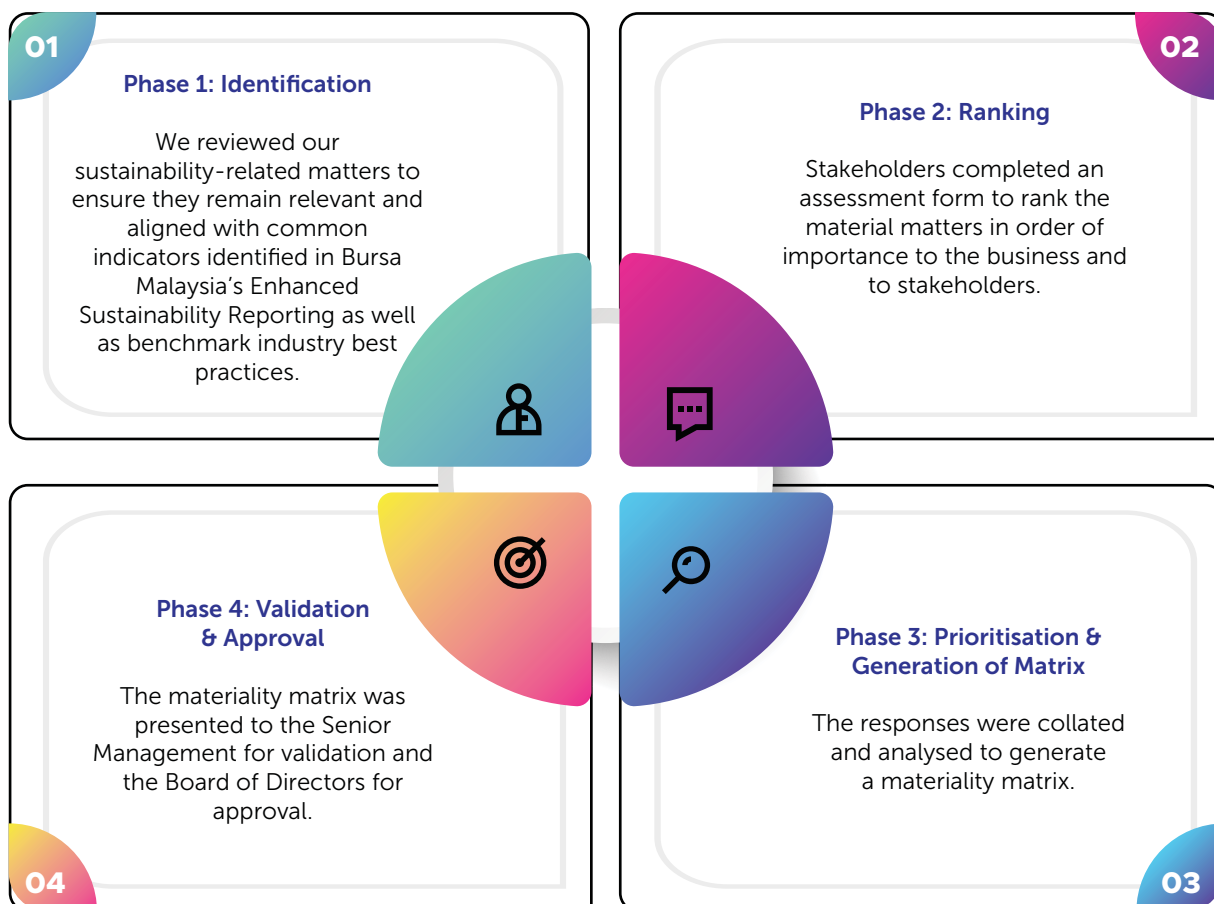
	Key Areas of Concern	Our Response	Method of Engagement
 <b>COMMUNITY</b>	<ul style="list-style-type: none"> <li>Environmental issues</li> <li>Ethical business</li> <li>Labour practices</li> <li>Talent attraction</li> <li>Support for community development</li> </ul>	<ul style="list-style-type: none"> <li>Air and noise monitoring and assessment</li> <li>Labour practice assessments</li> <li>Knowledge sharing at community programmes</li> <li>Donations and financial aid</li> </ul>	<b>Quarterly</b> <ul style="list-style-type: none"> <li>Focus groups or workshops dedicated to environmental issues</li> <li>Workshops on ethical business practices</li> <li>Community engagement programmes</li> <li>Company website</li> <li>Social media platforms</li> </ul>
 <b>SUPPLIERS</b>	<ul style="list-style-type: none"> <li>Procurement management</li> <li>Payment schedule</li> <li>Sustainability supply chain and future business dealings</li> </ul>	<ul style="list-style-type: none"> <li>Approved Supplier Assessment Procedure</li> <li>Supplier evaluation and registration</li> <li>Transparency in interactions and partnership with suppliers</li> </ul>	<b>Ongoing</b> <ul style="list-style-type: none"> <li>Regular communications and meetings</li> <li>Manufacturing collaborations discussions</li> <li>Supplier audit</li> </ul>
 <b>CUSTOMERS</b>	<ul style="list-style-type: none"> <li>Product quality and safety</li> <li>Innovation and development</li> <li>Resilient and dynamic supply chain management</li> <li>Competitive pricing</li> <li>Protection of confidential information</li> </ul>	<ul style="list-style-type: none"> <li>Compliant with ISO and IATF certifications</li> <li>Quality assurance evaluation</li> <li>53% procurement sourced from local suppliers</li> <li>Data protection training, Non-Disclosure Agreement</li> </ul>	<b>Ongoing</b> <ul style="list-style-type: none"> <li>Regular communications and meetings</li> <li>Customer audits</li> <li>Customer satisfaction survey</li> <li>Customer feedback</li> <li>Customer's networking event</li> </ul>



## SUSTAINABILITY STATEMENT

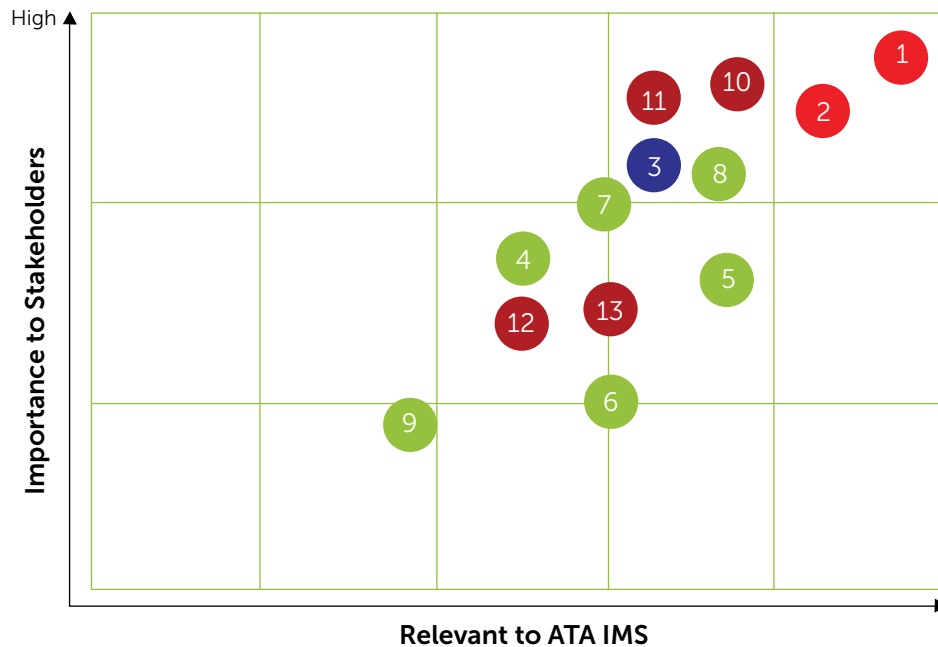
### Strategically Defining Our Materiality Matters

The materiality assessment is a 4-step approach to identify the key sustainability issues most relevant to ATA IMS and our stakeholders. It facilitates the development of targeted sustainability strategies that position us to adeptly navigate potential risks and opportunities across our area of operations.



## SUSTAINABILITY STATEMENT

Materiality Matrix



Navigating Economic Development		Environmental Strategy and Stewardship		Uplifting People and Communities	
1	Economic Presence	4	Energy	10	Occupational Health and Safety
2	Supply Chain Management	5	Water	11	Ethical Labour Practice
Governing with Integrity Beyond Compliance		6	Waste Management	12	Diversity and Equal Opportunity
3	Corporate Governance, Anti-Corruption & Data Privacy	7	GHG Emissions	13	Training and Education
		8	Environment Compliance		
		9	Noise Pollution		






We have sustained the ranking of material matters from FY2023, as they continue to be pertinent to our business operations, resulting in the retention of a total of 13 material matters.

For FY2024, all material matters have been organised into four (4) distinct pillars, ensuring clarity and a more fitting segmentation of our disclosures. Moreover, we have enhanced the categorisation of material matters by incorporating Data Privacy into the Anti-Corruption domain, redesignating it as Corporate Governance, Anti-Corruption & Data Privacy, aligning with Bursa's 11 Common Material Matters. This modification underscores the pivotal role of Data Privacy in reinforcing comprehensive and resilient Corporate Governance.

## SUSTAINABILITY STATEMENT

### Mapping the Material Matters

The Group's mapping process demonstrates how our material matters are interconnected, aligning with relevant UN SDGs and stakeholder groups. Our strategies are tailored to optimise ESG performance, as we progress towards sustainable development in our processes and operations.

Navigating Economic Development			
Material Matter	GRI Indicators	UN SDGs	Stakeholder Groups
Economic Presence	2-27: Compliance with Laws and Regulations 3: Material Topics		<ul style="list-style-type: none"> <li>Shareholders/Investors</li> <li>Customers</li> <li>Suppliers</li> </ul>
Supply Chain Management	2: General Disclosures 3: Material Topics 204: Procurement Practices 417: Marketing and Labelling		<ul style="list-style-type: none"> <li>Customers</li> <li>Suppliers</li> </ul>
Governing with Integrity Beyond Compliance			
Material Matter	GRI Indicators	UN SDGs	Stakeholder Groups
Corporate Governance, Anti-Corruption & Data Privacy	2: General Disclosures 3: Material Topics 205: Anti-Corruption 418: Customer Privacy		<ul style="list-style-type: none"> <li>Shareholders/Investors</li> <li>Government/Regulators</li> <li>Employees</li> <li>Suppliers</li> </ul>
Environmental Strategy and Stewardship			
Material Matter	GRI Indicators	UN SDGs	Stakeholder Groups
Energy	2: General Disclosures 3: Material Topics 302: Energy 305: Emissions		<ul style="list-style-type: none"> <li>Shareholders/Investors</li> <li>Government/Regulators</li> <li>Communities</li> </ul>
GHG Emissions	2: General Disclosures 3: Material Topics 305: Emissions		<ul style="list-style-type: none"> <li>Shareholders/Investors</li> <li>Government/Regulators</li> <li>Communities</li> </ul>
Water	3: Material Topics 303: Water and Effluents		<ul style="list-style-type: none"> <li>Government/Regulators</li> <li>Communities</li> </ul>
Waste Management	2: General Disclosures 3: Material Topics 306: Waste		<ul style="list-style-type: none"> <li>Government/Regulators</li> <li>Communities</li> </ul>
Environmental Compliance	2-27: Compliance with Laws and Regulations 3: Material Topics		<ul style="list-style-type: none"> <li>Shareholders/Investors</li> <li>Government/Regulators</li> <li>Communities</li> </ul>
Noise Management	3: Material Topics		<ul style="list-style-type: none"> <li>Government/Regulators</li> <li>Communities</li> </ul>

## SUSTAINABILITY STATEMENT

Uplifting People and Communities			
Material Matter	GRI Indicators	UN SDGs	Stakeholder Groups
Occupational Health and Safety	2: General Disclosures 3: Material Topics 403: Occupational Health and Safety		<ul style="list-style-type: none"> <li>Government/Regulators</li> <li>Employees</li> </ul>
Ethical Labour Practices	2: General Disclosures 3: Material Topics 401: Employment 408: Child Labour 409: Forced or Compulsory Labour		<ul style="list-style-type: none"> <li>Government/Regulators</li> <li>Employees</li> </ul>
Diversity and Equal Opportunities	2: General Disclosures 3: Material Topics 405: Diversity and Equal Opportunities 406: Non-discrimination		<ul style="list-style-type: none"> <li>Employees</li> </ul>
Training and Education	3: Material Topics 404: Training and Education 413: Local Communities		<ul style="list-style-type: none"> <li>Employees</li> <li>Communities</li> </ul>

## Our Focus to Address Climate Change

Observing the far-reaching effects of climate change and its financial implications on businesses, ATA IMS is driven to thoroughly understanding this interconnection. To adeptly navigate potential challenges posed by climate change, we initiated climate-related disclosures to assess and address climate-related risks and opportunities, bolstering our resilience and sustainability.

## GOVERNANCE

**Board's oversight on climate-related risks and opportunities**

The Board exercises strategic oversight over the Group's sustainability strategies, policies, and performance, including climate-related risks and opportunities. The board is responsible for determining and approving sustainability management framework and Group Risk Management Framework. The Board conducts periodic reviews of the sustainability strategy proposed by SRMC and conducts an annual review of sustainability policies and initiatives.

**Management's role in assessing and managing climate-related risks and opportunities**

The SRMC recommends sustainability strategies and initiatives to the Board, including those that are climate-related. The SRMC reviews and monitors the implementation of sustainability framework and sustainability performance, including those that are climate-related.

## SUSTAINABILITY STATEMENT

### STRATEGY

ATA IMS's climate-related risks can be divided into two categories: transition risks and physical risks. Transition risks are challenges linked to the shift toward a sustainable, low-carbon economy, driven by regulatory changes and market shifts. Physical risks result from the direct impacts of climate change, such as extreme weather events and rising temperatures, affecting assets and operations. The impacts primarily involve increased costs and revenue fluctuations, as well as the potential damages and disruptions caused by short-term and long-term climate-related events.

#### Physical Risk

Physical Risks	Potential Impact	Opportunities
Acute	<ul style="list-style-type: none"> <li>Severe weather events or natural disasters may damage infrastructure, disrupt operation, supply chain and customers' operation.</li> </ul>	<ul style="list-style-type: none"> <li>Develop emergency response plans and disaster recovery plans.</li> </ul>
Chronic	<ul style="list-style-type: none"> <li>Changes in weather patterns potentially affect resource availability, customers demand and increase health risks to employees.</li> <li>Increased cost from internal temperature control.</li> </ul>	<ul style="list-style-type: none"> <li>Integrate sustainable practices, invest in energy efficient technologies.</li> <li>Invest in employee health and safety programmes and training.</li> <li>Invest in climate-resilient infrastructure.</li> </ul>

#### Transitional Risks

Transition Risks	Potential Impact	Opportunities
Policy and Legal	<ul style="list-style-type: none"> <li>Evolving environmental regulations and GHG emission reduction policies, including carbon taxation.</li> <li>Potential legal sanctions related to pollution and emissions.</li> </ul>	<ul style="list-style-type: none"> <li>Tracking GHG emissions and setting emissions reduction targets and initiatives.</li> </ul>
Technology	<ul style="list-style-type: none"> <li>Advances in technology, failing to adopt or invest in innovative technologies may lead to competitive disadvantages.</li> </ul>	<ul style="list-style-type: none"> <li>Investing in innovative low-emissions technologies in operation.</li> <li>Increasing the use of renewable energy systems at facilities.</li> </ul>
Market	<ul style="list-style-type: none"> <li>Increase in the cost of raw materials due to suppliers' effort in reducing GHG emission.</li> </ul>	<ul style="list-style-type: none"> <li>Diversifying supplier to establish a stable and sustainable supply chain, thereby mitigating the impact of rising costs.</li> </ul>
Supply Chain	<ul style="list-style-type: none"> <li>Suppliers not aligning with sustainability goals or failing to adapt to evolving environmental standards pose risks to our operations.</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring a sustainable and transparent supply chain, from raw material sourcing to end-product delivery, appeals to customers who prioritise sustainability in their value chain.</li> </ul>

## SUSTAINABILITY STATEMENT

### RISK MANAGEMENT

ATA IMS has established a Group Risk Management Framework to ensure the ongoing process of identifying, evaluating, and managing risks. General climate-related risk is identified alongside other risks and included in the Risk Register. Potential climate-related risks are assessed based on their occurrence and impact on the business in the event of an adverse climate-related event. The Audit Committee monitors the risk exposures of the Group and reviews the adequacy and effectiveness of the Group's internal controls. The SRMC continuously reviews and updates the Key Risk Registers and compiles the Key Risk Profile and Key Risk Report.

### METRICS AND TARGETS

ATA IMS quantifies carbon emissions, waste, energy and water consumption. We measure our carbon emissions in tCO<sub>2</sub>e, electricity in kWh, water in m<sup>3</sup> and waste in tonnes. To determine greenhouse gas ("GHG"), energy and water intensity, we calculate the absolute values and divide them by total units/parts sold.

ATA IMS monitors and reports Scope 1 Scope 2, and limited Scope 3 emissions. Our Scope 3 coverage includes emissions from business travel. We plan to start reporting on employees' commutes in the next financial year. Additional details regarding our management approach and performance data can be found in the "GHG Emissions", page 32-33.



## SUSTAINABILITY STATEMENT

9 INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



## Navigating Economic Development

### 2024 Key Highlights:

Economic Presence

Supply Chain Management



**53%**

Group Procurement  
Budget Allocated  
to Local Suppliers

## SUSTAINABILITY STATEMENT

### Economic Presence

#### Why is it Important

Robust economic performance serves as a driving force to deliver ongoing economic growth. By solidifying our economic performance, we can influence the trajectory of our growth and the long-term sustainability of our business. Focusing on economic resilience also safeguards our financial health and spurs long-term enhancement of shareholder value.

#### Our Approach

ATA IMS is positioned in the electronics manufacturing industry, where precision manufacturing and the distribution of plastic injection-moulded parts form the core of our revenue-driving services. These operational services also comprise secondary processes, sub-assembly and full assembly.

Recognising the influence environmental sustainability has on a business' profitability and competitiveness, ATA IMS is dedicated to integrating ESG considerations across all our business functions. By fostering an entrepreneurial mindset and instilling a culture of continuous improvement, the Group is positioned to adapt in evolving market conditions, promoting sustained financial growth and delivering enduring economic advantages.

### Supply Chain Management

#### Why is it Important

Effective supply chain management is crucial in the EMS sector, where timely product delivery and handling of electronic components constitute a substantial portion of our daily operations. In this regard, we actively engage with suppliers aligned with our ESG principles to promote ethical procurement practices that forge a resilient supply chain.

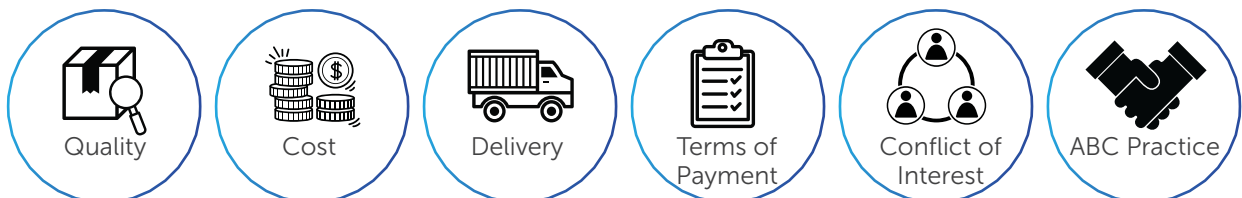
#### Our Approach

##### Procurement and Supplier Management

Our suppliers play a crucial role in facilitating our ability to deliver premium products and services hence ATA IMS has implemented stringent standards and expectations of compliance. Our Approved Supplier Assessment Procedure utilises a point rating system to assess suppliers according to specific criteria. Suppliers rated as 'non-acceptable' will be deregistered from the 'Approved Supplier List' and approved suppliers undergo performance assessments at a minimum frequency of every six months.

This approach is designed to improve operational efficiency and establish a dependable supply chain network by mitigating potential risks associated with the quality of products or services.

### Suppliers and Contractors Evaluation Criteria



Furthermore, we actively collaborate with our suppliers and emphasise the importance of their strict adherence to our Restriction of Hazardous Substances ("RoHS") requirements. The RoHS requirements strictly prohibit supplying materials containing specific hazardous substances, safeguarding the environment and reaffirming our sustainability commitments. We also verify that our suppliers continue to adhere to ethical practices such as upholding fair labour conditions, protecting human rights and ensuring the absence of child or forced labour.





## SUSTAINABILITY STATEMENT

### Local Procurement

We prioritise building strong partnerships with local vendors, actively sourcing materials and products close to our operational facilities in support of nearby businesses. Procuring goods and services locally decreases transportation distances, which reduces emissions from fuel and vehicles. A localised supply chain enhances our resilience to external disruptions, such as extreme weather events or geopolitical conflicts, mitigating the need for emergency measures with higher environmental impacts. This practice strengthens the local economy and improves supply chain efficiency, resulting in reduced lead times for our customers and contributing to a more sustainable and resilient business model.

### Product Quality

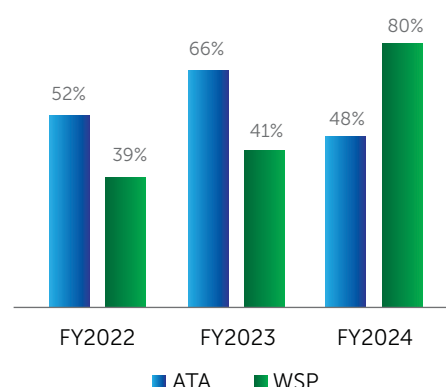
Our foremost priority is to ensure the delivery of exceptional products and services, as this significantly impacts both customer satisfaction and the Group's financial performance. The Group actively seeks to maintain certifications from the International Organization for Standardization ("ISO") and the International Automotive Task Force ("IATF"). The accreditations reflect our rigorous standards, adherence to industry best practices and the quality of our operational processes, products, services and quality management systems.

Accreditation	Entities	Scope of Approval	Issue Date	Expiry Date
ISO 9001:2015	ATA	Manufacture of home appliances (Vacuum cleaner, fan humidifier, purifier, heater fan, lighting product including secondary processes such as silk screen and spray printing)	18-Oct-23	17-Oct-26
	WSP	Manufacturing of precision plastics including secondary and assembly processes for the electronic and electrical industries	19-Oct-21	18-Oct-24
ISO 14001:2015	ATA	Manufacturing of home appliances & cutting machines (Art & Craft)	23-Aug-2023	22-Aug-26
	WSP	Manufacturing of precision plastics including secondary and assembly processes for the electronic and electrical industries	24-May-23	23-May-26
ISO 13485:2016	WSP	Manufacture of Precision plastic components used for medical devices	29-Jan-22	28-Jan-25
ISO 22000:2018	WSP	Manufacture of plastic component for food packaging application	18-Jun-22	17-Jun-25
ISO 45001:2018	WSP	Manufacturing of precision plastics including secondary and assembly processes for the electronic and electrical industries	13-Sep-21	12-Sep-24
IATF 16949:2016	WSP	Manufacturing secondary processing and sub-assemblies of plastic injection parts	19-Oct-21	18-Oct-24

### Our Performance

In FY2024, ATA IMS allocated 53% of our procurement budget to local suppliers. We increased our local procurement expenditure at WSP to 80%, At ATA, 48% of our procurement expenditure was directed towards local suppliers.

### Proportion of Spending on Local Suppliers



## SUSTAINABILITY STATEMENT

16 PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS

## Governing with Integrity Beyond Compliance

Corporate Governance, Anti-  
Corruption and Data Privacy

### 2024 Key Highlights:

**ZERO**

Cases of Corruption,  
Bribery and  
Whistleblowing

## SUSTAINABILITY STATEMENT

### Corporate Governance, Anti-Corruption and Data Privacy

#### Why is it Important

Sound corporate governance forms the cornerstone of long-term resilience, fostering ethical conduct and decision-making, while also reinforcing stakeholder trust. Adherence to anti-corruption best practices further strengthens defences, protecting the Group from potential incidents impacting reputation and actively preventing their recurrence. Optimal operational processes rely on digitalisation, with the utmost importance placed on data privacy to effectively mitigate cybersecurity risks.

#### Our Approach

ATA IMS maintains a stringent zero-tolerance stance against any form of bribery and corruption, affirming our commitment to conduct business with the highest standards of ethics, responsibility and transparency. In line with this commitment, we align with the Guidelines on Adequate Procedures outlined under Malaysian Anti-Corruption Commission (Amendment) Act 2018 and Bursa Securities' anti-bribery guidelines.

#### Anti-Bribery and Corruption Policy

In FY2020, we implemented an Anti-Bribery and Corruption ("ABC") Policy and have undertaken a series of measures to enhance its efficacy in FY2024.

- 1 Establishment and update of policies and procedures.
- 2 Implementation of comprehensive training and awareness programmes.
- 3 Fostering of effective communication channels.
- 4 Reinforcement of robust enforcement mechanisms.

The ABC Policy is applicable to the Board, all personnel, customers, suppliers and any individuals affiliated with ATA IMS, preventing bribery and corruption at all levels.

Additionally, an ABC Compliance Committee led by the Finance Director was established to oversee all ABC-related matters and ensure policy adherence throughout the Group. In doing so, the committee provides regular reports to the Audit Committee ("AC") which evaluates the efficiency of current management strategies in mitigating bribery and corruption risks.

#### Code of Ethics and Conduct

Our Code of Ethics and Conduct outlines the principles that govern our organisation, encompassing safe and healthy working environments, conflict avoidance, respectful treatment of workers, confidentiality, ethical business operations and legal compliance.

Serving as a comprehensive guide for all employees and stakeholders, the code fosters a culture of integrity, accountability and responsible behaviour. Adherence to this code is crucial to upholding the highest ethical standards in all aspects of our operations.

## SUSTAINABILITY STATEMENT

### Whistleblowing Policy and Procedures

Our Whistleblowing Policy is designed in accordance with the Whistleblower Protection Act 2010, establishing a secure mechanism that empowers individuals to report concerns within the Group. It safeguards whistleblowers from retaliation, encouraging all employees and stakeholders to come forward to report suspected misconduct associated with financial reporting, compliance and other potential violations without fear of reprisal.

### Directors' Fit and Proper Policy

The Directors' Fit and Proper Policy sets the criteria for an individuals' eligibility as a director, evaluating their qualifications, skills and integrity. By adhering to this policy, ATA IMS ensures director appointments and re-elections align with Bursa Malaysia Securities Berhad's Main Market Listing Requirements. The Nominating and Remuneration Committee ("NRC") and the Board utilise the policy to assess candidates, ensuring excellent governance that safeguards stakeholder interests and fosters long-term success. The Group conducts confidential individual and collective assessments of directors' suitability at least annually, acting in the best interests of shareholders and ATA IMS' business conduct.

### Data Security and Privacy

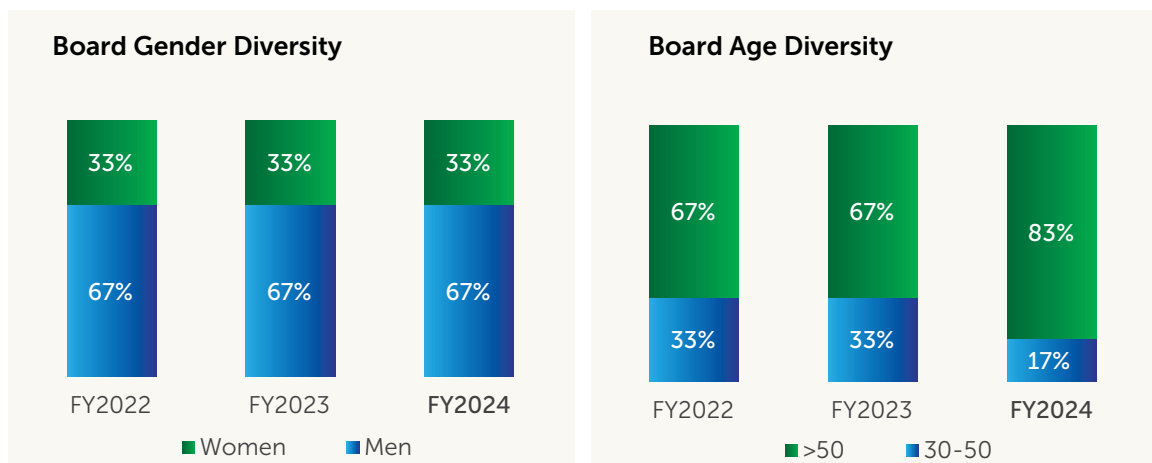
In our efforts to minimise security risks like data corruption and theft, we conduct regular refresher training on personal data protection to ensure our employees stay abreast of the latest security practices. Furthermore, all employees are required to sign a Non-Disclosure Agreement where it enables us to safeguard sensitive data and maintain strict confidentiality at all times.

All company policies are accessible on our corporate website at <http://www.ataims.com.my>

## Our Performance

### Board Composition

Our board has consistently had a 33% representation of women over the last three financial years. However, there has been a slight shift in the age diversity, with most board members now being 50 years old and above.



## SUSTAINABILITY STATEMENT

### Employee Anti-Corruption Training

In FY2024, 31% of our employees underwent anti-corruption training, comprising 15 senior management staff, 34 management team members, 18 executives, and 464 non-executive employees.

Percentage of Employee who received anti-corruption training	
Employee Category	FY2024
Senior Management	100%
Management	81%
Executive	14%
Non-Executive	30%

### Corruption Risk Assessment

This year, the Group initiated our inaugural corruption risk assessment, encompassing 100% of our operations. We are pleased to report that no instances of bribery or corruption were identified during this assessment, owing to our stringent ABC controls and procedures.

	FY2024
Percentage of operations that underwent corruption risk assessments	100%
No. of confirmed corruption incidents	0
No. of incidents of whistleblowing	0

### Data privacy and security

As of FY2024, there were zero substantiated complaints concerning breaches in customer privacy or data loss which reflects the effectiveness of our cybersecurity measures.

	FY2022	FY2023	FY2024
Number of substantiated complaints concerning breaches in customer privacy or data loss	0	0	0



## SUSTAINABILITY STATEMENT

12 RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION13 CLIMATE  
ACTIONEnvironmental Strategy  
and Stewardship

## 2024 Key Highlights:

Energy



↓ **31%**  
Reduction in Total  
Energy Consumption

GHG Emissions



↓ **35%**  
Reduction in Scope 1  
GHG Emissions

Water



↓ **31%**  
Reduction in Scope 2  
GHG Emissions

Waste Management



↓ **10%**  
Reduction in Water  
Consumption

Environmental Compliance

Noise Pollution

## SUSTAINABILITY STATEMENT

### Energy

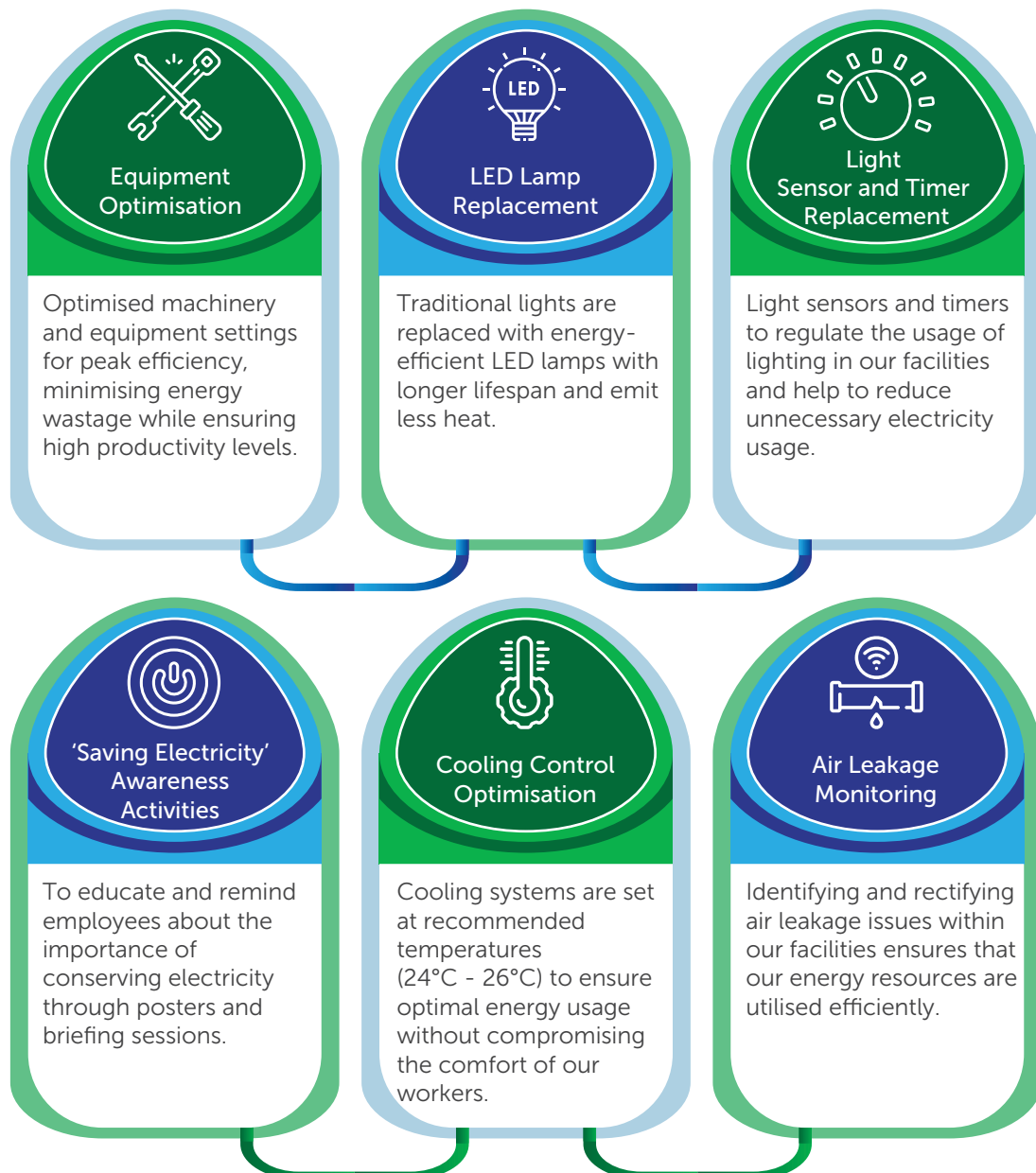
#### Why is this Important?

Recognising the implications of the escalating global energy demand and its interconnectedness with issues like climate change, ATA IMS adopts a proactive stance in addressing the impact of our energy consumption. We work towards optimising our consumption, systematically managing energy for efficient daily operations.

#### Our Approach

We conduct routine maintenance and machinery calibration to ensure optimal performance and energy efficiency. Through effective energy management practices, we actively reduce our carbon footprint, generating environmental benefits and cost savings that contribute to enhanced financial performance.

The Group implemented a series of targeted initiatives to reduce overall electricity consumption.

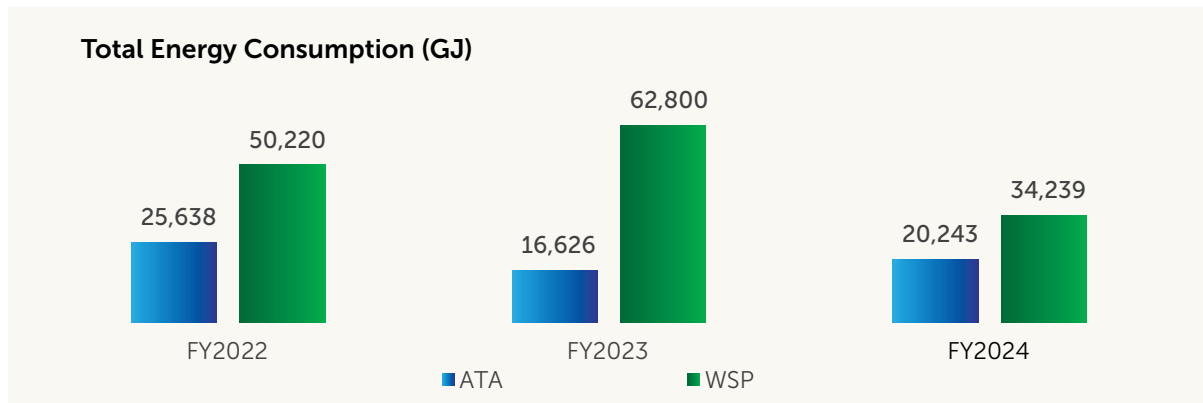


These measures minimise energy wastage and contribute to our long-term financial performance in the market.

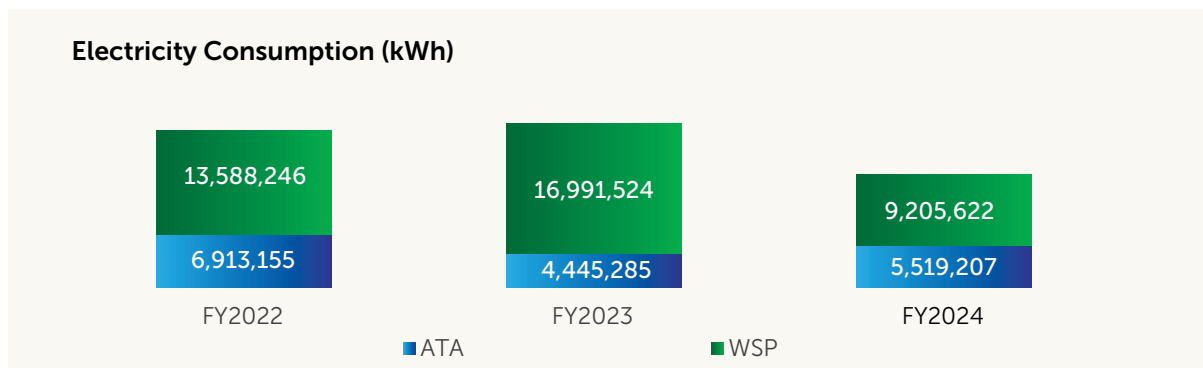
## SUSTAINABILITY STATEMENT

## Our Performance

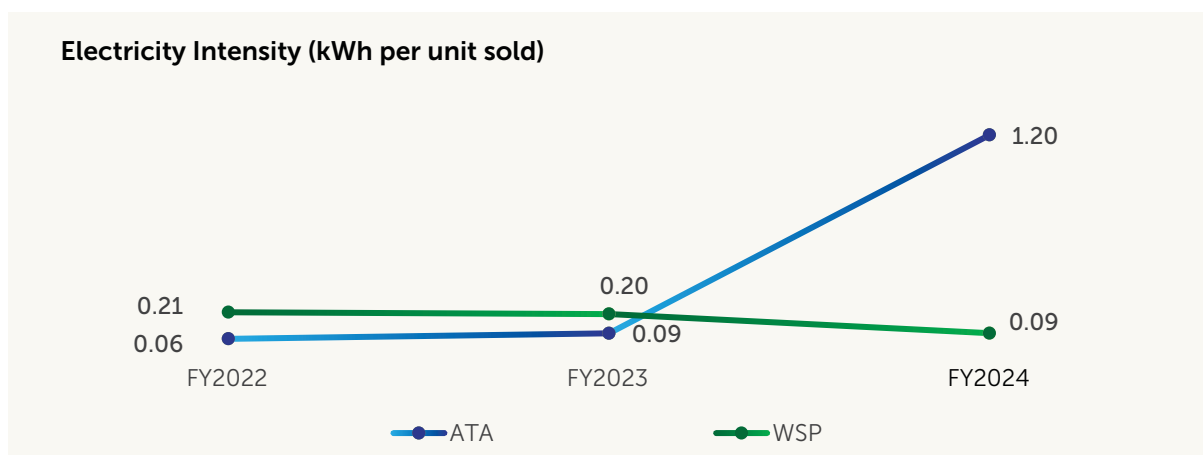
Our overall energy consumption constituting fossil fuel and procured electricity demonstrated a 31% reduction, especially at WSP, when compared to the previous year. For FY2024, the total energy consumption at ATA and WSP stood at 54,482 GJ.

Electricity Consumption and Intensity

In the current reporting year, our total electricity consumption reached 14,724,829 kWh, reflecting a 31% reduction compared to the previous year. Electricity consumption at ATA was recorded at 5,519,207 kWh and at WSP, it stood at 9,205,622 kWh.



At ATA, our electricity intensity increased to 1.20 kWh per unit sold due to a reduction in total units sold. Meanwhile, the electricity intensity at WSP remained relatively constant, reduced to 0.09 kWh per unit sold.

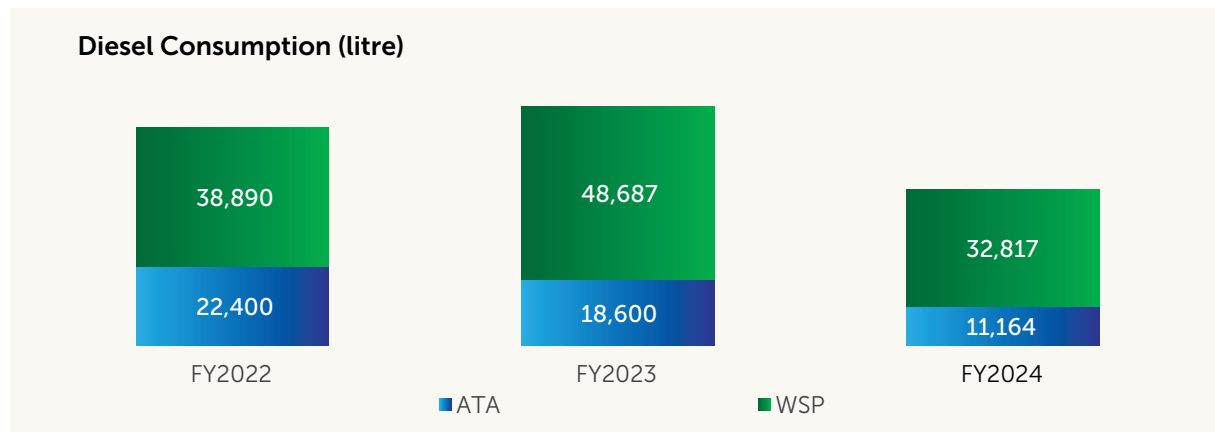




## SUSTAINABILITY STATEMENT

### Fuel Consumption

At ATA IMS, we rely predominantly on diesel for operational activities within our facilities. The overall diesel consumption for FY2024 amounted to 43,981 litres, representing a 35% decrease compared to the previous year across ATA and WSP facilities.



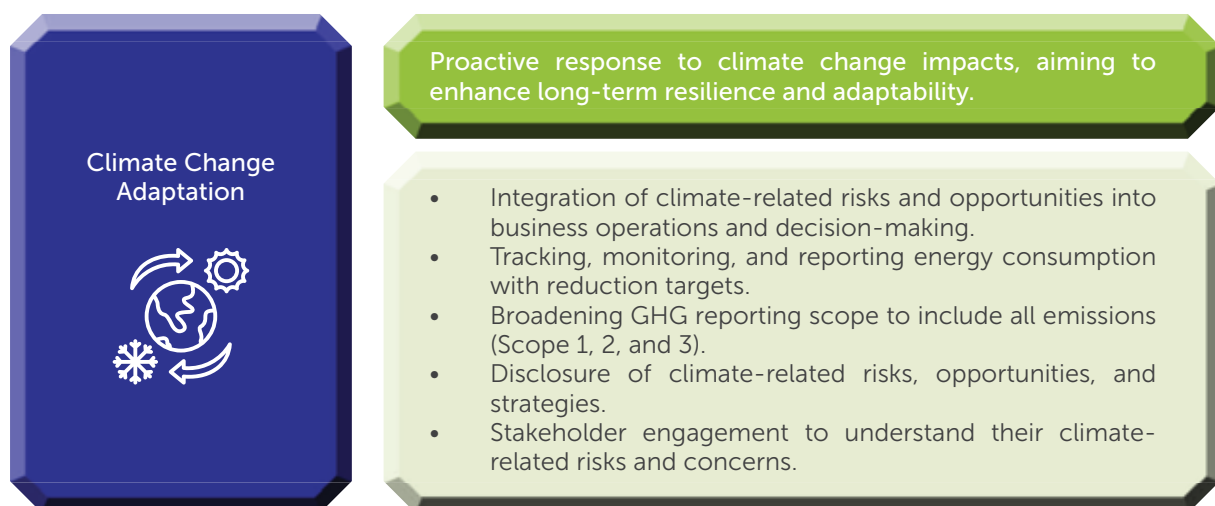
### GHG Emissions

#### Why is this Important?

Universally acknowledged as a significant driver of climate change, GHG emissions are associated with risks such as unpredictable weather events and rising sea levels. These climate-induced phenomena pose tangible threats across supply chains and can consequently impact our day-to-day EMS operations.

#### Our Approach

To expedite climate change initiatives within our operations, ATA IMS has implemented Climate Risk Policy to guide the Group towards effectively integrating climate actions throughout our business operations.



## SUSTAINABILITY STATEMENT



Actions to reduce greenhouse gas emissions, aligning with national and global efforts for a low-carbon economy.

- Enhancing energy efficiency through optimised business processes and adopting energy-efficient technologies.
- Integration of renewable energy sources into operations.
- Adoption of low-carbon solutions in operations and supply chains to reduce GHG emissions.
- Collaboration with stakeholders on climate-related risk mitigation solutions.

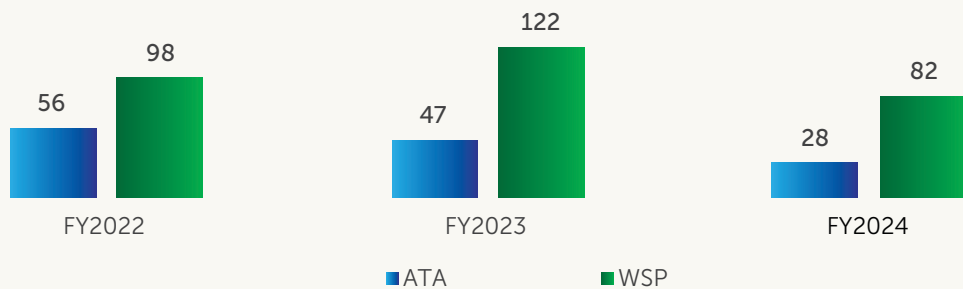
Last year, we addressed our environmental concerns by reporting our Scope 2 GHG emissions, marking the initial phase of understanding of our environmental impact. Building on our commitment this year, we have taken a significant stride by expanding our reporting scope to include both Scope 1 and limited Scope 3 emissions, enhancing the comprehensiveness of our sustainability disclosures. By including this new scope, we aim to bolster our accountability and intensify our efforts to mitigate our overall environmental footprint.

### Our Performance

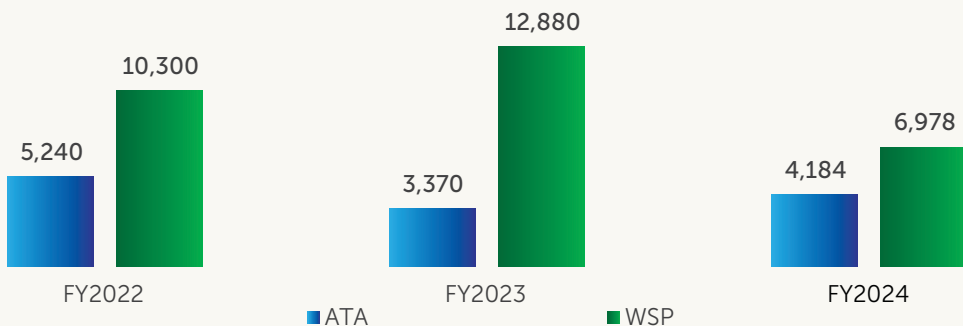
#### GHG Emissions

The majority of the total GHG emissions of both subsidiaries fell under Scope 2, attributable to their operational electricity consumption. In FY2024, the Group reported 110 tCO<sub>2</sub>e Scope 1 and 11,161 tCO<sub>2</sub>e Scope 2 GHG emissions respectively.

#### Scope 1 GHG Emissions (tCO<sub>2</sub>e)

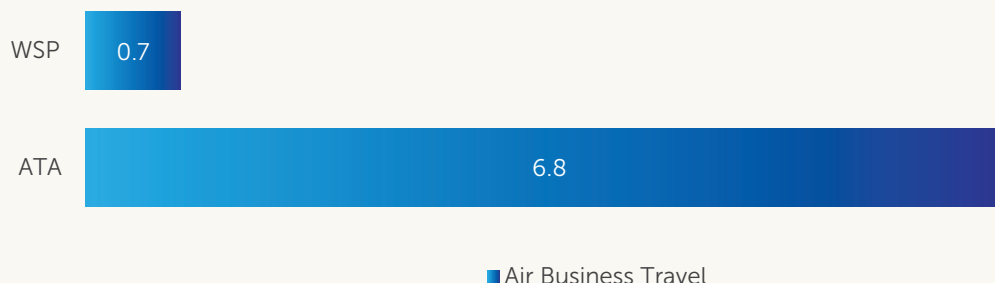


#### Scope 2 GHG Emissions (tCO<sub>2</sub>e)



## SUSTAINABILITY STATEMENT

### Scope 3 GHG Emissions in FY2024 (tCO<sub>2</sub>e)



In the current reporting year, the Group has initiated tracking Scope 3 emissions disclosures, focusing on air business travel. ATA and WSP's combined Scope 3 emissions totalled 7.5 tCO<sub>2</sub>e during this fiscal year. Data on land business travel and employee commute emissions will be made publicly available in the upcoming financial year.

### Water

#### Why is this Important?

Given water's finite nature and its widespread use across various sectors, addressing water scarcity is paramount. Beyond mitigating wasteful consumption, employing a robust water management system enables the identification and resolution of water leaks, allowing us to implement actionable initiatives for responsible water use.

#### Our Approach

The Group emphasises the reduction of our water consumption through a range of water-saving initiatives. In doing so, we aim to minimise our environmental footprint, curtail water-related costs and strengthen our overall sustainability.

**Training Sessions and Awareness Programme**

'Saving Water' programme which aimed to educate the importance of water conservation and instil efficient water use habits through posters and briefing sessions.

**Leak Detection and Repair Systems**

Implemented leak detection and repair system to swiftly address identified issues to minimise water wastage.

**Stormwater Utilisation**

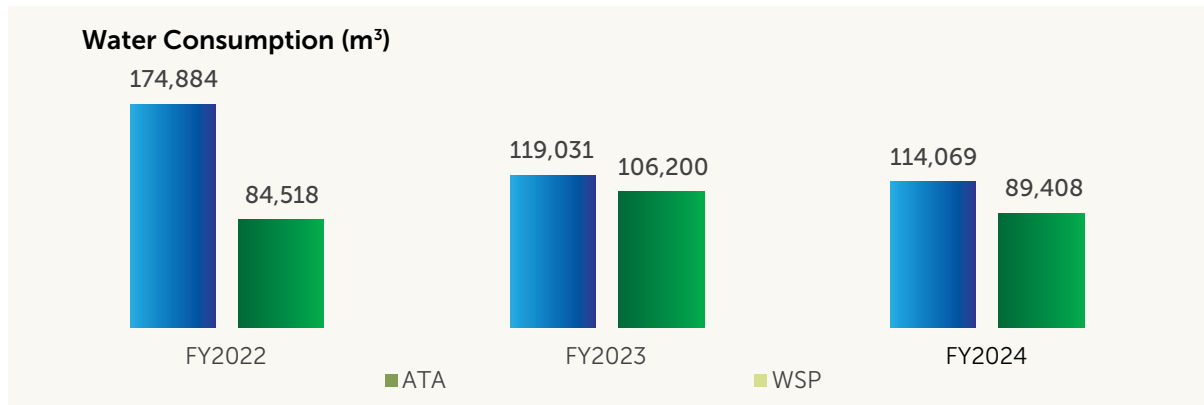
Utilising stormwater for non-potable applications like irrigation and sanitary system operation in our water conservation initiatives.

## SUSTAINABILITY STATEMENT

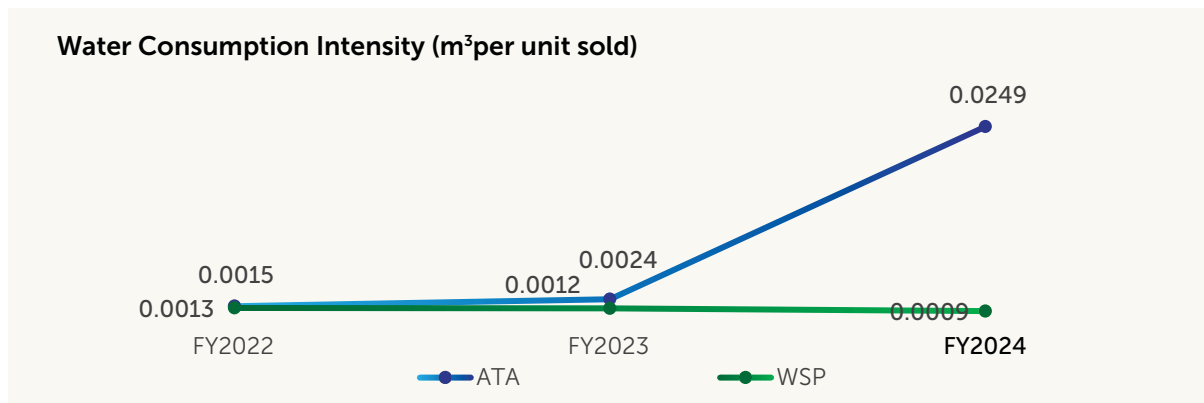
### Our Performance

#### Water Consumption and Intensity

We actively monitor our water consumption across various subsidiaries. In FY2024, the aggregate water consumption at ATA and WSP reached a total of 203,477 m<sup>3</sup>. Both subsidiaries experienced a decrease in water consumption relative to the preceding year.



In FY2024, water consumption intensity at ATA was recorded at 0.0249 m<sup>3</sup>. Meanwhile, water consumption intensity at WSP reduced to 0.0009 m<sup>3</sup> per unit sold for this year. We anticipate a decline in this figure as we actively implement measures to improve water efficiency at our facilities.



## SUSTAINABILITY STATEMENT

### Waste Management

#### Why is this Important?

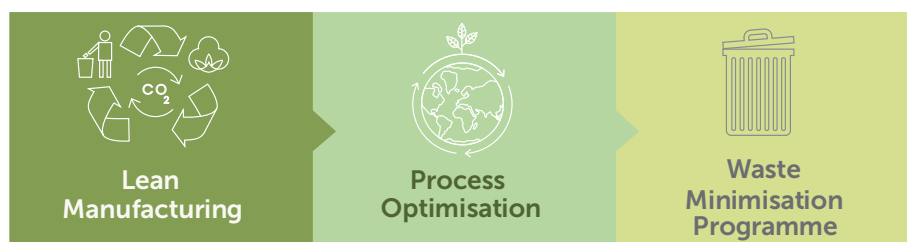
The adoption of circular economy principles for waste management in the electronics sector is important to minimise waste generation. Inefficient management of the waste can in turn affect the local environment, leading to possible waste material exposure for both employees and the communities surrounding our operations.

#### Our Approach

The Group has implemented measures to efficiently manage the waste generated from our manufacturing processes. Specifically, we ensure the safe handling of scheduled wastes by practicing proper segregation and labelling of waste, along with appropriate storage procedures for both scheduled and non-scheduled waste.

Our Schedule and Non-Schedule Waste Procedure outlines the standard operating procedures and serve as a guide for proper disposal, handling and storage of waste. These protocols ensure strict compliance with relevant government and agency regulations, such as scheduled waste guidelines set by the Department of Environment ("DOE") to minimise our environmental impact and protect our workers from potential exposure to hazardous substances.

In addition to these efforts, we pursue recycling and reusing options for non-scheduled waste, with the goal of reducing landfill waste and supporting the circular economy. In FY2024, we implemented several waste reduction strategies.



Through these sustainable waste management strategies, our overarching aim is to decrease our environmental footprint and contribute to a cleaner and more sustainable future.

### Our Performance

#### Material Consumption

ATA IMS' significant material consumption includes metals and plastics. In 2024, we consumed a total of 73,578,714 pieces of materials. Plastics accounted for the highest consumption volume, totaling 34,920,832 pieces across ATA and WSP.

#### Material Consumption

Types of Materials	Units	ATA			WSP		
		FY2022	FY2023	FY2024	FY2022	FY2023	FY2024
Metal	pcs	40,490,233	11,871,659	38,657,882	-	-	-
Plastic	pcs	34,798,526	6,856,210	27,520,242	-	-	7,400,590

## SUSTAINABILITY STATEMENT

Scheduled Waste

In FY2024, the combined total of scheduled waste generated by ATA and WSP amounted to 12.33 tonnes. The Group experienced a decline in scheduled waste generation as a result of enhanced waste management practices and waste reduction initiatives, including reduced chemical usage.

**Amount of Scheduled Waste Generated (tonnes)**

Code	Description	ATA			WSP		
		FY2022	FY2023	FY2024	FY2022	FY2023	FY2024
SW307	Spent mineral oil-water emulsion	NA	NA	NA	3.48	0.61	0.60
SW322	Waste of non-halogenated organic solvents	3.58	2.50	0.00	6.90	2.34	1.78
SW409	Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes	4.24	0.60	0.16	3.99	1.61	1.76
SW410	Rags, plastics, papers or filters contaminated with scheduled wastes	1.13	0.14	0.01	2.11	0.99	1.27
SW416	Sludges of inks, paints, pigments, lacquer, dye or varnish	NA	NA	NA	22.96	9.86	6.76
SW417	Waste of inks, paints, pigments, lacquer, dye or varnish	3.51	0.77	0.00	NA	NA	NA

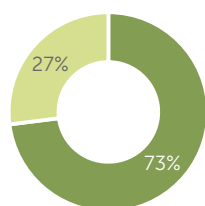
NA = Not Applicable

Non-Scheduled Waste

Apart from scheduled waste, our group monitors non-scheduled waste generation at both ATA and WSP, focusing on domestic waste. Our total non-scheduled waste generated in FY2024 amounted to 735.18 tonnes, reflecting a 11% decrease from the previous year's total of 822 tonnes.

**Amount of Non-Scheduled Waste Generated (tonnes)**

Types of Waste	ATA			WSP		
	FY2022	FY2023	FY2024	FY2022	FY2023	FY2024
Domestic Waste	272.34	375.29	197.13	409.59	446.74	538.05

Waste Disposal**Waste Disposal Breakdown in FY2024**

- Diverted from Disposal
- Directed to Disposal

For the current reporting year, the Group generated a combined total of 747.51 tonnes of waste, of which 547.74 tonnes were recycled or reused.

## SUSTAINABILITY STATEMENT

### Environmental Compliance

#### Why is this Important?

Environmental compliance refers to adherence to environmental regulatory requirements. Embracing these standards encourages the adoption of sustainable practices that result in enhanced operational efficiency, reduced costs and positive brand reputation.

#### Our Approach

The Group's environmental compliance is founded on a dual commitment: the adherence to international standards and local regulations, as well as the drive to minimise adverse environmental impacts and enhance operational efficiency across all stages of our business operations.

- 01** Identify and understand laws and regulations related to air quality, water management, waste disposal and hazardous materials handling.
- 02** Regularly monitor emissions and pollution to ensure compliance with environmental standards.
- 03** Stay informed and up-to-date with evolving environmental regulations.
- 04** Conduct regular internal and external environmental audits and assessments to evaluate and improve environmental practices.

#### EMS Policy (ISO 14001:2015)

By adhering to the ISO 14001 environmental management system standard, ATA IMS affirms its commitment to delivering high-quality products while prioritising environmental protection.

To streamline our environmental efforts, we implemented the Environmental Management System ("EMS") framework and obtained ISO 14001:2015 accreditation signifying our efforts in maintaining the highest environmental management standards.

We also adhere to the Restriction of Hazardous Substances ("RoHS") requirements. By aligning our practices with RoHS, we reduce the use of hazardous substances in our products, mitigating their environmental impact throughout the entire

product lifecycle. This initiative reflects our role as a responsible manufacturer, contributing to global environmental sustainability initiatives.

#### Our Performance

##### Ambient Air Monitoring

Ambient air monitoring conducted in February 2024 at ATA's operational facility revealed that the concentrations of all pollutant parameters complied with the emission limits specified in the New Malaysia Ambient Quality Standard (2020) and Malaysian Recommended Ambient Air Quality Guidelines, 1989 by DOE.

Parameters	Concentration ( $\mu\text{g}/\text{m}^3$ )				Guideline Limit
	Point A1	Point A2	Point A3	Point A4	
Total Suspended Particulate	65	66	58	60	260*
Sulphur Dioxide	ND	ND	ND	ND	250
Nitrogen Dioxide	ND	ND	ND	ND	280

Note:

- i. Guideline Limit refers to New Malaysia Ambient Air Quality Standard (2020)
- ii. \* refers to Malaysian Recommended Ambient Air Quality Guidelines, 1989
- iii. ND is referred as Not Detected.



## SUSTAINABILITY STATEMENT

### Noise Pollution

#### Why is this Important?

Noise pollution is an environmental nuisance that can affect the well-being of humans and other organisms. At our manufacturing plants, prolonged exposure to high levels of noise poses occupational-related issues such as potential hearing loss, stress-related issues and reduced productivity. To this end, ATA IMS implements rigorous noise monitoring measures to minimise our noise pollution.

#### Our Approach

Noise level monitoring and risk assessment are conducted regularly by ATA IMS. The data collected enables us to pinpoint primary noise sources and levels, facilitating the implementation of effective industrial noise control strategies to manage operational activities, ensuring that noise levels consistently comply with established guidelines.

Several measures were implemented in our facilities to enhance workplace safety and ensure employee protection.

#### Noise Level Monitoring

- Conducts within our facilities during daily operations.
- Adherence to DOE Guidelines for Environmental Noise Limits and Control, 2019

#### Noise Risk Assessments

- To identify workers exposed to hazardous noise and high-risk noise areas.
- In line with Occupational Safety & Health (Noise Exposure) Regulation, 2019 by the Department of Occupational Safety & Health ("DOSH")

#### Our Performance

##### Noise Risk Assessment

Noise risk assessments ("NRA") are scheduled every five years and are additionally conducted whenever new machinery or work processes are introduced. Our latest NRA was conducted at ATA IMS during February 2023 to evaluate our workers' noise exposure levels at the workplace. The assessment identified two high-risk areas out of five assessed. Among these, one area was found to have noise exposure levels slightly exceeding the Daily Noise Exposure Limit ("NEL") of 85 dB(A) specified in the DOSH noise exposure limit for personal exposure monitoring.

In response, we are actively working to maintain employee exposure to noise levels below the action level and aim to implement improvements based on the recommendation given. We continuously work to further reduce the noise readings at the affected areas.

##### Environmental Noise Monitoring

We conducted environmental noise monitoring in February 2024 to measure the noise level during operational activities at ATA IMS' facilities. The monitoring results indicated that the equivalent continuous sound level ("Leq") during both day and night times at the subsidiary was below 75 dB(A). This measurement falls within the limit specified by the 2019 DOE Guidelines for Environmental Noise Limits and Control for Industrial Zones. Specifically, the Leq measured ranged from 60.4 to 62.7 dB(A) during the day and from 48.1 to 54.5 dB(A) during the night.

#### Administrative Controls

- Warning signs installed in noise hazard areas.
- Toolbox briefings held for personal protective equipment.
- Communication to employees on Personal Protective Equipment Management.
- Conduct Noise & Hearing Conservation Program Awareness Training.

#### Personal Hearing Protector ("PHP")

- Earplugs provided to workers assigned tasks with high noise exposure risks.

## SUSTAINABILITY STATEMENT

8 DECENT WORK AND  
ECONOMIC GROWTHUplifting People  
and Communities

Occupational Health and Safety

Ethical Labour Practices

Diversity and Opportunities

Training and Education

Corporate Social Responsibility  
("CSR") Highlights

## 2024 Key Highlights:

**ZERO**Incidents of  
**Discrimination** and  
**Human Rights Violation****10 Task Force**Initiatives to **Enhance**  
**Worker Rights** and  
**Welfare****ZERO**Cases of **Work-Related Fatalities****5,971****Total Training Hours**  
**for Employees**

## SUSTAINABILITY STATEMENT

### Occupational Health and Safety

#### Why is it Important

At ATA IMS, we aim to provide a safe and conducive working environment. By embracing strict OSH compliance, we foster a workplace culture that champions health and safety and cultivates an environment that prioritises employee well-being.

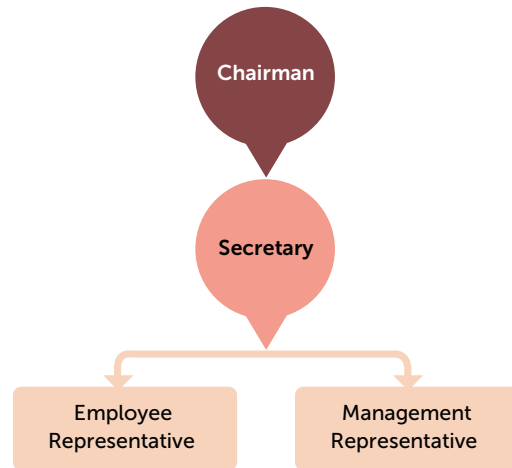
#### Our Approach

The nature of our work environment which involves operating heavy machinery, the handling of various types of equipment and exposure to potentially hazardous chemicals, require us to maintain the highest standards of safety. To accomplish this, we introduced an all-encompassing health and safety management system aimed at fostering a work environment that promotes and prioritises health and safety practices.

#### Safety and Health Committee

We established an Emergency Response Team and an Occupational Safety and Health Committee led by a qualified Safety and Health Officer. The Committee, comprising representatives from all subsidiaries, is responsible for establishing Group-wide health and safety standards. It oversees the development and periodic review of our Safety and Health Policy which outline the preventative measures for workplace accidents.

In FY2024, the Group held four quarterly health and safety committee meetings to discuss workplace accidents, preventative measures and practices aimed at minimising hazards.



#### Safety and Health Policy

In June 2023, the Safety and Health Policy was reviewed to ensure alignment with the relevant health and safety regulations along with industry best standards to guide our ongoing efforts in enhancing our workplace safety.

#### Hazard Identification, Risk Assessment and Risk Control ("HIRARC")

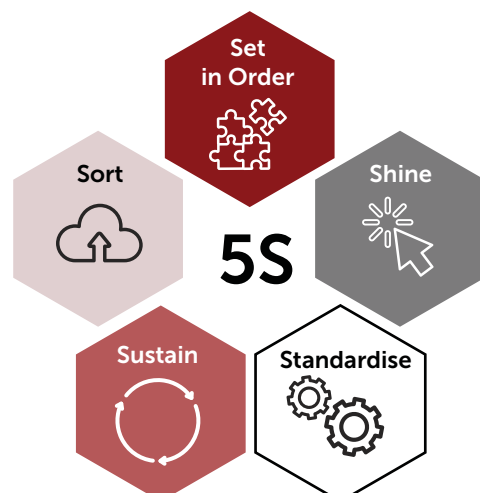
A HIRARC Procedure was conducted in February 2023 for all operational activities throughout our facilities to identify potential hazards and establish appropriate control measures. The process assesses the risk levels associated with a specific activity by considering two interrelated factors: the severity of potential injury or illness arising from the hazard, and the likelihood of occurrence of such injury or illness.

#### Workplace Housekeeping

Eliminating clutter and maintaining organised workspaces reduces the risk of potential workplace hazards. Thus, to ensure our facilities remain organised, operate efficiently and enhance worker safety, we consistently apply and uphold the principles of 5S (Sort, Set in Order, Shine, Standardise, and Sustain).

#### Certification under ISO 45001:2018

The Group achieved ISO 45001:2018 certification for our Occupational Health and Safety Management system, highlighting our ongoing improvement and compliance with international standards.



## SUSTAINABILITY STATEMENT

### Personal Protective Equipment ("PPE")

Employees receive necessary PPE tailored to their roles, including safety boots, earplugs, earmuffs and face masks. We also conduct periodic audiometric tests and eye checks for machine operators.

### Safety and Health Trainings

The Group organised a range of training programmes that encompass fire drills, emergency response training and first-aid training. Designed to equip employees with essential knowledge and skills, these initiatives ensure they can swiftly respond to potential health and safety challenges. Induction training is provided for new employees, accompanied by periodic refresher sessions. These sessions aim to reinforce safety protocols and practices, ensuring that employees are well-informed about evolving safety standards and remain vigilant in maintaining a secure working environment.

### Our Performance

For this reporting year, we are pleased to report zero fatalities and accidents across the Group. With a cumulative work duration of 5,694,752 work hours, our lost-time incident rate stands at 0.3 at ATA and 0.2 at WSP.

#### Health and Safety Performance

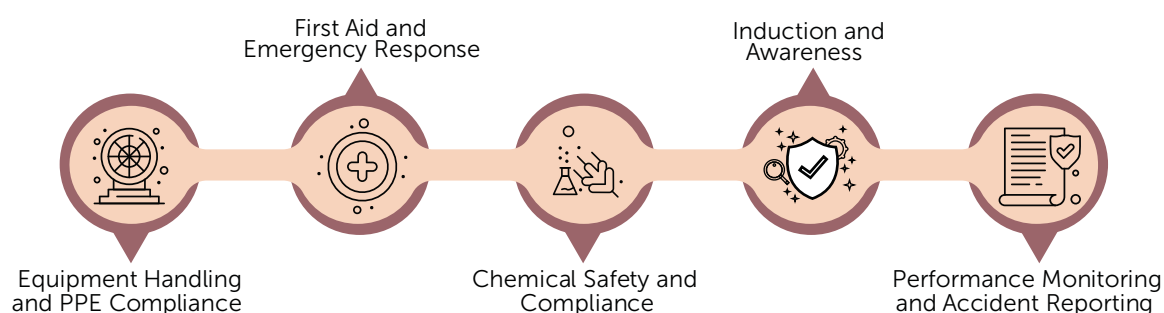
	ATA			WSP		
	FY2022	FY2023	FY2024	FY2022	FY2023	FY2024
Total number of hours worked	14,273,280	5,474,880	3,611,072	4,383,360	4,717,440	2,083,680
Total number of lost-time injuries	26	0	6	14	14	2
Total number of work-related fatalities	0	0	0	0	0	0
Lost Time Incident Frequency Rate ("LTIFR")	1.8	0.0	1.7	3.2	3.0	1.0
Lost Time Incident Rate ("LTIR")	0.4	0.0	0.3	0.6	0.6	0.2

Note:

1. LTIFR is calculated per every 1,000,000 hours worked.
2. LTIR is calculated per 200,000 hours worked.

Our training programmes, totalling 16 in FY2024 with 565 attendees, were designed to impart essential knowledge and skills vital for workplace safety. By instilling this knowledge, our workforce is well-prepared to handle on-site equipment, promoting a culture where adherence to OHS standards becomes a shared priority and responsibility among all team members.

These diverse training modules cover the following OHS topics.





## SUSTAINABILITY STATEMENT

## Health and Safety Training at ATA Industrial (M) Sdn Bhd

<b>Developing Effective Safety and Health Committee Training</b>  Date: 12 April 2023 No. of attendees: 18	CERT Academy Sdn Bhd conducted a safety and health committee training that equipped members to identify and address workplace hazards. The focus was on fostering a safety culture, ensuring regulatory compliance and improving overall workplace safety.
Mesh Consultancy & Training Centre Plt organised a forklift training programme that imparted essential skills for secure Material Handling Equipment ("MHE") operation.	<b>Safe Handling of Material Handling Equipment (MHE) Trucks Training</b>  Date: 1-2 August 2023 No. of attendees: 26
<b>Basic Occupational First Aid, CPR &amp; AED Training</b>  Date: 7-8 August 2023 No. of attendees: 21	The Basic Occupational First Aid, Cardiopulmonary Resuscitation ("CPR") & Automated External Defibrillator ("AED") training, conducted by CERT Academy Sdn Bhd, provides crucial knowledge for effective emergency response in the workplace, ensuring a safer environment for all.
This training aims to boost participants' grasp of CLASS Regulation 2013 and Chemical Safety & Spillage Control measures. It equipped participants with the knowledge and skills for safely handling dangerous substances, conducting risk assessments and effectively responding to spills to ensure workplace and environmental safety.	<b>Understanding of CLASS Regulations 2013 &amp; Chemical Safety &amp; Spillage Control</b>  No. of attendees: 8
<b>Safety &amp; Health Induction</b>  Date: April 2023 – March 2024 No. of attendees: 15	To ensure new employees are prepared for their roles and responsibilities, safety inductions are conducted. These sessions serve as an introduction to the organisation's safe culture.
A noise risk assessment that was conducted to determine if any employee was exposed to excessive noise exceeding the limits specified in regulations.	<b>Audiometric Test Programme</b>  No. of attendees: 40

## SUSTAINABILITY STATEMENT

### Health and Safety Training at Winsheng Plastic Industry Sdn Bhd

<b>5S Awareness Training</b>  Date: 19 May 2023 No. of attendees: 15	Conducted by WSP Safety department, this training emphasised the importance of 5S in the workplace for improved work quality.
Conducted by an external trainer, this training ensured participants understood the requirements for safe chemical handling to prevent workplace accidents.	<b>Chemical Handling &amp; Scheduled waste Training</b>  Date: 18-19 August 2023 No. of attendees: 24
<b>PPE Compliance Training</b>  Date: 20 September 2023 No. of attendees: 14	The WSP Safety department conducted this programme to train employees on identifying the types of PPE suitable for specific job roles in the workplace.
The WSP Safety Department trained employees on emergency workplace evacuation procedures.	<b>Emergency Evacuation Drill Training (Fire drill)</b>  Date: 5 October 2023 No. of attendees: 235
<b>Accident Reporting Training</b>  Date: 27 October 2023 No. of attendees: 4	In this programme, the WSP Safety department trained participants on internal accident reporting processes.
An External Trainer (INFONICHE) conducted this training to educate participants on the benefits of ergonomics, work-related musculoskeletal disorders (WMSDs) and risk factors as well as ergonomics at work.	<b>Workplace Ergonomic &amp; Manual Handling</b>  Date: 13 December 2023 No. of attendees: 19
<b>HSE Induction Refreshment Training</b>  Date: December & February 2023 No. of attendees: 91	The WSP Safety department conducted this training to educate participants on WSP's HSE Policy & objectives, act & regulations, emergency response, safety & health basic rules and chemical safe handling.
This training educates employees on the proper selection, use, maintenance, and disposal of PPE to ensure their safety and well-being in the workplace.	<b>Personal Protective Equipment Training</b>  Date: March 2024 No. of attendees: 25
<b>Safety Prioritising Workshop</b>  No. of attendees: 10	This workshop was designed to educate employees and stakeholders on identifying, evaluating and prioritising safety concerns within the workplace.

## SUSTAINABILITY STATEMENT

### Ethical Labour Practices

#### Why is it Important

ATA recognises our workforce as our most valuable asset, understanding that their health and well-being are intrinsically linked to organisational prosperity. To secure long-term success, ATA IMS is driven to cultivating an enriching and supportive work environment for all employees. We uphold fair and humane labour practices, ensuring the ethical treatment of our workforce by adopting the International Labour Organisation ("ILO") Convention against forced labour and the Declaration on Fundamental Principles and Rights at Work.

#### Our Approach

ATA IMS is focused on exemplary labour practises to address potential issues such as discrimination, abuse and exploitation. We uphold stringent standards and ethical practices, safeguarding the social security rights of our migrant employees and preserving the dignity and well-being of all staff, irrespective of their origin.

Our business operations are free of forced labour, debt bondage and related issues. We collaborate with relevant ministries and government agencies to fortify our existing regulations and operational procedures to enhance the working environment and living conditions for our employees. To further evaluate and improve our labour practices, we periodically conduct assessments aligned with ILO indicators and Sedex Members Ethical Trade Audit's ("SMETA") Supplier Ethical Data Exchange ("SEDEX") Requirements.

#### Our Commitments to Safeguarding Labour Rights

In FY2024, we significantly strengthened labour rights within our facilities through the implementation of our 10-Task Force Initiatives. This action plan delineates ATA's phased approach to develop a workplace environment that champions worker rights, welfare and dignity. It underscores our efforts in addressing potential challenges, strengthening our transparency and aligning our labour practices with international standards.

#### 10-Task Force Initiatives

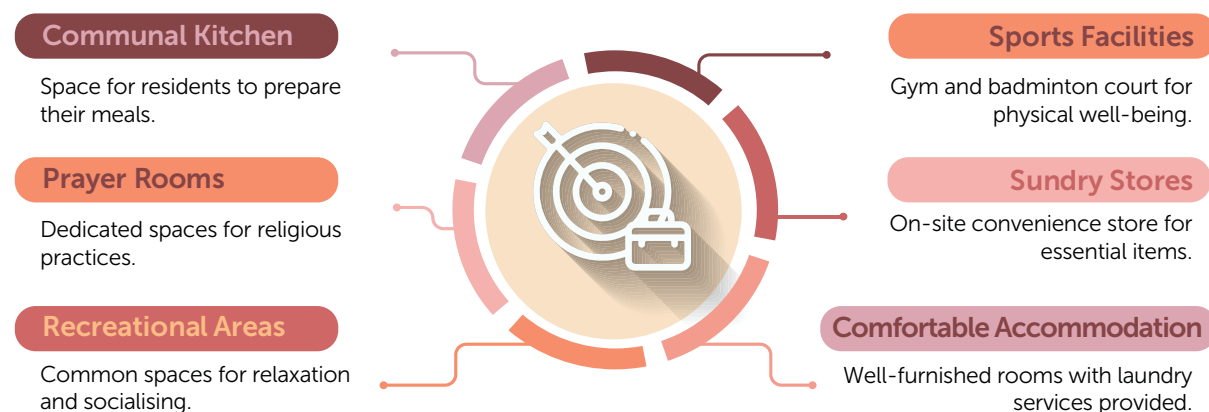
01	Transparent Facilities Information	06	Worker Document Retention and Security
02	Enhancing Living Conditions	07	Grievance Procedure
03	Zero Recruitment Fee	08	Working Hour Policy
04	Stop Participating in Rehiring & Recalibration Programme	09	Employee Benefits
05	Recruitment Agency Audit	10	Standardising Deductions for Fair Practices



## SUSTAINABILITY STATEMENT

### Safe and Compliant Worker's Accommodation

Our worker accommodations exceed the housing standards prescribed by the Malaysian Worker's Minimum Standard of Housing and Amenities Act 1990. Beyond compliance, we also ensure our workers have access to essential amenities.



#### Task Force No. 1: Transparent Facilities Information

- » ATA IMS is implementing a Building Verification Checklist to provide accurate and consistent information about our facilities.
- » This checklist is updated quarterly, ensuring that the information remains current and reliable.
- » The responsibility for updating the status of all factories, whether active or non-active facilities, are assigned to the respective business unit leader.
- » The updated facility information is systematically recorded and maintained on an inventory list for transparency and accountability in our practices.

#### Task Force No. 2: Enhancing Living Conditions

- » ATA IMS is establishing a system for maintaining records based on areas and dates, ensuring information can be provided upon request.
- » The dormitory team from HR has introduced a complete set of tools, including a checklist, schedule and scorecard, to regularly assess and enhance dormitory conditions.

## SUSTAINABILITY STATEMENT

### Responsible Recruitment Procedure

Our Responsible Recruitment Procedure outlines the evaluation process for hiring foreign workers and our policy against worker payment of recruitment fees and associated costs. This policy applies comprehensively across our business operations and extends to our recruitment partners in both origin and destination countries, fostering a Zero Fee Recruitment model that ensures fair recruitment processes.

#### Task Force No. 3: Zero Recruitment Fee

- » ATA IMS adopted a Zero Fee Policy, where all recruitment fees will be covered by the Group to alleviate the risk of debt bondage for foreign workers.
- » Worker Selection Process
  - Delegate documentation responsibilities to the recruitment agency.
  - Conduct two HR-led inductions, including briefings on dormitory and factory aspects, in both sending and receiving countries.
- » Responsible Recruitment Due Diligence ("RRDD"):
  - Verify the absence of subcontracting at the recruitment agency.
  - Provide fee assessment forms to the sending country's agent for individual completion by each worker, endorsed by the worker.
  - Monitor and validate the amount spent by foreign workers from pre- to post-departure.

#### Task Force No. 4: Stop Participating in Rehiring & Recalibration Programme

- » The government initiated the rehiring and recalibration programme to regularise immigrants as foreign workers, allowing them to be employed by eligible employers. These workers are subject to stringent conditions set by the government through the Immigration Department.
- » The programme offers undocumented immigrants a pathway to obtain legal work status in Malaysia. However, the approval process faced significant challenges and was hindered by continued delays due to the COVID-19 lockdowns.
- » Considering this factor, ATA IMS decided to discontinue participation in the Malaysia rehiring and recalibration programme. This decision protects the Group from potential legal liabilities and reinforces its commitment to ethical business practices and social responsibility.

#### Task Force No. 5: Recruitment Agency Audit

- » Distribute self-assessment sheets to the agency for completion and submission to ATA IMS.
- » Conduct an audit on the recruitment agency, ensuring compliance with documentation, business registration and the zero-fee policy.
- » Verify the existence of a service agreement between the sending and receiving countries.

#### Task Force No. 6: Worker Document Retention and Security

- » The Passport Team will revise the Standard Operating Procedure ("SOP") with clear guidelines for workers undergoing passport or work permit renewal.
- » Conduct briefings on the safety and security policy of the centralised personal locker room, perform regular inspections and review the retention period of CCTV footage.
- » Workers will no longer surrender their passports; instead, they will retain possession of them.

## SUSTAINABILITY STATEMENT

### Whistleblowing System and Grievance Procedure

ATA IMS' Whistleblowing system is independently managed by a global professional service provider with professional translators that accurately document any foreign worker grievance. Adopted in 2020, the system undergoes regular review and updates. This formal framework for raising concerns aims to provide consistent resolution of personal grievances, ensuring every employee's right to lodge a complaint without fear. The policy defines the Human Resources ("HR") Department's role in handling received grievances, and it is universally applicable regardless of an employee's tenure or position.

#### Task Force No. 7: Grievance Procedure

- » Review and refine the grievance procedure to ensure a streamlined process for workers.
- » Appoint a native speaker to attend to calls, ensuring effective communication during grievance resolution.
- » Continuously improve the overall grievance procedure for increased efficiency and responsiveness.
- » Establish an independent channel from workers to the grievance team, fostering trust and transparency.
- » Implement a systematic monitoring process for grievances using a dedicated spreadsheet.

### Workplace Harassment

ATA IMS maintains a stringent zero-tolerance policy against discrimination and harassment, including sexual harassment. Prompt action is taken to address all incidents of harassment, accompanied by a dedication to protecting individuals who report concerns from potential reprisal.

Additionally, comprehensive policies and procedures have been implemented including the Harassment Policy and Procedure at WSP and the Workplace Harassment and Inhumane Treatment Procedure at ATA. These policies undergo regular reviews and updates, outlining clear avenues for filing complaints to ensure thorough investigations of claims. Appropriate disciplinary measures are mandated in instances of violations. Our ongoing aim is to cultivate a workplace entirely free from harassment and inhumane treatment, emphasising our dedication to maintaining a positive and respectful work environment for all employees.

### Employee Benefits

In addition to our compliance with labour laws and regulations, the Group offers a diverse range of benefits that facilitate our employees' well-being and growth. These include healthcare coverage, insurance options, various allowances and opportunities for professional development.



## SUSTAINABILITY STATEMENT



Canteen

- » A spacious and well-equipped facility that encourages social interaction during meal breaks.
- » Offers a diverse menu with nutritious and affordable meals.
- » Hygienic and clean to ensure safe dining.



Healthcare

- » Provides accessible basic medical services and assistance.
- » Staffed with qualified medical professionals to address minor health concerns as well as provide first aid.
- » Conducts regular health check-ups and preventive care programmes to monitor and enhance employee health.
- » Strict confidentiality is maintained in all medical matters.

## Task Force No. 8: Working Hours Policy

- » Review and enhance working hours policies.
- » Clarify and communicate overtime and working hours policies to workers and business unit leaders for improved understanding and compliance.

## Task Force No. 9: Employee Benefits

- » Improve the procedures regarding allowance and benefits for workers.
- » Provide briefing to workers on allowance and their standard basic wage during induction.

## Task Force No. 10: Standardising Deductions for Fair Practices

- » Standardise deductions, particularly for accommodation expenses.
- » Conduct briefings and secure agreement from workers on standardised deductions.

[Employee Handbook](#)

On commencing work at ATA IMS, every employee receives a handbook outlining the terms and conditions of employment, employee benefits, entitlements, standards of conduct, work code and workplace rights policies. The handbook is regularly reviewed to ensure relevance and effectiveness.

## Our Performance

[Protection of Human Rights](#)

We recorded zero complaints concerning human rights violations last year, indicative of our efforts to uphold high labour standards as well as safeguard the rights of every individual within our operations.

Human Rights Violations			
	FY2022	FY2023	FY2024
No. of substantiated complaints concerning human rights violation	0	0	0

## SUSTAINABILITY STATEMENT

### Parental Leave Entitlements

In FY2024, 41 employees, including 18 men and 23 women utilised the parental leave entitlements. On their return, 27 employees successfully re-entered the workforce, indicating a return-to-work rate of 66%. Notably, 30 employees who returned after parental leave remained employed 12 months later, showcasing the enduring impact of our parental leave policies on long-term employee retention.

	Parental Leave					
	FY2022		FY2023		FY2024	
	Men	Woman	Men	Woman	Men	Woman
No. of employees that took parental leave	39	45	21	29	18	23
No. of employees that returned after parental leave	39	37	21	15	18	9
No. of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	14	9	6	8	16	14

### Diversity and Equal Opportunities

#### Why is it Important

Embracing diversity, equity and inclusion is vital for sustained operational success. By leveraging a diverse team, we obtain richer perspectives that equip us to understand and navigate our stakeholders' needs. Thus, ATA IMS works to develop an inclusive working culture and provide equal opportunities that inspire our people to reach their greatest potential.

#### Our Approach

At ATA IMS, we operate on a zero-tolerance policy against any form of discrimination and promptly investigate any allegations to create a safe workplace environment. Gender equality considerations are integrated into our decision-making, recruitment and appraisal processes across operational facilities. Additionally, we provide competitive remuneration, benefits packages and equal opportunities for talent development. Our goal is to cultivate an inclusive environment that encourages, supports and celebrates the diverse voices of all our employees.

#### Discrimination Policy and Procedures

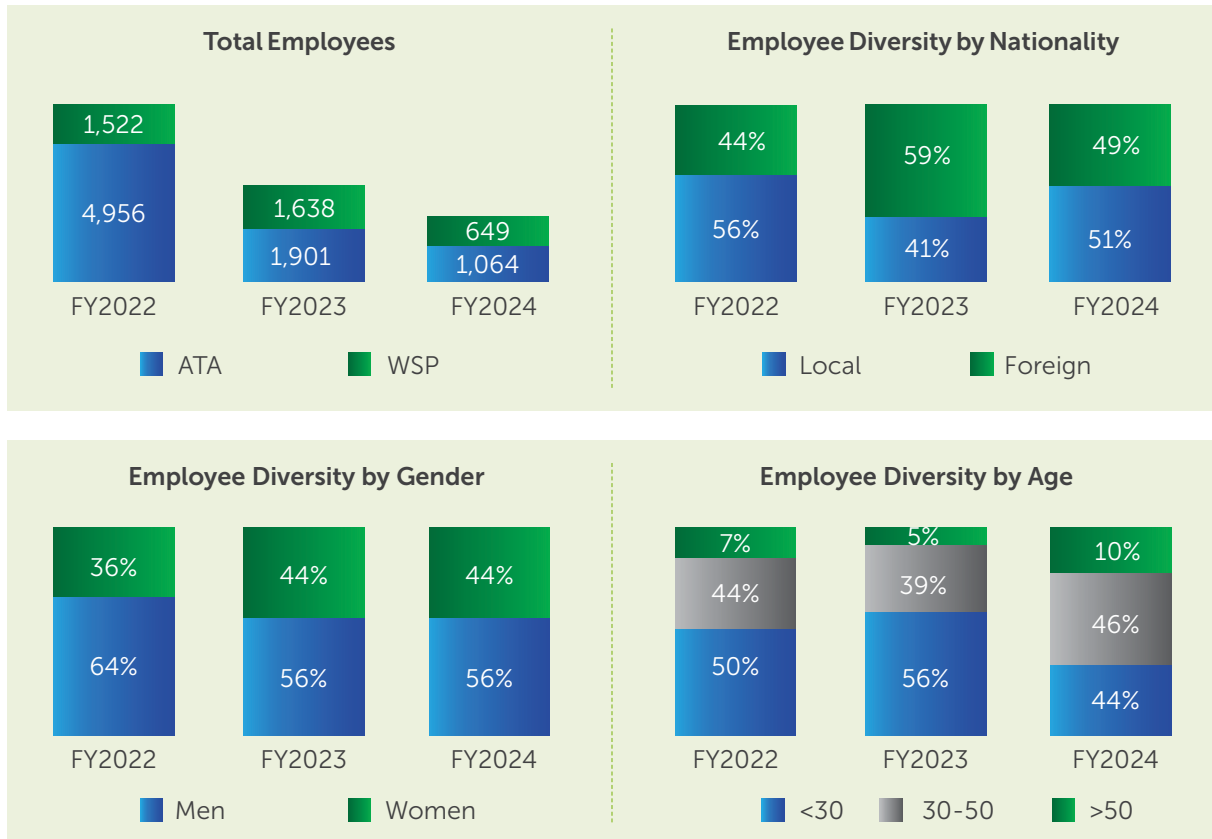
Our Anti-Discrimination Policy at WSP and Discrimination Procedure at ATA establish clear standards for employee conduct, prohibiting discrimination against any individual based on race, colour, gender, national origin, religion, disability, sexual orientation or age. These standards extend across all facets of our employment practices, ensuring equal opportunities for both employees and job applicants. Employment decisions within the Group adhere to meritocratic principles, focusing on knowledge, skill, efficiency and the ability to meet job requirements.

## SUSTAINABILITY STATEMENT

### Our Performance

#### Creating a Diverse and Inclusive Workplace

Although we have strategically reduced our workforce, we continue to maintain a balanced employee composition. Our current workforce consists of 51% local employees and 49% foreign workers. Gender diversity remains a focus, with men comprising 56% and women making up the remaining 44%. Additionally, 44% of employees aged 30 and below, 46% between 30 and 50 years old, and 10% aged 50 and above.

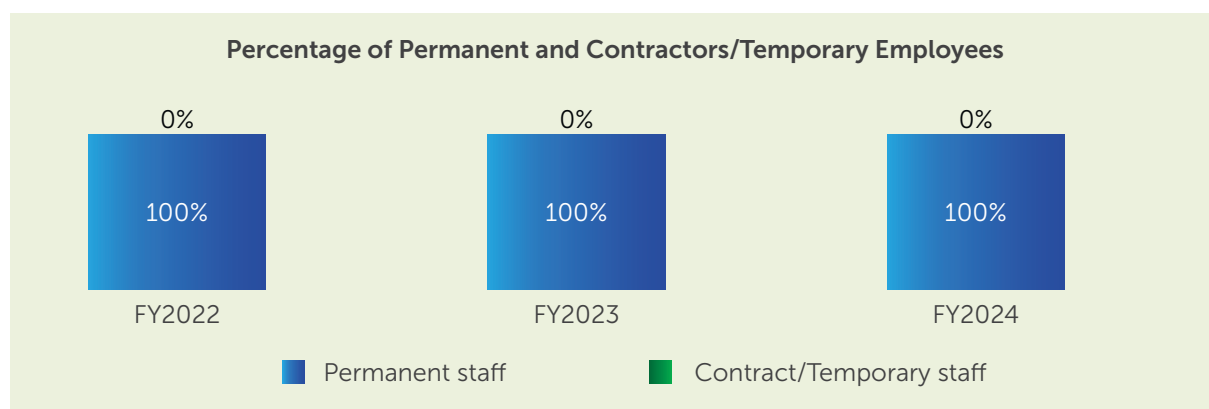


Gender Diversity by Employee Category (%)				
Employee Category	Gender	FY2022	FY2023	FY2024
Senior Management	Men	44	60	62
	Women	56	40	38
Management	Men	84	80	81
	Women	16	20	19
Executive	Men	75	60	62
	Women	25	40	38
Non-Executive	Men	59	56	54
	Women	41	44	46

## SUSTAINABILITY STATEMENT

Age Diversity by Employee Category (%)				
Employee Category	Age	FY2022	FY2023	FY2024
Senior Management	<30	6	10	8
	30-50	56	20	15
	>50	38	70	77
Management	<30	1	0	0
	30-50	55	61	60
	>50	44	39	40
Executive	<30	53	11	11
	30-50	41	70	65
	>50	6	19	23
Non-Executive	<30	50	59	48
	30-50	44	37	44
	>50	6	4	8

At ATA IMS, we provide permanent positions to our entire workforce, promoting job stability and security for the benefit of our valued team members.



### Training and Education

#### Why is it Important

In response to shifts within the electronics manufacturing industry, we focus on nurturing our talent pool to strategically position the Group for future success. To ensure the future competitiveness of our workforce, we harness the collective strength of our employees. We actively seek to engage and attract top-tier talents while empowering and nurturing the growth of our current staff.

#### Our Approach

##### Learning and development Procedure

Our Learning and Development Procedure serves as a training system for employee development, outlining the necessary procedures to ensure all employees receive training to enhance their career-related skills and knowledge. The primary objective is to nurture a culture of learning and continuous development across all levels of the Group.

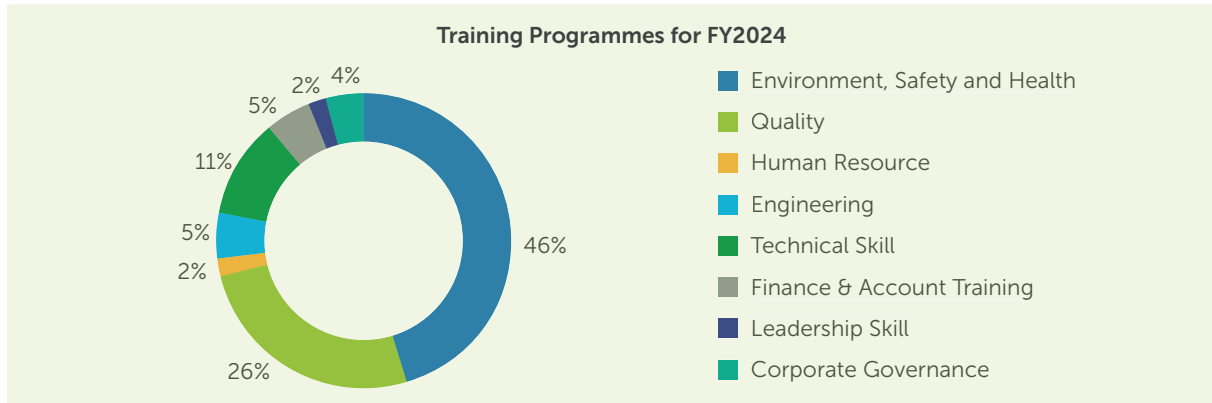


## SUSTAINABILITY STATEMENT

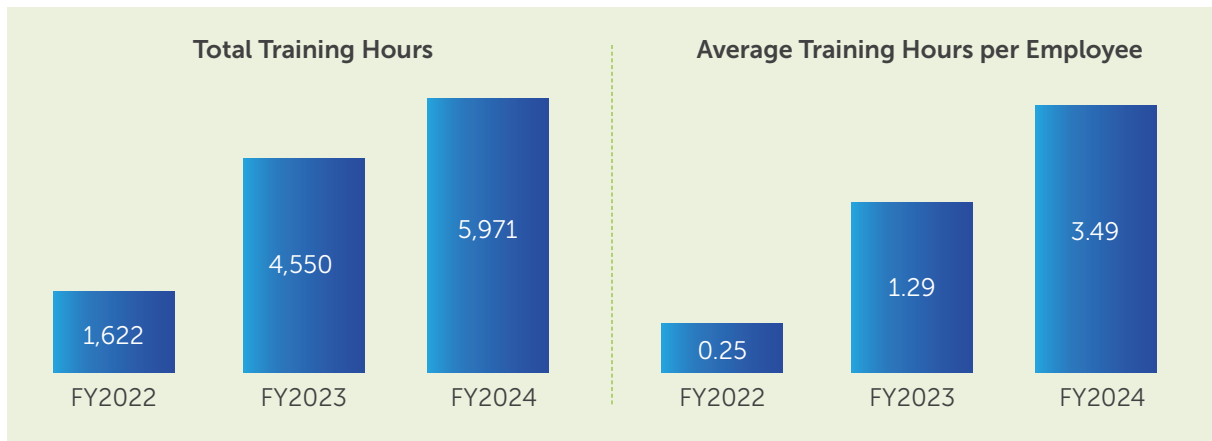
### Our Performance

#### Workforce Training and Development

This year, we conducted a total of 57 training programmes, covering a diverse range of topics including environment, safety and health, quality, technical skill, engineering, finance & account training, corporate governance, human resources, and leadership skills that allow our workforce to develop the necessary skill sets and excel in their duties.



FY2024 also highlighted the Group's significant emphasis on employee development, as indicated by a collective engagement in a total of 5,971 training hours, fostering a culture of continuous learning and growth.



#### Total Training Hours by Employee Category

Employee Category	FY2022	FY2023	FY2024
Senior Management	28	168	94
Management	175	945	653
Executive	341	1,624	1,828
Non-Executive	1,078	1,813	3,396

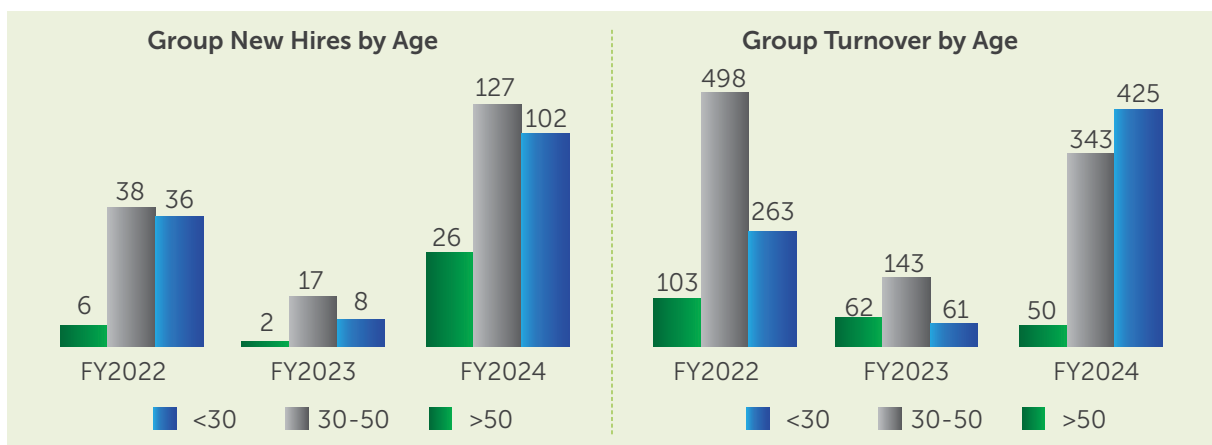
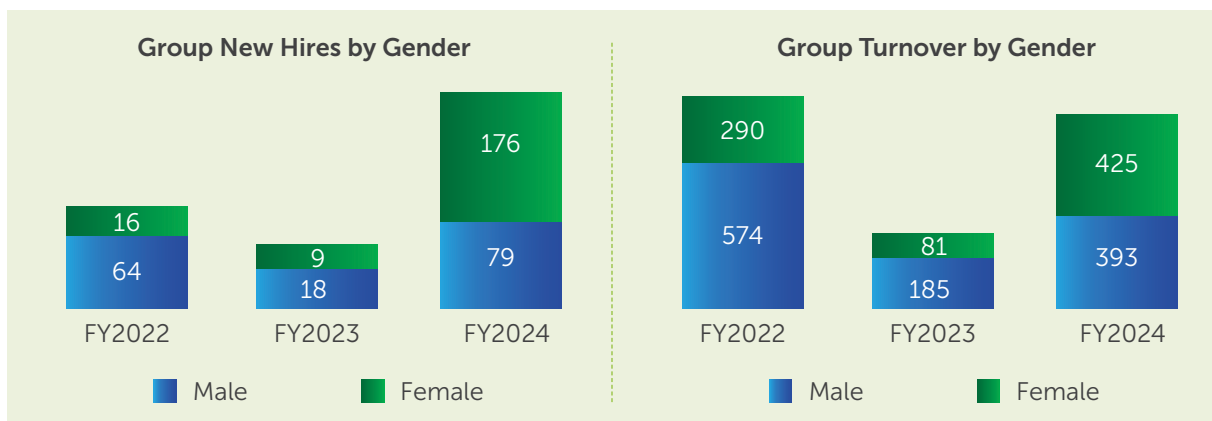
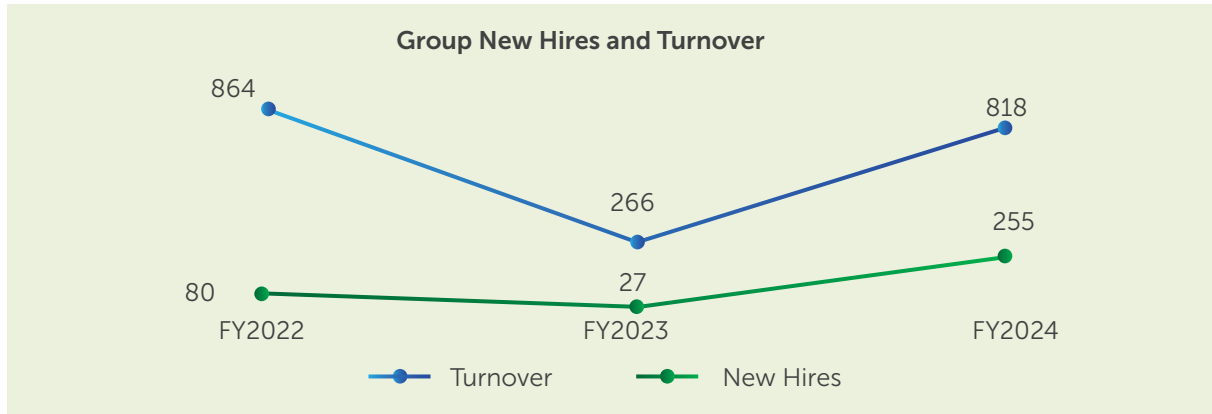
#### Average Training Hours by Employee Category

Employee Category	FY2022	FY2023	FY2024
Senior Management	1.75	16.80	7.23
Management	1.47	19.29	15.55
Executive	0.21	8.59	13.85
Non-Executive	0.23	0.55	2.23

## SUSTAINABILITY STATEMENT

### Employee Retention

In FY2024, the Group recorded 255 new hires and 818 turnovers, reflecting the Group's decision to streamline our workforce while simultaneously providing qualified individuals with new employment opportunities.



Total No. of Employee Turnover			
Employee Category	FY2022	FY2023	FY2024
Senior Management	2	3	3
Management	77	37	14
Executive	414	117	50
Non-Executive	371	109	751

Note:

1. Turnover data includes only voluntary resignations by the employees

## SUSTAINABILITY STATEMENT

### Corporate Social Responsibility ("CSR") Highlights

ATA participated in the Johor Interactive Expo 2023 organised by Persatuan Jaya Diri (Johore) & Ibrahim Sultan Polytechnic on 9 December 2023. This event served as a platform for secondary school students and youths interested in technical and vocational education and training ("TVET") and associated careers. The programme aimed to raise awareness about TVET skills and the opportunities available at Polytechnics, Community Colleges and Public Skills Training Institutions ("ILKA").

During the one-day event, various activities such as exhibitions and talks were held. One such segment was titled "Sharing of Experience and Success Stories" where speakers who have achieved success in the TVET field imparted their insights benefiting over 300 participants.



» *Johor Interactive Expo 2023*

We recognise the importance of supporting vulnerable groups, viewing it as both a moral obligation and an opportunity to positively impact their lives. On 27<sup>th</sup> March 2024, ATA conducted a CSR programme in collaboration with Taman Sinar Harapan Jubli Johor Bahru, a nursing and old folks' home in our local community.

As part of this initiative, ATA donated essential items such as personal care and hygiene products, with a total contribution worth RM1,000. The beneficiaries of this CSR effort were 174 individuals, including 14 elderly residents and 160 Persons with Disabilities ("PWDs"), predominantly females, who receive care and support at the institution.



» *CSR Programme with Taman Sinar Harapan Jubli*

### **Towards A Promising Future**

In navigating the dynamic EMS industry, ATA IMS's commitment to cultivating an ethical workplace environment stands resolute. Our social sustainability aspirations are to transcend regulatory compliance, and we dedicate ourselves to building on our current progressive worker right initiatives. Upholding stringent labour standards and ethical practices, we envision the development of a workplace culture where brand competitiveness is balanced with the protection of employee rights. Embracing this approach, we aim to set a precedent for a socially responsible workplace culture, guiding our ongoing endeavours to sustain an empowering work environment.

We strive to optimise energy consumption throughout our manufacturing process and achieve operational excellence across our operations and value chain. Determined to pursue long-term success for stakeholders and driven by existing accomplishments, ATA IMS remains steadfast in our commitment to responsible business practices for a sustainable future.

## SUSTAINABILITY STATEMENT

### PERFORMANCE DATA TABLE

This ESG Performance Table was generated from Bursa Malaysia's ESG Reporting Platform. It is included in this Sustainability Statement as mandated by Bursa Malaysia's enhanced Sustainability Reporting requirement.

Indicator	Measurement Unit	2024
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	100.00
Management	Percentage	81.00
Executive	Percentage	14.00
Non-Executive	Percentage	30.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	53.00
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	15,134.00
Bursa C4(a) Total energy consumption	Gigajoules	54,482.00
<b>Bursa (Emissions management)</b>		
Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	110.00
Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	11,161.00
Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting)	Metric tonnes	7.50
<b>Material Consumption</b>		
Bursa S5(a) Total weight or volume of materials used to produce products	pc	73,578,714.0
<b>Bursa (Waste management)</b>		
Bursa C10(a) Total waste generated	Metric tonnes	747.52
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	547.74
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	199.78
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	203.500000
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.30
Bursa C5(c) Number of employees trained on health and safety standards	Number	565

## SUSTAINABILITY STATEMENT

Indicator	Measurement Unit	2024
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	94
Management	Hours	653
Executive	Hours	1,828
Non-Executive	Hours	3,396
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	3
Management	Number	14
Executive	Number	50
Non-Executive	Number	751
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	8.00
Senior Management Between 30-50	Percentage	15.00
Senior Management Above 50	Percentage	77.00
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	60.00
Management Above 50	Percentage	40.00
Executive Under 30	Percentage	11.00
Executive Between 30-50	Percentage	65.00
Executive Above 50	Percentage	24.00
Non-Executive Under 30	Percentage	48.00
Non-Executive Between 30-50	Percentage	44.00
Non-Executive Above 50	Percentage	8.00
Gender Group by Employee Category		
Senior Management Male	Percentage	62.00
Senior Management Female	Percentage	38.00
Management Male	Percentage	81.00
Management Female	Percentage	19.00
Executive Male	Percentage	62.00
Executive Female	Percentage	38.00
Non-Executive Male	Percentage	54.00
Non-Executive Female	Percentage	46.00

## SUSTAINABILITY STATEMENT

Indicator	Measurement Unit	2024
<b>Bursa (Diversity)</b>		
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	67.00
Female	Percentage	33.00
Under 30	Percentage	0.00
Between 30-50	Percentage	17.00
Above 50	Percentage	83.00
Bursa C6(b) Percentage of employees that are contractors or temporary staff Percentage 0.00	Percentage	0.00
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	474





## SUSTAINABILITY STATEMENT

## GRI CONTENT INDEX

Statement of use ATA IMS Berhad has reported the information cited in this GRI content index for the period 1 April 2023 to 31 March 2024 with reference to the GRI Standards.

<b>Statement of use</b>	ATA IMS Berhad has reported the information cited in this GRI content index for the period 1 April 2023 to 31 March 2024 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 2: General Disclosures 2021	2-1 Organisational details	14
	2-2 Entities included in the organisation's sustainability reporting	14
	2-3 Reporting period, frequency and contact point	14
	2-7 Employees	58 - 60
	2-9 Governance structure and composition	21
	2-12 Role of the highest governance body in overseeing the management of impacts	21
	2-13 Delegation of responsibility for managing impacts	27 - 29
	2-14 Role of the highest governance body in sustainability reporting	21
	2-19 Remuneration policies	35
	2-20 Process to determine remuneration	35
	2-22 Statement on sustainable development strategy	17
	2-23 Policy commitments	18, 34 - 35
	2-24 Embedding policy commitments	18, 34 - 35
	2-25 Processes to remediate negative impacts	-
	2-26 Mechanisms for seeking advice and raising concerns	35, 56
	2-27 Compliance with laws and regulations	46
	2-28 Membership associations	14
	2-29 Approach to stakeholder engagement	22 - 23
GRI 3: Material Topics 2021	3-1 Process to determine material topics	24
	3-2 List of material topics	25
	3-3 Management of material topics	14 - 66
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	27 - 29
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	32
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	36
	205-2 Communication and training about anti-corruption policies and procedures	34
	205-3 Confirmed incidents of corruption and actions taken	36
GRI 301: Materials 2016	301-1 Materials used by weight or volume	44
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	38 - 39
	302-4 Reduction of energy consumption	38 - 39
GRI 303: Water and Effluents 2018	303-5 Water consumption	42 - 43

## SUSTAINABILITY STATEMENT

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	40 - 42
	305-2 Energy indirect (Scope 2) GHG emissions	41 - 42
	305-3 Other indirect (Scope 3) GHG emissions	41 - 42
	305-4 GHG emissions intensity	-
	305-5 Reduction of GHG emissions	41 - 42
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	44 - 45
	306-2 Management of significant waste-related impacts	44
	306-3 Waste generated	45
	306-4 Waste diverted from disposal	45
	306-5 Waste directed to disposal	45
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	62
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	56
	401-3 Parental leave	58
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	49 - 50
	403-2 Hazard identification, risk assessment, and incident investigation	49
	403-4 Worker participation, consultation, and communication on occupational health and safety	49 - 50
	403-5 Worker training on occupational health and safety	50 - 52
	403-9 Work-related injuries	50
	403-10 Work-related ill health	-
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	61
	404-2 Programmes for upgrading employee skills and transition assistance programs	60
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	35, 59 - 60
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	57
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	63
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	36

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") of ATA IMS Berhad ("ATA") and its subsidiaries ("the Group") is always committed toward ensuring high standards of corporate governance to assure greater transparency and protection of shareholders' interest.

The Board is guided by the principles and practices sets out in the Malaysian Code on Corporate Governance 2021 ("MCCG").

This Corporate Governance Overview Statement is prepared in compliance with the Main Market Listing Requirements (LR) of Bursa Malaysia Securities Berhad. This Statement provides an overview on the Group's application of the three broad principles of MCCG, namely Board Leadership and Effectiveness, Effective Audit & Risk Management and Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

ATA has also completed the Corporate Governance Report 2024 ("CG Report") which is available on the Company's website at [www.ataims.com.my](http://www.ataims.com.my).

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

### Part I. Board Responsibilities

#### 1. Board's Responsibility and Leadership on Objectives and Goals

##### 1.1 Setting of strategic aim, values and standards

The Board regard Corporate Governance as vital to the success of the Group's business and are unreservedly committed to applying the principles necessary to ensure that the following aspects of good governance are practised in all of its business dealings in respect of the Company's shareholders and relevant stakeholders:

- The Board is the focal point of the Company's Corporate Governance system. It is ultimately accountable and responsible for the performance and affairs of the Company, including the oversight of subsidiaries' operations;
- All Board members are expected to act in a professional manner, thereby upholding the core values of integrity and enterprise with due regard to their fiduciary duties and responsibilities;
- All Board members are responsible to the Company for achieving a high level of good governance;
- Effective board leadership and oversight require the integration of sustainability considerations in corporate strategy, governance and decision-making, as sustainability and its underlying environment, social as well as governance issues become increasingly material to the ability of the Company to create durable and sustainable value for stakeholders; and
- Directors are bound by statutes which are pronounced by the relevant authorities from time to time.

The Board recognises the key role it plays in charting the strategic direction of the Group and has assumed the following specific duties in discharging its fiduciary and leadership functions:

- a) Reviewing and adopting the strategic plan of the Group that supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- b) Overseeing and evaluating the conduct of the Group's businesses by promoting good corporate governance culture within the company which reinforces ethical, prudent and professional behaviour;

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

#### Part I. Board Responsibilities

#### 1. Board's Responsibility and Leadership on Objectives and Goals

##### 1.1 Setting of strategic aim, values and standards

- c) Identifying principal risks and set the risk appetite within which the board expects management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
- d) Ensure that senior management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of board and senior management;
- e) Ensure that the Group has in place procedures to enable effective communication with all stakeholders;
- f) Ensure that all its directors are able to understand financial statements and form a view on the information presented;
- g) Ensure the integrity of the Group's financial and non-financial reporting.
- h) Ensure there is a sound framework for internal controls and risk management; and
- i) Primarily responsible for Anti-Bribery and Corruption ("ABC") Management ("ABCM") and ABC Policy for the Group by reviewing the adequacy and effectiveness of the Group's ABCM system as well as promoting appropriate ABC culture within the Group.

In the discharge of its duties, the Board is supported by two Board Committees namely the Audit Committee (AC), and Nominating and Remuneration Committee ("NRC"). These Committees examine specific issues within their respective terms of reference as approved by the Board and report to the Board with their recommendations. The ultimate responsibility of decision making, however, lies with the Board.

Whilst the Board is responsible for creating the framework and policies within which the Group should be operating, management is responsible for instituting compliance with laws, regulations, rules, directives and guidelines, including the achievement of the Group's corporate objectives. This demarcation of roles both complements and reinforces the supervisory role of the Board.

The Board is responsible for strategic planning, setting of corporate goals, organising resources, monitoring the achievement of goals and identifying critical business risks. The Board assumes full responsibility for the overall performance of ATA and its subsidiaries by providing leadership and direction as well as management supervision. It also lays down the appropriate policies for managing the related risks to ensure that good internal controls are in place for operational efficiency and effectiveness of the Group.

The Board reserves full decision making powers on the following matters to ensure the direction and control of the Group to be firmly in the Board's hand:

- Conflict of interest issues;
- Major changes in the activities of the Company, investment or divestment, acquisitions and disposal of assets (in the ordinary course or otherwise), including corporate restructuring exercise, which exceed specific thresholds as stipulated in "Financial Level of Delegated Authority Manual";
- Approval of Treasury policies and limits of authority, including changes thereof;
- Group's policies including risk management policy, anti-bribery and corruption policy, code of ethic and conduct, whistle blowing policy and other policies that are required by LR or MCCG;

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

#### Part I. Board Responsibilities

#### 1. Board's Responsibility and Leadership on Objectives and Goals

##### 1.1 Setting of strategic aim, values and standards

- Approval of financial statement and the release of corporate announcements to Bursa Securities or other relevant authorities;
- Appointment, removal and remuneration package of Directors (except for fees which are to be approved by shareholders);
- Appointment and removal of the Company Secretary; and
- Other relevant matters requiring the Board's approval under the Constitution of the Company, law or as may be determined by the Board from time to time.

##### 1.2 Chairman of the Board

The responsibility of the Chairman is to ensure effectiveness of the Board in achieving corporate and business objectives. He is focused on setting the Group's strategic vision and direction and leading the Board in overseeing the proper conduct of business.

The Board Chairman is responsible for:

- a) Leading the Board in setting the values and standards of ATA and providing leadership for the Board so that it can perform its responsibilities effectively;
- b) Maintaining a relationship of trust between the Executive and Non-Executive Directors and managing interface between the Board and management;
- c) Ensuring effective communication with shareholders and relevant stakeholders and that their views are communicated to the board as a whole; ;
- d) Leading the board in the adoption and implementation for good corporate governance practices;
- e) Arranging regular evaluation of the performance of the Board, its Committees and individual Directors; and
- f) Facilitating the effective contribution of Non-Executive Directors and ensuring collegial relationship is maintained between Executive and Non-Executive Directors.

The Chairman, in consultation with Company Secretary, sets the agenda for Board meetings and ensures that relevant issues are on the agenda and information is provided to Directors on a timely basis. The Chairman is also responsible in leading Board meetings, encouraging active participation and allowing dissenting views to be freely expressed by Board members.

##### 1.3 Segregation of Roles and Responsibilities of Chief Executive Officer ("CEO") and Chairman

The Board adopted the Practice 1.3 of the MCCG 2021 whereby the Chairman and CEO are held by different individuals in order to promote accountability and facilitate division of responsibilities between them. While the Chairman is responsible in leading the Board towards the Group's objective, the CEO focuses on the business and day-to-day management and operations of the Group.

##### 1.4 Chairman of the Board is not a member of Committee

The Board is aware that having the same person assume the position of Chairman of the board and Chairman of AC and NRC gives rise to the risk of self-review and may impair the objectivity when deliberating on the recommendations put forth by the board committees. Thus, the Board had adopted the Practice 1.4 of the MCCG 2021 whereby the Chairman of the Board is not the member of AC and/or NRC, this is to ensure there is check and balance as well as objective review by the board.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

#### Part I. Board Responsibilities

#### 1. Board's Responsibility and Leadership on Objectives and Goals

##### 1.5 Company Secretaries

The Board is supported by competent and experienced Company Secretaries who are members of professional bodies and are qualified under section 235(2)(a) of the Companies Act, 2016. The roles and responsibilities of a company secretary include managing all board and committee meeting logistics, attend and record minutes of all board and committee meetings and facilitate board communications, manage processes pertaining to the annual shareholder meeting, serve as a focal point for shareholders' and other stakeholders' communication, facilitate the orientation of new directors and assist in director training and development.

The Board is regularly updated and advised by the Company Secretaries on statutory and regulatory requirements and the resulting implications of any changes therein to the Group and Directors in relation to their duties and responsibilities.

The Company Secretaries are accountable to the Board through the Chairman of the Board and Committees on all governance matters.

The Company Secretaries always advise Directors of their obligations to adhere to matters relating to:

- Disclosure of interest in securities;
- Disclosure of any conflict of interest in a transaction involving ATA and/or the Group;
- Prohibition on dealing in securities;
- Restrictions on disclosure of price-sensitive information; and
- Changes in regulatory requirements that affect ATA and/or Directors in the discharge of their responsibilities.

The Company Secretaries are responsible and entrusted with recording the Board's deliberations and discussions during the Board and Committee meetings. All pertinent issues discussed at the Board meetings in arriving at decisions and conclusions are properly recorded by the Company Secretaries by way of minutes of meetings. The conclusions and the minutes of the previous Board meeting are distributed to the Board and Committee members prior to the Board meeting for their perusal. The Directors may comment or request clarification before the minutes are tabled for confirmation and signed by the Chairman of the meeting as a correct record of the proceedings of the meeting.

Directors have unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively. The appointment and removal of the Company Secretaries is a matter for the Board as a whole to decide.

During the financial year, the Board is satisfied with the performance and services rendered by the Company Secretaries.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

#### Part I. Board Responsibilities

#### 1. Board's Responsibility and Leadership on Objectives and Goals

##### 1.6 Access to information and advice

The Board recognises that the decision-making process is highly dependent on the quality of information furnished. As such, Board members have full and unrestricted access to all information pertaining to the Group's businesses and affairs. Directors are supplied with relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters for decisions to be made on an informed basis and effective discharge of the Board's responsibilities.

Board and Board Committees papers, which are prepared by management, provide the relevant facts and analysis for the convenience of Directors. Procedures have been established for timely dissemination of Board and Board Committee papers to all Directors at least five (5) business days prior to the Board and Board Committee meetings. This enables the Directors to have sufficient time to review and to facilitate effective discussion and decision making by the Board on matters arising.

Senior management of the Group and external advisers are invited to attend Board meetings to provide additional insights and professional views, advice and explanations on specific items on the meeting agenda. Besides direct access to management, Directors may obtain independent professional advice at the Group's expense, if considered necessary, in accordance with established procedures set out in the Board Charter in furtherance of their duties.

The Chairman shall ensure that board committee meetings are not combined with the main board meeting to enable objective and independent discussion during the meeting.

Full minutes of each Board meeting are kept by the Company Secretaries and are made available for inspection by any Director during office hours.

#### 2. Demarcation of Responsibilities between the Board, Board Committees and Management

##### 2.1 Board Charter

The roles and functions of the Board, Board Committees, including the differing roles of the Executive Directors and Non-Executive Directors as well as the schedule of issues and decisions reserved for the Board, are clearly delineated in the Board Charter. The Board Charter is reviewed when it is deemed necessary, in order to ensure the practices of the Group are in line with latest changes in MCCG and LR. The Board Charter is available on ATA's website at [www.ataims.com.my](http://www.ataims.com.my).

#### 3. Promoting Good Business Conduct and Healthy Corporate Culture

##### 3.1 Code of Ethics and Conduct

The Group is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness. The Group recognises the need to formalise and commit to ethical values through the Code of Ethics and Conduct. The Code of Ethics and Conduct is intended to apply to all employees, customers and vendors of the Group.

The Code of Ethics and Conduct establishes standards to ensure that working environments and conditions are safe and healthy, conflicts of interest are avoided, workers are treated with respect and dignity, confidentiality is observed, good personal behaviour is exhibited and business operations are conducted ethically.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

#### Part I. Board Responsibilities

#### 3. Promoting Good Business Conduct and Healthy Corporate Culture

##### 3.1 Code of Ethics and Conduct

The fundamental principle in adopting the Code of Ethics and Conduct is to ensure that all business activities are in full compliance with the laws, rules and regulations of the country which it operates in. If a law of the country conflicts with a rule or policy set out in the Code of Ethics and Conduct, affected personnel should comply with the law. Besides, the Code of Ethics and Conduct encourages affected personnel to go beyond legal compliance and adopt internationally recognised standards in order to advance business ethics and conduct.

The Group is open to receiving inputs from stakeholders with the aim of continued development and implementation of the Code of Ethics and Conduct and to adopt the best practices where possible.

This Code of Ethics and Conduct is a general guide to acceptable and appropriate behavior at ATA and it is not intended to be exhaustive. Therefore, there may be other additional obligations that management is expected to comply with when performing their duties.

The Group's Code of Ethics and Conduct is available on ATA's website at [www.ataims.com.my](http://www.ataims.com.my).

##### 3.2 Whistleblowing Policy and Procedures

All stakeholders (including but not limited to, employees, customers, suppliers, government bodies and financial institutions) are encouraged to raise genuine concerns about possible improprieties in matters of financial reporting, compliance and other malpractices in the Group at the earliest opportunity, and in an appropriate way.

This Whistleblowing Policy and Procedures is designed to:

- Support ATA's values and Code of Ethics and Conduct;
- Ensure stakeholders can raise genuine concerns without fear of reprisals and safeguard such person's confidentiality;
- Protect whistleblower from reprisal consequent to making a genuine disclosure; and
- Provide a transparent and confidential process for dealing with concerns.

The Whistleblowing Policy and Procedures is available on ATA's website at [www.ataims.com.my](http://www.ataims.com.my).

##### 3.3 Anti-Bribery and Corruption Policy

In line with the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009 ("MACC"), the Group has established an Anti-Bribery and Corruption ("ABC") Policy with the objective to take reasonable and proportionate measures to ensure the business environment is free of corruption. The Policy is applicable to the Board of Directors, all employees of the Group and any party associated with the Group.

The Group had developed a comprehensive set of measures to combat bribery and corruption of all forms related to its operations. These measures would be implemented in the form of policies and procedures, communication, and enforcement to ensure they are effective at all times.

The ABC Policy is available on ATA's website at [www.ataims.com.my](http://www.ataims.com.my).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

#### Part I. Board Responsibilities

#### 4.0 Risks and Opportunities

##### 4.1 Governance of Sustainability

The Board and management work together for the governance of sustainability including setting the group's sustainability strategies, determining and prioritizing sustainability issues as well as review of sustainability process. Economic, Social and Governance ("ESG") issues had been factors in our business strategies and decision making as our effort towards global commitment of transition to a net zero economy.

The Group Chairman provides leadership and direction for the sustainability priorities. The ESG team oversees the implementation and progress of the Group's ESG objectives and targets. while heads of departments drive the implementation of the priorities on day-to-day operations by proactively engaging with internal and external stakeholders.

##### 4.2 Sustainability priorities and initiatives

The Board is aware of the responsibility to communicate to the internal and external stakeholders on the group's sustainability priorities, targets and performance against these targets. The Group's priorities and initiatives taken during the financial year under review can be found in the Sustainability Statement on page 13 of this Annual Report.

##### 4.3 Board's engagement

Management is responsible to provide timely updates to the Board on the sustainability issues related to the Group's business and operations, including climate-related risks and opportunities, this is to ensure the Board has sufficient understanding and kept abreast of the key sustainability matters that are relevant to the Group and its business.

##### 4.4 Performance evaluations and reviews

While the senior management and head of department across their operation and functional units are responsible for the achievement of sustainability targets for their division or departments, the board is playing an oversight role to ensure material sustainability issues are being taken care of effectively. The Board and Board Committee evaluation framework consists of related sustainability assessment criteria to ensure the Board is performing their role well in addressing material sustainability risks and opportunities.

#### Part II. Board Composition

#### 5. Objectivity of the Board

##### 5.1 Composition of the Board

The Board consists of six (6) members comprising three (3) Executive Directors, and three (3) Independent Non-Executive Directors. The directors with their diverse backgrounds, experiences and specialisations had brought a wide range of expertise to the Group.

The NRC is responsible for the appointment and annual re-election of a director and it is always contingent on a satisfactory evaluation of the director's performance and contribution to the Group.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

#### Part II. Board Composition

#### 5. Objectivity of the Board

##### 5.2 Independent Directors

With three (3) Independent Non-Executive Directors on the board, the Board's composition is therefore in compliance with Paragraph 15.02(1) of the MMLR of Bursa Securities which stipulates that at least two Directors or one third of the Board, whichever is higher, must be Independent Directors and also the recommendation by the MCCG 2021 to have at least half of the Board comprising Independent Directors.

Independent Directors are independent of management, thereby ensuring independence in the Board's deliberation and decision-making. The role of Independent Directors is crucial in ensuring that the interest of all shareholders, stakeholders and communities as a whole are taken into account by the Board and that the relevant proposals are fully challenged and subjected to impartial consideration by the Board.

Given the scope of responsibilities for managing the Group's business operations, the Board considers its current composition and size as adequate.

##### 5.3 Tenure of Independent Directors

The Group had established an Independent Director Tenure Policy that limits the tenure of its independent directors to nine years. Under this Policy, the tenure of an independent director shall not exceed a cumulative term limit of nine (9) years from the date of first appointment.

Upon completion of nine (9) years tenure:

- an Independent Director may continue to serve on the board as a non-independent director; or
- if the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process. The said independent director upon shareholders' approval can continue to serve as independent director up to twelve (12) years

As at the date of this Statement, none of the three Independent Directors has reached nine (9) years of service since their appointment and/or election as Directors.

##### 5.4 Policy to limit tenure of Independent Directors to nine years without further extension

The Independent Director Tenure Policy that has been implemented by the Group allows an Independent Director to continue to serve on the Board after nine years up to twelve years, by seeking annual shareholders' approval through a two-tier voting process. Upon retiring after twelve years, the independent director can be appointed after serving a cooling-off period of at least three years and comply with the independent criteria defined under MMLR. In such instances, the 12-year tenure as an independent director in the Company will start afresh from the date of his/her latest appointment.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

#### Part II. Board Composition

#### 5. Objectivity of the Board

##### 5.5 Appointment of Board and Senior Management

The Group acknowledges the importance of boardroom and management diversity. The Company had established Policy and Procedure on Nomination and Selection of Director which provide criteria and procedures needed for nomination and selection of a candidate for the filling of casual vacancy or as additional director.

All candidates for the Board will be evaluated based on criteria such as individual merit, experience, skill, competency, knowledge and potential contribution. The Group ensures that there is no discrimination on the basis of, but not limited to, gender, age, nationality, ethnicity, education, religion, physical ability or geographic region during the recruitment of Board members and management staff.

##### 5.6 Diversity in sourcing Board members

The Board does not only solely rely on recommendations from existing Board members, management or major shareholders but also considers external professional advice in selecting and appointment of a new Director. The Independent Non-Executive Directors currently serving on the Board were selected through recommendations from existing Board members and advice from external professionals.

##### 5.7 Information to Shareholders

Shareholders are being informed of the decision made regarding the appointment and reappointment of a director. During the financial year, the Board had supported those directors standing for re-election, the Board has through the NRC carried out the necessary assessment on the aforesaid Directors and concluded that they met the criteria as prescribed under Paragraph 2.20A of the MMLR on character, experience, integrity, competence and time commitment to effectively discharge their roles as Directors.

##### 5.8 Nominating and Remuneration Committee ("NRC")

The Board has combined the Nominating Committee and the Remuneration Committee into the Nominating and Remuneration Committee ("NRC"). The Group's NRC consists of three Independent Directors. The Committee is chaired by an Independent Director who leads the appointment and annual evaluation of Board members.

##### 5.9 Women Directors

The Company adopted the best practice recommended by the MCCG 2021 to have at least 30% women directors. The Company currently has two (2) female directors, which comprise more than 30% under the MCCG's recommendation.

##### 5.10 Gender Diversity

The Company has formalized a Gender Diversity Policy to set out the approach for gender diversity on the composition of the Board, as well as senior management across the operations units in the Group. The Policy had set a target of at least 30% female directors on the Board at any time. In the event if the composition of women on the board is less than 30%, the board shall disclose in its annual report the action it has or will be taken to achieve the target and time frame to achieve it. However, the appointment of any director shall not be restricted by this Policy, merit and competence to serve the Board and shareholders remains top priority.

On the other hand, the Company does not set any specific target for female participation in the position of senior management. Nevertheless, the Board is responsible in ensuring that objectives for gender diversity are adopted in recruitment, performance evaluation and succession planning processes.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

#### Part II. Board Composition

#### 6. Board Evaluation

##### 6.1 Board effectiveness

On an annual basis, the Board, through the NRC, conducts an evaluation of the effectiveness of individual Directors, the Board as a whole, as well as the Board Committees via customized questionnaires which include the following:

- Self-evaluation and evaluation of fellow Directors
- Evaluation on the effectiveness of the Board
- Declaration of independence

During the financial year under review, the Board did not engage an independent expert to facilitate the Board's evaluation. A questionnaire was used in the evaluation process which include criteria of fit and proper, contribution and performance, calibre and personality. Overall, the NRC is satisfied with the composition of the Board and performance of the Board in terms of the Directors' capacity, integrity and commitment towards the Group. All three Independent Directors also had fulfilled the criteria for Independent Director as defined under MMLR.

##### 6.2 Board meetings

The Board ordinarily meets at least four (4) times a year at quarterly intervals which are scheduled well in advance before the end of the preceding financial year to facilitate the Directors in planning their meeting schedule ahead of time. Additional meetings are convened when urgent and important decisions need to be made between the scheduled meetings.

The Board also meets on an ad-hoc basis to deliberate urgent issues and matters that require expeditious Board direction or approval. In the intervals between Board meetings, any matters requiring urgent Board decisions and/or approval are sought via circular resolutions, which are supported with relevant information and explanations required for an informed decision to be made.

##### 6.3 Time commitment

As stipulated in the Board Charter, the Directors are required to devote sufficient time and effort to carry out their responsibilities. The Board obtains this commitment from Directors at the time of their appointment. Each Director is expected to commit time as and when required to discharge the relevant duties and responsibilities, besides attending meetings of the Board and Board Committees.

Notwithstanding that no specific quantum of time has been fixed, all the Board members are required to notify the Board before accepting any new directorship. Any Director is, while holding office, at liberty to accept Board appointment in other companies so long as the appointment is not in conflict with ATA's business and does not affect the discharge of his/her duty as a Director of ATA. To ensure the Directors have the time to focus and fulfill their roles and responsibilities effectively, one (1) criterion as agreed by the Board is that they must not hold directorships at more than five public listed companies (as prescribed in Paragraph 15.06 of Listing Requirements). During the financial year under review, none of the Directors have more than five (5) directorships in listed issuers listed on Bursa Securities.

Besides, Board members are expected to achieve at least fifty percent (50%) attendance of total Board meetings in any applicable financial year. Any leave of absence is to be notified to the Chairman and/or Company Secretaries, where applicable.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of ATA. This is evidenced by the attendance record of the Directors at Board meetings during the financial year under review.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

#### Part II. Board Composition

#### 6. Board Evaluation

##### 6.3 Time commitment

Name	Designation	Attendance	Percentage (%)
Dato' Sri Foo Chee Juan	Executive Director cum Executive Chairman	5/5	100
Dato' Fong Chiu Wan	Executive Director cum CEO	5/5	100
Dharma Rajah Nadarajah	Executive Director cum COO	5/5	100
Koh Win Ton	Independent Non- Executive Director	5/5	100
Lee Kok Jong	Independent Non- Executive Director	5/5	100
Elizabeth Shanti A/P Frank Louis	Independent Non- Executive Director	5/5	100

##### 6.4 Directors' training

The Board oversees the training needs of its Directors whereby Directors are regularly updated on the Group's businesses and the competitive and regulatory environment which they operate in.

Although the Board does not have a policy requiring each Director to attend a specific number and types of training sessions each year, the Directors are encouraged to attend various external professional programmes to keep abreast of industry developments and business environment within which the Group operates in. Any Director appointed to the Board is required to complete the Mandatory Accreditation Programme ("MAP") within four months from the date of appointment, and the Mandatory Accreditation Programme Part II, Learning for Impact (MAP2) within eighteen months of the date of appointment. All Directors have attended and successfully completed the MAP and MAP2 within the time frame.

In addition, the Company Secretaries usually circulate relevant statutory and regulatory requirements from time to time for the Board's reference and briefs the Board on the updates, where applicable. External Auditors also brief the Board members on any changes to the Malaysian Financial Reporting Standards which may affect the Group's financial statements for the financial year under review.

The Board will on a continuing basis evaluate and determine the training needs of each Director, particularly on topics such as new laws and regulations, corporate governance and risk management to enable the Directors to effectively discharge their duties.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

#### Part II. Board Composition

#### 6. Board Evaluation

##### 6.4 Directors' training

The details of the relevant training sessions attended by each Director during the financial year under review are as follows:

Name	Training Programme	Date
Dato' Sri Foo Chee Juan	• Mandatory Accreditation Programme Part II, Learning For Impact (LIP)	16 & 17 October 2023
	• Anti-Bribery & Corruption (Personal & Corporate Liability) Awareness & Compliance	18 January 2024
Dato' Fong Chiu Wan	• Mandatory Accreditation Programme Part II, Learning For Impact (LIP)	16 & 17 October 2023
	• Anti-Bribery & Corruption (Personal & Corporate Liability) Awareness & Compliance	18 January 2024
Dharma Rajah Nadarajah	• Mandatory Accreditation Programme Part II, Learning For Impact (LIP)	16 & 17 October 2023
	• Anti-Bribery & Corruption (Personal & Corporate Liability) Awareness & Compliance	18 January 2024
Koh Win Ton	• Legal & Corporate Governance Company Secretary – The Changing Roles – Beware!	18 April 2023
	• Legal & Corporate Governance Violations of The Companies Act 2016: Oversights by Directors and Secretaries	13 July 2023
	• Legal & Corporate Governance SSM National Conference 2023	26 July 2023
	• Mandatory Accreditation Programme Part II, Learning For Impact (LIP)	16, 17 October 2023
	• Seminar Percukaian Kebangsaan	18 October 2023
	• 2024 Budget Seminar	23 October 2023
	• Recent Tax Development	1 November 2023
	• Corporate Tax Strategies – Live Webinar	7 November 2023
	• Legal & Corporate Governance Transaction by Directors – Live Webinar	10 November 2023
	• Anti-Bribery & Corruption (Personal & Corporate Liability) Awareness & Compliance	18 January 2024
	• The Essentials of E-invoicing in Malaysia	28 February 2024
	• Legal & Corporate Governance Company Secretarial Practice Workshop – Practical FAQs on Company Secretary's Liabilities/ Duties	7 March 2024



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

#### Part II. Board Composition

#### 6. Board Evaluation

##### 6.4 Directors' training

The details of the relevant training sessions attended by each Director during the financial year under review are as follows:

Name	Training Programme	Date
Lee Kok Jong	<ul style="list-style-type: none"> <li>Seminar on Preference Shares. Steps to Issue, redeem &amp; Convert</li> <li>SSM National Conference 2023</li> <li>Mandatory Accreditation Programme Part II, Learning For Impact (LIP)</li> <li>2024 Budget Seminar</li> <li>Corporate Tax Strategies</li> <li>Legal &amp; Corporate Governance Transaction by Directors – Live Webinar</li> <li>Latest Circular Guidelines, Practice Notes and Directives from SSM</li> <li>Anti-Bribery &amp; Corruption (Personal &amp; Corporate Liability) Awareness &amp; Compliance</li> <li>Legal &amp; Corporate Governance Company Secretarial Practice Workshop – Practical FAQs on Company Secretary's Liabilities/ Duties</li> </ul>	6 July 2023  25 & 26 July 2023 16 & 17 October 2023  23 October 2023 7 November 2023 10 November 2023  7 December 2023  18 January 2024  7 March 2024
Elizabeth Shanti A/P Frank Louis	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II, Learning For Impact (LIP)</li> <li>Anti-Bribery &amp; Corruption (Personal &amp; Corporate Liability) Awareness &amp; Compliance</li> </ul>	16 t& 17 October 2023  18 January 2024

#### Part III Remuneration

#### 7. Level and Composition of Remuneration of Directors and Senior Management

##### 7.1 Remuneration Policy and Procedure

The Company had adopted the Best Practice 7.1 of the MCCG 2021 recommendation to put in place policies and procedures to determine the remuneration of Directors and senior management, taking into account the demands, complexities and performance of ATA as well as skills and experience required.

The policies and procedures are periodically reviewed and made available on ATA's website at [www.ataims.com.my](http://www.ataims.com.my).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

#### Part III Remuneration

#### 7. Level and Composition of Remuneration of Directors and Senior Management

##### 7.2 Nominating and Remuneration Committee (NRC)

The Board has a NRC for the implementation of remuneration policies and procedures to ensure that remuneration packages are determined based on individual's merit, responsibilities, qualifications, experience, performance and contribution to the Company

Appointment/ Composition of the NRC:

- Committee members shall be appointed by the Board.
- Committee shall consist of no less than three (3) members.
- Majority of the Nominating and Remuneration Committee members shall be Independent Non-Executive Directors.
- The Chairman of the Nominating and Remuneration Committee must be a Non-Executive Director and shall be appointed by the Board. In the absence of the Chairman of the Nominating and Remuneration Committee, the remaining members present shall elect one of their members to chair the meeting.

As at the date of this statement, the Nominating and Remuneration Committee comprises the following members with the meeting attendance as below:

Name	Designation	Meetings Attended
<b>Chairman</b>		
Lee Kok Jong	Independent Non- Executive Director	1/1
<b>Members</b>		
Koh Win Ton	Independent Non- Executive Director	1/1
Ms. Elizabeth Shanti A/P Frank Louis	Independent Non-Executive Director	1/1

During the financial year, the Committee carried out its duties in accordance with its terms of reference, which encompassed the following:

- Conducted the annual assessment of the effectiveness of the individual Directors, the Board as a whole as well as the Board Committees;
- Reviewed the composition of the Board with the view to ensure it has the required mix of skills, experience and competencies for the Group's core business;
- Recommended to the Board the Directors' fee payable to members of the Board which is deliberated at the Board meeting before being presented at the Annual General Meeting for shareholders' approval;
- Reviewed and recommended the re-election and re-appointment of Directors to the Board for recommendation of the same to the shareholders for approval at Annual General Meeting; and
- Reviewed and recommended to the Board the Executive Directors' and senior managements' remuneration.

The Board is satisfied with how the NRC has effectively and efficiently discharged its duties and responsibilities in respect to its nomination and remuneration functions. As such, it is not necessary to separate the nomination and remuneration functions into distinct nomination and remuneration committees.

The terms of reference of the NRC is available for viewing at ATA's website at [www.ataims.com.my](http://www.ataims.com.my).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

## Part III Remuneration

## 8. Disclosure of Directors' and Senior Management's Remuneration

## 8.1 Director's remuneration

The breakdown of the total remuneration paid or payable or otherwise made available to all Directors of ATA and the Group who served during the financial year is as follows:

Name	Designation	Fees RM'000	Salaries RM'000	Bonus RM'000	Other Emoluments RM'000	Defined Contribution RM'000	Total RM'000
Dato' Sri Foo Chee Juan	Executive Director cum Executive Chairman	-	1,860	-	-	225	2,085
Dato' Fong Chiu Wan	Executive Director cum CEO	-	1,536	-	-	186	1,722
Dharma Rajah Nadarajah	Executive Director cum COO	-	1,200	-	-	145	1,345
Koh Win Ton	Independent Non-Executive Director	60	-	-	-	-	60
Elizabeth Shanti A/P Frank Louis	Independent Non-Executive Director	60	-	-	-	-	60
Lee Kok Jong	Independent Non-Executive Director	60	-	-	-	-	60

## 8.2 Key senior management's remuneration

The key senior management of the Group who served during the financial year is listed out in the management profile section of this Annual Report. Their total remuneration fall within the following bands:

Range of Remuneration (RM)	Number of Key Senior Management	
	Directors	Management/ Finance Director
350,001 - 400,000		1
1,300,001 - 1,350,000	1	
1,700,001 - 1,750,000	1	
2,050,001 - 2,100,000	1	

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

#### Part I. Audit Committee

##### 9.1 Chairman of Audit Committee

The Audit Committee ("AC") is comprised wholly of Independent Non-Executive Directors whereby the Chairman of the AC is not the Chairman of the Board. The AC is charged with the responsibility to conduct a formal, transparent and independent review of the Group's financial reporting, risk management, internal control and governance processes. The Committee meets periodically to carry out its functions and duties pursuant to its terms of reference and has unrestricted access to the internal and external auditors and members of the management. The composition of the AC, including its roles and responsibilities, are set out in the AC Report in this Annual Report.

##### 9.2 Policy that requires cooling-off period for a former audit partner

The AC has a policy that requires a former audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of AC.

To date, none of the members of the Board is a former key audit partner.

##### 9.3 Assessment of suitability, objectivity and independence of external auditor

The AC had established the External Auditors policies and procedures with the objective to review, assess and monitor the performance, suitability and independence of external auditor as well as non-audit services to be provided by external auditors and its network firms/companies.

The AC is also empowered by the Board to review any matters concerning the appointment and reappointment, resignations or dismissals of external auditors and review and evaluate factors relating to their independence. The terms of engagement for services provided by the external auditors are reviewed by the AC prior to submission to the Board for approval.

The shareholders shall at each Annual General Meeting decide on the appointment or re-appointment of the external auditors of ATA, and the external auditors appointed, shall hold office until the conclusion of the next Annual General Meeting of ATA.

The independence of external auditors is essential to the provision of an objective opinion on the truth and fairness of the financial statements. The External Auditor Policy outlines the guidelines below:

- a) AC is to obtain written assurance from the external auditors, at the conclusion of the audit works, confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements;
- b) Ex-employees of the Group's external auditor joining the Group must be pre-approved by the Group Finance Director for non-managerial employees or by the AC for managerial employees;
- c) A former audit partner is required to observe three (3) years cooling off period before being appointed as an AC member;
- d) Practices on the rotation of audit partner by external auditor in compliance to Malaysian regulations and ethical guidance.
- e) Declaration from the external auditors, on an annual basis, information about their policies and processes as well as monitoring system in relation to ethics and independence which shall be in compliance with relevant regulatory requirements;
- f) Assurance from external auditors that representatives of the external auditors assigned to the engagements with the Group are independent and clear of potential conflict of interest, that they have no family, financial, employment, investment or any other business relationship with the Group, other than that in the normal course of business; and
- g) Commitment between the Group and the external auditors not only apply to the audit services but also extended to non-audit services which were provided by the external auditors or an affiliated firm of the external auditors. Guidelines for non-audit services in relation to terms of engagement, approval for engagement, type of allowable non-audit services and fee structure shall be adhered to accordingly.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

#### Part I. Audit Committee

##### 9.3 Assessment of suitability, objectivity and independence of external auditor

In this regard, the AC had assessed the independence of KPMG PLT as external auditors of ATA as well as reviewed the level of non-audit services rendered by KPMG PLT to the Group for the financial year under review. The AC was satisfied with the technical competency and audit independence of KPMG PLT. Having satisfied itself with the performance of and fulfillment of criteria as set out in the Non-Audit Services Policy by the external auditors, the Audit Committee recommended their re-appointment to the Board, upon which the shareholders' approval will be sought at ATA's forthcoming 35th Annual General Meeting.

##### 9.4 Composition of AC

The AC comprises solely of Independent Directors as the Board values the independence of the AC.

##### 9.5 Competency of AC

The Board recognizes the crucial role that the AC serves in terms of objectivity, impartiality, and independent judgement. All three AC members have vast and varied professional experiences and expertise. All AC members are financially literate, have sufficient understanding of the Group's business and are able to provide a true and fair view of financial statements.

#### Part II. Risk Management and Internal Control Framework

##### 10 Effective Risk Management and Internal Control Framework

###### 10.1 Establishment of effective risk management and internal control framework

The Board regards risk management and internal controls as an integral part of the overall management process. The following represent the key elements of the Group's risk management and internal control structure:

- The Board has formalised a Risk Management framework to provide management with structured policies and procedures to identify, evaluate, control, monitor and report to the Board any principal business risks faced by the Group; and
- The Heads of Department are delegated with the responsibility of identifying and managing risks. The Board and the Audit Committee are responsible for reviewing the effectiveness of the processes. Any material risk identified will be discussed and appropriate actions or controls will be implemented. This is to ensure that risk is properly monitored and managed to an acceptable level.

###### 10.2 Features of risk management and internal control framework

The AC assists the Board in overseeing the risk management framework of the Group and reviewing the risk management policies formulated by management and to make relevant recommendations to the Board for approval. Details of risk management and internal control carried out during the financial year are set out in the Statement of Risk Management and Internal Control in this Annual Report.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

#### Part II. Risk Management and Internal Control Framework

#### 11 Effective Governance, Risk Management and Internal Control framework

##### 11.1 Effectiveness and functionality of internal audit

The internal audit function of the Group is outsourced to Needsbridge Advisory Sdn Bhd who reports directly to the AC on the adequacy and effectiveness of the Group's internal controls. This independent external consultant provides assurance to the AC through the execution of internal audit works based on an approved risk-based internal audit plan. Observations and findings, together with management's response and proposed action plans with deadlines, are presented to the AC for review and discussion. The internal auditor will ensure all outstanding issues are followed up and responded to by management, and a report with regards to the follow up status and outcome will then be presented for the AC's review.

The AC evaluates, on an annual basis, the internal audit function to assess its effectiveness in the discharge of its responsibilities. During the financial year, the AC had assessed the performance of the internal auditor in terms of its objectivity, independence, and capability in addressing significant issues. The AC was satisfied with the work done and the performance of the internal auditor.

##### 11.2 Internal auditors' resources

The internal audit is guided by internal auditing standards outlined by the Institute of Internal Auditors, a globally recognised professional body for internal auditors. The internal audit function is independent of the activities it audits. The scope of work covered during the financial year under review is provided in the Audit Committee Report set out in this Annual Report.

The staff of the outsourced internal auditors who are involved in the internal audit reviews are free from any relationship or conflict of interest. They hold professional qualifications and most of them are members of the Institute of Internal Auditors Malaysia. The engagement partner has diverse professional experience in internal audit, risk management and corporate governance advisory.

### PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### Part I. Engagement with Stakeholders

#### 12. Continuous Communication between ATA and Stakeholders

##### 12.1 Effectiveness, transparency and regularity of communication

ATA recognises the importance of maintaining transparency and accountability to its shareholders. The Board believes that they are not only accountable to shareholders but also responsible for managing a successful and productive relationship with ATA's stakeholders. In this regard, the Board ensures that all ATA's shareholders and stakeholders are treated equitably and the rights of all investors, including minority shareholders, are protected.

ATA takes into account Practice 12.0 of the MCCG 2021 which recommends continuous communication between ATA and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

ATA takes into consideration the shareholders' rights to access information relating to ATA and has thus, taken measures to enable ATA to communicate effectively with its shareholders, prospective investors, stakeholders and the public with the aim of giving them a clear picture of the Group's performance and operations. The Board has adopted the following measures with regards to communication with ATA's stakeholders:

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### Part I. Engagement with Stakeholders

#### 12. Continuous Communication between ATA and Stakeholders

##### 12.1 Effectiveness, transparency and regularity of communication

##### 1) ATA's website

Through the Group's website ([www.ataims.com.my](http://www.ataims.com.my)) with a dedicated "Investor Relations" page, shareholders and prospective investors can access corporate information, Annual Reports, press releases, financial information and company announcements. If stakeholders have any questions, they are able to reach out via email at [info@ataims.com.my](mailto:info@ataims.com.my).

##### 2) Investor relations

The Group typically establishes shareholder communication via its quarterly results announcements, investor briefings and press releases to the media. For this purpose, the Board has identified Mr. Koh Win Ton as the Independent Non-Executive Director to whom queries or concerns regarding the Group may be conveyed.

Mr. Koh may be contacted via the following channels:

Address:	ATA IMS Berhad No.6, Jalan Dewani 1, Kawasan Perindustrian Dewani, 81100, Johor Bahru, Johor.
Telephone No:	07-3340911
Fax No.:	07-3345912
Email:	<a href="mailto:winton.koh@ataims.com.my">winton.koh@ataims.com.my</a>

##### 3) Announcement to Bursa Securities

Information with regards to material corporate information, financial reports and other updates are published on a timely basis through ATA's announcements to Bursa Securities. The Board is committed to ensuring that all information and corporate disclosures comply with disclosure guidelines as stipulated in the Bursa's Listing Requirements.

##### 4) Annual Report

ATA's Annual Reports serve to inform shareholders about the Group's operations, activities and performance for the past financial year.

##### 5) Annual General Meeting (AGM) or Extraordinary General Meeting (EGM)

ATA's AGM/EGMs serve as a platform to provide in-person meaningful response or clarification to any question or doubt from shareholders.

#### Part II. Conduct of General Meetings

#### 13. Engagement of shareholders at AGM

##### 13.1 Notice of AGM

The AGM provides an opportunity for shareholders to engage directly with the Board and pose questions to the Board for clarification.

In accordance with Practice 13.1 MCGG 2021, the Notice of the 34th AGM was circulated to shareholders at least twenty-eight (28) days before the date of the meeting to enable them to go through the Annual Report and papers supporting the resolutions proposed.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### Part II. Conduct of General Meetings

#### 13. Engagement of shareholders at AGM

##### 13.1 Notice of AGM

In line with paragraph 8.29A of the Listing Requirements of Bursa Securities, poll voting is used to facilitate the voting process. An independent scrutineer will be appointed to scrutinize the polling process. For the convenience of shareholders, the Board endeavors to arrange the meeting venue at one of the Group's Johor Bahru offices, which is located near town, with sufficient parking and accessible by public transport. This is to encourage shareholders' participation in the AGM.

##### 13.2 Attendance of Directors

All Directors will be present at the AGM to provide an opportunity for shareholders to meet and engage with. During the AGM, shareholders are invited and encouraged to participate in deliberating resolutions being proposed. The Chairmen of the respective Board committees, as well as the members of risk management committee, are typically present during the AGM to address any questions and concerns raised by shareholders.

During the 34th AGM held last year, all Directors were present and all the questions raised by shareholders were addressed in the meeting.

##### 13.3 Leverage technology for general meetings

For FY2023, the Company did not have a virtual platform for its AGM, but used Tricor Investor & Issuing House Services Sdn Bhd ("TIIH") platform for the shareholders registration for attendance of the AGM.

The shareholders are allowed to appoint any person(s) as their proxies to attend, participate and vote in his stead at the general meeting. However, shareholders are welcome to raise any questions through the email [info@ataims.com.my](mailto:info@ataims.com.my) and management would endeavour to reply and provide the necessary information requested.

The poll results of each resolution were announced at the Bursa Malaysia Securities Berhad after the AGM via Bursa LINK on the same day.

##### 13.4 Engagement between the Board, senior management and Shareholders

During the 34th Annual General Meeting, all Board members and senior management were present to address questions raised by shareholders, financial and non-financial related to the agenda. Whilst the AGM is one of the platforms for shareholders to raise concerns and seek response, all shareholders may contact our investor relation representative whose details are stated in item 12.1 in this statement. Shareholders may also contact our Company Secretary for any request such as hard copy of annual report.

##### 13.5 Infrastructure of AGM

During the 34th Annual General Meeting, the Company had engaged TIIH to provide and support online registration for attendance of the AGM.

##### 13.6 Circulation of AGM minutes

The minutes of the AGM were published on the Company's website within 30 days after the meeting.

### COMPLIANCE STATEMENT

ATA's Corporate Governance Overview Statement is made in compliance with Paragraphs 15.25 and 15.08A of the Listing Requirements. Save and except for those stated therein, the Board considers and is satisfied with ATA's compliance with the principles and practices of the MCCG 2021, the relevant chapters of the Listing Requirements on corporate governance and all applicable laws and regulations throughout the financial year under review.

This Statement was approved by the Board on 22 July 2024.

## STATEMENT OF DIRECTORS' RESPONSIBILITY

The Board is required under paragraph 15.26(a) of the Listing Requirements to issue a statement explaining its responsibility for preparing the annual audited financial statements.

The Directors are responsible for the following, that:

- the financial statements of the Group are drawn up in accordance with the applicable Malaysian Financial Reporting Standard issued by the Malaysian Accounting Standards Board, International Financial Reporting Standards issued by the International Accounting Standards Board, the provisions of the Companies Act 2016 and the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad so as to give a true and fair view of the state of affairs of the Group for each financial year, and the result of their operations and cash flows for the financial year ended;
- proper accounting records are kept which disclose with reasonable accuracy of the financial position of the Group are kept in accordance with the Companies Act 2016;
- the annual financial statements are audited by external auditors in accordance with the approved standards on auditing in Malaysia and they remain independent throughout the conduct of their audit engagement;
- made judgements and estimates that are reasonable and prudent in which External Auditors will assess accounting principles used and significant estimates made by Directors to evaluate the overall presentation of the financial statements;
- in preparing the audited financial statements, the Directors will make reasonable assurance that the financial statements are free of material misstatement; and
- taking necessary and reasonable steps to safeguard the assets of the Group and to detect and prevent fraud and other irregularities.

This Statement was approved by the Board on 22 July 2024.

# STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Board of Directors ("The Board") is pleased to present the Statement on Risk Management and Internal Control ("SRMIC") for the financial year ended 31 March 2024 which is prepared in accordance with Paragraph 15.26(b) and Practice Note 9 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad ("Bursa"), guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("the Guidelines"), in line with corporate governance practices as proposed in Malaysian Code on Corporate Governance ("MCCG") 2021.

The scope of this Statement includes the Company and all operating subsidiaries.

## BOARD RESPONSIBILITIES

The environment, corporate, economic and social landscape is dynamic, and the expectations on directors evolve regularly and at times, significantly. As part of their many duties, roles and responsibilities, the Board is overall responsible for maintaining a sound governance, risk management and internal control system, and Directors are also expected to exercise great vigilance and professional scepticism in shaping the strategic direction of the Group.

The Board had taken a more holistic view and is more proactive in the integration of sustainability and its underlying issues on environmental, social and governance ("ESG") in drafting the Group's corporate strategy and directions, as ESG has become increasingly material to create sustainable durable value to stakeholders.

Therefore, the Board is committed to establish the risk appetite of the Group based on the risk capacity, strategies, internal and external business context, business nature and corporate/product lifecycle and to maintain an effective governance, risk management framework and internal control system in the Group.

This involves the Board in setting the policies on risk management and internal control after conducting an assessment of the Group's risks exposure. The overall control environment is established, and the Sustainability and Risk Management Committee ("SRMC") which includes senior executive management and Heads of Departments ("HODs"), is tasked with development, implementation and monitoring of the internal controls. The Audit Committee ("AC") assists the Board by providing oversight to the SRMC.

The Board endeavours to maintain an adequate system of governance, risk management and internal control to support the Group's operations and will periodically evaluate and continue to take proactive measures to further strengthen the procedures and processes to ensure the framework remains relevant, effective and efficient.

The system of internal control covers, inter-alia, control environment, risk assessment, control activities, information and communication and monitoring activities. In view of the inherent limitation in any system of internal control, it should be noted that such a system is designed to manage, rather than to eliminate, the risk of not achieving the Group's business objectives. The system can therefore only provide reasonable, but not absolute assurance, against material misstatement or loss.

## STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

### GROUP RISK MANAGEMENT FRAMEWORK

The Board has established a structured risk management framework for identifying key risks, the potential impact and likelihood of those risks occurring, the control effectiveness and action plans being taken to manage those risks. This forms a structured process for timely identification, reporting, monitoring and continually reviewing and improving on risks management to ensure key risks to be within its risk appetite whilst embedding a healthy risk management system into its structures and processes that enable the Group to provide reasonable assurance to meet performance objectives.

A **SRMC** was established to assist and report to the Board in regard to the ongoing process for identification, evaluation and management of risks. The risk management framework clearly defines the risk management objectives and processes, along with clear roles and responsibilities of the Board, AC (the governance oversight role), SRMC, risk owners, key sustainability & risk officers and outsourced Internal Audit Function. Overall, the risk management process is overseen by SRMC and involves all the HODs within the Group with governance oversight by the AC.

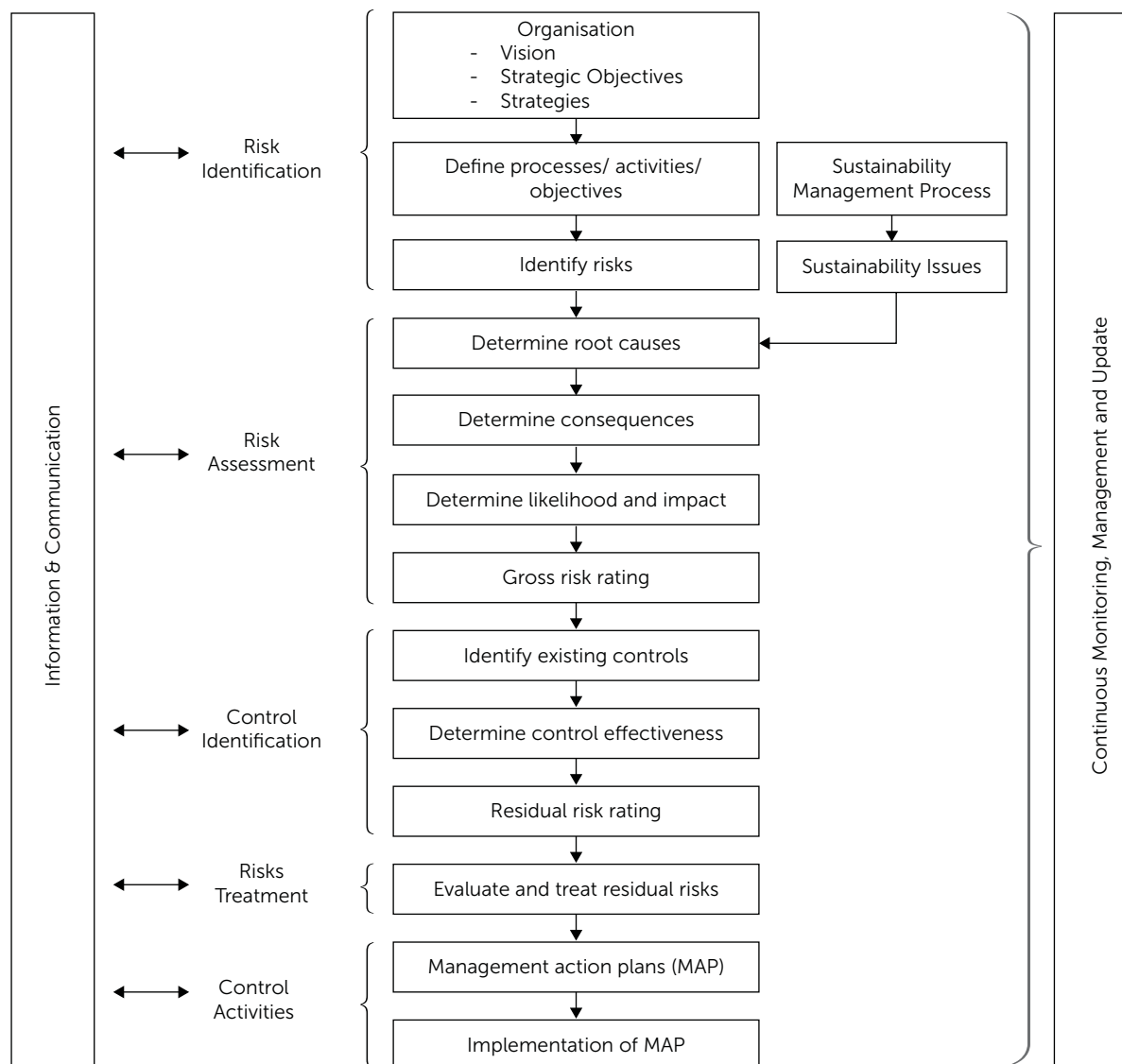
**Key Risk Registers** are used for the identification of risks, the possibility of risks occurring, the potential impacts to the Group and acting as important risk monitoring records. SRMC updates the Key Risk Registers with the assistance and feedback from the risk owners and also through the results of the internal audit works. Key Risk Report and Key Risks Profile are compiled by the SRMC based on updated Key Risk Registers and submitted to the Executive Chairman for his review. Subsequent to the review by the Executive Chairman, the Key Risk Report and Key Risks Profile compiled therefrom will be made available to the AC for review. The AC subsequently reports results of such update to the Board for their final review and decision. During the financial year ended, the AC had received the Key Risk Report and Key Risk Profile from SRMC and was satisfied with the existing risk management and internal controls in place.

**Key features** of this framework include but are not limited to:

- (i) A structured governance process for implementing, identifying, assessing, measuring, monitoring, reporting, managing and mitigating business risks across the Group from risk owners to the Board of Directors;
- (ii) Determination and formalisation of risk appetite and setting the Key Risks tolerance levels;
- (iii) Identified risk owners who are accountable for ensuring that the respective risks are continuously updated and monitored. The status of risk mitigation action plans are tracked to ensure their effectiveness and timely implementation and escalated to the appropriate level of management;
- (iv) Risk management process that is embedded into the day-to-day operations and decision makings (strategic and operations) at all levels of the Group; and
- (v) Risk management and internal control reviews are undertaken by the outsourced Internal Audit Function. The Internal Auditor adopts a risk-based approach in evaluating governance, risk and control structures and processes of the Group. The internal audit procedures are focused on the identified key risk areas.

## STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

The **Risk assessment process** is illustrated by the following diagram:



### INTERNAL CONTROL

Apart from the risk management and Internal Audit Function, the Board has established internal control system made up of five core components, i.e. Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring Activities with principles representing the fundamental concepts associated with each component as follows:

- The role, functions, composition, operation and processes of the Board are guided by a formal board charter whereby roles and responsibilities of the Board, the Executive Chairman of the Board and Chief Executive Officer are specified to preserve the independence of the Board from the management;
- Board Committees are established to carry out duties and responsibilities delegated by the Board, governed by written terms of reference;
- Clearly defined and documented lines and limit of authority, responsibility and accountability have been established through the approved Group Financial Level of Delegated Authority Limit Manual;
- Annual business plans, strategies and budgets are presented by senior executive management to the Board for review and approval;

## STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

- An organisational structure which formally defines lines of responsibilities, accountabilities of performance and controls and delegation of authority is in place;
- Effective and efficient information and communication infrastructures and channels, i.e. computerised systems, secured intranet, electronic mail system and modern telecommunication are put in place so that operation data and management information can be collected and communicated timely and securely to dedicated personnel within the Group for decision making and for communication with relevant external stakeholders;
- Quarterly financial reports with comprehensive information on financial performance and key business indicators are reviewed by the Audit Committee and approved by the Board;
- The Board and the AC meet at least once every quarter to discuss matters raised by management and once every half year with Internal Auditor on corporate and operation matters. Any potential financial and nonfinancial risks; monitoring and control measures; and significant changes in the business and environment will be discussed;
- Monitoring of non-compliance of policies are conducted on ad hoc and/or regular basis, with any non-compliances detected are investigated on timely basis with appropriate corrective action taken to rectify and improve the deficiencies identified;
- Operation meetings between senior executive management and HODs are conducted to address ongoing operational issues, non-compliance of policies and procedures, and/or any control deficiencies, and the senior management will report key issues to either Executive Chairman, CEO or COO for further deliberation and decision-making;
- Risk assessment is performed by the various risk owners on an annual basis or when there is a change in internal and/or business environment, and the internal controls to mitigate such risks are identified and evaluated for efficacy. The Risk Register is then updated and tabled to the AC for review and acceptance, in accordance with Risk Management framework;
- Executive Chairman, CEO and COO receive and review financial reports from each business unit on monthly basis and/or when necessary;
- The tone from the top on integrity and ethical values are enshrined in the Code of Ethics and Conduct to ensure that working environments and conditions are safe and healthy, conflicts of interest are avoided, workers are treated with respect and dignity, confidentiality is observed, good personal behaviour is exhibited and business operations are conducted ethically;
- Recruitment, staff entitlement and termination guidelines are in place and documented in the Employee Handbook. Code of conduct at work and company's rules and regulations are communicated to all employees upon their employment;
- Anti-Bribery and Corruption ("ABC") Policy and its framework was established and it applied to the Board, all staffs, customers, suppliers and any persons associated to the Group. As part of demonstrating top level commitment, an ABC Compliance Unit has been set up, led by Finance Director, to act as management oversight function on ABC matters. During the financial year, AC had received an ABC Report from ABC Compliance Unit that serves to provide information to AC in order to assess the adequacy and effectiveness of the existing internal control and management action plans in detecting and mitigating bribery and corruption risk. AC had assessed the Group's ABC management and was satisfied with the controls and procedures being implemented. During the year the ABC Compliance Unit had further prepared an ABC Risk Register for the Group, which was reviewed and accepted by the AC. All high-risk departments were identified and assessed to have medium residual risks after taking into account the internal controls in place;
- Yearly staff performance evaluations, regular staff training and human resource development programs are conducted internally and externally to ensure that staff are kept up to date with the necessary competencies and knowledge in order to perform towards achieving the Group's objectives;

## STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

- A Whistle-blowing Policy and Procedures has been adopted to provide a channel for stakeholders to raise genuine concerns or feedback without fear of reprisals and safeguard such person's confidentiality; protect a whistle-blower from reprisal consequently for making a genuine disclosure; provide a transparent and confidential process for dealing with concerns. This policy not only covers possible improprieties in matters of financial reporting, but also fraud, corruption, bribery or blackmail, criminal offences, failure to comply with a legal or regulatory obligation, miscarriage of justice, endangerment of an individual's health and safety, and concealment if any;
- Adequate insurance coverage and physical safeguards on major assets are in place to ensure that the assets of the Group are sufficiently covered against pertinent perils that may result in material losses to the Group;
- Documented internal procedures and standard operating procedures are in place. Internal policies and standard operating procedures are appropriately communicated to all employees and clearly documented in a manual which would be reviewed and revised when necessary;
- Internal and external quality and surveillance audits are conducted on an as-needed basis to ensure compliance.

The external audits are conducted by assessors certified by the accreditation bodies and the following ISO Certifications at the Group's Manufacturing Divisions were renewed during the year:

- ISO 13485:2016 Quality Management System in Medical Device;
- ISO 14001:2015 Environmental Management System;
- ISO 22000:2018 Manufacturing of Plastic Component for Food Packaging Application;
- ISO 45001:2018 Occupational Health and Safety Management ;
- ISO 9001:2015 Quality Management System; and
- IATF 16949:2016 Quality Specification for Automotive Industry Supply Chain.

### INTERNAL AUDIT

**Messrs. NeedsBridge Advisory Sdn Bhd** is the Group's outsourced internal audit function and an independent professional services firm, who assists the AC to review the governance, risk management and control processes implemented by the management and reports on its findings and recommendations together with management's response to the AC. The Board delegates the task of overseeing the Internal Audit Function to the AC to ensure the independence, adequacy and competency of outsourced internal audit function.

The internal audits are guided by, in all material aspects, the **International Professional Practices Framework**, i.e. Mission, Core Principles for the Professional Practice of Internal Auditing, Code of Ethics and the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors Global. The engagement director of the outsourced internal audit function, Mr. Pang Nam Ming, is accredited by the Institute of Internal Auditors Global as Certified Internal Auditor and for Certification in Risk Management Assurance. He is also a professional member of the Institute of Internal Auditors Malaysia.

The **internal audit engagement** of the outsourced internal audit function is governed by the engagement letter with key terms which include purpose and scope of works, accountability, independence, outsourced internal audit function's responsibilities, management's responsibilities, authority accorded to the outsourced internal audit function, limitation of scope of works, confidentiality, proposed fees and engagement team. The appointment and resignation of the internal audit function as well as the proposed audit fees are subject to review by the AC and for its reporting to the Board for ultimate approval.



## STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

The **resources** allocated to the fieldworks of the internal audit by the outsourced internal audit function was one (1) assistant manager assisted by at least one (1) senior consultant per one (1) engagement with oversight performed by the director. During the financial year under review, based on the risk-based internal audit plan reviewed by AC and approved by the Board on recommendation by AC, the outsourced internal audit function had conducted visits at two of the Group's subsidiaries' operation plants to assess its adequacy and effectiveness of its internal control system on the procurement and vendor management, inventory management as well as recurrent related party transactions. Findings (including root cause(s)) and reports included follow up reports on the previous audit, together with management's actions were presented to the AC for review and subsequent report to the Board. The Board was of the view that there were no material or significant losses arising from the weaknesses in risk management system and internal control of the Group.

**Internal audit fees** of RM 50,600.00 was incurred during the financial year.

An **evaluation of internal audit** function had been done by AC to assess the performance, resources, qualification and reviewing of the works performed and deliverables by the outsourced internal audit function for the financial year. AC and the Board are satisfied with the independence and objectivity, resources and competency of the internal audit processes and results.

### ASSURANCE FROM MANAGEMENT

For the financial year ended 2024 and up to the date of this SRMIC, the Board has received assurance from the Executive Chairman, being the highest ranking executive in the Company and Finance Director, being the person primarily responsible for the management of the financial affairs of the Company, that the Group's risk management and internal control system is, in all material aspects, operating adequately and effectively in meeting the Group's objectives.

### OPINION AND CONCLUSION

Based on the review of the risk management results and process, monitoring and review mechanism stipulated above, assurance provided by the Executive Chairman and the Finance Director and review of all the relevant internal and external reports, the Board is of the view that the risk management and internal control system is satisfactory for the financial year under review and up to the date of approval of this SRMIC, and has not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report.

The Board continues to take pertinent measures to sustain and, where required, to improve the Group's governance, risk management and internal control system in meeting the Group's business objectives.

### REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this SRMIC pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the SRMIC included in the Annual Report issued by Malaysian Institute of Accountants ("MIA") for inclusion in this Annual Report for the year ended 31 March 2024, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in this Annual Report, in all material respects:

- (a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the SRMIC: Guidelines for Directors of Listed Issuers, or
- (b) is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. The external auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems.

This SRMIC is made in accordance with a resolution of the Board dated 22 July 2024.

## AUDIT COMMITTEE REPORT

The Audit Committee ("AC") of the Group is pleased to present the Audit Committee Report for the financial year ended 31 March 2024 in compliance with Paragraph 15.15 (1) of the Listing Requirements of the Bursa Securities.

### MEMBERS

**Koh Win Ton**

Chairman, Independent Non-Executive Director

**Ms. Elizabeth Shanti A/P Frank Louis**

Member, Independent Non-Executive Director

**Lee Kok Jong**

Member, Independent Non-Executive Director

The composition of AC is in compliance with paragraph 15.09 of Main Market Listing Requirements ("MMLR"), whereby the AC consists of three (3) Independent Non-Executive Director, with the AC Chairman fulfilling the requirements under paragraph 15.09 (1)(c)(i) and paragraph 7.1 of Practice Note 13 of MMLR.

The AC Chairman is an independent director and no alternate director and former key audit partner had been appointed as a member of the AC. In compliance with Practice 9.1 of the Malaysian Code on Corporate Governance 2021 ("MCCG"), the AC Chairman is not the Chairman of the Board of Directors of the Company.

### SUMMARY OF MEETINGS

During the financial year, the Committee held five (5) meetings. The attendance of each member of the Committee was as follows:

Name	Designation	Meetings Attended
<b>Chairman</b>		
Koh Win Ton	Independent Non-Executive Director	5/5
<b>Members</b>		
Lee Kok Jong	Independent Non-Executive Director	5/5
Elizabeth Shanti A/P Frank Louis	Independent Non-Executive Director	5/5

The Terms of Reference of the Audit Committee is available on the Company's website at: [www.ataims.com.my](http://www.ataims.com.my)

## AUDIT COMMITTEE REPORT

### SUMMARY OF WORK OF THE AUDIT COMMITTEE

During the financial year, the AC held three (3) meetings with the External Auditors ("EA") and two (2) meetings with the Internal Auditors ("IA"). The AC had two (2) private sessions with the External Auditors.

During the financial year, the AC had carried out its duties in accordance with its terms of reference, which encompassed the following:

#### A. External Audit

- Reviewed the EA's Audit Planning Memorandum comprising the audit plan, audit strategy, scope of work and proposed fees for the statutory audit and approved the engagement of the External Auditors on recurring and non-recurring non-audit services;
- Reviewed the EA's Audit Status Memorandum and Management Letter for improving internal controls based on their observations made during the course of the external audit, management's response to the issues and findings was that these issues and findings will be discussed internally with the management team and ensure that they are resolved; and
- Assessed the performance, independence and objectivity of EA through a prescribed Suitability and Independence Checklist.

#### B. Internal Audit

- Reviewed and approved the Internal Audit Plan and assessed the Internal Audit reports and recommendations. Management's responses on the issues reported were reviewed, discussed and additional directives were given to management as and when necessary to ensure issues affecting internal controls are promptly addressed and resolved by management; and
- Assessed and evaluated the adequacy and independence of the Internal Audit function through a prescribed checklist, on the areas as set out in paragraph 15.12(1)(e) and (f) of the Listing Requirements and report the same to the Board.

#### C. Internal Control, Risk Management and Financial Reporting

- Reviewed the Group's Quarterly Interim Financial Statements before a recommendation is made to the Board for approval;
- Reviewed the Group's annual Audited Financial Statements and confirmed with management and External Auditors that the Audited Financial Statements have been prepared in compliance with applicable Malaysian Financial Reporting Standards;
- Reviewed any new accounting policies adopted by the Group to ensure compliance with the applicable approved Malaysian Financial Reporting Standards;
- Reviewed the Group's annual Financial Budgets and Capital Expenditure Budget and recommended to the Board for approval;
- Review of recurrent related party transactions on quarterly basis to ensure transactions involved related parties are free from conflict of interest;
- Considered any other related party transaction, conflict of interest and/or potential conflict of interest situations that may arise, and if any, the procedures and actions required to be taken to ensure transparency and impartiality;
- Received and reviewed the Key Risk Report and Key Risk Registers presented by the management to ensure the adequacy of the scope of coverage and acceptability of the residual risks and proposed management action plans with the results on its review and recommendation reported to the Board;

## AUDIT COMMITTEE REPORT

- Received and reviewed the performance on the compliance of Group's ABC management to ensure they are adequate, effective and efficient in managing bribery and corruption risks. AC reviewed and received the ABC Risk Register and ABC risks report presented by management on the performance of ABC management and reported the findings and recommendations to the Board;
- Reviewed and approve the Contract Review Policy and Procedures;
- Reviewed and approve the revised Non-Assurance Services Pre-Approval Policy;
- Reviewed and approve the updated Delegated Financial Authority Manual;
- Received and reviewed the Company's Sustainability Targets for the FYE 2024 to ensure ESG factors are integrated in the Company's strategies and long term plan; and
- Reviewed the Sustainability Statement, Corporate Governance Overview Statement, Corporate Governance Report, Statement of Risk Management and Internal Control and the Audit Committee Report for inclusion in this Annual Report.

### SUMMARY OF WORK OF THE INTERNAL AUDIT FUNCTION

The significant activities carried out by the internal audit function include but are not limited to the following:

- (a) Conduct of Internal Audit, focusing on key risks included ABC risks faced by significant business units within the Group, based on an Internal Audit Plan presented to, and approved by the AC;
- (b) The Internal Audit covered testing the existence and effectiveness of compliance, financial and operational controls deployed by management to address the business risks faced by the Group;
- (c) Weaknesses in the internal control system were highlighted to the AC and management, including recommendations for improvement and management's response to such observations; and
- (d) Follow-up on the status of implementation by management on action plans to address the issues highlighted during the Internal Audit.

During the financial year, the outsourced internal audit function conducted scheduled internal audits in accordance with the risk-based internal audit plan (and any amendments thereof) reviewed by AC and approved by the Board on recommendation by AC. Areas of improvement in internal controls had been identified and formally tabled at the quarterly AC meetings. Follow-up reviews were carried out to ascertain the status of implementation of agreed management action plans. The results of the follow-up reviews were reported to the AC.

The further details on outsourced internal audit function and internal audit activities are disclosed in the Statement on Risk Management and Internal Control available on pages 90 to 95 of this Annual Report.

This Audit Committee Report is made in accordance with a resolution of the Board of the Directors dated 22 July 2024.

## OTHER DISCLOSURES

### Share Buy-Back

The Company did not seek Shareholders mandate for authority to purchase its own shares during the last Annual General Meeting.

### Audit Fees

The Audit fees payable to the External Auditors of the Company and the Group for the financial year ended 31 March 2024 were as follows:

Audit Fees	Company (RM)	Group (RM)
Messrs KPMG PLT	105,000	339,000
Other auditors	-	38,244

### Non-Audit Fees

The amount of non-audit fees paid or payable to the external auditors with services rendered to the Company and the Group for the financial year ended 31 March 2024 were as follows:

Non Audit Fees	Company (RM)	Group (RM)
Messrs KPMG PLT and its affiliates	13,500	61,500
Other auditors and its affiliates	-	20,300

### Material Contracts

There was no material contract entered into by the Company and/or its subsidiaries involving Directors' and/or major shareholders' interest (other than those disclosed under Recurrent Related Party Transactions).

### Employee Share Option Scheme ("ESOS")

The Company does not have an ESOS programme.

### Related Party Transactions

During the financial year ended 31 March 2024, there were Related Party Transactions entered into by subsidiaries companies which involved a company related to the Executive Chairman and an Executive Director. All the Related Party Transactions entered were in the ordinary course of business and were within the applicable prescribed threshold as defined under Rule 10.09 and Guidance Note No.8/2006.

The Company is seeking shareholders' mandate for recurrent related party transactions of a revenue in nature or trading nature pursuant to paragraph 10.09 of the Listing Requirements of Bursa Securities at the forthcoming AGM.

## OTHER DISCLOSURES

During the 34th AGM held on 29 August 2023, the Company obtained a shareholders' mandate for recurrent related party transactions of a revenue or trading nature between Winsheng Plastic Industry Sdn Bhd ("Winsheng") and ATA Industrial (M) Sdn Bhd ("AIM"), with Microtronics Technology Sdn Bhd ("Microtronics") as follows :

Transacting party within the Group	Transacting party	Nature of transactions	Shareholders' Mandate approved during the previous AGM on 29 Aug 2023	Actual aggregate value of transactions from 30 August 2023 to 31 Mar 2024
Winsheng (Provider)	Microtronics (Recipient)	Sales of plastic and assembly parts in the ordinary course of business	25,000,000	3,676,889
Winsheng (Recipient)	Microtronics (Provider)	Purchase of assembly parts in the ordinary course of business	10,000,000	Nil
AIM (Recipient)	Microtronics (Provider)	Purchase of assembly parts in the ordinary course of business	120,000,000	43,019,665
AIM (Provider)	Microtronics (Recipient)	Sales of plastic and assembly parts in the ordinary course of business	10,000,000	2,126,222

### Utilisation of Proceeds

The Company did not undertake any capital raising proposal during the financial year.

## 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	-
	105,026	118,717

#### 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



## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2024

### 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 1 April 2023 '000	Bought '000	Sold '000	At 31 March 2024 '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
	180	5,152
Transactions with a company in which certain Directors have substantial financial interests		
Sales	-	8,041
Purchases	-	72,211
Lease income	-	2,040

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.

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2024

### 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.

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2024

### OTHER STATUTORY INFORMATION *cont'd*

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.

### 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	-
	459	119

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 July 2024

# STATEMENTS OF FINANCIAL POSITION

## AS AT 31 MARCH 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<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
Assets classified as held for sale	13	434,078 92,812	553,130 15,496	378 -	9,934 -
<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.

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024

		Group		Company	
	Note	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 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.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

	Attributable to owners of the Company					
	Share capital RM'000	Treasury shares RM'000	Exchange fluctuation reserve RM'000	Reverse accounting reserve RM'000	Retained earnings RM'000	Non-controlling interest RM'000
Group						
At 1 April 2022	1,338,445	(1,897)	353	(1,104,436)	506,113	195
Foreign currency translation differences for foreign operation/						
Total other comprehensive loss for the year	-	-	(249)	-	-	-
Loss for the year	-	-	-	-	(254,539)	(88)
Total comprehensive loss for the year	-	-	(249)	-	(254,539)	(88)
At 31 March 2023/1 April 2023	1,338,445	(1,897)	104	(1,104,436)	251,574	107
Loss and total comprehensive loss for the year	-	-	-	-	(104,941)	(85)
At 31 March 2024	1,338,445	(1,897)	104	(1,104,436)	146,633	22

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

## STATEMENT OF CHANGES IN EQUITY

### FOR THE YEAR ENDED 31 MARCH 2024

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

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



## STATEMENTS OF CASH FLOWS

### FOR THE YEAR ENDED 31 MARCH 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	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>		<b>8,138</b>	<b>175,367</b>	<b>(473)</b>	<b>145</b>

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

# STATEMENTS OF CASH FLOWS

## FOR THE YEAR ENDED 31 MARCH 2024

*cont'd*

		Group		Company	
	Note	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>		5,034	160,215	27	145
<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		7,410	3,921	-	-
<b>Net cash from investing activities</b>		17,875	12,043	-	-
<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		(6,797)	(9,252)	-	-
<b>Net cash used in financing activities</b>		(43,376)	(116,042)	-	-
<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>		255,904	199,924	266	121
<b>Cash and cash equivalents at 31 March</b>	12	235,426	255,904	293	266

### Cash outflows for leases as a lessee

		Group	
	Note	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>		11,613	15,973

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

## STATEMENTS OF CASH FLOWS

### FOR THE YEAR ENDED 31 MARCH 2024

*cont'd*

#### 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>	<b>148,279</b>	<b>(36,579)</b>	<b>111,700</b>

	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>	<b>255,289</b>	<b>(106,790)</b>	<b>(220)</b>	<b>148,279</b>

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

# 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 July 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*

#### *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*

## NOTES TO THE FINANCIAL STATEMENTS

### 1. BASIS OF PREPARATION *cont'd*

#### (a) Statement of compliance *cont'd*

*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.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. BASIS OF PREPARATION *cont'd*

#### (d) Use of estimates and judgements *cont'd*

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.

## NOTES TO THE FINANCIAL STATEMENTS

## 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 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)
<b>At 31 March 2023/1 April 2023</b>		<b>126,882</b>	<b>328,203</b>	<b>22,315</b>	<b>4,385</b>	<b>27,534</b>	<b>-</b>	<b>509,319</b>
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)
<b>At 31 March 2024</b>		<b>35,430</b>	<b>218,889</b>	<b>21,617</b>	<b>3,794</b>	<b>17,719</b>	<b>-</b>	<b>297,449</b>
<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)
<b>At 31 March 2023/1 April 2023</b>		<b>15,418</b>	<b>162,479</b>	<b>15,756</b>	<b>3,297</b>	<b>16,852</b>	<b>-</b>	<b>213,802</b>
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)
<b>At 31 March 2024</b>		<b>1,839</b>	<b>114,686</b>	<b>14,578</b>	<b>2,956</b>	<b>9,557</b>	<b>-</b>	<b>143,616</b>



## NOTES TO THE FINANCIAL STATEMENTS

3. PROPERTY, PLANT AND EQUIPMENT *cont'd*

	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>Group</b>							
<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

## 3.1 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.

## NOTES TO THE FINANCIAL STATEMENTS

3. PROPERTY, PLANT AND EQUIPMENT *cont'd*3.1 Impairment loss *cont'd*

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).

## 3.2 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
	30,845	111,464

## NOTES TO THE FINANCIAL STATEMENTS

### 3. PROPERTY, PLANT AND EQUIPMENT *cont'd*

#### 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.

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

## NOTES TO THE FINANCIAL STATEMENTS

## 4. INVESTMENT PROPERTIES

	Note	Land RM'000	Building RM'000	Total RM'000
<b>Group</b>				
<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	-

## NOTES TO THE FINANCIAL STATEMENTS

### 4. INVESTMENT PROPERTIES *cont'd*

#### 4.4 Fair value information

Fair value of investment properties are categorised as follows:

	Level 3	
	2024 RM'000	2023 RM'000
<b>Group</b>		
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
----------	----------

## NOTES TO THE FINANCIAL STATEMENTS

## 5. RIGHT-OF-USE ASSETS

	Land RM'000	Factories RM'000	Total RM'000
<b>Group</b>			
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
Less: Impairment losses	1,339,382 (980,975)	1,339,382 (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.

## NOTES TO THE FINANCIAL STATEMENTS

### 6. INVESTMENTS IN SUBSIDIARIES *cont'd*

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.

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><i>Subsidiaries of IMS</i></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



## NOTES TO THE FINANCIAL STATEMENTS

## 7. GOODWILL ON CONSOLIDATION

	Goodwill RM'000
<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.

## NOTES TO THE FINANCIAL STATEMENTS

### 8. DEFERRED TAX ASSETS/(LIABILITIES)

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

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2024	2023	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Group</b>						
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)
Set off of tax	-	14,925	(3,843)	(14,643)	(3,843)	282
	-	(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	2023
	RM'000	RM'000
Deductible temporary differences	91,127	806
Unabsorbed capital allowances	65,536	57,156
Unutilised tax losses	81,268	58,673
	237,931	116,635

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.

## NOTES TO THE FINANCIAL STATEMENTS

8. DEFERRED TAX ASSETS/(LIABILITIES) *cont'd*8.2 Unrecognised deferred tax assets *cont'd*

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	-
	81,268	58,673

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)

## NOTES TO THE FINANCIAL STATEMENTS

### 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
	47,137	80,047
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.

## NOTES TO THE FINANCIAL STATEMENTS

## 11. TRADE AND OTHER RECEIVABLES

		Group		Company	
	Note	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
	235,426	255,904	293	266

## NOTES TO THE FINANCIAL STATEMENTS

### 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	92,812	15,496

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	1,338,445	1,338,445	1,204,371	1,204,371

#### 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)
	(959,596)	(854,655)	(979,969)	(861,252)

## NOTES TO THE FINANCIAL STATEMENTS

14. CAPITAL AND RESERVES *cont'd*

## 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

	Group	
	2024 RM'000	2023 RM'000
<b>Secured</b>		
<b>Non-current</b>		
Hire purchase liabilities	24,042	51,783
Term loans	37,879	42,467
	61,921	94,250
<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
	49,779	53,941
	111,700	148,191

## 15.1 Securities

The loans and borrowings are secured by way of:

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



## NOTES TO THE FINANCIAL STATEMENTS

## 16. TRADE AND OTHER PAYABLES

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

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:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
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	30,174	39,332	129	98
	54,261	61,407	309	278

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

## NOTES TO THE FINANCIAL STATEMENTS

## 17. REVENUE

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

## 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	- 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	Credit period of 60 to 90 days from invoice date	Assurance warranties of 15 months are given to certain customers
	- Revenue is recognised at a point in time when the goods are delivered and accepted by the customer at its premise		

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.

## NOTES TO THE FINANCIAL STATEMENTS

## 18. FINANCE COSTS

	Group	
	2024	2023
	RM'000	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
	6,797	9,252

## 19. TAX EXPENSE/(INCOME)

## 19.1 Recognised in profit or loss

Major components of income tax expense include:

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

## 19.2 Reconciliation of tax expense/(income)

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
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

## NOTES TO THE FINANCIAL STATEMENTS

## 20. LOSS FOR THE YEAR

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Loss for the year is arrived at after charging/(crediting)					
Auditor's remuneration:					
- Audit fees:					
- KPMG PLT					
- Current year		339	336	105	105
- Under provision in prior year		-	40	-	-
- Other auditors		38	52	-	40
- 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)	-	-
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.

## NOTES TO THE FINANCIAL STATEMENTS

### 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)

Weighted average number of ordinary shares are determined as follows:

	Group	
	2024 RM'000	2023 RM'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

## NOTES TO THE FINANCIAL STATEMENTS

## 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	1,180	172

## 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	8,010	(3,450)	-	-
	15,381	471	(9,241)	(2,360)

## NOTES TO THE FINANCIAL STATEMENTS

### 25. FINANCIAL INSTRUMENTS *cont'd*

#### 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.

##### *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.

## NOTES TO THE FINANCIAL STATEMENTS

25. FINANCIAL INSTRUMENTS *cont'd*25.4 Credit risk *cont'd*Trade receivables and contract assets *cont'd**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
<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



## NOTES TO THE FINANCIAL STATEMENTS

### 25. FINANCIAL INSTRUMENTS *cont'd*

#### 25.4 Credit risk *cont'd*

##### Trade receivables and contract assets *cont'd*

##### *Recognition and measurement of impairment loss cont'd*

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
Balance at 1 April	311	536
Net remeasurement of loss allowance	14	-
Amount written off	(250)	(225)
Balance at 31 March	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.

##### *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.

## NOTES TO THE FINANCIAL STATEMENTS

25. FINANCIAL INSTRUMENTS *cont'd*25.4 Credit risk *cont'd*

## 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.

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

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

## NOTES TO THE FINANCIAL STATEMENTS

### 25. FINANCIAL INSTRUMENTS *cont'd*

#### 25.4 Credit risk *cont'd*

##### Inter-company balances *cont'd*

##### *Recognition and measurement of impairment loss cont'd*

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

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

##### 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.

##### *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.

## NOTES TO THE FINANCIAL STATEMENTS

25. FINANCIAL INSTRUMENTS *cont'd*25.5 Liquidity risk *cont'd**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	-	-	-
	217,594		231,985	159,610	25,662	22,348	24,365
<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	-	-	-
	292,052		311,176	203,537	35,215	44,229	28,195

## NOTES TO THE FINANCIAL STATEMENTS

25. FINANCIAL INSTRUMENTS *cont'd*25.5 Liquidity risk *cont'd**Maturity analysis cont'd*

	Carrying amount RM'000	Contractual interest rate/ coupon/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000
<b>Company</b>				
<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.

## NOTES TO THE FINANCIAL STATEMENTS

25. FINANCIAL INSTRUMENTS *cont'd*25.6 Market risk *cont'd*Currency risk *cont'd**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 RM'000	CNY 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)
	117,376	(3,581)
<b>2023</b>		
Trade and other receivables	43,832	-
Cash and cash equivalents	126,779	-
Trade and other payables	(22,152)	(8,133)
	148,459	(8,133)

*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 RM'000	2023 RM'000
<b>Group</b>		
USD	(8,921)	(11,283)
CNY	272	618
	(8,649)	(10,665)

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.

## NOTES TO THE FINANCIAL STATEMENTS

### 25. FINANCIAL INSTRUMENTS *cont'd*

#### 25.6 Market risk *cont'd*

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

##### *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.

## NOTES TO THE FINANCIAL STATEMENTS

25. FINANCIAL INSTRUMENTS *cont'd*

## 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.

The table below analyses other financial instruments at fair value.

	Fair value of financial instruments not carried at fair value Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
<b>Group</b>			
<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)

**Level 3 fair value**

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.



## NOTES TO THE FINANCIAL STATEMENTS

### 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

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
A. Company in which certain Directors of the Company have substantial financial interest		
Sales	8,041	15,786
Purchases	72,211	91,478
Lease income	2,040	2,040
Transportation charges	-	178

## NOTES TO THE FINANCIAL STATEMENTS

27. RELATED PARTIES *cont'd*

	Group	
	2024	2023
	RM'000	RM'000
<b>B. Key management personnel</b>		
<i>Directors</i>		
- Fees	180	180
- Remuneration	4,596	3,829
- Contribution to state plans	556	454
Total short-term employee benefits	5,332	4,463
<i>Other key management personnel</i>		
- Wages, salaries and others	2,912	3,397
- Contributions to state plans	343	400
	3,255	3,797
	8,587	8,260
	Company	
	2024	2023
	RM'000	RM'000
<b>A. Subsidiaries</b>		
- Dividend income	500	-
<b>B. Key management personnel</b>		
Directors		
- 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.

## 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 105 to 147 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 July 2024

## 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 105 to 147 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 July 2024

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

Before me:  
**Lau Lay Sung**  
Commissioner for Oaths  
J-246

# 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 105 to 147.

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.

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

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

### Key Audit Matters *cont'd*

#### 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.

#### 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.

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

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

### 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.

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

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

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

- 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.
- 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.

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

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

### 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 July 2024



## ANALYSIS OF SECURITIES

### ORDINARY SHARE AS AT 1 JULY 2024

Total Number of Issued Capital	:	1,204,370,999 (including 1,507,400 shares held as treasury shares)
Class of Shares	:	Ordinary Shares
Voting Rights	:	One Vote Per Ordinary Share

### DISTRIBUTION OF SHAREHOLDING AS AT 1 JULY 2024

Size of Holdings	No. of Holders	%(*)	No. of Shares	%(*)
1 - 99	816	6.917	34,028	0.003
100 - 1,000	3,970	33.653	1,761,578	0.146
1,001 - 10,000	4,026	34.127	21,167,738	1.760
10,001 - 100,000	2,499	21.184	83,645,832	6.954
100,001 - 60,143,178 (*)	483	4.094	286,596,575	23.826
60,143,179 and above (**)	3	0.025	809,657,848	67.311
<b>TOTAL</b>	<b>11,797</b>	<b>100.000</b>	<b>1,202,863,599<sup>^</sup></b>	<b>100.000</b>

REMARKS : \* Less than 5% of issued shares  
 \*\* 5% and above of issued shares  
 ^ Excluding a total of 1,507,400 shares bought back by the Company and retained as treasury shares.  
 (\*) Based on the total number of issued shares net of 1,507,400 treasury shares.

### DIRECTORS' SHAREHOLDINGS AS AT 1 JULY 2024

DIRECTOR	Direct Interest	No. of Shares Held		
		%(*)	Indirect Interest	%(*)
DATO' SRI FOO CHEE JUAN	1,290,000	0.107	407,396,307*	33.868
DATO' FONG CHIU WAN	316,066,157	26.276	-	-
DHARMA RAJAH NADARAJAH	-	-	-	-
KOH WIN TON	-	-	-	-
LEE KOK JONG	-	-	-	-
ELIZABETH SHANTI A/P FRANK LOUIS	-	-	-	-

Note : \* Deemed interested in the shares held by Oregon Technology Sdn. Bhd. ("Oregon") by virtue of his interest in Oregon.  
 (\*) Based on the total number of issued shares net of 1,507,400 treasury shares.

### SUBSTANTIAL SHAREHOLDERS AS AT 1 JULY 2024

SUBSTANTIAL SHAREHOLDERS	Direct Interest	No. of Shares Held		
		%(*)	Indirect Interest	%(*)
OREGON TECHNOLOGY SDN BHD	407,396,307	33.868	-	-
DATO' SRI FOO CHEE JUAN	-	-	407,396,307*	33.868
DATO' FONG CHIU WAN	316,066,157	26.276	-	-
PP TECH LIMITED	86,005,134	7.150	-	-

Note : \* Deemed interested in the shares held by Oregon Technology Sdn. Bhd. ("Oregon") by virtue of his interest in Oregon.  
 (\*) Based on the total number of issued shares net of 1,507,400 treasury shares.

## ANALYSIS OF SECURITIES

## TOP THIRTY SHAREHOLDERS AS AT 1 JULY 2024

No.	Shareholders	Number of Shares Held	% (*)
1.	OREGON TECHNOLOGY SDN BHD	407,396,307	33.868
2.	FONG CHIU WAN	316,066,157	26.276
3.	CITIGROUP NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C- NR)</i>	86,195,384#	7.166
4.	RHB NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR OOI KENG THYE</i>	21,238,400	1.766
5.	KENANGA NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENT ACCOUNT)</i>	16,165,300	1.344
6.	BALACHANDRAN A/L GOVINDASAMY	9,869,400	0.821
7.	HSBC NOMINEES (ASING) SDN. BHD. <i>SOCIETE GENERALE PARIS</i>	8,050,000	0.669
8.	MOHAMED NIZAM BIN MOHAMED JAKEL	5,800,000	0.482
9.	DB (MALAYSIA) NOMINEE (ASING) SDN BHD <i>EXEMPT AN FOR DEUTSCHE BANK AG SINGAPORE (MAYBANK SG PWM)</i>	5,727,400	0.476
10.	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD <i>CIMB ISLAMIC TRUSTEE BERHAD – KENANGA SYARIAH GROWTH FUND</i>	5,477,000	0.455
11.	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD <i>TA ISLAMIC FUND</i>	5,148,000	0.428
12.	RHB NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR CHENG CHEW GIAP</i>	4,420,000	0.368
13.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR LIEW HAW CHIN (3007974)</i>	3,250,000	0.270
14.	LIM BEE SAN	2,915,600	0.242
15.	PUBLIC NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR OOI KENG THYE (E-PPG)</i>	2,899,000	0.241
16.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR CHIONG HUI YEE (M04)</i>	2,868,200	0.238
17.	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB FOR CHAN CHOUN SIEN (PB)</i>	2,787,000	0.232
18.	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD <i>CIMB ISLAMIC TRUSTEE BERHAD – KENANGA ISLAMIC BALANCED FUND</i>	2,786,300	0.232
19.	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>INCEIF (IFM KENANGA-I) (419238)</i>	2,564,600	0.213

## ANALYSIS OF SECURITIES

## TOP THIRTY SHAREHOLDERS AS AT 1 JULY 2024 (CONT'D)

No.	Shareholders	Number of Shares Held	% (*)
20.	ER SOON PUAY	2,500,000	0.208
21.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD <i>CIMB COMMERCE TRUSTEE BERHAD – KENANGA MALAYSIAN INC FUND</i>	2,336,300	0.194
22.	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>ICLIF (IFM KENANGA-I) (419237)</i>	2,237,700	0.186
23.	UOB KAY HIAN SECURITIES (M) SDN BHD <i>EXEMPT AN CLR FOR KENANGA INVESTORS BERHAD</i>	2,175,200	0.181
24.	WONG CHONG WUI	2,109,400	0.175
25.	TASEC NOMINEES (TEMPATAN) SDN BHD <i>EXEMPT AN FOR TA INVESTMENT MANAGEMENT BERHAD (CLIENTS)</i>	2,038,000	0.169
26.	LIM BEE SAN	1,900,000	0.158
27.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD <i>CIMB COMMERCE TRUSTEE BERHAD FOR TA DANA OPTIMIX</i>	1,898,000	0.158
28.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR LAI CHIN YAW (MY3379)</i>	1,800,000	0.150
29.	OOI KENG THYE	1,790,500	0.149
30.	CARTABAN NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR BARCLAYS CAPTIAL SECURITIES LTD (SBL/PB)</i>	1,778,800	0.148
	Total	934,187,948	77.663

Note : # inclusive of 86,005,134 ordinary shares held by PP Tech Limited  
 (\*) Based on the total number of issued shares net of 1,507,400 treasury shares.

## LIST OF PROPERTIES

Item	Title	Location	Tenure	Description	Land Area/ Built-up Area	Age of Building (Years)	Net Book Value (RM'000)	Date of Acquisition
1)	H.S. (D) 251643 P.T.D. 62917 Mukim of Tebrau, District of Johor Bahru	16, Jalan Hasil Dua, 81200 Tampoi, Johor Bahru, Johor.	Freehold	2 storey and 5 storey detached factory	2.4 acres/ 12,616m <sup>2</sup>	27	16,470	31 January 2018
2)	H.S. (D) 187269 P.T.D. 62921 Mukim of Tebrau, District of Johor Bahru	18, Jalan Hasil Satu, 81200 Tampoi, Johor Bahru, Johor.	Freehold	2 storey office cum factory	1 acre/ 4,100m <sup>2</sup>	28	21,713	31 January 2018
3)	H.S. (D) 187268 P.T.D. 62920 Mukim of Tebrau, District of Johor Bahru	20, Jalan Hasil Dua, 81200 Tampoi, Johor Bahru, Johor.	Freehold	5 storey office cum factory	1.1 acres/ 15,244m <sup>2</sup>	25		
4)	HSD187267 PTD62919 Mukim of Tebrau, District of Johor Bahru	No.15, Jalan Bayu, Tampoi, 81200 Johor Bahru, Johor.	Freehold	2 storey detached factory with office	1.2 acres/ 5,911m <sup>2</sup>	26	6,692	20 November 2009
5)	HSD187266 PTD62918 Mukim of Tebrau, District of Johor Bahru	No.9, Jalan Hasil Satu, Tampoi, 81200 Johor Bahru, Johor.	Freehold	Single storey detached factory with office	1 acre/ 3,351m <sup>2</sup>	28	2,907	25 January 1996
6)	HSD187264 PTD62916 Mukim of Tebrau, District of Johor Bahru.	No.7, Jalan Hasil Satu, Tampoi, 81200 Johor Bahru, Johor.	Freehold	2 storey detached factory with office	1 acre/ 3,308m <sup>2</sup>	28	2,774	20 April 1999
7)	LOT 1534 GERAN 92344 Mukim of Tebrau, District of Johor Bahru	No. 6, Jalan Dewani 1, Kawasan Perindustrian Temenggong, 81100 Johor Bahru, Johor.	Freehold	5 storey detached factory with office	1.55 acres/ 17,516m <sup>2</sup>	26	14,975	17 March 2016
8)	Lot 1572 Geran 128419 Mukim of Tebrau, District of Johor Bahru	Lot 1572, Jalan Dewani, Kawasan Perindustrian Temenggong, 81100 Johor Bahru, Johor.	Freehold	3 storey detached factory with office	1.43 acres/ 5,772m <sup>2</sup>	6	15,870	16 April 2018
9)	Lot 2050 Geran 88401 Mukim of Tebrau, District of Johor Bahru	No 10 & 10A, Jalan Bayu, Kawasan Perindustrian Jalan Hasil, Tampoi, 81200 Johor Bahru, Johor.	Freehold	2 storey with lower ground floor detached factory	4.69 acres/ 19,765m <sup>2</sup>	24	24,748	15 May 2019

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** THAT THE THIRTY-FIFTH (35th) ANNUAL GENERAL MEETING OF **ATA IMS BERHAD** WILL BE HELD AT THE CONFERENCE ROOM, NO. 6, JALAN DEWANI 1, KAWASAN PERINDUSTRIAN DEWANI, 81100 JOHOR BAHRU ON THURSDAY, 29 AUGUST 2024 AT 2:30 P.M FOR THE FOLLOWING PURPOSES:

### AGENDA

#### Ordinary Business

- |    |   |  |
|----|---|--|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 March 2024 and the Reports of the Directors and Auditors thereon. | <i>Please refer to Explanatory Note 12 (a) (i)</i> |
| 2. | To approve the Directors' fees of RM180,000-00 for the financial year ending 31 March 2025.   | <i>Resolution 1</i>                                |
| 3. | To re-elect the following Directors who are retiring in accordance with the Company's Constitution:-  |  |
|    | (i) Dato' Fong Chiu Wan - Clause 76(3)  | <i>Resolution 2</i>                                |
|    | (ii) Mr. Koh Win Ton - Clause 76(3)   | <i>Resolution 3</i>                                |
| 4. | To re-appoint Messrs KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.                            | <i>Resolution 4</i>                                |

#### Special Business

To consider and if thought fit, to pass the following Ordinary Resolutions:

- |    |   |                     |
|----|---|---------------------|
| 5. | <b>ORDINARY RESOLUTION 1<br/>AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016</b> | <i>Resolution 5</i> |
|----|---|---------------------|

"THAT pursuant to Sections 75 and 76 of the Act, Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer ("New Shares") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being ("Proposed General Mandate").

THAT such approval on the Proposed 10% General Mandate shall continue to be in force until:

- a. the conclusion of the next Annual General Meeting ("AGM") of the Company held after the approval was given;
- b. the expiration of the period within which the next AGM of the Company is required to be held after the approval was given; or
- c. revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

## NOTICE OF ANNUAL GENERAL MEETING

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the Main Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate."

6. **ORDINARY RESOLUTION 2  
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT  
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE  
WITH THE RELATED PARTIES AS DISCLOSED UNDER PARAGRAPH 4.3 OF THE  
CIRCULAR TO SHAREHOLDERS**

*Resolution 6*

"THAT approval be and is hereby given pursuant to Paragraph 10.09 and Practice Note 12 of the Bursa Malaysia Main Market Listing Requirements for the Company and its subsidiaries to enter into the category of Recurrent Related Party Transactions of a revenue or trading nature as set out in Paragraph 4.3 of the Circular to Shareholders dated 30 July 2024 with those Related Parties as set out in paragraph 4.2 which are necessary for their day-to-day operations, in the ordinary course of business made on an arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders; AND THAT the authority conferred by this Mandate shall commence immediately upon the passing of this Resolution and is subject to annual renewal. In this respect, the authority shall continue to be in force until:

- i. the conclusion of the next Annual General Meeting of the Company at which time the authority will lapse unless the authority is renewed by a Resolution passed at that Annual General Meeting;
- ii. the expiration of the period within which the next Annual General Meeting after that date is required to be held pursuant to Section 340 of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340 of the Companies Act 2016); or
- iii. revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier;"

7. To transact any other ordinary business of which due notice shall have been given.

**BY ORDER OF THE BOARD,**

**WONG CHEE YIN (f)  
(MAICSA 7023530) (SSM Practicing Certificate No. 202008001953)**

Company Secretary  
Johor Bahru

Dated: 30 July 2024

## NOTICE OF ANNUAL GENERAL MEETING

### Notes:

1. *For the purpose of determining members' eligibility to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Article 67(2) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositor as at 16 August 2024. Only members whose names appear therein shall be entitled to attend this meeting or appoint proxy(ies) to attend and vote on his/her behalf.*
2. *A member entitled to attend and vote at the meeting may appoint a proxy to vote in his stead. A proxy may but need not be a member of the Company. Where a member appoints more than 1 proxy, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.*
3. *In the case of a corporation, this proxy should be executed under its Common Seal or under the hand of officer or attorney of the corporation duly authorised in writing on its behalf.*
4. *Where a member is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
5. *Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
6. *The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:*
  - (i) *In hard copy form*  
*In the case of an appointment made in hard copy form, this proxy form must be deposited at the Share Registrar's Office, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.*
  - (ii) *Online*  
*In the case of an appointment made via online lodgement facility, please login to the link website at <https://tiih.online> and select "e-Services" to login. Please refer to the Administrative Guide on how to register to TIIH Online and submit your Form of Proxy electronically.*
7. *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Share Registrar Office, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*
8. *Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.*
9. *Last date and time for lodging this proxy form is 2:30 p.m. on Tuesday, 27 August 2024.*



## NOTICE OF ANNUAL GENERAL MEETING

10. A corporate member who has appointed a representative, please deposit the **ORIGINAL** or **duly certified certificate** of appointment with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. The certificate of appointment should be executed in the following manner:

- (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
- (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
  - (a) at least two (2) authorised officers, of whom one shall be a director; or
  - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

11. Pursuant to Paragraph 8.29(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of AGM shall be put to vote by poll.

12. Explanatory Note on Ordinary and Special Business:

(a) Ordinary Business

(i) **Item 1 of Agenda**

This item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act, 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.

(ii) **Resolution No. 2 & 3**

Dato' Fong Chiu Wan and Mr. Koh Win Ton are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 35th AGM.

The Board of Directors has through the Nomination Committee carried out the necessary assessment on the aforesaid Directors and concluded that they met the criteria as prescribed under Paragraph 2.20A of the Main Market Listing Requirements on character, experience, integrity, competence, strength in qualities and time commitment to effectively discharge their roles as Directors. The abovementioned Directors have also met the relevant criteria under the fit and proper assessment in accordance with the Directors' Fit and Proper Policy adopted by the Company.

The profiles of the Directors standing for re-election are provided on pages 6 to 8 of the Board of Directors' Profile in the 2024 Annual Report.

(b) Special Business

(i) **Resolution No. 5**

**Ordinary resolution 1 - Authority to Issue and Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016**

The Ordinary Resolution 1 proposed under Resolution no. 5, if passed, would provide flexibility to the Directors to undertake fund raising activities, including but not limited to placement of shares for the purpose of funding the Company's future investment project(s), working capital and/or acquisition(s), by the issuance of shares in the Company to such persons at any time as the Directors may deem fit provided that the aggregate number of shares issued pursuant to the mandate does not exceed 10% of the total number of the issued shares of the Company for the time being, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the next Annual General Meeting of the Company ("Proposed General Mandate").



## NOTICE OF ANNUAL GENERAL MEETING

*The Company has not issued any shares under the mandate granted to the Directors at the last Annual General Meeting of the Company held on 29 August 2023 and which will lapse at the conclusion of the 35th Annual General Meeting of the Company.*

**(ii) Resolution No. 6**

**Ordinary Resolution 2 - Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

*The Proposed Resolution, if passed, will authorise the Company and each of its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature in their ordinary course of business. This authority, unless revoked or varied by the shareholders of the Company at a general meeting, will expire at the conclusion of the next annual general meeting of the Company.*

## STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING

The Thirty-Fifth (35th) Annual General Meeting of ATA IMS Berhad will be held at the Conference Room, No. 6, Jalan Dewani 1, Kawasan Perindustrian Dewani, 81100 Johor Bahru on Thursday, 29 August 2024 at 2:30 p.m.

### Directors standing for election / re-election

There is no person standing for election as Director of the Company at this 35th AGM except for the following Directors who are seeking for re-election at the 35th AGM of the Company pursuant to the Company's Constitution as follows:

<u>Name of Director</u>	<u>Clause</u>
Dato' Fong Chiu Wan	76(3)
Mr. Koh Win Ton	76(3)

Details of the directors who are standing for re-election and his/her shareholdings are set out in the Director's Profile on pages 6 to 8 of the Annual Report.

### Information on Board meetings

The details of attendance of directors at board meetings are set out in the Corporate Governance Overview Statement on page 79 of this Annual Report.

### Statement Relating to General Mandate for Issue of Securities In Accordance With Paragraph 6.03(3) Of The Main Market Listing Requirements Of Bursa Malaysia Securities Berhad

Details of the general mandate to issue securities in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in Explanatory Note 12 (b) (i) of the Notice of 35th AGM.

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## PROXY FORM

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

I/We \_\_\_\_\_

of \_\_\_\_\_

being a member of ATA IMS BERHAD hereby appoint :-

Full Name (in Block) and NRIC/Passport No.	Address	Proportion of Shareholdings	
		No. of Shares	%

and/or (delete as appropriate)

Full Name (in Block) and NRIC/Passport No.	Address	Proportion of Shareholdings	
		No. of Shares	%

or failing him/her, the Chairman of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the Thirty-Fifth (35th) Annual General Meeting of the Company to be held at the Conference Room, 6 Jalan Dewani 1, Kawasan Perindustrian Dewani, 81100 Johor Bahru, Johor on Thursday, 29 August 2024 at 2:30 p.m. and at any adjournment thereof.

My/Our Proxy is to vote as indicated below:

	FOR	AGAINST
RESOLUTION 1		
RESOLUTION 2		
RESOLUTION 3		
RESOLUTION 4		
RESOLUTION 5		
RESOLUTION 6		

(Please indicate with an "X" in the appropriate box against each Resolution how you wish your votes to be cast. If you do not do so, the Proxy will vote or abstain from voting at his/her discretion).

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2024

\_\_\_\_\_  
Signature of shareholder(s)  
Contact No. :

No. of Shares Held	
CDS Account No.	

### Notes:

- For the purpose of determining members' eligibility to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Article 67(2) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositor as at 16 August 2024. Only members whose names appear therein shall be entitled to attend this meeting or appoint proxy(ies) to attend and vote on his/her behalf.
- A member entitled to attend and vote at the meeting may appoint a proxy to vote in his stead. A proxy may but need not be a member of the Company. Where a member appoints more than 1 proxy, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- In the case of a corporation, this proxy should be executed under its Common Seal or under the hand of officer or attorney of the corporation duly authorised in writing on its behalf.
- Where a member is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:
  - In hard copy form**  
In the case of an appointment made in hard copy form, this proxy form must be deposited at the Share Registrar's Office, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
  - Online**  
In the case of an appointment made via online lodgement facility, please login to the link website at <https://tiih.online> and select "e-Services" to login. Please refer to the Administrative Guide on how to register to TIH Online and submit your Form of Proxy electronically.

Fold this flap for sealing

7. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Share Registrar's Office, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
8. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
9. Last date and time for lodging this proxy form is 2.30 p.m. on Tuesday, 27 August 2024.
10. A corporate member who has appointed a representative, please deposit the **ORIGINAL** or **duly certified certificate** of appointment with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. The certificate of appointment should be executed in the following manner:
  - (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
  - (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
    - (a) at least two (2) authorised officers, of whom one shall be a director; or
    - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
11. Pursuant to Paragraph 8.29(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of AGM shall be put to vote by poll.

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AFFIX  
STAMP

THE SHARE REGISTRAR FOR  
**ATA IMS BERHAD**  
Registration No. 198901012846 (190155-M)  
Tricor Investor & Issuing House Services Sdn. Bhd.,  
Unit 32-01, Level 32, Tower A,  
Vertical Business Suite, Avenue 3,  
Bangsar South, No. 8, Jalan Kerinchi,  
59200 Kuala Lumpur, Malaysia

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