

UMW HOLDINGS BERHAD

(COMPANY NO : 198201010554 (90278-P))

(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	3 Months Ended 30.09.2022 RM'000 (Unaudited)	3 Months Ended 30.09.2021 RM'000 (Unaudited)	9 Months Ended 30.09.2022 RM'000 (Unaudited)	9 Months Ended 30.09.2021 RM'000 (Unaudited)
Revenue	4,057,465	2,016,350	11,439,063	7,415,693
Operating expenses	(3,927,781)	(2,015,387)	(11,084,822)	(7,346,160)
Other operating income	33,788	37,331	95,873	79,255
Profit from operations	163,472	38,294	450,114	148,788
Share of results of associates and joint ventures	72,809	(5,673)	267,146	107,053
Investment income	16,556	9,200	46,353	34,381
Profit before interest	252,837	41,821	763,613	290,222
Finance costs	(21,352)	(25,351)	(85,792)	(78,467)
Profit before taxation and zakat	231,485	16,470	677,821	211,755
Taxation and zakat	(72,124)	(26,029)	(172,127)	(76,437)
Profit/(loss) for the period	159,361	(9,559)	505,694	135,318
<u>Other comprehensive income:</u>				
Translation of foreign operations	18,947	12,131	52,434	19,042
Share of other comprehensive income/(loss) of associates	353	(305)	901	(184)
Cash flow hedge	-	-	-	71
Other comprehensive income net of tax	19,300	11,826	53,335	18,929
Total comprehensive income for the period	178,661	2,267	559,029	154,247
<u>Profit/(loss) for the period attributable to:</u>				
Owners of the Company	100,697	(47,899)	309,092	28,265
Holder of perpetual sukuk	17,415	17,415	52,244	52,244
Non-controlling interests	41,249	20,925	144,358	54,809
	159,361	(9,559)	505,694	135,318
<u>Total comprehensive income/(loss) attributable to:</u>				
Owners of the Company	118,160	(36,634)	357,612	51,142
Holder of perpetual sukuk	17,415	17,415	52,244	52,244
Non-controlling interests	43,086	21,486	149,173	50,861
	178,661	2,267	559,029	154,247
Earnings/(loss) per share for the period (sen):				
Basic/diluted	8.62	(4.10)	26.46	2.42

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2021 and accompanying explanatory notes attached to the Interim Condensed Consolidated Financial Statements.

UMW HOLDINGS BERHAD
(COMPANY NO : 198201010554 (90278-P))
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2022

	As At 30.09.2022 RM'000 (Unaudited)	As At 31.12.2021 RM'000 (Audited)
Assets		
Non-current assets		
Property, plant and equipment	2,677,404	2,545,020
Investment properties	251,812	270,218
Leased assets	382,508	373,457
Right-of-use assets	120,018	128,182
Investments in joint ventures	81,531	77,850
Investments in associates	2,337,647	2,170,600
Deferred tax assets	189,415	222,174
Other investments	5,226	5,220
	<u>6,045,561</u>	<u>5,792,721</u>
Current assets		
Other investments	236,045	603,198
Derivative assets	6,647	5,598
Inventories	2,004,940	1,752,160
Trade receivables	905,188	904,185
Other receivables	120,013	147,476
Tax recoverable	15,770	19,413
Deposits, cash and bank balances	3,048,833	2,941,385
	<u>6,337,436</u>	<u>6,373,415</u>
Assets held for sale	6,797	6,553
	<u>6,344,233</u>	<u>6,379,968</u>
Total assets	<u>12,389,794</u>	<u>12,172,689</u>
Equity and liabilities		
Equity attributable to equity holders of the Company		
Share capital	584,147	584,147
Capital reserve	396	396
Fair value reserve	6,031	5,130
Foreign currency translation reserve	28,278	(19,135)
Retained earnings	3,675,483	3,434,152
	<u>4,294,335</u>	<u>4,004,690</u>
Perpetual sukuk	1,115,275	1,097,860
Non-controlling interests	1,717,259	1,659,999
Total equity	<u>7,126,869</u>	<u>6,762,549</u>
Non-current liabilities		
Deferred tax liabilities	54,384	48,396
Provision for warranties	210,022	208,786
Lease liabilities	35,700	38,180
Borrowings	1,671,718	2,094,993
	<u>1,971,824</u>	<u>2,390,355</u>
Current liabilities		
Derivative liabilities	38,439	3,094
Provision for warranties	110,102	84,981
Provision for taxation	88,818	7,699
Borrowings	241,653	638,082
Trade payables	853,494	648,064
Other payables	1,922,503	1,600,726
Lease liabilities	13,413	16,608
Liabilities associated with assets held for sale	22,679	20,531
	<u>3,291,101</u>	<u>3,019,785</u>
Total liabilities	<u>5,262,925</u>	<u>5,410,140</u>
Total equity and liabilities	<u>12,389,794</u>	<u>12,172,689</u>
Net assets per share attributable to owners of the Company (RM)	<u>3.68</u>	<u>3.43</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2021 and accompanying explanatory notes attached to the Interim Condensed Consolidated Financial Statements.

UMW HOLDINGS BERHAD

(COMPANY NO : 198201010554 (90278-P))

(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2022 (THE FIGURES HAVE NOT BEEN AUDITED)

	←----- Non - Distributable ----->					Distributable				
	Share capital RM'000	Capital reserve RM'000	Hedging reserve RM'000	Fair value reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual sukuk RM'000	Non-controlling interests RM'000	Total equity RM'000
9 MONTHS ENDED 30 SEPTEMBER 2022 (UNAUDITED)										
At 1 January 2022	584,147	396	-	5,130	(19,135)	3,434,152	4,004,690	1,097,860	1,659,999	6,762,549
Transactions with owners:										
Dividends distributed to equity holders	-	-	-	-	-	(67,761)	(67,761)	-	(91,913)	(159,674)
Liquidation of a subsidiary	-	-	-	-	(206)	-	(206)	-	-	(206)
Distribution to holders of perpetual sukuk	-	-	-	-	-	-	-	(34,829)	-	(34,829)
Total comprehensive income	-	-	-	901	47,619	309,092	357,612	52,244	149,173	559,029
At 30 September 2022	584,147	396	-	6,031	28,278	3,675,483	4,294,335	1,115,275	1,717,259	7,126,869

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	←----- Non - Distributable ----->					Distributable				
	Share capital RM'000	Capital reserve RM'000	Hedging reserve RM'000	Fair value reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual sukuk RM'000	Non-controlling interests RM'000	Total equity RM'000
9 MONTHS ENDED 30 SEPTEMBER 2021 (UNAUDITED)										
At 1 January 2021	584,147	396	(71)	5,100	(47,635)	3,326,194	3,868,131	1,097,860	1,451,178	6,417,169
Transactions with owners:										
Dividend distributed to equity holders	-	-	-	-	-	(46,732)	(46,732)	-	(16,323)	(63,055)
Distribution to holders of perpetual sukuk	-	-	-	-	-	-	-	(34,829)	-	(34,829)
Total comprehensive income	-	-	71	(184)	22,990	28,265	51,142	52,244	50,861	154,247
At 30 September 2021	584,147	396	-	4,916	(24,645)	3,307,727	3,872,541	1,115,275	1,485,716	6,473,532

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2021 and accompanying explanatory notes attached to the Interim Condensed Consolidated Financial Statements.

UMW HOLDINGS BERHAD

(COMPANY NO : 198201010554 (90278-P))
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2022 (THE FIGURES HAVE NOT BEEN AUDITED)

	9 Months Ended 30.09.2022 RM'000 (Unaudited)	9 Months Ended 30.09.2021 RM'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation and zakat	677,821	211,755
Adjustments for:		
Depreciation and amortisation	254,273	251,321
Net impairment loss/(reversal of impairment) on:		
- property, plant and equipment	(3,293)	-
- receivables	719	(11,209)
- other investments	(2,711)	3,797
Property, plant and equipment written off	3,417	621
Net reversal of inventories written down	(4,124)	(7,105)
Interest expense	85,792	78,467
Share of results of associates and joint ventures	(267,146)	(107,053)
Net gain on disposal of property, plant and equipment, leased assets and right-of-use assets	(22,045)	(38,281)
Net loss on disposal of investments in subsidiaries	6,648	-
Net fair value loss on derivatives	34,258	9,277
Net unrealised foreign exchange loss	9,858	15,984
Net fair value gain on financial assets held for trading	(1,346)	(371)
Net (gain)/loss on disposal of other investments	(153)	23
Interest and other investments income	(47,814)	(36,764)
Net provision for warranties	59,629	37,406
Operating profit before working capital changes	<u>783,783</u>	<u>407,868</u>
Changes in receivables	59,468	129,433
Changes in inventories	(248,534)	(247,150)
Warranties paid	(33,469)	(19,812)
Changes in payables	<u>515,870</u>	<u>(327,038)</u>
Cash generated from/(used in) operating activities	1,077,118	(56,699)
Interest paid	(85,752)	(78,948)
Taxes and zakat paid	(50,188)	(66,723)
Net cash generated from/(used in) operating activities	<u>941,178</u>	<u>(202,370)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received	93,611	79,470
Purchase of property, plant and equipment, investment properties and leased assets	(379,897)	(322,995)
Proceeds from disposal of property, plant and equipment, and leased assets	47,877	62,877
Interest received	46,921	36,088
Proceeds from disposal of other investments	718,434	919,420
Purchase of other investments	(349,312)	(578,478)
Movement in fixed deposits placement with maturity of more than 3 months	(293,984)	(72,464)
Movement in deposits placement restricted by banks	6,244	1,200
Movement in assets held for sale	(6,831)	-
Net cash (used in)/generated from investing activities	<u>(116,937)</u>	<u>125,118</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to equity holders of the Company	(67,761)	(46,732)
Dividends paid to non-controlling interests	(86,066)	(16,323)
Dividends paid to perpetual sukuk holders	(34,829)	(34,829)
Lease payment	(17,993)	(21,651)
Net repayment of borrowings	<u>(819,715)</u>	<u>(213,519)</u>
Net cash used in financing activities	<u>(1,026,364)</u>	<u>(333,054)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(202,123)	(410,306)
EFFECTS OF EXCHANGE RATE CHANGES	21,831	8,637
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY	<u>2,700,280</u>	<u>2,050,893</u>
CASH AND CASH EQUIVALENTS AS AT 30 SEPTEMBER	2,519,988	1,649,224
Add: Deposits with maturity of more than 3 months	<u>528,845</u>	<u>115,681</u>
DEPOSITS, CASH AND BANK BALANCES AS AT 30 SEPTEMBER	<u>3,048,833</u>	<u>1,764,905</u>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2021 and accompanying explanatory notes attached to the Interim Condensed Consolidated Financial Statements.

NOTE 1 - Significant accounting policies and application of Malaysian Financial Reporting Standards (“MFRS”)

Basis of preparation

The interim financial statements have been prepared in accordance with the requirements of MFRS 134 *Interim Financial Reporting*, the requirements of the Companies Act 2016 in Malaysia, where applicable and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements have been prepared using historical cost basis except for certain financial assets and financial liabilities that are stated at fair value in accordance with MFRS 9 *Financial Instruments* and the retirement benefit obligations, including actuarial gains and losses are recognised in accordance with MFRS 119 *Employee Benefits*.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2021.

The accounting standards adopted in the preparation of the interim financial statements are consistent with those adopted in the preparation of the Group’s audited financial statements for the financial year ended 31 December 2021, except for the newly-issued MFRS and amendments to standards to be applied by all Entities Other Than Private Entities as described below.

Adoption of amendments and annual improvements to Standards

The Group has adopted the following amendments to MFRS for annual financial periods beginning on or after 1 January 2022:

- Amendments to MFRS 1, MFRS 9 and MFRS 141 (Annual Improvements to MFRS Standards 2018 - 2020 Cycle)
- Amendments to MFRS 3 Business Combinations (Reference to the Conceptual Framework)
- Amendments to MFRS 116 Property, Plant and Equipment (Proceeds before Intended Use)
- Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts - Cost of Fulfilling a Contract)

The adoption of the above amended standards are either not relevant or do not have any material impact on the financial performance or position of the Group.

Standards issued but not yet effective

As at the date of authorisation of the interim financial statements, the following Standards and amendments to Standards have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective and have not been adopted by the Group:

Effective for financial periods beginning on or after 1 January 2023

- Amendment to MFRS 16 Leases (Lease Liability in a Sale and Leaseback)
- MFRS 17 Insurance Contracts
- Amendments to MFRS 17 Insurance Contracts
- Amendments to MFRS 101 Presentation of Financial Statements (Classification of Liabilities as Current or Non-current)

NOTE 1 - Significant accounting policies and application of Malaysian Financial Reporting Standards (“MFRS”) (cont’d.)

Effective for financial periods beginning on or after 1 January 2023 (cont’d.)

- Amendments to MFRS 101 Presentation of Financial Statements (Disclosure of Accounting Policies)
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors (Definition of Accounting Estimates)
- Amendments to MFRS 112 Income Taxes (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)

Effective date of these amendments to Standards has been deferred, and yet to be announced

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

The above pronouncements are either not relevant or are expected not to have any material impact on the financial statements of the Group.

NOTE 2 - Seasonal or cyclical factors

During the financial period, the businesses of the Group were not affected by any significant seasonal or cyclical factors.

NOTE 3 - Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cashflows during the current quarter and financial period ended 30 September 2022.

NOTE 4 - Accounting estimates

There were no changes in estimates that have had any material effect during the financial period under review.

NOTE 5 - Issuance, repurchase or repayment of debt and equity securities

On 4 April 2022, the Company had obtained the required approval from the sukukholders during their Extraordinary General Meeting (“EGM”) to partially redeem the outstanding sukuk of RM750.0 million under the RM2.0 billion Islamic Medium Term Notes (“IMTN”) programme, that were issued on 4 October 2016, 22 June 2017 and 13 September 2018 respectively.

On 12 April 2022, subsequent to the approval, the Company has redeemed the IMTNs and the respective RM750.0 million tranches were then cancelled accordingly.

Other than the above, there were no issuance and repayment of debt securities, share buybacks, share cancellations, shares held as treasury shares and resale of treasury shares for the financial period ended 30 September 2022.

NOTE 6 – Dividends paid

	30.09.2022	30.09.2021
	RM'000	RM'000
<u>In respect of the financial year ended 31 December 2021:</u>		
Final dividend of 5.8 sen per ordinary shares, paid on 29 April 2022.	67,761	-
<u>In respect of the financial year ended 31 December 2020:</u>		
Final dividend of 4.0 sen per ordinary shares, paid on 30 April 2021.	-	46,732
	<u>67,761</u>	<u>46,732</u>

NOTE 7 – Segmental reporting

	9 Months Ended 30 September 2022		
Business Segment	Revenue RM'000	Profit/(Loss) Before Taxation and Zakat RM'000	Profit/(Loss) Attributable to Owners of the Company RM'000
Automotive	9,615,098	592,272	341,354
Equipment	1,132,724	117,182	80,716
Manufacturing & Engineering	705,697	37,096	13,037
Others	46,532	(68,729)	(73,771)
Inter-segment eliminations	(60,988)	-	-
Subtotal	11,439,063	677,821	361,336
Less : Profit attributable to holders of perpetual sukuk	-	-	(52,244)
CONSOLIDATED TOTAL	11,439,063	677,821	309,092

	9 Months Ended 30 September 2021		
Business Segment	Revenue RM'000	Profit/(Loss) Before Taxation and Zakat RM'000	Profit/(Loss) Attributable to Owners of the Company RM'000
Automotive	5,968,689	207,571	129,437
Equipment	948,314	78,075	55,748
Manufacturing & Engineering	500,456	10,486	(8,907)
Others	15,892	(84,377)	(95,769)
Inter-segment eliminations	(17,658)	-	-
Subtotal	7,415,693	211,755	80,509
Less : Profit attributable to holders of perpetual sukuk	-	-	(52,244)
CONSOLIDATED TOTAL	7,415,693	211,755	28,265

NOTE 8 – Subsequent material event

In the opinion of the directors, there has been no material event or transaction since the end of the current financial period to the date of this announcement which substantially affects the results of the Group for the financial period ended 30 September 2022.

NOTE 9 – Changes in the composition of the Group

a. The liquidation of the following subsidiaries in the Group were completed on the following dates:

Date	Company
4 March 2022	UMW SG Power Systems Sdn Bhd
29 March 2022	UMW Middle East Ventures Holding W.L.L
14 September 2022	UMW Autocorp Sdn Bhd

b. On 19 October 2022, the Group announced that its dormant subsidiary, UMW Oil & Gas Berhad (“UOG”), will be dissolved on 19 January 2023, being the expiry of the three months from the lodgement date of the Return by the Group’s appointed liquidator.

NOTE 10 - Capital commitments

The Group’s capital commitments not provided for in the interim financial statements as at 30 September 2022 were as follows:

	RM’000	RM’000
<u>Approved and contracted for:</u>		
Land and buildings	3,013	
Equipment, plant and machinery	96,352	
Others*	32,229	131,594
	<hr/>	
<u>Approved but not contracted for:</u>		
Land and buildings	9,612	
Equipment, plant and machinery	511,350	
Others*	88,755	609,717
	<hr/>	<hr/>
Total		<u>741,311</u>

*Others consist of furniture and fittings, office equipment, computer equipment and software, motor vehicles and leasehold improvements.

NOTE 11 - Significant related party transactions

All related party transactions and balances within the Group had been entered into in the normal course of business and were carried out on normal commercial terms during the current quarter and nine months ended 30 September 2022.

Save for the recurrent related party transactions (“RPTs”) with parties outside the Group as mandated by the shareholders at the 40th Annual General Meeting on 26 May 2022, there were no significant transactions with other related parties outside the Group.

NOTE 12 - Classification of financial assets

There were no changes to the classification of financial assets for the financial period under review compared with the last annual financial statements.

NOTE 13 - Changes in contingent liabilities and assets

Contingent liabilities of the Group are as follows:

	As at 30.09.2022 RM'000	As at 31.12.2021 RM'000
Performance bonds in favour of third parties	10,790	11,580

NOTE 14 - Review of performance**Quarter 3, 2022 vs Quarter 3, 2021**

	Revenue			Profit/(Loss) Before Taxation and Zakat		
	3 Months Ended 30.09.2022 RM'000	3 Months Ended 30.09.2021 RM'000	Variance %	3 Months Ended 30.09.2022 RM'000	3 Months Ended 30.09.2021 RM'000	Variance %
CONSOLIDATED TOTAL	4,057,465	2,016,350	>100%	231,485	16,470	>100%
Business Segment:						
Automotive	3,427,556	1,590,786	>100%	183,551	27,408	>100%
Equipment	394,357	315,951	24.8%	49,979	24,320	>100%
Manufacturing & Engineering	252,174	110,265	>100%	13,418	8,170	64.2%
Others	3,609	5,363	(32.7)%	(15,463)	(43,428)	64.4%
Inter-segment eliminations	(20,231)	(6,015)	>(100%)	-	-	-

Group

The Group revenue of RM4,057.5 million in the current quarter was more than double the RM2,016.4 million reported in the quarter ended 30 September 2021 (“corresponding quarter”), mainly attributable to the higher contributions from all core segments, following the strong recovery under the National Recovery Plan (“NRP”) as opposed to the Full Movement Control Order (“FMCO”) for 1.5 months (1 June 2021 to 15 August 2021) in the corresponding quarter.

Correspondently, the Group reported a substantially higher profit before taxation and zakat (“PBTZ”) of RM231.5 million in the current quarter compared with RM16.5 million in the corresponding quarter.

NOTE 14 - Review of performance (cont'd.)

Quarter 3, 2022 vs Quarter 3, 2021 (cont'd.)

i. Automotive Segment

The segment revenue of RM3,427.6 million was notably higher than the RM1,590.8 million reported in the corresponding quarter, mainly due to the higher number of vehicles sold in the current quarter.

In line with the higher revenue and share of profit from an associated company, the segment recorded a higher PBTZ of RM183.6 million compared with RM27.4 million in the corresponding quarter.

ii. Equipment Segment

The segment revenue of RM394.4 million was 24.8% higher than the RM316.0 million reported in the corresponding quarter, mainly due to improved demand for the segment's products and services in local and overseas markets.

In line with the higher revenue, the segment's PBTZ of RM50.0 million more than doubled the RM24.3 million reported in the corresponding quarter.

iii. Manufacturing & Engineering Segment

The segment revenue of RM252.2 million was more than double the RM110.3 million in the corresponding quarter due to higher contributions from all sub-segments. In the prior year, the segment registered lower revenue due to the FMCO imposed from 1 June to 15 August 2021, to curb the increase in Covid-19 cases.

In tandem with the higher revenue, the segment reported a higher PBTZ of RM13.4 million in the current quarter compared with RM8.2 million in the corresponding quarter.

iv. Others

The segment under Others which does not generate significant external revenue mainly relates to activities such as information technology, property development, management and corporate services, various professional services and research and development.

The segment revenue of RM3.6 million was lower than the RM5.4 million in the corresponding quarter mainly due to lower revenue from services rendered in the current quarter.

Nevertheless, the segment reported a lower loss of RM15.5 million compared with RM43.4 million reported in the corresponding quarter, mainly attributable to the higher share of profit from an associated company coupled with lower operating expenses.

NOTE 14 - Review of performance (cont'd.)**Nine Months, 2022 vs Nine Months, 2021**

	Revenue			Profit/(Loss) Before Taxation and Zakat		
	9 Months Ended 30.09.2022 RM'000	9 Months Ended 30.09.2021 RM'000	Variance %	9 Months Ended 30.09.2022 RM'000	9 Months Ended 30.09.2021 RM'000	Variance %
CONSOLIDATED TOTAL	11,439,063	7,415,693	54.3%	677,821	211,755	>100%
Business Segment:						
Automotive	9,615,098	5,968,689	61.1%	592,272	207,571	>100%
Equipment	1,132,724	948,314	19.4%	117,182	78,075	50.1%
Manufacturing & Engineering	705,697	500,456	41.0%	37,096	10,486	>100%
Others	46,532	15,892	>100%	(68,729)	(84,377)	18.5%
Inter-segment eliminations	(60,988)	(17,658)	>(100%)	-	-	-

Group

The Group revenue for the period ended 30 September 2022 of RM11,439.1 million was higher than the RM7,415.7 million recorded in the corresponding period, which was attributable to the higher revenue in all segments following the reopening of the economy under the NRP since the end of the FMCO in the third quarter of 2021.

Consistent with the higher revenue, the Group PBTZ of RM677.8 million increased threefold from the RM211.8 million reported in the corresponding period.

i. Automotive Segment

The Automotive segment's revenue of RM9,615.1 million was 61.1% higher than the RM5,968.7 million recorded in the corresponding period, supported by the higher number of vehicles sold in the current period following the continued strong sales momentum.

Consequently, the segment's PBTZ of RM592.3 million was also considerably higher than the RM207.6 million profit reported in the corresponding period.

ii. Equipment segment

Revenue of RM1,132.7 million was 19.4% higher than RM948.3 million in the corresponding period, mainly due to the growing demand for the segment's products and services in its local and overseas market during the current period.

Therefore, the segment's PBTZ of RM117.2 million was 50.1% higher than the RM78.1 million profit reported in the corresponding period.

iii. Manufacturing & Engineering Segment

The segment revenue of RM705.7 million was 41.0% higher than the RM500.5 million reported in the corresponding period due to higher contributions from all sub-segments, most notably from the Auto component sub-segment.

In line with the increase in revenue, the segment's PBTZ of RM37.1 million was three times higher than the RM10.5 million reported in the corresponding period.

NOTE 14 - Review of performance (cont'd.)**Nine Months, 2022 vs Nine Months, 2021 (cont'd.)****iv. Others**

The revenue for segment under Others of RM46.5 million was exceptionally higher than the RM15.9 million in the corresponding period due mainly to revenue recognition relating to the sale of industrial plots in Serendah in the current period.

Accordingly, the segment reported a lower loss of RM68.7 million compared with RM84.4 million in the corresponding period.

NOTE 15 - Comparison with immediate preceding quarter**Quarter 3, 2022 vs Quarter 2, 2022**

	Revenue			Profit/(Loss) Before Taxation and Zakat		
	3 Months Ended 30.09.2022 RM'000	3 Months Ended 30.06.2022 RM'000	Variance %	3 Months Ended 30.09.2022 RM'000	3 Months Ended 30.06.2022 RM'000	Variance %
CONSOLIDATED TOTAL	4,057,465	3,730,842	8.8%	231,485	230,047	0.6%
Business Segment:						
Automotive	3,427,556	3,117,372	10.0%	183,551	202,884	(9.5)%
Equipment	394,357	366,590	7.6%	49,979	35,439	41.0%
Manufacturing & Engineering	252,174	226,443	11.4%	13,418	13,050	2.8%
Others	3,609	39,850	(90.9)%	(15,463)	(21,326)	27.5%
Inter-segment eliminations	(20,231)	(19,413)	(4.2)%	-	-	-

Group

The Group revenue of RM4,057.5 million was 8.8% higher than the RM3,730.8 million reported in the preceding quarter ended 30 June 2022 ("preceding quarter"), primarily due to the continued sales momentum in all core businesses as the economy recovers due to the NRP.

Accordingly, the Group reported a slightly higher PBTZ of RM231.5 million in the current quarter compared with RM230.0 million in the preceding quarter.

i. Automotive Segment

The revenue of RM3,427.6 million was higher than the preceding quarter's revenue of RM3,117.4 million mainly due to the higher number of vehicles sold in the current quarter.

However, the segment reported a comparatively lower PBTZ of RM183.6 million than the RM202.9 million in the preceding quarter, due mainly to the lower share of profit from an associated company.

ii. Equipment Segment

The revenue of RM394.4 million was 7.6% higher than the RM366.6 million reported in the preceding quarter, mainly due to the higher contribution from the Industrial Equipment sub-segment.

NOTE 15 - Comparison with immediate preceding quarter (cont'd.)

Quarter 3, 2022 vs Quarter 2, 2022 (cont'd.)

ii. Equipment Segment (cont'd.)

In line with the increase in revenue, the segment's PBTZ of RM50.0 million was higher than the RM35.4 million reported in the preceding quarter.

iii. Manufacturing & Engineering Segment

The segment revenue of RM252.2 million was 11.4% higher than the RM226.4 million reported in the preceding quarter, derived from higher revenue from all sub-segments.

In line with the marginal increase in revenue, the segment's PBTZ increased marginally to RM13.4 million from RM13.1 million in the preceding quarter.

iv. Others

The revenue for segment under Others of RM3.6 million was considerably lower than the RM39.9 million in the preceding quarter primarily due to revenue recognition relating to sale of industrial plots in Serendah in the preceding quarter.

Nonetheless, the segment reported a lower loss of RM15.5 million compared with RM21.3 million in the preceding quarter largely due to lower operating costs.

NOTE 16 – Prospects

The World Bank, in its October 2022 East Asia and the Pacific Economic Update report, revised upwards Malaysia's growth projection for 2022 to 6.4% from 5.5%, supported by strong domestic demand amid caution that global growth could still slow down by the end of 2022 due to the slowdown in growth in advanced economies and China, the high inflation environment, the stronger US dollar, higher interest rates as well as prolonged supply chain disruptions.

i. Automotive Segment

The Automotive segment is expected to continue to benefit from the sales tax exemption for outstanding orders made before 30 June 2022 and to be registered by 31 March 2023. With the resumption of economic activities following the NRP, the Group has taken the necessary measures to ramp-up production to fulfil its outstanding orders. This is further supported by improvements in the supply chain.

The outlook for the segment remains positive and the Group will continue to introduce new and facelifted models to maintain its sales momentum. Barring unforeseen circumstances, the Group is confident of achieving its sales targets for 2022.

ii. Equipment Segment

The growth prospect for the Equipment segment remains encouraging and is in tandem with the resumption of business and economic activities following the transition into endemicity.

NOTE 16 – Prospects (cont’d.)
ii. Equipment Segment (cont’d.)

The demand for heavy equipment is expected to improve in line with the resumption of construction and infrastructure activities in the countries the segment operates in. Meanwhile, the Industrial Equipment sub-segment will continue to focus on growth sectors as well as to expand its forklift refurbishment business. The segment will work closely with its principals to undertake cost optimisation activities and improve operational efficiencies to remain resilient.

The segment has recently opened its new integrated Equipment Division Customer Centre (“EDCC”) in Kota Kemuning, Shah Alam to improve its services to customers.

iii. Manufacturing & Engineering Segment

The Manufacturing & Engineering segment is expected to benefit from the robust original equipment (“OE”) and replacement equipment (“RE”) markets due to the expected higher demand for vehicles for the remainder of the year. Both the Auto Components and Lubricants sub-segments are expected to register healthy growth supported by improving demand.

The aerospace industry is gradually recovering as air travel improves leading to additional orders for planes from the airlines. This, together with the clearing of the backlog orders is expected to improve the demand for fan cases.

The Group remains cautious on the potential downside of both external and domestic market forces and will continue to improve its resilience by focusing on cost optimisation and operational efficiency whilst engaging with its principals, suppliers and stakeholders to mitigate the challenges. Overall, the Group expects its performance for the remainder of 2022 to be better than the previous year.

NOTE 17 - Variance from profit forecast and profit guarantee

Not applicable as there was no profit forecast or profit guarantee issued by the Group.

NOTE 18 – Revenue

Disaggregation of revenue from contracts with customers:

9 Months Ended 30.09.2022	Sale of vehicles RM'000	Sale of parts RM'000	Export sales RM'000	Sale of equipment RM'000	Sale of lubricants & related products RM'000	Services rendered RM'000	Property Development RM'000	Others RM'000	Revenue from contracts with customers RM'000	Lease rental income RM'000	Consolidated revenue RM'000
Business Segment											
Automotive	7,588,976	1,345,465	679,906	-	-	751	-	-	9,615,098	-	9,615,098
Equipment	-	248,622	27,403	625,562	-	44,954	-	-	946,541	186,183	1,132,724
Manufacturing & Engineering	-	322,369	212,198	-	171,130	-	-	-	705,697	-	705,697
Others	-	-	-	-	-	813	35,690	10,029	46,532	-	46,532
Inter-segment eliminations	-	(45,583)	(2,003)	(582)	(6,570)	(363)	-	-	(55,101)	(5,887)	(60,988)
Total	7,588,976	1,870,873	917,504	624,980	164,560	46,155	35,690	10,029	11,258,767	180,296	11,439,063

9 Months Ended 30.09.2021	Sale of vehicles RM'000	Sale of parts RM'000	Export sales RM'000	Sale of equipment RM'000	Sale of lubricants & related products RM'000	Services rendered RM'000	Property Development RM'000	Others RM'000	Revenue from contracts with customers RM'000	Lease rental income RM'000	Consolidated revenue RM'000
Business Segment											
Automotive	4,740,168	731,462	496,677	-	-	382	-	-	5,968,689	-	5,968,689
Equipment	-	196,911	30,096	515,972	-	27,956	-	5,373	776,308	172,006	948,314
Manufacturing & Engineering	-	231,692	149,020	-	119,472	272	-	-	500,456	-	500,456
Others	-	-	-	-	-	99	5,423	10,370	15,892	-	15,892
Inter-segment eliminations	-	(4,566)	(1,882)	(414)	(4,553)	(251)	-	-	(11,666)	(5,992)	(17,658)
Total	4,740,168	1,155,499	673,911	515,558	114,919	28,458	5,423	15,743	7,249,679	166,014	7,415,693

NOTE 19 - Taxation and Zakat

	3 Months Ended 30.09.2022 RM'000	3 Months Ended 30.09.2021 RM'000	9 Months Ended 30.09.2022 RM'000	9 Months Ended 30.09.2021 RM'000
Current period provision	(39,890)	(15,596)	(124,619)	(50,165)
(Under)/over provision in prior periods	(3,413)	750	(4,932)	2,046
	(43,303)	(14,846)	(129,551)	(48,119)
Deferred taxation	(27,222)	(2,595)	(37,779)	(19,730)
Taxation	(70,525)	(17,441)	(167,330)	(67,849)
Zakat	(1,599)	(8,588)	(4,797)	(8,588)
Total taxation and zakat	(72,124)	(26,029)	(172,127)	(76,437)

The effective tax rate for the nine months ended 30 September 2022 was higher than the statutory tax rate, primarily due to losses from certain subsidiary companies which cannot be set-off against profits of other companies and certain expenses which are not deductible for tax purposes. Included in the current period provision was prosperity tax on aggregate income that exceeds RM100 million for a subsidiary.

NOTE 20 - Corporate proposals

The Group has no corporate proposal announced that is not completed as at the date of this report.

NOTE 21 - Group borrowings and debt securities

	As at 30.09.2022				
	Long term	Short term		Total borrowings	
	RM denomination	Foreign denomination	RM denomination	Foreign denomination	RM denomination
	RM'000	RM'000	RM'000	RM'000	RM'000
Secured					
Term loans and trade facilities	88,300	-	-	-	88,300
	88,300	-	-	-	88,300
Unsecured					
Term loans and trade facilities	1,669,132	-	155,939	-	1,825,071
Long term loans payable within 12 months	(85,714)	-	85,714	-	-
	1,583,418	-	241,653	-	1,825,071
Total	1,671,718	-	241,653	-	1,913,371

	As at 31.12.2021				
	Long term	Short term		Total borrowings	
	RM denomination	Foreign denomination	RM denomination	Foreign denomination	RM denomination
	RM'000	RM'000	RM'000	RM'000	RM'000
Secured					
Term loans and trade facilities	88,300	-	-	-	88,300
	88,300	-	-	-	88,300
Unsecured					
Term loans and trade facilities	2,492,407	30,857	121,511	30,857	2,613,918
Long term loans payable within 12 months	(485,714)	-	485,714	-	-
	2,006,693	30,857	607,225	30,857	2,613,918
Total	2,094,993	30,857	607,225	30,857	2,702,218

NOTE 22 - Financial instruments**Derivatives**

As at 30 September 2022, the Group's outstanding derivative assets and liabilities are as follows:

Type of Derivative	Tenor	Notional Value RM'000	Fair Value Asset/(Liability) RM'000
Derivative Assets			
- Forward currency contracts	Less than 1 year	251,087	6,647
Derivative Liabilities			
- Forward currency contracts	Less than 1 year	336,133	(9,211)
- Embedded derivatives	Less than 1 year	1,065,812	(29,228)
		1,401,945	(38,439)

The Group uses forward currency contracts to hedge the current and future sales and purchases denominated in foreign currencies for which firm commitments existed at the end of reporting date. Derivatives are placed with or entered into with reputable financial institution with high credit ratings and no history of default. The Group does not participate in any speculative investment activities.

There was no significant change to the type of derivative financial contracts entered into, cash requirements of the derivatives, risk associated with the derivatives and the risk management objectives and policies to mitigate these risks since the financial period ended 30 September 2022 other than expiry of outstanding contracts reported then.

Fair value changes of financial liabilities

Other than derivatives which are classified as liabilities if they are at fair value loss position as at the end of the reporting period, the Group does not remeasure its financial liabilities at fair value after initial recognition.

NOTE 23 - Material litigation

There was no material litigation pending at the date of this announcement.

NOTE 24 - Dividends declared

No dividend has been declared by the Board during the quarter/nine months ended 30 September 2022 (30 September 2021: Nil).

On 25 February 2022, the Board declared a final dividend of 5.8 sen per share amounting to RM67.8 million in respect of the financial year ended 31 December 2021 which was paid on 29 April 2022.

The Board declared an interim dividend of 3.0 sen per share amounting to RM35.0 million in respect of the financial year ending 31 December 2022. The interim dividend is proposed to be paid on 15 December 2022 to shareholders whose names appear in the Record of Depositors as at close of business on 13 December 2022.

NOTE 25 - Earnings per share

The basic and diluted earnings per share is calculated by dividing the profit for the period attributable to the owners of the Company by the weighted average number of ordinary shares in issue.

	3 Months Ended 30.09.2022	3 Months Ended 30.09.2021	9 Months Ended 30.09.2022	9 Months Ended 30.09.2021
Profit/(loss) for the period attributable to the owners of the Company (RM'000)	100,697	(47,899)	309,092	28,265
Weighted average number of ordinary shares	1,168,293,932	1,168,293,932	1,168,293,932	1,168,293,932
Earnings/(loss) per share (sen) - Basic/diluted	8.62	(4.10)	26.46	2.42

NOTE 26 - Audit qualification

The audit report in respect of the annual financial statements for the financial year ended 31 December 2021 was not qualified.

NOTE 27 - Items to disclose in the Statement of Comprehensive Income

	3 Months Ended 30.09.2022 RM'000	3 Months Ended 30.09.2021 RM'000	9 Months Ended 30.09.2022 RM'000	9 Months Ended 30.09.2021 RM'000
a. Interest income	16,326	4,880	44,932	20,065
b. Other investment income	635	5,023	2,882	16,699
c. Depreciation and amortisation	(89,060)	(83,831)	(254,273)	(251,321)
d. Net reversal/(loss) of impairment on receivables	137	713	(719)	11,209
e. Net reversal of impairment on property, plant and equipment	3,293	-	3,293	-
f. Net gain/(loss) on disposal of investments	248	1,072	(6,495)	(23)
g. Net gain on disposal of property, plant and equipment, leased assets and right-of-use assets	5,416	24,842	22,045	38,281
h. Net reversal of inventories written down	1,893	2,737	4,124	7,105
i. Net realised and unrealised foreign exchange loss	(7,761)	(7,278)	(5,926)	(11,452)
j. Net fair value (loss)/gain on derivatives	(18,143)	3,527	(34,258)	(9,277)
k. Property, plant and equipment written off	(3,327)	(59)	(3,417)	(621)

By Order Of The Board

RAJA NORAKMAR BINTI RAJA MOHD ALI
Practising Certificate No. 201908002126 / LS 0005749
Joint Group Secretary

Kuala Lumpur
 28 November 2022