

UWC BERHAD
(Company No. 201801012223) (1274239-A)
(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 JULY 2021 ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year To Date	Preceding Year Corresponding Period
	31.07.2021	31.07.2020	31.07.2021	31.07.2020
	RM'000	RM'000	RM'000	RM'000
Revenue	63,939	61,406	285,024	219,050
Other income	993	1,197	3,367	4,555
	<u>64,932</u>	<u>62,603</u>	<u>288,391</u>	<u>223,605</u>
Changes in inventories of finished goods and work-in-progress	4,429	5,627	8,832	4,535
Raw materials and consumables used	(25,594)	(26,691)	(95,948)	(87,502)
Staff Costs	(11,696)	(8,081)	(41,059)	(33,707)
Depreciation expenses	(3,492)	(3,054)	(12,709)	(10,468)
Other operating expenses	(4,701)	(7,409)	(32,525)	(23,306)
Shares of results of associates	88	-	88	-
Profit from operations	<u>23,966</u>	<u>22,995</u>	<u>115,070</u>	<u>73,157</u>
Finance costs	(66)	(170)	(280)	(528)
Profit before tax	<u>23,900</u>	<u>22,825</u>	<u>114,790</u>	<u>72,629</u>
Taxation	(4,354)	(4,177)	(23,256)	(14,865)
Profit for the financial period/ year	<u>19,546</u>	<u>18,648</u>	<u>91,534</u>	<u>57,764</u>
Profit attributable to:				
Owners of the parent	19,549	18,648	91,537	57,764
Non-controlling interests	(3)	-	(3)	-
	<u>19,546</u>	<u>18,648</u>	<u>91,534</u>	<u>57,764</u>
Earnings per share attributable to owners of the parent:				
Basic ⁽²⁾ (sen)	<u>1.78</u>	<u>1.69*</u>	<u>8.32</u>	<u>5.25*</u>
Diluted ⁽³⁾ (sen)	<u>1.77</u>	<u>1.69*</u>	<u>8.30</u>	<u>5.24*</u>

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 JULY 2021 ⁽¹⁾ (Cont'd)

Notes:

- (1) The Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 July 2020 and the accompanying explanatory notes attached to the interim financial report.
- (2) Based on weighted average number of ordinary shares outstanding during the period under review.
- (3) Based on weighted average number of ordinary shares outstanding during the period under review adjusted for the effects of dilutive potential ordinary shares.
- * Comparative figures for the weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share have been restated to reflect the increased number of shares arising from the bonus issue during the year. Excluding the bonus issue, the basic and diluted earnings per ordinary share for the quarter ended year 2020 was 3.39, while the basic and diluted earnings per ordinary share for the financial year 2020 was 10.50 and 10.48 respectively.

(The remaining of this page is intentionally left blank)

UWC BERHAD
(Company No. 201801012223) (1274239-A)
(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2021 ⁽¹⁾

	Unaudited as at 31 July 2021 RM'000	Audited as at 31 July 2020 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	109,325	93,043
Right-Of-Use Assets	17,306	16,764
Investment in associate	88	
Current assets		
Inventories	53,412	43,500
Trade and other receivables	86,685	68,822
Marketable securities	19,697	-
Contract assets	54	465
Current tax assets	1,159	141
Cash and bank balances	71,699	57,812
TOTAL ASSETS	<u>359,425</u>	<u>280,547</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	116,364	115,467
Reserves	188,342	107,809
	<u>304,706</u>	<u>223,276</u>
Non-controlling interest	77	-
TOTAL EQUITY	<u>304,783</u>	<u>223,276</u>
Non-current liabilities		
Borrowings	1,133	2,630
Lease Liabilities	3,288	2,477
Government grants	2,384	3,562
Deferred tax liabilities	7,516	5,268
Current liabilities		
Trade and other payables	31,011	36,115
Borrowings	1,497	2,055
Lease Liabilities	397	351
Government grants	1,178	1,178
Current tax liabilities	6,238	3,635
TOTAL LIABILITIES	<u>54,642</u>	<u>57,271</u>
TOTAL EQUITY AND LIABILITIES	<u>359,425</u>	<u>280,547</u>

UWC BERHAD
(Company No. 201801012223) (1274239-A)
(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2021 ⁽¹⁾ (Cont'd)

Note:

- (1) The Unaudited Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 July 2020 and the accompanying explanatory notes attached to the interim financial report.

(The remaining of this page is intentionally left blank)

UWC BERHAD
(Company No. 201801012223) (1274239-A)
(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 31 JULY 2021 ⁽¹⁾

	← <u>Attributable to owners of the Company</u> →						
	<u>Non-distributable</u>		<u>Distributable</u>				
	Share capital	Reorganisation debit reserve	Share grant reserve	Retained earnings	Total	Non- controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 August 2020	115,467	(56,226)	-	164,035	223,276	-	223,276
Profit for the financial year	-	-	-	91,537	91,537	(3)	91,534
Total comprehensive income	-	-	-	91,537	91,537	(3)	91,534
Transactions with owners:							
Issuance of ordinary shares pursuant to Share Grant Scheme	897	-	(897)	-	-	-	-
Share grant scheme expense	-	-	897	-	897	-	897
Dividend paid	-	-	-	(11,004)	(11,004)	-	(11,004)
Acquisition of shares by non-controlling interest	-	-	-	-	-	80	80
Total Transactions with owners	897	-	-	(11,004)	(10,107)	80	(10,027)
Balance as at 31 July 2021	116,364	(56,226)	-	244,568	304,706	77	304,783

Note:

- (1) The Unaudited Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 July 2020 and the accompanying explanatory notes attached to the interim financial report.

UWC BERHAD
(Company No. 201801012223) (1274239-A)
(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 JULY 2021 ⁽¹⁾

	12-months ended 31 July 2021 RM'000	12-months ended 31 July 2020 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	114,790	72,629
Adjustments for:		
Amortisation of government grants	(1,178)	(1,179)
Allowance for impairment loss	594	-
Depreciation of property, plant and equipment	11,968	9,849
Depreciation of right-of-use assets	740	621
Dividend income	(197)	-
Finance costs	280	528
Interest income	(759)	(1,181)
Share grant scheme expense	897	-
(Gain)/ Loss on disposal of property, plant and equipment	(235)	8
Gain on modification	(1)	-
Property, plant and equipment written off	8	71
Reversal of allowance for impairment loss	(69)	(5)
Share of associate profit	(88)	-
Operating profit before changes in working capital	126,750	81,341
Increase in inventories	(9,911)	(6,420)
Increase in trade and other receivables	(18,390)	(25,108)
Decrease in contract assets	411	415
(Decrease)/ Increase in trade and other payables	(5,103)	18,379
Cash generated from operations	93,757	68,607
Interest paid	(114)	(402)
Tax paid	(19,423)	(13,039)
Net cash from operating activities	74,220	55,166
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	759	1,181
Proceeds from disposal of property, plant and equipment	547	25
Proceeds from subscription of equity interest by non-controlling interest	80	-
Purchase of marketable securities	(19,500)	-
Purchase of property, plant and equipment	(28,572)	(21,454)
Net cash used in investing activities	(46,686)	(20,248)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bankers' acceptance	-	7,000
Dividend paid	(11,004)	(11,004)
Repayment of:		
- Bankers' acceptance	-	(14,000)
- Hire purchase payables	-	(10,857)
- Lease liabilities	(589)	(440)
- Term loans	(2,054)	(2,223)
Net cash used in financing activities	(13,647)	(31,524)
Net increase in cash and cash equivalents	13,887	3,394
Cash and cash equivalents at beginning of financial year	57,812	54,418
Cash and cash equivalents at end of financial year	71,699	57,812

UWC BERHAD
(Company No. 201801012223) (1274239-A)
(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 JULY 2021 ⁽¹⁾ (Cont'd)

Note:

- (1) The Unaudited Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited financial statements for the financial year ended 31 July 2020 and the accompanying explanatory notes attached to the interim financial report.

(The remaining of this page is intentionally left blank)

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report of UWC Berhad (“**UWC**” or the “**Company**”) and its subsidiaries (collectively, the “**Group**”) is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“**MFRS**”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“**MASB**”) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Listing Requirements**”).

This interim financial report should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 July 2020 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

The significant accounting policies and methods of computation applied by the Group’s in these unaudited interim financial statements are consistent with those adopted in audited financial statements for the financial year ended 31 July 2020, except for the adoption of the following MFRSs and Amendment to MFRSs and IC Interpretation.

(a) New MFRSs adopted during the financial year

The Group and the Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board (‘MASB’) for annual financial periods beginning on or after 1 January 2020:

Title	Effective Date
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS 3 Definition of a Business	1 January 2020
Amendments to MFRS 101 and MFRS 108 Definition of Material	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 16 Covid-19-Related Rent Concessions	1 June 2020

There is no material impact upon the adoption of the above Standards during the financial year.

(The remaining of this page is intentionally left blank)

A2. Significant Accounting Policies (Cont'd)

(b) New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2021.

The Standards that are issued but not in effect up to the date of issuance of financial statements of the Group are disclosed below. The Group intend to adopt these Standards, if applicable, when they become effective.

Title	Effective Date
Amendments to MFRS 4 Extension of the Temporary Exemption from Applying MFRS 9	17 August 2020
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group is in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.

A3. Auditors' Report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 July 2020.

A4. Seasonal or Cyclical Factors

The business operations of the Group were not affected by any seasonal or cyclical trend during the current quarter and financial year under review.

A5. Material Unusual Items

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial year under review.

A6. Material Changes in Estimates

There were no changes in estimates that have a material effect in the current quarter and financial year under review.

A7. Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current quarter and financial year under review.

A8. Dividend Paid

No dividend was paid during the current financial quarter under review.

A9. Segmental Information

The Group is principally involved in investment holding, provision of precision sheet metal fabrication and value-added assembly services, and the provision of precision machined components.

For management purposes, the Group is organised into business units based on its products and services, which comprise the following:

Segment I – Investment Holding;

Segment II – Provision of precision sheet metal fabrication and value-added assembly services, and the provision of precision machined components

The reportable segments of the Group's revenue are disaggregated by industries as follows:

- (a) Semiconductor industry;
- (b) Life science and medical technology industry;
- (c) Heavy duty industry; and
- (d) Others industry.

(The remaining of this page is intentionally left blank)

UWC BERHAD
(Company No. 201801012223) (1274239-A)
(Incorporated in Malaysia under the Companies Act 2016)

A9. Segmental Information (Cont'd)

The Group's segmental information for the current quarter and financial year under review are as follows:

Cumulative quarter ended 31 July 2021	Segment I	Segment II					Aggregate Total RM'000	Eliminations RM'000	Consolidated RM'000
	Investment Holding RM'000	Semiconductor RM'000	Life science and medical technology RM'000	Heavy duty RM'000	Others RM'000	Total RM'000			
Results									
Revenue from external customers	-	186,738	74,559	10,958	12,769	285,024	285,024	-	285,024
Inter-segment revenue	-	58,868	-	-	-	58,868	58,868	(58,868)	-
Total revenue	-	245,606	74,559	10,958	12,769	343,892	343,892	(58,868)	285,024
Interest income	332					488	820	-	820
Interest expense	-					(305)	(305)	24	(281)
Net Interest income	332					183	515	24	539
Segment profit before tax	(400)					115,140	114,740	50	114,790

UWC BERHAD
(Company No. 201801012223) (1274239-A)
(Incorporated in Malaysia under the Companies Act 2016)

A10. Material Events Subsequent to the end of the Quarter

Save as disclosed in Note B6 on the Status of Corporate Proposals, there were no other material events subsequent to the end of the current quarter and financial year under review that have not been reflected in the interim financial report.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter and financial year under review.

A12. Contingent Liabilities and Contingent Assets

There were no material contingent liabilities or contingent assets as at the date of this interim financial report.

A13. Material Capital Commitment

Save as disclosed below, as at 31 July 2021, the Group does not have any other material capital commitment:

	RM'000
Capital expenditure in respect of purchase of property, plant and equipment	
- Approved and contracted for	4,692
- Approved but not contracted for	-
Total	4,692

A14. Significant Related Party Transactions

There were no significant related party transactions during the current year under review.

A15. Fair Value of Financial Liabilities

There were no gains or losses arising from fair value changes of the Group's financial liabilities for the current quarter and financial year under review.

(The remaining of this page is intentionally left blank)

B. EXPLANATORY NOTES PURSUANT TO PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of Performance

Comparison with the corresponding period in the previous financial year

The Group's revenue for the current quarter was RM63.9 million, representing a growth of 4.1% from RM61.4 million achieved in the corresponding quarter of the previous year. The increase was attributed to the Group's higher degree of involvement in the life science and medical technology industries in the current quarter, as well as the continued global demand experienced by the semiconductor industry.

Profit before tax ("**PBT**") of the Group for the quarter under review increased to RM23.9 million, which was a jump of 4.7% from RM22.8 million recorded in the same quarter of the preceding year. The growth was mainly from developments in both the semiconductor industry and life science industry, which contributed 66% and 26% of the total revenue respectively. In addition, the improved performance reflected the Group's adaptation to technological advancements towards Industry 4.0 through initiatives in terms of automation, digitalisation, quality and cost efficiency.

B2. Comparison with Immediate Preceding Quarter

The Group's revenue for the quarter under review of RM63.9 million was 10.9% lower as compared to the revenue registered in the immediate preceding quarter of RM71.8 million, which was mainly due to lower sales of the semiconductor and heavy duty segments in the current quarter. During the quarter under review, the Group encountered logistical challenges for certain semiconductor equipment due to the nationwide Movement Control Order 3.0 ("**MCO 3.0**") effective from 12 May 2021. Also, the Group was only allowed to operate at 60% capacity until 6 July 2021. MCO 3.0 was further extended where the Group was allowed to operate at 80% capacity from 7 July 2021 to 19 August 2021.

Over a two-day PIKAS programme, more than 80% of the Group's employees received two doses of vaccination. Hence the Group was allowed to operate at full capacity effective from 20 August 2021 following the recent updates from the National Recovery Plan. In addition, the Group's strategy was to gradually exit from the heavy-duty business in order to dedicate capacity to more profitable and higher margin segments.

The Group recorded PBT of RM23.9 million, a decrease of 12.1% from RM27.2 million recorded in the preceding quarter. The lower profit, which was mainly attributed to the semiconductor and heavy duty industries' lower revenue, was partially mitigated by the drop in other operating expenses as well as the increase in dividend income as a result of the improved financial position, with the healthy cash position that enabled the Group to invest in marketable securities.

B3. Prospects

Malaysia is currently facing a third wave of COVID-19 infections which sparked a national crisis. Despite headwinds from supply shortages amid a renewed surge in Covid-19 infections, the Group is optimistic of the quarters ahead, driven by increasing enquiries from existing and potential customers. Under the complete blockade during MCO 3.0, the Group can only maintain 60% of its production capacity. However, it did not lead to cancellation of orders. Instead, there were continuous orders received from semiconductor and life science, as well as new orders for 5G test equipment are in the pipeline.

According to the latest World Semiconductor Trade Statistics, the world semiconductor market is expected to grow by 25.1% in 2021 and all geographical regions including the Asia Pacific region are expected to show double digit growth. Therefore, UWC remains optimistic of the prospects of the businesses and industries in which UWC operates in for the coming years. The Group also has taken various measures to reduce the impact of the Covid-19 epidemic on operations.

B3. Prospects (Cont'd)

SEMICONDUCTOR

Semiconductor orders remain very strong along with the continuous increasing number of enquiries and orders received from customers that are located both locally and directly from their global headquarters. Given that the global trade situation is still tense, and more companies are shifting production out of China, it will continue to benefit UWC, which provides one-stop solutions. Hence, the Group continues to broaden its customer base by securing new customers as well as working closely with the existing customers in new product developments and project transfer. Therefore, UWC expects to have more new products in the foreseeable future.

Orders for the current generation of logic chip testers remain strong but are expected to be replaced by next generation testers. Works have begun and are expected to achieve mass production target earliest by second quarter of next year. Given that the Group is expanding a dedicated space for auto chip tester manufacturing where 24 CNC machines will be equipped with robots to automate material handling, automotive chip tester has begun production, coincides with the expected shipment of robotic arm.

Currently, UWC is shifting the production capacity to emphasis on front-end semiconductor equipment, automated test equipment and 5G test equipment customers to grow the business segments. The Group has received orders for related 5G testers. Furthermore, for the autonomous vehicle reliability chip testers, the Group expects to ramp production by end of 2021.

CAPACITY EXPANSION

The Group has completed the newly set up 5G, OTA chamber assembly room and has begun the operations in August. The class 10k cleanroom is fully prepared to handle orders from other front-end customers in the coming future. Furthermore, as part of the expansion plan, UWC has leased a new factory in Taiping and has commenced production since August, with 49 new staff are currently hired for this plant in order to increase capacity and ensure that the Group has sufficient capacities to roll out more high valued projects. Aligned with the business expansion and Industry 4.0 progression, the Group has continued investing in new CNC machines such as robotic arm and cobot for quality enhancement and better efficiency.

LIFE SCIENCE

As for the life-science and medical technology segments, the order pipeline for COVID-19 related virus test equipment remains robust following the increase in sporadic cases and presence of several highly contagious variants of the virus. Given our involvement in the manufacturing of such equipment, the Group expects sustainable substantial growth in the coming years as the application of this test equipment will be able to cater to other/ new virus strains.

Given the battle against the COVID-19 pandemic, UWC's life science and medical technology segments have benefited from the involvement in the medical and diagnostic testing, as well as delivery of virus extraction machines to its clients. Currently, we are in the midst of developing other medical equipment to test the mutated Covid-19 strains with our customers. Besides, a few new products including DNA analyser are in the pipeline. Since it is currently in the research and development stage, it is foreseen to promote this segment's growth in coming years.

We look forward to further improve our positioning in the growing markets and are confident that as long as we continue to work as a team through dedication and commitment, we will be able to learn from this pandemic and continue to deliver good performance in coming years.

UWC BERHAD
 (Company No. 201801012223) (1274239-A)
 (Incorporated in Malaysia under the Companies Act 2016)

B4. Profit Forecast

The Group did not issue any revenue or profit estimate, forecast, projection or internal targets in any public document.

B5. Taxation

The Group's taxation together with the comparison between the effective and statutory tax rates for the current quarter and financial year under review are as follows:

	12-months ended 31 July 2021 RM'000	12-months ended 31 July 2020 RM'000
Income tax		
• Current year provision	21,558	13,638
• (Over)/ under provision in prior year	(551)	67
Deferred tax		
• Current year provision	2,249	1,201
Real property gain tax		
• Over provision in prior year	-	(41)
Overall tax expenses	23,256	14,865
Effective tax rate (%)	20.3	20.5
Statutory tax rate (%)	24.0	24.0

B6. Status of Corporate Proposals

There were no corporate proposals announced and not completed as at the date of this interim financial report.

(The remaining of this page is intentionally left blank)

UWC BERHAD
(Company No. 201801012223) (1274239-A)
(Incorporated in Malaysia under the Companies Act 2016)

B7. Utilisation of Proceeds from the Public Issue

The gross proceeds from the Public Issue amounting to RM57.4 million is expected to be utilised in the following manner:

Details	(1)RM'000	Actual Utilization RM'000	Percentage utilized %	Estimated time frame for use of proceeds from the date of the Listing
Purchase of new machinery and equipment				
- CNC machines	27,416	27,416	100.0	Within 36 months
- Industrial robotic arms and material handling system	4,700	4,700	100.0	Within 36 months
Repayment of bank borrowings	18,000	18,000	100.0	Within 12 months
Working capital	2,868	2,868	100.0	Within 12 months
Estimated listing expenses	4,416	4,416	100.0	Within 2 months
Total	57,400	57,400		

Note:

(1) The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 17 June 2019.

B8. Group Borrowings and Debt Securities

The details of the Group's borrowings are as follows:

	12-months ended 31 July 2021 (RM'000)	Audited as at 31 July 2020 (RM'000)
Current liabilities		
Term loan	1,497	2,055
Non-current liabilities		
Term loan	1,133	2,630
Total borrowings	2,630	4,685

All the Group's borrowings are denominated in RM, secured and interest-bearing.

B9. Material Litigation

As at the date of this interim financial report, the Group is not engaged in any material litigation or arbitration proceedings, either as plaintiff or defendant, and the Directors are not aware of any proceedings pending or threatened against the Group, which may materially and adversely affect the financial position or business performance of the Group.

UWC BERHAD
(Company No. 201801012223) (1274239-A)
(Incorporated in Malaysia under the Companies Act 2016)

B10. Dividend

On 7 September 2021, the Board of Directors of the Company has approved the declaration and payment of interim single-tier dividend of RM0.0167 per ordinary share totalling RM18.3 million in respect of the financial year ending 31 July 2021. The entitlement and payment dates of the interim single-tier dividend are 23 September 2021 and 8 October 2021 respectively.

B11. Earnings Per Share ("EPS")

The basic and diluted EPS for the current quarter and financial period are computed as follows:

(a) Basic EPS

	12-months ended 31 July 2021	12-months ended 31 July 2020
Profit after tax attributable to the owners of the parent (RM'000)	91,537	57,764
Weighted average number of ordinary shares in issue ('000)	1,100,633	1,100,400
Basic EPS ⁽¹⁾ (sen)	8.32	5.25*

(b) Diluted EPS

	12-months ended 31 July 2021	12-months ended 31 July 2020
Profit after tax attributable to the owners of the parent (RM'000)	91,537	57,764
Weighted average number of ordinary shares in issue ('000)	1,100,632	1,100,400
Effect of dilution due to share grant scheme ('000)	1,742	1,855
Adjusted weighted average number of ordinary shares applicable to diluted EPS ('000)	1,102,374	1,102,255
Diluted EPS ⁽²⁾ (sen)	8.30	5.24*

Notes:

- (1) Basic EPS is calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year under review.
- (2) Diluted EPS is calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year under review adjusted for the effects of dilutive potential ordinary shares.

* Comparative figures for the weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share have been restated to reflect the increased number of shares arising from the bonus issue during the year. Excluding the bonus issue, the basic and diluted earnings per ordinary share for the financial year 2020 was 10.50 and 10.48 respectively.

UWC BERHAD
(Company No. 201801012223) (1274239-A)
(Incorporated in Malaysia under the Companies Act 2016)

B12. Profit Before Tax

Profit before tax is arrived at after charging/(crediting):

	12-months ended 31 July 2021 RM'000	12-months ended 31 July 2020 RM'000
Interest income	(759)	(1,181)
Interest expense	280	528
Depreciation of property, plant and equipment	11,968	9,849
Depreciation of right-of-use asset	740	621
Amortisation of government grants	(1,178)	(1,179)
Property, plant and equipment written off	8	71
(Gain)/ Loss on disposal of property, plant and equipment	(235)	8
Gain on foreign exchange	(35)	(1,453)
Scrap income	(612)	(427)
Miscellaneous income	(548)	(304)

Note:

Save as disclosed above, the other disclosure items pursuant to Paragraph 16, Part A of Appendix 9B of the Listing Requirements are not applicable.

B13. Comparative Information

During the financial year, the Group changed its analysis of expenses recognised in profit or loss from classification based on function to classification based on nature, as it can provide more reliable and relevant information to users of financial statement. Consequently, the Group restated its comparative information so that comparability is not impaired.

Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income for The Fourth Quarter Ended 31 July 2020:

(a) Individual Quarter for Preceding Year Corresponding Quarter Ended 31 July 2020

	As previously reported RM'000	Reclassifications RM'000	As restated RM'000
Revenue	61,406	-	61,406
Changes in inventories of finished goods and work-in-progress	-	5,627	5,627
Raw materials and consumables used	-	(26,691)	(26,691)
Cost of sales	(35,859)	35,859	-
Other income	1,197	-	1,197
Staff Costs	-	(8,081)	(8,081)
Depreciation expenses	-	(3,054)	(3,054)
Administrative and other expenses	(3,749)	3,749	-
Other operating expenses	-	(7,409)	(7,409)
Finance costs	(170)	-	(170)
Profit before tax	22,825	-	22,825

UWC BERHAD
(Company No. 201801012223) (1274239-A)
(Incorporated in Malaysia under the Companies Act 2016)

B13. Comparative Information (Cont'd)

(b) Cumulative Quarter for Preceding Year Corresponding Period Ended 31 July 2020

	As previously reported RM'000	Reclassifications RM'000	As restated RM'000
Revenue	219,050	-	219,050
Changes in inventories of finished goods and work-in-progress	-	(4,535)	(4,535)
Raw materials and consumables used	-	(87,502)	(87,502)
Cost of sales	(136,439)	136,439	-
Other income	4,555	-	4,555
Staff Costs	-	(33,707)	(33,707)
Depreciation expenses	-	(10,468)	(10,468)
Administrative and other expenses	(14,009)	14,009	-
Other operating expenses	-	(23,306)	(23,306)
Finance costs	(528)	-	(528)
Profit before tax	72,629	-	72,629

BY ORDER OF THE BOARD
07 September 2021