

Interim Report
UMS Holdings Berhad
(Company No. 74125-V)
(Incorporated in Malaysia)
and its subsidiaries

Condensed Consolidated Statement of Comprehensive Income for the 9 month period ended 30 June 2019
(unaudited)

Note	3 month period ended 30 June			9 month period ended 30 June	
	2019	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000	RM'000
	Current quarter	Previous Quarter ended 31.3.2019	Current quarter	9 months cumulative to date	9 months cumulative to date
Revenue	15,690	17,903	22,453	51,547	65,966
Cost of sales	(9,185)	(11,000)	(13,422)	(32,332)	(42,194)
Gross profit	6,505	6,903	9,031	19,215	23,772
Operating expenses	(5,583)	(6,274)	(6,115)	(18,098)	(19,138)
Other operating income	246	364	304	1,346	1,437
Operating profit	1,168	993	3,220	2,463	6,071
Financing costs	-	-	-	-	-
Interest income	28	42	41	105	99
Share of profit of associates	91	132	(8)	301	276
Profit before taxation	1,287	1,167	3,253	2,869	6,446
Tax expense	(556)	(507)	(1,009)	(1,255)	(2,062)
Profit for the period	731	660	2,244	1,614	4,384
Other comprehensive income net of tax	(513)	84	(544)	(503)	(1,192)
Total comprehensive income for the period	218	744	1,700	1,111	3,192
Profit attributable to:					
Onwers of the Parent	725	652	2,233	1,601	4,351
Non-controlling interest	6	8	11	13	33
	731	660	2,244	1,614	4,384
Total comprehensive income attributable to:					
Onwers of the Parent	212	736	1,689	1,098	3,159
Non-controlling interest	6	8	11	13	33
	218	744	1,700	1,111	3,192
Basic earnings per ordinary share (sen)	1.78	1.60	5.49	3.93	10.69
Diluted earnings per ordinary share (sen)	1.78	1.60	5.49	3.93	10.69

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

Interim Report
UMS Holdings Berhad
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Condensed Consolidated Statement of Financial Position as at 30 June 2019
(unaudited)

	As at 30 June 2019	As at 30 September 2018
	RM'000	RM'000
Non-current assets		
Property, plant and equipment	36,587	35,242
Prepaid lease payments	4,990	5,009
Investment Property	28,644	28,644
Investments in associates	12,282	12,198
Other investments	13,707	13,055
Goodwill on consolidation	1,046	1,046
	<u>97,256</u>	<u>95,194</u>
Current assets		
Inventories	34,586	34,012
Trade and other receivables	18,740	23,787
Tax recoverable	-	-
Fixed deposits with licensed bank	2,411	2,398
Cash & cash equivalents	12,919	17,604
	<u>68,656</u>	<u>77,801</u>
Total assets	<u>165,912</u>	<u>172,995</u>
Equity		
Share capital	42,654	42,654
Reserves	117,766	120,737
	<u>160,420</u>	<u>163,391</u>
Total equity attributable to the shareholders of the Company	160,420	163,391
Minority interest	828	815
Total equity	<u>161,248</u>	<u>164,206</u>
Non-current liabilities		
Borrowings	-	-
Deferred tax liabilities	1,388	1,500
	<u>1,388</u>	<u>1,500</u>
Current liabilities		
Trade and other payables	5,955	8,459
Dividend payable	-	-
Borrowings	-	-
Taxation	(2,679)	(1,170)
	<u>3,276</u>	<u>7,289</u>
Total equity and liabilities	<u>165,912</u>	<u>172,995</u>
Net assets per share (RM)	3.94	4.02

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

Interim Report
UMS Holdings Berhad
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Condensed Consolidated Statement of Changes in Equity for the 9 month ended 30 June 2019
(unaudited)

	Attributable to owners of the Parent						Total	Non-controlling interest	Total
	Share capital	Share premium-non distributable	Revaluation reserve-non distributable	Exchange translation reserve-non distributable	Fair value adjustment reserve-non distributable	Retained profits-distributable			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 October 2017	42,654	-	2,052	1,394	861	113,501	160,462	809	161,271
Profit for the period	-	-	-	-	-	5,837	5,837	56	5,893
Other comprehensive income									
Fair value change in available -for-sale financial assets	-	-	-	-	(33)	-	(33)	-	(33)
Exchange translation differences	-	-	-	(282)	-	-	(282)	-	(282)
Surplus on revaluation	-	-	1,476	-	-	-	1,476	-	1,476
Total other comprehensive income	-	-	1,476	(282)	(33)	-	1,161	-	1,161
Total comprehensive income	-	-	1,476	(282)	(33)	5,837	6,998	56	7,054
Transactions with owners									
Dividend for year ended 30 September 2017	-	-	-	-	-	(4,069)	(4,069)	(50)	(4,119)
Total transactions with owners	-	-	-	-	-	(4,069)	(4,069)	(50)	(4,119)
At 30 September 2018	<u>42,654</u>	<u>-</u>	<u>3,528</u>	<u>1,112</u>	<u>828</u>	<u>115,269</u>	<u>163,391</u>	<u>815</u>	<u>164,206</u>
At 1 October 2018	42,654	-	3,528	1,112	828	115,269	163,391	815	164,206
Profit for the period	-	-	-	-	-	1,601	1,601	13	1,614
Other comprehensive income									
Fair value change in available -for-sale financial assets	-	-	-	-	129	-	129	-	129
Exchange translation differences	-	-	-	(632)	-	-	(632)	-	(632)
Total other comprehensive income	-	-	-	(632)	129	-	(503)	-	(503)
Total comprehensive income	-	-	-	(632)	129	1,601	1,098	13	1,111
Transactions with owners									
Dividend for year ended 30 September 2017	-	-	-	-	-	(4,069)	(4,069)	-	(4,069)
Total transactions with owners	-	-	-	-	-	(4,069)	(4,069)	-	(4,069)
At 30 June 2019	<u>42,654</u>	<u>-</u>	<u>3,528</u>	<u>480</u>	<u>957</u>	<u>112,801</u>	<u>160,420</u>	<u>828</u>	<u>161,248</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

Interim Report
UMS Holdings Berhad
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Condensed Consolidated Statement of Cashflows for the 9 month period ended 30 June 2019
(unaudited)

	For the 9 month period ended 30 June 2019 RM'000	For the 9 month period ended 30 June 2018 RM'000
Cash flows from operating activities		
Profit before taxation	2,869	6,446
Adjustment for non-cash items:		
- Non-cash items and non-operating items	751	876
Operating profit before changes in working capital	3,620	7,322
Changes in working capital:		
- Inventories	(574)	2,050
- Trade and other receivables	5,047	(155)
- Trade and other payables	(2,504)	1,318
Cash generated from operations	5,589	10,535
- Income taxes paid	(2,876)	(1,966)
- Interest paid	-	-
Net cash generated from operating activities	2,713	8,569
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,793)	(3,472)
Proceeds from disposal of property, plant and equipment	166	407
Proceeds from sales of other investment	-	-
Purchase of other investment	(523)	(502)
Interest received	105	99
Dividend received	523	502
Net cash flow used in investing activities	(2,522)	(2,966)
Cash flows from financing activities		
Repayment of hire purchase liabilities	-	-
Drawdown/(Repayment) of Bills payable & banker acceptance	-	-
Dividend paid	(4,069)	(4,069)
Repayment of term loan	-	-
Net cash flow used in financing activities	(4,069)	(4,069)
Net increase/(decrease) in cash and cash equivalents	(3,878)	1,534
Cash and cash equivalents at beginning of period	20,002	19,616
Effects of changes in exchange rate	(794)	(796)
Cash and cash equivalents at 30 June	15,330	20,354
Cash and cash equivalents comprise the following balance sheet amounts:		
Cash and bank balances	12,919	17,972
Bank overdraft	-	-
Fixed deposit	2,411	2,382
	15,330	20,354

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

A Notes to Interim Financial Report on Consolidated Results For the Period Ended 30 June 2019

A1 Basis of preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad, including compliance with Malaysian Financial Reporting Standard (MFRS) 134, Interim Financial Reporting and with IAS 34, Interim Financial Reporting and should be read in conjunction with the Group's audited financial statements for the year ended 30 September 2018.

The Group adopted the following new Malaysian Financial Reporting Standards ("MFRSs"), and Amendments to published standards mandatory for annual financial periods beginning on or after 1 October 2018:

Standards/Amendments

MFRS 9 – Financial Instruments (IFRS 9 as issued by IASB in July 2014)

MFRS 15 – Revenue from Contracts with Customers

Clarifications to MFRS 15 – Revenue from Contracts with Customers

Annual improvements to MFRS 2014-2016 Cycle as follows:

- Amendments to MFRS 128- Investment in Associates and Joint Ventures.

Amendments to MFRS 140 – Transfers of Investment Property.

IC Interpretation 22 – Foreign Currency Transactions and Advance Consideration.

A2 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 30 September 2018 was not subject to any qualifications.

A3 Seasonal or cyclical factors

The principal activities of the company is that of an investment holding company with its subsidiaries mainly dealing with the distribution of mechanical power transmission and material handling products and systems and industrial spare parts. As such the trading nature or operations of these companies does not linked directly to seasonality or cyclicity.

A4 Unusual nature and amount of items affecting assets, liabilities, equity, net income and cash flows

There were no unusual nature and amount of items, which affected the assets, liabilities, equity, net income and cash flows of the Group during the quarter under review.

A5 Material changes in estimates of amounts reported in prior periods in current financial year or prior financial years which have material effect in the current interim period

There were no material changes in estimates during the quarter under review.

A6 Debts and equity securities

There were no new debts and equity securities issued during the quarter.

A7 Dividends

There were no dividends paid during the quarter under review other than those disclosed in note B12.

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A Notes to Interim Financial Report on Consolidated Results For the Period Ended 30 June 2019

A8 Segmental reporting

The segmental analysis for the Group for the financial period ended June 30, 2019 are as follows:

	WEST MALAYSIA		EAST MALAYSIA		SINGAPORE	TOTAL
	Northern RM'000	Southern RM'000	Eastern RM'000	Central RM'000	Sarawak RM'000	RM'000
Segment Revenue	0	4,475	4,550	44,414	5,180	60,958
Elimination						(9,411)
Consolidated Revenue						<u>51,547</u>
Profit/(Loss) before Taxation and Minority Interest	(14)	303	204	3,038	231	2,812
Elimination						(244)
Share of profit Of associated Companies						301
						<u>2,869</u>
Total assets	1,535	8,185	7,484	167,989	8,615	204,712
Elimination						(38,880)
						<u>165,912</u>
Total Liabilities	0	263	639	29,961	231	31,372
Elimination						(25,880)
						<u>5,492</u>

A9 Material events subsequent to the end of the interim period

On 7 January 2019, the Board of Directors announced that the Company intends to seek the approval of its shareholders to undertake the proposed purchase and/or hold its own shares of up to 10% of its issued and paid-up share capital of the Company in accordance with the Companies Act, 2016. This proposal was approved by its shareholders in its Annual General Meeting held on 4 March 2019.

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A Notes to Interim Financial Report on Consolidated Results For the Period Ended 30 June 2019

A10 Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter concerned including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

B1. Financial review for current quarter and financial year to date

The financial review of the group for current quarter and financial year to date is tabled below:-

	Individual Period (3rd quarter)(RM'000)		Changes (Amount(RM,000)/%)	Cumulative Period(RM'000)		Changes (RM'000/%)
	Current Year Quarter	Preceding Corresponding Quarter		Current Year To- date	Preceding Year Corresponding Period	
	30/6/2019	30/6/2018		30/6/2019	30/6/2018	
Revenue	15,690	22,453	(6,763)/(30.12)	51,547	65,966	(14,419)/(21.86)
Operating Profit	1,168	3,220	(2,052)/(63.73)	2,463	6,071	(3,608)/(59.43)
Profit Before Interest and Tax	1,259	3,212	(1,953)/(60.80)	2,764	6,347	(3,583)/(56.45)
Profit Before Tax	1,287	3,253	(1,966)/(60.44)	2,869	6,446	(3,577)/(55.49)
Profit After Tax	731	2,244	(1,513)/(67.42)	1,614	4,384	(2,770)/(63.18)
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	725	2,233	(1,508)/(67.53)	1,601	4,351	(2,750)/(63.20)

a) The group's performance for the period-to-date against the corresponding period-to-date is as follows:

The revenue for the group has decreased by RM14,419,000 or 21.86% to RM51,547,000 from RM65,966,000 mainly due to a special project undertaken by the Central Region amounting to RM8,451,245 of which RM4,901,722 was accounted for in the period ended 30.6.2018 and RM211,281 was accounted for in the period ended 30.6.2019, sales to Valcona Oil Tanks by Singapore Region amounting to RM12,000 for the quarter ended 30/6/2019 as compared to RM2,633,000 for the period ended 30/6/2018 and overall weak market conditions.

The profit before tax has decreased by RM3,577,000 or 55.49% to RM2,869,000 from RM6,446,000 mainly due to decrease in revenue as mentioned above.

The group's revenue by segment is as follows:-

	For the cumulative 9 months ended 30.6.2019 RM'000	For the cumulative 9 months ended 30.6.2018 RM'000	Increase/(Decrease) RM'000	%
Revenue by segment				
West Malaysia-Region				
Northern	0	858	(858)	(100)
Southern	4,472	5,046	(574)	(11.38)
Eastern	4,550	5,203	(653)	(12.55)
Central	35,007	43,020	(8,013)	(18.63)
East Malaysia				

Sarawak	5,181	6,253	(1,072)	(17.14)
Singapore	2,337	5,586	(3,249)	(58.16)
	<u>51,547</u>	<u>65,966</u>	<u>(14,419)</u>	<u>(21.86)</u>

The main decreased in revenue by segment is from the central and Singapore Region mainly due to projects undertaken as mentioned above.

b)The group's performance for the quarter under review against the corresponding quarter of the previous financial period is tabled below:-

	For the quarter Ended 30.6.2019 RM'000	For the quarter Ended 30.6.2018 RM'000	Increase/(Decrease) RM'000	%
Revenue by segment				
West Malaysia-Region				
Northern	0	(2)	(2)	(100.00)
Southern	1,436	1,430	6	0.42
Eastern	1,393	2,058	(665)	(32.31)
Central East Malaysia	10,497	14,929	(4,432)	(29.69)
Sarawak	1,750	2,068	(318)	(15.38)
Singapore	614	1,970	(1,356)	(68.83)
	<u>15,690</u>	<u>22,453</u>	<u>(6,763)</u>	<u>(30.12)</u>

The revenue for the group has decreased by RM6,763,000 or 30.12% to RM15,690,000 from RM22,453,000 mainly due to a special project undertaken by the Central Region amounting to RM8,451,245 of which RM1,690,249 was accounted for in the period ended 30.6.2018 and RM0 was accounted for in the period ended 30.6.2019, sales to Valcona Oil Tanks by Singapore Region amounting to RM0 for the quarter ended 30/6/2019 as compared to RM979,000 for the period ended 30/6/2018 and overall weak market conditions.

The profit before tax has decreased by RM1,966,000 or 60.44% to RM1,287,000 from RM3,253,000 mainly due to decrease in revenue as mentioned above.

B2. Financial review for current quarter compared with immediate preceding quarter

The financial review for the current quarter compared with immediate preceding quarter is tabled as below:-

	Current Quarter 30/6/2019	Immediate Preceding Quarter 31/3/2019	Changes (RM'000 / %)
Revenue	15,690	17,903	(2,213)/(12.36)
Operating Profit	1,168	993	175/17.62
Profit Before Interest and Tax	1,259	1,125	134/11.91

Profit Before Tax	1,287	1,167	120/10.28
Profit After Tax	731	660	71/10.76
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent holders of the parent	725	652	73/11.20

The group's performance for the quarter under review against the preceding quarter of the year is as follows:-

The revenue for the group has decreased by RM2,213,000 or 12.36% to RM15,690,000 from RM17,903,000(As per table below). This decreased was mainly contributed by the overall weak market conditions.

The profit before tax has increase by RM120,000 or 10.28% to RM1,287,000 from RM1,167,000 mainly due to decrease in operating expenses.

The group's revenue by segment is as follows:-

	3 months ended 30.6.2019	3 months ended 31.3.2019	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue by segment				
West Malaysia-Region				
Northern	0	0	0	0
Southern	1,436	1,365	71	5.20
Eastern	1,393	1,538	(145)	(9.43)
Central	10,497	12,508	(2,011)	(16.08)
East Malaysia				
Sarawak	1,750	1,721	29	1.69
Oversea				
Singapore	614	771	(157)	(20.36)
	<u>15,690</u>	<u>17,903</u>	<u>(2,213)</u>	<u>(12.36)</u>

The main contributor to the decrease in revenue by segment is from the Central Region due to the reason as mentioned above.

B3. Current financial year's prospects

According to the IMF the global economy grew moderately during the second quarter of 2019.

In the advanced economies, the US GDP growth moderated to 2.3 % after peaking in the first half of 2018 and slowing down due to weaker investment activity.

During this quarter, the Eurozone GDP growth of 1.1 % was its weakest since 2013 attributable to softer consumption demand and contracted industrial production especially in the automotive sector and a lackluster global trade performance.

Growth in the UK was down to 1.2 % as a result of slower industrial production and private consumption as well as the looming BREXIT issue with the EU.

Moving to Asia, growth in PR China moderated to 6.2% in the second quarter of 2019 as China continues to implement measures to rebalance its economy in the wake of its ongoing trade war with the US. The rest of the Asian economies comprising Korea, Taiwan, Hong Kong, Malaysia, Indonesia, Thailand and Singapore encountered contracted exports as a result of weaker external demand resulting from the tit for tat trade war between US and China. Any signs of immediate resolution seems remote for the coming quarters going forward.

In ASEAN 4 (Malaysia, Thailand, Indonesia and Philippines), domestic demands drove the economy of its member country augmented by strong employment and infrastructural spending especially in Thailand and Philippines.

During the current quarter, the Malaysian economy grew by 4.9% (1Q2019:4.5 %) underpinned by continued expansion in domestic demands and renewed export of palm oil to PR China.

Domestic demands grew by 4.6% in the second quarter owing to household and consumer spending and moderately higher private investment. Private consumption grew to 7.8 % from 7.6% in the first quarter driven by continued income growth and the festive spending during this period. Public consumption declined from 6.3% in the first quarter to 0.3 % in the second quarter due to lower expenditures on supplies and services.

On the supply side, there was expansion across the spectrum of the Malaysian economy. The services sector grew by 6.1% in this quarter albeit lower than 6.4% in 1Q2019. This was achieved by a sustained growth in the subsectors of wholesale, retail, automotive and household consumer spending. The transport and storage subsector was powered by higher air passenger traffic and port activity. For the information and communication subsector, a slower demand for data communication services resulted in a moderated growth for this subsector. The manufacturing sector in 2Q2019 grew marginally at 4.3% (1Q2019:4.2%) due to better performance by its domestic oriented industries such as the higher output of motor vehicles resulting from stronger demand during the festive season. Higher demand for metal based products for ongoing transport and infrastructural projects also contributed to this industrial growth. For the export oriented sector of the Malaysian economy, the production of electronic and electrical parts continued to be impacted by the current reconfiguration of the global supply chain due to the ongoing trade war between US and China.

The mining sector rebounded in the second quarter to 2.1% (-2.1%:1Q2019). This upturn is mainly attributable to the increase in recovery of natural gas output following pipeline disruptions in 2018. This increase more than compensated for the shortfall in lower crude oil production owing to planned facilities shutdown.

The construction sector grew marginally higher at 0.5% (1Q2019:0.3%) amidst weak activity in residential homes and a high number of unsold commercial properties. A slowdown or delay of Government infrastructural projects like the ECRL, LRT3 also contributed to a lackluster performance.

In the agriculture sector, growth was lower at 4.2% (1Q2019:5.6%) due to a decline in output of fishing and forestry, and rubber industry. However this decline was partially offset by an increase in oil palm yield after recovering from adverse effects of the El Nino weather.

The macroeconomic outlook for 2019 global growth is expected to moderate to around 3.2% (2018:3.6%) according to the IMF global forecast.

For the advanced economies, collectively the GDP growth for 2019 is forecasted to drop to 1.9% against 2.2% for 2018. The GDP growth in the US is expected to taper downwards to 2.6% in 2019 (2018:2.8%) due to the slowing of investment activity, a waning supportive fiscal measures and the continuing uncertainties arising from the worsening of the trade war with PR China.

The Eurozone growth is projected at 1.3% for 2019 and will be adversely impacted by moderately weak exports and domestic consumption.

Likewise, the emerging market economies will also be affected and growth will moderate to 4.1% for 2019 from 4.5% in 2018. The economic performance for the Asian region is also expected to slow down owing to weaker exports.

In PR China, the negative effects of an escalating trade war and a reduced global demand is expected to dampen its economic growth for 2019 to 6.2% by IMF estimates. This growth will be supported and driven by the government's stimulus measures to its domestic economy.

The general outlook and mood for 2019 and beyond will be on the downside; owing to the expectation of an escalating trade war between US and PR China, as well as uncertainties from Brexit negotiations and financial markets volatility.

According to Bank Negara Malaysia, the Malaysian economy is expected to improve; underpinned by the recovery of our commodity exports primarily of palm oil. This recovery is expected to follow through into the second half of 2019 but risked being affected by slower global growth and the ongoing trade conflicts between US and PR China.

Growth in the Malaysian economy is forecasted to remain within 4.3%-4.8% in 2019. It is expected that private sector initiatives will stimulate and drive this growth. Domestic household spending and consumption will be propelled by a stable employment market as well as increased investment in capex in vital sectors such as manufacturing and services. The outlook of Malaysian economy and its GDP growth forecast of 4.3%-4.8% are nonetheless subjected to the various risk factors as identified below:

- 1 .The escalation of trade disputes between US and PR China spilling into 2020 and beyond with no resolution in sight, and the anxiety that these disputes may be expanded into other issues like currency, technology and geopolitics. This possibly may trigger contagion effects across the global economy.
2. Crude oil prices remaining within USD60-70 will enable the government to implement its programs provided for in the 2019 Malaysian budget.
3. Financial and market volatility in advanced and emerging economies will unsettle currency and capital flows.
4. Geopolitical tensions erupting in hotspots across the globe will have disrupting repercussions to global peace, stability and prosperity.
5. Adverse global climate changes and other natural disasters affecting food and crop production.
6. The ability by the government to contain our national debt situation and restart suspended planned infrastructural projects like the ECRL on acceptable revised costs and terms.
7. Continuation of efforts by the government to curb inflation via price control of essential necessities and the implementation of minimum wage policy to stimulate consumer spending.

Going forward the Board is cautiously optimistic of achieving a profitable outcome for the financial year 2019.

B4. Variance of actual profit from profit forecast

This note is not applicable as there is no profit forecast made.

B5. Taxation

Taxation consists of the following :

	Individual quarter		Accumulated quarter	
	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000
Current Malaysian Tax	(594)	(1,014)	(1,367)	(2,077)
(Under)/overprovision in prior years	0	0	0	0
	<u>(594)</u>	<u>(1,014)</u>	<u>(1,367)</u>	<u>(2,077)</u>
Deferred taxation	38	5	112	15
	<u>(556)</u>	<u>(1,009)</u>	<u>(1,255)</u>	<u>(2,062)</u>
	=====	=====	=====	=====

The current tax rates for the current period ended 30 June 2019 and 2018 were 24% and 24%.

B6. Notes to the Statement of Comprehensive Income

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

	3 months ended		Cumulative months ended	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Interest income	(28)	(41)	(105)	(99)
Other income including investment Income	(208)	(195)	(1,308)	(1,215)
Gain on disposal of property, plant and equipment	(38)	(109)	(38)	(222)
Interest expense	0	0	0	0
Depreciation and amortization	521	825	1,484	1,741
Foreign exchange (gain)/loss	90	(101)	73	263

Other than the above, there were no provision for and write off of receivables and inventories, no gain or loss on disposal of quoted or unquoted investments and derivatives, impairment of assets and exceptional items included in the results for the current period ended 30 June 2019.

B7. Purchase and sale of quoted securities

There were no purchase or sale of quoted securities for the financial period concerned.
Details of other investments to date are as follows:

	30.6.2019	30.9.2018
	RM'000	RM'000
Available-for-sale financial assets:		
Unquoted shares at cost	50	50
Wholesale Funds	13,657	13,005
	<u>13,707</u>	<u>13,055</u>
	=====	=====

B8. Status of corporate proposals

To date, there are no corporate proposals announcement.

B9. Group borrowings and debt securities

The Group's borrowings as at 30 June 2019 are as follows:

	30.6.2019		30.9.2018	
	Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
Long term loan	0	0	0	0
Hire purchase creditors	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	=====	=====	=====	=====
Short term loan:-				
Term loan	0	0	0	0

Trust receipt	0	0	0	0
Banker acceptance	0	0	0	0
Letter of credit	0	0	0	0
Bills payable	0	0	0	0
Hire purchase payables	0	0	0	0
Bank overdraft	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	=====	=====	=====	=====

There is no material changes to the Group's borrowings as at the current year-to-date at 30.6.2019 as compared with the corresponding period in the immediate preceding year as at 31 March 2019 as tabled below:-

	As at 3rd quarter ended 2019					
	Long Term		Short Term		Total	Borrowings
	S\$'000 denomination	RM'000 denomination	S\$'000 denomination	RM'000 denomination	S\$'000 denomination	RM'000 denomination
Secured	0	0	0	0	0	0
Unsecured	0	0	0	0	0	0
	As at 2nd quarter ended 2019					
	Long Term		Short Term		Total	Borrowings
	S\$'000 denomination	RM'000 denomination	S\$'000 denomination	RM'000 denomination	S\$'000 denomination	RM'000 denomination
Secured	0	0	0	0	0	0
Unsecured-Hire Purchase Payables	0	0	0	0	0	0

B10. Financial instruments with off balance sheet risks

There were no financial instruments with off balance sheet risks during the current quarter.

B11. Material litigation

Neither UMS nor its subsidiary companies are engaged in any material litigation either as plaintiff or defendant and the Directors of UMS are not aware of any proceedings pending or threatened against UMS or its subsidiary companies or any facts likely to give rise to any proceedings which might materially affect the position and business of the UMS Group.

B12. Dividend

	30.6.2019 RM'000	30.9.2018 RM'000
Proposed:		
Single tier Final dividend of 6sen & Single tier Special dividend of 4sen	0	4,069

A single tier final dividend of 6sen amounting to RM2,441,000 and a special dividend of 4sen amounting to RM1,627,000 for the financial year ended 30.9.2018 was paid on 29.3.2019.

B13 Trade and other receivables

	30.6.2019 RM'000	30.9.2018 RM'000
Trade receivables	18,090	23,106
Other receivables, deposit & prepayment	650	681
	<u>18,740</u>	<u>23,787</u>

Trade receivables are non-interest bearing and generally are on 30 to 120 days for current period and previous year.

	Trade receivables Group	
	30.6.2019 RM'000	30.9.2018 RM'000
Neither past due nor impaired		
1 to 30 days past due not impaired	6,290	13,269
31 to 60 days past due not impaired	3,699	3,671
61 to 90 days past due not impaired	3,270	2,552
More than 90 days past due not impaired	1,775	1,046
	3,056	2,568
	<u>18,090</u>	<u>23,106</u>
Impaired	510	510
	<u>18,600</u>	<u>23,616</u>

Included in the above trade receivables are the following ageing analysis for related parties:

	30.6.2019 RM'000	30.9.2018 RM'000
Neither past due nor impaired		
1 to 30 days past due not impaired	267	318
31 to 60 days past due not impaired	57	355
61 to 90 days past due not impaired	1	15
More than 90 days past due not impaired	0	0
	0	0
	<u>325</u>	<u>688</u>
Impaired	0	0
	<u>325</u>	<u>688</u>

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the group and losses have occurred infrequently.

The Group's trade receivables that are impaired at the reporting date and the movement of allowance account used to record the impairment is as follows:

	Group	
	30.6.2019	30.9.2018
	RM'000	RM'000
Trade receivables – nominal amounts	510	510
Allowance for impairment	(510)	(510)
	<u>–</u>	<u>–</u>

Movement in allowance for impairment:

	Group	
	30.6.2019	30.9.2018
	RM'000	RM'000
At 1 October	510	204
Charge for the period/year	0	370
Reversal of impairment	-	(64)
	<u>510</u>	<u>510</u>

Trade receivables that are individually impaired at the reporting date relates to those that are in significant financial difficulties and have defaulted on payments.

B14. Basic earnings per ordinary share

The calculation of basic earnings per ordinary share for the quarter and for the cumulative quarter is based on the following:

	3 months ended		Cumulative months ended	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Net profit attributable to Ordinary shareholders	725	2,233	1,601	4 351
Weighted average Number of shares In issued.	40,690	40,690	40,690	40,690
Basic earnings per Ordinary share(sen)	1.78	5.49	3.93	10.69
Diluted earnings per share (sen)	1.78	5.49	3.93	10.69

UMS Holdings Berhad

Company No. 74125 – V
(Incorporated in Malaysia)

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