

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

Condensed Consolidated Statement of Comprehensive Income for the 3 month period ended 31 December 2022  
(unaudited)

Note	3 month period ended 31 December			3 month period ended 31 December	
	2022 RM'000	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
	Current quarter	Quarter ended 30.9.2022	Current quarter	3 months cumulative to date	3 months cumulative to date
Revenue	19,269	19,261	17,622	19,269	17,622
Cost of sales	(12,509)	(11,465)	(11,569)	(12,509)	(11,569)
Gross profit	6,760	7,796	6,053	6,760	6,053
Operating expenses	(6,034)	(8,375)	(5,400)	(6,034)	(5,400)
Other operating income	524	1,025	589	524	589
Financing costs	-	-	-	-	-
Interest income	139	128	101	139	101
Share of profit of associates	421	456	392	421	392
<b>Profit before taxation</b>	<b>1,810</b>	<b>1,030</b>	<b>1,735</b>	<b>1,810</b>	<b>1,735</b>
Tax expense	(578)	(766)	(342)	(578)	(342)
<b>Profit for the period</b>	<b>1,232</b>	<b>264</b>	<b>1,393</b>	<b>1,232</b>	<b>1,393</b>
Other comprehensive income for the period	272	619	-	272	-
<b>Total comprehensive income for the year</b>	<b>1,504</b>	<b>883</b>	<b>1,393</b>	<b>1,504</b>	<b>1,393</b>
<b>Profits attributable to:</b>					
Owners of the Parent	1,230	272	1,387	1,230	1,387
Non-controlling interest	2	(8)	6	2	6
	1,232	264	1,393	1,232	1,393
<b>Total comprehensive income attributable to:</b>					
Owners of the Parent	1,502	891	1,387	1,502	1,387
Non-controlling interest	2	(8)	6	2	6
	1,504	883	1,393	1,504	1,393
Basic earnings per ordinary share (sen)	B14	3.02	0.67	3.41	3.41
Diluted earnings per ordinary share (sen)	B14	3.02	0.67	3.41	3.41

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 30 September 2022 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 31 December 2022**  
(unaudited)

	Note	As at 31 December 2022	As at 30 September 2022
		RM'000	RM'000
<b>Non-current assets</b>			
Property, plant and equipment		32,602	32,522
Right-of-use assets		4,259	4,370
Investment Property		18,660	18,660
Investments in associates		17,192	16,989
Other investments		10,352	10,200
Goodwill on consolidation		-	-
		<u>83,065</u>	<u>82,741</u>
<b>Current assets</b>			
Inventories		35,425	31,811
Trade and other receivables		23,347	22,279
Fixed deposits with licensed bank		16,063	19,883
Cash & cash equivalents		<u>13,838</u>	<u>13,725</u>
		<u>88,673</u>	<u>87,698</u>
<b>Total assets</b>		<u>171,738</u>	<u>170,439</u>
<b>Equity</b>			
Share capital		42,654	42,654
Reserves		<u>125,201</u>	<u>123,699</u>
Total equity attributable to the owners of the Parent		167,855	166,353
Non-controlling interest		<u>704</u>	<u>702</u>
Total equity		<u>168,559</u>	<u>167,055</u>
<b>Non-current liabilities</b>			
Borrowings	B9	-	-
Deferred tax liabilities		999	1,011
		<u>999</u>	<u>1,011</u>
<b>Current liabilities</b>			
Trade and other payables		4,806	5,545
Borrowings	B9	-	-
Taxation		<u>(2,626)</u>	<u>(3,172)</u>
		<u>2,180</u>	<u>2,373</u>
<b>Total equity and liabilities</b>		<u>171,738</u>	<u>170,439</u>
Net assets per share attributable to ordinary owners of the Parent		4.13	4.09

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 30 September 2022 and the accompanying explanatory notes attached to the interim financial statements.

**Interim Report**  
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**Condensed Consolidated Statement of Changes in Equity for the 3 month ended 31 December 2022**  
(unaudited)

	Attributable to owners of the Parent					Total RM'000	Non-controlling interest RM'000	Total RM'000
	Share capital RM'000	Revaluation reserve-non distributable RM'000	Exchange translation reserve-non distributable RM'000	Fair value adjustment reserve-non distributable RM'000	Retained profits- distributable RM'000			
<b>Balance At 1 October 2021</b>	42,654	890	1,290	479	119,028	164,341	723	165,064
<b>Prior year adjustment</b>								
The prior year adjustment arises from changes in basis of measurement of other investments from fair value through other comprehensive income to fair value through profit or loss				(479)	479	-		
	42,654	890	1,290	-	119,507	164,341	723	165,064
<b>Profit for the year</b>	-	-	-	-	3,872	3,872	29	3,901
<b>Other comprehensive income</b>								
Fair value change in available -for-sale financial assets	-	-	-	-	-	-	-	-
Exchange translation differences	-	-	581	-	-	581	-	581
<b>Total other comprehensive income</b>	-	-	581	-	-	581	-	581
<b>Total comprehensive income</b>	-	-	581	-	3,872	4,453	29	4,482
<b>Transactions with owners</b>								
Dividend for year ended 30 September 2021	-	-	-	-	(2,441)	(2,441)	(50)	(2,491)
<b>Total transactions with owners</b>	-	-	-	-	(2,441)	(2,441)	(50)	(2,491)
<b>At 30 September 2022</b>	<u>42,654</u>	<u>890</u>	<u>1,871</u>	<u>-</u>	<u>120,938</u>	<u>166,353</u>	<u>702</u>	<u>167,055</u>
<b>At 1 October 2022</b>	42,654	890	1,871	-	120,938	166,353	702	167,055
<b>Profit for the period</b>	-	-	-	-	1,230	1,230	2	1,232
<b>Other comprehensive income</b>								
Fair value change in available -for-sale financial assets	-	-	-	-	-	-	-	-
Exchange translation differences	-	-	272	-	-	272	-	272
<b>Total other comprehensive income</b>	-	-	272	-	-	272	-	272
<b>Total comprehensive income</b>	-	-	272	-	1,230	1,502	2	1,504
<b>Transactions with owners</b>								
Dividend for year ended 30 September 2022	-	-	-	-	-	-	-	-
<b>Total transactions with owners</b>	-	-	-	-	-	-	-	-
<b>At 31 December 2022</b>	<u>42,654</u>	<u>890</u>	<u>2,143</u>	<u>-</u>	<u>122,168</u>	<u>167,855</u>	<u>704</u>	<u>168,559</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 2022 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 3 month period ended 31 December 2022**  
 (unaudited)

	For the period ended 31 December 2022 RM'000	For the period ended 31 December 2021 RM'000
<b>Cash flows from operating activities</b>		
<b>Profit before taxation</b>	1,810	1,735
<b>Adjustment for non-cash items:</b>		
- Non-cash items and non-operating items	(84)	(193)
<b>Operating profit before changes in working capital</b>	1,726	1,542
<b>Changes in working capital:</b>		
- Inventories	(3,614)	3,704
- Trade and other receivables	(1,068)	(4,916)
- Trade and other payables	(739)	(120)
<b>Cash inflows/(outflows) from operations</b>	(3,695)	210
- Income taxes refund/(paid)	(45)	(241)
<b>Net cash inflows/(outflows) from operating activities</b>	(3,740)	(31)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(248)	(167)
Proceeds from disposal of property, plant and equipment	-	-
Purchase of other investment	(344)	(277)
Dividend received	344	277
Interest received	139	97
<b>Net cash outflows from investing activities</b>	(109)	(70)
<b>Net increase/(decrease) in cash and cash equivalents</b>	(3,849)	(101)
<b>Cash and cash equivalents at beginning of year</b>	33,608	36,591
<b>Effects of changes in exchange rate</b>	142	272
<b>Cash and cash equivalents at 31 December</b>	29,901	36,762

Cash and cash equivalents comprise the following balance sheet amounts:

Cash and bank balances	13,838	16,824
Bank overdraft	-	-
Fixed deposit	16,063	19,938
	29,901	36,762

The condensed consolidated statement cash flows should be read in conjunction with the audited financial statements for the year ended 30 September 2022 and the accompanying explanatory notes attached to the interim financial statements.

## **UMS Holdings Berhad**

(Company No. 74125-V)  
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and its subsidiaries

### **A. Notes to Interim Financial Report on Consolidated Results For the Period Ended 31 December 2022**

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#### **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 2022.

On 1 October 2022, the Company adopted the following Amendments to published standards mandatory for annual financial periods beginning on or after 1 October 2022:

##### **Standards/Amendments**

Amendments to MFRS 116 –Proceeds Before Intended Use

Annual Improvements to MFRS Standards 2018 – 2020 Cycle:

Amendments to MFRS 9 Financial Instruments

Amendments to MFRS 137 – Onerous Contracts Cost of Fulfilling a Contract

References to Conceptual Framework (Amendments to MFRS 3 – Business Combinations)

There is no material impact to the financial statements.

#### **A2 Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the year ended 30 September 2022 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 cyclical.

#### **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.



**A. Notes to Interim Financial Report on Consolidated Results For the Period Ended 31 December 2022**

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**A9 Material events subsequent to the end of the interim period**

On 11 January 2023, the Board of Directors announced that the Company intends to seek the approval of its Shareholders in the coming Annual General Meeting to be held on 6 March 2023, 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.

**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.

## Additional Information Required by Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirement

### 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 (1st 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	
	31/12/2022	31/12/2021		31/12/2022	31/12/2021	
Revenue	19,269	17,622	1,647/9.35	19,269	17,622	1,647/9.35
Profit Before Interest and Tax	1,671	1,634	37/2.26	1,671	1,634	37/2.26
Profit Before Tax	1,810	1,735	75/4.32	1,810	1,735	75/4.32
Profit After Tax	1,232	1,393	(161)/(11.56)	1,232	1,393	(161)/(11.56)
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	1,230	1,387	(157)/(11.32)	1,230	1,387	(157)/(11.32)

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 increase by RM1,647,000 or 9.35% to RM19,269,000 from RM17,622,000 and the profit before tax has increase by RM75,000 or 4.32% to RM1,810,000 from RM1,735,000.

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

	For the cumulative 3 months ended 31.12.2022 RM'000	For the cumulative 3 months ended 31.12.2021 RM'000	Increase/(Decrease) RM'000	%
Revenue by segment				
West Malaysia-Region				
Northern	0	0	0	0
Southern	1,791	1,595	196	12.29
Eastern	1,468	1,311	157	11.98
Central	13,463	11,591	1,872	16.15



## Additional Information Required by Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirement

East Malaysia				
Sarawak	1,479	1,605	(126)	(7.85)
Overseas				
Singapore	1,068	1,520	(452)	(29.74)
	<u>19,269</u>	<u>17,622</u>	<u>1,647</u>	9.35

The main increase in revenue by segment is from the Central Region due to overall improvement in the market conditions as compare to previous quarter ended 31.12.2021.

b) The group’s performance for the quarter under review against the corresponding quarter of the preceding year is as mentioned in (a) above since this is the first quarter report of the company.

### 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 31/12/2022	Immediate Preceding Quarter 30/9/2022	Changes (RM'000 / %)
Revenue	19,269	19,261	8/0.04
Profit Before Interest and Tax	1,671	902	769/85.25
Profit Before Tax	1,810	1,030	780/75.73
Profit After Tax	1,232	264	968/366.67
Profit Attributable to Ordinary Equity Holders of the Parent holders of the parent	1,230	272	958/352.21

c) 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 increase by RM8,000 or 0.04% to RM19,269,000 from RM19,261,000.

The profit before tax has increase by RM780,000 or 75.73% to RM1,810,000.00 from RM1,030,000 mainly due to decrease in operating expenses as there was an impairment of goodwill of RM1,046,000 in the quarter ended 30.9.2022.

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

	3 months ended 31.12.2022 RM'000	3 months ended 30.9.2022 RM'000	Increase/(Decrease) RM'000	%
Revenue by segment				
West Malaysia-Region				
Northern	0	0	0	0
Southern	1,791	1,789	2	0.11
Eastern	1,468	1,351	117	8.66
Central East Malaysia	13,463	13,448	15	0.11

## Additional Information Required by Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirement

Sarawak	1,479	1,530	(51)	(3.33)
Oversea				
Singapore	1,068	1,143	(75)	(6.56)
	<u>19,269</u>	<u>19,261</u>	<u>8</u>	<u>0.04</u>

### B3. Current financial year’s prospects

The IMF reported in January 31st 2023 that global growth is projected to fall from the estimated 3.4% in 2022 to 2.9% in 2023 before increasing to 3.1 % in 2024.

The Ukraine war, the prevailing inflation and the resurgence of COVID-19 with new strains worldwide will continue to exert pressure on global economic performances in 2022 and 2023.

However, it was observed that despite these headwinds, the real GDP was quite strong in the 3Q2022 in economies of the US, the Euro area and the major Emerging Market and Developing countries.

During this quarter, these economies were driven by stronger than anticipated domestic private consumption, investments and fiscal support. There was revenge spending by households especially on services as economies reopened and further triggering business investments to meet demand.

The energy markets had adjusted better than anticipated to the shock of the Ukraine war with the easing of certain bottlenecks and transportation costs and this subsequently lowered the impact of input prices of constrained sectors such as the auto industries.

However, during the 4Q2022 period, this upward trajectory diminished in most but not all economies. The US economy remains stronger than expected underpinned by consumers spending with historic low unemployment and more job opportunities. Elsewhere, in other economies e.g. Euro area countries, economic indicators like business and consumer sentiments, purchasing managers indices generally point to a slowdown.

The decline in global growth forecast in 2023 (2.9%) from 2022 (3.4%) will be primarily driven downwards by the advanced economies. Elsewhere, the emerging market and developing economies are expected to bottom out in 2022 at 3.9% before rising to 4.0% in 2023 and 4.2% in 2024 respectively.

For 2023, the GDP of the advanced economies group is projected by IMF to drop to 1.2% from 2.7% in 2022 and recovering to 1.4 % in 2024.

The US economy expects to grow at 2.0% in 2022 and dropping to 1.4% in 2023 and 1.0% in 2024 respectively. The Euro Area is projected to achieve a growth of 3.5% in 2022 before sliding downwards to 0.7% and 1.6% in 2023 and 2024 respectively. Growth in Japan is forecasted to increase to 1.8% in 2023 (1.4%:2022) supported by continuing monetary and fiscal support and higher profits from a depreciated yen before settling down to 0.9% in 2024.

Heading the grouping of emerging market and developing economies are China’s growth forecast of 3.0% in 2022 before increasing to 5.2% and 4.5% in 2023 and 2024 respectively. China’s real GDP slowdown in the fourth quarter of 2022 impacted its growth for 2022 to 3.0% but is forecasted to rise to 5.2 % in 2023 due to the reopening of its economy and lifting of its zero COVID policy measures thereafter levelling to 4.5% in 2024.

Additionally, India’s economic growth forecast is expected to be 6.8% in 2022, 6.1% in 2023 and 6.8% in 2024, mainly attributed to the strength of its resilient domestic markets.

Elsewhere, for the ASEAN-5 economies (Indonesia, Malaysia, Philippines, Singapore, Thailand), growth will trend at 5.2%, 4.3% and 4.7% for 2022, 2023 and 2024 respectively.

## Global Inflation

The IMF predicted over 80 % of countries will have lower headline (consumer price index) inflation in 2023 vis-a-vis 2022. Global inflation is expected to decline from an annual average of 8.8% in 2022 to 6.6% in 2023 and 4.3% in 2024, albeit above pre-pandemic (2017-2019) levels of about 3.5%.

These projections are premised upon declining international fuel and non-fuel commodity prices due to lower global demand.

The annual average inflation rate for the advanced economies is projected to drop from 7.3% in 2022 to 4.6% in 2023 and 2.6% in 2024. For the emerging market and developing economies the group’s annual inflation is expected to trend downwards from 9.9% in 2022 to 8.1% in 2023; but still above the pre-pandemic average (2017-2019) of 4.9%. The low income developing nations will have its inflation rate moderated downwards from still elevated levels of 14.2% in 2022 to 8.6% in 2024 .These are around the pre-pandemic levels.

## MALAYSIAN ECONOMY

Against uncertainty and challenging global headwinds, the Malaysian economic growth maintained its momentum. Following a strong 14.2% growth in the 3Q2022, expansion in the 4Q2022 slowed to 7% underpinned by the continued rise in domestic demand, a sustained recovery in the employment market, resilient demand for E&E manufactured goods and a revitalization of the tourism sector. International and regional exports contracted broadly during this quarter in tandem with weaker global consumption for goods and a shifting trend towards services instead.

The lower growth in 4Q2022 vis-à-vis 3Q2022 was attributed to lower support from stimulus measures and the low base effect from the negative growth in 3Q2021.

For the year 2022, Bank Negara Malaysia declared the Malaysian economy expanded by 8.7% (2021:3.1%). This is the highest annual growth registered since 2000.

There was continued expansion across all sectors of the economy in 4Q2022, albeit at a slower pace. All economic sectors continued to expand, contributing positively to the nation’s economic growth.

The services sector grew as a result of increases in consumer and business related activities, an improving labour market and a sustained recovery in tourism. During 4Q2022, the services sector grew by 8.9%, lower than the growth of 16.7% in 3Q2022.

The manufacturing sector was primarily driven by the expansion of the E&E sub sector, activities in the consumer related clusters, output of petrochemical products and lastly fulfillment of automobile backlogs disrupted by supply chain constraints. Growth in 4Q2022 registered 3.9% against 13.2% recorded in 3Q2022.

The agriculture sector grew at 1.1% in 4Q2022 (3Q2022:1.2%). The palm oil subsector contributed to this growth as oil palm production expanded with improved yields from favorable weather conditions earlier in 2022 and an easing of labour supply.

In the mining sub-sector, growth in 4Q2022 was 6.8% (3Q2022:9.2%) underpinned by sustained outputs of oil and natural gas industries.

Growth in the construction sector for 4Q2022 was driven by the continued implementation of ongoing projects budgeted and planned in the previous financial years. These included large infrastructure, commercial and industrial projects in civil engineering and non-residential subsectors which generated growth of 10.1% against 15.3% in 3Q2022.

According to Bank Negara Malaysia’s forecast, the Malaysian economy in 2023 will grow moderately to 4%-5%

## Additional Information Required by Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirement

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after the strong performance of 8.7% in 2022. This projection is in tandem to the lower global growth of 2.9% projected by IMF, amidst tighter monetary policy and elevated inflation; but however, a recession is not eminent.

Going forward, domestic demand is expected to remain the dominant driver of growth in 2023. The key players driving this domestic growth are a recovery in the labour market and the continuation of new and existing investment projects in infrastructure, industrial and non-residential sectors. An active tourism industry will also augment and compensate revenue for a lower exports slowdown. The anticipated reopening of China in 2023 will provide the needed stimulus to the ASEAN and global economy.

### Inflation

Global inflation is currently an ongoing key concern for all governments. There are signs inflation globally is moderating across some economies with the cost dynamics easing through lower commodity prices. Malaysia experienced a headline inflation of 3.9% during 4Q2022 (3Q2022:4.5%) partially due to lapse in base effect of lower electricity inflation. There was also the easing of key basic food items such as fresh meat and eggs during the quarter under review. However, during this period core inflation increased to 4.2% (3Q2022:3.7%) driven upwards by strong domestic consumption.

For the year 2022, Bank Negara projected headline and core inflation averaged at 3.3% and 3.0% respectively. Looking forward to 2023, the government expects headline and core inflation to trend at a moderate elevated levels on the back of constant pressures from costs and demand factors.

### SUMMARY

According to recent announcements by Bank Negara Malaysia and IMF, the balance of risks weighing on their macroeconomic and domestic outlook will tilt towards the downside, triggering a lower growth and higher inflation. The assumptions factored into these projections for 2022 and 2023 include fuel and nonfuel commodity prices (revised downwards since October 2022) and interest rates which were revised upwards. For 2023, oil and nonfuel commodity prices are expected to trend downwards whilst interest rates revised upwards with policy tightening by major central banks.

On balance, the uncertain global environment will pose the greatest major risk to domestic growth going forward.

The risks factors impacting positively and negatively the global and domestic outlook in 2022 and 2023 are as follows:

- The escalation of the Ukraine war generating oil and food price increases and spiraling inflation globally. With elevated food and fuel prices, social unrest may erupt in some Euro area and lower income countries.
- A resurgence of global and local outbreaks of Covid-19 with new variants stifling recovery.
- Aggravating geopolitical and geo-economic conflicts leading to fragmentation splitting the world economy into blocs between Russia-China and USA-collective West causing global instability and potential wars.
- Multilateral trade activities within RCEP in 2023 will underpin economic growth in the Asian region. A major slowdown in the Chinese economy will affect the economic performance of its major trading partners' (especially ASEAN).
- Potential upside to the ASEAN economy may be triggered when China reopen its economy in 2023 and providing with an influx of Chinese tourists to ASEAN countries

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- Healthy demand and prices of Malaysia export commodities (for example crude oil at USD80 -USD 90 per barrel and refined palm oil at around RM3800 per ton) will continue to provide the revenue stream to finance and implement projects earmarked in Budget 2023 and the 12th Malaysian Plan.
- After the 15<sup>th</sup> General Election, a new unity Malaysian government was formed on 24 Nov 2022 led by Pakatan Harapan. With a commitment to improve the economy and livelihood of Malaysians, the Budget 2023 to be announce on 24 Feb 2023 is expected to formulate and implement policies to mitigate the impact of an anticipated slower global economy. Reforms to remodel and restructure Malaysian companies to embrace new business tools especially in digital technology are also expected to be proposed.
- Any major climate changes, emergence of natural disasters and epidemic will result in human and economic losses.

The global environment for the period going forward remains unpredictable and challenging. However the Board’s prime objective is to mitigate any challenges the Group faces and ensure it remains profitable with shareholders’ value and interests protected.

### 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	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Current Malaysian Tax	(591)	(393)	(591)	(393)
(Under)/overprovision in prior years	0	0	0	0
	<u>(591)</u>	<u>(393)</u>	<u>(591)</u>	<u>(393)</u>
Deferred taxation	13	51	13	51
	<u>(578)</u>	<u>(342)</u>	<u>(578)</u>	<u>(342)</u>
	=====	=====	=====	=====

The current tax rates for the current period ended 31 December 2022 and 2021 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	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Interest income	(139)	(101)	(139)	(101)
Other income including investment Income	(524)	(501)	(524)	(501)

## Additional Information Required by Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirement

Gain on disposal of property, plant and equipment	0	(88)	0	(88)
Interest expense	0	0	0	0
Depreciation and amortization	409	443	409	443
Foreign exchange (gain)/loss	(208)	48	(208)	48

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 31 December 2022.

### 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:

	31.12.2022 RM'000	30.9.2022 RM'000
Financial assets at fair value through profit and loss (FVTPL)		
Unquoted shares at cost	50	50
Financial assets at fair value through profit or loss		
Wholesale Funds	10,302	10,150
	<u>10,352</u>	<u>10,200</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 31 December 2022 are as follows:

	31.12.2022		30.9.2022	
	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>
	=====	=====	=====	=====

**Additional Information Required by Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirement**

There is no material changes to the Group’s borrowings as at the current year-to-date at 31.12.2022 as compared with the corresponding period in the immediate preceding period as at 30 September 2022 as tabled below:-

	As at 1st quarter ended 2023					
	Long Term		Short Term		Total borrowings	
	S\$'000 denomination	RM'000 denomination	S\$'000 denomination	RM'000 denomination	S\$'000 denomination	RM'000 denomination
<b>Secured</b>	0	0	0	0	0	0
<b>Unsecured</b>	0	0	0	0	0	0
	As at 4th quarter ended 2022					
	Long Term		Short Term		Total borrowings	
	S\$'000 denomination	RM'000 denomination	S\$'000 denomination	RM'000 denomination	S\$'000 denomination	RM'000 denomination
<b>Secured</b>	0	0	0	0	0	0
<b>Unsecured</b>	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**

	31.12.2022 RM'000	31.12.2021 RM'000
Proposed:		
Single tier Final dividend of 6% & Single tier Special dividend of 2%	0	0

## Additional Information Required by Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirement

At the forthcoming Annual General Meeting, a single tier final dividend of 6sen amounting to RM2,441,000 for the financial year ended 30.9.2022 and a single tier special dividend of 2sen amounting to RM813,800 will be proposed for shareholders approval.

### B13 Trade and other receivables

	31.12.2022	30.9.2022
	RM'000	RM'000
Trade receivables	22,925	21,355
Loss allowance	(730)	(626)
	<u>22,195</u>	<u>20,729</u>
Other receivables, deposit & prepayment	1,152	1,550
	<u>23,347</u>	<u>22,279</u>

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

The Group's trade receivables loss allowance at the reporting date and the movement of loss allowance is as follows:

	Group	
	31.12.2021	30.9.2022
	RM'000	RM'000
Opening loss allowance as at 1 October	626	731
Provided during the period/year	106	138
Reversal	(2)	(243)
	<u>730</u>	<u>626</u>

The Group apply the simplified approach which requires expected lifetime credit losses to be recognised from initial recognition of trade receivables. To measure the expected credit losses, the Group have categorised the customers into five types and the Group have established the expected credit loss rate by taking into consideration of the days past due, the historical payment profiles and adjusted to reflect current and forward looking information on factors affecting the ability of the trade receivables to settle the receivables.

- i) Category A – Receivables with debts not impaired and with debts up to 90 days past due not impaired;
- ii) Category B – Receivables with debts more than 90 up to 180 days past due are impaired at 5%;
- iii) Category C – Receivables with debts more than 180 days up to 365 days past due are impaired at 10%;
- iv) Category D – Receivables with debts more than 365 days past due are impaired at 20%
- v) Category E – Receivables having significant financial difficulties and having defaulted on payments are individually impaired.



## Additional Information Required by Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirement

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### 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	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Net profit attributable to Ordinary shareholders	1,230	1,387	1,230	1,387
Weighted average Number of shares In issued.	40,690	40,690	40,690	40,690
Basic earnings per Ordinary share(sen)	3.02	3.41	3.02	3.41
Diluted earnings per share (sen)	3.02	3.41	3.02	3.41

# **UMS Holdings Berhad**

Company No. 74125 – V  
(Incorporated in Malaysia)

Interim Financial Report  
31 December 2022