

**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 2023**  
(unaudited)

Note	3 month period ended 31 December			3 month period ended 31 December		
	2023 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	
	Current quarter	Quarter ended 30.9.2023	Current quarter	3 months cumulative to date	3 months cumulative to date	
Revenue	20,112	16,734	19,302	20,112	19,302	
Cost of sales	(12,671)	(10,235)	(12,509)	(12,671)	(12,509)	
Gross profit	7,441	6,499	6,793	7,441	6,793	
Operating expenses	(6,038)	(6,422)	(6,034)	(6,038)	(6,034)	
Other operating income	4,056	297	524	4,056	524	
Financing costs	-	-	-	-	-	
Interest income	113	272	106	113	106	
Share of profit of associates	240	289	421	240	421	
<b>Profit before taxation</b>	<b>5,812</b>	<b>935</b>	<b>1,810</b>	<b>5,812</b>	<b>1,810</b>	
Tax expense	(617)	(141)	(578)	(617)	(578)	
<b>Profit for the period</b>	<b>5,195</b>	<b>794</b>	<b>1,232</b>	<b>5,195</b>	<b>1,232</b>	
<b>Other comprehensive income for the period</b>	<b>282</b>	<b>(146)</b>	<b>272</b>	<b>282</b>	<b>272</b>	
<b>Total comprehensive income for the year</b>	<b>5,477</b>	<b>648</b>	<b>1,504</b>	<b>5,477</b>	<b>1,504</b>	
<b>Profits attributable to:</b>						
Owners of the Parent	5,187	807	1,230	5,187	1,230	
Non-controlling interest	8	(13)	2	8	2	
	5,195	794	1,232	5,195	1,232	
<b>Total comprehensive income attributable to:</b>						
Owners of the Parent	5,469	661	1,502	5,469	1,502	
Non-controlling interest	8	(13)	2	8	2	
	5,477	648	1,504	5,477	1,504	
Basic earnings per ordinary share (sen)	B14	12.75	1.98	3.02	12.75	3.02
Diluted earnings per ordinary share (sen)	B14	12.75	1.98	3.02	12.75	3.02

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 30 September 2023 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 2023**  
**(unaudited)**

	Note	As at 31 December 2023	As at 30 September 2023
		RM'000	RM'000
<b>Non-current assets</b>			
Property, plant and equipment		33,759	32,797
Right-of-use assets		4,253	4,267
Investment Property		18,790	18,790
Investments in associates		11,557	14,245
Other investments		1,057	1,014
Goodwill on consolidation		-	-
		69,416	71,113
<b>Current assets</b>			
Inventories		38,569	40,941
Trade and other receivables		23,085	20,899
Fixed deposits with licensed bank		21,798	15,508
Cash & cash equivalents		25,307	24,386
		108,759	101,734
<b>Total assets</b>		178,175	172,847
<b>Equity</b>			
Share capital		42,654	42,654
Reserves		130,802	125,338
Total equity attributable to the owners of the Parent		173,456	167,992
Non-controlling interest		693	685
Total equity		174,149	168,677
<b>Non-current liabilities</b>			
Borrowings	B9	-	-
Deferred tax liabilities		1,022	1,020
		1,022	1,020
<b>Current liabilities</b>			
Trade and other payables		4,578	5,231
Borrowings	B9	-	-
Taxation		(1,574)	(2,081)
		3,004	3,150
<b>Total equity and liabilities</b>		178,175	172,847
Net assets per share attributable to ordinary owners of the Parent (RM)		4.26	4.13

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 30 September 2023 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 3 month ended 31 December 2023**  
(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	Retained profits- distributable RM'000			
<b>Balance At 1 October 2022</b>	42,654	890	1,872	120,938	166,354	702	167,056
Profit for the year	-	-	-	4,190	4,190	8	4,198
Other comprehensive income							
Fair value change in available -for-sale financial assets	-	-	-	-	-	-	-
Exchange translation difference	-	-	703	-	703	-	703
Total other comprehensive income	-	-	703	-	703	-	703
Total comprehensive income	-	-	703	4,190	4,893	8	4,901
Transactions with owners							
Dividend for year ended 30 September 2022	-	-	-	(3,255)	(3,255)	(25)	(3,280)
Total transactions with owners	-	-	-	(3,255)	(3,255)	(25)	(3,280)
<b>At 30 September 2023</b>	<u>42,654</u>	<u>890</u>	<u>2,575</u>	<u>121,873</u>	<u>167,992</u>	<u>685</u>	<u>168,677</u>
<b>At 1 October 2023</b>	42,654	890	2,575	121,873	167,992	685	168,677
Profit for the period	-	-	-	5,187	5,187	8	5,195
Other comprehensive income							
Fair value change in available -for-sale financial assets	-	-	-	-	-	-	-
Exchange translation difference	-	-	277	-	277	-	277
Total other comprehensive income	-	-	277	-	277	-	277
Total comprehensive income	-	-	277	5,187	5,464	8	5,472
Transactions with owners							
Dividend for year ended 30 September 2023	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-
<b>At 31 December 2023</b>	<u>42,654</u>	<u>890</u>	<u>2,852</u>	<u>127,060</u>	<u>173,456</u>	<u>693</u>	<u>174,149</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 2023 and the accompanying explanatory notes attached to the interim financial statements.

**Interim Report**  
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**Condensed Consolidated Statement of Cashflows for the 3 month period ended 31 December 2023**  
(unaudited)

	For the period ended 31 December 2023 RM'000	For the period ended 31 December 2022 RM'000
<b>Cash flows from operating activities</b>		
<b>Profit before taxation</b>	5,812	1,810
<b>Adjustment for non-cash items:</b>		
- Non-cash items and non-operating items	(3,431)	(84)
<b>Operating profit before changes in working capital</b>	2,381	1,726
<b>Changes in working capital:</b>		
- Inventories	2,372	(3,614)
- Trade and other receivables	(2,186)	(1,068)
- Trade and other payables	(653)	(739)
<b>Cash inflows/(outflows) from operations</b>	1,914	(3,695)
- Income taxes refund/(paid)	(108)	(45)
<b>Net cash inflows/(outflows) from operating activities</b>	1,806	(3,740)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,260)	(248)
Proceeds from disposal of property, plant and equipment	162	-
Proceeds from disposal of Associated Company	6,113	-
Purchase of other investment	-	(344)
Dividend received	-	344
Interest received	113	139
<b>Net cash inflows/(outflows) from investing activities</b>	5,128	(109)
Net increase/(decrease) in cash and cash equivalents	6,934	(3,849)
<b>Cash and cash equivalents at beginning of year</b>	39,894	33,608
<b>Effects of changes in exchange rate</b>	277	142
<b>Cash and cash equivalents at 31 December</b>	47,105	29,901
Cash and cash equivalents comprise the following balance sheet amounts:		
Cash and bank balances	21,507	13,838
Bank overdraft	-	-
Fixed deposit	25,598	16,063
	47,105	29,901

The condensed consolidated statement cash flows should be read in conjunction with the audited financial statements for the year ended 30 September 2023 and the accompanying explanatory notes attached to the interim financial statements.

## **A. Notes to Interim Financial Report on Consolidated Results For the Period Ended 31 December 2023**

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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 2023.

On 1 October 2023, the Company adopted the following Amendments to published standards mandatory for annual financial periods beginning on or after 1 October 2023:

#### **Standards/Amendments**

Amendments to MFRS 101 – Classification of Liabilities as Current and Non-current

Amendments to MFRS 101 – Disclosure of Accounting Policy

Amendments to MFRS 108 – Definition of Accounting Estimates

Amendments to MFRS 112 – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction

Amendments to MFRS 112 – International Tax Reform – Pillar Two Model Rules

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 2023 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.



**A. Notes to Interim Financial Report on Consolidated Results For the Period Ended 31 December 2023**

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

On 16 January 2024, 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 18 March 2024, 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, other than :

**Disposal on investment**

On 28 December 2023, a subsidiary company - Aqua Terra Union Oilfield Supply Sdn. Bhd. had disposed entire shares in associate company – M K S Sdn. Bhd. to a company in which certain directors have interest for a cash consideration of RM6,113,310 with estimated gain on disposal of RM3,618,178.

## 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	
	31/12/2023	31/12/2022		31/12/2023	31/12/2022	
Revenue	20,112	19,302	810/4.20	20,112	19,302	810/4.20
Profit Before Interest and Tax	5,699	1,704	3,995/234.45	5,699	1,704	3,995/234.45
Profit Before Tax	5,812	1,810	4,002/221.10	5,812	1,810	4,002/221.10
Profit After Tax	5,195	1,232	3,963/321.67	5,195	1,232	3,963/321.67
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	5,187	1,230	3,957/321.71	5,187	1,230	3,957/321.71

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 increased by RM810,000 or 4.20% to RM20,112,000 from RM19,302,000 and the profit before tax has increased by RM4,002,000 or 221.10% to RM5,812,000 from RM1,810,000 mainly due to the gain on disposal of an Associated Company of RM3,618,178.

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

	For the cumulative 3 months ended 31.12.2023 RM'000	For the cumulative 3 months ended 31.12.2022 RM'000	Increase/(Decrease) RM'000	%
Revenue by segment				
West Malaysia-Region				
Northern	0	0	0	0
Southern	1,875	1,791	84	4.69
Eastern	1,494	1,468	26	1.77
Central	12,850	13,496	(646)	(4.79)



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

East Malaysia				
Sarawak	1,726	1,479	247	16.70
Overseas				
Singapore	2,167	1,068	1,099	102.90
	20,112	19,302	810	4.20

The main increase in revenue by segment is from the Singapore Region mainly due to a project sale (Vacono) in the current quarter ended 31.12.2023 of RM1,082,000 as compared to RM0.00 in the previous quarter ended 31.12.2022.

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 31/12/2023	Immediate Preceding Quarter 30/9/2023	Changes (RM'000 / %)
Revenue	20,112	16,734	3,378/20.19
Profit Before Interest and Tax	5,699	663	5,036/759.58
Profit Before Tax	5,812	935	4,877/521.60
Profit After Tax	5,195	794	4,401/554.28
Profit Attributable to Ordinary Equity Holders of the Parent holders of the parent	5,187	807	4,380/542.75

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 increased by RM3,378,000 or 20.19% to RM20,112,000 from RM16,734,000.

The profit before tax has increased by RM4,877,000 or 521.60% to RM5,812,000 from RM935,000 mainly due to the gain on disposal of an Associated Company of RM3,618,178 and increased in revenue.

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

	3 months ended 31.12.2023 RM'000	3 months ended 30.9.2023 RM'000	Increase/(Decrease)	
			RM'000	%
Revenue by segment				
West Malaysia-Region				
Northern	0	0	0	0
Southern	1,875	2,329	-454	(19.49)

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

Eastern	1,494	1,249	245	19.62
Central	12,850	10,989	1,861	16.94
East Malaysia				
Sarawak	1,726	1,403	323	23.02
Oversea				
Singapore	2,167	764	1,403	183.64
	<u>20,112</u>	<u>16,734</u>	<u>3,378</u>	20.19

The main increase in revenue by segment is from the Central region and Singapore Region.

### B3. Current financial year’s prospects

The IMF on 30<sup>th</sup> Jan 2024 projected global growth to be 3.1% in 2024 and 3.2% in 2025 respectively on the possibility of a balanced and soft landing across the economic landscape of most countries; underpinned by the resilience of the US and other major emerging markets and developing economies such as China, India and the ASEAN.

The Malaysian economy is estimated to grow at 3.4% in the fourth quarter of year 2023 as compared to 3.3% in the previous quarter. On an overall basis, the Statistics Department of Malaysia projected a moderate growth of 3.8% for year 2023 as compared to 8.7% in 2022.

The services sector grew at 4.7% in the 4th quarter of year 2023 underpinned by the wholesale and retail trade, transport and storage and business sub-sectors.

The mining and quarrying sector contributed to 3.7% growth during this period propelled by all activities especially natural gas, crude oil and condensate.

The construction sector slowed down to 2.5% in this 4Q2023 versus 7.2% in 3Q2023 whilst growth in the agriculture sector improved to 1.2% as against 0.8% in the previous quarter mainly due to increase in oil palm production.

Meanwhile, the manufacturing sector registered only 0.1% growth, supported by processing and manufacture of vegetable, animal oils and fats, food processing, non-metallic mineral products, and fabricated metal product.

However, others such as electrical, electronic and optical products, petroleum, chemical, rubber and plastic products all declined in the 4Q2023 period.

On an annual basis in 2023, the service sector grew at 5.4% versus 10.9% in 2022 whilst the manufacturing sector recorded a marginal growth of 0.8% attributed to weaker external demand.

However the construction sector improved to 5.8% in 2023 against 5.0% in 2022.

The government is cautiously optimistic growth can be achieved within 4%-5% in 2024.

Looking forward to 2024, the Ministry of Trade expects Malaysia’s semiconductor exports to improve on the back of higher global demand. The electrical and electronic sector (E&E) is expected to reap improved orders as a result of global supply chain reconfiguration. This will generate increase inflow of foreign direct investments in the ASEAN region and Malaysia.

The global geopolitical rivalries between big nations, potential wars and political instabilities across various hotspots in the world are events to be closely monitored for the year going forward.

The Group remain cautiously optimistic of a profitable outcome for 2024 barring any unexpected events.

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

**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	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Current Malaysian Tax	(615)	(591)	(615)	(591)
(Under)/overprovision in prior years	0	0	0	0
	<u>(615)</u>	<u>(591)</u>	<u>(615)</u>	<u>(591)</u>
Deferred taxation	(2)	13	(2)	13
	<u>(617)</u>	<u>(578)</u>	<u>(617)</u>	<u>(578)</u>
	=====	=====	=====	=====

The current tax rates for the current period ended 31 December 2023 and 2022 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	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Interest income	(113)	(106)	(113)	(106)
Other income including investment Income	(391)	(524)	(391)	(524)
Gain on disposal of property, plant and equipment	(160)	0	(160)	0
Gain on disposal of Associated Company	(3,618)	0	(3,618)	0
Interest expense	0	0	0	0
Depreciation and amortization	443	409	443	409
Foreign exchange (gain)/loss	(19)	(208)	(19)	(208)

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 2023.

**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:



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

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

	31.12.2023 RM'000	31.12.2022 RM'000
Proposed:		
Single tier Final dividend of 6% & Single tier Special dividend of 2%	0	0

At the forthcoming Annual General Meeting, a single tier final dividend of 6sen amounting to RM2,441,400 and a single tier special dividend of 4sen amounting to RM1,627,600 for the financial year ended 30.9.2023 will be proposed for shareholders approval.

**B13 Trade and other receivables**

	31.12.2023	30.9.2023
	RM'000	RM'000
Trade receivables	22,732	19,274
Loss allowance	(696)	(666)
	<u>22,036</u>	<u>18,608</u>

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

Other receivables, deposit & prepayment	1,049	2,291
	<u>23,085</u>	<u>20,899</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	
	31.12.2023 RM’000	30.9.2023 RM’000
Opening loss allowance as at 1 October	666	626
Provided during the period/year	37	211
Reversal	(7)	(171)
	<u>696</u>	<u>666</u>
Closing loss allowance	696	666

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.

### 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	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	(RM’000)	(RM’000)	(RM’000)	(RM’000)
Net profit attributable to				

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

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Ordinary shareholders	5,187	1,230	5,187	1,230
Weighted average Number of shares In issued.	40,690	40,690	40,690	40,690
Basic earnings per Ordinary share(sen)	12.75	3.02	12.75	3.02
Diluted earnings per share (sen)	12.75	3.02	12.75	3.02