

UMS-NEIKEN GROUP BERHAD (650473-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For The Fourth Quarter Ended 31 December 2014

	Note	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		Current Year Quarter 31 Dec 2014 RM'000 (unaudited)	Preceding Year Corresponding Quarter 31 Dec 2013 RM'000 (unaudited)	Current Year To date 31 Dec 2014 RM'000 (unaudited)	Preceding Year Corresponding Period 31 Dec 2013 RM'000 (unaudited)
Revenue		15,500	14,839	62,000	61,987
Cost of sales		(10,110)	(10,927)	(44,004)	(44,963)
Gross profit		5,390	3,912	17,996	17,024
Other income		3,596	397	4,705	1,383
		8,986	4,309	22,701	18,407
Selling and distribution expenses		(363)	(484)	(1,497)	(1,706)
Administrative expenses		(2,382)	(2,250)	(6,859)	(6,488)
Other operating expenses		(221)	(1,190)	(1,954)	(1,794)
Finance costs		(131)	(131)	(514)	(423)
Share of profit for an associate		47	(22)	503	322
Profit before taxation		5,936	232	12,380	8,318
Income tax expense	B6	(1,191)	(80)	(3,130)	(2,508)
Profit from Continuing Operation, net of tax		4,745	152	9,250	5,810
<u>Discontinued Operation</u>					
Loss from Discontinued Operation, net of tax	B12	-	-	-	(562)
Profit after taxation		4,745	152	9,250	5,248
Other Comprehensive (Expenses)/Income					
Currency translation difference		82	7	84	86
Currency translation difference from Discontinued Operation		-	-	912	439
Total Comprehensive Income		4,827	159	10,246	5,773
PROFIT AFTER TAXATION					
ATTRIBUTABLE TO					
Owners of The Company		4,745	152	9,250	5,248
TOTAL COMPREHENSIVE INCOME					
ATTRIBUTABLE TO					
Owners of The Company		4,827	159	10,246	5,773
Earnings per share (sen):					
Basic	B11	6.04	0.19	11.77	7.39
		-	-	-	(0.71)
Diluted		N/A	N/A	N/A	N/A

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 31 December 2014. The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's Audited Financial Statements for the

UMS-NEIKEN GROUP BERHAD (650473-V)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2014

	As at end of current year quarter ended 31 Dec 2014 RM'000 (Unaudited)	Audited 31 Dec 2013 RM'000 (Audited)
ASSETS		
NON-CURRENT ASSETS		
Investment in associates	2,863	2,360
Property, plant and equipment	20,714	23,850
Investment property	2,276	2,318
Prepaid lease rental	351	345
Deferred Tax Assets	101	176
Other Investment	-	3
	<u>26,305</u>	<u>29,052</u>
CURRENT ASSETS		
Inventories	17,570	15,377
Trade receivables	18,418	18,448
Other receivables, prepayments and deposits	8,279	1,538
Amount owing by associates	2,776	2,916
Amount owing by related parties	1	-
Tax recoverable	54	80
Fixed deposits with licensed banks	10,489	8,201
Cash and bank balances	5,259	4,014
	<u>62,846</u>	<u>50,574</u>
Non-current assets classified as held for sale	-	8,870
	<u>62,846</u>	<u>59,444</u>
TOTAL ASSETS	<u>89,151</u>	<u>88,496</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	40,000	40,000
Treasury shares	(510)	(508)
Share premium	1,531	1,531
Exchange fluctuation reserve	(740)	(1,736)
Retained profits	31,545	24,260
TOTAL EQUITY	<u>71,826</u>	<u>63,547</u>
NON-CURRENT AND DEFERRED LIABILITY		
Term loans	B8 7,638	8,087
Deferred taxation	1,102	1,102
	<u>8,740</u>	<u>9,189</u>
CURRENT LIABILITIES		
Trade payables	2,056	2,442
Other payables and accruals	3,471	5,210
Amount owing to directors	321	273
Amount owing to a related company	675	165
Short-term borrowings	B8 1,224	3,723
Bank overdrafts	B8 85	-
Provision for taxation	753	613
	<u>8,585</u>	<u>12,426</u>
Liabilities associated directly with assets held for sale	-	3,334
	<u>8,585</u>	<u>15,760</u>
TOTAL LIABILITIES	17,325	24,949
TOTAL EQUITY AND LIABILITIES	<u>89,151</u>	<u>88,496</u>
Net Assets per share based on number of shares in issue (RM)	<u>0.91</u>	<u>0.81</u>

Note:

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's

Audited Financial Statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

UMS-NEIKEN GROUP BERHAD (650473-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Fourth Quarter Ended 31 December 2014

	← Attributable to Equity Holders of the Company →						Total RM'000
	← Non-distributable →				Distributable		
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Other Reserve RM'000	Exchange Fluctuation Reserve RM'000	Retained profits RM'000	
<u>12 months period ended 31 December 2013</u>							
At 1 January 2013	40,000	(487)	1,531	-	(2,261)	20,482	59,265
Treasury Shares	-	(21)	-	-	-	-	(21)
<u>Comprehensive Income</u>							
Profit for the financial period	-	-	-	-	-	5,351	5,351
<u>Other Comprehensive Income</u>							
Currency translation difference from Continuing Operation	-	-	-	-	86	-	86
Currency translation difference from Discontinued Operation	-	-	-	-	439	-	439
Total Comprehensive income	-	-	-	-	525	5,351	5,876
<u>Contribution by and distributions to owners of the Company</u>							
- Dividend paid	-	-	-	-	-	(1,573)	(1,573)
- Transfer of ESOS reserve	-	-	-	-	-	-	-
At 31 December 2013	40,000	(508)	1,531	-	(1,736)	24,260	63,547
<u>12 months period ended 31 December 2014</u>							
At 1 January 2014	40,000	(508)	1,531	-	(1,736)	24,260	63,547
Treasury Shares	-	(2)	-	-	-	-	(2)
<u>Comprehensive Income</u>							
Profit for the financial period	-	-	-	-	-	9,250	9,250
<u>Other Comprehensive Expenses</u>							
Currency translation difference from Continuing Operation	-	-	-	-	84	-	84
Currency translation difference from Discontinued Operation	-	-	-	-	912	-	912
Total Comprehensive income	-	-	-	-	996	9,250	10,246
<u>Contribution by and distributions to owners of the Company</u>							
- Dividend paid	-	-	-	-	-	(1,965)	(1,965)
At 31 December 2014	40,000	(510)	1,531	-	(740)	31,545	71,826

The unaudited Condensed Statement of Changes in Equity should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

UMS-NEIKEN GROUP BERHAD (650473-V)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
For The Fourth Quarter Ended 31 December 2014

	Current Year Quarter 31 Dec 2014 RM'000 (unaudited)	Preceding Year Corresponding Quarter 31 Dec 2013 RM'000 (unaudited)
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES		
Profit before taxation from continuing operation	12,380	8,318
Loss before taxation from discontinued operation	-	(673)
	<u>12,380</u>	<u>7,645</u>
Adjustments for:		
Write back allowance for doubtful debts	(112)	(33)
Allowance for doubtful debts	54	300
Write back for inventories written down	(311)	(108)
Inventories written down	380	276
Other receivable/Bad Debts written off	41	18
Reversal in provision for unrealised profits	(601)	472
Depreciation of property, plant and equipment	1,467	1,449
Write back for impairment losses on stocks	-	(48)
Write back for Impairment losses on other receivables	(38)	-
Impairment losses on investment	-	940
Loss on disposal of a subsidiary	1,119	-
Gain on disposal of property, plant and equipment	(2,559)	(245)
Unrealised exchange gain	(968)	(534)
Amortisation of prepaid lease rental	(6)	(9)
Interest expense	514	418
Interest income	(413)	(330)
Share of profit in an associate	(503)	(323)
Operating profit before working capital changes	<u>10,444</u>	<u>9,888</u>
Increase in Inventories	(1,660)	(1,878)
(Increase)/Decrease in Trade & other receivables	(5,688)	1,190
(Decrease)/Increase in Trade & other payables	(2,125)	3,295
Decrease/(Increase) in amount owing by an associate	292	(118)
Increase in amount owing to related parties	674	139
(Decrease)/Increase in amount owing to a related company	(165)	100
Cash inflow from operations	<u>1,772</u>	<u>12,617</u>
Interest paid	(514)	(418)
Net tax paid	(2,889)	(2,475)
Net cash (outflow)/inflow from operating activities	<u>(1,631)</u>	<u>9,724</u>
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES		
Advance to an associate	(152)	(1,433)
Interest received	413	331
Purchase of property, plant and equipment and prepaid lease	(1,339)	(13,939)
Proceeds from disposal of property, plant and equipment	5,609	508
Purchase of investment property	-	(2,318)
Proceeds from disposal of unit trust investment	3	501
Proceeds from disposal of a subsidiary	4,504	-
Treasury shares buy-back	(2)	(21)
Net cash inflow/(outflow) from investing activities	<u>9,036</u>	<u>(16,372)</u>
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES		
Dividends paid	(1,965)	(1,573)
Net (repayment)/advances of bills payables	(2,386)	256
Term loan financing	-	8,800
Repayment of term loan	(429)	(273)
Repayment of hire purchase obligation	(133)	125
Repayment by/(to) directors	48	(105)
Net cash (outflow)/inflow for financing activities	<u>(4,865)</u>	<u>7,230</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>2,540</u>	<u>582</u>
EFFECTS OF CHANGES IN FOREIGN EXCHANGE	<u>908</u>	<u>525</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER	<u>12,215</u>	<u>13,038</u>
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	<u>15,663</u>	<u>14,145</u>

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 31 December 2014. The unaudited Condensed Statement of Cash Flow should be read in conjunction with the Group's Audited Financial Statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DEC 2014

PART A: EXPLANATORY NOTES PERSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD 134 (“MFRS 134”)

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with MFRS 134 - Interim Financial Reporting, IAS 34 - Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2013.

A2. Changes in Accounting Policies

The audited financial statements of the Group for the financial year ended 31 December 2013 were prepared in accordance with MFRS. The significant accounting policies adopted in preparing these Condensed Report are consistent with those of the audited financial statements for the year ended 31 December 2013, except for the adoption of the following new Malaysia Financial Reporting Standards (“MFRSs”), Amendment to MFRSs and IC Interpretation.

MFRSs and IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 10, MFRS12 and MFRS 127 (2011): Investment Entities

Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 136: Recoverable Amount Disclosures for Non-financial Assets

Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting

IC Interpretation 21 Levies

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PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD 134 (“MFRS 134”) (CONT’D)

A2. Changes in Accounting Policies (cont’d)

At date of authorization of these interim financial statements, the following MFRSs, Amendment to MFRSs and IC Interpretation was issued but not yet effective and have not been applied by the Group.

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2017
Amendments to MFRS 10 and MFRS 128 (2011): Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 11 : Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128 (2011) : Investment Entities – Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101 : Presentation of Financial Statements – Disclosure Initiative	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture – Bearer Plants	1 January 2016
Amendments to MFRS 119: Defined Benefit Plans – Employee Contributions	1 July 2014
Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2010 – 2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011 – 2013 Cycle	1 July 2014
Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016

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**PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING
STANDARD 134 (“MFRS 134”) (CONT’D)**

A3. Status of audit qualifications

The auditors’ report on the financial statements for the financial year ended 31 December 2013 was not subject to any qualification.

A4. Seasonal and Cyclical Factors

The Group’s business operations were not materially affected by any major seasonal or cyclical factors.

A5. Nature and Amount of Exceptional and Extraordinary Items

There were no items of unusual nature and/or amount affecting assets, liabilities, equity, net income or cash flow during the current quarter under review.

A6. Changes in Estimates

There was no material changes in estimates used for the preparation of this interim financial report.

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PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD 134 (“MFRS 134”) (CONT’D)

A7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities for the financial quarter under review, save for the purchases of the Company’s own shares as disclosed below:-

Date	No of shares purchased	Total consideration paid (RM)
03.12.2014	1,000	824.24
Share Buyback for the quarter ended	<u>1,000</u>	<u>824.24</u>
	No of shares purchased	Total consideration paid (RM)
At 1 January 2014	1,402,200	508,211.81
Share Buyback for the financial period	2,000	1,593.47
At 31 December 2014	<u>1,404,200</u>	<u>509,805.28</u>

The purchases were financed by internally generated funds. The share purchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.

As at the date of this report, the total number of treasury shares held is 1,404,200 UMSNGB shares. None of the treasury shares held were resold or cancelled during the financial period ended 31 December 2014.

A8. Dividends Paid

There were no dividends paid during the financial period under review.

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PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD 134 ("MFRS 134") (CONT'D)

A9. Segment information

Business Segment

The Group's financial information analysed by business segment is as follows:

	Current Year Quarter Ended 31.12.2014 (Unaudited)		Preceding Year Corresponding Quarter Ended 31.12.2013 (Unaudited)	
	Revenue RM'000	(Unaudited) Profit Before Taxation RM'000	Revenue RM'000	(Unaudited) Profit Before Taxation RM'000
Continuing operations:				
- Manufacturing, design & trading of electrical wiring accessories	14,537	6,052	12,567	254
- Trading & servicing of home appliances	963	(116)	2,272	(22)
	<u>15,500</u>	<u>5,936</u>	<u>14,839</u>	<u>232</u>
Discontinuing operations:				
- Manufacturing, design & trading of electrical wiring accessories	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>15,500</u>	<u>5,936</u>	<u>14,839</u>	<u>232</u>
	Cumulative Current Year to Date Ended 31.12.2014 (Unaudited)		Cumulative Preceding Corresponding Year to Date Ended 31.12.2013 (Unaudited)	
	Revenue RM'000	(Unaudited) Profit Before Taxation RM'000	Revenue RM'000	(Unaudited) Profit Before Taxation RM'000
Continuing operations:				
- Manufacturing, design & trading of electrical wiring accessories	56,300	12,783	54,133	8,488
- Trading & servicing of home appliances	5,700	(403)	7,854	(170)
	<u>62,000</u>	<u>12,380</u>	<u>61,987</u>	<u>8,318</u>
Discontinuing operations:				
- Manufacturing, design & trading of electrical wiring accessories	-	-	10,681	(673)
	<u>-</u>	<u>-</u>	<u>10,681</u>	<u>(673)</u>
	<u>62,000</u>	<u>12,380</u>	<u>72,668</u>	<u>7,645</u>

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PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD 134 (“MFRS 134”) (CONT’D)

A9. Segment information (Cont’d)

Geographical Segment

In determining the geographical segments of the Group, segment revenue is based on the country of operations.

The Group’s financial information analysed by geographical segment is as follows:

	Current Year Quarter Ended 31.12.2014 (Unaudited)		Preceding Year Corresponding Quarter Ended 31.12.2013 (Unaudited)	
	Revenue RM’000	(Unaudited) Profit Before Taxation RM’000	Revenue RM’000	(Unaudited) Profit Before Taxation RM’000
Continuing operations:				
- Malaysia	15,499	6,084	14,834	483
- Vietnam	1	(148)	5	(251)
	<u>15,500</u>	<u>5,936</u>	<u>14,839</u>	<u>232</u>
Discontinuing operations:				
- Hong Kong	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>15,500</u>	<u>5,936</u>	<u>14,839</u>	<u>232</u>
	Cumulative Current Year to Date Ended 31.12.2014 (Unaudited)		Cumulative Preceding Corresponding Year to Date Ended 31.12.2013 (Unaudited)	
	Revenue RM’000	(Unaudited) Profit Before Taxation RM’000	Revenue RM’000	(Unaudited) Profit Before Taxation RM’000
Continuing operations:				
- Malaysia	61,940	12,329	61,982	8,752
- Vietnam	60	51	5	(434)
	<u>62,000</u>	<u>12,380</u>	<u>61,987</u>	<u>8,318</u>
Discontinuing operations:				
- Hong Kong	-	-	10,681	(673)
	<u>-</u>	<u>-</u>	<u>10,681</u>	<u>(673)</u>
	<u>62,000</u>	<u>12,380</u>	<u>72,668</u>	<u>7,645</u>

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PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD 134 ("MFRS 134") (CONT'D)

A10. Revaluation of Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

There was no revaluation of property, plant and equipment during the financial quarter under review.

A11. Significant Events Subsequent to the End of the Financial Period

There were no significant events subsequent to 31 December 2014 and up to date of this report.

A12. Effect of Changes in the Composition of the Group

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

A13. Contingent Liabilities and Contingent Assets

There were no contingent liabilities and contingent assets as of the end of the financial period to date, save as disclosed below,

	RM'000
Corporate guarantee given to licenced banks for credit facilities granted to subsidiaries	36,650
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A14. Commitments

The Group has not obtained any foreign exchange contract from a financial institution or capital commitment under quarter review, save as disclosed below,

	RM'000
Approved and contracted for:-	
- Purchase of a motor vehicle	917
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A15. Significant Related Party Transactions

Details of the recurrent related party transactions ("RRPT"), which had been entered into in the ordinary course of business and have been established under terms that were mutually agreed between the parties, are as follows :

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PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD 134 ("MFRS 134") (CONT'D)

A15. Significant Related Party Transactions (Cont'd)

Transaction parties	Nature of transaction	Current Year Quarter 31.12.2014 RM'000 (Unaudited)	Preceding Year Corresponding Quarter 31.12.2013 RM'000 (Unaudited)	Cumulative Current Year to Date 31.12.2014 RM'000 (Unaudited)	Cumulative Preceding Corresponding Year to Date 31.12.2013 RM'000 (Unaudited)
Ming Kee Manufactory Limited ("MKK")	Purchase of fuse link, screws, inserts, cables, plug, metalware, hollow rivet, etc	28	103	109	464
MKK	Sales of power cordset	-	-	-	38
MKK	Office rental	-	-	-	-
MKK	Business Consultancy fee	-	-	-	-
Supeready Elec (Fenghua) Co Ltd ("SE")	Sales of power cordset	-	-	-	10
Group Talent Ltd ("GTL")	Purchases of fuse	-	-	-	83
High Project Electric Wire & Cables Manufactory (Fenghua) Limited ("HPC")	Purchase of power cordset, trailing socket, cables, drum reel, etc	-	-	262	871
United MS Cables Mfg Sdn. Bhd. ("UMSC")	Purchase of electrical wire	1,463	682	4,033	2,627
UMSC	Sales of electrical accessories, home appliances, etc	2	-	24	43
UMSC	Sales of machinery, equipment	-	-	-	141
Neiken Switchgear (S) Ptd Ltd ("NSS")	Sales of electrical wiring accessories	155	280	896	1,226
Cico Electrical Industries Sdn. Bhd. ("CICO")	Sales of machinery & equipment	-	-	-	99

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PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD 134 ("MFRS 134") (CONT'D)

A16. Cash and cash equivalents

	At 31.12.2014 RM'000 (Unaudited)	At 31.12.2013 RM'000 (Unaudited)
<u>Continuing Operations:-</u>		
Fixed deposits with licensed banks	10,489	8,201
 <u>Continuing Operations:-</u>		
Cash and bank balances	5,259	4,014
Bank overdraft	(85)	-
	5,174	4,014
<u>Discontinued Operation:-</u>		
Cash and bank balances	-	1,930
	5,174	5,944
	15,663	14,145

A17. Translation of Foreign Currency Financial Statements

For consolidation purposes, all foreign currency monetary assets and liabilities and the financial statements of the Group's foreign subsidiary, Neiken Switchgear (VN) Co. Ltd had been translated at the exchange rates ruling at the reporting date.

The applicable closing foreign exchange rates used (expressed on the basis on one unit of foreign currency to Ringgit Malaysia equivalent) in the translation of foreign currency monetary assets and liabilities and the financial statements of the foreign subsidiaries are as follows:-

United States Dollar	RM 3.4965
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PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS

B1. Review of Performance

	Individual Quarter		Year to date	
	31.12.2014 RM'000 (unaudited)	31.12.2013 RM'000 (unaudited)	31.12.2014 RM'000 (unaudited)	31.12.2013 RM'000 (unaudited)
Revenue:				
- Continuing operations	15,500	14,839	62,000	61,987
- Discontinuing operations	-	-	-	10,681
	<u>15,500</u>	<u>14,839</u>	<u>62,000</u>	<u>72,668</u>
Profit before taxation:				
- Continuing operations	5,936	232	12,380	8,318
- Discontinuing operations	-	-	-	(673)
	<u>5,936</u>	<u>232</u>	<u>12,380</u>	<u>7,645</u>

In regard to the continuing operations, the Group achieved revenue of RM15.5 million for the quarter ended 31 December 2014 which represents an increase of 4% as compared to RM14.8 million for the corresponding quarter in the preceding year, mainly due to higher export sales of electrical wiring accessories segment. The cumulative revenue for the financial year to-date meanwhile registered just a marginal increase compared to the preceding year.

Profit before taxation of the Group for the continuing operations registered an increase of approximately 2459% and 49% for the quarter and cumulative 12 month period ended 31 December 2014, respectively compared to the comparatives in 2013.

The significant increase in the profit before taxation of the Group for last quarter of and the year ended 31 December 2014, compared to the same corresponding period in 2013, is mainly due to gain on disposal of property of RM2.2 million as disclosed in Note B7, improvement in the gross profit margin and foreign exchange gain due to the movement of the USD compared to RM.

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B2. Comment on Material Changes in the Profit Before Taxation for the Quarter Reported on as Compared With Immediate Preceding Quarter

	Individual Quarter	
	31.12.2014 RM'000 (unaudited)	30.09.2014 RM'000 (unaudited)
Revenue	15,500	17,166
Profit before taxation:	5,936	2,710

The Group achieved revenue of approximately RM15.5 million for the current quarter under review as compared to RM17.2 million in the previous quarter, registering a decrease of approximately 10%, mainly due to the lower exports for the electrical wiring accessories segment and lower demand for the home electrical appliances segment.

Profit before taxation of the Group for the current quarter under review increased mainly due to gain on disposal of property as disclosed in Note B7, better gross profit margin and foreign exchange gain.

B3. Current Year Prospects

The financial performance of the Group for the year 2014 was satisfactory, as the gain on disposal of a property and improvement in the electrical wiring accessories segment had more than offset the loss suffered due to the disposal of the Hong Kong subsidiary which was completed in the first quarter 2014.

The Group expects to remain cautiously optimistic for the operations of the Group in 2015. The weakening of RM against the USD is favourable to the Group as the Group is able to gain from export sales for the wiring accessories segment. However, the home electrical appliance segment is adversely affected by this as the Group substantially import goods from overseas.

B4. Variance of Actual Profit and Forecast Profit of the Group

The disclosure requirements for explanatory notes for the variance of actual profit and forecast profit and for the shortfall in profit guarantee are not applicable.

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B5. Profit for The Period

	Current Year Quarter 31.12.2014 RM'000 (unaudited)	Preceding Year Corresponding Quarter 31.12.2013 RM'000 (unaudited)	Cumulative Current Year to Date 31.12.2014 RM'000 (unaudited)	Cumulative Preceding Corresponding Year to Date 31.12.2013 RM'000 (unaudited)
Profit before taxation is arrived at after charging/(crediting):-				
Allowance for trade receivables	21	214	54	300
Amortisation of prepaid lease payments	(16)	-	(6)	(9)
Depreciation of property, plant and equipment	357	378	1,467	1,394
Bad debts/Other Receivable written off	41	-	41	18
Impairment losses on investment	-	940	-	940
Interest expenses	131	126	514	418
Inventories written down	82	145	380	255
Loss on disposal of investment in HPL	-	-	1,119	-
(Gain)/Loss on foreign exchange				
- unrealized	(619)	(79)	(968)	(554)
- realized	(107)	(83)	(150)	(169)
Gain on disposal of plant and equipment	(2,554)	(119)	(2,559)	(245)
Interest income	(126)	(84)	(413)	(329)
Writeback for inventory written down	(191)	(48)	(311)	(105)
Writeback of allowance for trade receivables	(21)	-	(112)	(33)
Writeback of allowance for other receivables	(38)	-	(38)	-
Writeback of impairment losses on inventories	-	(3)	-	(48)

Saved as disclosed above and note 6 of Part A, the other items as required under Appendix 9B, Part A (16) of the Bursa Listing requirement are not applicable.

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B6. Income Tax Expense

	Current Year Quarter 31.12.2014 RM'000 (Unaudited)	Preceding Year Corresponding Quarter 31.12.2013 RM'000 (Unaudited)	Cumulative Current Year to Date 31.12.2014 RM'000 (Unaudited)	Cumulative Preceding Corresponding Year to Date 31.12.2013 RM'000 (Unaudited)
Current tax Expense:				
- Continuing operations	1,191	80	3,130	2,508
- Discontinuing operations	-	-	-	(111)
	<u>1,191</u>	<u>80</u>	<u>3,130</u>	<u>2,397</u>

The tax expense is derived based on management's best estimate of the tax rate for the year.

The Group's effective tax rate for the cumulative year to date is slightly higher than the statutory rate, mainly due to losses suffered by certain subsidiaries in which group tax relief is not available or applicable, and gain on disposal of property as disclosed in Note B7 which is capital gain nature too.

B7. Status of Corporate Proposals

The proposed disposal of a freehold land and building of a Malaysian subsidiary, as disclosed previously, has been completed on 25 November 2014. This resulted in a gain of RM2.2 million recorded in the results for the last quarter of 2014.

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B8. Group borrowings

The Group's borrowings as at the end of the reporting quarter are as follows:

	RM'000
Bill payables	765
Term loan – short term	459
Term loan – long term	7,638
Total	<u>8,862</u>

There are no foreign currency borrowings at the end of the reporting quarter.

B9. Material litigation

On 16 May 2014, its wholly-owned subsidiary company, United MS Electrical Mfg. (M) Sdn Bhd (Company No. 65814-V) ("the Defendant") had been served with a copy of Writ Summons and Statement of Claim both dated 28 April 2014 by Yutaka Sangyo Industries (M) Sdn Bhd (Company No. 240897-K) ("the Plaintiff") claiming for the sum of RM214,134.20 in relation to the goods supplied by the Plaintiff to the Defendant in their course of business during the period from March 2013 up to February 2014. In this regard, the Defendant is disputing the claim and contending that the goods supplied by the Plaintiff were defective as well as seeking a counter claim for loss and damage in the region of RM460,000.00 The case is now pending disposal at the Shah Alam Sessions Court with the trial dates being fixed on 6th and 7th April 2015.

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PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS (CONT'D)

B10. Dividends

The Board of Directors has proposed a single tier interim dividend of 2.5 sen per ordinary share in respect of the financial year ended 31 December 2014, to be paid on 31 March 2015. This single tier interim dividend was approved by the Board of Directors on 25 February 2015.

B11. Basic earnings per share

The basic earnings per share for the current quarter and cumulative year to date are computed as follow:-

	Current Year Quarter 31.12.2014 (Unaudited)	Preceding Year Corresponding Quarter 31.12.2013 (Unaudited)	Cumulative Current Year to Date 31.12.2014 (Unaudited)	Preceding Corresponding Year to Date 31.12.2013 (Unaudited)
Profit attributable to Equity holders of parent (RM'000):				
- Continuing operations	4,745	152	9,250	5,810
- Discontinuing operations	-	-	-	(562)
	<u>4,745</u>	<u>152</u>	<u>9,250</u>	<u>5,248</u>
Weighted average number of ordinary shares of RM0.50 each in issue	<u>78,597</u>	<u>78,604</u>	<u>78,597</u>	<u>78,634</u>
Basic Earnings Per Share based on the weighted average number of shares in issue (sen)				
- Continuing operations	6.04	(0.19)	11.77	7.39
- Discontinuing operations	-	-	-	(0.71)
	<u>6.04</u>	<u>(0.19)</u>	<u>11.77</u>	<u>6.68</u>

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B12. Discontinued Operations

Analysis of the results of the discontinued operations is as follows,

	Individual Quarter		Year to date	
	31.12.2014 RM'000 (unaudited)	31.12.2013 RM'000 (unaudited)	31.12.2014 RM'000 (unaudited)	31.12.2013 RM'000 (unaudited)
Revenue	-	-	-	10,681
Cost of Goods Sold	-	-	-	(9,654)
Other Income	-	-	-	1,027
Selling and Distribution Expenses	-	-	-	166
Administration Expenses	-	-	-	1,193
Other Operating Expenses	-	-	-	(539)
Loss Before Taxation	-	-	-	(1,116)
Income Tax Expenses	-	-	-	(211)
Loss After Taxation	-	-	-	(673)

Included in loss before taxation from the discontinued operation are the following:-

	Individual Quarter		Year to date	
	31.12.2014 RM'000 (unaudited)	31.12.2013 RM'000 (unaudited)	31.12.2014 RM'000 (unaudited)	31.12.2013 RM'000 (unaudited)
Loss before taxation is arrived at after charging/(crediting):-				
Depreciation of property, plant and equipment	-	-	-	55
Inventories written down	-	-	-	21
(Gain)/Loss on foreign exchange				
- unrealized	-	-	-	20
- realized	-	-	-	22
Interest income	-	-	-	(1)
Writeback for inventory written down	-	-	-	(3)

The cash flows attributable to the discontinued operation are the following:-

	Year to date	Year to date
	31.12.2014 RM'000 (unaudited)	31.12.2013 RM'000 (unaudited)
Net cash for operating activities	-	(378)
Net cash for investing activities	-	(22)
Net cash for discontinued operation	-	(400)

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B13. Disclosure of realised and unrealised profits

The breakdown of the retained profits of the group as at 31 December 2014, into realised and unrealised profits, are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, as issued by the Malaysian Institute of Accountants, is as follows:-

	As at financial period ended 31.12.2014 RM'000 (unaudited)	As at financial year ended 31.12.2013 RM'000 (audited)
Total retained earnings of the Group		
- Realised	44,968	40,592
- Unrealised	(193)	(393)
	44,775	40,199
Total retained earnings of an Associate		
- Realised	1,449	1,169
- Unrealised	(11)	(9)
	46,212	41,359
Less: Consolidation adjustments	(14,668)	(17,099)
Total retained earnings as per condensed consolidated statement of changes in equity	31,545	24,260

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

B14. Disclosure In Relation To Any Agreement, Arrangement, Joint Venture Or Collaboration For The Purpose Of Bidding For Or Securing A Project Or Contract

There were no agreements, arrangement, joint venture or collaboration for the purpose of bidding for or securing a project or contract entered by the Company during the financial period under review.

B15. Authorisation for issue

The fourth quarterly report was authorised for issued by the Board of Directors in accordance with the resolution of the directors on 25 February 2015.