

UMS-NEIKEN GROUP BERHAD (650473-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**For The First Quarter Ended 31 March 2019**

	Note	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		Current Year Quarter 31 Mar 2019 RM'000 (unaudited)	Preceding Year Corresponding Quarter 31 Mar 2018 RM'000 (unaudited)	Current Year To date 31 Mar 2019 RM'000 (unaudited)	Preceding Year Corresponding Period 31 Mar 2018 RM'000 (unaudited)
Revenue		15,609	16,233	15,609	16,233
Cost of sales		(12,108)	(12,177)	(12,108)	(12,177)
Gross profit		3,501	4,056	3,501	4,056
Other income		399	393	399	393
		3,900	4,449	3,900	4,449
Selling and distribution expenses		(245)	(199)	(245)	(199)
Administrative expenses		(1,466)	(1,702)	(1,466)	(1,702)
Other operating expenses		(574)	(925)	(574)	(925)
Finance costs		(36)	(63)	(36)	(63)
Profit before taxation		1,579	1,560	1,579	1,560
Income tax expense	B6	(494)	(495)	(494)	(495)
Profit after taxation		1,085	1,065	1,085	1,065
Other Comprehensive Income/(Expenses)					
Currency translation difference		(133)	(409)	(133)	(409)
Total Comprehensive Income		952	656	952	656
PROFIT AFTER TAXATION					
ATTRIBUTABLE TO					
Owners of The Company		1,078	1,064	1,078	1,064
Non-controlling interest		7	1	7	1
TOTAL COMPREHENSIVE INCOME					
ATTRIBUTABLE TO					
Owners of The Company		945	655	945	655
Non-controlling interest		7	1	7	1
Earnings per share (sen):					
Basic	B11	1.37	1.35	1.37	1.35
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 March 2019. 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 March 2019**

		As at end of current year quarter ended 31 Mar 2019 RM'000 (Unaudited)	Audited 31 Dec 2018 RM'000 (Audited)
	Note		
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		32,873	30,497
Investment property		9,873	10,556
Deferred Tax Assets		4	4
Other Investment		433	437
		<u>43,183</u>	<u>41,494</u>
CURRENT ASSETS			
Inventories		21,840	22,197
Trade receivables		18,397	18,189
Other receivables, prepayments and deposits		2,666	2,838
Amount owing by a related company		8	-
Tax recoverable		91	58
Fixed deposits with licensed banks		17,446	20,027
Cash and bank balances		4,402	6,565
		<u>64,850</u>	<u>69,874</u>
TOTAL ASSETS		<u>108,033</u>	<u>111,368</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital		41,531	41,531
Treasury shares		(510)	(510)
Exchange fluctuation reserve		(508)	(375)
Retained profits		55,934	57,214
SHAREHOLDERS' EQUITY		<u>96,447</u>	<u>97,860</u>
Non-controlling interest		64	57
TOTAL EQUITY		<u>96,511</u>	<u>97,917</u>
NON-CURRENT AND DEFERRED LIABILITY			
Term loans	B8	2,225	2,466
Deferred taxation		1,558	1,561
		<u>3,783</u>	<u>4,027</u>
CURRENT LIABILITIES			
Trade payables		2,401	3,160
Other payables and accruals		3,137	4,262
Amount owing to directors		11	214
Amount owing to a related company		920	510
Short-term borrowings	B8	920	908
Bank overdrafts	B8	-	-
Provision for taxation		350	370
		<u>7,739</u>	<u>9,424</u>
TOTAL LIABILITIES		<u>11,522</u>	<u>13,451</u>
TOTAL EQUITY AND LIABILITIES		<u>108,033</u>	<u>111,368</u>
Net Assets per share based on number of shares in issue (RM)		<u>1.23</u>	<u>1.25</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 2018 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 CHANGES IN EQUITY

For The First Quarter Ended 31 March 2019

	← Attributable to Equity Holders of the Company →						
	← Non-distributable →			Distributable			
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Exchange Fluctuation Reserve RM'000	Retained Profits Attributable To Owners of The Company RM'000	Non-Controlling Interest RM'000	Total RM'000
<u>3 months period ended 31 March 2018</u>							
At 1 January 2018	40,000	(510)	1,531	(340)	51,528	63	92,272
<u>Comprehensive Income</u>							
Profit for the financial period	-	-	-	-	1,084	1	1,065
<u>Other Comprehensive Expenses</u>							
Currency translation difference	-	-	-	-	-	-	-
Total Comprehensive income	-	-	-	(409)	1,084	1	656
<u>Contribution by and distributions to owners of the Company</u>							
- Dividend paid	-	-	-	-	(2,358)	-	(2,358)
- Transfer to share capital upon implementation of Companies	1,531	-	(1,531)	-	-	-	-
At 31 March 2018	41,531	(510)	-	(749)	50,254	64	90,570
<u>3 months period ended 31 December 2019</u>							
At 1 January 2019	41,531	(510)	-	(375)	57,214	57	97,917
<u>Comprehensive Income</u>							
Profit for the financial period	-	-	-	-	1,078	7	1,085
<u>Other Comprehensive Expenses</u>							
Currency translation difference	-	-	-	(133)	-	-	(133)
Total Comprehensive income	-	-	-	(133)	1,078	7	952
<u>Contribution by and distributions to owners of the Company</u>							
- Dividend paid	-	-	-	-	(2,358)	-	(2,358)
At 31 March 2019	41,531	(510)	-	(508)	55,934	64	96,511

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 2018 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**For The First Quarter Ended 31 March 2019**

	Note	Current Year Quarter 31 Mar 2019 RM'000 (unaudited)	Preceding Year Corresponding Quarter 31 Mar 2018 RM'000 (unaudited)
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES			
Profit before taxation		1,579	1,560
Adjustments for:			
Reversal of impairment loss of trade receivables		(9)	(6)
Impairment loss on trade receivables		152	419
Reversal of inventories written down		(29)	(31)
Inventories written down		174	92
Depreciation of property, plant and equipment		698	543
Depreciation of an investment properties		49	48
Write back for impairment losses on stocks		(104)	-
Gain on disposal of property, plant and equipment		-	(39)
Unrealised foreign exchange loss		(29)	70
Interest expense		36	63
Interest income		(175)	(183)
Operating profit before working capital changes		<u>2,342</u>	<u>2,536</u>
Increase in inventories		318	556
(Decrease)/Increase in trade & other receivables		(151)	61
Decrease in trade & other payables		(1,885)	(709)
Increase in amount owing to a related company		402	399
Decrease in amount owing to directors		<u>(203)</u>	<u>(340)</u>
Cash inflow from operations		823	2,503
Interest income		175	183
Interest paid		(36)	(63)
Income tax paid		<u>(550)</u>	<u>(518)</u>
Net cash inflow from operating activities		<u>412</u>	<u>2,105</u>
CASH FLOWS FOR INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(2,440)	(180)
Proceeds from disposal of plant and equipment		-	39
Placement of fixed deposits pledged		(8)	(6)
Net cash outflow for investing activities		<u>(2,448)</u>	<u>(147)</u>
CASH FLOWS FOR FINANCING ACTIVITIES			
Dividends paid		(2,358)	(2,358)
Repayment of term loan		(229)	(240)
Net cash outflow for financing activities		<u>(2,587)</u>	<u>(2,598)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(4,623)	(640)
EFFECTS OF CHANGES IN FOREIGN EXCHANGE		(129)	(474)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER		<u>25,750</u>	<u>25,085</u>
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	A16	<u>20,998</u>	<u>23,971</u>

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 31 March 2019. 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 2018 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 MARCH 2019

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 2018. 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 2018.

A2. Changes in Accounting Policies

The audited financial statements of the Group for the financial year ended 31 December 2018 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 2018, except for the adoption of the following new Malaysia Financial Reporting Standards (“MFRSs”), Amendment to MFRSs and IC Interpretation.

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

MFRS 16 Leases

IC Interpretation 23 Uncertainty Over Income Tax Treatments

Amendments to MFRS 9: Prepayment Features with Negative Compensation

Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement

Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures

Annual Improvements to MFRS Standards 2015 – 2017 Cycles

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.

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

A2. Changes in Accounting Policies (cont’d)

MFRSs and/or IC Interpretations (Including The Consequential Amendments) (Cont’d)

At date of authorisation of these interim financial statements, the following MFRSs, Amendment to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

A3. Status of audit qualifications

The auditors’ report on the financial statements for the financial year ended 31 December 2018 was not subject to any qualification.

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

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.

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. Details of the treasury shares held are set out below:-

	No of shares purchased	Total consideration paid (RM)
At 1 January 2019	1,404,200	509,805.28
Share Buyback for the financial period	-	-
At 31 March 2019	<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 127 of the Companies Act 2016.

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

A8. Dividend Paid

An interim single-tier dividend of 3.0 sen per ordinary share amounting to approximately RM2,358,000 in respect of the financial year ended 31 December 2018 was paid on 29 March 2019.

A9. Segment information

Business Segment

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

	Current Year Quarter Ended 31.03.2019		Preceding Year Corresponding Quarter Ended 31.03.2018	
	(Unaudited) Revenue RM’000	(Unaudited) Profit/(Loss) Before Taxation RM’000	(Unaudited) Revenue RM’000	(Unaudited) Profit/(Loss) Before Taxation RM’000
- Manufacturing, design & trading of electrical wiring accessories	15,613	1,585	16,231	1,588
- Trading & servicing of home appliances	(4)	(6)	2	(28)
	<u>15,609</u>	<u>1,579</u>	<u>16,233</u>	<u>1,560</u>
	Cumulative Current Year to Date Ended 31.03.2019		Cumulative Preceding Corresponding Year to Date Ended 31.03.2018	
	(Unaudited) Revenue RM’000	(Unaudited) Profit/(Loss) Before Taxation RM’000	(Unaudited) Revenue RM’000	(Unaudited) Profit/(Loss) Before Taxation RM’000
- Manufacturing, design & trading of electrical wiring accessories	15,613	1,585	16,231	1,588
- Trading & servicing of home appliances	(4)	(6)	2	(28)
	<u>15,609</u>	<u>1,579</u>	<u>16,233</u>	<u>1,560</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 31.03.2019		Preceding Year Corresponding Quarter Ended 31.03.2018	
	(Unaudited) Revenue RM’000	(Unaudited) Profit/(Loss) Before Taxation RM’000	(Unaudited) Revenue RM’000	(Unaudited) Profit/(Loss) Before Taxation RM’000
- Malaysia	13,851	1,755	14,270	1,696
- Singapore	1,758	(237)	1,963	(159)
- Vietnam	-	61	-	23
	<u>15,609</u>	<u>1,579</u>	<u>16,233</u>	<u>1,560</u>

	Cumulative Current Year to Date Ended 31.03.2019		Cumulative Preceding Corresponding Year to Date Ended 31.03.2018	
	(Unaudited) Revenue RM’000	(Unaudited) Profit/(Loss) Before Taxation RM’000	(Unaudited) Revenue RM’000	(Unaudited) Profit/(Loss) Before Taxation RM’000
- Malaysia	13,851	1,755	14,270	1,696
- Singapore	1,758	(237)	1,963	(159)
- Vietnam	-	61	-	23
	<u>15,609</u>	<u>1,579</u>	<u>16,233</u>	<u>1,560</u>

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 March 2019.

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

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	28,000

A14. Commitments

The Group has not obtained any foreign exchange contract from a financial institution or capital commitment under quarter review.

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:

Transaction parties	Nature of transaction	Current Year Quarter 31.03.2019 RM’000 (Unaudited)	Preceding Year Corresponding Quarter 31.03.2018 RM’000 (Unaudited)	Cumulative Current Year to Date 31.03.2019 RM’000 (Unaudited)	Cumulative Preceding Year to Date 31.03.2018 RM’000 (Unaudited)
United MS Cables Mfg Sdn. Bhd. (“UMSC”)	Purchase of electrical wire	965	780	965	780
UMSC	Sales of electrical wire	1	-	1	-
UMSC	Rental of warehouse	2	6	2	6

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

A16. Cash and cash equivalents

	At 31.03.2019	At 31.03.2018
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Fixed deposits with licenced banks	17,446	19,558
Cash and bank balances	4,402	5,232
	<hr/>	<hr/>
	21,848	24,790
Less: Fixed Deposits pledged with licenced banks	(850)	(819)
	<hr/>	<hr/>
	20,998	23,971
	<hr/>	<hr/>

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 subsidiaries, Neiken Switchgear (VN) Co. Ltd and Neiken Electric (S) Pte Ltd have 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:-

	RM
United States Dollar	4.0850
Singapore Dollar	3.0142

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PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS

B1. Review of Performance

	Individual Quarter		Year to date	
	31.03.2019 RM'000 (unaudited)	31.03.2018 RM'000 (unaudited)	31.03.2019 RM'000 (unaudited)	31.03.2018 RM'000 (unaudited)
Revenue	15,609	16,233	15,609	16,233
Profit before taxation	1,579	1,560	1,579	1,560

The Group achieved revenue of RM15.6 million for the quarter and financial year ended 31 March 2019. This represents a decrease of approximately 4% as compared to the corresponding quarter in the preceding year. The drop is mainly due to a drop in the sales of electrical wiring accessories in the domestic market as well as in Singapore.

Despite the reduction in revenue, profit before taxation of the Group registered a marginal increase for the current quarter and financial year to date as compared to 2018. This is mainly due to lower impairment loss allowance for trade receivables.

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

	Individual Quarter	
	31.03.2019 RM'000 (unaudited)	31.12.2018 RM'000 (unaudited)
Revenue	15,609	16,519
Profit before taxation	1,579	1,579

The Group achieved revenue of approximately RM15.6 million for the current quarter under review as compared to RM16.5 million in the immediate preceding quarter, registering a decrease of 6%, mainly due to the drop in export sales.

Profit before taxation of the Group for the current quarter under review remains comparable to the immediate preceding quarter.

B3. Current Year Prospects

The performance of the Group in the first quarter remained satisfactory despite the challenges posed by the increase in minimum wages and higher depreciation from the upgrade and investment in factory, machinery and modernisation of the manufacturing facilities. The Group is cautiously optimistic of its performance for the rest of the financial year.

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

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

B5. Profit for The Period

	Current Year Quarter 31.03.2019 RM'000 (unaudited)	Preceding Year Corresponding Quarter 31.03.2018 RM'000 (unaudited)	Cumulative Current Year to Date 31.03.2019 RM'000 (unaudited)	Cumulative Preceding Corresponding Year to Date 31.03.2018 RM'000 (unaudited)
Profit before taxation is arrived at after charging/(crediting):-				
Impairment loss on trade receivables	152	419	152	419
Depreciation of property, plant and equipment	698	543	698	543
Depreciation of investment properties	49	48	49	48
Interest expense on financial liabilities that are not at fair value through profit or loss	36	63	36	63
Inventories written down	174	92	174	92
Loss/(Gain) on foreign exchange				
- unrealised	(29)	70	(29)	70
- realised	64	89	64	89
Gain on disposal of plant and equipment	(37)	(39)	(37)	(39)
Total interest income on financial assets that are not at fair value through profit or loss	(175)	(183)	(175)	(183)
Reversal of inventories written down	(29)	(31)	(29)	(31)
Reversal of impairment loss of trade & other receivables	(9)	(6)	(9)	(6)

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

B6. Income Tax Expense

	Current Year Quarter 31.03.2019 RM'000 (Unaudited)	Preceding Year Corresponding Quarter 31.03.2018 RM'000 (Unaudited)	Cumulative Current Year to Date 31.03.2019 RM'000 (Unaudited)	Cumulative Preceding Corresponding Year to Date 31.03.2018 RM'000 (Unaudited)
Current tax Expense	494	495	494	495

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 year to date is marginally higher than the statutory rate, mainly due to non-tax deductible expenses and non-availability of group relief for losses suffered by subsidiaries.

B7. Status of Corporate Proposals

There were no corporate proposals announced during the financial quarter under review.

B8. Group borrowings

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

	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Ringgit Malaysia</u>			
Term loan - short term	698	-	698
Term loan - long term	1,786	-	1,786
	<hr/>	<hr/>	<hr/>
<u>Singapore Dollar</u>			
Term loan - short term	222	-	222
Term loan - long term	439	-	439
	<hr/>	<hr/>	<hr/>
	3,145	-	3,145
	<hr/>	<hr/>	<hr/>

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

B9. Material litigation

Neither UMSN nor any of its subsidiary companies are engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or any of its subsidiaries and the Board is not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or any of its subsidiaries.

B10. Dividends

The Board does not recommend any interim dividend in respect of the financial year ending 31 December 2019 during this quarter.

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 31.03.2019 (Unaudited)	Preceding Year Corresponding Quarter 31.03.2018 (Unaudited)	Cumulative Current Year to Date 31.03.2019 (Unaudited)	Preceding Corresponding Year to Date 31.03.2018 (Unaudited)
Profit attributable to Equity holders of parent (RM'000):	<u>1,078</u>	<u>1,064</u>	<u>1,078</u>	<u>1,064</u>
Weighted average number of ordinary shares of RM0.50 each in issue	<u>78,596</u>	<u>78,596</u>	<u>78,596</u>	<u>78,596</u>
Basic Earnings Per Share based on the weighted average number of shares in issue (sen)	<u>1.37</u>	<u>1.35</u>	<u>1.37</u>	<u>1.35</u>

UMS-NEIKEN GROUP BERHAD
(Company No: 650473-V)
(Incorporated in Malaysia)

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

B12. 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.

B13. Authorisation for issue

The first quarterly report was authorised for issued by the Board of Directors in accordance with the resolution of the directors on 28 May 2019.