

UMS-NEIKEN GROUP BERHAD (Company No: 200401011970 (650473-V))

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For The Fourth Quarter Ended 31 December 2022**

	Note	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		Current	Preceding	Current	Preceding
		Year	Year	Year	Year
		Quarter	Corresponding	To date	Corresponding
		31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
		RM'000	RM'000	RM'000	RM'000
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenue		14,690	22,684	66,884	75,228
Cost of sales		(11,973)	(15,005)	(49,527)	(53,028)
Gross profit		2,717	7,679	17,357	22,200
Other income		409	488	4,469	2,268
		3,126	8,167	21,826	24,468
Selling and distribution expenses		(301)	(264)	(1,104)	(1,054)
Administrative expenses		(1,869)	(2,724)	(6,821)	(8,025)
Other operating expenses		(318)	(369)	(1,517)	(1,538)
Net reversal/(impairment loss) on financial assets		401	(590)	(358)	(513)
Finance costs		(5)	(22)	(27)	(64)
Profit before taxation		1,034	4,198	11,999	13,274
Income tax expense	B6	11	(1,047)	(2,179)	(3,000)
Profit after taxation		1,045	3,151	9,820	10,274
Other Comprehensive Income/(Expenses)					
Currency translation difference		(23)	28	875	407
Total Comprehensive Income		1,022	3,179	10,695	10,681
PROFIT/(LOSS) AFTER TAXATION					
ATTRIBUTABLE TO					
Owners of The Company		1,047	3,150	9,809	10,267
Non-controlling interest		(2)	1	11	7
TOTAL COMPREHENSIVE INCOME/(EXPENSES)					
ATTRIBUTABLE TO					
Owners of The Company		1,024	3,178	10,684	10,674
Non-controlling interest		(2)	1	11	7
Earnings per share (sen):					
Basic	B11	1.33	4.02	12.46	13.10
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 2022. The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

UMS-NEIKEN GROUP BERHAD (Company No: 200401011970 (650473-V))
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2022

	As at end of current year quarter ended 31 Dec 2022 RM'000 (Unaudited)	Audited 31 Dec 2021 RM'000 (Audited)
	Note	
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	34,373	36,080
Investment properties	8,252	10,092
Right-of-use Assets	240	318
Other Investment	573	461
Deferred Tax Assets	5	4
	<u>43,443</u>	<u>46,955</u>
CURRENT ASSETS		
Inventories	21,230	26,799
Trade receivables	18,027	23,912
Other receivables, deposits and prepayments	1,597	2,765
Current tax assets	21	16
Short term investment	3,754	14,731
Fixed deposits with licensed banks	33,498	3,614
Cash and bank balances	6,466	4,883
	<u>84,593</u>	<u>76,720</u>
TOTAL ASSETS	<u>128,036</u>	<u>123,675</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	41,531	41,531
Treasury shares	(597)	(597)
Exchange fluctuation reserve	825	(50)
Retained profits	78,397	70,950
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	<u>120,156</u>	<u>111,834</u>
Non-controlling interest	89	88
TOTAL EQUITY	<u>120,245</u>	<u>111,922</u>
NON-CURRENT LIABILITIES		
Lease liability	127	166
Deferred taxation	2,121	2,131
	<u>2,248</u>	<u>2,297</u>
CURRENT LIABILITIES		
Trade payables	1,258	2,737
Other payables and accruals	3,139	4,493
Amount owing to a related company	182	59
Amount owing to directors	258	97
Lease liability	118	156
Term loans	-	454
Dividend payable	10	10
Current tax liabilities	578	1,450
	<u>5,543</u>	<u>9,456</u>
TOTAL LIABILITIES	<u>7,791</u>	<u>11,753</u>
TOTAL EQUITY AND LIABILITIES	<u>128,036</u>	<u>123,675</u>
Net Assets per share based on number of shares in issue (RM)	<u>1.53</u>	<u>1.42</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 2021 and the accompanying explanatory notes attached to the interim financial statements.

UMS-NEIKEN GROUP BERHAD (Company No: 200401011970 (650473-V))
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For The Fourth Quarter Ended 31 December 2022

	← Attributable to Equity Holders of the Company →					Total RM'000
	Share Capital RM'000	Treasury Shares RM'000	Exchange Fluctuation Reserve RM'000	Distributable Retained Profits Attributable To Owners of The Company RM'000	Non-Controlling Interest RM'000	
<u>12 months period ended 31 December 2021</u>						
At 1 January 2021	41,531	(740)	(457)	62,567	91	102,992
<u>Comprehensive Income</u>						
Profit for the financial period	-	-	-	10,267	7	10,274
<u>Other Comprehensive Income</u>						
Currency translation difference	-	-	407	-	-	407
Total Comprehensive income	-	-	407	10,267	7	10,681
<u>Contribution by and distributions to owners of the Company</u>						
- Sales of company shares	-	143	-	464	-	607
- Dividend paid by the Company	-	-	-	(2,348)	-	(2,348)
- Dividend payable by subsidiary to non-controlling interest	-	-	-	-	(10)	(10)
At 31 December 2021	41,531	(597)	(50)	70,950	88	111,922
<u>12 months period ended 31 December 2022</u>						
At 1 January 2022	41,531	(597)	(50)	70,950	88	111,922
<u>Comprehensive Income</u>						
Profit for the financial period	-	-	-	9,809	11	9,820
<u>Other Comprehensive Income</u>						
Currency translation difference	-	-	875	-	-	875
Total Comprehensive income	-	-	875	9,809	11	10,695
<u>Contribution by and distributions to owners of the Company</u>						
- Dividend paid by the Company	-	-	-	(2,362)	-	(2,362)
- Dividend payable by subsidiary to non-controlling interest	-	-	-	-	(10)	(10)
At 31 December 2022	41,531	(597)	825	78,397	89	120,245

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

UMS-NEIKEN GROUP BERHAD (Company No: 200401011970 (650473-V))
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Fourth Quarter Ended 31 December 2022

	Current Year Quarter 31 Dec 2022 RM'000 (unaudited)	Preceding Year Corresponding Quarter 31 Dec 2021 RM'000 (unaudited)
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Profit before taxation	11,999	13,274
Adjustments for:		
Reversal of impairment loss of trade receivables	(169)	(284)
Impairment loss on trade receivables	463	772
Reversal of inventories written down	(221)	(380)
Inventories written down	176	967
Other receivable written off	129	-
Dividends received	(37)	(39)
Depreciation of property, plant and equipment	4,588	4,250
Depreciation of investment properties	245	275
Depreciation of right-of-use of assets	172	141
Impairment losses on plant and equipment	28	-
Reversal of fair value losses on other investment	(78)	(100)
Impairment loss on other receivables	36	25
Gain on lease modification	-	(4)
Gain on disposal of property, plant and equipment	(2,629)	(79)
Gain on disposal of quoted shares	-	(353)
Unrealised foreign exchange gain	(179)	(440)
Interest expense	19	55
Interest expense on lease payment	9	10
Interest income	(689)	(384)
Operating profit before working capital changes	13,862	17,706
Decrease/(Increase) in inventories	5,614	(7,327)
Decrease/(Increase) in trade & other receivables	6,773	(2,586)
(Decrease)/Increase in trade & other payables	(2,843)	1,456
Increase/(Decrease) in amount owing to a related company	123	(56)
Increase/(Decrease) in amount owing to directors	161	(116)
Cash inflow from operations	23,690	9,077
Interest received	689	384
Interest paid	(28)	(65)
Income tax paid	(3,066)	(2,561)
Net cash inflow from operating activities	21,285	6,835
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,685)	(4,532)
Proceeds from disposal of plant and equipment	4,625	204
Dividends received	37	39
Proceeds from disposal of quoted shares	-	1,643
(Placement)/Withdrawal of fixed deposits with tenure more than 3 months	(29,866)	77
Increase in pledged fixed deposits with licenced banks	(18)	(20)
Net cash outflow for investing activities	(27,907)	(2,589)
CASH FLOWS FOR FINANCING ACTIVITIES		
Dividends paid	(2,362)	(2,348)
Repayment of term loan	(454)	(1,042)
Proceeds from sales of treasury shares	-	607
Repayment in lease liability	(171)	(138)
Net cash outflow for financing activities	(2,987)	(2,921)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(9,609)	1,325
EFFECTS OF CHANGES IN FOREIGN EXCHANGE	215	220
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER	19,614	18,069
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	10,220	19,614
A16		

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 31 December 2022. The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's Audited Financial Statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

UMS-NEIKEN GROUP BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DEC 2022

PART A: EXPLANATORY NOTES PERSUANT TO MALAYSIAN 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 2021. 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 2021.

A2. Changes in Accounting Policies

The audited financial statements of the Group for the financial year ended 31 December 2021 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 2021, except for the adoption of the following new Malaysian Financial Reporting Standards (“MFRSs”), Amendment to MFRSs and IC Interpretation.

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

Amendments to MFRS 3: Reference to the Conceptual Framework

Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use

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

Annual Improvements to MFRS Standards 2018 – 2020

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 MALAYSIAN 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 2023
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 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

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 2021 was not subject to any qualification.

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PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN 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 2022	1,264,800	596,563.97
No transaction for the financial periods	-	-
At 31 December 2022	<u>1,264,800</u>	<u>596,563.97</u>

The purchases were financed by internally generated funds. The shares 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 MALAYSIAN FINANCIAL REPORTING
STANDARD 134 (“MFRS 134”) (CONT’D)**

A8. Dividend Paid

There was no dividend paid during the 3 months period ended 31 December 2022.

A9. Segment information

Business Segment

Segmental information by the Group for the financial periods ended 31 December 2022 is as follows:-

	Malaysia RM'000	Vietnam RM'000	Singapore RM'000	The Group RM'000
Revenue				
External revenue	63,827	-	3,057	66,884
Results				
Segment profit	15,466	542	(176)	15,832
Finance costs				(27)
Consolidation adjustments				(3,806)
Consolidated profit before taxation				11,999
Assets				
Segment assets	166,292	4,339	14,290	184,921
Unallocated assets:				
- deferred tax assets				5
- current tax assets				21
Consolidation adjustments				(56,911)
Consolidated total assets				128,036
Additions to non-current assets other than financial instruments are:				
Property, plant and equipment	2,685	-	-	2,685
Right-of-use assets	93	-	-	93
Liabilities				
Segment liabilities	9,095	147	493	9,735
Unallocated liabilities:				
- deferred tax liabilities				2,121
- lease liabilities				245
- current tax liabilities				578
Consolidation adjustments				(4,888)
Consolidated total liabilities				7,791

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

A9. Segment information (Cont’d)

Segmental information by the Group for the financial periods ended 31 December 2021 is as follows:-

	Malaysia RM'000	Vietnam RM'000	Singapore RM'000	The Group RM'000
2021				
Revenue				
External revenue	71,472	-	3,756	75,228
Results				
Segment profit	16,620	416	16	17,052
Finance costs				(64)
Consolidation adjustments				(3,714)
Consolidated profit before taxation				13,274
Assets				
Segment assets	163,024	4,163	13,589	180,776
Unallocated assets:				
- deferred tax assets				4
- current tax assets				16
Consolidation adjustments				(57,121)
Consolidated total assets				123,675
Additions to non-current assets other than financial instruments are:				
Property, plant and equipment	4,511	-	21	4,532
Right-of-use assets	395	-	-	395
Liabilities				
Segment liabilities	12,749	126	412	13,287
Unallocated liabilities:				
- deferred tax liabilities				2,131
- lease liabilities				322
- current tax liabilities				1,450
- term loans				454
Consolidation adjustments				(5,891)
Consolidated total liabilities				11,753

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**PART A: EXPLANATORY NOTES PERSUANT TO MALAYSIAN 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 2022.

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	19,200

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

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
<u>Capital Commitment:-</u>	
Capital injection to new subsidiary	3,758
Acquisition of machinery and mould	660
	<hr/>
	4,418
	<hr/>

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 31.12.2022 RM’000 (Unaudited)	Preceding Year Corresponding Quarter 31.12.2021 RM’000 (Unaudited)	Cumulative Current Year to Date 31.12.2022 RM’000 (Unaudited)	Cumulative Preceding Corresponding Year to Date 31.12.2021 RM’000 (Unaudited)
Ming Kee Manufactory Limited (“MKK”)	Purchase of fuse link, screws, inserts, cables reel, plug, metalware, hollow rivet, etc	-	-	142	-
United MS Cables Mfg Sdn. Bhd. (“UMSC”)	Purchase of electrical wire	228	123	864	962
UMSC	Sales of electrical wire	-	-	1	4

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

A16. Cash and cash equivalents

	At 31.12.2022	At 31.12.2021
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Short term investment	3,754	14,731
Fixed deposits with licenced banks	33,498	3,614
Cash and bank balances	6,466	4,883
	<hr/>	<hr/>
	43,718	23,228
Less: Fixed deposits pledged with licenced banks	(937)	(919)
Fixed deposits with tenure of maturity of more than 3 months	(32,561)	(2,695)
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	<u>10,220</u>	<u>19,614</u>

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	4.3900
Singapore Dollar	3.2740

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

B1. Review of Performance

	Individual Quarter		Year to date	
	31.12.2022 RM'000 (unaudited)	31.12.2021 RM'000 (unaudited)	31.12.2022 RM'000 (unaudited)	31.12.2021 RM'000 (unaudited)
Revenue	14,690	22,684	66,884	75,228
Profit before taxation	1,034	4,198	11,999	13,274

The Group achieved revenue of approximately RM14.7 million for the quarter ended 31 December 2022. This represented a decrease of approximately 35% as compared to the corresponding quarter in the preceding year. The overall drop in revenue was mainly due to the lower demand on weak performance of construction and property development sector for the current quarter, while there was fulfilment of backlog orders in the fourth quarter of 2021 after the restriction measures under the Covid-19 pandemic were eased by the Malaysian Government. Profit before tax decreased in line with the lower revenue for the current quarter, albeit slightly alleviated by lower administrative cost and also reversal of impairment loss on trade receivables.

For the year ended 31 December 2022, the revenue was lower as compared to the preceding financial year. The drop in profit in 2022 as compared to 2021 was generally in line with the lower revenue recorded in 2022. The drop in profit was however mitigated by the recognition of a one-off gain on disposal of a vacant leasehold land amounting to approximately RM2.1 million in 2022.

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

	Individual Quarter	
	31.12.2022 RM'000 (unaudited)	30.09.2022 RM'000 (unaudited)
Revenue	14,690	15,995
Profit before taxation	1,034	1,319

The Group achieved revenue of approximately RM14.7 million for the current quarter under review as compared to almost RM16.0 million in the immediate preceding quarter, registering a decrease of approximately 8% due to the continued slowdown in the construction and property development sector.

Profit before taxation of the Group for the current quarter under review decreased compared to the immediate preceding quarter, mainly due to the lower profit margin in line with the lower revenue.

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

B3. Current Year Prospects

The Group has performed satisfactorily in 2022 despite the challenges faced due to tight local labour situation, inflationary pressure on materials and etc.

The Group remains cautious about the prospect in 2023 due to uncertainties on the economic recovery in general. The geo-political situation in the Russia-Ukraine war and Covid-19 pandemic have caused significant spike in energy prices, supply chain disruption, and inflation in 2022. Interest rates have increased in major economies of the world in 2022 in response to inflation, and this may dampen demand and economic recovery in the current year.

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

B5. Profit for The Period

	Current Year Quarter 31.12.2022 RM'000 (unaudited)	Preceding Year Corresponding Quarter 31.12.2021 RM'000 (unaudited)	Cumulative Current Year to Date 31.12.2022 RM'000 (unaudited)	Cumulative Preceding Corresponding Year to Date 31.12.2021 RM'000 (unaudited)
Profit before taxation is arrived at after charging/(crediting):-				
Impairment loss on trade receivables	(791)	417	463	772
Impairment loss on other receivables	(14)	25	36	25
Impairment loss on plant and equipment	-	-	28	-
Depreciation of property, plant and equipment	1,162	1,093	4,588	4,250
Depreciation of investment properties	75	63	245	275
Depreciation of right-of-use of assets	47	39	172	141
Interest expense on financial liabilities that are not at fair value through profit or loss	3	20	19	55
Interest expenses on lease liabilities	2	3	9	10
Inventories written down	(800)	548	176	967
Loss/(Gain) on foreign exchange - unrealised	354	(81)	(179)	(440)
- realised	(95)	59	(8)	252
Gain on disposal of plant and equipment	(183)	(31)	(2,629)	(79)
Gain on disposal of quoted shares	-	-	-	(353)
Gain on lease modification	-	(4)	-	(4)
Other receivables written off	-	-	129	-
Total interest income on financial assets measured at amortised cost	(271)	(35)	(520)	(152)
Total interest income on financial assets measured at fair value through profit or loss	(23)	(66)	(169)	(232)
Reversal of inventories written down	757	240	(221)	(380)
Reversal of fair value loss on quoted investment	(78)	(100)	(78)	(100)
Reversal of impairment loss of trade receivables	404	148	(169)	(284)

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 31.12.2022 RM'000 (Unaudited)	Preceding Year Corresponding Quarter 31.12.2021 RM'000 (Unaudited)	Cumulative Current Year to Date 31.12.2022 RM'000 (Unaudited)	Cumulative Preceding Corresponding Year to Date 31.12.2021 RM'000 (Unaudited)
Current tax Expense	(11)	1,047	2,179	3,000

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

The Group's effective tax rates for the current quarter review and financial year to date are lower than the statutory rate. This is mainly due to the adjustment in this quarter for the over-provision of tax in the previous quarters of 2022. The overall tax rate for the cumulative quarter to-date is lower also partly due to the lower tax for the gain on disposal of a leasehold land, which is taxed at the rate of the real property gain tax.

B7. Status of Corporate Proposals

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

B8. Group borrowings

There were no borrowings as at the end of the reporting quarter.

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.

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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 3.0 sen per ordinary share in respect of the financial year ended 31 December 2022, to be paid on 31 March 2023. This single tier interim dividend was approved by the Board of Directors on 24 February 2023.

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 31.12.2022 (Unaudited)	Preceding Year Corresponding Quarter 31.12.2021 (Unaudited)	Cumulative Current Year to Date 31.12.2022 (Unaudited)	Preceding Corresponding Year to Date 31.12.2021 (Unaudited)
Profit attributable to Equity holders of parent (RM'000):	<u>1,047</u>	<u>3,150</u>	<u>9,809</u>	<u>10,267</u>
Weighted average number of ordinary shares of RM0.50 each in issue	<u>78,735</u>	<u>78,402</u>	<u>78,735</u>	<u>78,402</u>
Basic Earnings Per Share based on the weighted average number of shares in issue (sen)	<u>1.33</u>	<u>4.02</u>	<u>12.46</u>	<u>13.10</u>

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 fourth quarterly report was authorised for issued by the Board of Directors in accordance with the resolution of the directors on 24 February 2023.