

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 Third Quarter Ended 30 September 2024

| | Note | INDIVIDUAL PERIOD | | CUMULATIVE PERIOD | |
|---|------|--|--|---|---|
| | | Current Year 30 Sep 2024 RM'000 (unaudited) | Preceding Year Corresponding Quarter 30 Sep 2023 RM'000 (unaudited) | Current Year To date 30 Sep 2024 RM'000 (unaudited) | Preceding Year Corresponding Period 30 Sep 2023 RM'000 (unaudited) |
| Revenue | | 17,408 | 17,940 | 53,456 | 48,617 |
| Cost of sales | | (13,988) | (13,621) | (41,596) | (38,636) |
| Gross profit | | 3,420 | 4,319 | 11,860 | 9,981 |
| Other income | | (1) | 701 | 1,479 | 2,396 |
| | | 3,419 | 5,020 | 13,339 | 12,377 |
| Selling and distribution expenses | | (438) | (357) | (1,176) | (821) |
| Administrative expenses | | (1,938) | (2,116) | (4,806) | (5,143) |
| Other operating expenses | | (506) | (392) | (1,250) | (1,208) |
| Net (impairment losses)/reversal in impairment losses on financial assets | | 525 | (188) | 47 | 202 |
| Finance costs | | (6) | (8) | (20) | (22) |
| Profit before taxation | | 1,056 | 1,959 | 6,134 | 5,385 |
| Income tax expense | B6 | (612) | (330) | (2,066) | (1,379) |
| Profit after taxation | | 444 | 1,629 | 4,068 | 4,006 |
| Other Comprehensive Income/(Expenses) | | | | | |
| Currency translation difference | | (1,443) | (76) | (1,534) | 856 |
| Total Comprehensive Income/(Expenses) | | (999) | 1,553 | 2,534 | 4,862 |
| PROFIT AFTER TAXATION | | | | | |
| ATTRIBUTABLE TO | | | | | |
| Owners of The Company | | 447 | 1,626 | 4,061 | 4,001 |
| Non-controlling interest | | (3) | 3 | 7 | 5 |
| TOTAL COMPREHENSIVE INCOME/(EXPENSES) | | | | | |
| ATTRIBUTABLE TO | | | | | |
| Owners of The Company | | (996) | 1,550 | 2,527 | 4,857 |
| Non-controlling interest | | (3) | 3 | 7 | 5 |
| Earnings per share (sen): | | | | | |
| Basic | B11 | 0.57 | 2.07 | 5.16 | 5.08 |
| 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 30 September 2024. The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 December 2023 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 30 September 2024

| | Note | As at end of current year quarter ended 30 Sep 2024 RM'000 (Unaudited) | Audited 31 Dec 2023 RM'000 (Audited) |
|--|------|---|---|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | | 31,518 | 32,914 |
| Investment properties | | 7,690 | 8,460 |
| Right-of-use Assets | | 130 | 226 |
| Other Investment | | 586 | 633 |
| Deferred Tax Assets | | 4 | 5 |
| | | <u>39,928</u> | <u>42,238</u> |
| CURRENT ASSETS | | | |
| Inventories | | 23,657 | 20,330 |
| Trade receivables | | 19,461 | 19,384 |
| Other receivables, deposits and prepayments | | 3,303 | 1,959 |
| Current tax assets | | 73 | 26 |
| Short term investment | | 22,974 | 7,265 |
| Fixed deposits with licensed banks | | 6,345 | 33,787 |
| Cash and bank balances | | 7,355 | 7,107 |
| | | <u>83,168</u> | <u>89,858</u> |
| TOTAL ASSETS | | <u>123,096</u> | <u>132,096</u> |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Share capital | | 41,531 | 41,531 |
| Treasury shares | | (597) | (597) |
| Exchange fluctuation reserve | | 203 | 1,737 |
| Retained profits | | 74,860 | 81,035 |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY | | <u>115,997</u> | <u>123,706</u> |
| Non-controlling interest | | 104 | 97 |
| TOTAL EQUITY | | <u>116,101</u> | <u>123,803</u> |
| NON-CURRENT LIABILITIES | | | |
| Lease liabilities | | 24 | 70 |
| Deferred tax liabilities | | 2,104 | 2,111 |
| | | <u>2,128</u> | <u>2,181</u> |
| CURRENT LIABILITIES | | | |
| Trade payables | | 1,975 | 2,261 |
| Other payables and accruals | | 2,082 | 3,163 |
| Amount owing to a related company | | 73 | 189 |
| Amount owing to directors | | 10 | 143 |
| Lease liabilities | | 109 | 160 |
| Current tax liabilities | | 618 | 196 |
| | | <u>4,867</u> | <u>6,112</u> |
| TOTAL LIABILITIES | | <u>6,995</u> | <u>8,293</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>123,096</u> | <u>132,096</u> |
| Net Assets per share based on number of shares in issue (RM) | | <u>1.47</u> | <u>1.57</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 2023 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 Third Quarter Ended 30 September 2024

| | ← Attributable to Equity Holders of the Company → | | | | | | |
|---|---|------------------------------|----------------------------|------------------------------------|---|---------------------------------------|-----------------|
| | ← Non-distributable | | | Exchange Fluctuation Reserve | Distributable Retained Profits Attributable To Owners of The Company | | Total RM'000 |
| | Share Capital RM'000 | Treasury Shares RM'000 | Share Premium RM'000 | RM'000 | RM'000 | Non-Controlling Interest RM'000 | |
| <u>9 months period ended 30 September 2023</u> | | | | | | | |
| At 1 January 2023 | 41,531 | (597) | - | 825 | 78,397 | 89 | 120,245 |
| <u>Comprehensive Income</u> | | | | | | | |
| Profit for the financial period | - | - | - | - | 4,001 | 5 | 4,006 |
| <u>Other Comprehensive Income</u> | | | | | | | |
| Currency translation difference | - | - | - | 856 | - | | 856 |
| Total Comprehensive income | - | - | - | 856 | 4,001 | 5 | 4,862 |
| <u>Contribution by and distributions to owners of the Company</u> | | | | | | | |
| - Dividend paid by the Company | - | - | - | - | (2,362) | - | (2,362) |
| At 30 September 2023 | 41,531 | (597) | - | 1,681 | 80,036 | 94 | 122,745 |
| <u>9 months period ended 30 September 2024</u> | | | | | | | |
| At 1 January 2024 | 41,531 | (597) | - | 1,737 | 81,035 | 97 | 123,803 |
| <u>Comprehensive Income</u> | | | | | | | |
| Profit for the financial period | - | - | - | - | 4,061 | 7 | 4,068 |
| <u>Other Comprehensive Income</u> | | | | | | | |
| Currency translation difference | - | - | - | (1,534) | - | - | (1,534) |
| Total Comprehensive income | - | - | - | (1,534) | 4,061 | 7 | 2,534 |
| <u>Contribution by and distributions to owners of the Company</u> | | | | | | | |
| - Dividend paid by the Company | - | - | - | - | (10,236) | - | (10,236) |
| At 30 September 2024 | 41,531 | (597) | - | 203 | 74,860 | 104 | 116,101 |

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 30 September 2024 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 Third Quarter Ended 30 September 2024**

| | Note | Current Year Quarter 30 Sep 2024 RM'000 (unaudited) | Preceding Year Corresponding Quarter 30 Sep 2023 RM'000 (unaudited) |
|---|------|--|---|
| CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES | | | |
| Profit before taxation | | 6,134 | 5,385 |
| Adjustments for: | | | |
| Reversal of impairment loss on trade receivables | | (525) | (391) |
| Impairment loss on trade receivables | | 478 | 188 |
| Reversal of inventories written down | | (606) | (30) |
| Inventories written down | | 324 | 653 |
| Bad debts written off | | - | 4 |
| Dividends received | | (45) | (40) |
| Depreciation of property, plant and equipment | | 3,171 | 3,457 |
| Depreciation of investment properties | | 167 | 167 |
| Depreciation of right-of-use of assets | | 123 | 143 |
| Reversal of impairment loss on plant and equipment | | - | (45) |
| (Gain)/Loss on disposal of property, plant and equipment | | (14) | 9 |
| Unrealised loss/(gain) on foreign exchange | | 344 | (565) |
| Interest expense | | 14 | 14 |
| Interest expense on lease payment | | 6 | 8 |
| Interest income | | (1,073) | (1,118) |
| Operating profit before working capital changes | | 8,498 | 7,839 |
| (Increase)/Decrease in inventories | | (3,045) | 1,332 |
| Increase in trade & other receivables | | (1,718) | (2,704) |
| (Decrease)/Increase in trade & other payables | | (1,366) | 1,018 |
| (Decrease)/Increase in amount owing to a related company | | (116) | 20 |
| Decrease in amount owing to directors | | (133) | (255) |
| Cash inflow from operations | | 2,120 | 7,250 |
| Interest received | | 1,073 | 1,118 |
| Interest paid | | (20) | (22) |
| Income tax paid | | (1,698) | (1,625) |
| Net cash inflow from operating activities | | 1,475 | 6,721 |
| CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES | | | |
| Purchase of property, plant and equipment | | (1,922) | (2,150) |
| Proceeds from disposal of plant and equipment | | 14 | 31 |
| Dividends received | | 45 | 40 |
| Withdrawal/(Placement) of fixed deposits with tenure more than 3 months | | 27,467 | (30,117) |
| (Increase)/Withdrawal in pledged fixed deposits with licenced banks | | (25) | 937 |
| Net cash outflow from/(for) investing activities | | 25,579 | (31,259) |
| CASH FLOWS FOR FINANCING ACTIVITIES | | | |
| Dividends paid | | (10,236) | (2,362) |
| Repayment in lease liabilities | | (124) | (142) |
| Net cash outflow for financing activities | | (10,360) | (2,504) |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | | 16,694 | (27,042) |
| EFFECTS OF CHANGES IN FOREIGN EXCHANGE | | (737) | 275 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER | | 14,372 | 39,694 |
| CASH AND CASH EQUIVALENTS AT END OF THE QUARTER | A16 | 30,329 | 12,927 |

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 30 September 2024. 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 2023 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 30 SEPT 2024

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 2023. 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 2023.

A2. Changes in Accounting Policies

The audited financial statements of the Group for the financial year ended 31 December 2023 were prepared in accordance with MFRS. The new accounting standards adopted in preparing these Condensed Report are consistent with those of the audited financial statements for the year ended 31 December 2023, 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)

MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts

Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information

Amendments to MFRS 101: Disclosure of Accounting Policies

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

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group except as follows: -

The Amendments to MFRS 101 ‘Disclosure of Accounting Policies’ did not result in any changes to the existing accounting policies of the Company. The amendments require the disclosure of ‘material’ rather than ‘significant’ accounting policies and provide guidance on how entities apply the concept of materiality in making decisions about the material accounting policy disclosures.

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PART A: EXPLANATORY NOTES PURSUANT 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 18 Presentation and Disclosure in Financial Statements | 1 January 2027 |
| MFRS 19 Subsidiaries without Public Accountability: Disclosures | 1 January 2027 |
| Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments | 1 January 2026 |
| 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 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 107 and MFRS 7: Supplier Finance Arrangements | 1 January 2024 |
| Amendments to MFRS 121: Lack of Exchangeability | 1 January 2025 |
| Annual Improvements to MFRS Accounting Standards – Volume 11 | 1 January 2026 |

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 2023 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 change 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 2024 | 1,264,800 | 596,563.97 |
| No transaction for the financial periods | - | - |
| At 30 September 2024 | <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 30 September 2024.

A9. Segment information

Business Segment

Segmental information by the Group for the cumulative financial period ended 30 September 2024 is as follows: -

| | Malaysia RM'000 | Vietnam RM'000 | Singapore RM'000 | The Group RM'000 |
|--|--------------------|-------------------|---------------------|---------------------|
| Revenue | | | | |
| External revenue | 51,810 | - | 1,646 | 53,456 |
| Results | | | | |
| Segment profit | 6,359 | 462 | (151) | 6,670 |
| Finance costs | | | | (20) |
| Consolidation adjustments | | | | (516) |
| Consolidated profit before taxation | | | | 6,134 |
| Assets | | | | |
| Segment assets | 159,176 | 3,928 | 13,442 | 176,546 |
| Unallocated assets: | | | | |
| - deferred tax assets | | | | 4 |
| - current tax assets | | | | 73 |
| Consolidation adjustments | | | | (53,527) |
| Consolidated total assets | | | | 123,096 |
| Additions to non-current assets other than financial instruments are: | | | | |
| Property, plant and equipment | 1,922 | - | - | 1,922 |
| Right-of-use assets | 27 | - | - | 27 |
| Liabilities | | | | |
| Segment liabilities | 4,489 | 132 | 281 | 4,902 |
| Unallocated liabilities: | | | | |
| - deferred tax liabilities | | | | 2,104 |
| - lease liabilities | | | | 133 |
| - current tax liabilities | | | | 618 |
| Consolidation adjustments | | | | (762) |
| Consolidated total liabilities | | | | 6,995 |

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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 cumulative financial period ended 30 September 2023 is as follows: -

| | Malaysia RM'000 | Vietnam RM'000 | Singapore RM'000 | The Group RM'000 |
|---|--------------------|-------------------|---------------------|---------------------|
| Revenue | | | | |
| External revenue | 46,193 | - | 2,424 | 48,617 |
| Results | | | | |
| Segment profit | 5,624 | 446 | (146) | 5,924 |
| Finance costs | | | | (22) |
| Consolidation adjustments | | | | (517) |
| Consolidated profit before taxation | | | | 5,385 |
| Assets | | | | |
| Segment assets | 165,519 | 4,472 | 14,856 | 184,847 |
| Unallocated assets: | | | | |
| - deferred tax assets | | | | 5 |
| - current tax assets | | | | 51 |
| Consolidation adjustments | | | | (53,713) |
| Consolidated total assets | | | | 131,190 |
| Additions to non-current assets other than financial instruments are: | | | | |
| Property, plant and equipment | 2,150 | - | - | 2,150 |
| Right-of-use assets | 228 | - | - | 228 |
| Liabilities | | | | |
| Segment liabilities | 6,652 | 147 | 497 | 7,296 |
| Unallocated liabilities: | | | | |
| - deferred tax liabilities | | | | 2,114 |
| - lease liabilities | | | | 332 |
| - current tax liabilities | | | | 369 |
| Consolidation adjustments | | | | (1,666) |
| Consolidated total liabilities | | | | 8,445 |

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**PART A: EXPLANATORY NOTES PURSUANT 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 30 September 2024.

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 |

UMS-NEIKEN GROUP BERHAD
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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 | 3,624 |
| Acquisition of machinery and mould | 587 |
| Acquisition of IT equipment/software | 374 |
| | 4,585 |
| | 4,585 |

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 30.09.2024 RM’000 (Unaudited) | Preceding Year Corresponding Quarter 30.09.2023 RM’000 (Unaudited) | Cumulative Current Year to Date 30.09.2024 RM’000 (Unaudited) | Cumulative Preceding Corresponding Year to Date 30.09.2023 RM’000 (Unaudited) |
|---|--|---|---|--|--|
| United MS Cables Mfg Sdn. Bhd. (“UMSC”) | Purchase of electrical wire | 162 | 201 | 555 | 495 |
| UMSC | Sales of electrical accessories, devices | * | 2 | 1 | 4 |

* < RM1,000

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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 30.09.2024 RM'000 (Unaudited) | At 30.09.2023 RM'000 (Unaudited) |
|--|---|---|
| Short term investments | 22,974 | 6,445 |
| Fixed deposits with licenced banks | 6,345 | 33,204 |
| Cash and bank balances | 7,355 | 6,482 |
| | <hr/> | <hr/> |
| | 36,674 | 46,131 |
| Less: Fixed deposits pledged with licenced banks | (1,031) | - |
| Fixed deposits with tenure of more than 3 months | (5,314) | (33,204) |
| | <hr/> | <hr/> |
| | 30,329 | 12,927 |
| | <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 | 4.1220 |
| Singapore Dollar | 3.2204 |

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

B1. Review of Performance

| | Individual Quarter | | Year to date | |
|------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | 30.09.2024 RM'000 (unaudited) | 30.09.2023 RM'000 (unaudited) | 30.09.2024 RM'000 (unaudited) | 30.09.2023 RM'000 (unaudited) |
| Revenue | 17,408 | 17,940 | 53,456 | 48,617 |
| Profit before taxation | 1,056 | 1,959 | 6,134 | 5,385 |

The Group achieved revenue of approximately RM17.4 million for the quarter ended 30 September 2024. This represented a decrease of approximately 3% as compared to the corresponding quarter in the preceding year. The lower revenue was mainly due to lower demand in export and Singapore segment mitigated by the improvement in the local demand in Malaysia. Profit before taxation decreased mainly due to lower profit margin on manufactured goods and unfavourable exchange rate movement despite higher reversal in impairment loss for trade receivables, as compared to the prior period.

For the cumulative 9 months period ended 30 September 2024, revenue improved by approximately 10% as compared to the preceding financial period in 2023. In line of higher revenue, the profit margin increased despite the lower reversal in impairment loss allowance made on trade receivables and unfavourable foreign exchange movement for the cumulative period to date.

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

| | Individual Quarter | |
|------------------------|-------------------------------------|-------------------------------------|
| | 30.09.2024 RM'000 (unaudited) | 30.06.2024 RM'000 (unaudited) |
| Revenue | 17,408 | 20,190 |
| Profit before taxation | 1,056 | 2,366 |

The Group achieved revenue of approximately RM17.4 million for the current quarter under review as compared to almost RM20.2 million in the immediate preceding quarter, registering a decrease of approximately 14%. This was mainly due to overall lower demand which was caused by weaker market sentiment.

In line with the lower revenue, profit before taxation of the Group for the current quarter under review decreased compared to the immediate preceding quarter, as explained above in B1.

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

B3. Current Year Prospects

The Group noted potential downside risks that could affect Malaysia's growth outlook. These include policy-induced inflationary pressures, subdued market sentiment, fluctuation in foreign exchange movement, possible escalation of geopolitical tensions and uncertainties related to the global economy, including the US presidential election in November 2024 and slower growth in major economies like the US and China.

However, the Group is cautiously optimistic on the performance of the Group for the remaining period for this 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 30.09.2024 RM'000 (unaudited) | Preceding Year Corresponding Quarter 30.09.2023 RM'000 (unaudited) | Cumulative Current Year to Date 30.09.2024 RM'000 (unaudited) | Cumulative Preceding Corresponding Year to Date 30.09.2023 RM'000 (unaudited) |
|---|---|---|--|--|
| Profit before taxation is arrived at after charging/(crediting): - | | | | |
| Impairment loss on trade receivables | - | 188 | 478 | 188 |
| Depreciation of property, plant and equipment | 1,033 | 1,127 | 3,171 | 3,457 |
| Depreciation of investment properties | 53 | 56 | 167 | 167 |
| Depreciation of right-of-use of assets | 41 | 49 | 82 | 143 |
| Interest expense on financial liabilities that are not at fair value through profit or loss | 4 | 5 | 14 | 14 |
| Interest expenses on lease liabilities | 2 | 3 | 6 | 8 |
| Inventories written down | 40 | 114 | 324 | 653 |
| Loss/(Gain) on foreign exchange | | | | |
| - unrealised | 548 | (87) | 344 | (565) |
| - realised | 177 | 41 | 226 | 133 |
| Loss/(Gain) on disposal | | | | |
| - plant and equipment | - | - | (14) | 9 |
| Bad debts written off | - | - | - | 4 |
| Total interest income on financial assets measured at amortised cost | (182) | (352) | (775) | (1,000) |
| Total interest income on financial assets measured at fair value through profit or loss | (123) | (32) | (298) | (118) |
| Reversal of inventories written down | (79) | - | (606) | (30) |
| Reversal of impairment loss on property, plant and equipment | - | - | - | (45) |
| Reversal of impairment loss on trade receivables | (525) | - | (525) | (391) |

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 30.09.2024 RM'000 (Unaudited) | Preceding Year Corresponding Quarter 30.09.2023 RM'000 (Unaudited) | Cumulative Current Year to Date 30.09.2024 RM'000 (Unaudited) | Cumulative Preceding Corresponding Year to Date 30.09.2023 RM'000 (Unaudited) |
|------------------------|---|---|--|---|
| Current tax Expense | 612 | 330 | 2,066 | 1,379 |

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 and cumulative financial period to date are higher than the statutory rate. This is mainly due to higher non-tax-deductible expenses and the adjustment in this quarter for the under-provision of tax in the previous financial year, by the subsidiaries in Malaysia.

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 does not recommend any interim dividend in respect of the financial year ending 31 December 2024 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 30.09.2024 (Unaudited) | Preceding Year Corresponding Quarter 30.09.2023 (Unaudited) | Cumulative Current Year to Date 30.09.2024 (Unaudited) | Preceding Corresponding Year to Date 30.09.2023 (Unaudited) |
|--|--|--|---|--|
| Profit attributable to Equity holders of parent (RM'000): | <u>447</u> | <u>1,626</u> | <u>4,061</u> | <u>4,001</u> |
| Weighted average number of ordinary shares of RM0.50 each in issue | <u>78,735</u> | <u>78,735</u> | <u>78,735</u> | <u>78,735</u> |
| Basic Earnings Per Share based on the weighted average number of shares in issue (sen) | <u>0.57</u> | <u>2.07</u> | <u>5.16</u> | <u>5.08</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 third quarterly report was authorised for issued by the Board of Directors in accordance with the resolution of the directors on 22 November 2024.