



**UZMA BERHAD**

(Company No: 200701011861 (769866-V))

**Quarterly Report on Consolidated Financial Results  
For the Third Quarter Ended 31 March 2023**



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND PERIOD ENDED 31 MARCH 2023**

	(Unaudited) Current 3 Months Quarter Ended 31.03.23 RM'000	(Unaudited) Corresponding 3 Months Quarter Ended 31.03.22 RM'000	(Unaudited) Cumulative 9 Months Year To Date 31.03.23 RM'000	(Audited) Corresponding 9 Months Year To Date 31.03.22 RM'000
Revenue	86,264	91,989	347,315	269,059
Cost of sales	<u>(48,378)</u>	<u>(60,469)</u>	<u>(206,016)</u>	<u>(157,846)</u>
Gross profit	37,886	31,520	141,299	111,213
Other income	4,627	4,533	12,394	7,753
Administrative expenses	(13,969)	(18,703)	(59,122)	(59,897)
Other expenses	(2,932)	(2,059)	(12,827)	(6,553)
Depreciation	(11,789)	(10,858)	(35,402)	(35,174)
Operating profit	<u>13,823</u>	<u>4,433</u>	<u>46,342</u>	<u>17,342</u>
Finance costs	(5,825)	(5,679)	(15,620)	(17,124)
Share of profit of investments accounted for using the equity method	-	(166)	522	(353)
Profit before taxation	<u>7,998</u>	<u>(1,412)</u>	<u>31,244</u>	<u>(135)</u>
Income tax expense	<u>530</u>	<u>2,306</u>	<u>(2,356)</u>	<u>1,688</u>
Profit after taxation	<u><u>8,528</u></u>	<u><u>894</u></u>	<u><u>28,888</u></u>	<u><u>1,553</u></u>
Profit after taxation attributable to :-				
Owners of the Company	9,187	1,192	28,315	1,590
Non-Controlling Interest	<u>(659)</u>	<u>(298)</u>	<u>573</u>	<u>(37)</u>
	<u><u>8,528</u></u>	<u><u>894</u></u>	<u><u>28,888</u></u>	<u><u>1,553</u></u>
Earning per share				
- Basic/Diluted (sen)	<u><u>2.61</u></u>	<u><u>0.34</u></u>	<u><u>8.04</u></u>	<u><u>0.45</u></u>

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this report.



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND PERIOD ENDED 31 MARCH 2023**

	(Unaudited) 3 Months Quarter Ended 31.03.23 RM'000	(Unaudited) 3 Months Quarter Ended 31.03.22 RM'000	(Unaudited) 9 Months Year To Date 31.03.23 RM'000	(Audited) 9 Months Year To Date 31.03.22 RM'000
Profit after taxation	8,528	894	28,888	1,553
Other comprehensive income, net of tax				
Item that may be reclassified subsequently to profit or loss:				
-Foreign currency translation differences	(6,771)	(982)	(2,096)	159
Total comprehensive income for the financial period	<u>1,757</u>	<u>(88)</u>	<u>26,792</u>	<u>1,712</u>
Profit after taxation attributable to :-				
Owners of the Company	9,187	1,192	28,315	1,590
Non-Controlling Interest	(659)	(298)	573	(37)
	<u>8,528</u>	<u>894</u>	<u>28,888</u>	<u>1,553</u>
Total comprehensive income attributable to:-				
Owners of the Company	2,897	822	26,231	2,022
Non-Controlling Interest	(1,140)	(910)	561	(310)
	<u>1,757</u>	<u>(88)</u>	<u>26,792</u>	<u>1,712</u>

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this report.



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2023**

	(Unaudited) As at 31.03.2023 RM'000	(Audited) As at 30.06.2022 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	493,902	496,764
Right of use assets	20,401	23,842
Intangible assets	202,350	204,899
Investments in associates	10,776	11,489
Deferred tax assets	2,401	2,365
Trade and other receivables	5,557	5,957
Other investments	4,080	4,080
	<u>739,467</u>	<u>749,396</u>
<b>Current assets</b>		
Inventories	41,496	46,208
Trade and other receivables	212,647	170,074
Contract assets	61,215	166,090
Other investments	107	241
Current tax assets	20,691	17,379
Deposits, cash and bank balances	117,019	110,615
	<u>453,175</u>	<u>510,607</u>
<b>TOTAL ASSETS</b>	<u><u>1,192,642</u></u>	<u><u>1,260,003</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	307,535	307,535
Foreign currency translation reserve	33,494	35,578
Capital reserve	375	375
Merger deficit	(29,700)	(29,700)
Fair value reserve	(6,000)	(6,000)
Retained earnings	173,368	146,402
	<u>479,072</u>	<u>454,190</u>
Perpetual sukuk	40,852	40,852
Non-controlling interests	29,573	29,582
<b>Total equity</b>	<u>549,497</u>	<u>524,624</u>
<b>Non-current liabilities</b>		
Loan and borrowings	172,022	234,116
Lease liabilities	5,891	12,954
Deferred tax liabilities	22,814	23,645
Trade and other payables	22,804	4,149
Post employment benefit liabilities	146	2,744
Deferred income	14,230	14,862
	<u>237,907</u>	<u>292,470</u>
<b>Current liabilities</b>		
Loans and borrowings	202,413	216,726
Lease liabilities	2,126	3,647
Trade and other payables	196,666	221,602
Contract liabilities	357	357
Current tax liabilities	3,676	577
	<u>405,238</u>	<u>442,909</u>
<b>Total liabilities</b>	<u>643,345</u>	<u>735,379</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>1,192,642</u></u>	<u><u>1,260,003</u></u>
<b>Net asset per share attributable to owners of the parent (RM)</b>	<u>1.48</u>	<u>1.41</u>

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this report.



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THIRD QUARTER AND PERIOD ENDED 31 MARCH 2023**

	<-----Non- Distributable----->					Distributable				
	Share Capital RM'000	Foreign Exchange Translation Reserves RM'000	Capital Reserve RM'000	Merger Deficit RM'000	Fair Value Reserve RM'000	Retained Earnings RM'000	Attributable To The Owners Of The Company RM'000	Perpetual Sukuk RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
<b>Balance at 01.07.2021, restated</b>	290,069	30,847	375	(29,700)	(6,000)	143,320	428,911	40,852	30,948	500,711
Total comprehensive loss for the financial year										
Profit for the financial year	-	-	-	-	-	5,045	5,045	-	1,535	6,580
Actuarial gain from employee benefits	-	-	-	-	-	124	124	-	18	142
Fair value loss of equity instruments at fair value through other comprehensive income	-	-	-	-	-	(205)	(205)	-	-	(205)
Foreign currency translation reserve	-	4,731	-	-	-	-	4,731	-	64	4,795
Total comprehensive loss	-	4,731	-	-	-	4,964	9,695	-	1,617	11,312
<b>Transaction with owners</b>										
Changes in ownership interest of subsidiaries	-	-	-	-	-	320	320	-	(634)	(314)
Non-controlling interest arising from acquisition of new subsidiaries	-	-	-	-	-	-	-	-	4	4
Dividend paid by the subsidiaries to non-controlling interest	-	-	-	-	-	-	-	-	(2,353)	(2,353)
Issuance of ordinary shares pursuant to private placement	17,628	-	-	-	-	-	17,628	-	-	17,628
Transaction costs of share issue	(162)	-	-	-	-	-	(162)	-	-	(162)
Distribution to perpetual sukuk holders	-	-	-	-	-	(2,202)	(2,202)	-	-	(2,202)
Total transaction with owners	17,466	-	-	-	-	(1,882)	15,584	-	(2,983)	12,601
<b>Balance at 30.06.2022</b>	<b>307,535</b>	<b>35,578</b>	<b>375</b>	<b>(29,700)</b>	<b>(6,000)</b>	<b>146,402</b>	<b>454,190</b>	<b>40,852</b>	<b>29,582</b>	<b>524,624</b>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this report.



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THIRD QUARTER AND PERIOD ENDED 31 MARCH 2023**

	<-----Non- Distributable----->					Distributable		Perpetual Sukuk RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Foreign Exchange Translation Reserves RM'000	Capital Reserve RM'000	Merger Deficit RM'000	Fair Value Reserve RM'000	Retained Earnings RM'000	Attributable To The Owners Of The Company RM'000			
<b>Balance at 01.07.2022</b>	307,535	35,578	375	(29,700)	(6,000)	146,402	454,190	40,852	29,582	524,624
Total comprehensive income for the financial year										
Profit for the financial year	-	-	-	-	-	28,315	28,315	-	573	28,888
Foreign currency translation reserve	-	(2,084)	-	-	-	-	(2,084)	-	(12)	(2,096)
Total comprehensive income	-	(2,084)	-	-	-	28,315	26,231	-	561	26,792
<b>Transaction with owners</b>										
Non-controlling interest arising from acquisition of new subsidiaries	-	-	-	-	-	-	-	-	30	30
Dividend paid by the subsidiaries to non-controlling interest	-	-	-	-	-	-	-	-	(600)	(600)
Distribution to perpetual sukuk holders	-	-	-	-	-	(1,349)	(1,349)	-	-	(1,349)
Total transaction with owners	-	-	-	-	-	(1,349)	(1,349)	-	(570)	(1,919)
<b>Balance at 31.03.2023</b>	<b>307,535</b>	<b>33,494</b>	<b>375</b>	<b>(29,700)</b>	<b>(6,000)</b>	<b>173,368</b>	<b>479,072</b>	<b>40,852</b>	<b>29,573</b>	<b>549,497</b>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this report.



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THIRD QUARTER AND PERIOD ENDED 31 MARCH 2023**

	(Unaudited) Current Year To Date 31.03.23 RM'000	(Unaudited) Corresponding Year To Date 31.03.22 RM'000
<b>Profit before taxation</b>	<b>31,244</b>	<b>(135)</b>
<b>Adjustments for non-cash items :</b>		
Amortisation of intangible assets	3,240	3,425
Depreciation of property, plant and equipment	31,961	34,202
Depreciation of right of use assets	3,441	972
Dividend income	-	(3,300)
Interest income	(431)	(489)
Interest expense	15,600	17,124
Net unrealised loss on foreign exchange	(693)	60
Share of result from equity accounted method	-	353
Unrealised foreign exchange gain	5,310	(153)
<b>Operating profit before working capital changes</b>	<b>89,672</b>	<b>52,059</b>
<b>Changes in working capital</b>	<b>36,072</b>	<b>27,062</b>
<b>Net cash generated from operations</b>	<b>125,744</b>	<b>79,121</b>
Tax paid	(2,665)	(3,472)
Tax refunded	5,250	-
<b>Net cash from operating activities</b>	<b>128,329</b>	<b>75,649</b>
<b>Investing activities</b>		
Interest received	431	489
Proceeds from disposal of plant and equipment	-	1,711
Proceeds from disposal of equity shares in subsidiary	-	2,000
Purchase of property, plant and equipment	(26,699)	(7,750)
Dividend received from an associate	1,235	560
Placement of deposits pledged with licensed banks	3,011	920
<b>Net cash for investing activities</b>	<b>(22,022)</b>	<b>(2,070)</b>
<b>Financing activities</b>		
Proceeds from government grant	-	9,445
Proceed from issuance of private placement	-	17,466
Dividend paid to non-controlling interest	(600)	(1,253)
Interest paid	(15,600)	(17,124)
Net repayment of borrowing	(75,484)	(84,702)
<b>Net cash for financing activities</b>	<b>(91,684)</b>	<b>(76,168)</b>
<b>Net change in cash and cash equivalents</b>	<b>14,623</b>	<b>(2,589)</b>
<b>Effect of exchange rate changes</b>	<b>(4,349)</b>	<b>1,816</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>21,133</b>	<b>50,731</b>
<b>Cash and cash equivalents at end of the period</b>	<b>31,407</b>	<b>49,958</b>
<b>Cash and cash equivalents at end of the period comprised:</b>		
Fixed deposit with licences banks	55,499	75,152
Cash and bank balances	61,520	60,834
Cash and cash equivalent as reported in the Statement of Financial Position	117,019	135,986
Less: Fixed deposits pledged with licensed banks	(43,723)	(42,373)
Less: Bank overdrafts	(41,889)	(43,655)
	<b>31,407</b>	<b>49,958</b>

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this report.



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

## **NOTES TO THE QUARTERLY REPORT ON CONSOLIDATED FINANCIAL RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2023**

### **PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

#### **1. BASIS OF REPORTING PREPARATION**

The significant accounting policies and methods of computation adopted in these interim financial statements are consistent with those adopted in the latest audited financial statements, except for the following:

##### **Adoption of new and revised Malaysian Financial Reporting Standards (“MFRSs”)**

In the current financial year, the Group adopted the following amendments to MFRSs issued by the MASB that are effective for annual financial periods beginning on or after 1 July 2022:

- Amendments to MFRSs Annual Improvements to MFRSs Standards 2018 - 2020
- Amendments to MFRS 3 Reference to Conceptual Framework
- Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to MFRS 137 Onerous Contracts - Costs of Fulfilling a Contract

The adoption of these amendments to MFRSs did not have any material impact on the financial performance or position of the Group for the current financial year.

##### **Amendments to MFRSs in issue but not yet effective**

At the date of authorisation for issue of these financial statements, the relevant Amendments to MFRSs, which were in issue but not yet effective and not early adopted by the Group are as listed below:

###### *Effective for annual periods beginning on or after 1 January 2023*

- MFRS 17 Insurance Contracts
- Amendments to MFRS 4 Extension of the Temporary Exemption from Applying MFRS 9
- Amendments to MFRS 101 Classification of Liabilities as Current and Non-current
- 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 17 Initial Application of MFRS 9 and MFRS17 - Comparative Information

###### *Effective for annual periods beginning on or after 1 January 2024*

- MFRS 16 Leases - Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101 Classification of Liabilities as Current or Non-current
- Amendments to MFRS 101 Non-current Liabilities with Covenants

###### *Effective date of these Amendments to Standards has been deferred, and yet to be announced*

- Amendments to MFRS 10 and MFRS 128 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group will adopt the above standards and amendments when they become effective and the adoption of these amendments is not expected to have any material impact on the financial statements of the Group in the period of initial application.





**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

## **2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

There was no qualification on the audited financial statements of the Group and Company for the financial year ended 30 June 2022.

## **3. SEASONAL OR CYCLICAL FACTORS**

The Group's products and services are dependent on the level of activity, and the corresponding capital spending by oil and gas companies which are consequently affected by volatile oil and natural gas prices, and cyclical in the offshore drilling and oilfield services industries.

## **4. ITEMS OF UNUSUAL NATURE AND AMOUNT**

There were no material unusual items affecting assets, liabilities, equity, net income or cash flow for the financial period ended 31 March 2023, other than as disclosed in these unaudited condensed consolidated financial statements.

## **5. MATERIAL CHANGES IN ESTIMATES**

There were no changes in the estimates of amount relating to the prior financial years that have a material effect in the financial period ended 31 March 2023.

## **6. ISSUANCES, REPURCHASES, AND REPAYMENTS OF DEBT AND EQUITY SECURITIES**

There were no issuances, repurchases and repayments of debt and equity securities during the financial period ended 31 March 2023.

## **7. DIVIDENDS**

No dividend has been paid and or recommended during the financial period ended 31 March 2023.

## **8. SEGMENTAL INFORMATION**

The Group has four reportable segments, as the Group's strategic business units. For each of the strategic business units, the Group Chief Executive Officer together with Management Committee, reviews the internal management report on monthly basis. The Group's reportable segments are described as follows:

- |       |                       |   |
|-------|-----------------------|---|
| (i)   | Upstream O&G Services | - The services under Upstream Oil & Gas ("O&G") Services segments include Well Solutions, Production Solutions, Subsurface Solutions and other upstream related services which involves the provision of geoscience and reservoir engineering, drilling, project and operations services, and other specialised services within the oil and gas industry. |
| (ii)  | Trading               | - Trading segment include manufacturing, marketing, distribution and supply of oilfield chemicals, petrochemical and chemical products, equipment and services.   |
| (iii) | New Energy            | - The services under New Energy segment include developing and operating innovative ways to garner energy from non-fossil fuel and renewable energy, EPC contractor for solar PV and geothermal.  |



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

**8. SEGMENTAL INFORMATION (CON'TD)**

The Group has four reportable segments, as the Group's strategic business units. For each of the strategic business units, the Group Chief Executive Officer together with Management Committee, reviews the internal management report on monthly basis. The Group's reportable segments are described as follows (cont'd):

- (iv) Digitalisation & Technology - The services under Digitalisation & Technology segment include technology and modernisation through software development and digital solutions; supply technology/digitalisation equipment and consumables; aviation and aerospace services.

**(A) REPORTABLE BUSINESS SEGMENTS**

**(I) THE RESULTS OF THE CURRENT QUARTER COMPARED TO THE RESULTS OF THE CORRESPONDING QUARTER**

	<b>(Unaudited) Current 3 Months Quarter Ended 31.03.23</b>		<b>(Unaudited) Corresponding 3 Months Quarter Ended 31.03.22</b>		<b>Difference</b>	
	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>%</b>
<b>REVENUE</b>						
Upstream O&G Services	91,524	88.8	66,048	68.1	25,476	38.6
Trading	9,655	9.4	9,645	9.9	10	0.1
New Energy	1,391	1.3	21,197	21.9	(19,806)	(93.4)
Digitalisation & Technology	-	0.0	55	0.1	(55)	(100.0)
Holding company and dormant companies	646	0.63	-	-	-	-
	<u>103,216</u>	<u>100</u>	<u>96,945</u>	<u>100</u>		
Consolidation adjustments and eliminations	<u>(16,952)</u>		<u>(4,956)</u>		<u>(11,996)</u>	<u>242.1</u>
	<u>86,264</u>		<u>91,989</u>		<u>(5,725)</u>	<u>(6.2)</u>
<b>OPERATING PROFITS</b>						
Upstream O&G Services	16,021		6,089		9,932	163.1
Trading	383		514		(131)	(25.5)
New Energy	2,571		(1,865)		4,436	(237.9)
Digitalisation & Technology	(36)		11		(47)	(427.3)
Holding company and dormant companies	(289)		2,846		(3,135)	(110.2)
Consolidation adjustments and eliminations	<u>(5,027)</u>		<u>(3,162)</u>		<u>(1,865)</u>	<u>59.0</u>
	<u>13,623</u>		<u>4,433</u>		<u>9,190</u>	<u>207.3</u>



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

**8. SEGMENTAL INFORMATION (CON'TD)**

**(A) REPORTABLE BUSINESS SEGMENTS (CONT'D):**

**(II) THE RESULTS OF THE CURRENT YEAR COMPARED TO THE RESULTS OF THE CORRESPONDING YEAR**

	<b>(Unaudited) Current 9 Months Year To Date 31.03.23</b>		<b>(Unaudited) Corresponding 9 Months Year To Date 31.03.22</b>		<b>Difference</b>	
	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>%</b>
<b>REVENUE</b>						
Upstream O&G Services	292,193	74.9	240,492	80.7	51,701	21.5
Trading	91,420	23.4	33,911	11.4	57,509	169.6
New Energy	6,465	1.7	22,695	7.6	(16,230)	(71.5)
Digitalisation & Technology	218	0.1	1,043	0.3	(825)	(79.1)
Holding company and dormant companies	-	-	-	-		
	<u>390,296</u>	<u>100.0</u>	<u>298,141</u>	<u>100.0</u>		
Consolidation adjustments and eliminations	<u>(42,981)</u>		<u>(29,082)</u>		<u>(13,899)</u>	<u>47.8</u>
	<u>347,315</u>		<u>269,059</u>		<u>78,256</u>	<u>29.1</u>
<b>OPERATING PROFITS</b>						
Upstream O&G Services	65,939		34,556		31,383	90.8
Trading	1,932		2,573		(641)	(24.9)
New Energy	2,255		(2,334)		4,589	(196.6)
Digitalisation & Technology	(99)		(263)		164	(62.4)
Holding company and dormant companies	(9,862)		(2,052)		(7,810)	380.6
Consolidation adjustments and eliminations	<u>(14,023)</u>		<u>(15,138)</u>		<u>1,115</u>	<u>(7.4)</u>
	<u>46,142</u>		<u>17,342</u>		<u>28,800</u>	<u>166.1</u>

**(III) THE RESULTS OF THE CURRENT QUARTER COMPARED TO THE RESULTS OF THE PRECEDING QUARTER**

	<b>(Unaudited) Current Quarter Ended 31.03.23</b>		<b>(Unaudited) Preceding Quarter Ended 31.12.22</b>		<b>Difference</b>	
	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>%</b>
<b>REVENUE</b>						
Upstream O&G Services	91,524	88.8	101,736	65.4	(10,212)	(10.0)
Trading	9,655	9.4	52,269	33.6	(42,614)	(81.5)
New Energy	1,391	1.3	1,498	1.0	(107)	(7.1)
Digitalisation & Technology	-	0.0	-	0.0	-	
Holding company and dormant companies	646	0.63	89	0.06		
	<u>103,216</u>	<u>100</u>	<u>155,592</u>	<u>100</u>		
Consolidation adjustments and eliminations	<u>(16,952)</u>		<u>(16,345)</u>		<u>(607)</u>	<u>3.7</u>
	<u>86,264</u>		<u>139,247</u>		<u>(52,983)</u>	<u>(38.0)</u>
<b>OPERATING PROFITS</b>						
Upstream O&G Services	16,021		22,805		(6,784)	(29.7)
Trading	383		836		(453)	(54.2)
New Energy	2,571		(1,893)		4,464	(235.8)
Digitalisation & Technology	(36)		(20)		(16)	80.0
Holding company and dormant companies	(289)		(3,893)		3,604	(92.6)
Consolidation adjustments and eliminations	<u>(5,027)</u>		<u>(3,233)</u>		<u>(1,794)</u>	<u>55.5</u>
	<u>13,623</u>		<u>14,602</u>		<u>(979)</u>	<u>(6.7)</u>



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

**8. SEGMENTAL INFORMATION (CONT'D)**

**(B) GEOGRAPHICAL SEGMENTS**

**(I) THE RESULTS OF THE CURRENT QUARTER/YEAR COMPARED TO THE RESULTS OF THE CORRESPONDING QUARTER**

	<b>(Unaudited) Current 3 Months Quarter Ended 31.03.23</b>		<b>(Unaudited) Corresponding 3 Months Quarter Ended 31.03.22</b>		<b>Difference</b>	
	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>%</b>
<b>REVENUE</b>						
Malaysia	71,625	69.4	80,575	83.1	(8,950)	(11.1)
Outside Malaysia	<u>31,590</u>	<u>30.6</u>	<u>16,370</u>	<u>16.9</u>	15,220	93.0
	103,215	100.0	96,945	100.0		
Consolidation adjustments and eliminations	<u>(16,951)</u>		<u>(4,956)</u>		<u>(11,995)</u>	<u>242.0</u>
	<u>86,264</u>		<u>91,989</u>		<u>(5,725)</u>	<u>(6.2)</u>
<b>OPERATING PROFITS</b>						
Malaysia	11,938		7,583		4,355	57.4
Outside Malaysia	6,711		12		6,699	55,825.0
Consolidation adjustments and eliminations	<u>(5,026)</u>		<u>(3,162)</u>		<u>(1,864)</u>	<u>59.0</u>
	<u>13,623</u>		<u>4,433</u>		<u>9,190</u>	<u>207.3</u>

**(II) THE RESULTS OF THE CURRENT QUARTER COMPARED TO THE RESULTS OF THE CORRESPONDING YEAR**

	<b>(Unaudited) Current 9 Months Year To Date 31.03.23</b>		<b>(Audited) Corresponding 9 Months Year To Date 31.03.22</b>		<b>Difference</b>	
	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>%</b>
<b>REVENUE</b>						
Malaysia	309,244	79.2	248,932	83.5	60,312	24.2
Outside Malaysia	<u>81,052</u>	<u>20.8</u>	<u>49,209</u>	<u>16.5</u>	31,843	64.7
	390,296	100.0	298,141	100.0		
Consolidation adjustments and eliminations	<u>(42,981)</u>		<u>(29,082)</u>		<u>(13,899)</u>	<u>47.8</u>
	<u>347,315</u>		<u>269,059</u>		<u>78,256</u>	<u>29.1</u>
<b>OPERATING PROFITS</b>						
Malaysia	48,900		30,986		17,914	57.8
Outside Malaysia	11,265		1,494		9,771	654.0
Consolidation adjustments and eliminations	<u>(14,023)</u>		<u>(15,138)</u>		<u>1,115</u>	<u>(7.4)</u>
	<u>46,142</u>		<u>17,342</u>		<u>28,800</u>	<u>166.1</u>



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

**8. SEGMENTAL INFORMATION (CONT'D)**

**(B) GEOGRAPHICAL SEGMENTS (CONT'D)**

**(III) THE RESULTS OF THE CURRENT QUARTER COMPARED TO THE RESULTS OF THE PRECEDING QUARTER**

	(Unaudited) Current Quarter Ended 31.03.23		(Unaudited) Preceding Quarter Ended 31.12.22		Difference	
	RM'000	%	RM'000	%	RM'000	%
<b>REVENUE</b>						
Malaysia	71,625	69.4	128,859	82.8	(57,234)	(44.4)
Outside Malaysia	31,590	30.6	26,733	17.2	4,857	18.2
	<u>103,215</u>	<u>100.0</u>	<u>155,592</u>	<u>100.0</u>		
Consolidation adjustments and eliminations	<u>(16,951)</u>		<u>(16,345)</u>		<u>(606)</u>	<u>3.7</u>
	<u>86,264</u>		<u>139,247</u>		<u>(52,983)</u>	<u>(38.0)</u>
<b>OPERATING PROFITS</b>						
Malaysia	11,938		14,547		(2,609)	(17.9)
Outside Malaysia	6,711		3,289		3,422	104.0
Consolidation adjustments and eliminations	<u>(5,026)</u>		<u>(3,233)</u>		<u>(1,793)</u>	<u>55.5</u>
	<u>13,623</u>		<u>14,603</u>		<u>(980)</u>	<u>(6.7)</u>

**9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

There was no revaluation of property, plant and equipment brought forward from the previous audited financial statements.

**10. CAPITAL COMMITMENTS**

Capital expenditure for property, plant and equipment approved and not provided for in these unaudited condensed consolidated financial statements as of 31 March 2023 is as follows:

	RM'000
Capital expenditure in respect of property, plant and equipment	
- Approved and contracted for	<u>690</u>

**11. MATERIAL EVENTS SUBSEQUENT TO THE END OF PERIOD**

There were no material events subsequent to the end of the current quarter to the date.

**12. CHANGES IN THE COMPOSITION OF THE GROUP**

On 4 July 2022, the Company's wholly-owned subsidiary, Uzma Environergy Sdn Bhd had incorporated wholly-owned subsidiary, namely Environergy Bakti Sdn. Bhd. ("Bakti") with an issued and paid-up capital of 1,000 ordinary shares of RM1 each. The intended principal activity of Bakti was solar system construction.

On 13 September 2022, the Company's wholly-owned subsidiary, Uzma Engineering Sdn Bhd ("UESB") had disposed its entire 60% equity investment in joint venture, namely Rizqma Energy Sdn Bhd for a total consideration of BND1.00.



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

**12. CHANGES IN THE COMPOSITION OF THE GROUP (CONT'D)**

On 1 November 2022, the Group’s wholly owned subsidiary, Uzma Engineering Sdn Bhd (“UESB”), has further subscribed for the additional 69,300 ordinary shares for a total consideration of RM69,300 in Uzma LNG Sdn Bhd (“ULNG”) as ULNG has increased its paid-up share capital from 100 to 100,000 ordinary shares. Following the subscription UESB remained 70% interest in ULNG.

On 31 January 2023, the Group’s wholly owned subsidiary, Uzma Environergy Sdn Bhd (“Enviro”) has further subscribed for the additional 900,000 ordinary shares for a total consideration of RM900,000 in Uzma Kuala Muda Sdn Bhd (“UKM”) as UKM has increased its paid-up share capital from 100,000 to 1,000,000 ordinary shares.

**13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no changes in contingent assets of the Group during the quarter under review.

The Company has given corporate guarantees to licensed financial institutions for banking facilities utilised by its subsidiaries amounting to approximately RM418 million as of 31 March 2023.

**14. SIGNIFICANT RELATED PARTY TRANSACTIONS**

Significant related party transactions which were entered into on agreed terms and prices for the financial period ended 31 March 2023 are set out below. The relationships of the related parties are disclosed in the audited financial statements for the financial year ended 30 June 2022.

	Company RM'000
Related party transaction with subsidiaries:	
- Management fee income	12,910
- Interest income	7,407
- Rental expense	<u>(1,306)</u>

**15. FAIR VALUE MEASUREMENT**

The table below shows the carrying amounts and fair value of the other investments, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of other investments is determined by reference to the redemption price at the end of the reporting period.

	Carrying amount	Level 1	Level 2	Level 3	Fair value
	RM'000	RM'000	RM'000	RM'000	RM'000
Financial Assets					
Other investments	<u>107</u>	<u>-</u>	<u>-</u>	<u>107</u>	<u>107</u>



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

**16. REVIEW OF PERFORMANCE**

**(A) COMPARISON WITH PRECEDING YEAR CORRESPONDING QUARTER**

	(Unaudited) Current 3 Months Quarter Ended/ Year Ended 31.03.2023 RM'000	(Unaudited) Corresponding 3 Months Quarter Ended/ Year Ended 31.03.2022 RM'000	Difference	
			RM'000	%
Revenue	86,264	91,989	(5,725)	(6.2)
Gross profit	37,886	31,520	6,366	20.2
PAT attributable to the Owners of the Company	9,187	1,192	7,995	670.7

The Group's revenue decreased by RM5.7 million or 6.2% for the current quarter under review 31.03.2023 as compared to corresponding quarter 31.03.2022. The decrease is mainly due to decrease in revenue of RM20.2mil from Solar Segment but offset by increase in revenue from Oil & Gas Segments well services in the current quarter under review.

The Group's gross profit increased by RM6.4 million or 20.2% in current quarter ended 31.03.2023 as compared to corresponding quarter 31.03.2022 mainly due to higher gross profit margin at 43.9% (34.3% - 31.03.2022) which contributed from O&G well services activities.

For the current quarter under review 31.03.2023, the Group recorded PAT attributable to Owners increased by RM8 million or 671% for the current quarter under review 31.03.2023 as compared to corresponding quarter 31.03.2022 mainly due to higher gross profits contribution from O&G segment in well services.

**(B) COMPARISON WITH PRECEDING YEAR CORRESPONDING YEAR TO DATE**

	(Unaudited) Current 9 Months Year To Date 31.03.2023 RM'000	(Audited) Corresponding 9 Months Year To Date 31.03.2022 RM'000	Difference	
			RM'000	%
Revenue	347,315	269,059	78,256	29.1
Gross profit	141,299	111,213	30,086	27.1
PAT attributable to the Owners of the Company	28,315	1,590	26,725	1,680.8



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

**16. REVIEW OF PERFORMANCE (CONT'D)**

**(B) COMPARISON WITH PRECEEDING YEAR CORRESPONDING YEAR TO DATE (CONT'D)**

The Group's revenue increased by RM78.3 million or 29.1% for the financial period ended 31.03.2023 compared to 31.03.2022 mainly due to new income contribution in commodities trading from Trading segment amounted to RM38.4 million. In addition, the Upstream O&G Services also improved significantly as restriction on movement control order from pandemic were lifted in the beginning of year 2022.

The Group's gross profit margin increased by RM30.1 million or 27.1% mainly attributable to contribution from Upstream O&G Services segment from well services activities resumed to normal as compared to previous year's corresponding YTD 31.03.2022 which affected by lesser activities and high compliance costs during the pandemic period.

For the current year to date under review 31.03.2023, the Group recorded PAT attributable to Owners increased by RM26.7 million for the current quarter YTD 31.03.2023 as compared to corresponding quarter YTD 31.03.2022 mainly due to higher gross profits contribution from O&G segment in well services and savings from high compliance costs during the pandemic period in previous year.

**17. MATERIAL CHANGES IN THE RESULTS OF THE CURRENT QUARTER COMPARED TO THE RESULTS OF THE PRECEDING QUARTER**

	(Unaudited) Current Quarter Ended 31.03.2023 RM'000	(Unaudited) Preceding Quarter Ended 31.12.2022 RM'000	Difference	
			RM'000	%
Revenue	86,264	139,247	(52,983)	(38.0)
Gross profit	37,886	49,967	(12,081)	(24.2)
PAT after taxation attributable to the Owners of the Company	9,187	10,300	(1,113)	(10.8)

The Group's revenue decreased by RM53.0 million or 38.0% for the current quarter under review 31.03.2023 compared to preceding quarter 31.12.2022 mainly due to decrease in commodities trade volume from Trading segment amounted to RM38mil and lesser activities from O&G well services due to monsoon season in current quarter under review.

The gross profit margin decreased by RM12.1 million or 24.2% for the current quarter ended 31.03.2023 as compared to preceding quarter ended 31.12.2022 mainly due to lesser activities from O&G well services due to monsoon season in current quarter under review.

For the current quarter under review 31.03.2023, the Group recorded a decrease in PAT attributable to Owners of RM1.1 million or 10.8% for the current quarter ended 31.03.2023 as compared to preceding quarter ended 31.12.2022 mainly due to lower profit contributions in O&G sector owing to lesser activities during the monsoon season but was mitigated with lower administration costs reported in current quarter.





**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

## **18. COMMENTARY ON PROSPECTS**

### Upstream O&G Services Segment

The oil prices remain volatile amid concerns over the health of the global economy and oil demand prospects over market sentiment. Asia will lead much of that oil demand growth with China's rebound even stronger than previously expected. The surprise announcement by some OPEC+ countries to cut output from May 2023 will result in world oil supply set to fall further and global oil inventories may again come under pressure. Overall, the oil prices expected to rise on outlook for higher gasoline demand and tighter supply.

The PETRONAS Activity Outlook 2023 – 2025 remains positive for upstream activities such as well services given the oil price recovery and the relaxation of pandemic SOP is a major boost to local companies as Petronas look to increase output to capitalise on current oil prices. Few major contracts awarded by PETRONAS to Uzma Group with an estimated contract value of RM 600 million includes provision of Leasing, Operation and Maintenance of D18 Water Injection Facility, a further two (2) years for the contract for the provision of Coiled Tubing and Services– East Region, provision of Self-Cleaning Through Tubing Perforation, supply of Electrical Submersible Pump (ESP) equipment and services and Gas Lift valve provision, shown a positive outlook from Petronas activity in 2023. In addition, our oilfield chemical solutions are expected to benefit from higher crude production with the recent award from Sarawak Shell Berhad for the provision of Kinetic Hydrate Inhibitor, Corrosion Inhibitor and Associated Services for Timi field. Business activities are seen to recover as countries reopen their economies, contributing to a surge in demand.

### New Energy Segment

We accelerated our efforts to pursue opportunities to diversify and balance our business portfolio beyond the O&G sector, venturing into new key growth areas such as New Energy and, Digitalisation & Technology.

Our renewable energy business is steadily growing. On 8 August 2022, the Energy Commission extended the Power Purchase Agreement (“PPA”) tenure from 21 years to 25 years for our 50 megawatt (“MW”) Large Scale Solar 4 (“LSS4”). Our 50MW LSS4 project has progressed positively with the development order obtains from Majlis Perbandaran Sungai Petani (MPSPK) on 28 May 2022. In Oct 2022, we have submitted application to the authorities for permits such as Earth works permit and Road & Drainage plan and target to site commencement by December 2022. In addition, we also secured several Net Energy Metering (“NEM”) contracts; both as EPCC and PPA holder.

In December 2021, the Ministry of Energy and Natural Resources of Malaysia (KeTSA) set a target to reach 31% of renewable energy share in the national installed capacity mix by 2025. This target supports Malaysia's global climate commitment to reduce its economy-wide carbon intensity (against GDP) of 45% in 2030, compared to 2005 level. The Malaysia Renewable Energy Roadmap (MyRER) is commissioned to support further decarbonisation of the electricity sector in Malaysia through the 2035 milestone. Under MyRER, new capacity target was launched and we expect this will augur well with our strategy to aggressively grow in New Energy business. On 31 October 2022, the Ministry of Energy and Natural Resources announced the implementation of Corporate Green Power Programme administered by Suruhanjaya Tenaga (“ST”). The programme is among the government's initiative to achieve the targeted decarbonisation of electricity sector in Malaysia. On 9 May 2023, ST opened the submission of bid for the Corporate Green Power Program (“CGPP”). The Group has submitted its bid for CGPP. The result is expected to be announced within 3 months from the submission date.

The Board remain cautiously confident to stay resilient facing challenges during these uncertain times, and we believe that our commitment on the execution of our strategic plans will continue to steer our Group towards a sustainable growth.



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

**19. VARIANCE OF REVENUE OR PROFIT ESTIMATE, FORECAST, PROJECTION, OR INTERNAL TARGETS**

The Group has not previously disclosed or announced any revenue or profit estimate, forecast, projection or internal targets in any previous announcement or public documents.

**20. TAXATION**

	(Unaudited) Current Quarter Ended 3 months 31.03.2023 RM'000	(Unaudited) Corresponding Quarter Ended 3 months 31.03.2022 RM'000	(Unaudited) Current Year To Date 9 months 31.03.2023 RM'000	(Audited) Corresponding Year To Date 9 months 31.03.2022 RM'000
Current tax	297	2,032	(3,099)	866
Deferred tax	233	274	743	822
	530	2,306	(2,356)	1,688
Effective tax rate excluding share of profit of joint ventures and associate (%)	6.8	(185.1)	(7.7)	774.3

The effective tax rate for the current period ended 31 December 2022 is lower than the statutory tax rate of 24%, mainly due to the Group's reversal of overprovision of taxes in previous financial year based on higher estimated revenue.

Domestic income tax is calculated at the Malaysian statutory corporate tax rate of 24% of the estimated assessable profit for the period, whilst taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

**21. ADDITIONAL DISCLOSURE**

Other than as presented in the unaudited condensed consolidated statements of comprehensive income and as disclosed the above, there is no other exceptional items for the quarter and financial year under review.

**22. STATUS OF CORPORATE PROPOSAL**

Save as disclosed below, there was no corporate proposal announced but not completed as at the date of this report:-

Private Placement

On 17 March 2023, Kenanga Investment Bank Berhad ("Kenanga IB"), on behalf of the Board of Directors of the Company ("Board"), announced to undertake a Proposed Private Placement of up to 10% of the total number of issued shares of the Company (excluding treasury shares, if any) with the issuance of up to 35,203,050 of the Company shares, at an issue price to be determined later ("Placement Shares").

The Placement Shares will be placed out to third party investor(s) to be identified later. The Placement Shares will be issued based on a discount of not more 10% to the 5-day volume weighted average market price ("VWAMP") of the shares immediately before the price-fixing date, to be determined by the Board after taking into consideration prevailing market conditions.



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

## 22. STATUS OF CORPORATE PROPOSAL (CON'TD)

The listing application was submitted to Bursa Securities on 23 March 2023 and was approved on 27 March 2023. The Proposed Private Placement is expected to be completed by 3<sup>rd</sup> quarter 2023.

## 23. GROUP BORROWINGS AND DEBT SECURITIES

The details of the Group's borrowings are as follows:

	As at 31 March 2023					
	Short term		Long term		Total	
	Foreign Currency ( '000)	RM ( '000)	Foreign Currency ( '000)	RM ( '000)	Foreign Currency ( '000)	RM ( '000)
<u>Secured</u>						
<u>Domestic Currency (RM)</u>						
Term loans	-	28,824	-	90,375	-	119,199
Lease Liabilities	-	1,842	-	5,874	-	7,715
Medium term notes	-	50,000	-	75,000	-	125,000
Invoice financing	-	50,247	-	-	-	50,247
Revolving credits	-	24,805	-	-	-	24,805
Overdrafts	-	41,890	-	-	-	41,890
<u>Foreign Currency</u>						
Term loan (USD)	1,511	6,647	1,511	6,647	3,022	13,295
Lease liabilities (THB)	2,198	284	130	17	2,328	301
Total		<u>204,539</u>		<u>177,913</u>		<u>382,452</u>

	As at 30 June 2022					
	Short term		Long term		Total	
	Foreign Currency ( '000)	RM ( '000)	Foreign Currency ( '000)	RM ( '000)	Foreign Currency ( '000)	RM ( '000)
<u>Secured</u>						
<u>Domestic Currency (RM)</u>						
Term loans	-	33,178	-	99,967	-	133,145
Lease Liabilities	-	3,372	-	12,938	-	16,310
Medium term notes	-	50,000	-	123,652	-	173,652
Invoice financing	-	44,629	-	-	-	44,629
Revolving credits	-	35,674	-	-	-	35,674
Overdrafts	-	42,748	-	-	-	42,748
<u>Foreign Currency</u>						
Term loan (USD)	2,386	10,497	2,435	10,497	4,821	20,994
Lease liabilities (THB)	2,576	275	4,101	16	6,677	291
Total		<u>220,373</u>		<u>247,070</u>		<u>467,443</u>

## 24. DERIVATIVE FINANCIAL INSTRUMENTS

The Group does not have any derivative financial instruments for the quarter and period ended 31 March 2023.



**UZMA BERHAD**

(Company No : 200701011861 (769866-V))

## 25. MATERIAL LITIGATION

In addition to previously disclosed in our quarterly announcement, the current updates are as follows:

### High Court Suit between Uzma Engineering Sdn Bhd (UESB) and Khan Co. Ltd (Khan) and Kong Offshore Malaysia Sdn. Bhd. (Kong)

The hearing of the Stay Applications and UESB's injunction application that was fixed on 24 February 2023 was adjourned and proceeded on 8 May 2023. On 22 May 2023, the High Court had decided in favour of Khan and Kong, i.e. allowed their stay applications. Following this decision, on 23 May 2023, UESB filed an application pursuant to Section 24A(2) of the Courts of Judicature Act 1964 for the whole cause or matter to be tried before an arbitrator.

### Arbitration between Shapadu Energy Services Sdn Bhd (SES) and Uzma Engineering Sdn Bhd (UESB)

On 14 March 2023, UESB served its Notice of Response on SES. This matter is now pending an arbitration agreement to be executed between parties.

## 26. EARNINGS PER SHARE ("EPS")

	(Unaudited) Current Quarter Ended 3 Months 31.03.2023	(Unaudited) Corresponding Quarter Ended 3 Months 31.03.2022	(Unaudited) Current Year To Date 9 Months 31.03.2023	(Unaudited) Corresponding Year To Date 9 Months 31.03.2022
Net profit attributable to owners of the Company (RM'000)	9,187	1,192	28,315	1,590
Weighted average number of ordinary shares in issue ('000)	352,031	352,031	352,031	352,031
Basic EPS (sen)	2.61	0.34	8.04	0.45

### (a) Basic EPS

The basic EPS is calculated based on the Group's Profit Attributable to Owners of the Company divided by the weighted average number of ordinary shares in issue during the financial period ended 31 March 2023.

### (b) Fully diluted EPS

Fully diluted EPS were not computed as there were no outstanding potential ordinary shares to be issued as at the end of the financial period ended 31 March 2023.

BY ORDER OF THE BOARD

Dato' Kamarul Redzuan Bin Muhamed  
Group Chief Executive Officer